

2024

ANNUAL COMPREHENSIVE
FINANCIAL REPORT
City of Tacoma Washington

For the fiscal year ended December 31, 2024

2024 Annual Comprehensive Financial Report

of the City of Tacoma, Washington
for the Year Ended December 31, 2024

Prepared by Department of Finance
Andrew Cherullo, Finance Director



City of Tacoma, Washington
Finance Department
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www.cityoftacoma.org/finance



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INTRODUCTORY SECTION	Page
Letter of Transmittal	1-1
GFOA Certificate of Achievement	1-7
Organizational Chart	1-8
Elected Officials	1-9
City Officials	1-10
 FINANCIAL SECTION	
Independent Auditor's Report	2-1
Management's Discussion and Analysis	2-7
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	3-2
Statement of Activities	3-4
Fund Financial Statements:	
Balance Sheet - Governmental Funds	3-6
Reconciliation of Balance Sheet – Governmental Funds to the Government-wide Statement of Net Position	3-7
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	3-8
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds to the Government-wide Statement of Activities	3-9
Statement of Net Position - Proprietary Funds	3-10
Reconciliation of Enterprise Net Position to Government-wide Statement of Net Position	3-14
Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds	3-15
Reconciliation of the Statement of Revenues, Expenditures and Changes in Net Position to Enterprise Funds Statement of Activities	3-17
Statement of Cash Flows - Proprietary Funds	3-18
Statement of Net Position - Fiduciary Funds	3-22
Statement of Changes in Net Position - Fiduciary Funds	3-23
Notes to the Financial Statements	3-24
Required Supplementary Information:	
Proportionate Share of NPL and Contributions – LEOFF 1	4-1
Proportionate Share of NPL and Contributions – LEOFF 2	4-2
Schedule of the City of Tacoma's Contributions	4-3
Proportionate Share of NPL and Contributions – TERS	4-4
Schedule of Changes in Liability & Related Ratios - Firefighters and Police Relief Pension	4-6
Schedule of Changes in Liability & Related Ratios - OPEB Plan – Total City	4-8
Schedule of Changes in Liability & Related Ratios - OPEB Plan – TERS	4-9
Schedule of Changes in Liability & Related Ratios - OPEB Plan – LEOFF 1	4-10
Schedule of Changes in Liability & Related Ratios - OPEB Plan – LEOFF 2	4-11
Schedule of Changes in Liability & Related Ratios - OPEB Plan – Rail	4-12
Notes to Required Supplementary Information	4-13
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget And Actual - General Fund	4-15
Combining Statements – Non-Major Funds:	
Combining Balance Sheet - Non-Major Governmental Funds Summary	5-2
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - Non-Major Governmental Funds Summary	5-3
Combining Balance Sheet – Non-Major Special Revenue Funds	5-6
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - Non-Major Special Revenue Funds	5-12

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget	
And Actual - Non-Major Special Revenue Funds	5-18
Combining Balance Sheet - Non-Major Debt Service Funds.....	5-44
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	
- Non-Major Debt Service Funds	5-47
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget	
And Actual - Non-Major Debt Service Funds	5-50
Combining Balance Sheet - Non-Major Capital Project Funds	5-58
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	
- Non-Major Capital Project Funds.....	5-60
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget	
And Actual - Non-Major Capital Project Funds	5-62
Combining Statement of Net Position - Non-Major Enterprise Funds.....	5-65
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position -	
Non - Major Enterprise Funds.....	5-71
Combining Statement of Cash Flows - Non-Major Enterprise Funds.....	5-74
Combining Statement of Net Position - Internal Service Funds	5-83
Combining Statement of Revenues, Expenses and Changes in Fund Net Position -	
Internal Service Funds	5-91
Combining Statement of Cash Flows - Internal Service Funds	5-95
Other Supplementary Information:	
Special Assessment Billings and Collections.....	5-103

STATISTICAL SECTION:

Financial Trends:

Net Position by Component	6-1
Changes in Net Position.....	6-3
Fund Balances of Governmental Funds.....	6-7
Changes in Fund Balances of Governmental Funds.....	6-9

Revenue Capacity:

Governmental Activities Tax Revenue by Source	6-11
Assessed and Estimated Actual Value of Taxable Property	6-12
Property Tax Rates - Direct and Overlapping Governments.....	6-13
Property Tax Levies and Collections	6-14
Principal Taxpayers	6-15

Debt Capacity:

Ratios of Outstanding Debt by Type.....	6-17
Ratios of General Bonded Debt Outstanding.....	6-19
Computation of Direct and Overlapping Debt	6-20
Legal Debt Margin Information.....	6-21
Computation of Constitutional Limit of Indebtedness	6-23
Pledged-Revenue Coverage	6-25

Demographic and Economic Information:

Demographic and Economic Statistics.....	6-27
Principal Employers	6-28

Operating Information:

Full-time Equivalent City Government Employees by Employees by Function.....	6-29
Operating Indicators by Function	6-31
Capital Asset Statistics by Function	6-33
Contributing Staff.....	6-35

SECTION 1

INTRODUCTORY SECTION

LETTER OF TRANSMITTAL

GFOA CERTIFICATE OF ACHIEVEMENT

ORGANIZATIONAL CHART

ELECTED OFFICIALS

LIST OF CITY OFFICIALS



Finance

June 30, 2025

Honorable Mayor, Members of the City Council, City Manager and Community Members of City of Tacoma,

We are pleased to present the Annual Comprehensive Financial Report of the City of Tacoma, Washington (the City), for the fiscal year ended December 31, 2024.

The 2024 Annual Report is submitted in accordance with City Charter and state statutes which require that the City issue an annual report on its financial position and activity. Responsibility for the accuracy of the data, its completeness, and its fair presentation of its information, including all disclosures, rests with the City's management. City management has developed a comprehensive framework of internal controls. The cost of these controls should not exceed the benefits, with the objective being to provide reasonable, rather than absolute assurance that the financial statements are free of any material misstatements. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner that presents fairly the financial position and results of operations of the various funds and component units of the City.

Washington State law requires an annual audit of the City's financial statements by the independently elected State Auditor. The State Auditor conducts the examination in accordance with generally accepted auditing standards and provides an independent assessment that helps assure fair presentation of the City's financial position, results of operations, the cash flows of its proprietary fund types, and changes in plan net position of its pension and private-purpose trust funds. In addition to the opinion on the Annual Report, the State Auditor also issues a separate report on internal controls and compliance with laws and regulations that meet the requirements of the Single Audit Act under Title 2 CFR Part 200 Subpart F (OMB Uniform Guidance). These are included in a separately issued report that is typically issued in the fall.

The Governmental Accounting Standards Board (GASB) requires that the Annual Report include the following:

- **Letter of Transmittal** - this letter is a narrative introduction provided by City management that typically includes a discussion of the legal requirements for submitting the Annual Report, a profile of the City's government, economic information that is useful in assessing the economic condition of the City, and ends with a section on awards and acknowledgements;
- **Management's Discussion and Analysis (MD&A)** - this provides a narrative introduction, overview and analysis of the basic financial statements and is meant to be read with and supplement the Letter of Transmittal;
- **Financial Section** – this section provides detail on the City's financial position and activities including government wide financial statements, individual fund statements and notes that are intended to help explain the financial statements; and
- **Statistical Section** - this section includes some basic statistical information about the City and region.

This Letter of Transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the Independent Auditor's Report.

CITY OF TACOMA PROFILE

The City was incorporated on January 7, 1884. The name Tacoma stems from the Native American name for Mt. Rainier, "Tacobet" or "Tahoma", which means Mother of the Waters. "City of Destiny" became Tacoma's moniker when it was designated as the Northern Pacific Railroad's western terminus for its transcontinental railroad in 1873.

Tacoma is located in Pierce County in Washington State on the Puget Sound, thirty-two miles southwest of Seattle, thirty-one miles northeast of the state capital, Olympia and fifty-eight miles northwest of Mount Rainier National Park. Its boundaries encompass approximately 50 square miles of land and 13 miles of waterfront. Lying between sea level and 440 feet above sea level, the 2024 population estimate was 225,100 which is an increase of 1.2% from the 2023 population estimate of 222,400.

The City Charter, under which the City is now governed, was adopted in 1952. The City operates under a council

manager form of government. The City Council is comprised of nine members: a Mayor, five district representatives and three at-large representatives. The City Council appoints a City Manager to carry out Council policies and administer the day-to-day operations of the City. Various departments provide a full range of services to the residents of Tacoma including police and fire protection, electrical generation and distribution, water distribution, wastewater and surface water services, solid waste services, public works (which includes street operations, engineering, facility management and fleet operations), planning and development services, community and economic development, neighborhood and community services, and many others.

The Tacoma City Council adopts a biennial budget for all governmental fund types (special revenue, debt service, enterprise, and internal service) and for the capital project funds, only two of the five capital project funds are legally adopted. All budgets are controlled at the fund level which is the legal level of budgetary control.

The biennial budget process typically begins in February/March of even numbered years. The Office of Management and Budget begins by using the City Council's long-term strategic plan, goals, and priorities as a starting point. In April, City departments begin preparing their budget and the revenue forecasting process is initiated. Community budget engagement begins in June and occurs regularly for the duration of the budget process. After a period of review and updates, a preliminary budget is presented by the City Manager to the City Council in early fall. By Washington State law, the City Council must receive a balanced preliminary budget by October 1st. Formal public budget hearings are conducted by the City Council in October/November. Any changes the Council decides to make to the preliminary budget are typically made after the public hearings and before the final adoption of the budget ordinance in November/December.

Washington State law requires the City Council adopt a balanced budget on or before December 31. State law also requires that a mid-biennial review and modification be conducted between September 1 and December 31 of the first year of the biennium.

The Tacoma Community Redevelopment Authority and the Greater Tacoma Regional Convention Center Public Facilities District are included as component units and are discretely presented within the City's annual financial statements.

FACTORS AFFECTING THE CITY'S FINANCIAL CONDITION

Economic Overview

The City's economy benefits from the presence of large, stable employers in health care, education, professional services, and transportation. Tacoma is also a hub of government including major employers in federal, military, state, county and local governments. The City's diverse economy is influenced by its ideal location in the central Puget Sound region.

The Port of Tacoma (Port), created by Pierce County residents in 1918, has 2,700 acres that are used for shipping terminal activity as well as warehousing, distributing, and manufacturing. Tacoma has one of the few ports on the West Coast with a large inventory of waterfront land available for development. In 2015, the Ports of Seattle and Tacoma formed the Northwest Seaport Alliance to strengthen the Puget Sound gateway - the fourth largest in North America - and create more economic development opportunities.

Government is one of the largest regional employment sectors. The area's major U.S. Military installation, Joint Base Lewis-McChord heavily contributes to the region's workforce. Other large government employers include local public schools, Washington State and Pierce County, and health care organizations. Tacoma is home to several higher education institutions (University of Washington Tacoma, University of Puget Sound and Pacific Lutheran University) as well as several technical and vocational schools including Tacoma Technical College, Bates Technical College, and Clover Park Technical College. The table below provides the 2020 top ten employers in Pierce County as the 2024 information was not available at the time of printing.

TOP TEN EMPLOYERS FOR 2020 (PIERCE COUNTY) - DATA NOT AVAILABLE FOR 2024 AT TIME OF PRINTING

	EMPLOYEES	PERCENTAGE OF TOTAL COUNTY POPULATION	TYPE OF BUSINESS
Joint Base Lewis McChord	54,000	5.8%	Military
Multicare Health System	8,264	0.9%	Health Care
State of Washington	7,859	0.8%	Government
CHI Franciscan Health	5,682	0.6%	Health Care
Tacoma Public Schools	3,649	0.4%	Education
City of Tacoma*	4,035	0.4%	Government
Pierce County Government	3,304	0.4%	Government
Puyallup School District	2,711	0.3%	Education
Bethel School District	2,689	0.3%	Education
Safeway & Albertsons	2,153	0.2%	Retail
Total	94,346	10.1%	

2024 Pierce County Population 933,130

* City of Tacoma shows 2024 data.

The average year-to-date unemployment rate for the Tacoma metropolitan area was 4.5% at the end of 2024 compared to 4.1% and 4.6% for years ending 2023 and 2022, respectively. Tacoma's median household income for 2024 was \$82,652 compared to \$79,085 for 2023.

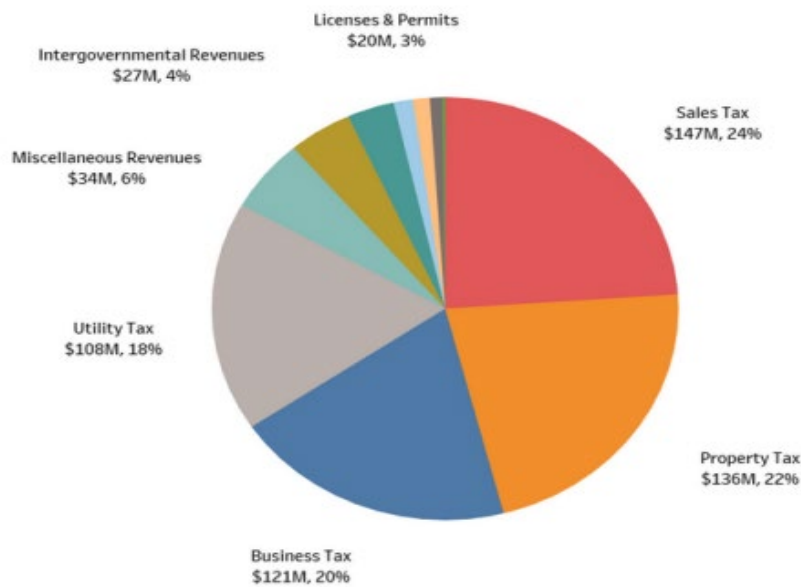
The City's budgeted major revenue sources for the General Fund include property tax, business & occupation (B&O) tax, sales tax and a gross earnings tax (GET) on utilities. Below are each major revenue source and their respective amount and percentage in the 2023-2024 biennial budget.

Property Tax—represents \$135.5 million or 22% of General Fund Revenues. Property tax revenues are limited by state law. The City's levy can only increase by 1% from year to year, as well as adding the value of new construction.

Business Tax - represents \$120.6 million or 20% of General Fund Revenues. Business taxes are paid based on the total income of a business. The City offers exemptions from business taxes for businesses whose gross receipts are less than \$250,000 annually. These revenues are dependent on economic conditions.

Sales Tax – represents \$147.1 million or 24% of General Fund Revenues. Tacoma consumers pay a sales tax rate of 10.3% of which 1.0% is the City's General Fund portion and 0.1% each for the Transportation Benefit District, Mental Health & Chemical Dependency Services, Tacoma Creates and support of affordable housing. These revenues are highly variable depending on economic conditions.

Utility Tax – represents \$108.1 million or 18% of General Fund Revenues. Utility taxes are paid by both private and public utilities and are calculated based on the total operating revenues earned by the utilities.



Property Tax Revenue Limitation

State law allows the City to levy a regular property tax rate of up to \$3.60 per \$1,000 of assessed property value annually. No matter what the assessed value is, however, the growth rate of property tax collections is limited to 1% per year, plus revenues based on new construction. In no event may the annual levy exceed the \$3.60 per \$1,000 of assessed value rate limit. During 2024, the City levied at the statutory limitation of \$2.19 per \$1,000 of assessed value (this is the total levy and includes approximately \$0.20 per \$1,000 related to the Streets Initiative).

Tax Abatements

The City offers five tax abatements in three categories that support affordable housing units, historical property rehabilitation and maintenance, and job creation. The Multi-Family Property Tax Exemption incentivizes development in growth target areas throughout the city, which has led to nearly 3,677 units added in the past five years. The historical property exemption is in place by Revised Code of Washington (RCW) 84.26 and managed by the City. This exemption is in the public interest of the people to encourage maintenance, improvement and preservation of privately owned historic landmarks. The third and final category of tax exemptions are in place by RCW 82.60 to promote economic stimulation and new employment opportunities in distressed areas, thus reducing poverty in distressed counties of the State.

Relevant Financial Policies

Financial and Budget Policy Statements are presented on pages 187-192 of the 2023-2024 Biennial Budget and can be found on the City's website at www.cityoftacoma.org or at the following specific link: [2023-2024 Highlights Section - Overview | City of Tacoma 2023-2024 Adopted Biennial Budget Book \(cleargov.com\)](#)

MAJOR INITIATIVES

During the 2023-2024 biennial budget process, City priorities were identified by the City Council and the community. Some of the major initiatives accomplished during 2024 are:

Community & Economic Development

In March 2024, the City's Community and Economic Development (CED) department launched the \$250,000 Small Business Renewal Grant to support Tacoma-based small businesses in recovering from the impacts of COVID-19. The grant focused on assisting businesses affected by increased crime and vandalism and those with limited access to capital needing tenant improvements to meet evolving compliance requirements, such as curbside seating, safety upgrades, or grease interceptors. Approximately 37 businesses received funding through two grant types: up to \$5,000 for damage repairs caused by a single incident of crime or vandalism, and up to \$10,000 for eligible tenant

improvements.

Tacoma Creates, Washington State's trailblazing cultural access initiative, wrapped up its fourth funding cycle, distributing \$5.8 million to 65 organizations committed to promoting arts, culture, heritage, and science. This competitive program supported the delivery of more than 1,200 cultural programs and events for the Tacoma community throughout the 2023–2024 year.

The City of Tacoma secured a \$4 million grant from the Washington State Department of Commerce through the Community Reinvestment Project (CRP) to support economic revitalization in communities disproportionately affected by the war on drugs. Of this, \$2.6 million will go toward revolving loans via the Tacoma Community Redevelopment Authority, while \$1.1 million will fund rent support, commercial asset grants, and technical assistance for local businesses. The initiative aims to support 50–60 businesses with various programs, including collateral-free and large-scale loans, starting January 21, 2025. This funding is part of a broader \$200 million statewide effort to promote equity through economic development, legal aid, violence prevention, and reentry support.

Participatory Budgeting – District 2 and 4

Tacoma piloted participatory budgeting in Districts 4 and 2, giving residents the opportunity to directly allocate \$1 million in American Rescue Plan Act (ARPA) funds to support cultural events, youth programs, and community infrastructure—demonstrating the City's and NCS's commitment to equity and community-driven investment. Each district convened a 30-member Community Leadership Team to guide the process, supported by robust outreach efforts that included 20 events in District 4 and 25 in District 2, generating more than 1,000 and 2,500 ideas, respectively. Strong community engagement followed, with 12,389 votes cast in District 4 and over 6,000 in District 2, supported by more than 900 and 750 volunteer hours. The initiative reached diverse populations, with youth comprising 30% of voters in District 4 and 24% in District 2. Racial and ethnic representation was broad, and language accessibility played a key role, including over 3,000 ballots submitted in Vietnamese. Ultimately, the winning projects reflected community priorities: District 4 selected the Youth and Cultural Events Project, receiving 43% of the vote (5,348 votes), while District 2 chose a Covered Skate Park under I-705 with Public Art.

Tacoma Police Department

In 2024, the Tacoma Police Department (TPD) earned high marks from the Commission on Accreditation for Law Enforcement Agencies (CALEA) during its on-site review, affirming the department's alignment with national best practices. To enhance transparency and community engagement, TPD launched a public safety dashboard featuring real-time crime and response data, expanded the use of body-worn cameras to build public trust, and continued operating its CALEA public comment portal—first introduced in March 2023—to provide residents with a platform for ongoing feedback.

Alternative Response Programs

The City operates three Alternative Response Programs; the Homeless Engagement and Alternatives (HEAL) Team, the Holistic Outreach Promoting Engagement (HOPE) Team, and Community Service Officers (CSOs), all established under City Council direction and rooted in recommendations from the 2021 21st Century Policing report and the Matrix Consulting Group's analysis of alternatives to traditional law enforcement responses. These programs have been shaped by ongoing input from the Council, community members, stakeholders, and advocacy groups, resulting in the expansion of the HEAL Team and the creation of the HOPE Team and CSOs.

As of November 30, 2024, the HEAL Team made nearly 2,800 contacts with individuals experiencing homelessness, with approximately 600 of those occurring since the last quarterly report in September. Of those contacted, 1,038 (37%) accepted services, and 303 (11%) entered the resource system, including 276 placed in shelter, 12 in detox programs, and 15 connected to Tacoma Fire Department's HOPE Team. By December 1, the HOPE Team had made over 1,800 contacts with around 550 unique community members, including 600 dispatch-driven contacts and more than 1,000 from case management, referrals, and follow-up outreach. In its first six months of operation, the CSO program responded to nearly 800 calls for service, with over 200 contacts made at police substations and more than 500 calls from community members reporting non-emergency, lower-priority concerns. Currently, five trained CSOs are actively serving in the field.

AWARDS AND ACKNOWLEDGEMENTS

Awards

We are pleased to announce that for the 38th year, the Government Finance Officers Association of the United States and Canada (GFOA) has awarded the City of Tacoma a Certificate of Achievement for Excellence in Financial Reporting to the City of Tacoma for its 2023 Annual Report. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. The report

must satisfy both generally accepted accounting principles and applicable legal requirements.

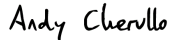
Acknowledgements

We would like to thank the Mayor, members of the City Council, and the City Manager for their continuing leadership, interest and support in planning and conducting the financial operations of the City in a responsible manner. We would also like to thank the residents of the City of Tacoma for their continuing support and advocacy. Finally, we would like to express our appreciation to all City employees for their service and dedication. This report would not be possible without their assistance throughout the year and for providing information for this report.

Special appreciation is extended to the employees of the Finance Department, whose commitment to excellence made this year and this report a success. While a list of the staff who contributed to making this year's Annual Report a success can be found on page 6-35, we would like to specifically thank, Colt Franklin, Diana Kerin-Tate, Ghassan Diab, Van Chung, Thuy Huynh, and Polly Wainaina for their work in bringing the final document together.

Respectfully,

Signed by:

Andy Cherullo

1FAFA3DA59164E0...

Andy Cherullo
Director of Finance
Controller

DocuSigned by:

Susan Calderon

1E7F48CBF27C40A...

Susan Calderon
Assistant Director of Finance/



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Tacoma
Washington**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

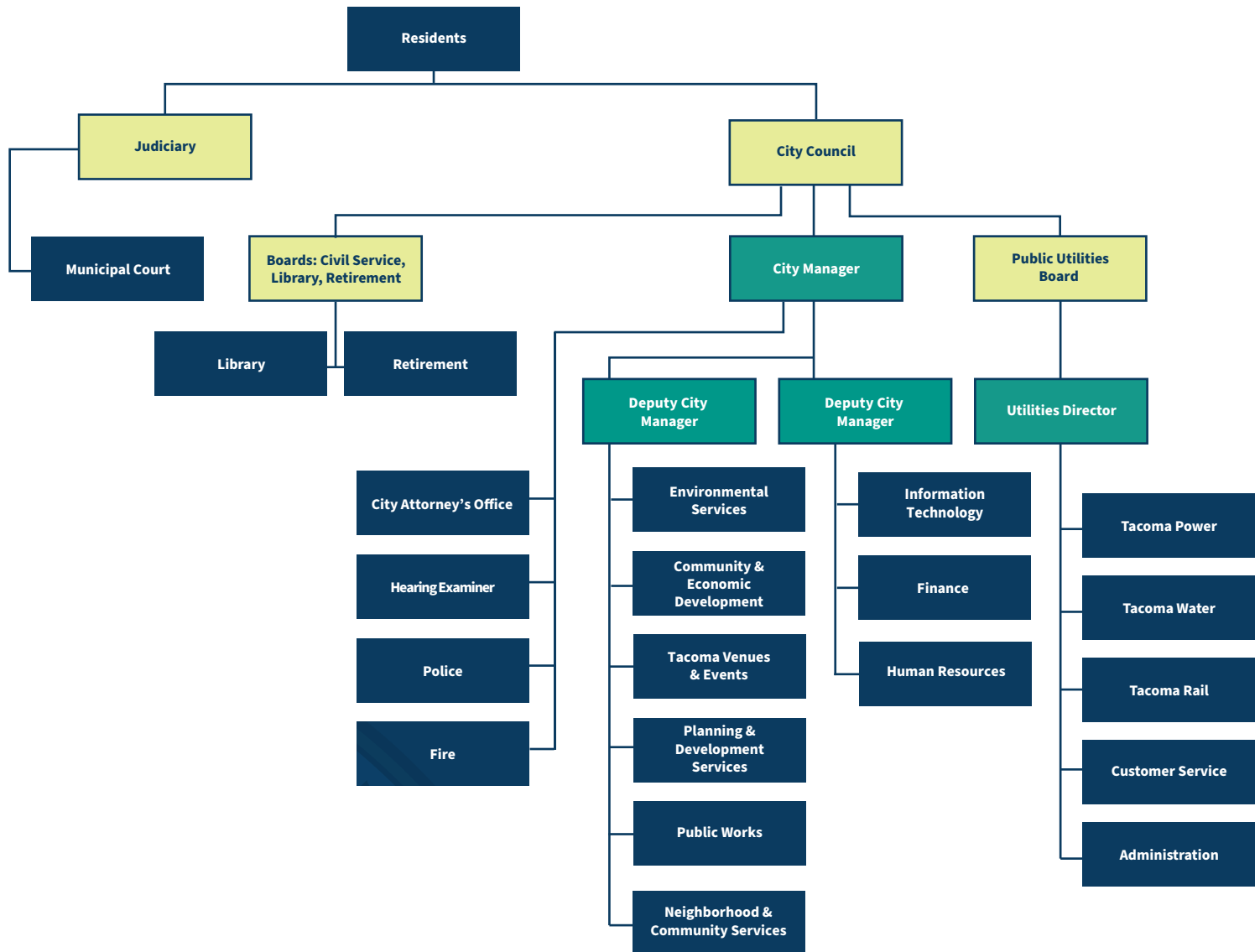
December 31, 2023

A handwritten signature in black ink, reading "Christopher P. Morrell", is displayed on a light pink rectangular background.

Executive Director/CEO



CITYWIDE ORGANIZATIONAL CHART



TACOMA

2024 CITY COUNCIL



Victoria Woodards
Mayor



John Hines
Deputy Mayor



Elizabeth Pauli
City Manager



Sarah Rumbaugh
District 2



Jamika Scott
District 3



Catherine Ushka
District 4
January – May



Sandesh Sadalge
District 4
July – December



Joe Bushnell
District 5



Kiara Daniels
At-Large



Olgy Diaz
At-Large



Kristina Walker
At-Large



City Officials as of December 31, 2024

Council Members

Victoria Woodards
 John Hines
 Joe Bushnell
 Kiara Daniels
 Olgy Diaz
 Sandesh Sadalge
 Sarah Rumbaugh
 Kristina Walker
 Jamika Scott
 Catherine Ushka

Mayor
 Deputy Mayor

Expiration of Term

December 31, 2025
 December 31, 2027
 December 31, 2025
 December 31, 2025
 December 31, 2027
 December 31, 2025
 December 31, 2025
 December 31, 2027
 December 31, 2027
 December 31, 2024

City Manager
 Deputy City Manager
 City Attorney
 Community and Economic Development
 Environmental Services
 Finance
 Fire
 Hearing Examiner
 Human Resources
 Information Technology
 Library
 Management and Budget
 Media and Communications
 Municipal Court
 Neighborhood and Community Services
 Planning and Development Services
 Police
 Public Works
 Tacoma Employees' Retirement System
 Tacoma Venues and Events

Elizabeth Pauli
 Hyun Kim
 Chris Bacha
 Tanja Carter
 Geoffrey Smyth
 Andrew Cherullo
 Sionna Stallings-Ala'ilima
 Jeff Capell
 Shelby Fritz
 Daniel Key
 Kate Larsen
 Kathryn Johnston
 Amy Clancy
 Michelle Petrich
 Allyson Griffith
 Peter Huffman
 Avery Moore
 Ramiro Chavez
 Catherine Marx
 Adam Cook

Director of Utilities/CEO
 Tacoma Power Superintendent
 Tacoma Water Superintendent
 Tacoma Rail
 Customer Service

Jackie Flowers
 Chris Robinson
 Heather Pennington
 Alan Matheson
 Shana Williams

SECTION 2

FINANCIAL SECTION
INDEPENDENT AUDITOR'S REPORT
MANAGEMENT'S DISCUSSION AND ANALYSIS
BASIC FINANCIAL STATEMENTS
REQUIRED SUPPLEMENTARY INFORMATION
COMBINING STATEMENTS—NON-MAJOR FUNDS



**Office of the Washington State Auditor
Pat McCarthy**

June 30, 2025

Mayor and City Council
City of Tacoma
Tacoma, Washington

Report on Financial Statements

Please find attached our report on the City of Tacoma's financial statements.

We are issuing this report for inclusion in the City's annual comprehensive financial report package, which will be issued by the City under the City's own cover.

This report is in addition to our regular financial statement audit report, which will be available on our website and includes the City's basic financial statements.

Sincerely,

Pat McCarthy, State Auditor
Olympia, WA

Americans with Disabilities

In accordance with the Americans with Disabilities Act, we will make this document available in alternative formats. For more information, please contact our Office at (564) 999-0950, TDD Relay at (800) 833-6388, or email our webmaster at webmaster@sao.wa.gov.



**Office of the Washington State Auditor
Pat McCarthy**

**INDEPENDENT AUDITOR'S REPORT ON THE AUDIT OF THE
FINANCIAL STATEMENTS**

Mayor and City Council
City of Tacoma
Tacoma, Washington

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Tacoma as of and for the year then ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Tacoma, as of December 31, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Power, Wastewater, Water, or Solid Waste funds, which are presented as major funds, and in aggregate represent 93.1 percent, 91.2 percent, and 89.9 percent, respectively, of the assets, net position, and revenues of the business-type activities. We also did not audit the financial statements of the Tacoma Rail fund, which represents 1.5 percent, 1.8 percent and 4.1 percent, respectively, of the assets, net position, and revenues of the business-types activities and 2.2 percent, 1.7 percent, and 6.2 percent, respectively, of the assets, net position, and revenues of the aggregate remaining fund information. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Power, Wastewater, Water, Solid Waste, and Tacoma Rail funds, is based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Matters of Emphasis

As discussed in Note 1 to the financial statements, in 2024, the City adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 101, *Compensated Absences*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Performing an audit in accordance with GAAS and *Government Auditing Standards* includes the following responsibilities:

- Exercise professional judgment and maintain professional skepticism throughout the audit;
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed;
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements;
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time; and
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. This information has been subjected to auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

The other information comprises Introductory and Statistical Sections but does not include the basic financial statements and our auditor's report thereon. Management is responsible for the other information included in the financial statements. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or provide any assurance thereon.

In connection with the audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we will also issue our report dated June 30, 2025, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report will be issued under separate cover in the City's Single Audit Report. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial

reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Sincerely,

A handwritten signature in black ink that reads "Pat McCarthy". The signature is written in a cursive, flowing style.

Pat McCarthy, State Auditor

Olympia, WA

June 30, 2025

Management's Discussion and Analysis For the Year Ended December 31, 2024

As management of the City of Tacoma (City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2024. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our Letter of Transmittal, which can be found on page 1-1 to 1-6 of this report. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

- Total assets and deferred outflows of resources exceeded the City's liabilities and deferred inflows of resources by \$3.6 billion. Of this amount, \$746.0 million is reported as unrestricted net position, representing amounts which are available to meet the City's on-going obligations to citizens and creditors.
- The City's overall net position increased by \$118.0 million in 2024. Governmental activities increased the City's net position by \$9.1 million and business-type activities increased the net position by \$108.9 million.
- Tacoma Power's net Position for 2024 was \$954.9 million which was an increase of \$35.8 million from 2023.
- Tacoma Water's net position for 2024 was \$733.8 million which was an increase of \$27.0 million from 2023.
- Tacoma Wastewater and Stormwater's net position for 2024 was \$590.7 million which was an increase of \$31.7 million from 2023.
- Tacoma Solid Waste's net position for 2024 was \$117.2.0 million which was an increase of \$13.3 million from 2023.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements consist of three components: 1) the government-wide financial statements, 2) the fund financial statements, and 3) the notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements intended to furnish additional detail to support the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, and are similar to private sector financial statements. The statements also include the discretely presented component units: Tacoma Community Redevelopment Authority (TCRA) and the Greater Tacoma Regional Convention Center Public Facilities District (GTRCCPD).

The Statement of Net Position includes information on all assets and deferred outflows of resources and all liabilities and deferred inflows of resources of the City's general government as well as its business-type activities. The difference between the assets plus deferred outflows of resources and liabilities plus deferred inflows of resources is reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses reported in this statement for some items will only result in cash flows in future fiscal periods.

Management's Discussion and Analysis For the Year Ended December 31, 2024

Both the Statement of Net Position and the Statement of Activities differentiate the functions of general government from the functions of business-type activities. Governmental activities reflect the City's basic functions such as general government, public safety, transportation, economic environment, social services, and culture and recreation. Governmental activities are primarily supported by taxes and intergovernmental revenues. Business-type activities, primarily utilities, are intended to recover most if not all their costs through user fees and charges for services. The government-wide financial statements can be found on pages 3-2 to 3-5 of this report.

Fund Financial Statements

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

Governmental funds are used to account for the functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near term inflows and outflows of expendable resources, as well as on balances of expendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of government-wide financial statements, it is useful to compare the information presented for the governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison.

The focus of the governmental fund statements is on major funds. A fund is considered major if it represents at least 10% of the assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures of its fund category and at least 5% of the corresponding totals for the governmental and business-type activities combined. All other governmental funds are combined and presented as a single column in the respective governmental fund statements. Individual fund data for each of these combined non-major funds is provided in the form of combining statements elsewhere in this report.

The City adopts a biennial budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 3-6 to 3-9 of this report.

Proprietary Funds

There are two types of proprietary funds, internal service and enterprise, both of which the City uses. Internal service funds are used to accumulate and allocate costs internally among the City's various functions. Because these services primarily benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. There are two exceptions, Self Insurance and Utility Fleet funds, which only service utilities funds and are included within business-type activities. Enterprise funds account for various utilities which provide services such as power, water,

Management's Discussion and Analysis For the Year Ended December 31, 2024

wastewater, stormwater, and solid waste collection. The service area for these utilities is generally broader than the corporate limits of the City. The activities in these funds are primarily supported by user fees and are presented as business-type activities in the government-wide financial statements. The basic proprietary fund financial statements can be found on pages 3-10 to 3-21 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's programs. The accounting used by the fiduciary funds is similar to that used for proprietary funds. The basic fiduciary fund statements can be found on pages 3-22 to 3-23 of this report.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 3-25 to 3-102 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also contains certain **Required Supplementary Information** (RSI) concerning the City's budget. Required supplementary information can be found on pages 4-1 to 4-16 of this report. The **Combining Statements** referred to earlier in connection with Non-Major governmental funds, Non-Major enterprise funds, and internal service funds can be found on pages 5-1 to 5-102 of this report. The **Statistical Section** provides financial trends, revenue and debt capacity, and demographic and economic information about the City's operations. The Statistical Section can be found on pages 6-1 to 6-35.

Management's Discussion and Analysis For the Year Ended December 31, 2024

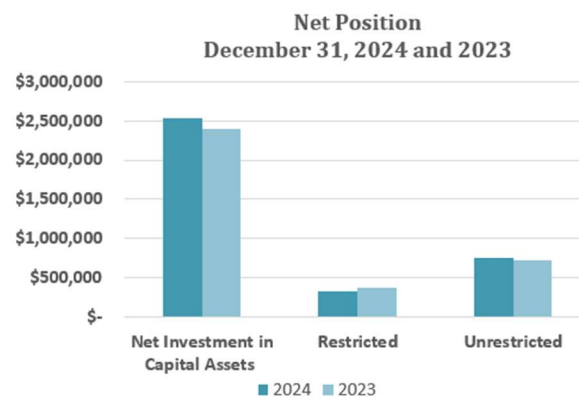
Government-wide Financial Analysis

Statement of Net Position

The following table is a condensed Statement of Net Position for the City for December 31, 2024, which compares the current year to the prior year.

STATEMENT OF NET POSITION (in thousands \$)						
	Governmental Activities		Business-type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Current and other assets	\$ 673,770	\$ 675,917	\$ 1,332,935	\$ 1,365,459	\$ 2,006,705	\$ 2,041,376
Capital assets, net of accumulated depreciation	792,124	775,914	3,240,818	3,160,160	4,032,942	3,936,074
Total assets	1,465,894	1,451,831	4,573,753	4,525,619	6,039,647	5,977,450
Deferred Outflows of Resources	158,052	141,372	123,209	134,312	281,261	275,684
Long-term liabilities	468,200	454,770	1,594,169	1,666,939	2,062,369	2,121,709
Other liabilities	89,245	77,069	150,438	155,206	239,683	232,275
Total liabilities	557,445	531,839	1,744,607	1,822,145	2,302,052	2,353,984
Deferred Inflows of Resources	92,478	96,444	326,372	320,734	418,850	417,178
Net position						
Net investment in capital assets	669,272	648,278	1,866,770	1,745,182	2,536,042	2,393,460
Restricted	236,703	266,942	80,835	99,490	317,538	366,432
Unrestricted	68,048	49,700	678,378	672,380	746,426	722,080
Total net position	\$ 974,023	\$ 964,920	\$ 2,625,983	\$ 2,517,052	\$ 3,600,006	\$ 3,481,972

As noted earlier, net position may serve as a useful indicator of a government's financial position. The City's total assets and deferred outflows of resources exceeded total liabilities and deferred inflows of resources by \$3.6 billion on December 31, 2024. The City's investment in capital assets less any outstanding debt used to acquire those assets, known as the Net Investment in Capital Assets is 70.5% of the total net position. The City uses these capital assets to provide services to its citizens; thus, they do not represent resources available for future spending. Unrestricted net position is 20.7% of the total net position, these are funds readily available for meeting the City's ongoing obligations such as road maintenance, employee salaries and other general government services. The remaining 8.8% of net position is restricted for other purposes such as debt redemption and new capital construction. Governmental activities represent 27.1% of total net position and business-type activities represent 72.9% of total net position.



Management's Discussion and Analysis For the Year Ended December 31, 2024

Changes in Net Position

The following table is a condensed version of the City's changes in net position. This table will show the revenue, expenses, and related changes in net position for the governmental activity as well as business-type activities.

CHANGES IN NET POSITION (in thousands \$)						
	Governmental Activities		Business-type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program revenues						
Charges for services	\$ 40,413	\$ 43,603	\$ 997,809	\$ 961,139	\$ 1,038,222	\$ 1,004,742
Operating grants and contributions	61,035	45,420	-	-	61,035	45,420
Capital grants and contributions	21,196	4,889	46,700	57,063	67,896	61,952
General revenues						
Property taxes	95,490	84,138	-	-	95,490	84,138
Retail Sales & Use Tax	119,817	119,125	-	-	119,817	119,125
Business	145,385	66,065	-	-	145,385	66,065
Excise taxes	17,028	15,400	-	-	17,028	15,400
Other taxes	616	5,654	-	-	616	5,654
Investment earnings	22,117	22,922	49,830	47,927	71,947	70,849
Miscellaneous revenue	2,815	467	8	4,088	2,823	4,555
Total revenues	525,912	407,683	1,094,347	1,070,217	1,620,259	1,477,900
Expenses:						
General government	56,609	36,833	-	-	56,609	36,833
Public safety	262,179	241,854	-	-	262,179	241,854
Transportation	94,744	72,298	-	-	94,744	72,298
Nature and Economic Environment	27,076	26,997	-	-	27,076	26,997
Social Service	26,840	24,570	-	-	26,840	24,570
Culture and recreation	28,451	24,963	-	-	28,451	24,963
Interest on long-term debt	6,362	5,393	-	-	6,362	5,393
Solid Waste	-	-	87,352	75,257	87,352	75,257
Waste Water	-	-	141,378	124,752	141,378	124,752
Water	-	-	137,425	127,414	137,425	127,414
Power	-	-	527,531	477,918	527,531	477,918
Nonmajor Business-Type Activities	-	-	105,057	93,529	105,057	93,529
Total expenses	502,261	432,907	998,743	898,869	1,501,004	1,331,776
Change in net position before transfers	23,651	(25,224)	95,604	171,348	119,255	146,124
Transfers	(14,258)	58,914	14,258	(58,914)	-	-
Change in net position	9,393	33,690	109,862	112,434	119,255	146,124
Net Position, January 1, as Previously Reported	964,920	933,302	2,517,052	2,403,219	3,481,972	3,336,521
Error Correction	4,299	(2,072)	2,183	(9)	6,482	(2,081)
Change in Accounting Principle	(4,589)	-	(3,114)	1,408	(7,703)	1,408
Net Position, January 1, as Restated	964,630	931,230	2,516,121	2,404,618	3,480,751	3,335,848
Net position, December 31	\$ 974,023	\$ 964,920	\$ 2,625,983	\$ 2,517,052	\$ 3,600,006	\$ 3,481,972

Governmental Activities net position increased by \$9.1 million which was a 0.9% increase from 2023. In 2024, revenues increased approximately \$118.2 million from 2023, and expenditures also increased by \$67.9

Management's Discussion and Analysis

For the Year Ended December 31, 2024

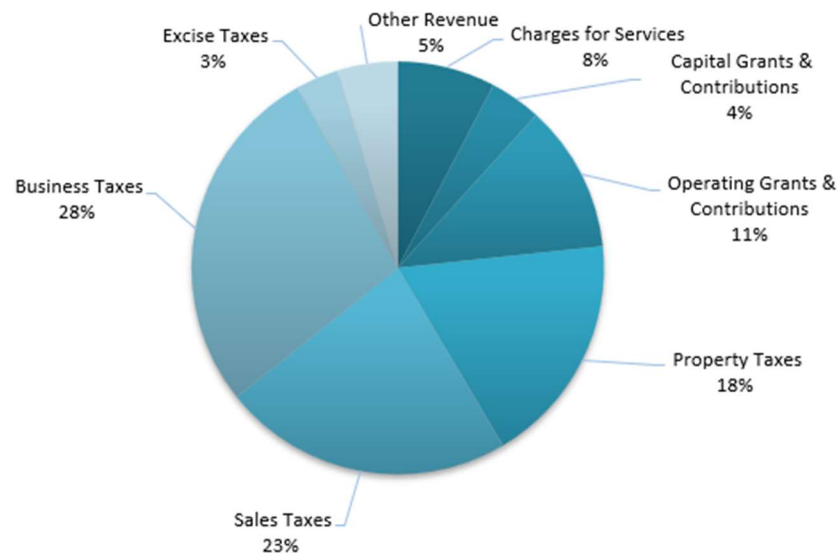
million from 2023. Some key revenue and expenditure highlights of governmental activities for 2024 are as follows:

- Tax revenue increased by \$88.0 million, a 30.3% increase from 2023.
 - Business taxes increased by \$79.3 million or 120.1%, \$76.2 million of the increase was the result of a change in reporting for Gross Earnings Tax related to utility tax transfers. It should be noted that this change in reporting is not new revenues but a change in how they are reported on the financial statements. The remaining difference is attributed to a \$2.3 million increase in Gross Earnings Tax received from Solid Waste related to the Tidy Up Tacoma program from 2023.
 - Property Tax increased by \$11.4 million or 13.5% due to a 1% increase in levy by the State.
 - Excise taxes increased by \$1.6 million or 10.6% due to increase in admission tax from sales and REET revenue from the increase of interest rates.
- Governmental activities expenditures increased by \$69.3 million or 16.0%.
 - Transportation increased by \$22.4 million or 31.0% over 2023. This includes a \$15.2 million increase from equipment, supplies, and labor for Public Works Street projects, a \$4.0 million increase in internal service activities, and a \$1.5 million increase for Hylebos Bridge repair.
 - Public Safety increased \$20.3 million or 8.4% over 2023, due to an increase of \$10.9 million in wage, health, welfare and insurance, an increase of \$5.7 million in LEOFF 1 & 2 pension liability, an increase of \$3.3 million in internal service activities, an increase of \$2.8 million for a Fire Pumper Truck replacement, and an increase of \$2.3 million in compensated absences from GASB 101 implementation. This was offset by a decrease of \$3.9 million due to most of ARPA projects being completed in 2023.
 - General Government increased \$19.8 million or 53.7.0% over 2023. This includes a \$14.9 million increase in internal service activities, \$2.8 million increase in external contributions to Sound Transit for the Tacoma Link Extension Betterment, and \$0.7 million decrease in GASB 68 liability.
 - Culture and Recreation increased by \$3.5 million or 14.0% due to a \$1.0 million increase in wages due to increase in pay rate for cost of living and a \$1.8 million increase in external contract services and progression services for the Library improvement project, the Chihuly Bridge of Glass restoration project, and the Fire department HVAC improvement project.
- Operating grants and contributions increased by \$15.6 million, or 34.4% compared to 2023. This increase was primarily attributable to a \$7.5 million increase from Washington Department of Commerce grant for the Family Clean Energy program, a \$5.0 million increase in the value of the Police & Fire pensions, a \$3.3 million increase in revenue from the Opioid Settlement, a \$3.0 million increase from state grants for various Public Works projects, and a \$2.0 million increase in Ground Emergency Medical Transportation (GEMT) revenue from patient transports. The increases were offset by a \$5.3 million decrease in federal grants for Living Access Support Alliance (LASA).
- Capital grants and contributions increased \$16.3 million or 333.5% increase from 2023. Revenue received from the following projects made up the majority of the increase:
 - \$4.9 million for Prairie Line Trail (Phase II)
 - \$2.2 million for Links to Opportunity Right of Way and Construction
 - \$1.9 million for the Main Library Remodeling
 - \$1.8 million for J Street Bicycle Blvd
 - \$1.6 million for Historic Water Ditch Trail
 - \$1.1 million for E. 64th St (Phase II)
 - \$1.0 million for E. 38th St
 - \$0.7 million for Pedestrian Accessibility District 10

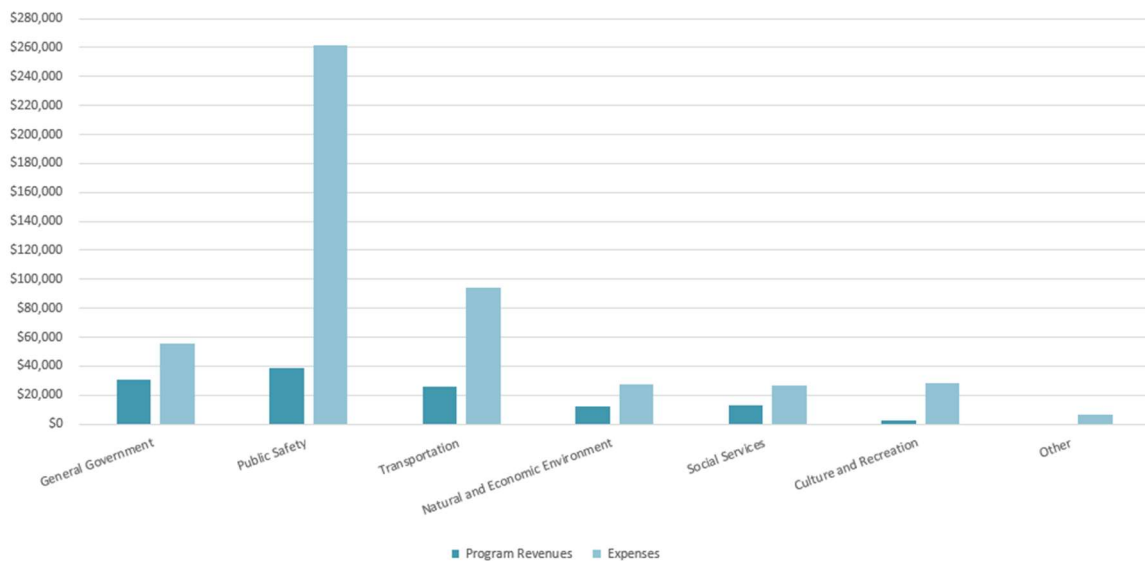
Management's Discussion and Analysis For the Year Ended December 31, 2024

The two charts for governmental activities are shown below. The first chart summarizes the various sources of government revenue by activity, and the second chart illustrates how revenues and expenses are related to the various activities carried out by the City.

Revenue by Source - Governmental Activities



Program Revenues and Expenses - Governmental Activities (dollars in thousands)



Management's Discussion and Analysis For the Year Ended December 31, 2024

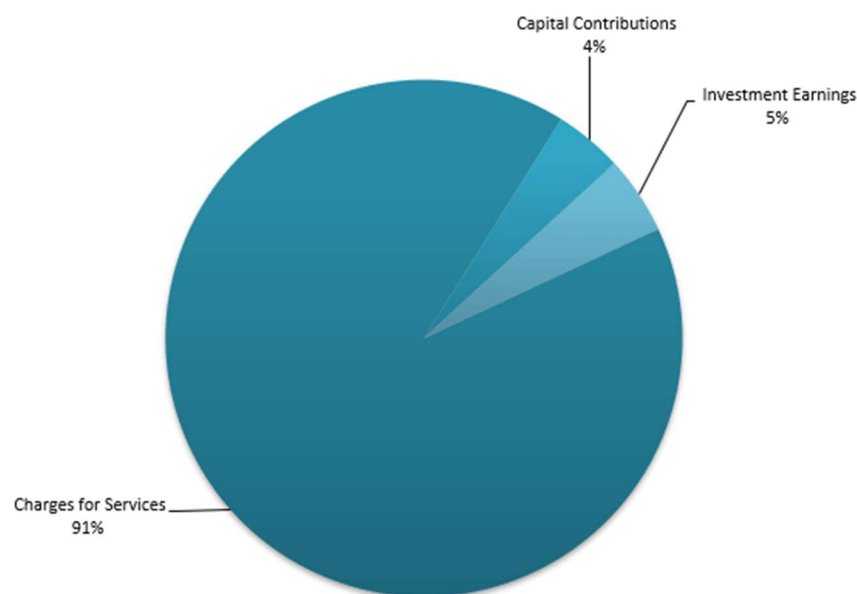
Business-Type Activities net position increased by \$111.1 million which was a 4.4% increase with an ending net position of \$2.6 billion. The major enterprise funds are Solid Waste, Wastewater and Stormwater, Water and Power.

- Charges for Services increased by \$36.7 million or 3.8% in 2024. The majority of the increase was from wastewater for \$13.5 million, water for \$8.0 million, Tacoma Dome for \$6.8 million, rail for \$5.2 million, solid waste for \$3.4 million, and permit services for \$2.8 million. Power had a decrease of \$4.2 million.
- Capital grants and contributions decreased \$10.4 million or 18.2%. The largest portion of this decrease was due to decreased grants of \$4.6 million from the Washington Department of Ecology for the Madison and Larchmont projects and \$6.0 million in donated capital for waste water. Water decreased by \$4.9 million and Power increased \$4.8 million.
- Investment Earnings increased by \$1.9 million in 2024 due to favorable market conditions in 2024. The annual GASB 31 to adjust for market fair value accounted for an unrealized net gain of \$16.7 million in 2023, which became a \$5.1 million unrealized gain in 2024, a decrease of \$11.6 million. Interest earnings were \$13.5 million higher compared to 2023.
- The business-type activities operating expenses overall increased by 13.1% in 2024 to \$918.2 million. Power expenses increased by \$46.6 million or 10.5%, water expenses increased by \$11.6 million or 10.9%, wastewater expenses increased by \$18.4 million or 17.1%, solid waste expenses increased by \$12.4 million or 17.2%, and non-major enterprise funds' expenses increased by \$17.5 million or 21.2%.

Detail analysis for the above changes of the major enterprise funds is included in the Financial Analysis of the Proprietary Fund Statements section below.

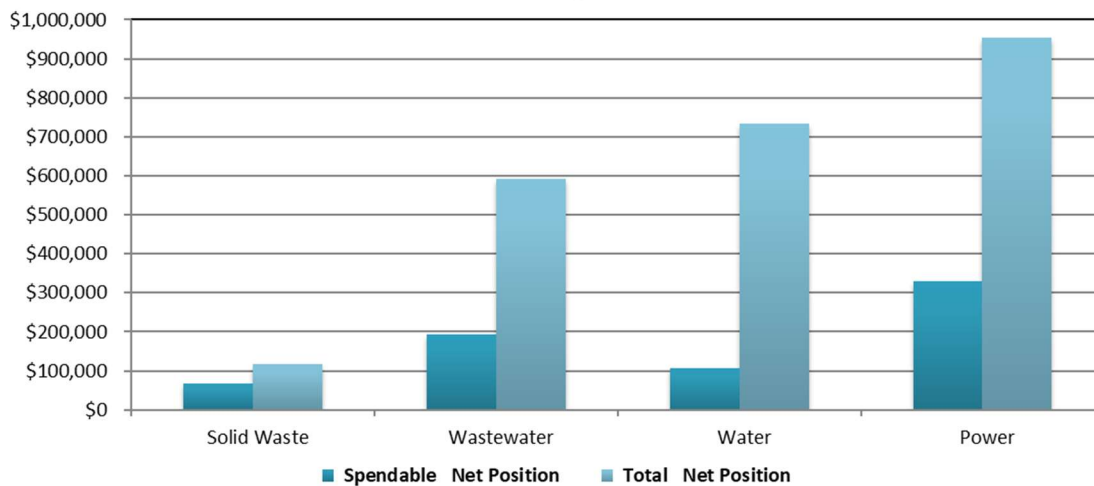
The following charts present the business-type activities. The first chart provides a summary of the business-type activities while the second chart shows the relationship of spendable net position to the total net position of the utility funds. A majority of the net position in each of these funds is related to capital infrastructure such as hydroelectric dams, water mains, Wastewater and Stormwater mains. Therefore, these funds are not readily available for spending in support of ongoing expenses.

Revenues by Source - Business-type Activities



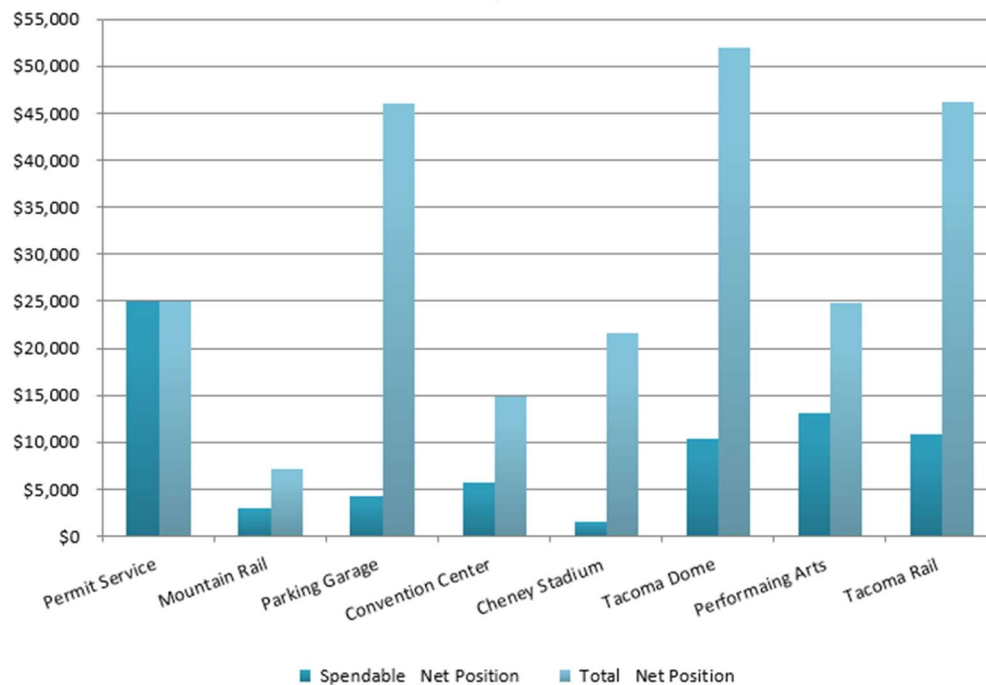
Management's Discussion and Analysis For the Year Ended December 31, 2024

**Comparison of Spendable Net Position to Total Net Position -
Utility Funds**



The following chart shows the remaining enterprise funds and their relationship between net positions that is spendable to the total net position. Like the major enterprise funds, a majority of the net position in each of these funds is related to capital infrastructure such as parking garages, buildings. Therefore, these funds are not readily available for spending in support of ongoing expenses.

**Comparison of Spendable Net Position to Total Net Postion - Other
Enterprise Funds**



Management's Discussion and Analysis For the Year Ended December 31, 2024

Financial Analysis of the City's Fund Statements

The City prepares fund statements for both governmental funds and proprietary funds.

Governmental Fund Statements

Fund balance for the City's General Fund was \$127.5 million, a decrease of \$1.2 million or 0.9% lower than 2023. Revenues for the general fund as a whole grew in 2024 by \$64.9 million or 26.8%. Property tax increased by \$1.8 million due to the increase in the assessed value of property. Business tax increased \$60.8 million due to reporting changes to Gross Earnings Tax transfers from the utility funds, which is offset by a decrease of \$45.0 million in transfers in. Excise taxes increased by \$0.7 million. Additionally, there was an increase of \$0.9 million from other categories.

Fund balance for the Transportation Capital and Engineering fund reported a fund balance of \$6.8 million, an increase of \$2.8 million or 68.6% higher than 2023. Revenue increased by \$7.3 million as a result of an increase in intergovernmental revenue. Expenses increased by \$6.8 million. This was offset by a \$1.3 million net increase in transfers in and out.

Fund balance for the Non-Major governmental funds, which include debt service funds, capital projects funds, and special revenue funds, was \$253.7 million, a decrease of \$26.8 million or 8.9%. Overall, other governmental funds revenue increased by \$35.3 million, with increases of \$28.6 million to taxes and \$12.2 million to intergovernmental revenues. Revenue, additionally, saw decreases of \$1.7 million to licenses and permits and \$4.0 million to charges for services. An increase in expenditures of \$30.0 million from 2023 to 2024 was primarily due to a \$15.2 million increase in transportation, a \$1.4 million increase in culture and recreation, and a \$13.8 million increase in capital outlay.

Fund Balances

On December 31, 2024, the City's governmental funds reported combined ending fund balances of \$388.2 million. Of this amount, \$4.5 million is nonspendable either due to its form or legal constraints, \$156.8 million is restricted for specific programs by external constraints, \$46.8 million is committed for specific purposes as approved by City Council, \$56.6 million is assigned to specific purposes by management and the remaining \$123.0 million is unassigned.

Proprietary Fund Statements

Total net position for enterprise funds for 2024 was \$2.6 billion an increase of \$121.1 million from 2023. Power, Water, Solid Waste and Wastewater and Stormwater utilities make up the majority of the proprietary funds and activity in these utilities contributed \$107.8 million for the change in the net position, and non-major enterprise funds contributed \$13.3 million.

In 2024, the net position of the Power fund was \$954.9 million, which represents an increase of \$35.8 million or 3.9% compared to 2023. Operating revenues for the year amounted to \$512.4 million, a decrease of \$4.2 million or 0.8%. The sales of electric energy decreased by \$2.0 million or 0.4%. Other operating revenue decreased \$1.9 million. The decrease was primarily due to the decrease in reimbursement of qualified conservation expenses. Total operating expenses increased by \$46.6 million or 10.5% compared to 2023. Tax expenses increased by \$42.2 million due to the change in reporting related to Gross Earnings Tax transferred to governmental funds.

Management's Discussion and Analysis For the Year Ended December 31, 2024

In 2024, the Water fund's net position was \$733.8 million, which represents an increase of \$27.0 million or 3.8% compared to 2023. Tacoma Water's operating revenues amounted to \$120.9 million, a decrease of \$2.8 million or 2.2% from the previous year. Sales of water decreased in 2024 by \$4.1 million, including an increase of \$8.7 million due to an average service rate increase off-set with a decrease of \$12.8 million due to consumption. The average rate increase was 9.0%, effective January 1, 2024. In addition, other operating revenues increased by \$400,000 and there was an increase in contract resource obligations revenues of \$946,000 from Regional Water Second Supply (RWSS) Partners to reimburse Tacoma Water for operating and maintenance related expenses. Operating expenses increased by \$11.6 million or 10.9% in 2024. Tax expenses increased by \$8.5 million due to the change in reporting related to Gross Earnings Tax transferred to governmental funds. Personnel expenses increased \$1.8 million due to general wage increases as well as the additional filled positions. Classification and compensation adjustment for non-represented employees took effect January 01, 2024, and 10 additional filled positions and cost of living adjustments in 2023. Software and license maintenance increased by \$0.5 million compared to 2023. Public liability Self Insurance increased \$0.5 million due to additional contributions related to main break. Legal services and external contract services increased \$0.3 million and \$0.2 million, respectively. These increases were partly offset with decreases of \$1.1 million gross earnings tax, \$0.6 million in Green River Filtration Facility (GRFF) treatment chemicals and \$0.5 million decrease in operating supplies.

In 2024, the Wastewater and Stormwater fund's net position increased to \$590.7 million, up \$31.7 million or 5.7% from the previous year. Operating revenues increased to \$146.6 million, up \$10.3 million or 7.5% from 2023. Wastewater residential revenues increased \$4.6 million or 7.5% compared to \$4.6 million or 8.1% in 2023 and Wastewater commercial and public authority (PA) revenues increased \$1.8 million or 6.1% compared to \$1.8 million or 6.7% in 2022. The 2024 increases were due in part to a rate increase and increased consumption. Stormwater residential increased \$0.9 million or 4.3% compared to \$1.1 million or 5.3% in 2023. Stormwater commercial \$0.8 million or 3.8% compared to \$1.2 million or 5.8% in 2023. The 2024 increase was due in part to a rate increase and increased consumption. Other revenues increased \$2.0 million or 89.0% compared to the decrease of \$1.8 million or 43.7% in 2023. The 2024 increase is mainly due to increased revenues from Biogas and Renewable Identification Number (RIN) credit. Lease revenues were \$290,000 in 2024, a \$62,000 increase from \$228,000 in 2023. Operating expenses increased to \$126.2 million in 2024, up \$18.4 million or 17.1% from 2023. Business operation expenses increased \$2.6 million, operations and maintenance expenses increased \$2.3 million, science and engineering expenses increased \$2.7 million, offset by a decrease to asset management and technology expenses by \$1.7 million. Tax expenses increased by \$12.4 million due to the change in reporting related to Gross Earnings Tax transferred to governmental funds.

In 2024, the net position of the Solid Waste fund increased by \$13.3 million, reaching \$117.2 million, reflecting a 12.8% rise from 2023. Operating revenue rose by \$3.1 million or 3.3%, mainly attributed to a 4.0% rate hike for residential customers starting on January 1, 2024 and increase in number of customers, which resulted in \$1.5 million increase in revenue. Revenue from commercial customers in 2024 remained unchanged compared to 2023. 2024 saw decreases in drop-off-box for non-compacted customers which was off-set by the commercial rates increase of 5.0%. Disposal revenues increased \$0.8 million in 2024 due to increased commercial self-haul trips and tonnage volume. Salvage revenues increased \$0.8 million due to increases in recycle material selling prices in 2024. Operating expenses for 2024 were \$84.7 million, an \$12.4 million or 17.2% increase from 2023 mainly due to increases in onsite operations expense of \$0.6 million, residential collection expense of \$1.6 million, support services expense of \$1.6 million, and increased landfill post closure liability of \$0.8 million.

Management's Discussion and Analysis For the Year Ended December 31, 2024

General Fund Budgetary Highlights

The City budgets on a biennial basis; that is, the City Council adopts a budget that spans two years. Each budget begins on January 1 of an odd-numbered year and is concluded on December 31 of an even-numbered year. City departments, with the approval of the City Manager and City Council, will adjust their budgets at the conclusion of the odd-numbered year, if necessary, as the needs of the department and city residents shift.

Major General Fund Variances for 2024 include:

- \$19.8 million above the revenue projection for 2024. This is almost entirely due to one-time revenues in miscellaneous revenue category, including one-time transfers from the ARPA fund of \$6.8 million, contributions of \$3.4 million, proceeds from the sale of capital assets of \$1.9 million, and pooled investment revenue of \$2.7M million.
- \$15 million in delayed General Fund expenditures. The City anticipates some of that delay will result in savings, however it is not certain until the budget carryover process is complete.

Capital Assets, Infrastructure, Bond Debt Administration

Capital Assets

The City's capital assets net of accumulated depreciation and amortization for its governmental and business-type activities as of December 31, 2024, is \$4.0 billion. This investment in capital assets includes land, construction in process, property, plant and equipment, right of use, and infrastructure.

Infrastructure in governmental activities increased \$6.7 million primarily due to capitalization of projects, namely \$1.2 million for E. 38th St., \$1.9 million for St. Helens Ave., \$0.8 million for the Manitou Safe Route to School (SRTS), \$0.5 million for the S. Yakima Traffic Signal improvement, and \$2.7 million of donated private development assets. Construction in progress in governmental activities increased by \$38.9 million, due to \$44.6 million in further additions, offset by \$5.7 million in capitalized projects.

Property, plant and equipment in governmental activities increased \$13.6 million. This is due to \$2.5 million in building additions, \$2.1 million in building improvements, and a net increase of \$9.0 million in equipment purchases.

Construction in Progress in business activities increased by \$7.7 million. There was a total of \$189.6 million capitalized from construction in progress projects in 2024. This included \$104.1 million in Power projects, \$24.7 million in Wastewater and Stormwater projects, \$43.6 million in Water projects, and \$17.2 million in Solid Waste projects. The decrease was offset by \$197.3 million in additional construction in progress costs, including \$106.7 million in Power, \$38.8 million in Water projects, \$35.9 million in Wastewater and Stormwater, and \$16.0 million in Solid Waste.

Property, plant and equipment in business activities increased \$164.6 million mainly due to the following:

- The Power fund increased by \$91.2 million, primarily due to increases of \$4.5 million in intangible plant additions for easements, customer engagement portal, and advanced meter modules, \$20.5 million in Hydraulic Plant additions for various hydro projects, \$4.1 million in transmission additions for substations and other road related projects, \$55.4 million in distribution plant additions for new and replacement programs, and \$13.1 million in General Plant for fleet related vehicles and equipment, radio systems, GIS servers, survey equipment, charging ports, and other projects.
- Water fund increase of \$40.8 million is due to the increase of \$11.9 million in reservoir tanks, \$8.8 million in mains, \$3.9 million in services, pipes, and accessories, \$2.5 million in meters, \$1.2 million

Management's Discussion and Analysis For the Year Ended December 31, 2024

in hydrants, and \$2.2 million in pumping station, and \$1.9 million in vehicles. Intangible asset additions mainly included \$2.3 million advanced meter modules, and \$3.7 million in water easements. Also in 2024, 9.24 miles of water main were added or replaced, 0.65 miles of water main were retired, and construction was completed on 35 private contracts resulting in 8.58 net miles.

- Wastewater and Stormwater fund increased by \$24.8 million. Buildings increased \$4.2 million mainly due to \$1.1 million for Central Treatment Plants (CTP) Outfall Cathodic Improvement project and \$2.3 million for Roof Replacement project. Machinery and equipment increased \$1.4 million mainly due to the Freightliner Vector Trucks. Transmission lines and other improvements increased \$19.2 million: 3,169 feet of donated lines were recorded for \$2.5 million, 25,714 feet of old lines were retired at the historical cost of \$99,000. 24,576 feet of new replacement lines and extended sewer lines were recorded for \$16.6 million.
- Solid Waste fund increased by \$14.7 million due to \$2.8 million increase in landfill infrastructure from completion of Compactor Facility Improvement and Channelization and Asphalt Improvement projects and \$11.7 million increase in machinery and equipment.

	Schedule of Capital Assets					
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Land	\$ 41,899	\$ 41,899	\$ 171,993	\$ 167,993	\$ 213,892	\$ 209,892
Art	3,018	3,138	561	561	3,579	3,699
Construction in progress	65,042	26,168	103,124	95,467	168,166	121,635
Property, plant and equipment	338,153	324,587	5,367,712	5,203,156	5,705,865	5,527,743
Right of use leases	10,685	10,360	2,112	3,147		
Software subscriptions	7,445	6,586	12,889	12,199		
Infrastructure	1,558,726	1,552,038	-	-	1,558,726	1,552,038
Less Accumulated depreciation and Amortization	(1,232,844)	(1,188,862)	(2,417,573)	(2,322,363)	(3,650,417)	(3,511,225)
	\$ 792,124	\$ 775,914	\$ 3,240,818	\$ 3,160,160	\$ 3,999,811	\$ 3,903,782

Additional information on the City's capital assets can be found in Notes 1-D5 and 3-C of the Notes to the Financial Statements.

Outstanding Debt

The City's debt on December 31, 2024, was \$2.1 billion, an increase of \$7.4 million from governmental activities and a decrease of \$77.7 million from business-type activities caused the \$70.3 million decrease for total primary government over 2023. Approximately 77.4% of the bonded debt is related to business-type activities with repayment pledged by specific revenue sources generated by the business-type activities. The remaining 22.6% debt is either secured by voter approved special levies or general government resources.

The City received two CTED Public Works Trust Fund loans for \$2.3 million. These funds will be used to repair damaged portions of the Hylebos Bridge and for improvements to St. Helens Avenue.

The City issued a \$105,000 Convention Center and Parking Revenue Refunding Bond to refund the 2010 and 2015 bonds. This bond will allow the City to continue to receive sales and use taxes collected from the Public Facilities District estimated between five and six million dollars annually.

Tacoma Power issued \$142.7 million in new revenue bonds in 2024 to refund 2013 bonds and pay in full the remaining \$105.0 million line of credit with Wells Fargo. Tacoma Water issued \$92.8 million in new revenue bonds in 2024. This issuance will refund 2013 and 2005 revenue bonds to improve the drinking water system, water conservation, environmental protection and restoration, and improve aging

Management's Discussion and Analysis For the Year Ended December 31, 2024

infrastructure. Tacoma Rail has taken draws from the Washington State Department of Transportation for Blair Peninsula Switches in the amount of \$0.4 million and Annie Tracks Switch & Curve Upgrade in the amount of \$7,000, with a future obligation of \$1.6 million.

State law places a ceiling of 7.5% of the assessed value of taxable properties on the City's limited and unlimited tax general obligation debt. The City's assessed valuation for 2024, according to the most recent report, was \$43.6 billion, giving it a legal debt capacity of \$3.3 billion. By the end of 2024, the City's net outstanding general obligation debt, which includes bonds and four loans from the State of Washington Public Works Trust Fund, would total \$136.7 million, far less than the limit allowed by law, putting the City's legal debt margin at \$3.3 billion. State law limits existing LTGO bonds to 1.5% of assessed value, which for 2024 was a capacity of \$654.6 million, under the 7.5% restriction. By the end of 2024, the LTGO's net outstanding debt was \$134.0 million.

Additional information on the City's long-term debt can be found in Note 3-F of the Notes to the Financial Statements.

Schedule of Long Term Liabilities						
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
	\$	\$	\$	\$	\$	\$
Bonded debt and loans	119,929	126,859	1,418,208	1,494,098	1,538,137	1,620,958
Claims and judgments	65,801	45,406	4,227	4,249	70,028	49,655
Accrued landfill liability	-	-	13,897	12,940	13,897	12,940
Other liabilities	1,563	1,848	-	-	1,563	1,848
Total OPEB Liability	154,654	161,693	27,002	30,376	181,656	192,069
Total Pension Liability Police and Firefighters	34,104	39,302	-	-	34,104	39,302
Pension Liability	43,384	42,322	92,340	95,833	135,724	138,155
Compensated absences	38,748	28,339	34,735	28,950	73,482	57,289
Lease liability	9,487	9,439	1,297	1,721	10,784	11,160
SBITA liability	2,683	4,051	4,525	5,773	7,208	9,824
	\$ 470,353	\$ 459,259	\$ 1,596,231	\$ 1,673,939	\$ 2,066,584	\$ 2,133,199

The City's debt rating for 2024 is as follows:

Bond Ratings			
Bond Ratings	Moody's	S&P	Fitch
GO	Aa2	AA	AA
LTGO	Aa2	AA+	AA+
Solid Waste	Aa3	AA+	AA
Sewer	Aa2	AA+	AA+
Water	Aa1	AA+	--
RWSS	Aa1	AA+	--
Power	Aa3	AA	AA-
Convention Center Revenue	A2	A	A+

Management's Discussion and Analysis For the Year Ended December 31, 2024

Economic Factors

On January 1, 2025, rate increases for Solid Waste Management of approximately 5.5% for residential and commercial services went into effect. The rate increases are expected to bring an additional \$4.4 million in operating revenues for 2025. The rate increases remain competitive with surrounding jurisdictions.

On April 1, 2025, an average rate increase of 5.3% for electric customers went into effect. The biennial rate increase approved by the Public Utility Board are expected to bring in an additional \$13.5 million in operating revenues for 2025. The rate increases remain competitive with surrounding jurisdictions.

On January 1, 2025, rate increases for drinking water customers increased by 6.5%. The rate increases are expected to bring an additional \$7.1 million in operating revenues for 2025. The rate increases remain competitive with surrounding jurisdictions.

Property taxes expected to be collected countywide for 2025 total \$2.04 billion. Property taxes support the city and county governments, fire departments, ambulance services, parks, libraries, roads, Port of Tacoma, Sound Transit, and flood control in addition to funding public schools. On the property tax statement, there are additional charges for stormwater management, noxious weed control, and conservation. In Pierce County, 58% of all property taxes are made up of local and state levies for schools. Fire/EMS districts make up 12.5% of the total, followed by cities and county (including the road district) at 19.8%. Together, these comprise more than 90% of Pierce County's property tax.

2024 Sales tax and Business tax revenues were virtually flat when compared to 2023 actuals. This suggests the local economy is not growing at inflationary levels. The City is carefully monitoring national and local economic trends, due to the potential impact of revenue projections.

In 2024, the Tacoma Streets Initiative had finished its ninth year. Two measures approved by voters in November 2015 made up the initiative. Proposition 3 permitted an additional 1.5% earning tax for natural gas, electric, and phone providers as well as an increase in the standard property tax levy of \$.20 per \$1,000 of assessed value. Proposition A increased sales tax by 1/10 of 1% over ten years. Of the final target of \$325 million over ten years, the program has raised about \$319.9 million, including grant and partnership funding. Total overlays, surface treatments, or other preventative maintenance, the initiative's maintenance work improved or maintained 634 blocks in 2024, bringing the overall number of blocks up to 4,716.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City Finance Department, 747 Market Street Room 132, Tacoma, Washington 98402.



STATEMENT OF NET POSITION
December 31, 2024
(amounts expressed in thousands)
Page 1 of 2

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	471,915	\$ 892,303	\$ 1,364,218
Investments	5,307	-	5,307
Accounts Receivables (Net)	50,625	109,398	160,023
Due From Other Governmental Units	29,631	2,626	32,257
Internal Balances	23,632	(23,632)	-
Inventory	5,174	23,086	28,260
Prepays	2,829	18,684	21,513
Restricted Cash			
Cash and Cash Equivalents	-	158,995	158,995
Notes and Contracts Receivable	1,269	605	1,874
Leases Receivable, current	75	1,662	1,737
Non Current Assets			
Cash and Cash Equivalents	-	19,554	19,554
Lease Receivables, noncurrent	3,423	80,478	83,901
Long-Term Contracts and Notes	-	13,771	13,771
Net Pension Asset	79,890	-	79,890
Other Non Current Assets	-	35,405	35,405
Capital Assets			
Depreciable Capital Assets (Net of Accumulated Depreciation)	669,478	2,957,574	3,627,052
Non-Depreciable Capital Assets	109,959	275,678	385,637
Right-to-Use (Lease Assets and Subscription-Net of Amortization)	12,687	7,566	20,253
Total Assets	1,465,894	4,573,753	6,039,647
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows related to Bond Refunding	204	3,068	3,272
Deferred Outflows related to Pensions	117,039	114,443	231,482
Deferred Outflows related to OPEB	40,809	5,698	46,507
Total Deferred Outflows of Resources	158,052	123,209	281,261
LIABILITIES			
Accounts Payable	53,890	68,637	122,527
Deposits Payable	205	19,686	19,891
Due to Other Governmental Units	46	877	923
Leases Payable, current	545	210	755
SBITA payable, Current	1,608	1,851	3,459
Unearned Revenue	8,385	11,354	19,739
Other Liabilities Payable	24,566	46,539	71,105
Payable From Restricted Assets:			
Other Current Liabilities	-	1,284	1,284
Leases Payable, non current	8,941	1,087	10,028
SBITA Payable, non current	1,075	2,674	3,749
Special Assessment Debt with Government Commitment	14,620	-	14,620
Bonds and Other Debt Payable:			
Due Within One Year	81,208	51,041	132,249
Due in More Than One Year	362,356	1,539,367	1,901,723
Total Liabilities	557,445	1,744,607	2,302,052
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows - Advanced Payment of Special Assessments	14,988	-	14,988
Deferred Inflows - Rate Stabilization	-	225,575	225,575
Deferred Inflows related to Bond Refunding	245	7,987	8,232
Deferred Inflows related to Pensions	21,790	1,377	23,167
Deferred Inflows related to OPEB	52,058	10,751	62,809
Deferred Inflows related to Leases	3,397	80,682	84,079
Total Deferred Inflows of Resources	92,478	326,372	418,850
NET POSITION			
Net Investment in Capital Assets	669,272	1,866,770	2,536,042
Restricted:			
Capital Projects	45,707	3,239	48,946
Debt Service	18,276	4,126	22,402
Utility Donations & System Development	-	37,299	37,299
Culture and recreation	13,700	-	13,700
Environmental Services and Programs	-	4,435	4,435
Pension	79,890	-	79,890
Reserves	-	31,736	31,736
Public Safety	4,098	-	4,098
Transportation	28,182	-	28,182
Grants	261	-	261
Housing and Economic development	46,589	-	46,589
Unrestricted	68,048	678,378	746,426
Total Net Position	974,023	\$ 2,625,983	\$ 3,600,006

The notes to the financial statements are an integral part of this statement

STATEMENT OF NET POSITION
December 31, 2024
(amounts expressed in thousands)
Page 2 of 2

	Component Units	
	TCRA	GTRCC PFD
ASSETS		
Cash and Cash Equivalents	\$ 7,865	\$ 4,210
Investments	-	-
Accounts Receivables (Net)	-	1,025
Due From Other Governmental Units	1,420	-
Internal Balances	-	-
Inventory	-	-
Prepays	39	-
Restricted Cash		
Cash and Cash Equivalents	-	-
Notes and Contracts Receivable	1,426	-
Leases Receivable, current	-	-
Non Current Assets		
Cash and Cash Equivalents	-	-
Lease Receivables, noncurrent	-	-
Long-Term Contracts and Notes	52,312	-
Net Pension Asset	-	-
Other Non Current Assets	1,571	-
Capital Assets		
Depreciable Capital Assets (Net of Accumulated Depreciation)	7,174	-
Non-Depreciable Capital Assets	1,603	-
Right-to-Use (Lease Assets and Subscription-Net of Amortization)	-	-
Total Assets	73,410	5,235
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Outflows related to Bond Refunding	-	-
Deferred Outflows related to Pensions	-	-
Deferred Outflows related to OPEB	-	-
Total Deferred Outflows of Resources	-	-
LIABILITIES		
Accounts Payable	363	-
Deposits Payable	-	-
Due to Other Governmental Units	-	5,235
Leases Payable, current	-	-
SBITA payable, Current	-	-
Unearned Revenue	-	-
Other Liabilities Payable	511	-
Payable From Restricted Assets:		
Other Current Liabilities	-	-
Leases Payable, non current	-	-
SBITA Payable, non current	-	-
Special Assessment Debt with Government Commitment	-	-
Bonds and Other Debt Payable:		
Due Within One Year	40	-
Due in More Than One Year	5,277	-
Total Liabilities	6,191	5,235
DEFERRED INFLOWS OF RESOURCES		
Deferred Inflows - Advanced Payment of Special Assessments	-	-
Deferred Inflows - Rate Stabilization	-	-
Deferred Inflows related to Bond Refunding	-	-
Deferred Inflows related to Pensions	-	-
Deferred Inflows related to OPEB	-	-
Deferred Inflows related to Leases	-	-
Total Deferred Inflows of Resources	-	-
NET POSITION		
Net Investment in Capital Assets	3,960	-
Restricted:		
Capital Projects	-	-
Debt Service	-	-
Utility Donations & System Development	-	-
Culture and recreation	-	-
Environmental Services and Programs	-	-
Pension	-	-
Reserves	-	-
Public Safety	-	-
Transportation	-	-
Grants	-	-
Housing and Economic development	63,259	-
Unrestricted	-	-
Total Net Position	\$ 67,219	\$ -

The notes to the financial statements are an integral part of this statement

STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2024
(amounts expressed in thousands)
Page 1 of 2

		Program Revenues		
	Expenses	Charges for Services and Fines	Operating Grants and Contributions	Capital Grants and Contributions
<u>FUNCTIONS / PROGRAMS:</u>				
Primary Government				
Governmental Activities:				
General Government	\$ 56,609	\$ 17,213	\$ 11,610	\$ 1,792
Public Safety	262,179	13,780	24,886	285
Transportation	94,744	1,754	7,362	16,978
Natural and Economic Environmen	27,076	3,249	8,737	-
Social Services	26,840	4,254	8,335	296
Culture and Recreation	28,451	163	105	1,845
Interest on Long-Term Debt	6,362	-	-	-
	<u>502,261</u>	<u>40,413</u>	<u>61,035</u>	<u>21,196</u>
Business-Type Activities				
Solid Waste	87,352	95,915	-	-
Waste Water	141,378	153,156	-	6,913
Water	137,425	131,943	-	21,475
Power	527,531	512,351	-	18,166
Nonmajor Business-Type Activities	105,057	104,444	-	146
	<u>998,743</u>	<u>997,809</u>	<u>-</u>	<u>46,700</u>
Total Primary Government	<u>\$ 1,501,004</u>	<u>\$ 1,038,222</u>	<u>\$ 61,035</u>	<u>\$ 67,896</u>
Component Units				
TCRA	3,250	7,415	2,738	-
GTRCC PFD	6,101	-	-	-
Total Component Units	<u>\$ 9,351</u>	<u>\$ 7,415</u>	<u>\$ 2,738</u>	<u>\$ -</u>
General Revenues:				
Taxes:				
Property Tax				
Retail Sales & Use Tax				
Business Tax				
Excise Tax				
Other				
Gain on Sale of Capital Assets				
Total General Revenues				
Investment Earnings				
Transfers				
Change in Net Position				
Net Position, January 1				
Error Correction				
Change in Accounting Principle				
Net Position, January 1 restated				
Net Position, December 31				

The notes to the financial statements are an integral part of this statement

STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2024
(amounts expressed in thousands)
Page 2 of 2

	Net (Expense) Revenue and Changes in Net Position			Component Units	
	Governmental Activities	Business-Type Activities	Total	TCRA	GTRCC PFD
<u>FUNCTIONS / PROGRAMS:</u>					
Primary Government					
Governmental Activities:					
General Government	\$ (25,994)	\$ -	\$ (25,994)	\$ -	\$ -
Public Safety	(223,228)	-	(223,228)	-	-
Transportation	(68,650)	-	(68,650)	-	-
Natural and Economic Environmen	(15,090)	-	(15,090)	-	-
Social Services	(13,955)	-	(13,955)	-	-
Culture and Recreation	(26,338)	-	(26,338)	-	-
Interest on Long-Term Debt	(6,362)	-	(6,362)	-	-
	<u>(379,617)</u>	<u>-</u>	<u>(379,617)</u>	<u>-</u>	<u>-</u>
Business-Type Activities					
Solid Waste	-	8,563	8,563	-	-
Waste Water	-	18,691	18,691	-	-
Water	-	15,993	15,993	-	-
Power	-	2,986	2,986	-	-
Nonmajor Business-Type Activities	-	(467)	(467)	-	-
	<u>-</u>	<u>45,766</u>	<u>45,766</u>	<u>-</u>	<u>-</u>
Total Primary Government	<u>\$ (379,617)</u>	<u>\$ 45,766</u>	<u>\$ (333,851)</u>	<u>\$ -</u>	<u>\$ -</u>
Component Units					
TCRA				6,903	-
GTRCC PFD				-	(6,101)
Total Component Units				<u>\$ 6,903</u>	<u>\$ (6,101)</u>
General Revenues:					
Taxes:					
Property Tax	\$ 95,490	\$ -	\$ 95,490	\$ -	\$ -
Retail Sales & Use Tax	119,817	-	119,817	-	5,939
Business Tax	145,385	-	145,385	-	-
Excise Tax	17,028	-	17,028	-	-
Other	616	-	616	-	-
Gain on Sale of Capital Assets	2,815	8	2,823	-	-
Total General Revenues	<u>381,151</u>	<u>8</u>	<u>381,159</u>	<u>-</u>	<u>5,939</u>
Investment Earnings	22,117	49,830	71,947	76	162
Transfers	(14,258)	14,258	-	-	-
Change in Net Position	9,393	109,862	119,255	6,979	-
Net Position, January 1	<u>964,920</u>	<u>2,517,052</u>	<u>3,481,972</u>	<u>60,208</u>	<u>-</u>
Error Correction	4,299	2,183	6,482	32	-
Change in Accounting Principle	(4,589)	(3,114)	(7,703)	-	-
Net Position, January 1 restated	<u>964,630</u>	<u>2,516,121</u>	<u>3,480,751</u>	<u>60,240</u>	<u>-</u>
Net Position, December 31	<u>\$ 974,023</u>	<u>\$ 2,625,983</u>	<u>\$ 3,600,006</u>	<u>\$ 67,219</u>	<u>\$ -</u>

The notes to the financial statements are an integral part of this statement

BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2024
(amounts expressed in thousands)

	General Fund Fund #0010	Trans Capital & Engineering Fund #1060	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and Cash Equivalents	\$ 121,147	\$ 5,164	\$ 232,929	\$ 359,240
Investments	-	-	5,307	5,307
Accounts Receivables (Net)	6,816	85	42,779	49,680
Due From Other Funds	336	-	1	337
Notes and Contracts Receivable	-	-	1,269	1,269
Due From Other Governmental Units	17,249	4,481	7,901	29,631
Inventory	2,218	-	1,761	3,979
Prepaid Items	506	-	11	517
Total Assets	<u>148,272</u>	<u>9,730</u>	<u>291,958</u>	<u>449,960</u>
DEFERRED OUTFLOWS OF RESOURCES				
	-	-	-	-
Total Assets and Deferred Outflows	<u>148,272</u>	<u>9,730</u>	<u>291,958</u>	<u>449,960</u>
LIABILITIES				
Account Payable	7,834	2,963	8,524	19,321
Customer Deposits	29	-	176	205
Other Liabilities Payable	11,252	-	2,026	13,278
Note Payable	-	-	1,563	1,563
Due to Other Funds	1	-	336	337
Due to Other Governmental Units	-	-	46	46
Unearned Revenue	136	-	50	186
Total Liabilities	<u>19,252</u>	<u>2,963</u>	<u>12,721</u>	<u>34,936</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenues	1,506	-	25,366	26,872
Total Deferred Inflow of Resources	<u>1,506</u>	<u>-</u>	<u>25,366</u>	<u>26,872</u>
FUND BALANCE				
Nonspendable	2,749	-	1,778	4,527
Restricted	381	3,216	153,216	156,813
Committed	-	159	46,625	46,784
Assigned	907	3,392	52,252	56,551
Unassigned	123,477	-	-	123,477
Total Fund Balance	<u>\$ 127,514</u>	<u>\$ 6,767</u>	<u>\$ 253,871</u>	<u>\$ 388,152</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ 148,272</u>	<u>\$ 9,730</u>	<u>\$ 291,958</u>	<u>\$ 449,960</u>

The notes to the financial statements are an integral part of this statement

RECONCILIATION OF BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION

December 31, 2024

(amounts expressed in thousands)

Total governmental fund balances as reported on this statement		\$ 388,152
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore not reported in the governmental funds.		739,951
Other non-current assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Net pension asset		79,890
Other long-term assets are not available to pay for current-period expenditures and therefore are reported as unavailable revenue in the governmental funds.		
Unearned revenue beyond the city's measurable and available period	26,872	
Unavailable revenue reported for special assessments	<u>(14,988)</u>	11,884
Internal service funds are used by management to charge the cost of certain activities, such as insurance, fleet, maintenance and information technology, to individual funds. The assets and liabilities of these internal service funds are included in governmental activities in the statement of net position.		70,490
Some liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Bonds and loans payable	(119,457)	
Premium on Bonds Payable	(548)	
Deferred amount on bond refunding	33	
Deferred amounts related to OPEB	(11,249)	
Deferred amounts related to pensions	68,897	
Interest payable	(3,846)	
Net pension liability	(21,864)	
Police and Fire liability	(34,104)	
Total OPEB liability	(154,654)	
Lease and Subscriptions Liability	(9,333)	
Compensated absences payable	<u>(30,219)</u>	(316,344)
Net position of government activities as reported on the statement of net position		<u><u>\$ 974,023</u></u>

The notes to the basic financial statements are an integral part of this statement.

The notes to the financial statements are an integral part of this statement

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS

For the Year Ended December 31, 2024
(amounts expressed in thousands)

	General Fund Fund #0010	Trans Capital & Engineering Fund #1060	Other Governmental Funds	Total Governmental Funds
REVENUES				
Taxes:				
Property	\$ 69,082	\$ -	\$ 25,847	\$ 94,929
Retail Sales & Use	82,996	-	36,821	119,817
Business	120,434	-	24,951	145,385
Excise	4,479	-	12,549	17,028
Licenses and Permits	2,504	-	542	3,046
Intergovernmental	8,315	11,529	45,055	64,899
Charges for Services	10,887	336	15,028	26,251
Fines and Forfeitures	1,281	-	3,852	5,133
Investment Earnings	6,414	141	11,094	17,649
Miscellaneous	853	-	5,130	5,983
Total Revenues	<u>307,245</u>	<u>12,006</u>	<u>180,869</u>	<u>500,120</u>
EXPENDITURES				
Current:				
General Government	34,198	-	1,173	35,371
Public Safety	204,246	-	52,169	256,415
Transportation	-	5,877	53,848	59,725
Natural and Economic Environment	6,156	-	20,257	26,413
Social Services	17,432	-	9,201	26,633
Culture and Recreation	17,059	-	8,965	26,024
Debt Service:				
Principal	850	-	12,579	13,429
Interest and Other Costs	197	80	3,769	4,046
Capital Outlay	1,711	18,129	19,939	39,779
Total Expenditures	<u>281,849</u>	<u>24,086</u>	<u>181,900</u>	<u>487,835</u>
Excess (Deficiency) of Revenues OVER EXPENDITURES	<u>25,396</u>	<u>(12,080)</u>	<u>(1,031)</u>	<u>12,285</u>
OTHER FINANCING SOURCES (USES)				
Sales of Capital Assets	1,995	-	-	1,995
Insurance Recoveries	9	826	3	838
Right-of-use proceeds	207	-	115	322
Issuance of Debt	-	3,022	-	3,022
Transfers In	25,989	11,088	59,889	96,966
Transfers Out	(45,351)	(100)	(84,308)	(129,759)
Total Other Financing Sources and Uses	<u>(17,151)</u>	<u>14,836</u>	<u>(24,301)</u>	<u>(26,616)</u>
Net Change in Fund Balance	<u>8,245</u>	<u>2,756</u>	<u>(25,332)</u>	<u>(14,331)</u>
Fund Balance - January 1, as Previously Reported	118,693	4,014	278,644	401,351
Error Correction	576	(3)	559	1,132
Fund Balance - January 1, restated	119,269	4,011	279,203	402,483
Fund Balance - Ending	<u>\$ 127,514</u>	<u>\$ 6,767</u>	<u>\$ 253,871</u>	<u>\$ 388,152</u>

The notes to the financial statements are an integral part of this statement

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**

For the Year Ended December 31, 2024
(amounts expressed in thousands)

Net change in fund balances per the Statement of Revenues, Expenditures and Changes in Fund Balance		(14,331)
Amount reported as change in net position in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital Outlays	39,779	
Depreciation Expense	(39,268)	
Donated Assets	3,463	
Retirement and sale of capital assets	(180)	3,794
The net effect of various miscellaneous transactions involving capital assets.		(568)
Debt proceeds are reported as financing sources in governmental fund and thus contribute to the change in fund balances. In the government-wide statements, however, issuing debt increases long-term liabilities in the statement of net position and does not affect the statement of activities.		
Issuance of new debt		(3,022)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds:		
Property taxes	561	
Amortization of loss on refunding	47	
Other unavailable revenue	4,227	
Amortization of bond premium	(13)	
		4,822
Developer contributions and annexation of infrastructure assets are reported as revenue in the statement of activities, but do not provide current financial resources and are not reported as fund revenue.		-
Repayment of the principal of long-term debt consumes the current financial resources of governmental funds but has no effect on the net position.		9,902
Internal service funds are used by management to charge the costs of certain activities, such as insurance and fleet maintenance, to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities.		(3,230)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Change in accrued interest payable	265	
Change in net pension obligation or asset	12,462	
Change in net other postemployment benefits	3,479	
Change in compensated absences payable	(4,816)	
Change in lease payable	224	
Change in SBITA Liability	412	
		12,026
Change in net position on the Statement of Activities		<u>9,393</u>

The notes to the financial statements are an integral part of this statement

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2024
(amounts expressed in thousands)
Page 1 of 4

	Enterprise Funds			
	Solid Waste Fund #4200	Wastewater Fund #4300	Water Fund #4600	Power Fund #4700
ASSETS				
Current Assets				
Cash and Cash Equivalents	\$ 91,480	\$ 222,169	\$ 64,724	\$ 423,730
Accounts Receivables (Net)	7,702	17,313	12,177	61,154
Due From Other Governmental Units	250	255	2,121	-
Inventory	-	3,408	6,002	11,232
Prepaid Items	-	571	2,937	11,264
Restricted Cash:				
Debt Service	539	1,732	1,268	19,846
Construction	-	12,981	-	-
Other	85	-	82,417	31,736
Leases Receivable-Current	-	268	-	1,332
Note and Contracts Receivable	-	448	-	-
Total Current Assets	100,056	259,145	171,646	560,294
Noncurrent Assets				
Restricted Cash, Bond Reserves	2,110	-	17,444	-
Long-Term Lease Receivables	-	3,268	-	76,922
Long-Term Notes and Contracts	-	587	-	4,997
Other non-current assets	-	-	3,905	28,032
Capital Assets:				
Right to Use Lease Assets	289	543	1,474	11,969
Less: Accumulated Amortization	(51)	(370)	(924)	(5,963)
Land	3,242	25,931	31,455	76,459
Art	-	-	-	-
Property, Plant, and Equipment	225,093	1,078,518	1,316,754	2,409,763
Construction in Progress	856	27,041	23,397	46,675
Less: Accumulated Depreciation	(131,181)	(391,737)	(405,402)	(1,310,443)
Total Capital Assets (Net of A/D)	98,248	739,926	966,754	1,228,460
Total Noncurrent Assets	100,358	743,781	988,103	1,338,411
Total Assets	200,414	1,002,926	1,159,749	1,898,705
DEFERRED OUTFLOW OF RESOURCES				
Deferred Outflow from Bond Refunding	-	2,603	51	-
Deferred Outflow related to Pensions	8,691	15,995	16,159	63,998
Deferred Outflow related to OPEB	541	786	1,088	2,326
Total Deferred Outflow of Resources	9,232	19,384	17,298	66,324

The notes to the financial statements are an integral part of this statement

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2024
(amounts expressed in thousands)
Page 2 of 4

	Enterprise Funds			
	Solid Waste Fund #4200	Wastewater Fund #4300	Water Fund #4600	Power Fund #4700
LIABILITIES				
Current Liabilities:				
Accounts Payable	2,284	5,643	4,745	48,367
Due to Other Governmental Units	-	870	-	-
Customer Deposits	79	30	363	12,298
Interest Payable	-	154	1,466	13,705
Environment Liabilities	638	1,267	-	115
Notes and Contracts Payable	-	5,714	5,725	-
Compensated Absences	605	985	1,022	3,557
Bonds Payable - Current	4,005	8,099	7,900	6,205
Payable From Restricted Assets:				
Debt Principal Payable	-	736	-	-
Interest Payable	206	996	-	-
Deposits and Other Payable	82	-	-	-
Unearned Revenue	347	786	-	3,827
Claims and Judgements - Current	-	-	-	-
Lease Liability - Current	-	44	-	140
SBITA payable, Current	83	29	129	1,587
OPEB Liability - Current	56	62	91	245
Other Liabilities Payable	1,400	2,171	3,342	35
Total Current Liabilities	9,785	27,586	24,783	90,081
Noncurrent Liabilities				
Bonds Payable	52,144	294,886	293,889	594,071
Unearned Revenue	-	-	6,084	-
Compensated Absences	1,690	3,482	3,538	15,413
Environmental Liabilities	11,078	800	-	-
Claims and Judgements	-	-	-	-
Leases Payable, noncurrent	-	54	-	501
Other LT Liabilities Payable	350	3,112	9,819	3,087
Notes and Contracts Payables	-	56,438	46,778	-
SBITA Payable, non current	98	-	153	2,408
Total OPEB Liability	2,275	2,500	3,675	9,950
Net Pension Liability	7,013	12,906	13,038	51,638
Total Noncurrent Liabilities	74,648	374,178	376,974	677,068
Total Liabilities	84,433	401,764	401,757	767,149
DEFERRED INFLOW OF RESOURCES				
Deferred Inflow - Rate Stabilization	7,000	25,000	35,575	158,000
Deferred Inflow related to Bond Refunding	45	-	4,220	3,722
Deferred Inflow related to Pensions	105	193	194	770
Deferred Inflow related to Leases	-	3,334	-	77,044
Deferred Inflow related to OPEB	898	1,307	1,459	3,401
Total Deferred Inflow of Resources	8,048	29,834	41,448	242,937
NET POSITION				
Net Investment in Capital Assets	49,394	397,988	627,907	625,967
Restricted for:				
Capital Purchase	-	-	-	-
Debt Service	2,110	-	-	-
Utility Donations & System Development	-	-	37,299	-
Environment Service & Program	-	-	-	-
Reserves	-	-	-	31,736
Unrestricted	65,661	192,724	68,636	297,240
Total Net Position	\$ 117,165	\$ 590,712	\$ 733,842	\$ 954,943

The notes to the financial statements are an integral part of this statement

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2024
(amounts expressed in thousands)
Page 3 of 4

	Enterprise Funds		Governmental Activities
	Non-Major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 75,560	\$ 877,663	\$ 127,315
Accounts Receivables (Net)	11,052	109,398	945
Due From Other Governmental Units	-	2,626	-
Inventory	1,533	22,175	2,106
Prepaid Items	3,912	18,684	2,312
Restricted Cash:			
Debt Service	668	24,053	-
Construction	-	12,981	-
Other	7,723	121,961	-
Leases Receivable-Current	62	1,662	75
Note and Contracts Receivable	157	605	-
Total Current Assets	100,667	1,191,808	132,753
Noncurrent Assets			
Restricted Cash, Bond Reserves	-	19,554	-
Long-Term Lease Receivables	288	80,478	3,423
Long-Term Notes and Contracts	8,187	13,771	-
Other non-current assets	3,468	35,405	-
Capital Assets:			
Right to Use Lease Assets	682	14,957	6,957
Less: Accumulated Amortization	(98)	(7,406)	(3,628)
Land	34,906	171,993	357
Art	561	561	-
Property, Plant, and Equipment	333,001	5,363,129	138,166
Construction in Progress	4,906	102,875	13,031
Less: Accumulated Depreciation	(168,195)	(2,406,958)	(101,043)
Total Capital Assets (Net of A/D)	205,763	3,239,151	53,840
Total Noncurrent Assets	217,706	3,388,359	57,263
Total Assets	318,373	4,580,167	190,016
DEFERRED OUTFLOW OF RESOURCES			
Deferred Outflow from Bond Refunding	414	3,068	-
Deferred Outflow related to Pensions	8,187	113,030	28,086
Deferred Outflow related to OPEB	957	5,698	-
Total Deferred Outflow of Resources	9,558	121,796	28,086

The notes to the financial statements are an integral part of this statement

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2024
(amounts expressed in thousands)
Page 4 of 4

	Enterprise Funds		Governmental Activities
	Non-Major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
LIABILITIES			
Current Liabilities:			
Accounts Payable	7,437	68,476	21,452
Due to Other Governmental Units	7	877	-
Customer Deposits	6,916	19,686	-
Interest Payable	143	15,468	-
Environment Liabilities	-	2,020	-
Notes and Contracts Payable	856	12,295	-
Compensated Absences	574	6,743	1,300
Bonds Payable - Current	2,300	28,509	-
Payable From Restricted Assets:			
Debt Principal Payable	-	736	-
Interest Payable	-	1,202	42
Deposits and Other Payable	-	82	-
Unearned Revenue	310	5,270	-
Claims and Judgements - Current	-	-	52,740
Lease Liability - Current	26	210	117
SBITA payable, Current	7	1,835	1,342
OPEB Liability - Current	196	650	-
Other Liabilities Payable	1,696	8,644	17,151
Total Current Liabilities	20,468	172,703	94,144
Noncurrent Liabilities			
Bonds Payable	36,104	1,271,094	-
Unearned Revenue	-	6,084	8,199
Compensated Absences	3,472	27,595	7,624
Environmental Liabilities	-	11,878	-
Claims and Judgements	-	-	17,288
Leases Payable, noncurrent	532	1,087	464
Other LT Liabilities Payable	3,172	19,540	6,414
Notes and Contracts Payables	2,357	105,573	-
SBITA Payable, non current	15	2,674	929
Total OPEB Liability	7,952	26,352	-
Net Pension Liability	6,605	91,200	22,660
Total Noncurrent Liabilities	60,209	1,563,077	63,578
Total Liabilities	80,677	1,735,780	157,722
DEFERRED INFLOW OF RESOURCES			
Deferred Inflow - Rate Stabilization	-	225,575	-
Deferred Inflow related to Bond Refunding	-	7,987	-
Deferred Inflow related to Pensions	98	1,360	338
Deferred Inflow related to Leases	304	80,682	3,397
Deferred Inflow related to OPEB	3,686	10,751	-
Total Deferred Inflow of Resources	4,088	326,355	3,735
NET POSITION			
Net Investment in Capital Assets	163,862	1,865,118	50,945
Restricted for:			
Capital Purchase	3,239	3,239	-
Debt Service	2,016	4,126	-
Utility Donations & System Development	-	37,299	-
Environment Service & Program	4,435	4,435	-
Reserves	-	31,736	-
Unrestricted	69,614	693,875	5,700
Total Net Position	\$ 243,166	\$ 2,639,828	\$ 56,645

The notes to the financial statements are an integral part of this statement

**RECONCILIATION OF TOTAL ENTERPRISE NET POSITION
TO THE GOVERNMENT WIDE STATEMENT OF NET POSITION**

December 31, 2024

(amounts expressed in thousands)

NET POSITION - TOTAL ENTERPRISE FUNDS	\$ 2,639,828
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Amounts reported for business activities in the statement of net position are different because:

Internal service funds are used by management to charge the cost of support services to individual enterprise funds. In this case the support service is Fleet Management. The assets and liabilities of the Fleet fund are included in the business activities in the government-wide statement of net position.	(13,845)
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NET POSITION OF BUSINESS-TYPE ACTIVITIES	<u><u>\$ 2,625,983</u></u>
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The notes to the financial statements are an integral part of this statement

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS**

For the Year Ended December 31, 2024

(amounts expressed in thousands)

Page 1 of 2

	Enterprise Funds			
	Solid Waste Fund #4200	Wastewater Fund #4300	Water Fund #4600	Power Fund #4700
OPERATING REVENUES				
Charges for Services	\$ 94,566	\$ 141,968	\$ 104,669	\$ 486,894
Interfund Insurance Premiums	-	-	-	-
Lease Revenue	-	290	-	2,153
Other Operating Revenue	740	4,338	16,251	23,304
Total Operating Revenue	95,306	146,596	120,920	512,351
OPERATING EXPENSES				
Salaries and Benefits	28,627	43,726	41,944	163,899
Supplies	1,665	6,328	3,242	131,425
Services	38,372	38,906	32,625	74,186
Taxes	9,282	14,296	10,364	66,225
Depreciation and Amortization	6,756	22,983	29,993	53,562
Total Operating Expenses	84,702	126,239	118,168	489,297
Operating Income (Loss)	10,604	20,357	2,752	23,054
NON-OPERATING REVENUE (EXPENSE)				
Interest Revenue	3,791	9,428	6,947	19,002
Interest Revenue-Lease Activities	-	84	-	2,063
Operating Contributions	495	1,022	11	-
Other Non-Operating Revenues	114	5,538	11,012	-
Gain (Loss) on Sale of Capital Assets	121	(284)	153	68
Unrealized Net Gain(Loss) on Fair Value Investment	457	1,144	948	2,164
Interest Expense	(1,934)	(12,324)	(14,775)	(24,384)
Other Non-Operating Expenses	(6)	(14)	(989)	(5,953)
External Contributions	(170)	(81)	(114)	(3,500)
Total Non-Operating Revenues (Expenses)	2,868	4,513	3,193	(10,540)
Income (Loss) Before Contributions & Transfers	13,472	24,870	5,945	12,514
Capital Contributions	-	6,913	21,475	18,166
Transfers In	170	2,226	114	7,717
Transfers Out	(70)	(1,806)	-	(1,000)
Change in Net Position	13,572	32,203	27,534	37,397
Net Position, January 1	103,915	559,020	706,821	919,127
Error Correction	-	-	-	-
Change in Accounting Principle	(322)	(511)	(513)	(1,581)
Net Position, January 1 restated	103,593	558,509	706,308	917,546
Net Position, December 31	\$ 117,165	\$ 590,712	\$ 733,842	\$ 954,943

The notes to the financial statements are an integral part of this statement

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS**

For the Year Ended December 31, 2024

(amounts expressed in thousands)

Page 2 of 2

	Enterprise Funds		Total
	Non-Major Enterprise Funds	Enterprise Funds	Internal Service Funds
OPERATING REVENUES			
Charges for Services	\$ 90,822	\$ 918,919	\$ 84,815
Interfund Insurance Premiums	-	-	119,095
Lease Revenue	-	2,443	-
Other Operating Revenue	716	45,349	119
Total Operating Revenue	91,538	966,711	204,029
OPERATING EXPENSES			
Salaries and Benefits	43,830	322,026	70,859
Supplies	2,911	145,571	4,197
Services	37,349	221,438	161,014
Taxes	4,738	104,905	-
Depreciation and Amortization	10,994	124,288	7,947
Total Operating Expenses	99,822	918,228	244,017
Operating Income (Loss)	(8,284)	48,483	(39,988)
NON-OPERATING REVENUE (EXPENSE)			
Interest Revenue	3,422	42,590	4,488
Interest Revenue-Lease Activities	-	2,147	76
Operating Contributions	12,320	13,848	767
Other Non-Operating Revenues	586	17,250	210
Gain (Loss) on Sale of Capital Assets	(50)	8	116
Unrealized Net Gain(Loss) on Fair Value Investment	380	5,093	509
Interest Expense	(1,304)	(54,721)	-
Other Non-Operating Expenses	(2,811)	(9,773)	(99)
External Contributions	-	(3,865)	-
Total Non-Operating Revenues (Expenses)	12,543	12,577	6,067
Income (Loss) Before Contributions & Transfers	4,259	61,060	(33,921)
Capital Contributions	146	46,700	-
Transfers In	14,113	24,340	19,354
Transfers Out	(7,206)	(10,082)	(819)
Change in Net Position	11,312	122,018	(15,386)
Net Position, January 1	229,824	2,518,707	72,608
Error Correction	2,183	2,183	16
Change in Accounting Principle	(153)	(3,080)	(593)
Net Position, January 1 restated	231,854	2,517,810	72,031
Net Position, December 31	\$ 243,166	\$ 2,639,828	\$ 56,645

The notes to the financial statements are an integral part of this statement

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION OF ENTERPRISE FUNDS
TO THE STATEMENT OF ACTIVITIES
BUSINESS-TYPE ACTIVITIES**

For the Year Ended December 31, 2024
(amounts expressed in thousands)

NET CHANGE IN NET POSITION - TOTAL ENTERPRISE FUNDS	\$	122,018
---	----	---------

Amounts reported for business activities in the statement of activities are different because:

The net revenue of certain activities of internal service funds is reported with business activities.	(12,156)
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NET POSITION OF BUSINESS ACTIVITIES	<u>\$</u>	<u>109,862</u>
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The notes to the financial statements are an integral part of this statement.

STATEMENT OF CASH FLOW
PROPRIETARY FUNDS
For the Year Ended December 31, 2024
(amounts expressed in thousands)
Page 1 of 4

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS			
	Solid Waste Fund #4200	Wastewater Fund #4300	Water Fund #4600	Power Fund #4700
CASH FLOW FROM OPERATING ACTIVITIES				
Receipt from customers and users	\$ 94,758	\$ 144,959	\$ 125,474	\$ 516,702
Receipts from interfund services provided	-	-	-	-
Contribution received - employee/employer	-	-	-	-
Payments to suppliers	(40,088)	(43,640)	(30,636)	(192,562)
Payments to employees	(27,463)	(42,327)	(40,177)	(157,955)
Payments for taxes	(9,310)	(14,980)	(16,072)	(65,934)
Payments for interfund services used	-	-	-	-
Other operating or non-operating Receipts		5,777	214	158
Other operating or non-operating payments	(60)			(4,353)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	17,837	49,789	38,803	96,056
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfer from other funds	170	81	114	7,717
Grants and contributions received	246	877	11	-
Payments paid on noncapital debts	(332)	(451)	-	(3,500)
Transfer to other funds	(70)	(1,806)	-	(1,000)
Grants Paid	-	-	-	(668)
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	14	(1,299)	125	2,549
CASH FLOWS PROVIDED (USED) BY CAPITAL FINANCING ACTIVITIES				
Transfers from other funds	-	-	-	-
Proceeds received from long term debts	-	-	110,139	16,410
Proceeds received from capital debts	-	1,542	-	142,660
Proceeds from sales of capital assets	202	98	153	296
Contributions and donations	-	7,739	12,222	16,627
Acquisitions and constructions of capital assets	(16,073)	(35,900)	(30,062)	(101,838)
Principal paid on capital debts	(3,815)	(13,641)	(128,283)	(169,850)
Principal payments on leases and subscriptions	(92)	(101)	(465)	(2,765)
Interest and issuance costs paid on capital debts	(2,328)	(12,782)	(16,548)	(25,751)
Transfers to other funds	-	2,145	-	-
Other Long-Term Liabilities	-	-	(1,173)	(751)
NET CASH PROVIDED (USED) BY CAPITAL FINANCING ACTIVITIES	(22,106)	(50,900)	(54,017)	(124,962)
CASH FLOW FROM INVESTING ACTIVITIES				
Interests and dividends received	4,248	10,573	7,896	21,166
Change in fair value of investment	-	-	-	-
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	4,248	10,573	7,896	21,166
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(7)	8,163	(7,193)	(5,191)
CASH AND CASH EQUIVALENTS, JANUARY 1	94,221	228,719	173,046	480,503
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 94,214	\$ 236,882	\$ 165,853	\$ 475,312

* Increases and decreases in the fair value of investments are treated as additions or deductions to cash and equity in pooled investments and long-term investments

The notes to the financial statements are an integral part of this statement

STATEMENT OF CASH FLOW
PROPRIETARY FUNDS
For the Year Ended December 31, 2024
(amounts expressed in thousands)
Page 2 of 4

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS		GOVERNMENTAL ACTIVITIES
	Non-Major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
CASH FLOW FROM OPERATING ACTIVITIES			
Receipt from customers and users	\$ 89,124	\$ 971,017	\$ 21,001
Receipts from interfund services provided	-	-	94,187
Contribution received - employee/employer	-	-	117,547
Payments to suppliers	(45,861)	(352,787)	(39,566)
Payments to employees	(42,299)	(310,221)	(186,122)
Payments for taxes	(4,710)	(111,006)	(2,152)
Payments for interfund services used	(5,382)	(5,382)	(2,539)
Other operating or non-operating Receipts	4,330	10,479	3,186
Other operating or non-operating payments	(3,046)	(7,459)	(116)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(7,844)	194,641	5,426
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfer from other funds	9,251	17,333	17,734
Grants and contributions received	9,298	10,432	157
Payments paid on noncapital debts	-	(4,283)	-
Transfer to other funds	(3,955)	(6,831)	(793)
Grants Paid	-	(668)	-
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	14,594	15,983	17,098
CASH FLOWS PROVIDED (USED) BY CAPITAL FINANCING ACTIVITIES			
Transfers from other funds	4,861	4,861	1,620
Proceeds received from long term debts	-	126,549	-
Proceeds received from capital debts	452	144,654	-
Proceeds from sales of capital assets	67	816	115
Contributions and donations	200	36,788	-
Acquisitions and constructions of capital assets	(5,930)	(189,803)	(20,392)
Principal paid on capital debts	(6,248)	(321,837)	-
Principal payments on leases and subscriptions	(40)	(3,463)	(346)
Interest and issuance costs paid on capital debts	(1,793)	(59,202)	(119)
Transfers to other funds	(3,250)	(1,105)	(26)
Other Long-Term Liabilities	-	(1,924)	-
NET CASH PROVIDED (USED) BY CAPITAL FINANCING ACTIVITIES	(11,681)	(263,666)	(19,148)
CASH FLOW FROM INVESTING ACTIVITIES			
Interests and dividends received	3,422	47,305	4,564
Change in fair value of investment	380	380	510
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	3,802	47,685	5,074
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,129)	(5,357)	8,450
CASH AND CASH EQUIVALENTS, JANUARY 1	85,080	1,061,569	118,865
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 83,951	\$ 1,056,212	\$ 127,315

* Increases and decreases in the fair value of investments are treated as additions or deductions to cash and equity in pooled investments and long-term investments

The notes to the financial statements are an integral part of this statement

STATEMENT OF CASH FLOW
PROPRIETARY FUNDS
For the Year Ended December 31, 2024
(amounts expressed in thousands)
Page 3 of 4

BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				
	Solid Waste Fund #4200	Wastewater Fund #4300	Water Fund #4600	Power Fund #4700
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	\$ 10,604	\$ 20,357	\$ 2,752	\$ 23,054
Adjustments to reconcile operating income (loss) to net cash provided (used) by:				
Operating Activities:				
Depreciation and amortization expenses	6,756	22,983	29,993	53,562
(Increase) decrease in accounts receivable	129	(805)	4,481	6,061
(Increase) decrease in intergovernmental receivables	-	-	-	-
(Increase) decrease in due from other funds	-	-	-	-
(Increase) decrease in inventories	-	(616)	(141)	1,885
(Increase) decrease in prepaid items	-	(116)	153	-
(Increase) decrease in other assets	-	-	161	1,374
Increase (decrease) in deposit payable	8	-	26	(1,880)
Increase (decrease) in accounts payable	(946)	535	-	571
Increase (decrease) in accrued wages payable	457	657	712	4,364
Increase (decrease) in compensated absences	296	70	320	(699)
Increase (decrease) in intergovernmental payable	-	30	-	-
Increase (decrease) in unearned revenues	-	(118)	-	-
Increase (decrease) in other current liabilities	115	1	(441)	8,418
Increase (decrease) long term liabilities	77	741	-	2,518
Miscellaneous non-operating revenues (expenses)	341	6,070	787	(3,172)
Error correction/Change in accounting Principal	-	-	-	-
Total adjustments	7,233	29,432	36,051	73,002
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 17,837	\$ 49,789	\$ 38,803	\$ 96,056
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES				
Contribution of capital assets	-	2,925	9,255	1,538
Interest expense accrued as debt principal	-	246	-	-
Unrealized Net Gain(Loss) on Fair Value Investment	457	1,145	948	2,164
Transfer from Other Government	-	-	10,580	-
Additions in Right to Use Lease Assets	-	-	-	89
Additions in Right to Use Subscription Assets	155	-	52	779

The notes to the financial statements are an integral part of this statement

STATEMENT OF CASH FLOW
PROPRIETARY FUNDS
For the Year Ended December 31, 2024
(amounts expressed in thousands)
Page 4 of 4

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS		GOVERNMENTAL ACTIVITIES
	Non-Major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	\$ (8,284)	\$ 48,483	\$ (39,988)
Adjustments to reconcile operating income (loss) to net cash provided (used) by:			
Operating Activities:			
Depreciation and amortization expenses	10,994	124,288	7,947
(Increase) decrease in accounts receivable	(3,559)	6,307	(475)
(Increase) decrease in intergovernmental receivables	-	-	-
(Increase) decrease in due from other funds	-	-	1,500
(Increase) decrease in inventories	(90)	1,038	(257)
(Increase) decrease in prepaid items	604	641	(4)
(Increase) decrease in other assets	-	1,535	-
Increase (decrease) in deposit payable	(13,170)	(15,016)	-
Increase (decrease) in accounts payable	4,578	4,738	11,101
Increase (decrease) in accrued wages payable	544	6,734	1,155
Increase (decrease) in compensated absences	612	599	1,637
Increase (decrease) in intergovernmental payable	-	30	(2)
Increase (decrease) in unearned revenues	(241)	(359)	-
Increase (decrease) in other current liabilities	(171)	7,922	18,857
Increase (decrease) long term liabilities	264	3,600	3,989
Miscellaneous non-operating revenues (expenses)	75	4,101	(34)
Error correction/Change in accounting Principal	-	-	-
Total adjustments	440	146,158	45,414
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (7,844)	\$ 194,641	\$ 5,426
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES			
Contribution of capital assets	-	13,718	-
Interest expense accrued as debt principal	-	-	-
Unrealized Net Gain(Loss) on Fair Value Investment			
Transfer from Other Government			
Additions in Right to Use Lease Assets			
Additions in Right to Use Subscription Assets			

The notes to the financial statements are an integral part of this statement

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
December 31, 2024
(amounts expressed in thousands)

	Custodial Fund	Pension Trust Fund
ASSETS		
Cash and Cash Equivalents	\$ 35	2,905
Investments	-	31,803
Equities	-	602,037
Fixed income	-	867,855
Real estate	-	221,501
Venture capital and partnerships	-	540,106
Securities lending collateral	-	39,528
Due From Other Governments	-	3,267
Interest and Dividends	-	3,649
Investment Sales	-	4,954
Capital Assets, net of accumulated depreciation	-	4
Total Assets	<u>35</u>	<u>2,317,609</u>
 DEFERRED OUTFLOW OF RESOURCES	 -	 -
TOTAL DEFERRED OUTFLOW OF RESOURCES	-	-
 LIABILITIES		
Current Liabilities:		
Accounts Payable	34	1,789
Accrued Wages and Benefits Payable	-	149
Investments Purchase Payable	-	79,057
Other Current Liabilities	-	4
Total Current Liabilities	<u>34</u>	<u>80,999</u>
Noncurrent Liabilities		
Accrued Employee Leave Benefits	-	208
Total Noncurrent Liabilities	<u>-</u>	<u>208</u>
Total Liabilities	<u>34</u>	<u>81,207</u>
 DEFERRED INFLOW OF RESOURCES		
TOTAL DEFERRED INFLOW OF RESOURCES	-	-
 NET POSITION		
Net position restricted for pensions and other purposes	<u>\$ 1</u>	<u>2,236,402</u>

The notes to the financial statements are an integral part of this statement.

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS

For the Year Ended December 31, 2024
(amounts expressed in thousands)

	Custodial Fund	Pension Trust Fund
ADDITIONS		
Employer Contributions	\$ -	41,403
Member Contributions	-	36,069
Total Contributions	-	77,472
Investment Income:		
Net Appreciation (Depreciation) in Fair Value of Investments	-	121,301
Interest and Dividends	-	40,803
Total Investment Income	-	162,104
Less Investment Expenses:		
Investment Management Fees	-	(7,938)
Securities Lending - Agent Fees	-	(64)
Securities Lending - Broker Rebates	-	(1,939)
Total Investment Expense	-	(9,941)
Net Investment Income	-	152,163
 Total Additions	-	229,635
 DEDUCTIONS		
Wages and Benefit Payments	-	1,735
Healthcare Benefit Payments	-	112,566
Refunds of Contributions	-	3,334
Administrative Expense	-	1,240
Total Deductions	-	118,875
 Net Increase (Decrease)	-	110,760
 NET POSITION RESTRICTED FOR PENSION BENEFITS		
Net position - beginning	1	2,125,485
Error Correction	-	174
Changes in accounting principle	-	(17)
Net position - beginning (restated)	1	2,125,642
Net position - ending	\$ 1	2,236,402

The notes to the financial statements are an integral part of this statement.

Notes to the Financial Statements

For the Year Ended December 31, 2024

Table of Contents – Notes to the Financial Statements

Note 1 Summary of Significant Accounting Policies	3-25
A. Reporting Entity	3-25
B. Accounting Standards.....	3-27
C. Government-wide and Fund Financial Statements.....	3-28
D. Measurement Focus, Basis of Accounting and Financial Statement Presentation	3-28
E. Assets, Liabilities and Net Position or Fund Balances	3-30
1. Cash and Investments.....	3-30
2. Receivables and Payables	3-31
3. Inventories and Prepaid Items	3-31
4. Restricted Assets	3-31
5. Capital Assets	3-31
6. Compensated Absences	3-32
7. Deferred Outflows and Deferred Inflows of Resources	3-33
8. Pensions	3-33
9. Long-term Obligations	3-33
10. Fund Balance	3-33
11. Leases.....	3-35
12. Subscription Based Information Technology Agreements (SBITAs)	3-36
Note 2 Stewardship, Compliance and Accountability	3-37
A. Budgetary Information.....	3-37
B. Deficits in Fund Balance or Net Position	3-37
C. Legal and Contractual Compliance	3-37
Note 3 Detailed Notes on All Funds	3-38
A. Deposits and Investments	3-38
B. Receivables	3-44
C. Capital Assets and Depreciation.....	3-45
D. Leases	3-47
E. Subscription Based Information Technology Agreements (SBITAs)	3-49
F. Long-Term Liabilities	3-50
G. Restricted Assets.....	3-59
H. Related Party Transactions.....	3-59
I. Fund Balances	3-59
Note 4 Pension Plan(s) Obligations and Other Post-Employment Benefits	3-61
A. Tacoma Employees' Retirement System (TERS)	3-61
B. Law Enforcement Officers' and Fire Fighter's Retirement System	3-66
C. Police and Firefighter's Relief and Pension Funds	3-72
D. Defined Benefit Other Post-Employment Benefits (OPEB) Plan.....	3-75
Note 5 Deferred Compensation.....	3-84
Note 6 Interfund Activity	3-84
Note 7 Other Information.....	3-86
A. Risk Management	3-86
B. Prior-Period Adjustments and Error Corrections	3-88
C. Segment Information	3-91
D. Tax Expense-Utility Funds	3-92
E. Results of Operations of Joint Ventures	3-93
Note 8 Claims, Judgements and Commitments	3-93
A. Claims	3-93
B. Construction Commitments	3-94
C. Solid Waste Utility-Landfill Closure and Post Closure Liabilities.....	3-94
Note 9 Contingent Liabilities	3-96
Note 10 Tax Abatements	3-100
Note 11 Subsequent Events	3-101

Notes to the Financial Statements

For the Year Ended December 31, 2024

Note 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying basic financial statements of The City of Tacoma are presented in conformity with Generally Accepted Accounting Principles (GAAP) in the United States as applied to governments as prescribed by the Governmental Accounting Standards Board (GASB).

The following is a summary of the significant accounting policies and reporting practices of the City:

A. Reporting Entity

The City of Tacoma is a municipal corporation incorporated January 7, 1884. The City operates under a Council-Manager form of government, and under its charter has all powers granted by the constitution and laws of the State of Washington. The City provides the full range of services contemplated by statute or charter. Areas under City Council include:

1. Governmental functions: City Attorney, Community & Economic Development, Environmental Policy & Sustainability, Finance, Fire, Governmental Relations, Hearing Examiner, Human Resources, Information Technology, Library, Municipal Court, Media & Communications, Neighborhood & Community Services, Office of Management and Budget, Planning & Development Services, Police, Tacoma Venues and Events, and Public Works; and,
2. Utility functions: Power, Water, Wastewater, Stormwater, Solid Waste and Rail.

The accompanying financial statements present the City and its component units.

Component units are required to be blended if the component unit's governing body is substantively the same as the governing body of the primary government and (1) there is a financial benefit/burden relationship between the primary government and the component unit or (2) management of the primary government has operational responsibility for the component unit. Additionally, per GASB Statement No. 80 a component unit should be included using blending method if the component unit is organized as a not-for-profit corporation in which the primary government is the sole corporate member. A component unit should be presented as blended when the component unit provides services entirely, or almost entirely, to the primary government or otherwise exclusively, or almost exclusively, benefits the primary government even though it does not provide services directly to it.

Discretely presented component units are separate legal entities for which the City is financially accountable and there is a financial benefit/burden relationship with the City. Exclusion of these entities would cause the City's financial statements to be misleading or incomplete. To be presented as a discretely presented component unit all of the following criteria must be met:

1. The economic resources received or held by the organization are almost entirely for the direct benefit of the primary government, its component units, or its constituents.
2. The primary government is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization.
3. The economic resources received or held by an individual organization of the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government.

For related party transactions refer to Note 3 Section H.

Notes to the Financial Statements For the Year Ended December 31, 2024

Blended Component Units:

Tacoma Transportation Benefit District (TBD) is governed by a Board, comprised of Tacoma City Council members acting ex officio and independently of their elected position, as required by the authorizing state law. Though it is legally separated from the City the TBD is reported as if it was part of the primary government because its sole purpose is to acquire, construct, improve, and provide funding for transportation improvements for the benefit of the City and City management has operational responsibility and services are provided entirely to the City. The authority to form a TBD was granted under Washington State RCW 35.21.225 and RCW 36.73.020. During 2012 City Council created the TBD, by ordinance No. 28099 and RCW 82.80.140 gives the TBD the authority to impose taxes, fees, charges, and tolls. The TBD approved Resolution No. TBD001 imposing a \$20 vehicle registration fee within the district's boundaries, effective in 2013 and also approved Resolution No. TBD008, placing a ballot for authorizing a sales tax increase of one tenth of one percent (0.1 percent) for General Election, effective in 2015.

Financial statements for the TBD can be found in the Combining Statements located in the Financial Section of this report.

Discretely presented Component Units:

Tacoma Community Redevelopment Authority (TCRA) is a separate public development authority established through City ordinances and the laws of the State of Washington. TCRA was created to administer Housing and Urban Development (HUD) and Economic Development Administration (EDA) funds assisting the City in housing rehabilitation and business economic development projects. The Tacoma Community Redevelopment Authority is governed by a 12-member board appointed by the Tacoma City Council. Although it is legally separated from the City, the TCRA is a component unit of the primary government because its sole purpose is to finance and provide housing rehabilitation and community & economic development loans to residents and businesses in the City of Tacoma. The City has operational responsibility for administration and contract approval.

Separate financial statements for TCRA can be obtained from: TCRA, 747 Market Street, Room 132, Tacoma, Washington, 98402.

The Greater Tacoma Regional Convention Center Public Facilities District (the District) is a public corporation organized under the Laws of Washington, Chapter 165, 1999 Regular Session, Sections 1 through 23 and pursuant to an interlocal agreement between the Cities of Tacoma, Fife, University Place, Lakewood and Pierce County. Liability of the District is limited to the District's assets with no recourse to the City of Tacoma assets or property. Although it is legally separated from the City, the District is a component unit of the primary government because its sole purpose is to assist finance, and otherwise facilitate the construction and operation of a Convention Center. The City appoints a voting majority of the board and has responsibility for administration for the debt service on bonds issued by the City for the construction of the Convention Center. The District imposed the 0.033 percent sales and use tax authorized by RCW 82.08 and 82.12. The District pays these revenues to the City of Tacoma primarily for the debt service for bond issued by the City of Tacoma to fund the design, development, construction and operation of Convention Center inclusive of real property, buildings, fixtures, furnishings, appurtenances and improvements.

Separate financial statements for the District can be obtained from: GTRCC PFD, c/o the City of Tacoma Finance Department, 747 Market Street, Room 132; Tacoma, Washington 98402.

Notes to the Financial Statements

For the Year Ended December 31, 2024

Joint Ventures:

Tacoma-Pierce County Health Department (TPCHD) The Health Department is a joint venture of the City and County providing personal and environmental health services throughout the County. The Department provides community leadership in protecting the public's health, preventing health problems, and promoting healthy and safe living. The Health Department was created pursuant to the provisions of Chapter 70.08 of the Revised Code of Washington (RCW) to serve the needs of the constituents of the City of Tacoma, Pierce County, and other cities and towns within the County. The operations of the Health Department are governed by an agreement, dated May 23, 2006, between the City of Tacoma and Pierce County. The Health Department is managed by the Board of Health, which consists of the Pierce County Executive or a duly designated representative, three members of the County Council, Mayor of the City of Tacoma or a duly designated representative, one member of the City Council, one member representing Pierce County Cities and Towns Association, and one member-at-large appointed by the first six representatives. The City of Tacoma and Pierce County are responsible for its debts and are entitled to the surplus.

Financial information for TPHCD is included in Note 7 Section E. The City of Tacoma, however, does not report an equity interest in the Government-wide financial statements.

B. Accounting Standards

In Fiscal Year 2024, the City adopted new statements of financial accounting standards issued by the Governmental Accounting Standards Board (GASB):

GASB Statement No. 100 – Accounting Changes and Error Corrections

GASB Statement No. 100, issued in June 2022 as an amendment to GASB Statement No. 62, enhances accounting and financial reporting requirements for accounting changes and error corrections. The goal is to provide clearer, more reliable, relevant, consistent, and comparable information to support decision-making and accountability assessments. This statement categorizes accounting changes into three types: (1) Changes in accounting principles, (2) Changes in accounting estimates, and (3) Changes to or within the financial reporting entity. The statement defines the transactions or events that constitute these changes and specifies that for certain changes in accounting principles and measurement methodologies, the new principle or methodology must be justified as preferable to the previous one. This preferability should align with the qualitative characteristics of financial reporting: understandability, reliability, relevance, timeliness, consistency, and comparability. Additionally, this statement provides guidance for correcting errors in previously issued financial statements. The City implemented GASB Statement No. 100 for the fiscal year ended December 31, 2024.

GASB Statement No. 101 – Compensated Absences

This statement superseded the requirements of GASB Statement No. 16, Accounting for Compensated Absences. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosure. The implementation of this standard requires a liability to be recorded for compensated absences and reported in the government-wide and proprietary financial statements for (a) leave that has not been used and (b) leave that has been used but not yet paid or settled through noncash means. Compensated absence liability is recognized for leave that has not been used if (i) the leave is attributable to services already rendered, (ii) the leave accumulates, and (iii) the leave is more likely than not to be used for time off or settled through noncash means.

Notes to the Financial Statements

For the Year Ended December 31, 2024

The City implemented the provisions of GASB Statement No. 101 effective January 1, 2023, and restated financial results for the year ended December 31, 2023, to reflect change in accounting principle. As a result of the implementation:

- **Governmental activities:** The beginning net position was restated and decreased by \$4.6 million due to the recognition of additional compensated absences liabilities. Current compensated absences liability was increased by \$4.9 million while long-term compensated absences liability decreased by \$0.3 million.
- **Business-Type activities:** The beginning net position was restated and decreased by \$3.1 million due to the recognition of additional compensated absences liabilities. Current compensated absences liability increased by \$3.5 million, while long-term compensated absences liability decreased by \$0.4 million.

C. Government-wide and fund financial statements

Basic financial statements are presented at both the government-wide and fund financial level. Both levels of statements categorize primary activities as either governmental or business-type. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

Government-wide financial statements, the Statement of Net Position and the Statement of Activities, report information on all non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are payments-in-lieu of taxes, charges between the City's utilities and various other functions of the government, and some indirect cost allocations between the general fund and other funds of the City. Eliminations of these charges would distort the direct costs and program revenues reported for the various functions concerned.

The Statement of Activities demonstrates the degree to which the direct expenses of a given governmental function or business segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a given function or segment. Taxes, transfers between funds, and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

D. Measurement focus, basis of accounting and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Notes to the Financial Statements

For the Year Ended December 31, 2024

The City uses encumbrance accounting. Purchase orders, contracts and other commitments are recorded as encumbrances. Encumbrances at year-end are no longer specifically reported as reservations of fund balances for governmental type funds. They are included in the restricted, committed, or assigned fund balance as defined by GASB Statement No. 54.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to generally be available if they are collected within sixty (60) days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred and when goods and services are received, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Franchise fees, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. Deferred Inflows of Resources includes property taxes that were not available to finance expenditures of the current period and grant revenues received in advance. Detailed information on property taxes is contained in the Statistical Section, Table 8. All other revenue items are considered to be measurable and available only when cash is received by the government.

Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements governmental column, a reconciliation is necessary to explain the adjustments needed to transform the fund based financial statements into the governmental column of the government-wide presentation. In addition, the City has two Internal Service Funds that provides 100% support to business-type activities only. A reconciliation is provided to explain the adjustment needed to transform the fund based financial statements into the business-type column of the government-wide presentation. These reconciliations are included as part of the basic financial statements.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's various utilities and internal service funds are charges to customers for sales and services. The City enterprise funds also recognize as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise and internal service funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The City reports the following major governmental funds:

- The General fund (#0010) is the government's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.
- The Transportation Capital and Engineering fund (#1060) accounts for maintenance, engineering, and construction of city streets. The resources available in this fund are a combination of grant funding, and tax funding. Other resources include general fund transfers. A significant amount of the resources available to this fund are restricted.

Notes to the Financial Statements

For the Year Ended December 31, 2024

The City reports the following major proprietary funds:

- The Solid Waste fund (#4200) provides solid waste collection and disposal services for residential and commercial customers. Services include recycling, long-haul to an outside landfill, and disposal in the City owned landfill.
- The Wastewater and Stormwater (Sewer) fund (#4300-01) accounts for the planning, design, construction, operation, and maintenance of the wastewater and stormwater facilities owned by the City.
- The Tacoma Water fund (#4600) accounts for the activities of the City's water distribution system.
- The Tacoma Power fund (#4700) accounts for the activities of the City's electric production and distribution operations.

The City reports the following major fiduciary funds:

- The Tacoma Employees' Retirement System (#6100) is a cost-sharing, multiple-employer defined benefit public employee pension plan, covering a majority of the employees of the City of Tacoma, and three Member Public Agencies.
- The Custodian Fund (#6331) accounts for deposits being held in trust pending the adjudication of court cases as well as Administration Office of the Courts (AOC) collections payable to various agencies.

Additionally, the City reports the following fund types:

- *Special revenue funds* are primary operating funds that account for revenue derived from specific taxes or other revenue sources, which are legally restricted to finance particular functions or activities.
- *Debt service funds* account for financial resources that are restricted, committed, or assigned to expenditure for both the principal and interest of long-term debt.
- *Capital project fund* account for the financial resources used in acquisition or construction of major capital facilities.
- *Enterprise funds* for the operations of predominantly self-supporting activities rendering services to the public on a user charge basis.
- *Internal service funds* are used to account for goods and/or services administered from one department to another department. The internal service funds follow a cost allocation method.

E. Assets, liabilities and net position or fund balances

1. *Cash and investments*

The City's cash and cash equivalents include cash on hand, cash working fund, restricted cash, short term investments with original or remaining maturities of three months or less when purchased, and cash and investments in the City-wide investment pool. Investments, including equity in pooled cash and investments are stated at fair value, except for the Pension trust fund which is reported on a trade date basis, at fair value. No direct investments restricted or otherwise, are considered to be cash equivalents. The City uses a pooled investment portfolio. Each fund receives interest based on a pro-rata share of its cash balance to the total cash invested. Portfolio earnings are distributed monthly based on average daily cash balances of the participating funds. Since the participating funds in the City's investment pool use the pool as if it were a demand deposit account, the proprietary fund equity in pooled investments is considered cash for cash flow reporting purposes.

Notes to the Financial Statements

For the Year Ended December 31, 2024

2. Receivables and payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at year-end are referred to as either “due to/from other funds,” if current, or “advances to/from other funds,” if long-term. All other outstanding balances between funds are reported as “due to/from other funds.” Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as “internal balances.”

Advances between funds, as reported in the governmental fund financial statements, are included in the non-spendable classification in fund balance unless the proceeds from collection are restricted, committed, or assigned.

Property taxes are levied in November and become a property lien as of January 1. The first half is due April 30 and the second half on October 31. If the first half is not paid by April 30, the total annual tax becomes delinquent. Property taxes are collected by Pierce County and remitted to the City monthly. An allowance for uncollectible accounts is deemed unnecessary as delinquent taxes become an enforceable lien on the property. Property taxes collected within 60 days after year-end are considered measurable and available and are recognized as revenues in the fund statements. The total levy is recognized as revenue in the government-wide financial statements, regardless of when collected.

Utility receivables are shown net of an allowance for uncollectables. The uncollectable amount is established based on an analysis of historical experience. Allowances for other receivables are not utilized because the amounts are not material.

Notes and contracts receivable signed between the City and/or the Tacoma Community Redevelopment Authority (TCRA) and various parties represent economic development efforts of either a business nature or with homeowners. A large majority of the Power utility notes and contracts receivable represent energy conservation efforts between the City and homeowners or businesses.

3. Inventories and prepaid items

Inventories for proprietary funds are valued at first-in/first out (FIFO), moving average cost method, or lower of cost or market, depending on the fund. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items accounted for under the consumption method and are expensed over the period the services are provided rather than when purchased.

4. Restricted assets

Restricted assets in the enterprise funds are monies which are restricted by legal or contractual requirements. These assets are generally intended for either construction of capital assets or for the repayment of debt. See Note 3 Section F for further information.

5. Capital assets

Capital assets which include land, property, plant, equipment, construction in progress and intangible assets (right-of-use assets), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

Notes to the Financial Statements

For the Year Ended December 31, 2024

The City defines capital assets as those with an initial individual cost of \$5,000 or more and an estimated useful life exceeding one year, except for land, easements, rights-of-way, infrastructure, buildings and improvements. Land, easements, and rights-of-way are capitalized regardless of cost. Infrastructure assets are capitalized when their cost meets or exceeds \$5,000. Building and infrastructure improvements are capitalized if the cost is greater than \$5,000 and increases its useful life or service capacity. Such assets are recorded at historical cost or estimated historical cost when purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value or the life of the asset are expensed. Intangible right-to-use assets related to subscription-based information technology arrangements and leases are capitalized with total costs of \$25,000 or more.

Upon disposal of capital assets, historical cost or estimated historical cost is removed. Proceeds from sales are generally recorded as revenue in the fund that originally acquired the assets.

Depreciation on all capital assets is recorded as an allocated expense in the government-wide Statement of Activities and in the proprietary fund statements. Capital assets are reported net of depreciation. The City uses a combination of group depreciation and straight-line depreciation over the life of the assets.

The estimated useful lives for all City assets are:

Property, plant, and equipment	3-100 years
Water Plant	13-60 years
Power Plant	2-62 years
Parks	33 years
Library materials	5 years
Intangibles	3-25 years
Infrastructure	5-60 years

6. *Compensated absences*

The City has two different policies for compensated absences. The City's original policy allows employees to accrue vacation based on the number of years worked with a maximum accrual equal to the amount earned in a two-year period. These employees also accrue one day of sick leave per month without any ceiling on the maximum accrued. The City implemented a new policy in 1998 allowing employees to earn PTO (personal time off) without distinction between vacation and sick leave. Employees who worked for the City prior to the change could choose to stay with the original policy or opt to convert to the new policy. The amount of PTO earned is based on years of service. The maximum accrual for PTO is 960 hours, and upon termination, employees are entitled to compensation for unused PTO at 100%. Vacation pay and PTO are recorded as a liability and an expense in the year earned.

Employees in the original policy accumulate sick leave at the rate of one day per month with no maximum accumulation specified. Employees receive 25% of the value at retirement or 10% upon termination for any other reason. In the event of death, beneficiaries receive 25% of the value. Sick leave pay is recorded as a liability and an expense in the year earned.

The accrued liability is computed at 100% for vacation, PTO and sick leave balances more likely than not to be used as time off in future reporting periods, while sick leave at pay-out is accrued at 10%, or 25% if the employee meets retirement criteria. Short term compensated absences include 100% sick leave balances more likely than not to be used as time off in future reporting periods, and

Notes to the Financial Statements

For the Year Ended December 31, 2024

10% of vacation, PTO, and sick leave at pay-out compensated absences based on historical information.

The Tacoma Public Library has slightly different rules governing sick leave and vacation leave, but these differences are not considered material to the City's financial statements.

7. *Deferred Outflows and Deferred Inflows of Resources*

Deferred Outflows of Resources - Deferred outflows of resources, represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense/ expenditure) until then. Deferred outflows of resources consist of losses on refunding of bonds, deferred outflows of resources related to pensions, and deferred outflows of resources related to post employment benefits other than pensions.

Deferred Inflows of Resources - Deferred inflows of resources, represents an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until then. Deferred inflows of resources consist of inflows for rate stabilization, deferred inflows of resources related to pensions, deferred inflows of resources related to post employment benefits other than pensions, and deferred inflows of resources related to leases as a result of implementation of GASB Statement No. 87, Leases.

8. *Pensions*

For purposes of measuring the net pension liability, deferred outflow of resources and deferred inflow of resources related to pensions, and pension expense, information about the fiduciary net position of all state sponsored pension plans and the Tacoma Employees Retirement System (TERS) sponsored pension plan and additions to/deductions from those plans' fiduciary net position have been determined on the same basis as they are reported by the respective sponsors. For this purpose, benefit payments, including refunds of employee contributions, are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

9. *Long-term obligations*

In the government-wide financial statements and the proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight line method or weighted average of the bonds outstanding. Bonds payable are reported net of the applicable bond premium or discount.

In proprietary funds, unamortized debt issue costs for insurance are recorded as an asset and bonds are displayed net of premium or discount; annual interest expense is decreased by amortization of debt premium and increased by the amortization of debt issue costs and discount.

10. *Fund balance*

Fund balance

The City of Tacoma implemented Governmental Accounting Standards Board (GASB) Statement No. 54 in 2011. For governmental fund financial statements fund balances are reported in five classifications.

1. **Nonspendable:** Includes amounts that are not in a spendable form, such as inventories, prepaid items, long-term interfund receivables, and amounts that are legally or contractually required to

Notes to the Financial Statements

For the Year Ended December 31, 2024

be maintained intact or required to be retained in perpetuity, such as the principal of an endowment fund.

2. **Restricted:** Includes amounts that can be spent only for the specific purposes stipulated by external resource providers. Amounts should be reported as restricted when constraints placed on use of resources are either (1) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation.
3. **Committed:** Fund Balance can only be used for specific purposes as determined by formal action by the City Council. The City Council is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken to remove or revise the limitation. The amount committed in the General Fund is accounted for under Fund 1030 Contingency Fund.
4. **Assigned:** Includes amounts that have been allocated by the General Fund through the encumbrance process, previously classified as unassigned. The authority to assign funds is delegated to City Management through the adoption of the biennium budget by the City Council. Fund balances of special revenue funds, debt service funds, capital project funds, that are not classified as nonspendable, restricted, or committed will be classified as assigned for the purpose of the fund. The authority to create funds is determined by formal action by the City Council, by adoption of an ordinance, or by state statute.
5. **Unassigned:** Includes amounts that do not fall into one of the above four categories. The General Fund is the only fund that should report this category as a positive fund balance. In other governmental funds, if the expenditures incurred for specific purposes exceeds the amounts, restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

It is the policy of the City of Tacoma to spend funds in the following order:

1. Restricted
2. Committed
3. Assigned
4. Unassigned

Use of resources will be spent in the following hierarchy:

1. Bond Proceeds
2. Federal Funds
3. State Funds
4. Local Non-city Funds
5. City Funds

For detailed information on fund balances of governmental funds, please refer to Note 3 Section I.

Notes to the Financial Statements

For the Year Ended December 31, 2024

Fund net position

Proprietary fund and government-wide financial statements report reservations of net position amounts that are not available for appropriation or are legally restricted by outside parties for use for specific purposes. Restricted net position is subject to restrictions by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

When expense are incurred for purposes for which both restricted and unrestricted net position are available, the flow assumption of the City is to apply restricted resources first. Once restricted resources are exhausted, unrestricted resources are used. This flow assumption ensures amounts are considered spent before any unrestricted net position classifications are utilized.

11. Leases

Leases are recognized in accordance with GASB Statement No. 87, Leases.

City as a Lessee:

The city is a lessee for noncancelable leases. The city recognizes a lease liability and an intangible right-to-use lease asset in the government-wide and proprietary fund financial statements. The city recognizes lease liabilities with an initial, individual value of \$25,000 or more.

At the commencement of a lease, the city initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized using the straight - line basis over its useful life.

Governmental funds recognize a capital outlay and other financing source at the commencement of a new lease. Lease payments in governmental funds are reported as debt service principal and debt service interest expenditures.

Key estimates and judgements related to lease include how the city determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The city uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the city generally uses its incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancelable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the city is reasonably certain to exercise.

The city monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

City as a Lessor:

The city is a lessor for noncancelable leases. The city recognizes a lease receivable and a deferred

Notes to the Financial Statements

For the Year Ended December 31, 2024

inflow of resources in the government - wide and fund financial statements. The city recognizes right of use asset with an initial, individual value of \$25,000 or more.

At the commencement of a lease, the city initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measure as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term using the straight - line basis

Key estimates and judgements related to lease include how the city determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The city uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancelable period of the lease. Lease receipts included in the measurement of the lease liability are compose of fixed payments from the lessee.

The city monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

12. Subscription Based Information Technology Arrangements (SBITAs)

Subscription-based information technology arrangements (SBITAs) are recognized in accordance with GASB Statement No. 96, Subscription-Based Information Technology Arrangements. This statement defines a SBITA as a contract that conveys control of the right to use another party's (the SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets) as specified in the contract for a period of time in an exchange or exchange-like transaction.

A subscriber is required to recognize a subscription liability and an intangible right-to-use subscription asset at the commencement of the subscription term. The City uses various SBITA assets that it contracts through cloud computing arrangements such as software as a service and platform as a service. The related obligations are presented in the amounts equal to the net present value of future subscription payments and is adjusted over time by payments and interest. Future subscription payments are discounted using the City's average incremental borrowing rate. Payments for future subscription may be fixed or variable, based on the terms of the agreement between the subscriber and the vendor. The subscription asset is initially recorded as the sum of the subscription liability, payments made at the commencement of the subscription term, and capitalizable implementation costs, less any incentives received prior to the commencement of the subscription term and is subsequently amortized over the life of the subscription. Subscription and capitalizable implementation cost payments made prior to the commencement of the subscription are classified as assets under construction until the subscription commences; after the subscription commences, the assets under construction are reclassified as an intangible right-to-use subscription asset.

Governmental funds recognize a capital outlay and other financing source at the commencement of a new SBITA. SBITA payments in governmental funds are reported as debt service principal and debt service interest expenditure.

Notes to the Financial Statements

For the Year Ended December 31, 2024

Note 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary information

The Tacoma City Council adopts a biennial budget using an appropriation ordinance. While not legally required by law, the City also adopts budgets for debt service funds, proprietary funds, and some selected trust funds. Capital project budgets are adopted for fiscal periods that correspond to the lives of the projects.

The description of the budget process and the budget reconciliation schedule are included in the budget notes in the Required Supplementary Information (RSI) and Combining Statements – Non-Major funds sections. Budgetary data for the general fund is included in the RSI and Non-Major governmental funds are included in the Combining Statements – Non-Major funds section. The budgetary statements show the original budget, revised amended budget and actual amounts expended to date for the biennium.

For budgetary tracking purposes, in the General Fund, assessments are budgeted as negative revenues. These negative revenues are considered a budgetary authority increase to both revenues and expenditures for reporting purposes in the original and final adopted budgets. The budgeted amount totaled \$1,330,346 for 2024.

B. Deficits in fund balance or net position

The following governmental and proprietary funds had deficit net position.

Third Party Liability Claims Fund has a net position deficit of \$59.3 million, an increase of \$24.9 million over the prior year, due to the increase in account payable and liability claims of \$24.9 million and the increase claims expenses of \$13.5 million.

Workers Compensation Fund has a net position deficit of \$4.9 million, representing a \$2.1 million increase compared to the prior year. This increase is primarily attributable to a \$1.6 million increase in account payable and liability claims along with a \$1.1 million increase in external insurance costs, state taxes, and claims expenses. These increases occurred despite \$3.2 million in fund transfers.

The City continues studying these programs to ensure that future claims are fully funded.

Net Deficit (expressed in thousands)	
FUND	AMOUNT
Third Party Liability Claims (#5550)	(59,344)
Workers Compensation (#5570)	(4,885)
	<u>\$ (64,229)</u>

C. Legal and contractual compliance

The City has complied, to the best of its knowledge, with all material finance related legal and contractual provisions.

Notes to the Financial Statements

For the Year Ended December 31, 2024

Note 3 – DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

1. Legal, Contractual and Administrative Provisions

Certificates of deposit (CDs) and Demand Deposits: The City places certificates of deposit and demand deposits only with State of Washington banks and savings and loan institutions approved as qualified public depositories under chapter 39.58 RCW by the Washington State Public Deposit Protection Commission (WSPDPC). Qualified public depositories are limited to banks operating within Washington State, which have executed a Deposit Pledge Agreement with the WSPDPC. Until July 1, 2009, the WSPDPC maintained a multiple financial institution collateral pool wherein the qualified public depositories pledge and transmit to a third party trustee, securities through the execution of the pledge agreement, providing common collateral for their deposits of public funds. The assets of the pool and the power to make additional assessments against the members of the pool insured there would be no loss of public funds because of default of a member. Effective July 1, 2009, the WSPDPC required public depositories to fully collateralize their uninsured public deposits at 100%. The WSPDPC allows for deposits up to the net worth of a qualified institution.

At year-end, the carrying amount of the City's deposits was \$75,158,764.

Other investments: State statutes authorize the City to invest in obligations of the U.S. Treasury, agencies, and instrumentalities, bankers' acceptances, commercial paper, and repurchase agreements. The City is also authorized to enter into reverse repurchase agreements.

The City sustained no investment losses during 2024, there was no significant loss potential, and there were no significant or recurring violations of administrative, legal or contractual provisions.

Investment committee guidelines: The City's Investment Committee, composed of the Mayor, the Finance Director and the City Treasurer, recommended the following portfolio mix guidelines. These guidelines are intended to limit risk and generate a competitive return on investments. The Committee recognizes that daily transactions may misalign this mix.

1. U.S. Treasury Bills, Certificates, Notes and Bonds: Portfolio mix guidelines allow for a maximum of 100% of the total portfolio to be invested in these securities.
2. U.S. Government Agency Securities: Portfolio mix guidelines suggest a maximum of 90% of the total portfolio with no more than 50% of the total portfolio per agency.
3. Supranational Agency Bonds: U.S. dollar denominated bonds, notes, or other obligations that are issued or guaranteed by supranational institutions, provided that, at the time of investment: (1) the Supranational is rated within one of the two highest rating categories of a NRSRO; and the institution has the United States government as its largest shareholder. No more than 10% of the Portfolio may be invested in Supranational Agency obligations with no more than 5% being invested in obligations of a single Supranational Agency.
4. Bankers Acceptances: City investment policy allows for purchases of bankers acceptances from the top 50 world banks as published by American Banker. A maximum of 20% of the total portfolio may be invested in bankers' acceptances with no more than 5% of the total portfolio in any one bank.

Notes to the Financial Statements

For the Year Ended December 31, 2024

5. Commercial Paper: Portfolio mix guidelines require the highest rating by at least two nationally recognized rating agencies for purchase with no more than 10% of the portfolio invested in commercial paper with an additional limit of no more than 5% in any one issuer.
6. Repurchase Agreements: Portfolio mix guidelines suggest repurchase agreements be limited to maximum of 25% of the total portfolio. The fair value of collateral must exceed the dollar amount of the repurchase agreement by 2% over the term of the agreement. The collateral must be an investment instrument which the City is authorized to purchase.
7. Reverse Repurchase Agreements: The City did not participate in any reverse repurchase agreements in 2024.
8. Municipal Bonds: A maximum of 30% of the portfolio invested in municipal bonds with no more than 5% of the portfolio being invested in bonds of any one municipal bond issuer. The maximum maturity for investments in municipal bonds shall be limited to five years.
9. Certificates of Deposit (CDs): The percentage of CDs may not exceed 25% of the total assets of the portfolio with the percentage limited to 3% for any single bank or savings and loan association. Maturities shall not exceed one year.
10. Corporate Notes: Unsecured debt obligations purchased on the secondary market, provided that such investments are made in accordance with the investment policies and procedures adopted by the State Investment Board. No more than 10% of the portfolio may be invested in corporate notes and no more than 2% with any one issuer.
11. Money Market Funds: Money Market Funds meeting the requirements outlined in the City's Investment Policy are permissible investments exclusively for bond proceeds invested in accordance with Section 1.148 of the U.S. Internal Revenue Code, related to arbitrage rebate. A maximum of 25% of such bond proceeds may be invested in Money Market Funds.
12. Local Government Investment Pools: A maximum of 25% of the portfolio may be invested in local government investment pools.

2. Deposits and investments – December 31, 2024

Custodial credit risk – All bank deposits are covered 100% by federal depository insurance and pledged collateral on deposit with WSPDPC.

Foreign currency risk – The City has no deposits subject to foreign currency risk.

All certificates of deposit held by the City are in the City's name and are insured by FDIC up to \$250,000 and by the Washington State Public Deposit Protection Commission (WSPDPC) for amounts over \$250,000. Under Washington State statute, members of the WSPDPC, a multiple financial institution collateral pool, may be assessed on a prorated basis if the pool's collateral is insufficient to cover a loss.

Notes to the Financial Statements

For the Year Ended December 31, 2024

At December 31, 2024, the City's total deposits and investments consisted of the following:

Schedule of Deposits and Investments December 31, 2024 (amounts expressed in thousands)

Reconciliation of Cash and Investments:

Investments (less Component Units)	\$ 3,778,685
Treasurer's Cash, net	74,889
Petty Cash Funds	270
Sub-total	<u>3,853,844</u>
Component Units:	
Tacoma Community Redevelopment Authority (TCRA)	1,803
TCRA - External Cash	6,062
Public Facilities District (PFD)	4,210
Sub-total (Component Units)	<u>12,075</u>
Total	<u>\$ 3,865,919</u>

Reconciliation of cash, cash equivalents, deposits and investments to Statement of Net Position (amounts expressed in thousands)

From Statement of Net Position	
Cash and cash equivalents	\$ 1,364,218
Investments	5,307
Restricted cash and cash equivalents	<u>178,549</u>
Total Primary Government	1,548,074
Component Units	
TCRA	7,865
GTRCC PFD	<u>4,210</u>
Total Component Units	12,075
Fiduciary Funds	
Cash and cash equivalents	2,940
Investments at fair value	31,803
Pension Trust	<u>2,271,027</u>
Total Fiduciary Funds	2,305,770
Total cash and investments	<u>\$ 3,865,919</u>

Notes to the Financial Statements

For the Year Ended December 31, 2024

At year-end, the government's investment balances, expressed in thousands, were as follows:

Investments:	Fair Value at 12/31/2024
Financial Institutions	
WA State Local Government Investment Pool	\$ 58,292
Government Agencies (various)	1,423,575
Equity in Pool Transferred to Component Units	(8,953)
Total Investments with Financial Institutions	1,472,914
Pension Trust	
Equities	602,037
Fixed Income	867,855
Real Estate	221,501
Venture Capital & Partnerships	540,107
Short Term Bill & Notes	31,067
Other Assets	112
Cash and Cash Equivalents	3,564
Securities Lending Collateral	39,528
Total Other Investments - Pension Trust	2,305,771
Total	\$ 3,778,685

3. General Disclosure and Disclosure Relating to Interest Rate Risk/Segmented Time Distribution Method

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. City of Tacoma Investment Policy allows for authorized investments up to 60 months in maturity. One way the City manages its exposure to interest rate risk is by timing cash flows from maturities so that portions of the portfolio are maturing over time to provide cash flow and liquidity needed for operations. The city has deposits of \$28,176,599 with the State Treasurer's Local Government Investment Pool and \$63,358,353 in the city's deposit accounts with commercial banks. The monies from these accounts are available immediately.

Investment Type	Par	Maturing (in months)				
		Less than 12	13-24	25-36	37-48	49-60
Main Bank Demand Deposits	\$ 63,358,353	\$ 63,358,353	\$ -	\$ -	\$ -	\$ -
Bank Demand Deposits & State Pool	58,311,937	58,311,937	-	-	-	-
Fixed Rate Non-Callable Municipal Securities	41,275,075	-	19,940,578	21,334,497	-	-
Fixed Rate Non-Callable Agency Securities	212,652,503	-	161,586,908	24,465,500	7,028,970	19,571,124
Fixed Rate Callable Agency Securities	216,601,248	-	100,017,865	116,583,383	-	-
Totals	\$ 592,199,115	\$ 121,670,289	\$ 281,545,352	\$ 162,383,380	\$ 7,028,970	\$ 19,571,124
Percent of Total		20.5%	47.5%	27.4%	1.2%	3.3%

4. Disclosure Relating to Credit Risk

Credit risk is generally the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by state statute, which is the same in the City Investment policy and the actual rating as of the end of the year 2024 for

Notes to the Financial Statements

For the Year Ended December 31, 2024

each type of investment. AAA is the highest rating for bonds. The Bank Certificates of Deposit and Demand Deposit Accounts are protected by the Federal Deposit Insurance Corporation (FDIC) insurance up to \$250,000. All CD and DDA deposits not covered by FDIC are covered by the Washington State Public Deposit Protection Commission (PDPC) of the State of Washington. The PDPC is a statutory authority established under the Revised Code of Washington (RCW) 39.58. It constitutes fully insured or fully collateralized pool. The WA State Treasurers Local Government Investment Pool (LGIP) is authorized by the Revised Code of Washington (RCW) 43.250. The LGIP operates like a 2A7 fund and is collateralized by short term legal investments.

Investment Type	Par	Minimum Legal Requirement	FDIC and PDPC	AAA	AA	A
Bank Demand Deposits & State Pool	\$ 121,670,289	FDIC & PDPC	\$ 121,670,289	\$ -	\$ -	\$ -
Fixed Rate Non-Callable Municipal Securities	24,360,268	A	-	6,425,630	17,934,638	-
Fixed Rate Non-Callable Agency Securities	232,763,405	AAA	-	232,763,405	-	-
Fixed Rate Callable Agency Securities	216,601,248	AAA	-	216,601,248	-	-
Total	<u>\$ 595,395,210</u>		<u>\$ 121,670,289</u>	<u>\$ 455,790,283</u>	<u>\$ 17,934,638</u>	<u>\$ -</u>

5. Concentration of Credit Risk

Concentration Risk disclosure is required for all investments in any one issuer that is 5% or more of the total City's investments.

The following, which are more than 5%, are Financial, State Government, or Government Sponsored Agencies.

Issuer	Investment Type	Amount Reported	Percentage
Washington State	Municipal Securities	n/a	n/a
Federal Farm Credit Bank	Agency Securities	\$ 143,745,030	10.1%
Federal Home Loan Bank	Agency Securities	132,299,016	9.3%
Federal Home Mortgage Corporation	Agency Securities	95,990,885	6.7%
Federal National Mortgage Association	Agency Securities	72,304,917	5.1%
Total		<u>\$ 444,339,848</u>	

6. Disclosure of Custodial Credit Risk

The city policy states that all security transactions will be settled "delivery versus payment" by the City's safekeeping bank.

7. Investments Measured at Fair Value

The City measures and records its investments within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset, where fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1 – Level 1 inputs are quoted (unadjusted) prices in active markets for identical assets or liabilities that the government can access at the measurement date. Observable markets

Notes to the Financial Statements

For the Year Ended December 31, 2024

include exchange markets, dealer markets, brokered markets and principal-to-principal markets.

- Level 2 – Level 2 inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These inputs are sourced from pricing vendors using models that are market-based and corroborated by observable market data including: quoted prices; nominal yield spreads; benchmark yield curves; and other corroborated inputs.
- Level 3– Level 3 inputs are unobservable inputs for the asset or liability and should only be used when relevant Level 1 or Level 2 inputs are unavailable.

The fair value evaluations are provided by Interactive Data. Interactive Data utilizes evaluated pricing models that vary by asset class and incorporate available trade, bid and other market information and for structured securities, cash flow and, when available, loan performance data. Because many fixed income securities do not trade on a daily basis, Interactive Data's evaluated pricing applications apply available information as applicable through processes such as benchmark curves, benchmarking of like securities, sector groupings, and matrix pricing, to prepare evaluations. In addition, Interactive Data uses model processes, such as the Option Adjusted Spread model to assess interest rate impact and development payment scenarios. Their models and processes take into account market convention. For each asset class, a team of evaluators gathers information from market sources and integrates relevant credit information, perceived market movements and sector news into the evaluated pricing applications and models.

Cash and cash equivalents include highly liquid investments including short-term investment funds. Cash and cash equivalents are valued at cost and, therefore, excluded from the fair value schedule.

Data regarding the City's investments, valued and categorized according to the above outlined levels is included below:

Investments Measured at Fair Value

Debt Securities	As of 12/31/2024	Fair Value Measurements Using			Not Measured at Fair Value	
		Level 1	Level 2	Level 3	Amortized Cost	Carrying Amount
Cash	\$ 5,671	\$ -	\$ -	\$ -	\$ -	\$ 5,671
Money Market Funds	3,153,160	-	-	-	3,153,160	-
U.S. Treasury Securities	808,114,725	-	808,114,725	-	-	-
Supranational Securities	6,441,577	-	6,441,577	-	-	-
Municipal Bonds	41,275,075	-	41,275,075	-	-	-
Agency Securities	449,364,653	-	449,364,653	-	-	-
Corporate Securities	108,469,338	-	108,469,338	-	-	-
Quasi-Government Bond	9,909,898	-	9,909,898	-	-	-
Total	<u>\$ 1,426,734,097</u>	<u>\$ -</u>	<u>\$ 1,423,575,266</u>	<u>\$ -</u>	<u>\$ 3,153,160</u>	<u>\$ 5,671</u>

Notes to the Financial Statements

For the Year Ended December 31, 2024

B. Receivables

Receivables as of year-end for the governments and enterprise's individual major and non-major funds, and internal service funds, including applicable allowances for uncollectible accounts are as follows:

(amounts expressed in thousands)

Accounts Receivable (amounts expressed in thousands)	General Fund	Trans Capital & Engineering Fund	Non-Major Governmental Funds	Solid Waste Fund	Waste Water Fund
Accounts Receivable (net short-term)	\$ 6,816	\$ 85	\$ 42,779	\$ 7,702	\$ 17,313
Due from Other Governments	17,249	4,481	7,901	250	255
Leases Receivable (net short-term)	-	-	-	-	268
Leases Receivable (net long-term)	-	-	-	-	3,268
Notes and Contracts Receivable (net short-term)	-	-	1,269	-	448
Notes and Contracts Receivable (net long-term)	-	-	-	-	587
TOTAL	\$ 24,065	\$ 4,566	\$ 51,949	\$ 7,952	\$ 22,139

Accounts Receivable (amounts expressed in thousands)	Water Fund	Power Fund	Non-Major Enterprise Funds	Internal Service Funds	Total
Accounts Receivable (net short-term)	\$ 12,177	\$ 61,154	\$ 11,052	\$ 945	\$ 160,023
Due from Other Governments	2,121	-	-	-	32,257
Leases Receivable (net short-term)	-	1,332	62	75	1,737
Leases Receivable (net long-term)	-	76,922	288	3,423	83,901
Notes and Contracts Receivable (net short-term)	-	-	157	-	1,874
Notes and Contracts Receivable (net long-term)	-	4,997	8,187	-	13,771
TOTAL	\$ 14,298	\$ 144,405	\$ 19,746	\$ 4,443	\$ 293,563

Notes to the Financial Statements

For the Year Ended December 31, 2024

C. Capital assets

Capital asset activity for the year-ended December 31, 2024 was as follows:

(amounts expressed in thousands)

Governmental activities	Beg Bal	Increases	Decreases	End Bal
Capital assets not being depreciated:				
Land	\$ 41,899	\$ -	\$ -	\$ 41,899
Art	3,138	-	(120)	3,018
Construction work in progress	26,168	44,561	(5,687)	65,042
Total capital assets, not being depreciated	<u>71,205</u>	<u>44,561</u>	<u>(5,807)</u>	<u>109,959</u>
Capital assets, being depreciated or amortized:				
Property, plant, and equipment	324,587	16,699	(3,133)	338,153
Infrastructure	1,552,038	6,861	(173)	1,558,726
Right-of-use Lease Land	48	505	-	553
Right-of-use Lease Property, plant and equip	10,312	102	(282)	10,132
Right-of-use Software Subscriptions	6,586	1,388	(529)	7,445
Total capital assets, being depreciated or amortized	<u>1,893,571</u>	<u>25,555</u>	<u>(4,117)</u>	<u>1,915,009</u>
Less accumulated depreciation and amortization:				
Property, plant, and equipment	(204,132)	(13,217)	2,534	(214,815)
Infrastructure	(981,727)	(30,901)	42	(1,012,586)
Right-of-use Lease Land	(44)	(145)	-	(189)
Right-of-use Lease Property, plant and equip	(1,050)	(529)	292	(1,287)
Right-of-use Software Subscriptions	(1,909)	(2,537)	479	(3,967)
Total accumulated depreciation and amortization	<u>(1,188,862)</u>	<u>(47,329)</u>	<u>3,347</u>	<u>(1,232,844)</u>
Governmental activities, capital assets (net of accumulated depreciation or amortization)	<u>\$ 775,914</u>	<u>\$ 22,787</u>	<u>\$ (6,577)</u>	<u>\$ 792,124</u>

Notes to the Financial Statements For the Year Ended December 31, 2024

Business activities	Beg Bal Restated	Increases	Decreases	End Bal
Capital assets not being depreciated:				
Land	\$ 167,993	\$ 5,804	\$ (1,804)	\$ 171,993
Art	561	-	-	561
Construction work in progress	95,467	202,717	(195,060)	103,124
Total capital assets, not being depreciated	<u>264,021</u>	<u>208,521</u>	<u>(196,864)</u>	<u>275,678</u>
Capital assets, being depreciated or amortized				
Property, plant, and equipment	5,203,156	187,731	(23,175)	5,367,712
Right-of-use Lease Land	395	-	-	395
Right-of-use Lease Property, plant and equip	2,752	185	(1,220)	1,717
Right-of-use Software Subscriptions	12,199	1,998	(1,308)	12,889
Total capital assets, being depreciated or amortized	<u>5,218,502</u>	<u>189,914</u>	<u>(25,703)</u>	<u>5,382,713</u>
Less accumulated depreciation and amortization:				
Property, plant, and equipment	(2,316,105)	(120,826)	26,793	(2,410,138)
Right-of-use Lease Land	(87)	(29)	-	(116)
Right-of-use Lease Property, plant and equip	(1,152)	(563)	1,203	(512)
Right-of-use Software Subscriptions	(5,019)	(3,086)	1,298	(6,807)
Total accumulated depreciation and amortization	<u>(2,322,363)</u>	<u>(124,504)</u>	<u>29,294</u>	<u>(2,417,573)</u>
Business activities, capital assets (net of accumulated depreciation or amortization)	<u>\$3,160,160</u>	<u>\$ 273,931</u>	<u>\$ (193,273)</u>	<u>\$3,240,818</u>

Depreciation and amortization expense was charged to functions/programs of the primary government as follows:

Governmental Activities:

General Government	\$ 4,191
Public Safety	2,968
Transportation	30,282
Economic Environment	42
Culture and Recreation	1,841
Capital Assets held by Internal Services funds which are charged to various functions based on their usage of the assets	<u>8,005</u>
Total depreciation and amortization expense - governmental activities	<u>\$ 47,329</u>

Notes to the Financial Statements

For the Year Ended December 31, 2024

Business-type activities:

Permit	\$ 4
Mountain Rail	241
Parking Garage	1,305
Convention Center	1,775
Baseball Park	1,408
Tacoma Dome	1,682
Performing Arts	1,600
TPU Fleet *	219
TPU Self Insurance *	15
Solid Waste	6,756
Waste Water	22,983
Tacoma Rail	2,961
Water	29,993
Power	53,562
Total depreciation and amortization expense - business-type activities	<u>\$ 124,504</u>

*Internal Service fund that solely supports Business-type activities

D. Leases

Lease receivables and Deferred Inflows of Resources – Leases

As a lessor, the City leases and subleases various City-owned properties, including buildings and land. These leases have various length terms through 2075. Lease receivables are recorded at the present value of lease payments expected to be received over the lease term, with corresponding deferred inflows of resources recognized. Monthly lease receipts range from \$1,978 to \$250,000. As the lease agreements do not specify interest rates, the City used its average incremental borrowing rate, ranging from 2.264% to 4.740%, to calculate the present value of lease payments.

In fiscal year 2024, the City recognized approximately \$2.6 million in lease revenue and \$2.2 million in interest income from lease arrangements. The City's leases generally include variable payment provisions similar to those in its lessee agreements. No lease revenue was recognized from residual value guarantees or termination penalties. The City also has no sale-leaseback or lease-leaseback transactions.

As of December 31, 2024, the City reported the following:

Governmental Activities: Total lease receivables of \$3.50 million and deferred inflows of \$3.40 million. These balances encompass a range of lease agreements, including properties used by public agencies, marinas, and visitor centers.

Business-Type Activities: Total lease receivables of \$82.1 million and deferred inflows of \$80.7 million. These balances reflect major leasing agreements such as long-term telecommunications infrastructure use, recreational property leases, and utility-related facilities.

Lease Liabilities and Right-to-Use Assets

As a lessee and sublessee, the City is party to various lease arrangements involving nonfinancial assets, including land, buildings, equipment, and infrastructure. These leases have varying terms, with some extending through 2054. They are reported in the government-wide Statement of Net Position as both

Notes to the Financial Statements

For the Year Ended December 31, 2024

lease liabilities and corresponding right-to-use assets, measured at the present value of lease payments. The City applies the modified accrual basis of accounting in the governmental fund statements and the full accrual basis for government-wide and proprietary fund statements.

The City used its average incremental borrowing rate ranging, from 2.264% to 5.850%, with monthly principal and interest payments between \$250 and \$35,059. As of December 31, 2024, the City reported total liability of \$10.8 million and right-to-use lease assets of approximately \$12.8 million, with accumulated amortization of \$2.10 million.

As of year-end, the City's lease liabilities were as follows:

Governmental Activities: Total lease liabilities of \$9.49 million and right to use assets of \$10.7 million with accumulated amortization of \$1.48 million was reported. These include leases for real estate used for emergency services, filtered water dispensers, parking stalls, and communication facilities. The City exercised renewal options for some leases and has fulfilled obligations for leases that ended during the year.

Business-Type Activities: Total lease liabilities of approximately \$1.72 million and right to use asset of \$2.11 million with accumulated amortization of \$0.63 million. These primarily relate to Tacoma Power and Wastewater/Stormwater Management, covering assets such as communication sites, fiber network access, and real estate. Lease terms range from 5 to 30 years, with escalation clauses based on fixed percentages or index adjustments.

The City did not incur any expenses related to residual value guarantees or termination penalties. Additionally, there were no outstanding commitments for leases not yet commenced as of December 31, 2024, and the City has no sale-leaseback or lease-leaseback arrangements.

Lease liability for the year ended December 31, 2024 is as follows:

	Governmental Activity	Business Activity	Total
Beginning balance, January 1, 2024	\$ 9,439,053	\$ 1,720,813	\$ 11,159,866
Additions	1,945,087	441,975	2,387,062
Reductions	(1,897,614)	(865,744)	(2,763,357)
Ending Balance, December 31, 2024	<u>\$ 9,486,526</u>	<u>\$ 1,297,045</u>	<u>\$ 10,783,570</u>

Notes to the Financial Statements

For the Year Ended December 31, 2024

As of December 31, 2024, the City (excluding discretely presented component units) had minimum principal and interest payment requirements for its leasing activities with a remaining term in excess of one year, as follows:

Fiscal Year Ended Dec 31,	Governmental Activities		Business Activities		Total
	Principal	Interest	Principal	Interest	
2025	\$ 330,739	\$ 214,429	\$ 198,071	\$ 27,789	\$ 771,028
2026	344,293	206,611	66,436	24,890	642,229
2027	298,158	199,102	67,491	24,554	589,305
2028	305,239	192,021	68,623	24,163	590,046
2029	346,735	194,056	69,833	23,717	634,340
2030 - 2034	1,412,719	806,998	344,507	110,716	2,674,941
2035 - 2039	1,349,799	656,300	156,626	78,129	2,240,854
2040 - 2044	1,511,419	494,680	96,474	31,575	2,134,148
2045 - 2049	1,692,391	313,708	108,025	20,024	2,134,148
2050 - 2054	1,895,032	111,067	120,960	7,089	2,134,148
Total	\$ 9,486,525	\$ 3,388,973	\$ 1,297,045	\$ 372,645	\$ 14,545,189

E. Subscription Based Information Technology Arrangements (SBITA)

A subscription-based information technology arrangement (SBITA) is defined as a contractual agreement that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a minimum contractual period of greater than one year, in an exchange or exchange-like transaction.

The City is involved in various SBITAs for information technology software and underlying subscription assets which are subscribed mainly from commercial and retail software vendors. With the implementation of GASB Statement No. 96, effective the fiscal year ended December 31, 2023, all existing and newly acquired subscriptions during the current fiscal year were analyzed and classified as either qualified or non-qualified SBITAs. With this implementation, a subscription payable is recognized.

The City has 91 qualified SBITA agreements as the subscriber for software as of December 31, 2024. The subscription liability related to these SBITAs was initially recognized on January 1, 2022, with the adoption of GASB Statement No. 96. All SBITAs have initial terms of two to seven years, and may contain renewal provisions, generally one to three-year periods. The City calculated the net present value of SBITA liability using its average incremental borrowing rate ranging between 2.671% and 5.440% in calculation of net present value of subscription liability, as the interest rate is not stated in the agreements.

The related payable are presented in the amounts equal to the present value of subscription payments, payable during the remaining SBITA term. A SBITA asset is presented as part of Right-of-Use Subscription, in the Capital Assets section, on the government-wide Statement of Net Position and in the Capital Assets note table 3C.

The City has a variety of variable payment clauses, within its SBITA arrangements, including variable payments based on future performance and usage of the underlying asset. Variable payments based on future performance of the City, usage of the underlying IT assets, or number of user seats, were not included in the measurement of the subscription liability. Other payments, such as termination penalties, were also not included in the measurement of the subscription liability. Rather, these variable and other

Notes to the Financial Statements

For the Year Ended December 31, 2024

payments were recognized as outflows of resources in the period in which the obligation for those payments was incurred. Components of variable payments that are fixed in substance, are included in the measurement of the SBITA liability presented in the table below. During fiscal year 2024, the City incurred \$25,125 in expenses for variable payments not previously included in the measurement of the subscription liability. The City did not incur expenses related to its SBITA activities such as termination penalties, not previously included in the measurement of the SBITA liability, or losses due to impairment.

Furthermore, the City has no commitments under SBITA that have not commenced as of the end of the Fiscal Year 2024.

Subscription liability for the year ended December 31, 2024 is as follows:

	Governmental Activities	Business Activity	Total
Beginning Balance	\$ 4,051,010	\$ 5,771,698	\$ 9,822,709
Additions	1,197,660	2,331,891	3,529,551
Reductions	(2,565,400)	(3,577,451)	(6,142,851)
Ending Balance	<u>\$ 2,683,270</u>	<u>\$ 4,526,139</u>	<u>\$ 7,209,409</u>

The principal and interest requirements to maturity as of December 31, 2024, are as follows:

Fiscal Year Ended	Governmental Activities		Business Activities		Total
	Principal	Interest	Principal	Interest	
2025	\$ 1,608,637	\$ 81,242	\$ 1,851,381	\$ 142,215	\$ 3,683,475
2026	655,451	34,886	1,490,391	80,732	2,261,461
2027	342,164	15,490	1,153,231	31,745	1,542,630
2028	77,018	4,296	31,136	912	113,362
2029	-	-	-	-	-
2030 - 2034	-	-	-	-	-
Total	<u>\$ 2,683,270</u>	<u>\$ 135,914</u>	<u>\$ 4,526,139</u>	<u>\$ 255,605</u>	<u>\$ 7,600,927</u>

F. Long-term liabilities

General obligation bonds

The City issues general obligation bonds and loans to provide funds for the acquisition and construction of major capital facilities. General obligation bonds and loans have been issued for both governmental and business-type activities. The following table presents the individual general obligation bonds and public works trust fund loans outstanding as of December 31, 2024:

Notes to the Financial Statements For the Year Ended December 31, 2024

NAME AND PURPOSE OF ISSUE	DATE OF ISSUE	MATURITY DATES	ORIGINAL AMOUNT	EFFECTIVE INTEREST RATE	AMOUNT O/S 01-01-24	ISSUED 2024	REDEEMED 2024	AMOUNT O/S 12/31/2024
GENERAL OBLIGATION BONDS, LOANS, & NOTES								
Limited General Obligation Bonds								
2009A Improvement - Cheney	12/17/09	2011 - 2035	15,380	5.8600	11,880	-	565	11,315
2009E Improvement - Multiple Projects	12/17/09	2026 - 2035	13,526	5.7500	13,526	-	-	13,526 (1)
2009E Accreted Interest	12/18/09	2026 - 2036	13,526	5.7500	16,101	1,714	-	17,815 (1)
2009F Improvement - Cheney & Env Remed	12/18/09	2023 - 2027	6,681	7.2020	12,333	902	5,500	7,735 (2)
2010D Improvement - Capital	11/10/10	2015 - 2033	30,225	5.0399	18,060	-	1,545	16,515
2010E Improvement - Capital	11/10/10	2015 - 2040	9,130	5.7155	2,345	-	305	2,040
2015A Refunding (2006A, 2006B, 2007)	12/29/15	2016 - 2036	12,735	3.2066	9,510	-	545	8,965
2015B Refunding (2006A, 2006B, 2007)	12/29/15	2016 - 2027	20,215	2.8933	2,840	-	670	2,170
2017 Improvement - Tacoma Dome	12/12/17	2019 - 2037	25,295	3.2114	19,125	-	1,120	18,005
2021A Refunding (2009B, 2010B)	04/13/21	2021 - 2035	4,555	2.2439	3,120	-	-	3,120
2021B Refunding (2009C)	04/13/21	2021 - 2034	4,475	2.2158	4,475	-	-	4,475
2021C Refunding (2010E)	04/13/21	2021 - 2040	4,555	2.7447	4,445	-	-	4,445
2023 Refunding (2001, 2004, 2013)	06/22/23	2023 - 2034	27,870	3.0431	25,900	-	2,065	23,835
Subtotal Limited (Councilmanic)					143,660	2,616	12,315	133,961
Washington State Public Works Trust Fund Loan								
CTED PWTF No. 04-691-068 Capital Improvement	06/02/04	2004 - 2024	4,500	0.5000	571	-	571	-
CTED PWTF No. 96103-001 Capital Improvement	08/16/23	2024 - 2043	423	1.3800	423	-	-	423
CTED PWTF No. 96103-007 Capital Improvement	07/29/24	2024-2043	1,000	1.7200	-	1,000	-	1,000
CTED PWTF No. 96103-106 Capital Improvement	09/10/24	2024-2043	1,275	0.8800	-	1,275	-	1,275
Subtotal Washington State Loan (Councilmanic)					994	2,275	571	2,698
Total General Obligation Bonds, Loans, & Notes					\$ 144,654	\$ 4,891	\$ 12,886	\$ 136,659

Notes:

1. Ltd. Genl Obl Bonds 2009E Multiple Projects - Additions represent accreted interest capitalized to bond principal.
2. Ltd. Genl Obl Bonds 2009F Cheney & Env Remed - Additions represent accreted interest capitalized to bond principal.

The annual debt service requirements to maturity, including principal and interest, for general obligation bonds and loans as of December 31, 2024 are as follows:

	Governmental activities		Business-type activities	
	Principal	Interest	Principal	Interest
2025	\$ 9,594	\$ 3,073	\$ 2,295	\$ 1,574
2026	9,566	3,166	2,410	1,460
2027	9,585	3,127	2,535	1,339
2028	8,756	3,166	2,670	1,212
2029	8,688	3,216	3,100	1,079
2030-2034	42,818	13,970	18,005	2,989
2035-2039	13,131	2,021	2,393	111
2040-2044	1,116	40	-	-
	<u>\$ 103,252</u>	<u>\$ 31,779</u>	<u>\$ 33,408</u>	<u>\$ 9,765</u>

General obligation bonds and loans are direct obligations and pledge the full faith and credit of the government and are being repaid with general governmental revenue sources. General obligation bonds and loans currently outstanding are as follows:

General obligation bonds outstanding (amounts expressed in thousands)

	Interest Rates to Maturity	Outstanding December 31, 2024
Governmental activities	0.5000 - 7.2020%	\$ 103,252
Business-type activities	2.2439 - 3.2066%	\$ 33,408

Notes to the Financial Statements

For the Year Ended December 31, 2024

Special assessment bonds

The City has issued special assessment bonds for various capital construction purposes. These bonds will be repaid from amounts levied against the property owners benefited by this construction. In the event that a deficiency exists because of unpaid or delinquent special assessments at the time a debt service payment is due, the City must provide resources to cover the deficiency until other foreclosure proceeds are received. As of December 31, 2024, the amount of LID Special Assessment delinquency was \$1,125,007. The bond interest rates range from 3.125 to 5.75% and are payable over the next twenty-three years. The following table presents the outstanding special assessment bonds:

NAME AND PURPOSE OF ISSUE	DATE OF ISSUE	MATURITY DATES	ORIGINAL AMOUNT	EFFECTIVE INTEREST RATE	AMOUNT O/S 01-01-24	ISSUED 2024	REDEEMED 2024	AMOUNT O/S 12/31/2024
SPECIAL ASSESSMENT BONDS								
Local Improvement District Bonds								
District #64 Bonds Construction	04/05/16		2,341	3.2500	85	-	85	-
District #65 Bonds Construction	04/29/13	2043	30,999	5.7500	14,070	-	2,010	12,060
District #66 Bonds Construction	12/19/19	2047	4,011	3.1250	2,705	-	145	2,560
Subtotal LID Bonds/Notes					16,860	-	2,240	14,620
Bond Anticipation Notes								
Revolving Line of Credit LID Construction	07/01/16	At CLID Issue	\$15mm Max	Floating	841	747	-	1,588
Subtotal Bond Anticipation Notes					841	747	-	1,588
Total Special Assessment Bonds					\$ 17,701	\$ 747	\$ 2,240	\$ 16,208

Annual debt service requirements to maturity, including principal and interest, for special assessment bonds outstanding at year-end are as follows:

Governmental activities
Special Assessment Bonds
(amounts expressed in thousands)

	Principal	Interest	Total
2025	\$ -	\$ 773	\$ 773
2026	-	773	773
2027	-	773	773
2028	-	773	773
2029	-	773	773
2030-2034	-	3,867	3,867
2035-2039	-	3,867	3,867
2040-2044	12,060	3,174	15,234
2044-2047	2,560	240	2,800
Total	<u>\$ 14,620</u>	<u>\$ 15,016</u>	<u>\$ 29,636</u>

Revenue Bonds and Loans

The City also issues revenue bonds where the City pledges revenue generated by the respective Proprietary Funds, and are issued for construction, acquisition, various system upgrades and infrastructure. Revenue bonds are secured by net operating revenue and cash and equity in pooled investment balances in the bond construction, reserve, and debt service funds. The bonds are also subject to certain financial and non-financial covenants, please refer to Schedule 15 in the Statistical Section of this document for further information about pledge revenue coverage.

Notes to the Financial Statements For the Year Ended December 31, 2024

The following table presents revenue bonds outstanding as of December 31, 2024:

NAME AND PURPOSE OF ISSUE	DATE OF ISSUE	MATURITY DATES	ORIGINAL AMOUNT	EFFECTIVE INTEREST RATE	AMOUNT O/S 01-01-24	ISSUED 2024	REDEEMED 2024	AMOUNT O/S 12/31/2024
ENTERPRISE REVENUE BONDS, LOANS, & NOTES								
Greater Tacoma Convention Center								
2010 Revenue & Refunding Tac CC & Parking (2004)	11/10/10	2015 - 2024	5,015	3.7656	620	-	620	-
2015 Revenue & Refunding Tac CC & Parking (2004)	08/14/15	2015 - 2024	20,453	2.3304	2,226	-	2,226	-
2024 Revenue & Refunding Tac CC & Parking (2010)	09/25/24	2024 - 2040	105	7.9900	-	105	-	105
Subtotal Convention Center					2,846	105	2,846	105
Wastewater Utility								
State Revolving Fund Loan #40006A Trmnt Plant Upgrade	09/19/03	2008 - 2028	53,491	1.5000	13,853	-	2,998	10,855
State Revolving Fund Loan #40006B Trmnt Plant Upgrade	09/20/03	2009 - 2028	21,687	2.6000	6,087	-	1,292	4,795
2015 Sewer Revenue & Refunding	03/18/15	2016 - 2045	109,300	3.5358	94,605	-	2,220	92,385
2016A Sewer Revenue & Refunding	06/15/16	2016 - 2038	31,855	2.8277	23,710	-	1,230	22,480
2018 Sewer Revenue Waste II Improvement	11/28/19	2019 - 2048	43,460	3.9387	38,965	-	1,005	37,960
2018 Sewer Revenue Waste II Improvement	11/28/19	2019 - 2031	6,115	3.0387	5,085	-	535	4,550
State Revolving Fund Loan #0166 Trmnt Plant Upgrade	11/08/21	2021 - 2041	2,627	1.2000	2,320	-	120	2,200
WIFIA Loan Trmnt Plant Upgrage	12/01/21	2026 - 2054	15,049	1.2000	19,254	232	-	19,486 (3)
2022 Sewer Revenue Improvement	04/07/22	2022 - 2051	59,110	3.3515	58,725	-	210	58,515
State Revolving Fund Loan #EL220451	09/30/22		14,611	1.6000	11,004	-	294	10,710
Subtotal Wastewater					273,608	232	9,904	263,936
Stormwater Utility								
DOE SFR Loan L-1000007 Plant Upgrade	02/07/06	2011 - 2030	474	2.9000	201	-	26	175
DOE SFR Loan 2018 - Madison District	07/01/18	2023 - 2028	5,000	0.7000	1,199	408	-	1,607 (4)
DOE SFR Loan 2020 - Larchmont District	07/01/19	2024 - 2044	2,800	2.0000	617	1,148	-	1,765 (4)
2018 Sewer Revenue Bonds Surface II Improvement	11/28/19	2019 - 2048	26,930	3.9387	24,145	-	625	23,520
2018 Sewer Revenue Bonds Surface II Improvement	11/28/19	2019 - 2031	24,440	3.0387	20,330	-	2,140	18,190
2022 Surface Water Revenue Bonds Capital Improvement	04/07/22	2022 - 2051	27,315	3.5548	26,555	-	490	26,065
Subtotal Surface Water					73,047	1,556	3,281	71,322
Solid Waste Utility								
2015 Solid Waste Revenue Bonds Improvement	03/18/15	2017 - 2025	21,095	2.1375	5,390	-	2,630	2,760
2016A Solid Waste Revenue & Refunding Bonds	06/15/16	2031 - 2036	23,200	3.4260	23,200	-	-	23,200
2016B Solid Waste Revenue & Refunding Bonds	06/15/16	2026 - 2031	15,025	2.9985	15,025	-	-	15,025
Solid Waste Revenue Bonds, 2022	04/07/22	2022 - 2031	13,190	2.1788	11,310	-	1,185	10,125
Subtotal Solid Waste					54,925	-	3,815	51,110
Electric System								
2010B Electric System Rev Bonds (BABS)	07/27/10	2031 - 2035	147,070	3.9071	147,070	-	-	147,070
2010C Electric System Rev Bonds (CREBS)	07/27/10	2027	24,185	1.9235	24,185	-	-	24,185
2013A Electric System Revenue & Refunding Bonds	06/13/13	2014 - 2042	181,610	3.3869	88,655	-	34,640	54,015
2013B Electric System Revenue Refunding Bonds	06/13/13	2014 - 2030	35,620	3.3427	27,840	-	27,840	-
2017 Electric System Revenue Bonds Capital Improvement	09/01/17	2022 - 2046	70,575	3.5702	66,170	-	2,370	63,800
2021 Electric System Revenue Bonds Refunding of Bank Note	09/14/21	2036 - 2051	121,855	2.8590	121,855	-	-	121,855
2024A Electric System Revenue & Refunding Bonds	02/15/24	2024 - 2054	95,300	5.0000	-	95,300	-	95,300
2024B Electric System Revenue & Refunding Bonds	02/15/24	2024 - 2038	47,360	5.0000	-	47,360	-	47,360
Subtotal Electric System					475,775	142,660	64,850	553,585
Water System								
PW-04-691-PRE-101 Construction	03/19/04	2006 - 2024	1,000	0.5000	55	-	55	-
2005 Water Sys Ref & Rev Bonds Construction & Refinance	10/11/05	2006 - 2025	46,550	4.6390	5	-	5	-
PW-06-962-043 Construction	07/18/06	2008 - 2026	7,000	0.5000	1,111	-	371	740
2009 Water Sys Rev Bonds (Taxable BABS) Capital Imp	11/04/09	2033 - 2039	76,775	3.7780	76,775	-	-	76,775
PC08-951-047 Construction	11/25/09	2010 - 2028	10,000	0.5000	2,729	-	545	2,184
DM07-952-015 Construction	03/31/10	2010 - 2028	4,040	1.5000	1,076	-	215	861
PW-DWSRF 09-952-074 Construction	04/09/10	2013 - 2032	6,579	1.0000	3,304	-	367	2,937
2010B Water Sys Rev Bonds (BABS) Construction	08/24/10	2024 - 2040	74,985	5.5636	74,985	-	2,365	72,620
2010A Water RWSS Revenue Bonds Construction	08/24/10	2013 - 2024	3,595	3.2460	355	-	355	-
2010B Water RWSS Revenue Bonds (BABS) Construction	08/24/10	2025 - 2040	44,245	5.5636	44,245	-	-	44,245
PW-DWSRF 10-952-026 Construction	06/17/11	2015 - 2034	6,060	1.5000	2,727	-	303	2,424
PW-DWSRF 11-952-035 Construction	06/30/11	2016 - 2035	6,060	1.5000	1,214	-	121	1,093
PW-DWSRF 11-952-036 Construction	06/30/11	2016 - 2035	6,060	1.5000	3,636	-	303	3,333

Notes to the Financial Statements For the Year Ended December 31, 2024

Water System (cont'd)									
PC 12-951-017 Construction	07/01/11	2011 - 2031	10,000	0.5000	4,443	-	555	3,888	
PW-DWSRF 12-952-088 Construction	01/22/13	2017 - 2036	12,120	1.5000	7,272	-	606	6,666	
2013 Water Sys Rev Ref Bonds (RWSS) Refinance	04/16/13	2013 - 2032	64,795	3.1477	49,935	-	49,935	-	
2013 Water Sys Rev Ref Bonds Refinance	05/07/13	2013 - 2043	78,305	3.8523	74,355	-	74,355	-	
PW-DWSRF 13-952-133 Construction	10/07/13	2019 - 2037	12,120	1.5000	7,272	-	606	6,666	
PW-DWSRF 10-952-031 Construction	03/26/14	2015 - 2034	6,060	1.5000	3,349	-	304	3,045	
PW-DWSRF 13-952-167 Construction	11/06/14	2015 - 2037	12,120	1.5000	7,272	-	606	6,666	
2015A Water Sys Ref Bonds Refinance	05/12/15	2017 - 2025	16,645	1.9926	3,960	-	1,935	2,025	
DM15-952-033 Construction	06/01/14	2016 - 2034	12,120	1.5000	7,654	-	637	7,017	
2024 Water Refunding Bonds	01/25/24	2024 - 2041	63,800	5.0000	-	63,800	-	63,800	
2024 Water Refunding Bonds (RWSS)	02/14/24	2024 - 2032	32,350	5.0000	-	32,350	3,380	28,970	
Subtotal Water System					377,729	96,150	137,924	335,955	
Tacoma Rail									
WA State Rail Loan RR00407 2009 Capital Improvement	08/04/09	2010 - 2024	26	0.0000	2	-	2	-	
WA State Rail Loan RR00408 2009 Capital Improvement	08/04/09	2011 - 2025	249	0.0000	32	-	16	16	
WA State Rail Loan RRB-1045 Capital Improvement	08/01/13	2015 - 2024	823	0.0000	61	-	61	-	
WA State Rail Loan RRB-1046 Capital Improvement	08/01/13	2015 - 2024	250	0.0000	25	-	25	-	
WA State Rail Loan RRB-1052 Capital Improvement	10/24/13	2016 - 2025	366	0.0000	72	-	36	36	
WA State Rail Loan RRB-1053 Capital Improvement	10/24/13	2016 - 2025	773	0.0000	156	-	77	79	
WA State Rail Loan RRB-1054 Capital Improvement	10/24/13	2016 - 2025	1,015	0.0000	220	-	110	110	
WA State Rail Loan RRB-1055 Capital Improvement	10/08/13	2016 - 2025	516	0.0000	102	-	51	51	
WA State Rail Loan RRB-1086 Capital Improvement	10/27/15	2016 - 2025	1,037	0.0000	182	-	91	91	
WA State Rail Loan RRB-1108 Capital Improvement	07/03/17	2017 - 2026	311	0.0000	94	-	31	63	
WA State Rail Loan RRB-1109 Capital Improvement	09/29/16	2017 - 2026	121	0.0000	37	-	12	25	
WA State Rail Loan RRB-1110 Capital Improvement	09/08/16	2017 - 2026	406	0.0000	120	-	40	80	
WA State Rail Loan RRB-1111 Capital Improvement	01/06/17	2017 - 2026	370	0.0000	111	-	37	74	
WA State Rail Loan RRB-1112 Capital Improvement	12/06/16	2017 - 2026	150	0.0000	45	-	15	30	
WA State Rail Loan RRB-1225 Capital Improvement	06/30/20	2021 - 2029	233	0.0000	164	-	23	141	
WA State Rail Loan RRB-1226 Capital Improvement	12/30/20	2021 - 2029	125	0.0000	280	-	40	240	
WA State Rail Loan RRB-1269 Capital Improvement	11/29/22	2022 - 2031	868	0.0000	692	-	87	605	
WA State Rail Loan RRB-1275 Capital Improvement	11/29/22	2023 - 2032	318	0.0000	286	-	32	254	
WA State Rail Loan RRB-1276 Capital Improvement	11/29/22	2023 - 2032	465	0.0000	418	-	46	372	
WA State Rail Loan RRB-1286 Capital Improvement	11/29/22	2024 - 2033	606	0.0000	547	45	61	531 (5)	
WA State Rail Loan RRB-1296 Capital Improvement	11/29/22	2024 - 2033	561	0.0000	-	408	-	408 (5)	
WA State Rail Loan RRB-1297 Capital Improvement	11/29/22	2024 - 2033	561	0.0000	-	7	-	7 (6)	
Subtotal Tacoma Rail					3,646	460	893	3,213	
Total Revenue Bonds					\$ 1,261,576	\$ 241,163	\$ 223,513	\$ 1,279,226	
Local Agent Site Lease, Series 2020C	07/21/20	2021 - 2040	12,795	2.1197	11,135	-	575	10,560	
Subtotal Local Agent Site Lease					11,135	-	575	10,560	

Notes:

- WIFA loan ending balance is \$233,000 different than the amortization schedule, due to accreted interest capitalized to loan principal on 6/1/2024 and 12/1/2024.
- DOE SFR Loan 2018 and DOE SFR Loan 2020 are not included on the amortization schedule because they are not finalized.
- WA State Rail Loan RRB-1286 ending balance is \$14,000 difference than the amortization schedule due to the addition of admin fees.
WA State Rail Loan RRB-1296 ending balance is \$8,000 difference than the amortization schedule due to the addition of admin fees.
- WA State Rail Loan RRB-1297 ending balance is difference than the amortization schedule because the table above shows only the amount that was drawn in the accounting module.

The original amount of outstanding revenue bonds, Washington State Department of Transportation Rail loans, and Drinking Water State Revolving Fund loans issued in prior years was \$1.3 billion. During 2024, new debt issues amounted to \$241.2 million, \$238.9 million to refund bonds for the Convention Center, Power, and Water and \$2.2 million for capital improvements in Wastewater, Stormwater, and Rail.

Power has pledged future power charges and other revenues, net of operating expenses to repay \$553.6 million in revenue bonds issued prior years. The bonds are payable solely from power charges and other revenues and are payable through 2054. The total principal and interest remaining to be paid on the bonds is \$928.8 million. Principal and interest paid for the current year and total pledged revenue were \$29.6 million and \$140.1 million, respectively.

Water has pledged future Water charges and other revenues, net of operating expenses to repay \$336.0 million in revenue bonds and loans issued prior years. The bonds and loan are payable solely from Water charges and other revenues and are payable through 2043. The total principal and interest remaining to be paid on the bonds is \$508.0 million. Principal and interest paid for the current year and total pledged revenue were \$32.0 million and \$42.5 million, respectively.

Sewer has pledged future Sewer charges and other revenues, net of operating expenses to repay \$345.8

Notes to the Financial Statements

For the Year Ended December 31, 2024

million in revenue bonds and loans issued prior years. The bonds and loan are payable solely from Sewer charges and other revenues and are payable through 2054. The total principal and interest remaining to be paid on the bonds is \$505.8 million. Principal and interest paid for the current year and total pledged revenue were \$26.9 million and \$67.8 million, respectively.

Solid Waste has pledged future Solid Waste charges and other revenues, net of operating expenses to repay \$51.1 million in revenue bonds and loans issued prior years. The bonds and loan are payable solely from Solid Waste charges and other revenues and are payable through 2036. The total principal and interest remaining to be paid on the bonds is \$66.7 million. Principal and interest paid for the current year and total pledged revenue were \$6.5 million and \$29.5 million, respectively.

Convention Center and Parking has pledged future net of parking Revenue and District contribution, net of operating expenses to repay \$0.1 million in revenue bonds issued prior years. The bonds are payable solely from Net parking revenue and District Contribution and are payable through 2040. The total principal and interest remaining to be paid on the bonds is \$0.2 million. Principal and interest paid for the current year and total pledged revenue were \$2.9 million and \$7.1 million, respectively.

Business-type activities
Revenue Bonds and Loans
(amounts expressed in thousands)

	Principal	Interest	Total
2025	\$ 38,320	\$ 58,225	\$ 96,545
2026	39,532	58,225	97,757
2027	59,082	57,051	116,133
2028	41,536	55,042	96,578
2029	41,072	52,857	93,929
2030-2034	312,157	216,684	528,841
2035-2039	319,761	133,139	452,900
2040-2044	223,351	63,350	286,702
2045-2049	133,394	27,120	160,515
2050-2054	69,507	5,874	75,381
Total	\$ 1,277,712	\$ 727,569	\$ 2,005,281

Line of Credit

On October 1, 2021, Tacoma Power entered into a \$150 million line-of-credit agreement with Wells Fargo to pay for working capital needs. The agreement was scheduled to mature on October 1, 2024. As of December 31, 2023, the outstanding balance was classified as current portion with the due date on October 1, 2024. This line-of-credit was paid as part of the bond refunding discussed below. As of December 31, 2024, this line-of-credit has been fully paid off and no longer outstanding.

NAME AND PURPOSE OF ISSUE	DATE OF ISSUE	MATURITY DATES	ORIGINAL AMOUNT	EFFECTIVE INTEREST RATE	AMOUNT O/S 01-01-24	ISSUED 2024	REDEEMED 2024	AMOUNT O/S 12/31/2024
Wells Fargo Revolving Line of Credit Capital Improvement	10/01/21	10/1/2024	\$150mm Max	0.5000	105,000	-	105,000	-
Subtotal Wells Fargo Revolving Line of Credit					105,000	-	105,000	-

Notes to the Financial Statements

For the Year Ended December 31, 2024

Changes in long-term liabilities for the year ended December 31, 2024 are as follows:

Changes in long-term liabilities

Governmental activities

Long-term liabilities (amounts expressed in thousands)	Beginning Balance	Additions	Reductions	Ending Balance	Due within one year
General obligation bonds	\$ 107,641	\$ 2,615	\$ (9,705)	100,551	\$ 9,505
Add: Unamortized premium	604	-	(56)	548	-
Less: Unamortized discount	(80)	-	5	(74)	-
Publicworks trust fund loans	993	2,275	(571)	2,697	89
Bond anticipation notes	841	747	-	1,588	1,588
Special assessment debt	16,860	-	(2,240)	14,620	-
Claims and judgments	45,406	35,741	(15,346)	65,801	52,735
Other Liabilities	1,848	-	(285)	1,563	294
Total OPEB Liabilities	161,693	87,449	(94,488)	154,654	3,724
Total pension liability-Police and Firefighters'	39,302	-	(5,198)	34,104	3,410
Net pension liability	42,322	1,062	-	43,384	-
Compensated absences	28,339	46,259	(35,850)	38,748	8,595
Lease liability	9,439	1,946	(1,898)	9,487	545
SBITA liability	4,051	1,198	(2,565)	2,683	1,608
Total governmental activities - long-term liabilities	\$ 459,259	\$ 179,291	\$ (168,198)	\$ 470,353	\$ 82,092

Long-term liabilities are included as part of the above totals for governmental activities. At year-end, \$8.5 million of internal service funds compensated absences were included in the above amounts. Additionally, the governmental activities, claims and judgments, and employee benefits are generally liquidated by the Third-Party Claims and Workers' Compensation funds, Information Services fund, and the General fund respectively.

The additions for governmental activities general obligations bonds in the amount of \$2.6 million listed above represents accreted interest capitalized to bond principal of existing bonds.

Business-Type activities

Long-term liabilities (amounts expressed in thousands)	Beginning Balance	Additions	Reductions	Ending Balance	Due within one year
Revenue Bonds	\$ 1,169,534	\$ 239,147	\$ (212,296)	\$ 1,196,385	\$ 26,950
General obligation bonds	36,018	-	(2,610)	33,408	2,295
Add: Unamortized premium	74,432	31,439	(15,837)	90,035	-
Less: Unamortized discount	(4)	-	1	(3)	-
Muckleshoot liability	5,920	183	(1,121)	4,981	183
State COP Loan	11,135	-	(575)	10,560	580
State Revolving Fund (SRF) Loan	88,399	1,553	(10,324)	79,628	10,676
WA State Rail Loan	3,664	460	(911)	3,213	856
Revolving line of credit	105,000	-	(105,000)	-	-
Environmental liability	1,446	1,470	(734)	2,181	1,382
Landfill postclosure care cost liability	11,494	222	-	11,716	638
Claims and judgments	4,249	5,522	(5,544)	4,227	5
Total OPEB liabilities	30,376	15,358	(18,732)	27,002	650
Compensated absences	28,950	43,035	(37,250)	34,735	6,826
Net pension liability	95,833	93,066	(96,559)	92,340	-
Lease liability	1,721	442	(866)	1,297	210
SBITA liability	5,773	2,331	(3,578)	4,525	1,851
Total business-type activities - long-term liabilities	\$ 1,673,940	\$ 434,229	\$ (511,937)	\$ 1,596,231	\$ 53,102

Notes to the Financial Statements For the Year Ended December 31, 2024

Debt issued in 2024

Governmental activities

On July 29, 2024, the City received CTED PWTF Loan (No. 96103-007) from the Washington State Public Works Board for \$1.0 million, to be repaid at a 1.72% interest rate over 20 years. This loan is for the removal of damaged piles and timber fender lagging from the damaged portion of the Hylebos Bridge and the installation of new steel pipes and dolphins, fender lagging, navigation lighting, and gangplank/walkway on top of the fender system.

On September 10, 2024, the City received CTED PWTF Loan (No. 96103-016) from the Washington State Public Works Board for \$1.3 million, to be repaid at a 0.88% interest rate over 20 years. This loan is for the improvement of St. Helens Avenue, from 6th Avenue to Division Avenue, with a grind and overlay from curb face to curb face and installation of a glass grid paving fabric in the driving lanes.

On July 1, 2016, the City entered into a line-of-credit agreement with Washington Federal Bank for the purpose of interim financing for the various Local Improvement District (LID) program by the City's Public Works Department. The line was originally set to mature on July 1, 2021 but was extended on June 30, 2021 with the maximum amount outstanding to not exceed \$5.0 million, with the new maturity date of June 30, 2026. In 2024, an additional \$0.8 million was drawn, leaving the City with a current outstanding amount of \$1.6 million.

Business-type activities

On January 25, 2024, Tacoma Water issued \$63.8 million Water System Revenue Refunding Bonds, Series 2024 (Green Bonds). The proceeds of the issuance were used to refund \$73.4 million and \$5,000 of 2013 and 2005 outstanding Water system revenue and refunding bonds, respectively. The Green Bonds have been independently verified by Kestrel for conformity with Green Bond Principals (2021) and are in complete alignment with the Sustainable Water Management eligible project categories. Major projects financed by the refunded bonds include improvements to the drinking water system, upgrades and improvements for water conservation, environmental protection and restoration and improvements for aging infrastructure. The refunded bonds also include water transmission and distribution infrastructure to maintain efficient operations and reliable water supply for customers and regional partners. The refunded amounts of the 2013 and 2005 bonds are considered to be defeased and the liability for those bonds has been removed from the Statement of Net Position. Tacoma Water paid 2013 and 2005 bonds in full to reduce its total combined debt service payments over the next 19 years by \$22.2 million and to obtain a net present value savings of approximately \$5.8 million. The funding resulted in a difference between the net reacquisition price and the net carrying amount of the old debt of \$1.8 million. This amount, reported in the Statement of Net Position as a deferred inflow of resources, is being charged to operations through the year 2041 using the effective interest method. As of December 31, 2024, the deferred inflows for gain on refunding balance is \$1.7 million.

On February 14, 2024, Tacoma Water issued \$29.0 million Regional Water Supply System (RWSS) Revenue Refunding Bonds, Series 2024 (Green Bonds). The proceeds of the issuance were used to refund \$49.9 million 2013 RWSS outstanding revenue and refunding bonds. The Green Bonds have been independently verified by Kestrel for conformity with Green Bond Principals (2021) and are in complete alignment with the Sustainable Water Management eligible project categories. The projects financed by the refunded bonds increase water availability during the dry summer months and provide reliable drinking water for the region, address climate transition risks by planning for variability in water supply and adding redundancy in a region experiencing unique water resource challenges amidst regional population growth. The refunded amounts of the 2013 RWSS bonds are considered to be defeased and,

Notes to the Financial Statements

For the Year Ended December 31, 2024

the liability for this bond has been removed from the Statement of Net Position. Tacoma Water paid 2013 RWSS in full to reduce its total combined debt service payments over the next 17 years by \$21.1 million and to obtain a net present value savings of approximately \$3.7 million. The funding resulted in a difference between the net reacquisition price and the net carrying amount of the old debt of \$2.8 million. This amount, reported in the Statement of Net Position as a deferred inflow of resources, is being charged to operations through the year 2032 using the effective interest method. As of December 31, 2024, the deferred inflows for gain on refunding balance is \$2.5 million.

In February 2024, Tacoma Power issued \$95.3 million of Electric System Revenue Bonds, Series 2024A (Green Bonds) and \$47.4 million of Electric System Revenue Refunding Bonds, Series 2024B. The proceeds of the issuance were used to refund \$34.6 million of the 2013A bonds of the total debt outstanding \$88.6 million, pay down \$23.7 million of the 2013B bonds and \$104.8 million of the Wells Fargo line of credit. The refunded amounts of the 2013A and 2013B bonds are considered to be defeased and the liability for those bonds has been removed from the Statement of Net Position.

Power refunded a portion of the 2013A and paid 2013B bonds in full to reduce its total combined debt service payments over the next 14 years by \$16.1 million and to obtain net present value savings of approximately \$7.5 million. The funding resulted in a difference between the net reacquisition price and the net carrying amount of the old debt of \$4.1 million. This amount, reported in the Statement of Net Position as a deferred inflow of resources, is being charged to operations through the year 2037 using the straight-line basis method. As of December 31, 2024, the deferred inflows for gain on refunding balance is \$3.7 million.

On September 25, 2024, the City issued a Convention Center and Parking Revenue Refunding Bond, Series 2024, in the principal amount of \$105,000, for the purpose of refunding the Convention Center and Parking Revenue Bonds, Series 2010 and 2015. This refunding bond has an interest rate of 7.990%. This bond will allow the City to continue to receive sales and use taxes collected from the Public Facilities District estimated between five and six million dollars annually.

In 2024, Tacoma Rail obtained two new loans from the Washington State Department of Transportation. The Blair Switches Replacement has drawn \$408,000 in 2024, with expected annual payments of \$40,800. The Annie Tracks Switch Upgrade has drawn \$7,000 in 2024, with expected annual payments of \$162,200. Both of these loans will be paid through 2034.

Arbitrage

Under US Treasury Department regulations, all tax-exempt debt issued after August 31, 1986 is subject to arbitrage rebate requirements. In general, the requirements stipulate that the earnings from investments of tax-exempt bond proceeds that exceed interest expenditures on the related debt, must be remitted to the Federal government on every fifth anniversary of each bond issue. At the fund level, the City recognizes this liability only when it is due and payable. The city has evaluated each general obligation bond and revenue bond issue subject to the arbitrage rebate requirement and, as of December 31, 2024, has no outstanding arbitrage liability.

Notes to the Financial Statements

For the Year Ended December 31, 2024

G. Restricted assets

The balance of the current restricted assets accounts in the enterprise funds are as follows:

(amounts expressed in thousands)

Cash for debt service	\$ 24,053
Cash for debt and bond reserve	19,554
Cash for construction	12,981
Cash for other special purposes	121,961
	<u>\$ 178,549</u>

H. Related party transactions

The City of Tacoma's Mayor appoints the Governing Board for the Tacoma Housing Authority, which is not considered a component unit of the City. The City is under no obligation to subsidize, nor does it exercise any other prerequisite for inclusion.

City Officials serve on boards of several organizations, which include but not limited to Workforce Central, Pierce Transit and South Sound 911. There is no evidence City Council can influence the programs and activities of these organizations or that they create a significant financial benefit or burden to the City. There are no material financial transactions between the City and these organizations and therefore are not included in the reporting entity.

I. Fund balances

The fund balance amounts for governmental funds have been reclassified in accordance with GASB Statement No. 54. Balances previously reported as reserved and unreserved are now reported as nonspendable, restricted, committed, assigned, and unassigned. Please refer to Note 1 Section C for fund balance descriptions.

The following shows a composition of the fund balances of the governmental funds:

	Major Funds		Non-major Funds			
	General Fund	Transp Capital & Engr	Special Revenue	Debt Service	Capital Project	Total Funds
Nonspendable:						
Accounts Receivable	\$ 25	\$ -	\$ -	\$ -	\$ -	\$ 25
Inventory	2,218	-	1,761	-	-	3,979
Prepays	506	-	-	-	-	506
Library Endowment	-	-	17	-	-	17
Total nonspendable	<u>\$ 2,749</u>	<u>\$ -</u>	<u>\$ 1,778</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,527</u>

continued on next page

Notes to the Financial Statements

For the Year Ended December 31, 2024

	Major Funds		Non-major Funds			
	General Fund	Transp Capital & Engr	Special Revenue	Debt Service	Capital Project	Total Funds
Restricted:						
Crime Prevention & Safety	\$ 343	\$ -	\$ 3,755	\$ -	\$ -	\$ 4,098
Debt service	-	-	12,185	4,436	1,655	18,276
Economic development programs	-	-	3,177	-	-	3,177
Grants	-	-	261	-	-	261
Housing Development	-	-	22,878	-	-	22,878
Legal Settlement	-	-	5,010	-	-	5,010
Library, Culture, Arts, Preservation	-	-	13,700	-	-	13,700
Neighborhoods	-	-	1,441	-	-	1,441
Other capital & purchase	-	-	6,774	-	979	7,753
Public services	38	-	14,046	-	-	14,084
Public Works projects	-	-	11,802	-	26,151	37,953
Sidewalk & Street projects	-	3,216	-	-	24,966	28,182
Total restricted	381	3,216	95,029	4,436	53,751	156,813
Committed:						
Library, Culture, Arts, Preservation	-	-	4,470	-	38	4,508
Neighborhoods	-	-	2,793	-	-	2,793
Public services	-	-	1,462	-	364	1,826
Public Works projects	-	159	33,009	-	4,489	37,657
Total committed	-	159	41,734	-	4,891	46,784
Assigned:						
Business & Training Assistance	-	-	348	-	-	348
Council contingency*	739	-	-	-	-	739
Crime Prevention & Safety	-	-	191	-	-	191
Demolitions	-	-	2,625	-	-	2,625
Economic development programs	-	-	5,443	-	-	5,443
Library, Culture, Arts, Preservation	-	-	3,476	-	-	3,476
Neighborhoods	-	-	667	-	-	667
Open Space Properties	-	-	527	-	-	527
Paths & Trails	-	-	371	-	-	371
Police activities	-	-	2,666	-	-	2,666
Public services	-	-	13,912	-	-	13,912
Public Works projects	168	3,392	9,511	-	-	13,071
Sidewalk & Street projects	-	-	12,459	-	-	12,459
Other purposes	-	-	56	-	-	56
Total assigned	907	3,392	52,252	-	-	56,551
Unassigned:	123,477	-	-	-	-	123,477
Total fund balances:	\$ 127,514	\$ 6,767	\$ 190,793	\$ 4,436	\$ 58,642	\$ 388,152

* The City Council adopted through Ordinance No. 19315 the establishment of the Council Contingency fund per RCW 35.21.070. This fund rolls into the General fund for financial reporting purposes. Use of the Contingency Fund requires approval from a majority of the City Council through the adoption of an ordinance detailing the facts surrounding its reason for withdrawal.

Notes to the Financial Statements

For the Year Ended December 31, 2024

Note 4 – PENSION PLANS OBLIGATIONS AND OTHER POST-EMPLOYMENT BENEFITS

Employees of the City, other than law enforcement officers, firefighters, and railroad employees, are covered by the Tacoma Employees' Retirement System (the System), an actuarially funded system operated by the City. Law enforcement officers and firefighters are covered by the Law Enforcement Officer and Firefighter Retirement System (LEOFF), a cost-sharing multi-employer plan administered by the State of Washington for law enforcement officers and firefighters throughout the State of Washington. Additionally, the City administers two single employer Pension funds as required by State Statute - a Police Relief and Pension fund and a Firemen's Relief and Pension fund.

The following table represents the aggregate pension amounts for all plans subject to the requirements of GASB 68 for the year 2024:

Aggregate Pension Amounts - All Plans	
Pension liabilities	\$ (135,724,017)
Pension assets	79,889,881
Deferred outflows of resources	231,482,188
Deferred inflows of resources	(23,167,701)
Pension expense/expenditures	47,486,335

A. Tacoma Employees' Retirement System fund (TERS)

The Tacoma Employees' Retirement System (TERS), a pension trust fund of the City of Tacoma, issues a publicly available annual comprehensive financial report (ACFR) that includes financial statements and required supplementary information and can be obtained by writing to:

Tacoma Employee's Retirement System
3628 South 35th Street
Tacoma, WA 98409

Or the TERS annual comprehensive financial report may be downloaded from the TERS website at www.cityoftacoma.org/retirement

1. Administration of the system: The Tacoma Employees' Retirement System is a cost-sharing, multiple-employer, defined benefit retirement plan covering substantially all employees of the City of Tacoma, with the exception of police officers, firefighters, and Tacoma Rail employees who are covered by state and federal retirement plans. Employees of the Tacoma-Pierce County Health Department as well as certain employees of Pierce Transit and South Sound 911 (formerly known as Law Enforcement Support Agency) who established membership in the System when these agencies were still departments of the City of Tacoma are also members. The Board of Administration of the Tacoma Employees' Retirement System administers the plan and derives its authority in accordance with Chapter 41.28 Revised Code of Washington and Chapter 1.30 of the Tacoma City Code.

At the direction of the City Council, the System is administered by the Board of Administration (the Board) consisting of nine regular members and one alternate member. The members of the Board are the Mayor, who serves as Chair, the Director of Finance, the City Manager (or designee), the Public Utilities Director (or designee), three elected employee representatives, one elected retired representative, and one City resident (not employed by the City) elected by the other eight members.

Notes to the Financial Statements

For the Year Ended December 31, 2024

The nine Board members appoint a TERS member, either active or retired, as an alternate Board member. The Board is required by the Tacoma Municipal Code to make annual reports to the City Council on the financial condition of the Retirement System. The Board, subject to City Council approval, appoints the Director who is responsible for managing the daily operations of the System.

2. Membership: Substantially all employees of the City of Tacoma are members of the System, with the exception of police officers, firefighter, and Tacoma Rail employees, who are covered by state or federal retirement plans. Other members include employees of the Tacoma-Pierce County Health Department, and certain employees of the Pierce Transit. The breakdown of membership as of January 1, 2024, is as follows:

Retirees and beneficiaries	2,836
Terminated vested and other terminated participants	948
Active members:	
City of Tacoma	2,982
Pierce Transit	15
Tacoma-Pierce County Health Department	328
Total active members	3,325
Total membership	7,109

3. Benefits: There are two formulas to calculate the retirement benefits. The benefit paid will be issued on the formula which provides the higher benefit. The most commonly applied formula, "service retirement", is a product of the member's average monthly salary for the highest, consecutive 24-month period, the number of years of membership credit, and a percentage factor (2% maximum) that is based on the member's age and years of service. The other formula is an annuity based on member contributions. There are several options available for the retiree to provide for their beneficiaries. The System also provides death, disability and deferred retirement. Additionally, the System provides cost of living adjustment (COLA) increases up to 2.125% as of July 1st of each year; the actual COLA granted is dependent on the Consumer Price Index (Seattle Area – all items) over the preceding calendar year.

Any active member who has not retired and has five or more years of service may purchase up to five additional years of service at the time of retirement. Total service including service purchased cannot exceed 30 years.

The System participates in the portability of public retirement benefits in Washington State public retirement. As provided under Chapter 41.54 of the RCW, this allows a member to use all years of service with qualified Washington systems to determine retirement eligibility and percentage factor for benefits under the System.

4. Contributions: The participating employers are responsible for funding the System at a level sufficient to pay obligations and ensure the actuarial and financial soundness of the System. Contribution rates for the employer and the employee are recommended by the Board of Administration and final approval rests with the Tacoma City Council. Currently, the required contribution rate for employees is 9.66% of their regular base pay; the employer contributes 11.34%, for a combined total of 21.00%. This is consistent with the Board's goal of maintaining a contribution rate that is greater than or equal to the normal cost rate of 18.97%. The difference of 2.03% between the contribution rate and the normal cost rate will be used to amortize the unfunded liability of the

Notes to the Financial Statements

For the Year Ended December 31, 2024

System. Changes to the contribution rate are subject to Sections 1.30.340 and 1.30.360 of the Tacoma Municipal Code.

The Normal Cost Rate increased from 19.05% of pay to 19.12% of pay from the prior actuarial valuation. Therefore, the portion of the total 21.00% of pay contribution rate available to amortize the UAAL after Normal Costs are financed decreased from 1.95% of pay at January 1, 2023 (21.00% - 19.05%) to 1.88% of pay at January 1, 2024 (21.00% - 19.12%).

TERS		
Actual Contribution Rates	Employer	Employee
January - December 2024		
TERS	11.34%	9.66%
TERS UAAL	1.88%	
Administrative Fee	0.80%	
Total	14.02%	9.66%

5. Significant Assumptions: The following actuarial methods were used in the funding valuation.

Measurement Date	December 31, 2023
Valuation Date	January 1, 2024
Actuarial Cost Method	Entry Age Normal
Amortization Method	Funding is based on statutory contribution rate. This amount is compared to a 25-year amortization for the purposes of calculating the Actuarially Determined Contribution. The amortization method for the ADC is as follows* <ul style="list-style-type: none"> • Level percent • Open Periods • 25-year amortization period • 3.25% amortization growth rate
Asset Valuation Method	4-year smoothing period; Corridor - None
Inflation	2.50%
Salary Increases	Varies by service; details in funding valuation report
Investment Rate of Return	6.75%
Cost of Living Adjustment	2.125%
Retirement Age	Varies by age, gender, eligibility, details in funding valuation report
Mortality	105% of Male and 100% of Female PubG-2010 Amount Weighted Mortality Tables, sex distinct. Generational improvements with projection unisex based on Social Security Administration Data from 1957-2017
Active members:	Employee Mortality
Inactive Members, Retired Members, and Beneficiaries:	Healthy Retiree Mortality
Disabled Members:	Disabled Retired Mortality

*The actual contribution is used if that rate is greater than the rate necessary to amortize the UAAL. Note that the UAAL amortization period is 30 years for years 2017 and earlier and 25 for years beginning January 1, 2018 and later.

Notes to the Financial Statements

For the Year Ended December 31, 2024

6. Benefit and Assumption Changes: The comparability of the data from year to year can be affected by changes in actuarial assumptions, benefit provisions, accounting policies, and other factors.

Significant Changes in Benefits, Contributions, and Assumptions were as follows:

Valuation Date*	Change
2014	The discount rate (investment return assumption) was lowered.
2017	Nearly all economic and non-economic actuarial assumptions were changed.
2018	Contribution rates were increased effective February 2018. Reflected new annuity conversion factors effective January 1, 2020.
2021	Nearly all economic and non-economic actuarial assumptions were changed.
2022	Reflected new annuity conversion factors effective January 1, 2022.
2023	None reported
2024	None reported

* Valuations as of January 1.

7. Target Allocations: The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are per the System's investment advisors as of December 31, 2023 with real rates of return shown net of 2.50% inflation. The target asset allocation is based on the Tacoma Employees' Retirement System Investment Policy Statement dated August 2023.

Asset Class	Index	Target Allocation	Long-Term Expected Geometric Real Rate of Return
Investment Grade Fixed Income	Bardays Aggregate	21.5%	2.28%
US Bank / Leveraged Loans	Credit Suisse Leveraged Loan	2.0%	4.12%
US Long Gvt Bonds	Bloomberg Bardays Long Gvt	3.0%	2.43%
High Yield Bonds	BAML High Yield	5.0%	3.93%
Emerging Market Debt	JP Morgan EMBI Plus	5.0%	2.80%
Global Equity	MSCI ACWI NR	19.0%	4.35%
Low Volatility Global Equity	MSCI ACWI Minimum Volatility	9.5%	4.47%
Private Real Estate	NCREIF Property	10.0%	3.53%
Private Equity	Cambridge Private Equity	15.0%	7.15%
Private Credit	CDL Index	3.0%	5.90%
Infrastructure	S&P Global Infrastructure	7.0%	5.28%
Assumed Inflation - Mean			2.50%
Assumed Inflation - Standard Deviation			1.44%
Portfolio 10 year Geometric Rate of Return			6.60%
Portfolio 30 year Arithmetic Rate of Return*			7.89%
Portfolio 30 year Geometric Rate of Return			7.28%
Portfolio Standard Deviation			11.55%
Long-Term Expected Rate of Return, net of investment expenses			6.75%

*Long-Term Expected Geometric Rates of Return shown are based on a 30-year period

8. Sensitivity Analysis: The following presents the employer's proportionate share of the collective net pension liability as of the December 31, 2023 measurement date calculated using the discount rate of 6.75%, as well as what the employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate.

Notes to the Financial Statements

For the Year Ended December 31, 2024

	1% Decrease	Discount Rate	1% Increase
	5.75%	6.75%	7.75%
Employer's proportionate share of net pension liability (asset)	\$ 404,529,379	\$ 135,724,017	\$ (88,255,724)

9. Deferred outflows of resources and deferred inflows of resources: These balances are presented by source (for example, experience gains and losses, or differences between assumed and actual investment earnings).

For the period ended December 31, 2023, the employer recognizes the following amounts:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$ (1,911,931)	\$ 28,810,897
Change of assumptions	-	16,668,918
Net difference between projected and actual investment earnings	-	84,719,096
Contributions made subsequent to the measurement date	NA	38,006,164
Changes in employer proportion	(112,474)	6,015
Total	\$ (2,024,405)	\$ 168,211,090

10. Pension Expense: For the year ended December 31, 2024, the City of Tacoma recognized \$44,437,537 as its proportionate share of pension expense.

11. Deferred outflows for contribution subsequent to the measurement date: The total contributions made subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal period.

Other amounts currently reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows.

* Note that the employer reporting date is one year later than the measurement date.

Year ended December 31:	
2024	\$ 40,274,418
2025	25,588,000
2026	60,467,429
2027	(314,524)
2028	2,165,198
Thereafter	-

12. Schedule of Pension Amounts by Employer: The employer's percentage of the collective net pension liability, how it was determined, and any change in the percentage since the previous measurement.

The following table is a schedule of the proportionate share by employer. Each employer in TERS contributes at the same rate of payroll. Using the actual contributions for the year provides a reasonable basis for each employer's projected long-term contribution effort.

Notes to the Financial Statements

For the Year Ended December 31, 2024

	2023 Employer Contributions	Percentage of Total Contributions	Beginning Net Pension Liability/(Asset)*	Ending Net Pension Liability/(Asset)**
Employer				
City of Tacoma	\$ 34,075,467	91.76956%	\$ 138,155,523	\$ 135,724,017
South Sound 911	22,218	0.05984%	135,153	88,495
Pierce Transit	196,881	0.53023%	743,575	784,185
Health Department	2,836,993	7.64038%	11,148,011	11,299,862
Grand Total	\$ 37,131,559	100.00000%	\$ 150,182,262	\$ 147,896,559

*Based on unrounded contributions from 2022

**Based on unrounded contributions from 2023

B. Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF) Plans 1 and 2

The Department of Retirement Systems (DRS), a department within the primary government of the State of Washington, issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information for each plan. The DRS comprehensive annual financial report may be obtained by writing to:

Department of Retirement Systems
Communications Unit
P.O. Box 48380
Olympia, WA 98540-8380

Or the DRS comprehensive annual financial report may be downloaded from the DRS website at www.drs.wa.gov.

LEOFF membership includes all full-time, fully compensated, local law enforcement commissioned officers, firefighters, and as of July 24, 2005, emergency medical technicians. LEOFF is comprised of two separate defined benefit plans.

LEOFF Plan 1 provides retirement, disability, and death benefits. Retirement benefits are determined per year of service calculated as a percent of final average salary (FAS) as follows:

- 20+ years of service – 2.0% of FAS
- 10-19 years of service – 1.5% of FAS
- 5-9 years of service – 1.0% of FAS

The FAS is the basic monthly salary received at the time of retirement, provided a member has held the same position or rank for 12 months preceding the date of retirement. Otherwise, it is the average of the highest-paid consecutive 24 months' within the last ten years of service. Members are eligible for retirement with five years of service at the age of 50. Other benefits include a COLA. LEOFF 1 members were vested after the completion of five years of eligible service. The plan was closed to new entrants on September 30, 1977.

1. **Contributions:** Starting on July 1, 2000, **LEOFF Plan 1** employers and employees contribute 0%, as long as the plan remains fully funded. The LEOFF Plan I had no required employer or employee contributions for fiscal year 2024. Employers paid only the administrative expense of 0.20% of covered payroll.

Notes to the Financial Statements

For the Year Ended December 31, 2024

LEOFF Plan 2 provides retirement, disability and death benefits. Retirement benefits are determined as 2% of the FAS per year of service (the FAS is based on the highest-paid consecutive 60 months). Members are eligible for retirement with a full benefit at 53 with at least five years of service credit. Members who retire prior to the age of 53 receive reduced benefits. If the member has at least 20 years of service and is age 50 – 52, the reduction is 3% for each year prior to age 53. Otherwise, the benefits are actuarially reduced for each year prior to age 53. LEOFF 2 retirement benefits are also actuarially reduced to reflect the choice of a survivor benefit. Other benefits include a COLA (based on the CPI), capped at 3% annually. LEOFF 2 members are vested after the completion of five years of eligible service.

The **LEOFF Plan 2** employer and employee contribution rates are developed by the Office of the State Actuary to fully fund Plan 2. The rates are adopted by the LEOFF Plan 2 Retirement Board and are subject to change by the Legislature.

Effective July 1, 2017, when a LEOFF employer charges a fee or recovers costs for services rendered by a LEOFF 2 member to a non-LEOFF employer, the LEOFF employer must cover both the employer and state contributions on the LEOFF 2 basic salary earned for those services. The state contribution rate (expressed as a percentage of covered payroll) was 3.41% in 2024.

The LEOFF Plan 2 required contribution rates (expressed as a percentage of covered payroll) for 2024 were as follows:

Actual Contribution Rates	<u>Employer</u>	<u>Employee</u>
January - December 2024		
State and local governments	5.12%	8.53%
Administrative Fee	<u>0.20%</u>	
Total	5.32%	8.53%

The City of Tacoma's actual contributions to the plan were \$7,109,708 for the year ended December 31, 2024.

The Legislature, by means of a special funding arrangement, appropriates money from the state General Fund to supplement the current service liability and fund the prior service costs of Plan 2 in accordance with the recommendations of the Pension Funding Council and the LEOFF Plan 2 Retirement Board. This special funding situation is not mandated by the state constitution and could be changed by statute. For fiscal year ending June 30, 2024, the state contributed \$96,422,231 to LEOFF Plan 2. The amount recognized by the City as its proportionate share of this amount is \$6,614,934.

2. Actuarial Assumptions: The total pension liability (TPL) for each of the DRS plans was determined using the most recent actuarial valuation completed in 2024 with a valuation date of June 30, 2023. The actuarial assumptions used in the valuation were based on the results of the Office of the State Actuary's (OSA) 2013-2018 Demographic Experience Study and the 2023 Economic Experience Study.

Additional assumptions for subsequent events and law changes are current as of the 2023 actuarial valuation report. The TPL was calculated as of the valuation date and rolled forward to the measurement date of June 30, 2024. Plan liabilities were rolled forward from June 30, 2023, to June 30, 2024, reflecting each plan's normal cost (using the entry-age cost method), assumed interest and actual benefit payments.

Notes to the Financial Statements

For the Year Ended December 31, 2024

- **Inflation:** 2.75% total economic inflation; 3.25% salary inflation
- **Salary increases:** In addition to the base 3.25% salary inflation assumption, salaries are also expected to grow by promotions and longevity.
- **Investment rate of return:** 7.00%

Mortality rates were developed using the Society of Actuaries' Pub. H-2010 mortality rates, which vary by member status (e.g. active, retiree, or survivor), as the base table. OSA applied age offsets for each system, as appropriate, to better tailor the mortality rates to the demographics of each plan. OSA applied the long-term MP-2017 generational improvement scale, also developed by the Society of Actuaries, to project mortality rates for every year after the 2010 base table. Mortality rates are applied on a generational basis; meaning, each member is assumed to receive additional mortality improvements in each future year throughout their lifetime.

Assumptions did not change from the prior contribution rate setting June 30, 2022 Actuarial Valuation Report (AVR).

3. Discount Rate: The discount rate used to measure the total pension liability for all DRS plans was 7.0%.

To determine that rate, an asset sufficiency test was completed to test whether each pension plan's fiduciary net position was sufficient to make all projected future benefit payments for current plan members. Based on OSA's assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return of 7.0% was used to determine the total liability.

4. Long-Term Expected Rate of Return: The long-term expected rate of return on the DRS pension plan investments of 7.0% was determined using a building-block-method. In selecting this assumption, OSA reviewed the historical experience data, considered the historical conditions that produced past annual investment returns, and considered Capital Market Assumptions (CMAs) and simulated expected investment returns provided by the Washington State Investment Board (WSIB). The WSIB uses the CMA's and their target asset allocation to simulate future investment returns at various future times.

5. Estimated Rates of Return by Asset Class: The table below summarizes the best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2024. The inflation component used to create the table is 2.5% and represents the WSIB's most recent long-term estimate of broad economic inflation.

Notes to the Financial Statements

For the Year Ended December 31, 2024

Asset Class	Target Allocation	% Long-Term Expected Real Rate of Return Arithmetic
Fixed Income	19%	2.1%
Tangible Assets	8%	4.5%
Real Estate	18%	4.8%
Global Equity	30%	5.6%
Private Equity	25%	8.6%
	100%	

6. Sensitivity of the Net Pension Liability/(Asset): The table below presents the City of Tacoma's proportionate share* of the net pension liability calculated using the discount rate of 7.0%, as well as what the City of Tacoma's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.0%) or 1-percentage point higher (8.0%) than the current rate.

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
LEOFF 1	\$ (25,810,217)	\$ (29,327,264)	\$ (32,394,310)
LEOFF 2	33,498,420	(50,562,617)	(119,322,019)

7. Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At June 30, 2024, the City of Tacoma reported its proportionate share of the net pension assets as follows:

	Liability (or Asset)
LEOFF 1	\$ (29,327,264)
LEOFF 2	(50,562,617)

The amount of the asset reported above for LEOFF Plans 1 and 2 reflects a reduction for State pension support provided to the City of Tacoma. The amount recognized by the City of Tacoma as its proportionate share of the net pension asset, the related State support, and the total portion of the net pension asset that was associated with the City of Tacoma were as follows:

	LEOFF 1 Asset	LEOFF 2 Asset
Employer's proportionate share	\$ (29,327,264)	\$ (50,562,617)
State's proportionate share of the net pension asset associated with the employer	(198,368,886)	(32,812,453)
Total	\$ (227,696,150)	\$ (83,375,070)

Notes to the Financial Statements

For the Year Ended December 31, 2024

At June 30, the City of Tacoma proportionate share of the collective net pension liabilities was as follows:

	Proportionate Share 6/30/23	Proportionate Share 6/30/24	Change in Proportion
LEOFF 1	1.03%	1.03%	0.00%
LEOFF 2	2.66%	2.70%	0.04%

Employer contribution transmittals received and processed by the DRS for the fiscal year ended June 30, 2024 are used as the basis for determining each employer's proportionate share of the collective pension amounts reported by the DRS in the Schedules of Employer and Nonemployer Allocations for all plans except LEOFF 1.

LEOFF Plan 1 allocation percentages are based on the total historical employer contributions to LEOFF 1 from 1971 through 2000 and the retirement benefit payments in fiscal year 2024. Historical data was obtained from a 2011 study by the Office of the State Actuary (OSA). The state of Washington contributed 87.12% percent of LEOFF 1 employer contributions and all other employers contributed the remaining 12.88% percent of employer contributions. LEOFF 1 is fully funded and no further employer contributions have been required since June 2000. If the plan becomes underfunded, funding of the remaining liability will require new legislation. The allocation method the plan chose reflects the projected long-term contribution effort based on historical data.

In fiscal year 2024, the state of Washington contributed 39% of LEOFF 2 employer contributions pursuant to RCW 41.26.725 and all other employers contributed the remaining 61% of employer contributions.

8. Pension Expense: For the year ended December 31, 2024, the City of Tacoma recognized pension expense as follows:

	Pension Expense
LEOFF 1	\$ 276,343
LEOFF 2	2,771,501
Total	\$ 3,047,844

Notes to the Financial Statements

For the Year Ended December 31, 2024

9. *Deferred Outflows of Resources and Deferred Inflows of Resources:* At December 31, 2024, the City of Tacoma reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
LEOFF 1		
Differences between expected and actual experience	\$ -	\$ -
Net difference between projected and actual investment earnings on pension plan investments	-	(1,108,489)
Changes of assumptions	-	-
Changes in proportion and differences between contributions and proportionate share of contributions	-	-
Contributions subsequent to the measurement date	-	-
Total	\$ -	\$ (1,108,489)
	Deferred Outflows of Resources	Deferred Inflows of Resources
LEOFF 2		
Differences between expected and actual experience	\$ 37,213,133	\$ (384,798)
Net difference between projected and actual investment earnings on pension plan investments	-	(8,318,865)
Changes of assumptions	20,814,686	(4,250,066)
Changes in proportion and differences between contributions and proportionate share of contributions	1,694,214	(7,081,077)
Contributions subsequent to the measurement date	3,549,066	-
Total	\$ 63,271,099	\$ (20,034,806)

Deferred outflows of resources related to pensions resulting from the City of Tacoma contributions subsequent to the measurement date but before the end of the reporting period will be recognized as a reduction of the net pension liability in the year ended December 31, 2025. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	LEOFF 1	LEOFF 2
2025	\$ (1,863,806)	\$ (7,068,930)
2026	965,605	12,430,454
2027	(92,671)	4,894,378
2028	(117,617)	5,251,801
2029	-	6,341,165
Thereafter	-	17,838,358
Total (DI) / DO	\$ (1,108,489)	\$ 39,687,226

Notes to the Financial Statements

For the Year Ended December 31, 2024

C. Police and Firefighter's Relief and Pension Funds

The following table represents the aggregate pension amounts for the single plan subject to the requirements of the GASB Statement 73, *Accounting and Financial Reporting for Pensions and Related Assets that are not within the scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68* for the year 2024:

Aggregate Pension Amounts	Firefighters' Pension Fund	Police Pension Fund
Total pension liability	\$ 22,760,024	\$ 11,343,323

1. Plan description: The Police Relief and Pension Fund (PRP) and the Fire Relief and Pension Fund (FRP) are single-employer, defined benefit pension funds established and administered by the City in accordance with the requirements of the RCW. Since the effective date of the LEOFF on March 1, 1970, no payroll deductions for active employees have been taken under these pension plans.

These plans also provide post-employment healthcare benefits to members of the plans and certain excess pension benefits to LEOFF members hired prior to October 1, 1977.

No new employees have been covered by either of these plans since March 1, 1970. Pension obligations for all firefighters and law enforcement officers retired since March 1, 1970, whether hired before or since that same date, have been assumed by the State of Washington Law Enforcement Officers' and Firefighters' Retirement System (LEOFF), with the exception of certain minimal benefits in excess of the LEOFF benefits. There are 0 active Police Officers and 0 active Firefighters with prior rights covered under these plans as of December 31, 2024. Retirees and beneficiaries of deceased retirees eligible to receive pension benefits currently number 89 for the PRP and 117 for the FRP as of December 31, 2024. There are no terminated employees under either plan who are entitled to benefits but not receiving them.

A member of the FRP is eligible for retirement after completion of service for a period of five years or more and attainment of age 50. A member is eligible for disability benefits if disabled for a minimum of six months. An individual becomes vested after five years of service. A member of the PRP is eligible for benefits after completing 25 years of service. An individual becomes vested after five years of service. Since there have been no new employees covered under these systems since 1970, all employees are fully vested.

The PRP and FRP make three types of payments: (1) pensions to eligible members retired prior to March 1, 1970, (2) amounts to certain eligible members retired after that date if the amount received from LEOFF does not equal or exceed the amount entitled from the appropriate prior pension fund, and (3) medical services for both active and retired firefighters and law enforcement officers, excluding those hired since October 1, 1977. The medical services are an obligation that may be paid directly from the City's General Fund if so desired. The pension benefits are tied to the current pay rates for the rank the members held at retirement and/or the cost of living index. Benefits are established in accordance with RCWs 41.16, 41.18, 41.20, and 41.26.

Benefits are calculated based on length of service (a percentage for each year of service) and on the final average salary (calculated over the last two years of credited service). There were no changes in benefit provisions in the current year.

Notes to the Financial Statements

For the Year Ended December 31, 2024

Each police officer or firefighter in service on March 1, 1970 receives the greater of benefit payable under the LEOFF system and the benefits available under the old law. Where benefits under the old law exceed those under LEOFF, the excess benefits are paid by the Pension Fund of the City employing him/her on March 1, 1970.

Post retirement medical benefits are available to firefighters and law enforcement officers hired before October 1, 1977 only. For retirees before June 8, 1961, only medical expenses that are directly related to their disability retirement are eligible for payment. Those who retired or will retire after June 8, 1961, have medical insurance paid by the City through the City's normal medical insurance carrier. The City will also pay any expense in excess of those covered by the medical insurance carrier. All benefits are funded on a pay as you go basis. At December 31, 2024, there were 136 retired law enforcement officers and 170 retired firefighters who are eligible for medical coverage (this does not include active employees).

The Police Pension Board consists of six members authorized by statute: the Mayor as Chair, the City Clerk, the City Treasurer, and three law enforcement officers (active or retired LEOFF 1 or LEOFF 2 officers), who will serve in the elected capacity for three-year terms.

The Fire Pension Board consists of five members authorized by statute: the Mayor as Chair, the Finance Director, the City Treasurer, and two elected firefighters (active or retired LEOFF 1 or LEOFF 2 firefighters). The two elected firefighters serve two-year terms and select a third firefighter who serves as an alternate in the event of an absence of one of the regularly elected firefighters.

2. Benefit Provisions: The LEOFF Act requires a varying obligation of the City for benefits paid to police officers and firefighters.

- Pension and medical expenses for police officers and firefighters retired prior to March 1, 1970, continue to be paid in their entirety by the City under the old pension laws.
- Police officers and firefighters hired before, but not retired on March 1, 1970, received at retirement the greater of the pension benefit provided under the old pension laws and under the LEOFF Act. Any excess of the old benefit over the LEOFF benefit is provided by the City. The City also pays the reasonable cost of necessary medical expenses of the retiree for life.
- For police officers and firefighters hired on or after March 1, 1970, and prior to October 1, 1977, the City is obligated for lifetime medical expenses only. The LEOFF system pays the entire retirement allowance.
- Police officers and firefighters hired on or after October 1, 1977, are covered entirely by the LEOFF system with no City obligation for either retirement allowance or medical expenses.
- The benefits are directly correlated to the salaries of active employees. Cost of Living Adjustments (COLAs) provided at the state level do not impact the total pension benefits provided to the members. The City's obligation under the Plan consists of paying the difference between pension and medical benefits provided by LEOFF and those provided by the City's Plan. There were no changes in benefit provisions in the current year.

3. Contributions: The PRP is funded entirely from annual contributions from the City's General Fund that are budgeted and approved by the City Council. Funding of these benefits is required by RCW 41.20. The FRP contributions are required by RCW 41.18 and are funded from two sources: (1) state contributions of 25% on fire insurance premium collections and is considered a non-

Notes to the Financial Statements

For the Year Ended December 31, 2024

employer contributing entity and (2) a property tax levy of up to \$.225 per \$1,000 of assessed valuation. Retirement benefit provisions are established in state statute and may only be amended by the State Legislature. Amendments to each of the Plans are authorized by the separate Police and Fire Pension Boards.

Contributions are determined on a pay-as-you-go basis. There have been no required employee contributions to the police and firefighter's relief and pension plans since March 1, 1970.

The General Fund is responsible for the costs of administering the plans and ensuring that the fund has adequate cash to pay its obligations each year. The total General Fund contributions to the PRD and FRP were \$4.7 million and \$4.5 million for 2024.

The state contributes 25% of taxes on fire insurance premiums to the FRP and the amount contributed in 2024 was \$625,000.

4. Actuarial Assumptions: The Total Pension Liability was determined by an actuarial valuation as of the valuation date of January 1, 2024, calculated based on the discount rate and actuarial assumptions below, and was then projected forward to the measurement date of December 31, 2024. There were no significant changes during this period. Any significant changes would need to be reflected as prescribed by GASB 73.

	<u>Firefighter Relief and Pension</u>	<u>Police Relief and Pension</u>
Discount Rate:		
Discount Rate	4.00%	4.00%
Municipal Bond Rate	4.08%	4.08%
Actuarial Assumptions:		
Valuation Date	January 1, 2024	January 1, 2024
Measurement Date	December 31, 2024	December 31, 2024
Inflation	2.50%	2.50%
Salary increases including inflation	3.50%	3.50%
Mortality	Pub-2010 Safety Mortality Table (headcount-weighted) with ages set back one year for males is used for healthy annuitants. Pub-2010 Safety Disabled Mortality Table is used for disabled annuitants. A blend of rates from Pub-2010 Mortality Tables for contingent annuitants and retirees is used for surviving spouses. Mortality rates are projected forward generationally using the ultimate rates in Projection Scale MP-2017.	Pub-2010 Safety Mortality Table (headcount-weighted) with ages set back one year for males is used for healthy annuitants. Pub-2010 Safety Disabled Mortality Table is used for disabled annuitants. A blend of rates from Pub-2010 Mortality Tables for contingent annuitants and retirees is used for surviving spouses. Mortality rates are projected forward generationally using the ultimate rates in Projection Scale MP-2017.
Actual Cost Method	Entry Age Normal	Entry Age Normal

Notes to the Financial Statements

For the Year Ended December 31, 2024

5. Changes in the Total Pension Liability

	Firefighters' Relief Pension	Police Relief Pension
	Increase (Decrease) Total Pension Liability	Increase (Decrease) Total Pension Liability
Balance as of December 31, 2023	\$ 24,526,983	\$ 14,774,539
Changes for the year:		
Service cost	-	-
Interest on Total Pension Liability	763,768	459,053
Effect of plan changes	-	-
Effect of economic/demographic gains or losses	847,186	(1,995,826)
Effect of assumptions changes or inputs	(1,308,527)	(584,272)
Benefit payments*	(2,069,386)	(1,310,171)
Net changes	(1,766,959)	(3,431,216)
Balance as of December 31, 2024	\$ 22,760,024	\$ 11,343,323

*Benefit payments are estimated based on expected payouts.

6. Sensitivity of the Total Pension Liability: The following presents the Total Pension Liability of the City, calculated using the discount rate of 4.00%, as well as what the City's Total Pension Liability would be if it were calculated using a discount rate that is one percentage point lower (3.00%) or one percentage point higher (5.00%) than the current rate.

	1% Decrease 3.00%	Current Discount 4.00%	1% Increase 5.00%
Total pension liability - Fire	\$ 24,533,773	\$ 22,760,024	\$ 21,197,469
Total pension liability - Police	12,134,534	11,343,323	10,641,043

7. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources related to Pensions: In 2024, the Firefighter's pension expenses was recognized as (\$322,573), while and Police Relief pension expense of (\$2,121,045) was recognized. As of December 31, 2024, there are no deferred outflows or deferred inflows of resources associated with these pension funds. Changes in assumptions, inputs, and economic or demographic gains or losses are recognized over the average remaining service life for all active and inactive members, with immediate recognition if the average remaining service life is less than one year. There is no effect of plan changes in assumptions in the current year.

D. Defined Benefit Other Post-Employment Benefits (OPEB) Plans

The following table represents the aggregate OPEB amounts for all plans subject to the requirements of GASB 75 for the year 2024:

Aggregate OPEB Amounts - All Plans	
OPEB liabilities	\$ (181,655,835)
Deferred outflows of resources	46,507,481
Deferred inflows of resources	(62,808,824)
OPEB expense/expenditures	4,374,100

Notes to the Financial Statements

For the Year Ended December 31, 2024

1. Plan description: The City provides the opportunity to receive medical benefits to most of its retirees until the age of 65. Eligibility and the amount of benefits paid by the City for Other Post-Employment Benefits (OPEB) vary by retirement group (TERS, LEOFF 1, LEOFF 2, or Rail). The City charges some early retirees not yet eligible for Medicare a health premium based on the claims experience of both active members and retirees. Pre-Medicare Retiree Healthcare is a single-employer defined benefit OPEB plan that is treated like a cost-sharing plan for financial reporting purposes and is administered by the City of Tacoma's Human Resources Department. Eligibility and the amount of benefits paid by the City for OPEB vary by retirement group. Each plan provides medical benefits to eligible retired City employees and beneficiaries.

Benefits per retirement group are as follows:

Medical TERS and LEOFF 2 Upon retirement, members are permitted to receive medical benefits. Retirees pay a blended/composite rate that reflects the costs for both active and retired employees under age 65. Spouses and child dependents are also covered while the employee is under age 65 and the retirees pay the same premium regardless of the number of lives covered.

Medical Rail Retirees and their spouses receive medical benefits through age 65, paid fully by the employer if the employee belongs to one of the following personnel sub-areas:

- BL Engineers
- UTU Switch Crew
- UTU Yardmasters

Other Rail employees and their spouses can purchase medical benefits for the same rates as TERS members.

Medical LEOFF 1 The necessary hospital, medical and nursing care expenses not payable by workers' compensation, Social Security, or other programs are covered for any retired LEOFF 1 member. These expenses are paid both prior to age 65 and afterwards. The City also pays the Medicare Part B premiums for all LEOFF 1 employees who are over age 65. Spouses of LEOFF 1 members are permitted to purchase medical insurance. The premium rates are set specifically for the spouses of LEOFF 1 members and are not subsidized by the City. We therefore do not include liability for LEOFF 1 spouses.

Dental Non-LEOFF 1 retirees are paid in full by the retirees and are not considered in this valuation.

Dental LEOFF 1 retirees are paid by the city and included in this valuation.

Benefit provisions for TERS are established in accordance with Chapter 41.28 Revised Code of Washington and Chapter 1.30 of the Tacoma City Code. These statutes assign the authority to establish benefit provision for TERS. For LEOFF Plan 2, benefits are established in accordance with RCWs 41.16, 41.18, 41.20 and 41.26. These statutes assign the authority to establish benefit provisions. For LEOFF Plan 1, these benefit provisions are established by state statute of the State of Washington through the Department of Retirement Systems, per RCW 41.26. LEOFF Plan 1 is closed to new entrants. For the Railroad Retirement System, these are administered by Federal statute under the Railroad Retirement Act (45 U.S.C. 231 et seq.) and authority resides by these Federal statutory provisions.

Financial reports for the LEOFF Plans and Railroad Retirement System plans are available at the addresses below. These reports may be obtained by writing at the following addresses:

Notes to the Financial Statements

For the Year Ended December 31, 2024

LEOFF Plan 1
State of Washington
Office of Financial Management
P.O. Box 43113
Olympia, WA 98504-3113

U.S. Railroad Retirement Board
844 North Rush Street
Chicago, IL 60611-2092

Benefit payments are recognized when due and payable in accordance with benefit terms. Pre-Medicare Retiree Healthcare is a single-employer defined benefit OPEB plan that is treated like a cost-sharing plan for financial reporting purposes and is administered by the City of Tacoma's Human Resources Department. The membership in the program is as follows:

	Non-LEOFF 1 as of January 1, 2024	LEOFF 1 as of January 1, 2024	Total
Inactive employees or beneficiaries currently receiving benefits	255	306	561
Inactive employees entitled to but not yet receiving benefits	639	-	639
Active employees	4,038	-	4,038
Total	4,932	306	5,238

The plan is funded on a pay-as-you-go basis and there are no assets accumulated in a qualifying trust.

2. Actuarial Assumptions and Other Inputs: The Valuation Date is January 1, 2024. This is the date as of which the census data is gathered and the actuarial valuation is performed. The Measurement Date is December 31, 2023. This is the date as of which the Total OPEB Liability is determined. Note that GASB 75 allows a lag of up to one year between the date and the reporting date. No adjustment is required between the measurement date and the reporting date. The Reporting Date is December 31, 2024. This is the employer's fiscal year ending date. The total OPEB liability was determined by an actuarial valuation as of the valuation date, calculated based on the discount rates below, and then projected to the measurement dates.

Between the January 1, 2024 Valuation Date and the December 31, 2023 Measurement Date, the medical and dental trends have been updated to reflect increased expectations for future medical inflation. The revised medical and dental trends are reflected in the December 31, 2024 Total OPEB Liability.

Notes to the Financial Statements

For the Year Ended December 31, 2024

	Non-LEOFF 1	LEOFF 1
Reporting Date	December 31, 2024	December 31, 2024
Valuation Date	January 1, 2024	January 1, 2024
Measurement Date	December 31, 2023	December 31, 2023
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
GASB 75 requires that the discount rate used to measure the Total OPEB Liability to be a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. We based the rate on the Bond Buyer General Obligation 20-year municipal bond index for bonds that mature in 20 years	3.25%	3.25%
Funding Plan	Pay-as-you-go	Pay-as-you-go
Medical Cost and Dental Trends Combined	Pre-65	Post-65 Fire Police
	2024 6.9%	2024-2025 7.6% 8.2%
	2025 6.1%	2025-2026 6.4% 6.8%
Dental benefits for Non-LEOFF 1 retirees are paid in full by retirees and are not considered in this valuation.	2026 5.4%	2026-2027 5.1% 5.3%
	2030 4.8%	2027-2028 5.0% 5.2%
	2040 4.2%	2028-2029 4.9% 5.1%
	2050 4.3%	2029-2030 4.7% 4.9%
	2060 4.3%	2030-2031 4.6% 4.8%
Note that the trend for year 2024 reflect the percent by which 2025 medical costs are expected to exceed 2024 medical costs. These trend rates assume that, over time, deductibles and out-of-pocket maximums will be periodically increased as medical trends increase.	2070 4.0%	2031-2032 4.5% 4.6%
	2080 3.9%	2032-2033 4.4% 4.5%
		2033-2034 4.1% 4.2%
		2043-2044 4.1% 4.2%
		2053-2054 4.2% 4.3%
		2063-2064 4.2% 4.3%
		2072+ 3.9%
		2073+ 3.9%
The youngest LEOFF 1 Fire member will turn 65 in January 2025; therefore Pre-65 trend rates are not shown beyond 2025 in the table above. Note that after 2033, selected years are shown in the table. For years after 2072, the trend rate remains at 3.90%.		
For LEOFF 1 Police, note that after 2033, selected years are shown in the table. For the years after 2073 the trend rate remains at 3.9%		

Notes to the Financial Statements

For the Year Ended December 31, 2024

	Non-LEOFF 1	LEOFF 1
Long-Term Care Inflation Rate	Not Applicable	5.0%
Participation Assumption	100% of Rail employees eligible for City-paid retiree medical benefits are assumed to receive retiree medical benefits. 25% of TERS and LEOFF 2 active employees who are not eligible for benefits paid entirely by the City. 25% of Rail employees who are not eligible for benefits paid entirely by the City are assumed to receive medical benefits. 5% of terminated-vested members are assumed to receive retiree medical benefits	100% participation
Experience Study Dates	Social Security Administration data from the most recent 60 years available (1957-2017) (adopted 1/1/2021).	2013-2018
Demographic Assumptions (Eligibility) Disability	Five years of service are required for non-service connected disability for TERS and LEOFF 2. Ten years of service are required for non-service connected disability for Rail.	For a duty disability, employee is eligible after six-month waiting period (RCW 41.18.050), [Same, except salary is payable by City during the waiting period. (RCW 41.26.120)] For non-duty disability, employee is eligible after 90-day waiting period, during which time salary is payable from the Fund. (RCW 41.18.080) [Disabled after six-month waiting period, during which time salary is payable by the City. (RCW 41.26.125)]

Notes to the Financial Statements

For the Year Ended December 31, 2024

Retirement	<u>Non-LEOFF 1</u>	<u>LEOFF 1</u>
	<p>TERS members are eligible for retiree medical benefits after becoming eligible for service retirement pension benefits (either reduced or full pension benefits).</p> <ul style="list-style-type: none"> - 30 years of service - 60 years of age - Age + Service = 80 years - Age 55 with 10 service years - Age 40 with 20 service years 	<p>Members are eligible to receive lifetime medical benefits upon service retirement after age 50 with at least five years of service. If they are not eligible to retire at time of termination but have 20 years of service credit, they are eligible for medical benefits when pension benefits commence.</p>
	<p>Former members who are entitled to a deferred vested pension benefit are also eligible to receive medical benefits after pension benefits commence.</p>	
	<p>LEOFF 2 members are eligible for retiree medical benefits after achieving one of the following:</p> <ul style="list-style-type: none"> - Age 53 with 5 services years - Age 50 with 20 service years 	
	<p>Certain Rail employees and their spouses are entitled to employer-paid retiree medical benefits until age 65 when retiring at age 60 with 30 service years.</p>	

Notes to the Financial Statements

For the Year Ended December 31, 2024

	Non-LEOFF 1	LEOFF 1
Mortality		
Contributing Members	105% of Male and 100% of Female PubG-2010 Amount-Weighted Employee Mortality Tables, projected with a unisex table based on Social Security Administration data from the most recent 60 years available (1957-2017) (adopted 1/1/2021).	The mortality rates are based on the Pub-2010 Safety Mortality Table (headcount-weighted) with generational projection using the ultimate rates in Projection Scale MP-2017, with ages set back one year for males.
Inactive Members, Retired Members, and Beneficiaries	105% of Male and 100% of Female PubG-2010 Amount-Weighted Employee Mortality Tables, projected with a unisex table based on Social Security Administration data from the most recent 60 years available (1957-2017) (adopted 1/1/2021).	The mortality rates are based on the Pub-2010 Safety Mortality Table (headcount-weighted) with generational projection using the ultimate rates in Projection Scale MP-2017, with ages set back one year for males.
Disabled Members	105% of Male and 100% of Female PubG-2010 Amount-Weighted Employee Mortality Tables, projected with a unisex table based on Social Security Administration data from the most recent 60 years available (1957-2017) (adopted 1/1/2021).	The mortality rates are based on a blend of the Pub-2010 Safety Mortality Table and Pub-2010 Contingent Annuitant Table with generational projection using the ultimate rates in Projection Scale MP-2017.

3. Sensitivity Analysis: The following Total OPEB Liability of the City, based on proportionate share calculations for each of the City's retirement groups, is calculated using the discount rate of 3.25%, as well as what the City's Total OPEB Liability would be if it were calculated using a discount rate that is one percentage point lower (2.25%) or one percentage point higher (4.25%) than the current rate.

	1% Decrease 2.25%	Discount Rate 3.25%	1% Increase 4.25%
TERS OPEB Liability	\$ 41,444,490	\$ 37,316,741	\$ 33,780,917
LEOFF 1 OPEB Liability	121,951,556	109,805,539	99,401,279
LEOFF 2 OPEB Liability	29,303,750	26,385,183	23,885,143
Rail OPEB Liability	9,049,695	8,148,372	7,376,300
Total City OPEB Liability	\$ 201,749,491	\$ 181,655,835	\$ 164,443,639

The following Total OPEB Liability of the City, based on proportionate share calculations for each of the City's retirement groups, is calculated using the current healthcare cost trend rates as well as what the City's Total OPEB Liability would be if it were calculated using trend rates that are one percentage point lower or one percentage point higher than the current trend rates.

Notes to the Financial Statements

For the Year Ended December 31, 2024

	1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
TERS OPEB Liability	\$ 33,580,516	\$ 37,316,741	\$ 41,672,682
LEOFF 1 OPEB Liability	98,811,597	109,805,539	122,623,016
LEOFF 2 OPEB Liability	23,743,447	26,385,183	29,465,096
Rail OPEB Liability	7,332,541	8,148,372	9,099,523
Total City Liability	\$ 163,468,101	\$ 181,655,835	\$ 202,860,317

4. Changes in the Total OPEB Liability: Changes in the Total OPEB Liability, based on proportionate share calculations for each of the City's retirement groups, are as follows:

	TERS	Increase (Decrease) LEOFF1	Total Liability LEOFF2	Rail	Total
Total OPEB Liability at 01/01/2023	\$39,455,914	\$ 116,100,115	\$ 27,897,707	\$ 8,615,476	\$ 192,069,212
Changes for the year:					
Service cost	630,140	1,854,205	445,547	137,596	3,067,488
Interest on total OPEB liability	1,465,479	4,312,214	1,036,182	319,998	7,133,873
Effect of plan changes	-	-	-	-	-
Effect of economic/demographic gains or loss	(3,467,566)	(10,203,408)	(2,451,778)	(757,167)	(16,879,919)
Effect of assumptions changes or inputs	1,264,680	3,721,357	894,205	276,152	6,156,394
Expected benefit payments	(2,031,907)	(5,978,944)	(1,436,681)	(443,681)	(9,891,213)
Total OPEB Liability at end of period	\$37,316,741	\$ 109,805,539	\$ 26,385,183	\$ 8,148,372	\$ 181,655,835

The total OPEB Liability of \$181,655,835 was determined by an actuarial valuation as of the valuation date, calculated based on a 3.25% discount rate and was then projected to the measurement dates. Between the January 1, 2024 valuation date and the December 31, 2023 measurement date, the medical and dental trends have been updated to reflect increased expectations for future medical inflation. The revised trends are reflected in the December 31, 2024 total OPEB Liability.

The City recognized a total OPEB expense of \$4,374,100. The OPEB expense for December 31, 2024 financial reporting period is as follows:

Total City OPEB Expense	
Service cost	\$ 3,067,488
Interest on OPEB Liability	7,133,873
Effect of plan changes	-
Recognition of Deferred Inflows/Outflows of Resources	-
Recognition of economic/demographic gains or losses	(2,537,800)
Recognition of assumptions changes or inputs	(3,289,461)
Total OPEB Expense	\$ 4,374,100

Notes to the Financial Statements

For the Year Ended December 31, 2024

The following is the total City OPEB expense broken down for each of the City's retirement groups:

OPEB Expense by Retirement Group	
TERS	\$ 1,595,326
LEOFF 1	718,169
LEOFF 2	2,502,355
Rail	(441,750)
Total City OPEB Expense	\$ 4,374,100

At December 31, 2024 the City reported deferred outflows of resources and deferred inflows of resources related to OPEB, for each retirement group, from the following sources:

	Total City Deferred Outflows of Resources by Retirement Group				
	TERS	LEOFF 1	LEOFF 2	Rail	Total Plans
Differences between expected and actual experience	\$ 340,763	\$ 1,002,706	\$ 240,940	\$ 74,408	\$ 1,658,817
Changes of assumptions	3,077,603	9,055,936	2,176,052	672,017	14,981,608
Changes in Employer Proportion	6,805,129	1,917,808	9,181,509	153,528	18,057,974
Differences in Contributions	92,927	2,454,588	537,210	-	3,084,725
Contributions subsequent to the measurement date	1,072,356	6,199,234	1,395,792	56,975	8,724,357
Total Deferred Outflows	\$ 11,388,778	\$ 20,630,272	\$ 13,531,503	\$ 956,928	\$ 46,507,481

	Total City Deferred Inflows of Resources by Retirement Group				
	TERS	LEOFF 1	LEOFF 2	Rail	Total Plans
Differences between expected and actual experience	\$ (3,107,412)	\$ (9,143,641)	\$ (2,197,127)	\$ (678,526)	\$ (15,126,706)
Changes of assumptions	(5,451,872)	(16,042,287)	(3,854,804)	(1,190,456)	(26,539,419)
Changes in Employer Proportion	(3,616,182)	(12,998,752)	(543,171)	(899,869)	(18,057,974)
Differences in Contributions	(2,002,309)	-	(165,646)	(916,770)	(3,084,725)
Total Deferred Inflows (CR)	\$ (14,177,775)	\$ (38,184,680)	\$ (6,760,748)	\$ (3,685,621)	\$ (62,808,824)

Deferred outflows of resources includes \$8,724,357 of contributions made subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended December 31, 2025

Other amounts currently reported as deferred outflows of resources and deferred inflows of resources related to other postemployment benefits will be recognized in OPEB expense below. Note that additional future deferred inflows and outflows of resources may impact these numbers.

Notes to the Financial Statements

For the Year Ended December 31, 2024

	Measurement Period December 31"				
	TERS	LEOFF1	LEOFF2	Rail	Total City
2024	\$ (654,999)	\$ (1,927,351)	\$ (463,123)	\$ (143,024)	\$ (3,188,497)
2025	(688,044)	(2,024,587)	(486,488)	(150,239)	(3,349,358)
2026	(895,584)	(2,635,282)	(633,232)	(195,557)	(4,359,655)
2027	(1,350,291)	(3,973,269)	(954,737)	(294,846)	(6,573,143)
2028	(1,237,301)	(3,640,793)	(874,846)	(270,173)	(6,023,113)
Thereafter	(314,698)	(926,008)	(222,511)	(68,717)	(1,531,933)

Note 5 – DEFERRED COMPENSATION

The City offers its employees a deferred compensation plan through a third party created in accordance with Internal Revenue Code Section 457(b). The City has two third party MissionSquare Retirement and Nationwide Plan services. The plan is available to all City permanent full time and part-time employees, which permits them to defer a portion of their salary into a retirement savings plan. Withdrawals from a participant's account are normally available at separation, retirement, disability, or to a beneficiary in the case of an employee's death. As an active employee, a withdrawal can be done through in-service withdrawals upon turning age 59 ½ or older, in-service withdrawal within the one-year period of a qualifying birth or adoption, in the form of a hardship withdrawal or through a loan provision. An employee may defer 100% of their salary net of employee pension contributions and any Section 125 deductions, up to the IRS annual contribution limits. The 2024 contribution limits are \$23,000 for regular deferral, \$46,000 for pre-retirement and \$30,500 for age 50 provision deferrals. The City has agreed through contract negotiation with the Local 6 Police union and the Local 31 Fire union to match contributions made by all Police Officers and Fire Officers up to a maximum of \$238 and \$230, respectively, per pay period. Employees represented by the Local 26 Police Officers and Fire receive employer contributions of \$238 per pay period and the Police Professional Public Safety Management Association employees receive an employer contribution of \$250 per pay period. Tacoma Rail employees also receive matching contributions up to three percent per TMC 1.12.115 and applicable collective bargaining agreements.

Benefit Plan	Third Party Administrator	Pre-Tax Employer Contributions	Pre-Tax Employee Contributions	After-Tax Employee Contributions	Total by Plan
457 deferred compensation	MissionSquare	2,186,362	15,788,666	3,847,480	21,822,508
457 deferred compensation	Nationwide	2,193,071	3,816,618	808,420	6,818,108
Total		<u>\$ 4,379,432</u>	<u>\$ 19,605,284</u>	<u>\$ 4,655,900</u>	<u>\$ 28,640,616</u>

Note 6 – INTERFUND ACTIVITY

Interfund activity is composed of three types of transactions. Due to and due from other funds represent internal charges for services. Advances to and from other funds are loans between funds for capital or cash flow purposes. Transfers represent a sharing of resources between funds. At the fund level, these transfers increase or decrease individual funds resources, but they do not affect the City's total resources. These internal activities do not represent inflows or outflows of the City's resources; rather, they reflect resources being moved within the City. The effects of these transactions are included in the City's fund statements but are removed from the entity-wide financial statements.

Notes to the Financial Statements

For the Year Ended December 31, 2024

The composition of interfund transfers for the year ended December 31, 2024, is as follows:

Interfund Transfers (amounts expressed in thousands)										
Transfer In										
	General Fund	Trans Capital & Engineering	Solid Waste Fund	Waste Water Fund	Water Fund	Power Fund	Internal Service Funds	Non-Major Governmental Funds	Non-Major Enterprise Funds	Transfer Out Total
General Fund	\$ -	\$ 77	\$ -	\$ -	\$ -	\$ 150	\$ 9,999	\$ 27,748	\$ 7,378	\$ 45,351
Trans Capital & Engineering	-	-	-	-	-	-	-	101	-	100
Solid Waste Fund	-	-	-	-	-	-	-	70	-	70
Waste Water Fund	-	-	-	-	-	-	-	131	1,675	1,806
Water	-	-	-	-	-	-	-	-	-	-
Power	-	-	-	-	-	-	1,000	-	-	1,000
Internal Service Fund	-	-	-	-	-	469	276	74	-	819
Non-Major Governmental	22,636	11,011	170	2,226	114	7,099	7,971	28,220	4,861	84,308
Non-Major Enterprise	3,353	-	-	-	-	-	108	3,547	199	7,206
Transfer In Total	\$ 25,989	\$ 11,088	\$ 170	\$ 2,226	\$ 114	\$ 7,717	\$ 19,354	\$ 59,889	\$ 14,113	\$ 140,660

The information below provides detail of the interfund transfer transactions:

\$77,098 was transferred from the General Fund to Trans Capital & Engineer Fund for Vision Zero Program.

\$150,000 was transferred from the General Fund to Power Fund for EV Charge and E-Bike match fund.

\$9,998,651 was transferred from the General Fund to Internal Service Fund for workers' compensation cash flow, community services, VEBA healthcare, and police officers' vehicles.

\$27,747,669 was transferred from the General Fund to Non-Major Governmental Fund for grant matches, debt service, capital projects, non-capital projects and regular operations.

\$7,377,879 was transferred from the General Fund to Non-Major Enterprise Fund for contributions to support debt services payments, capital projects and regular operations.

\$100,513 was transferred from the Trans Capital & Engineering Fund to Non-Major Governmental Fund for capital projects.

\$70,357 was transferred from the Solid Waste Fund to Non-Major Governmental Fund for Art Contribution.

\$131,087 was transferred from the Waste Water Fund to Non-Major Governmental Fund for Art Contribution.

\$1,675,000 was transferred from the Waste Water Fund to Non-Major Enterprise Fund for operations of Planning and Development Service department.

\$1,000,000 was transferred from the Power Fund to Internal Service Fund for workers' compensation.

\$468,588 was transferred from the Internal Service Funds to Power Fund for ETS downtown parking.

Notes to the Financial Statements

For the Year Ended December 31, 2024

\$276,439 was transferred from the Internal Service Funds to Internal Service Funds for facilities van purchase and inspector vehicle.

\$73,963 was transferred from the Internal Service Funds to Non-Major Government Fund for EMS interceptor vehicles and electrical worker apprenticeship.

\$22,635,871 was transferred from the Non-Major Governmental Funds to General Fund as revenue replacement to support community service projects.

\$11,011,386 was transferred from the Non-Major Governmental Funds to Trans Capital & Engineering Fund for capital projects.

\$170,451 was transferred from the Non-Major Governmental Funds to Solid Waste for WA Family Clean Energy Credit grant.

\$2,226,355 was transferred from the Non-Major Governmental Funds to Waste Water Fund for WA Family Clean Energy Credit grant and contribution to public work projects.

\$113,882 was transferred from the Non-Major Governmental Funds to Water Fund for WA Family Clean Energy Credit grant.

\$7,098,818 was transferred from the Non-Major Governmental Funds to Power Fund for WA Family Clean Energy Credit grant.

\$7,970,782 was transferred from the Non-Major Governmental Funds to Internal Services Funds for purchasing Fleet vehicles and capital projects.

\$28,219,947 was transferred from the Non-Major Governmental Funds to Non-Major Governmental Funds for various capital projects and debt service payments.

\$4,860,730 was transferred from the Non-Major Governmental Funds to Non-Major Enterprise Funds for debt service payments.

\$3,352,742 was transferred from the Non-Major Enterprise Funds to General Fund for the closing of Union Station fund.

\$107,967 was transferred from the Non-Major Enterprise Funds to Internal Service Funds for vehicle purchasing.

\$3,545,672 was transferred from the Non-Major Enterprise Funds to Non-Major Governmental Funds for debt service payments.

\$199,025 was transferred from the Non-Major Enterprise Funds to Non-Major Enterprise Funds for debt service payments.

Note 7 – OTHER INFORMATION

A. Risk management

The City is self-insured for tort liability, medical, benefits, unemployment and worker's compensation and records its claims and liabilities in the accrual basis of accounting. Liabilities include an estimate for

Notes to the Financial Statements

For the Year Ended December 31, 2024

Incurred but Not Reported (“IBNR”) claims. The estimate for reported claims is based on Risk Management and Legal Departments’ projections and is adjusted annually. The IBNR for the self-insured employee benefits is based on an average of two-month claims from the reporting year. The IBNR for tort liabilities are calculated by a periodic actuarial study. The handling and paying of all tort liability claims for which the City is found legally liable is accounted for in either the Self-Insurance Claim Fund or the Tacoma Public Utility (“TPU”) Self Insurance Claim Fund. Moneys are appropriated from various cost centers based on prior claims history and paid to these funds.

The Self-Insurance Program is maintained in conformity with all laws, rules and regulations pertaining thereto and in accordance with Revised Code of Washington RCW 35.21.085(2). The General Government of the City carries excess liability insurance coverage with total limits of \$20 million, and a \$5 million self-insurance retention except an excess liability coverage limit of \$10 million is maintained for Law Enforcement Liability. These policies are renewable on May 15 of each year. TPU carries separate excess liability insurance coverage with total limits of \$55 million, with a \$2.5 million retention. TPU also carries a public officials/ employment practices policy for wrongful acts claims, with \$2.35 million in coverage with a \$150,000 retention. These policies are renewable on December 1 of each year. The Belt Line Railroad carries separate Railroad Liability coverage with total limits of \$50 million per occurrence and \$100 million aggregate, in excess of the \$1 million retention, renewable on December 1 of each year. Mountain Rail carries separate Railroad Liability coverage with a limit of \$7 million each occurrence, \$14 million in the aggregate, and a \$50,000 self-insured retention. The most recent policy was renewed on December 2, 2023, and the insurer agreed to extend its coverage to May 15, 2025. The foregoing policies are provided to supplement the City’s current self-insurance risk fund for settlements in excess of the self-insured retentions.

The City also has a policy to cover extraordinary worker’s compensation claims with a statutory liability limit and a \$1.25 million retention for each occurrence. This policy renews January 1 of each year. Effective January 1, 2025, claims for presumptive conditions will have a \$1.5 million retention.

The City carries property coverage with a maximum single occurrence limit of \$500 million with sub-limits, and a \$150,000 deductible per occurrence, with exceptions. This policy renews July 1 of each year. TPU carries separate property coverage with a maximum single occurrence limit of \$150 million with sub-limits, and a \$250,000 deductible per occurrence, with exceptions. This policy renews July 1 of each year.

The TPU Self-Insurance Claim Fund was established in 1979 to cover general liability claims of the Light and Water divisions. The Belt Line Railroad became a participant in 1985. Total assets in this fund are \$12.2 million. Settlement payments were within amounts available for coverage for the last three years—2024, 2023, and 2022.

Changes in estimated claims settlements liability for the past three years were as follows:

(Amounts expressed in thousands)

	Self Insurance Fund			Worker Compensation Fund			TPU Self Insurance Fund		
	2024	2023	2022	2024	2023	2022	2024	2023	2022
Balance 01/01	\$ 42,468	\$ 33,626	\$ 35,525	\$ 2,938	\$ 2,602	\$ 3,487	\$ 4,249	\$ 2,872	\$ 3,070
New Claims	771	11,788	138	2,837	3,302	2,212	1,247	2,560	1,179
Adjustments to Claims	23,412	2,995	2,012	3,911	3,223	1,371	964	(911)	(666)
Claims Payment	(8,233)	(5,941)	(4,049)	(5,958)	(6,189)	(4,468)	(2,233)	(272)	(711)
Balance 12/31	\$ 58,418	\$ 42,468	\$ 33,626	\$ 3,728	\$ 2,938	\$ 2,602	\$ 4,227	\$ 4,249	\$ 2,872

Notes to the Financial Statements

For the Year Ended December 31, 2024

B. Prior-Period Adjustments and Error Corrections

Accounting changes and error corrections, previously referred to as prior period adjustments, define as changes in accounting principles, changes in accounting estimates, changes to or within the financial reporting entity and describe the transaction or other events that constitute those changes.

Subsequent to the issuance of the December 31, 2024 financial statements, accounting changes and error corrections were made.

Governmental Funds:	Description
General Fund #0010	Beginning net position decreased by \$575,9156 from prior year expenditures and revenues in different funds charged in current year.
Transportation Capital & Engineering #1060	Beginning net position decreased by \$3,150 from correcting grant revenue.
Special Funds #1065, #1085, #1090, #1155, #1185, #1195, #1267, #1991, #2043	Beginning net position increased by \$1,913,473 from prior year expenditures and revenues in different funds charged in current year.
Enterprise Funds:	Description
PDS Development Service Fund #4110	Beginning net position decreased by \$73,156 from GASB 101 change in accounting principle and dearing prepaid expenses.
PW Engineering Parking Garage Fund #4140	Beginning net position decreased by \$2,844 from GASB 101 change in accounting principle.
Convention Crt & Bicentennial Fund #4165	Beginning net position decreased by \$162,978 from GASB 101 change in accounting principle and prior year expenditures paid in current year.
Public Facility Assemble Tacoma Fund #4180	Beginning net position decreased by \$4,963 from GASB 101 change in accounting principle and dearing receivable and deposit payable.
Environment Service Solid Waste Fund #4200	Beginning net position decreased by \$322,372 from GASB 101 change in accounting principle.
Environment Service Waste and Storm Water Funds #4300, #4301	Beginning net position decreased by \$511,466 from GASB 101 change in accounting principle.
Union Station Fund #4450	Beginning net position decreased by \$2,320,717 from dearing life to date remainig fund to dose fund.
Tacoma Rail Fund #4500	Beginning net position decreased by \$47,243 from GASB 101 change in accounting principle.
Water Fund #4600	Beginning net position decreased by \$512,768 from GASB 101 change in accounting principle.
Power Fund #4700	Beginning net position decreased by \$1,581,291 from GASB 101 change in accounting principle.
TPU Fleet Services Fund# 5050	Beginning net position decreased by \$33,407 from GASB 101 change in accounting principle.
Public Work Equipment Rental Fund #5400	Beginning net position decreased by \$62,623 from GASB 101 change in accounting principle.
Pubic Work Street Asphalt Plant Fund #5453	Beginning net position increased by \$207,975 from GASB 101 change in accounting principle and prior year expenditures moved to different fund.

Notes to the Financial Statements

For the Year Ended December 31, 2024

Enterprise Funds continued:	Description
Information Technology Radio Communication Fund #5540	Beginning net position decreased by \$10,241 from GASB 101 change in accounting principle.
Facilities Management Fund #5700	Beginning net position decreased by \$29,275 from GASB 101 change in accounting principle and GASB 87 adjustment.
General Government Internal Service Fund #5800	Beginning net position decreased by \$649,369 from GASB 101 change in accounting principle, GASB 87 adjustment and labor adjustment.
Fiduciary Funds:	Description
Tacoma Employees' Retirement System Fund #6100	Beginning net position increased by \$157,342 from GASB 101 change in accounting principle and prior year compensated absences correction.

The accounting changes or error corrections on the fund statements detailed above impacted the Government-Wide statements as follows:

Government-wide Statements (amounts expressed in thousands)

Activity	Amount	Description
Governmental Activities	\$ 1,942,705	General Fund, Transportation Capital & Engineering, PW Street, Streets Initiative, Tacoma Fire, Neighborhood & Community Services, Community & Economic Development, Tacoma Police, GG Capital Assets, LTGO And Issuance, Public Work Equipment Rental, PW Street Asphalt, Information Technology, PW Facilities Management, GG Internal Service
Full Accrual Conversion	\$ (2,232,000)	Governmental funds GASB 101 implementation and property tax correction
Total Governmental Activities	\$ (289,295)	
Business Activities	(931,771)	PDS Development Service, PW Engineering Parking Garage, Public Facility Assembly, Solid Waste, Waste and Storm, Union Station, Tacoma Rail, Water, Power, and TPU Fleet
Fiduciary	157,342	Tacoma Employees's Retirement System
Component Units	32,576	Tacoma Community Redevelopment Authority
City Total	<u>\$ (1,031,147)</u>	

During fiscal year 2024, the City identified and corrected the errors described above. The impact of these corrections is presented in the "Error Correction" column of the table below.

In addition, the City implemented GASB Statement No. 101, Compensated Absences, during fiscal year 2024. The impact of this change in accounting principle is reflected in the "Change in Accounting Principle" column of the table below.

Notes to the Financial Statements

For the Year Ended December 31, 2024

	12/31/2023 Net Position/Fund Balance as previously reported	Change in accounting principle	Change to or within the financial reporting entity	Error Correction	12/31/2023 Net Position/Fund Balance as restated/adjusted
Government-wide					
Governmental Activities	\$ 964,920	\$ (4,589)	\$ -	\$ 4,299	\$ 964,630
Business-type Activities	2,517,052	(3,114)	-	2,183	2,516,121
Total primary government	<u>\$ 3,481,972</u>	<u>\$ (7,703)</u>	<u>\$ -</u>	<u>\$ 6,482</u>	<u>\$ 3,480,751</u>
Governmental Funds					
Major Funds:					
General Fund	118,693	-	-	576	119,269
Fund 1060	4,014	-	-	(3)	4,011
Nonmajor Funds	<u>278,644</u>	<u>-</u>	<u>-</u>	<u>559</u>	<u>279,203</u>
Total Governmental Funds	<u>401,351</u>	<u>-</u>	<u>-</u>	<u>1,132</u>	<u>402,483</u>
Fiduciary Funds					
Fund 6100	<u>2,125,485</u>	<u>(17)</u>	<u>-</u>	<u>174</u>	<u>2,125,642</u>
Discretely Presented Component Units					
TCRA	<u>60,208</u>	<u>-</u>	<u>-</u>	<u>32</u>	<u>60,241</u>

Notes to the Financial Statements

For the Year Ended December 31, 2024

C. Segment Information

The following are the two segment enterprise funds maintained by the City. Segment information was as follows:

(Amounts expressed in thousands)
CONDENSED STATEMENT OF NET POSITION

	Parking Garage Fund #4140	Convention Center Fund #4165
Assets:		
Current Assets	\$ 4,624	\$ 7,697
Capital assets, net	42,316	47,222
Other non-current assets	-	313
Total assets	46,940	55,232
Deferred outflows of resources	413	1,486
Liabilities:		
Current liabilities	379	4,395
Non-current liabilities	954	37,070
Total liabilities	1,333	41,465
Deferred inflows of resources	5	317
Net Position:		
Net investment in capital assets	41,691	9,159
Restricted for capital purchases	-	1,884
Restricted for debt service	288	668
Unrestricted	4,036	3,225
Total net position	\$ 46,015	\$ 14,936

Notes to the Financial Statements

For the Year Ended December 31, 2024

CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

	Parking Garage Fund #4140	Convention Center Fund #4165
Operating revenues	\$ 4,941	\$ 3,384
Operating expenses	5,052	8,010
Depreciation expense	1,323	1,775
Operating income (loss)	(1,434)	(6,401)
Nonoperating revenues (expense)	60	4,643
Capital contributions	-	146
Transfers, net	2,777	4,116
Change in net position	1,403	2,504
Beginning net position	44,615	12,595
Error corrections	-	(145)
Change in accounting principle	(3)	(18)
Beginning net position, restated	44,612	12,432
Ending net position	\$ 46,015	\$ 14,936

CONDENSED STATEMENT OF CASH FLOW

	Parking Garage Fund #4140	Convention Center Fund #4165
Net cash provided (used by):		
Operating activities	\$ 201	\$ (4,333)
Noncapital financing activities	3,547	5,300
Capital and related financing activities	(2,383)	(1,601)
Investing activities	100	422
Net increase (decrease)	1,465	(212)
Beginning cash and cash equivalents	2,818	7,480
Ending cash and cash equivalents	\$ 4,283	\$ 7,268

- Parking Garage fund (#4140) accounts for the City's parking facilities.
- Convention Center fund (#4165) accounts for activities associated with operating the Convention Center.

D. Tax expense – Utility Funds

The tax expense shown in the statements for Enterprise Funds consists primarily of an 8.0% tax upon gross earnings for Tacoma Water, Tacoma Rail, Stormwater, Wastewater, and Solid Waste and a 7.5% tax upon gross earnings for Tacoma Power which is paid to the General Fund. Non-governmental utilities also pay gross earnings tax at the following rates: Natural Gas, 7.5%; Cable TV, 8.0%; Electricity, 7.5%; Solid Waste Collection, 8% and Telephone, 7.5%.

Notes to the Financial Statements

For the Year Ended December 31, 2024

E. Results of operations of joint ventures

A joint venture is a legal entity or other organization that results from a contractual agreement and is owned, operated, or governed by two or more participants as a separate and specific activity subject to joint control in which the participants retain (a) an on-going financial interest or (b) on-going financial responsibility.

The City participates in a joint venture with the Tacoma-Pierce County Health Department (Health Department). The City of Tacoma however, does not report an equity interest in the Government-wide financial statements.

Summary financial information on the joint venture is listed below for the year of the last audited financials. These figures reflect the information as prepared and submitted to the City by the various entities.

Joint Venture	
(amounts expressed in thousands)	
	HEALTH DEPARTMENT
Balance Sheet Date	12/31/2022
Total Assets	\$ 27,116
Capital Assets (net of accumulated depreciation)	1,504
Right-to-use assets	209
Net Pension asset	12,488
Deferred Outflows	6,833
Total Liabilities	6,946
Non-current Liabilities	139
Deferred Inflows	14,279
Total Net Position	26,786
Total Revenues	73,095
Total Expenditures/Expenses	65,949
Net Increase/(Decrease) in Net Assets	7,146
City Contribution	—

Additional information about the entity can be obtained from separately published financial statements by contacting the Tacoma/Pierce County Health Department, Business Support Services, 3629 South D Street, Tacoma, WA 98418-6813.

Note 8 – CLAIMS, JUDGEMENTS AND COMMITMENTS

A. Claims

From time to time, claims have been filed against the City involving tort actions for such things as defective sidewalks, automobile accidents, claims of false arrest, etc.; all of which are in a sense routine in nature and common to all local governments. In those instances, when material, where it has been determined that it is probable that a claim will be paid by the City, the expenditure/expense and the related liability are reported in the statements of the appropriate fund in the year when such a determination is made. See Note 7A for risk management information.

Notes to the Financial Statements

For the Year Ended December 31, 2024

The City has entered into interlocal agreements with the Tacoma-Pierce County Health Department. If, in fact, this entity was to suffer a catastrophic disaster, claim or lawsuit that exceeded the levels of insurance maintained by the Health Department, their self-insurance funds or otherwise resources were to be depleted; the City and other participating jurisdictions may be required to stand behind and make good the excess liability.

Under state law, the City is required to pay for unemployment and industrial insurance and medical aid. The City has chosen to self-insure rather than remit its payments to the state pool. See Note 7A for risk management information.

B. Construction Commitments

The City has various construction projects as of December 31, 2024. The projects include street and capital project constructions for improvements of existing streets and bridges or new bridges. At year-end the City's major commitments with the contractors are as follows: (amounts expressed in thousands).

Project	Authorized	Spent-to-date	Remaining Commitment
Asphalt Plant Burner Replacement	\$ -	\$ 262	\$ (262)
E 38th Street (E Portland Ave - SR7)	1,065	965	100
East 64th Phase II McKinley to Portland	7,693	3,547	4,146
J Street Bicycle Boulevard	4,530	2,097	2,433
Links to Opportunity Streetscape - Bid Package 3	3,449	2,635	814
Links to Opportunity Streetscape - Bid Package 5	2,442	1,793	649
Manitou Elementary Safe Routes to School	651	543	108
McKinley Overlook	597	416	181
On-Call Nuisance Abatements 2022-2024	800	648	152
On-call Securing Properties, 2022-2024, Rebid	-	549	(549)
Pedestrian Accessibility District 10	2,255	796	1,459
Planter Strip Landscape	-	230	(230)
Prairie Line Trail Phase II - Rebid II	7,566	4,523	3,043
S 21st St & S C St Signal	-	210	(210)
Streets Initiative Package#15	3,241	3,069	172
Streets Initiative Package#23	4,481	4,861	(380)
Streets Initiative Package#24 & #35	7,139	4,865	2,274
Streets Initiative Package#32A	2,723	2,581	142
Streets Initiative Package#37 - Rebid	3,288	2,518	770
TEMS 7 35th & Pacific	-	1,773	(1,773)
TPU S 17th Street Court D/E	1,200	1,013	187
Water Ditch Trail Phase IIIA (M St to Sprague)	4,943	2,069	2,874
	<u>\$ 58,063</u>	<u>\$ 41,963</u>	<u>\$ 16,100</u>

These commitments are being funded by a variety of funding sources such as Federal, State and Local Grants, Gas Tax Revenue, City contributions and long-term debt.

C. Solid waste utility—landfill closure and post closure liabilities

The Environmental Services Solid Waste Division operates a 235-acre landfill site, which became part of the South Tacoma Channel Superfund Site in 1983. In 1991, the City entered a Consent Decree settlement with the United States Environmental Protection Agency (EPA) and the Washington State Department of Ecology (DOE), titled United States et al v. City of Tacoma US District Court Case No. C-89C583T, to

Notes to the Financial Statements

For the Year Ended December 31, 2024

“clean-up” the release of hazardous substances at the Landfill. The City completed the majority of the remediation work required by the Consent Decree several years ago. The remaining work mostly involves monitoring the remediation work completed by the City in the 1990s to assure that it continues to protect human health and the environment. The Consent Decree settlement was entered pursuant to the federal Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), 42 U.S.C. §9601 et seq., and the state Model Toxics Control Act (MTCA), Chapter 70.105D RCW.

The City’s remediation work has included: (1) covering the landfill with a double flexible membrane cap that is impermeable to water; (2) capturing methane gas within and at the landfill perimeter to prevent off-site migration; (3) pumping and treating ground water to remove contamination at the point of compliance and beyond property boundaries; and (4) closing the landfill in accordance with the above-referenced Consent Decree.

The City has an obligation under the Consent Decree to monitor the remediation work over the next 20 years, or more years to make sure it continues to be effective at protecting human health and the environment.

The costs for ongoing maintenance of the Tacoma Landfill are not expected to require rate increases above those already projected. The City will be responsible for the costs of additional work if migration of pollutants from the site is not completely controlled by current remedial actions. The City’s on-going monitoring efforts indicate the remedial actions undertaken by the City at the Tacoma Landfill are performing as designed.

In 2014, following closure of the portions of the Tacoma Landfill as required by the Consent Decree, the remaining recovery and transfer facilities continued to be permitted by the Tacoma Pierce County Health department (TPCHD) through the same permitting process. All closed portions of the Landfill will also be covered by a TPCHD closure permit, which may be incorporated into the overall facility permit. The closure permit will mirror the requirements implemented as a result of the Landfill remedial action. The Tacoma-Pierce County Health Department has determined that the Tacoma Landfill is exempt under RCW 70.105D and WAC 173-351-700(4)(c) from TPCHD closure permit requirements. In February of 2019, the City and the TPCHD executed an agreement where in the City agreed to comply with TPCHD closure permit requirements and a new Solid Waste permit was issued by TPCHD expired in March of 2020. The agreement was renewed in March of 2023 for a five-year term. The Solid Waste permit issued by TPCHD expiring yearly in March. It expired in March of 2024 and was renewed with new expiration date in March of 2025. A new permit was issued by the TPCHD in February 2025 and will expire in March 2026. The City anticipates renewal of this permit before its expiration.

Long-term plans for the closed capped areas of the Tacoma Landfill include recreational facilities, such as trails and playfields, as well as other governmental facilities, such as greenhouses for grounds maintenance operations. All development on the Tacoma Landfill site must be designed to accommodate differential settlement and allow for continued functioning of the environmental remediation systems.

The City reported \$11,716,412 as landfill post-closure care liability as of December 31, 2024 based on 100% use of the total capacity of the Tacoma Landfill. This compares to \$11,494,416 at December 31, 2023 based on 100% of the total capacity. Actual care costs may be higher or lower due to inflation, changes in technology, or changes in regulations. The City retains on-going post-closure care liability and will be responsible for the costs of additional work if pollutants from the site is not completely controlled by current remedial actions. To meet the previous requirements of State and Federal laws and regulations, contributions were made to reserve for financing closure costs.

Notes to the Financial Statements

For the Year Ended December 31, 2024

The City initiated meetings with the State Department of Ecology, the Environmental Protection Agency and the Tacoma-Pierce County Department of Health to discuss closure of the Consent Decree and post closure liabilities. These meetings are on-going.

Note 9 – CONTINGENT LIABILITIES

Solid Waste (#4200) Long-term Contract – Land Recovery, Inc. - In February 2000, the Division entered a 20-year contract with Land Recovery, Inc. (LRI) to dispose of all “acceptable waste” collected or handled by the Division (as that term is defined in the agreement), at the 304th Street landfill operated by LRI. The contract was then extended in August of 2024 through February 2030. The Division entered into this agreement to extend the life of the Tacoma Landfill and to secure a long-term disposal arrangement at a favorable disposal cost. The agreement excludes solid waste that LRI is not authorized by law or permit to receive, or which could create or expose LRI or the Division to potential liability, among other things. Recycling and/or composting waste is not covered by the agreement. The agreement further provides that LRI shall charge a base rate per ton for disposal services, and that said rate shall decrease as the tonnage increases during each contract year. The agreement also provides that the base rate charged by LRI shall increase annually based on the Seattle-Tacoma CPI. The rate per ton is periodically increased by LRI to cover certain increased costs, including the increased cost of landfill closure liabilities. These rate adjustments are part of the existing agreement.

Solid Waste (#4200) Long-term Contract – Cedar Grove Composting, Inc. - In December 2022 the Division entered into a five (5) year agreement with Cedar Grove Composting, Inc to accept organic material collected by the City curbside or delivered to the City's landfill for processing into compost. Under the agreement, which has two 5-year renewal options, in which the price per ton may be adjusted beginning on the first anniversary of the effective date of the Contract and annually on each anniversary of the effective date thereafter (each an "Adjustment Date"), the current per-ton rate multiplied by one hundred percent (100%) of the Consumer Price Index Increase. "Consumer Price Index Increase" means the increase in the Consumer Price Index for All Urban Consumers (CPI-U) of the Seattle-Tacoma-Bellevue area, as computed and published by the U.S. Bureau of Labor. The Division entered into this agreement to extend the life of the Tacoma landfill and secure a long-term composting arrangement at a favorable cost through 2032.

Solid Waste (#4200) General Legal Matters - Because of the nature of its activities, the Division is subject to various pending and threatened legal actions, which arise in the ordinary course of business. The Division believes, based on the information presently known, the ultimate liability for any legal actions, individually or in the aggregate, taking into account established accruals for estimated liabilities, will not be material to the financial position of the Division, but could be material to results of operations or cash flows for a particular annual period. No assurance can be given, however, as to the ultimate outcome with respect to any particular claim.

Wastewater and Surface Water (#4300-01) Olympic View Resource Area - In 2001, the City entered into an Administrative Order on Consent for Removal Action at the Olympic View Resource Area (OVRA) with the Environmental Protection Agency (EPA). Contamination identified during construction of the NRDA site in this location led to the need for sediment cleanup work to be performed as a separate action. The cleanup action was completed in 2002, followed by long-term monitoring program (LTMP) to ensure the protectiveness of the cap remedy. In 2014, results of this monitoring indicated the potential of some loss of the capping material present at the site. This material loss was confirmed by subsequent surveys and a cap material replenishment project was designed and subsequently implemented in 2020 under EPA oversight. Because contaminated material was left in place under a cap at the site, long-term monitoring is expected to continue a periodic basis in perpetuity. The first long-term monitoring event occurred in 2023 and based on the results of the Year 3 (2023) hydrographic/topographic survey and

Notes to the Financial Statements

For the Year Ended December 31, 2024

low-tide cap inspection, no issues were noted, and no response actions were recommended. The next scheduled OVRA cap integrity performance monitoring event will be conducted in Year 8 (2028) in accordance with the LTMP 2022 Addendum. The results of this monitoring may result in additional limited maintenance efforts in the future. Included in the estimated liabilities as of December 31, 2024, are estimated costs of \$10,000 that will be incurred in the year 2025 and 2026, respectively. These liabilities are estimates and may change depending upon performance results during future monitoring events.

Wastewater and Stormwater (#4300-01) Foss Consent Decree - Under the current long-term Monitoring Plan developed in accordance with the Foss Consent Decree, the City has an obligation for continued monitoring through 2028. Regularly scheduled monitoring is planned for 2023 and 2028. It is expected that adaptations to the monitoring plan will define future monitoring expectations and waterway conditions. Because contaminated material is left in place under caps in the waterway, some level of periodic monitoring and maintenance will continue in perpetuity. Erosion of the cap in two additional areas was identified during the 2023 monitoring event and requires maintenance to protect the integrity of the remedy. Maintenance and repair design began in 2024, and construction of the maintenance project is planned for 2025. Ongoing monitoring may result in additional limited maintenance efforts in the future. Included in the estimated liabilities as of December 31, 2024, are estimated costs of \$1,300,000 and \$73,000 that will be incurred in the year 2025 and 2026, respectively.

The City indemnified certain parties when it purchased real property along the Thea Foss Waterway in the late 1980's and early 1990's. The City expects that any financial obligation it may have related to these indemnities will be de minimis given the historical uses of the indemnified properties and the limited potential for releases from these properties to damage natural resources.

Wastewater and Stormwater (#4300-01) Coal-Gas Site Agreed Order - In 1993 the City, through the Environmental Services Department, became a party to an agreed order with the State Department of Ecology under MTCA (RCW 70.105D.050(1)) for the initial steps of clean-up of the coal-gas properties located at the head of the Foss Waterway just south of the cable stay bridge below the SR 705 spur. The City is one of several potentially liable parties (PLPs) that are signatories to this agreed order. The agreed order, and subsequent amendments, provided for interim measures to control the coal tar from migrating from this site into the Foss Waterway but did not provide for final cleanup or closure of the site.

In 2018, the City and other potentially liable parties entered a new Agreed Order with Ecology which will address final closure of the Coal Gas Site by completion of a Remedial Investigation/Feasibility Study (RI/FS) and development of a draft Cleanup Plan (dCAP) for the site. Other parties are performing the work under the Agreed Order, and the City's role and cost obligation should be limited. Work under this order has commenced. The RI report is projected to be finalized and submitted to Ecology in May 2025.

Wastewater and Stormwater (#4300-01) General Legal Matters - Because of the nature of its activities, the Division is subject to various pending and threatened legal actions which arise in the ordinary course of business. The Division believes, based on the information presently known, the ultimate liability for any legal actions, individually or in the aggregate, taking into account established accruals for estimated liabilities, will not be material to the financial position of the Division, but could be material to results of operations or cash flows for a particular annual period.

Tacoma Rail (#4500) General Legal Matters - Tacoma Rail is involved in various litigations in the normal course of business. In the opinion of management, the ultimate outcome of these claims will not have a material effect on Tacoma Rail's financial position beyond amounts already accrued as of December 31, 2024.

Notes to the Financial Statements

For the Year Ended December 31, 2024

Tacoma Rail (#4500) Operation of City of Tacoma, Department of Public Works ("Public Works", Mountain Division - Public Works owns approximately 33 miles of track, called Mountain Division. Tacoma Rail remains committed to supporting the Public Works Department by continuing to provide minimal maintenance on the retained right-of-way segments with the City limits.

Tacoma Water (#4600) Capital Improvements – The financial requirement for Tacoma Water's 2023-2024 biennial Capital Improvement program is \$76.3 million and Tacoma Water has substantial contractual commitments relating to the program. On December 31, 2024, the remaining financial requirement for Capital Improvement Programs relating to the current biennium is approximately \$13.6 million.

Tacoma Water (#4600) Muckleshoot Indian Tribe Settlement – A mutually beneficial settlement agreement was reached with the Muckleshoot Indian Tribe in 1995. The settlement package has a cost of approximately \$30 million and includes five basic elements: 1) building a fish restoration facility and annual operation and maintenance of that facility, or in the alternative, providing \$12 million (indexed at 1995 dollars) into a fish restoration fund; 2) providing for enhanced flows in the Green River; 3) transferring certain lands; 4) establishing a trust fund payable over 40 years which is intended to provide for the general welfare, educational and other needs of the Tribe; and 5) limited access into the Green River Watershed. The settlement resolved past damage claims by the Tribe for Tacoma Water's historical operations on the river, gain the Tribe's support for the Second Supply Project and provide the basis for a long-term, cooperative working relationship on the Green River. Tacoma Water has been implementing this agreement.

Tacoma Water (#4600) General Legal Matters - The Water Division has received several other miscellaneous claims or litigation that either do not allege material amounts or that the Legal Department has determined do not pose a risk of liability to the Utility.

Tacoma Power (#4700) Capital Improvements – The financial requirement for Tacoma Power's 2023/2024 biennial Capital Improvement Program is approximately \$179.4 million. As of December 31, 2024, the remaining financial requirement for the 2023/2024 biennial Capital budget was approximately \$46.9 million.

Tacoma Power (#4700) Kosmos Mill Oil Seep - On November 21, 2019, emergency action was initiated and subsequently completed to install a containment cap on oil seepage near Riffe Lake on the Cowlitz River. A sawmill was historically located at this site near the town of Kosmos before the area was inundated by Riffe Lake. The Division is working through an Agreed Order with the Department of Ecology to provide remedial action. Per the Agreed Order, a remedial investigation is in progress, and a feasibility study and a draft cleanup plan will be completed, anticipated by June 2026. As of 12/31/2024, liability in the amount of \$115,000 has been recognized as the known cost for the site investigation progress which will be performed in 2025.

Tacoma Power (#4700) General Legal Matters - Tacoma Power has received several other miscellaneous claims that either do not allege significant amounts or that the Legal Department has determined do not pose a risk to liability to the Utility.

Western Metal Industry Pension Fund - The City of Tacoma had approximately 113 employees who participated in the Western Metal Industry Pension Fund (Plan). The Plan is a cost-sharing, defined benefit, multiple-employer pension plan and is administered by the Board of Trustees. The Trustees and other Plan fiduciaries have discretionary authority to interpret the Plan and determine entitlement to Plan benefits.

Notes to the Financial Statements

For the Year Ended December 31, 2024

The Plan fell into critical status following the 2009 Plan Year and was certified as “critical” in 2010. In an effort to improve the Plan’s funding situation, the Trustees adopted a Rehabilitation Plan on May 28, 2010, and subsequently updated it on July 24, 2012, and December 9, 2016 .

The Rehabilitation Plan consists of reductions in adjustable benefits including early retirement benefits and retirement payment options, and contribution increases of 16% per year for up to 11 years over the current contribution level. These contribution increases do not translate into additional benefit accruals but instead are directed solely toward improving the Plan’s funded status. The Trustees have adopted the “free look” rule set forth in subsection 4210(a) of ERISA related to withdrawal liabilities.

Annual reports also are available from the US Department of Labor, Employee Benefits Security Administration's Public Disclosure Room at 200 Constitution Avenue, NW, Room N-1513, Washington, DC 20210, or by calling 202.693.8673. Or a copy of the Plan's annual report may be obtained by making a written request to the Plan administrator.

The employer is required to make contributions to the Plan absent terms of a Collective Bargaining Agreement.

On December 3, 2019, the Tacoma City Council approved the collective bargaining agreement for the following groups: the International Association of Machinists and Aerospace Workers District Lodge 160, Local Lodge 297 covering City of Tacoma General Unit, and District Lodge 160, Local Lodge 282 covering Wastewater Treatment Plant Maintenance Supervisors’ Unit. Contained in this agreement was a call for cessation of participation in the Plan. The contributions submitted for the December 31, 2019, payroll were the final contributions made on behalf of the employees in this unit. As of December 31, 2024, there were no employees participating in the plan.

Those employees who vested would be eligible for benefits based on their date of withdrawal.

On November 5, 2021, the City received a Withdrawal Liability Demand Letter from the Plan. The actuaries for the Plan determined that the withdrawal liability attributed to City of Tacoma is \$44,325,881 in total, but the collective liability was recorded by the City of Tacoma for 20-year limitation liability of \$17,863,052 in accordance with Section 4219 (c) of the Employee Retirement Income Security Act (ERISA), 20 U.S.C. 1399(c). Each operating division recorded the respective liability based on its proportionate share of the 20-year limitation liability as of December 31, 2021. The initial \$337,619 payment was due on or before January 1, 2022, which was comprised of \$169,829 attributable to the partial withdrawal and \$167,790 attributable to the complete withdrawal. Subsequent payments will be due quarterly. The partial withdrawal quarterly payment will continue until 80 quarterly payments are made for a total of \$13,586,320, while the last quarterly installment for the complete withdrawal will be due on April 1, 2028, for a total of \$4,276,732, the last payment amount will be \$81,982. There was no payment made in 2024 and \$1.7 million payment was made in 2023.

On January 26, 2022, the City submitted an appeal over the liability calculation subject to the Employee Retirement Income Security Act of 1974 (ERISA). On April 12, 2023, the City submitted a Demand and Notice of Initiation Arbitration to American Arbitration Association. On January 2, 2024, the City received the ruling on motions for summary judgement and award regarding the interest rate used to calculate the withdrawal liability from American Arbitration Association. On January 23, 2024, the City filed a complaint to enforce arbitration award to United States District Court Western District of Washington in Seattle. The outcome of the complaint is uncertain at the time of the report issuance and may affect the liability amount.

As of December 31, 2024, and 2023, the City reported a liability of \$6,715,488 for its proportionate

Notes to the Financial Statements

For the Year Ended December 31, 2024

share of the collective total withdrawal liability of \$14,824,481. The current portion of the withdrawal liability is \$611,765 as of December 31, 2024, and 2023. On December 31, 2024, and 2023, the City's proportion was 45.3%. There was no withdrawal expense for the year ended December 31, 2024, and 2023.

Grants - Under the terms of federal and state grants, periodic audits are required, and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Such audits could lead to reimbursement to the grantor agencies. City management believes disallowances, if any, will be immaterial.

Note 10 – TAX ABATEMENTS

The City employs two property tax abatement programs that reduce the taxes an individual or entity would owe, with the intent of encouraging those individuals or entities to engage in certain activities such as constructing housing in particular neighborhoods or improving historic buildings. The property tax abatement is determined by a percentage of assessed value. In Pierce County, the tax rate for 2024 is \$11.106904 per \$1,000 of assessed value. The City of Tacoma received 20.189% of that tax. The City is also required to disclose other abatement arrangements entered into by other governments that reduce the City's tax revenues. The State of Washington's (State) tax abatements that affected the City of Tacoma tax revenue are included below. However, per the State, tax information for less than three taxpayers for either state or local estimates is confidential and cannot be disclosed. Those programs that are confidential are identified below.

Details of tax abatements programs as of December 31, 2024 are as follows:

1. *Multifamily Housing Property Tax Exemption*

The Multifamily Housing Property Tax Exemption Program encourages development of market rate and affordable housing in mixed-use areas. This program was established under the Tacoma Municipal Code, Section 6A.110.020.

Criteria: The applicant must be the owner of the property, and it must be located within the boundaries of a mixed-use center. The request is approved by the Tax Review Committee, which consists of City personnel from the Community & Economic Development and Legal departments, as well as a representative from the Pierce County Assessor's Office. Once approved, construction must be completed within three years. If the owner sells the property after the tax exemption has been granted, the exemption remains with the property and transfers to the new owner. The contract includes the agreed upon specifications of the housing improvements. The exemption will begin after the improvements are completed. The City will submit a Final Certificate of Tax Exemption to the Pierce County Assessor's Office and the property owner's assessed value will be adjusted to reflect this exemption.

2. *Special Valuation Property Tax Exemption*

This Special Valuation Property Tax Exemption Program encourages the owners of historic properties to invest in the improvement and rehabilitation of historic buildings. This program was established under the Washington State RCW Chapter 84.26, Historic Property.

Criteria: Property owners may obtain a reduced tax assessment by submitting an application at the conclusion of project construction. The applicant must be the owner of the property, and the property must be listed on the Tacoma Register of Historic Places or be a historically contributing

Notes to the Financial Statements

For the Year Ended December 31, 2024

property within a local historic overlay zone. In addition, the project must meet the Secretary of Interior's Standards for Rehabilitation of Historic Buildings and must not adversely affect the building's historically significant, character defining elements. Exterior modifications must be approved by the Tacoma Landmarks Preservation Commission. The project investment expenditures must be a minimum of 25% of the assessed value of current improvements on the property over a 24-month consecutive period. The reduced assessment begins the tax year following the approval. This program is jointly processed and administered by the City's Historic Preservation Program and the Pierce County Assessor. The property owner's assessed value will be adjusted to reflect this exemption.

3. Aerospace Industries Tax Exemption

Aerospace industries are allowed a tax exemption for computer hardware, software and peripherals. This program was established under the Washington State RCW Chapters 82.08.975 and 82.12.975 Exemptions – Computer parts and software related to the manufacture of commercial airplanes. The City of Tacoma's data is confidential and cannot be disclosed.

4. Manufacturing Facilities Tax Exemption

Manufacturing facilities in counties with high unemployment rates are allowed to defer sales and use tax. This program was established under the Washington State RCW Chapter 82.60, Tax Deferrals for Investment Projects in Rural Counties. The City of Tacoma's data is confidential and cannot be disclosed.

5. Multi-Unit Urban Housing Tax Exemption

The Multi-Unit Urban Housing Exemption encourages increased residential opportunities, including affordable housing opportunities, in cities that are required to plan or choose to plan under the growth management act within urban centers where the governing authority of the affected city has found there is insufficient housing opportunities, including affordable housing opportunities. It also encourages the construction of new multifamily housing and the rehabilitation of existing vacant and underutilized buildings for multifamily housing in urban centers having insufficient housing opportunities that will increase and improve residential opportunities, including affordable housing opportunities within these urban centers. This program was established under the Washington State RCW 84.14, New and Rehabilitated Multiple-Unit Dwellings in Urban Centers.

Information relevant to the disclosure of those programs under contract with the City of Tacoma for the fiscal year ended December 31, 2024, is:

Tax Abatement Program	Amount of Taxes Abated (in thousands)
Multifamily Property Tax Exemption	\$ 2,690
Special Value Tax Exemption	\$ 240
Multi-Unit Urban Housing Tax Exemption	\$ 2,687

Note 11 – SUBSEQUENT EVENTS

On April 29, 2025, the United States Department of Commerce sent a notification letter to the City of Tacoma, that they will cease funding for Award Number MB21OBD8050186, through the Minority

Notes to the Financial Statements

For the Year Ended December 31, 2024

Business Development Agency (“MBDA”), pursuant to Section 200.340 of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 C.F.R. Part 200), which govern this award of Federal financial assistance. Pursuant to the applicable version of 2 C.F.R Section 200.340 – Termination, “The Federal award may be terminated in whole or in part ... [b]y the Federal awarding agency or pass-through entity, to the greatest extent authorized by law, if an award no longer effectuates the program goals or agency priorities.” As part of efforts to streamline and reduce the cost and size of the Federal Government, the Department is reprioritizing funding and staff to support only those activities directly related to its current programmatic goals and mission priorities. After careful review of this award, the Department has determined that this Business Center’s activities neither effectuate these undertakings nor advance the Administration’s objectives. Specifically, the Department is changing its approach to the MBDA business center structure to reduce redundancies with other Federal agency programs and to gain efficiencies. Using federal funds to support the current number of centers does not align with the priorities of this Administration and diverts resources from more practical and cost-effective solutions. Here, time and resources can be better and more efficiently utilized to effectuate the statutory mandates of the Minority Business Development Act.

On May 6, 2025, the Power Division is approved to issue and sell one or more series of Electric System Revenue and Refunding Bonds, Series 2025, in an aggregate principal amount not to exceed \$325.0 million, to provide funds to be used with available funds of the Division, to finance and/or reimburse for capital improvements, to defease and/or redeem certain obligations of the Division, and to pay costs of issuance for the Bonds.



Required Supplementary Information

LEOFF 1

Proportionate Share of the Net Pension Liability
Last 10 Fiscal Years*

	Fiscal Years Ended June 30				
	2024	2023	2022	2021	2020
Employer's proportion of the net pension liability(asset) as a percentage	1.03%	1.03%	1.04%	1.03%	1.03%
Employer's proportionate share of net pension liability(asset)	29,327,264	(30,518,796)	(29,720,322)	(35,295,141)	(19,497,420)
State's proportionate share of the net pension liability(asset) associated with the employer	198,368,885	(206,428,377)	(201,027,522)	(238,735,457)	(131,880,066)
Total	227,696,149	(236,947,173)	(230,747,844)	(274,030,598)	(151,377,486)
Covered payroll		-	-	-	-
Employer's proportionate share of net pension liability (asset) as a percentage of its covered payroll	N/A	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	168.48%	175.99%	169.62%	187.45%	146.88%
	2019	2018	2017	2016	2015
Employer's proportion of the net pension liability(asset) as a percentage	1.03%	1.05%	1.07%	1.08%	1.09%
Employer's proportionate share of net pension liability(asset)	(20,428,571)	(19,103,856)	(16,163,187)	(11,098,437)	(13,178,851)
State's proportionate share of the net pension liability(asset) associated with the employer	(138,178,348)	(129,218,006)	(109,327,398)	(75,069,549)	(89,141,418)
Total	(158,606,919)	(148,321,862)	(125,490,585)	(86,167,986)	(102,320,269)
Covered payroll	-	-	-	-	-
Employer's proportionate share of net pension liability (asset) as a percentage of its covered payroll	N/A	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	148.78%	144.42%	135.96%	123.74%	127.36%

*Until a full 10-year trend is compiled, only information for those years available is presented.

LEOFF 2Proportionate Share of the Net Pension Liability
Last 10 Fiscal Years*

	Fiscal Years Ended June 30				
	2024	2023	2022	2021	2020
Employer's proportion of the net pension liability(asset) as a percentage	2.70%	2.66%	2.65%	2.44%	2.50%
Employer's proportionate share of net pension liability(asset)	50,562,617	(63,876,008)	(72,032,830)	(141,804,064)	(51,021,624)
State proportionate share net of the pension liability (asset) associated with the employer	33,084,308	(40,790,561)	(46,661,299)	(91,479,101)	(32,634,464)
Total	83,646,924	(104,666,569)	(118,694,129)	(233,283,165)	(83,656,088)
Covered payroll	114,194,089	108,071,365	96,271,477	82,311,046	75,426,288
Employer's proportionate share of net pension liability (asset) as a percentage of its covered payroll	-44.28%	-59.11%	-74.82%	-172.28%	-67.64%
Plan fiduciary net position as a percentage the total pension liability	109.27%	113.17%	116.09%	142.00%	115.83%
	2019	2018	2017	2016	2015
Employer's proportion of the net pension liability(asset) as a percentage	2.38%	2.47%	2.59%	2.48%	2.47%
Employer's proportionate share of net pension liability(asset)	(55,232,023)	(50,235,694)	(35,974,279)	(14,416,299)	(25,352,743)
State proportionate share net of the pension liability (asset) associated with the employer	(36,169,575)	(32,526,664)	(23,335,843)	(9,398,378)	(16,763,253)
Total	(91,401,598)	(82,762,358)	(59,310,122)	(23,814,677)	(42,115,996)
Covered payroll	71,393,403	79,762,242	77,370,718	77,913,215	72,486,494
Employer's proportionate share of net pension liability (asset) as a percentage of its covered payroll	-77.36%	-62.98%	-46.50%	-18.50%	-34.98%
Plan fiduciary net position as a percentage the total pension liability	119.43%	118.50%	113.36%	106.04%	111.67%

*Until a full 10-year trend is compiled, only information for those years available is presented.

LEOFF 2Schedule of the City of Tacoma's Contributions
Last 10 Fiscal Years*

	Fiscal Year Ended December 31				
	2024	2023	2022	2021	2020
Contractually required employer contribution	\$7,109,708	\$6,221,155	\$5,775,736	\$4,982,250	\$4,892,925
Contributions in relation to the contractually required employer contribution	(7,109,708)	(6,221,155)	(5,775,736)	(4,982,250)	(4,892,925)
Employer contribution deficiency (excess)	0	0	0	0	0
Covered payroll	\$138,861,540	\$121,506,830	\$112,800,269	\$97,146,418	\$93,760,283
Employer contribution as a percentage of covered payroll	5.12%	5.12%	5.12%	5.13%	5.22%
	2019	2018	2017	2016	2015
Contractually required employer contribution	\$4,687,724	\$4,448,565	\$4,025,059	\$4,026,349	\$3,716,978
Contributions in relation to the contractually required employer contribution	(4,687,724)	(4,448,565)	(4,025,059)	(4,026,349)	(3,716,978)
Employer contribution deficiency (excess)	0	0	0	0	0
Covered payroll	\$90,117,849	\$84,770,897	\$78,198,160	\$79,849,106	\$73,603,497
Employer contribution as a percentage of covered payroll	5.20%	5.25%	5.15%	5.04%	5.05%

*Until a full 10-year trend is compiled, only information for those years available is presented.

Tacoma Employee's Retirement System Fund (TERS)Proportionate Share of the Net Pension Liability
Last 10 Fiscal Years*

	Fiscal Year Ended December 31				
	2023	2022	2021	2020	2019
Employer's proportion of the net pension liability(asset) as a percentage	91.77%	91.99%	91.73%	92.23%	92.40%
Employer's proportion share of net pension liability(asset)	135,724,017	138,155,523	(146,649,370)	69,360,120	(18,606,284)
Covered payroll (1)	300,489,127	275,746,261	261,569,330	252,515,159	246,403,836
Employer's proportionate share of net pension liability (asset) as a percentage of its covered payroll	45.17%	50.10%	-56.07%	27.47%	-7.55%
Plan fiduciary net position as a percentage the total pension liability	93.49%	93.02%	107.74%	96.22%	101.08%
	2018	2017	2016	2015	2014
	2018	2017	2016	2015	2014
Employer's proportion of the net pension liability(asset) as a percentage	92.39%	92.46%	92.48%	92.63%	92.67%
Employer's proportion share of net pension liability(asset)	117,009,191	(39,323,299)	92,880,524	86,584,348	(9,606,514)
Covered payroll (1)	233,555,537	223,371,667	218,669,028	210,616,602	205,085,611
Employer's proportionate share of net pension liability (asset) as a percentage of its covered payroll	50.10%	-17.60%	42.48%	41.11%	-4.68%
Plan fiduciary net position as a percentage the total pension liability	92.81%	102.53%	93.91%	93.94%	100.71%

*The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year. This table is intended to show ten years of data. As more information becomes available, this table will be updated.

Tacoma Employee's Retirement System Fund (TERS)Schedule of the City of Tacoma's Contributions
Last 10 Fiscal Years*

Fiscal Year Ended December 31

	2023	2022	2021	2020	2019
Contractually required employer contribution	\$34,075,467	\$31,269,626	\$29,661,962	\$28,635,219	\$27,942,195
Contributions in relation to the contractually required employer contribution	(34,075,467)	(31,269,626)	(29,661,962)	(28,635,219)	(27,942,195)
Employer contribution deficiency (excess)	0	0	0	0	0
Covered payroll	\$300,489,127	\$275,746,261	\$261,569,330	\$252,515,159	\$246,403,836
Employer contribution as a percentage of covered payroll	11.34%	11.34%	11.34%	11.34%	11.34%

	2018	2017	2016	2015	2014
Contractually required employer contribution	\$26,414,402	\$24,124,140	\$23,616,255	\$22,746,593	\$22,149,246
Contributions in relation to the contractually required employer contribution	(26,414,402)	(24,124,140)	(23,616,255)	(22,746,593)	(22,149,246)
Employer contribution deficiency (excess)	0	0	0	0	0
Covered payroll	\$233,555,537	\$223,371,667	\$218,669,028	\$210,616,602	\$205,085,611
Employer contribution as a percentage of covered payroll	11.31%	10.80%	10.80%	10.80%	10.80%

*The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year. This table is intended to show ten years of data. As more information becomes available, this table will be updated.

Firefighters and Police Pension Fund

Schedule of Changes in Total Pension Liability and Related Ratios
Last 10 Years*
(dollars expressed in thousands)

Firefighters' Pension Fund

	2024	2023	2022	2021	2020
Total Pension Liability					
Service cost	\$ -	\$ -	\$ -	\$ -	\$ -
Interest on total pension liability	764	891	563	592	701
Effect of plan changes	-	-	-	-	-
Effect of economic/demographic gains or (losses)	847	-	(733)	-	3,587
Effect of assumption changes or inputs	(1,309)	926	(2,168)	-	1,972
Benefit payments	(2,069)	(2,055)	(2,048)	(2,117)	(2,101)
Net change in total pension liability	(1,767)	(238)	(4,386)	(1,525)	4,159
Total pension liability, beginning	24,527	24,765	29,151	30,676	26,517
Total pension liability, ending	22,760	24,527	24,765	29,151	30,676
Covered payroll	-	-	-	-	-
Total pension liability as a % of covered payroll	-	-	-	-	-

	2019	2018	2017	2016	2015
Total Pension Liability					
Service cost	\$ -	\$ -	\$ -	-	-
Interest on total pension liability	957	975	1,058	-	-
Effect of plan changes	-	-	-	-	-
Effect of economic/demographic gains or (losses)	-	(1,871)	-	-	-
Effect of assumption changes or inputs	2,624	(1,076)	622	-	-
Benefit payments	(1,968)	(1,952)	(2,100)	-	-
Net change in total pension liability	1,613	(3,924)	(420)	-	-
Total pension liability, beginning	24,904	28,828	29,248	-	-
Total pension liability, ending	26,517	24,904	28,828	-	-
Covered payroll	-	-	-	-	-
Total pension liability as a % of covered payroll	-	-	-	-	-

Firefighters and Police Pension Fund

Schedule of Changes in Total Pension Liability and Related Ratios
Last 10 Years*
(dollars expressed in thousands)

Police Relief and Pension Fund

Total Pension Liability	2024	2023	2022	2021	2020
Service cost	\$ -	\$ -	\$ -	\$ -	\$ -
Interest on total pension liability	459	542	233	253	371
Effect of plan changes	-	-	-	-	-
Effect of economic/demographic gains or (losses)	(1,996)	-	5,437	-	(1,005)
Effect of assumption changes or inputs	(584)	518	(1,400)	-	785
Benefit payments	(1,310)	(1,446)	(1,478)	(1,016)	(1,029)
Net change in total pension liability	(3,431)	(386)	2,792	(763)	(878)
Total pension liability, beginning	14,775	15,161	12,369	13,132	14,010
Total pension liability, ending	11,343	14,775	15,161	12,369	13,132
Covered payroll	-	-	-	-	-
Total pension liability as a % of covered payroll	-	-	-	-	-

	2019	2018	2017	2016	2015
Total Pension Liability					
Service cost	\$ -	\$ -	\$ -	-	-
Interest on total pension liability	512	514	573	-	-
Effect of plan changes	-	-	-	-	-
Effect of economic/demographic gains or (losses)	-	(667)	-	-	-
Effect of assumption changes or inputs	1,303	(540)	311	-	-
Benefit payments	(1,196)	(1,406)	(1,341)	-	-
Net change in total pension liability	619	(2,098)	(456)	-	-
Total pension liability, beginning	13,391	15,490	15,946	-	-
Total pension liability, ending	14,010	13,391	15,490	-	-
Covered payroll	-	-	-	-	-
Total pension liability as a % of covered payroll	-	-	-	-	-

*This table is intended to represent 10 years of comparative data. Prior years are not available. As future years become available the table will be updated.

Other Post Employment Benefit Plan (OPEB)
Schedule of Changes in Total OPEB Liability and Related Ratios
Total City
Last 10 Years*
(dollars expressed in thousands)

	Measurement Period Ended December 31				
	2023	2022	2021	2020	2019
Total OPEB Liability					
Service cost	\$ 3,067	\$ 3,785	\$ 3,263	\$ 2,576	\$ 2,338
Interest on total OPEB liability	7,134	4,532	4,830	5,662	8,272
Changes in benefit terms	-	-	-	-	-
Effect of economic/demographic gains or (losses)	(16,880)	-	2,729	374	(3,650)
Effect of assumption changes or inputs	6,156	(34,432)	(3,218)	21,022	6,839
Expected benefit payments	(9,891)	(9,257)	(9,426)	(8,793)	(9,490)
Net change in total OPEB liability	(10,413)	(35,373)	(1,821)	20,841	4,309
Total OPEB liability, beginning	192,069	227,442	229,263	208,422	204,113
Total OPEB liability, ending	181,656	192,069	227,442	229,263	208,422
Covered-employee payroll	\$ 468,266	\$ 423,774	\$ 403,783	\$ 380,095	\$ 369,912
Total OPEB liability as a % of covered-employee payroll	38.79%	45.32%	56.33%	60.32%	56.34%

	Measurement Period Ended December 31				
	2018	2017	2016	2015	2014
Total OPEB Liability					
Service cost	\$ 3,302	\$ 3,010	-	-	-
Interest on total OPEB liability	7,562	7,866	-	-	-
Changes in benefit terms	-	-	-	-	-
Effect of economic/demographic gains or (losses)	54	-	-	-	-
Effect of assumption changes or inputs	(18,945)	9,060	-	-	-
Expected benefit payments	(8,671)	(8,352)	-	-	-
Net change in total OPEB liability	(16,698)	11,584	-	-	-
Total OPEB liability, beginning	220,811	209,227	-	-	-
Total OPEB liability, ending	204,113	220,811	-	-	-
Covered-employee payroll	\$ 350,507	\$ 330,788	-	-	-
Total OPEB liability as a % of covered-employee payroll	58.23%	66.75%	-	-	-

Other Post Employment Benefit Plan (OPEB)
Schedule of Changes in Total OPEB Liability and Related Ratios
TERS
Last 10 Years*
(dollars expressed in thousands)

	Measurement Period Ended December 31				
	2023	2022	2021	2020	2019
Total OPEB Liability					
Service cost	\$ 2,021	\$ 2,478	\$ 2,013	\$ 1,503	\$ 1,367
Interest on total OPEB liability	1,046	578	537	535	800
Changes in benefit terms	-	-	-	-	-
Effect of economic/demographic gains or (losses)	(3,247)	-	1,987	(615)	-
Effect of assumption changes or inputs	(3,334)	(2,365)	(224)	5,133	(1,009)
Expected benefit payments	(1,340)	(1,144)	(1,308)	(1,211)	(1,353)
Net change in total OPEB liability	(4,854)	(454)	3,006	5,345	(195)
Total OPEB liability, beginning	26,528	26,982	23,976	18,631	18,826
Total OPEB liability, ending	21,674	26,528	26,982	23,976	18,631
 Covered-employee payroll	 \$ 327,439	 \$ 299,751	 \$ 285,145	 \$ 273,789	 \$ 266,662
Total OPEB liability as a % of covered-employee payroll	6.62%	8.85%	9.46%	8.76%	6.99%

	Measurement Period Ended December 31				
	2018	2017	2016	2015	2014
Total OPEB Liability					
Service cost	-	-	-	-	-
Interest on total OPEB liability	-	-	-	-	-
Changes in benefit terms	-	-	-	-	-
Effect of economic/demographic gains or (losses)	-	-	-	-	-
Effect of assumption changes or inputs	-	-	-	-	-
Expected benefit payments	-	-	-	-	-
Net change in total OPEB liability	-	-	-	-	-
Total OPEB liability, beginning	-	-	-	-	-
Total OPEB liability, ending	18,826	-	-	-	-
 Covered-employee payroll	 252,789	 -	 -	 -	 -
Total OPEB liability as a % of covered-employee payroll	7.45%	-	-	-	-

Other Post Employment Benefit Plan (OPEB)
Schedule of Changes in Total OPEB Liability and Related Ratios
LEOFF 1
Last 10 Years*
(dollars expressed in thousands)

	Measurement Period Ended December 31				
	2023	2022	2021	2020	2019
Total OPEB Liability					
Service cost	\$ -	\$ -	\$ -	\$ -	\$ -
Interest on total OPEB liability	5,276	3,490	3,881	4,678	6,799
Changes in benefit terms	-	-	-	-	-
Effect of economic/demographic gains or (losses)	(11,126)	-	(2,945)	-	(3,650)
Effect of assumption changes or inputs	7,168	(30,595)	(2,772)	14,429	8,681
Expected benefit payments	(6,954)	(6,504)	(6,911)	(6,610)	(7,237)
Net change in total OPEB liability	(5,636)	(33,608)	(8,747)	12,497	4,593
Total OPEB liability, beginning	144,137	177,745	186,492	173,996	169,403
Total OPEB liability, ending	138,502	144,137	177,745	186,492	173,996
Covered-employee payroll	-	-	-	-	-
Total OPEB liability as a % of covered-employee payroll	-	-	-	-	-

	Measurement Period Ended December 31				
	2018	2017	2016	2015	2014
Total OPEB Liability					
Service cost	-	-	-	-	-
Interest on total OPEB liability	-	-	-	-	-
Changes in benefit terms	-	-	-	-	-
Effect of economic/demographic gains or (losses)	-	-	-	-	-
Effect of assumption changes or inputs	-	-	-	-	-
Expected benefit payments	-	-	-	-	-
Net change in total OPEB liability	-	-	-	-	-
Total OPEB liability, beginning	-	-	-	-	-
Total OPEB liability, ending	169,403	-	-	-	-
Covered-employee payroll	-	-	-	-	-
Total OPEB liability as a % of covered-employee payroll	-	-	-	-	-

Other Post Employment Benefit Plan (OPEB)
Schedule of Changes in Total OPEB Liability and Related Ratios
LEOFF 2
Last 10 Years*
(dollars expressed in thousands)

	Measurement Period Ended December 31				
	2023	2022	2021	2020	2019
Total OPEB Liability					
Service cost	\$ 687	\$ 863	\$ 800	\$ 637	\$ 571
Interest on total OPEB liability	600	348	293	301	463
Changes in benefit terms	-	-	-	-	-
Effect of economic/demographic gains or (losses)	(1,390)	-	3,812	1,506	-
Effect of assumption changes or inputs	2,147	(977)	(30)	1,253	(577)
Expected benefit payments	(1,457)	(1,513)	(1,159)	(881)	(790)
Net change in total OPEB liability	586	(1,279)	3,716	2,816	(333)
Total OPEB liability, beginning	16,033	17,311	13,596	10,780	11,113
Total OPEB liability, ending	16,619	16,033	17,311	13,596	10,780
 Covered-employee payroll	 \$ 129,032	 \$ 112,586	 \$ 107,293	 \$ 94,586	 \$ 91,575
Total OPEB liability as a % of covered-employee payroll	12.88%	14.24%	16.13%	14.37%	11.77%

	Measurement Period Ended December 31				
	2018	2017	2016	2015	2014
Total OPEB Liability					
Service cost	-	-	-	-	-
Interest on total OPEB liability	-	-	-	-	-
Changes in benefit terms	-	-	-	-	-
Effect of economic/demographic gains or (losses)	-	-	-	-	-
Effect of assumption changes or inputs	-	-	-	-	-
Expected benefit payments	-	-	-	-	-
Net change in total OPEB liability	-	-	-	-	-
Total OPEB liability, beginning	-	-	-	-	-
Total OPEB liability, ending	11,113	-	-	-	-
 Covered-employee payroll	 \$ 86,516	 -	 -	 -	 -
Total OPEB liability as a % of covered-employee payroll	12.85%	-	-	-	-

Other Post Employment Benefit Plan (OPEB)
Schedule of Changes in Total OPEB Liability and Related Ratios
Rail
Last 10 Years*
(dollars expressed in thousands)

	Measurement Period Ended December 31				
	2023	2022	2021	2020	2019
Total OPEB Liability					
Service cost	\$ 360	\$ 443	\$ 451	\$ 437	\$ 400
Interest on total OPEB liability	212	116	119	148	210
Changes in benefit terms	-	-	-	-	-
Effect of economic/demographic gains or (losses)	(1,117)	-	(125)	(518)	-
Effect of assumption changes or inputs	176	(495)	(192)	206	(256)
Expected benefit payments	(141)	(96)	(49)	(90)	(109)
Net change in total OPEB liability	(510)	(32)	205	183	245
Total OPEB liability, beginning	5,371	5,404	5,198	5,015	4,770
Total OPEB liability, ending	4,861	5,371	5,404	5,198	5,015
 Covered-employee payroll	 \$ 11,795	 \$ 11,438	 \$ 11,344	 \$ 11,720	 \$ 11,675
Total OPEB liability as a % of covered-employee payroll	41.21%	46.96%	47.63%	44.36%	42.96%

	Measurement Period Ended December 31				
	2018	2017	2016	2015	2014
Total OPEB Liability					
Service cost	-	-	-	-	-
Interest on total OPEB liability	-	-	-	-	-
Changes in benefit terms	-	-	-	-	-
Effect of economic/demographic gains or (losses)	-	-	-	-	-
Effect of assumption changes or inputs	-	-	-	-	-
Expected benefit payments	-	-	-	-	-
Net change in total OPEB liability	-	-	-	-	-
Total OPEB liability, beginning	-	-	-	-	-
Total OPEB liability, ending	4,770	-	-	-	-
 Covered-employee payroll	 \$ 11,202	 -	 -	 -	 -
Total OPEB liability as a % of covered-employee payroll	42.58%	-	-	-	-

Notes to Required Supplementary Information (RSI)

Note 1—Budgetary data

A. General budget policies

The biennial budget is adopted by appropriation ordinance of the Tacoma City Council and may be amended by subsequent ordinances. Biennial budgets are legally adopted for all other governmental fund types (special revenue, debt service, enterprise and internal service) and for the capital project funds, only two of the five capital project funds (3210 - REET and 3211- Special Capital Project Funds) are legally adopted. Biennial budgets are legally adopted for all other governmental fund types (special revenue, debt service, enterprise and internal service) and for the capital project funds, only two of the five capital project funds (3210 - REET and 3211- Special Capital Project Funds) are legally adopted. Any comparisons between budget and actual revenues and expenditures are reported under the GAAP basis. The budget is adopted with budgetary control at the fund level, so expenditures may not legally exceed appropriations at that level of detail. Transfers or revisions within funds are administratively allowed, but only City Council has the legal authority to increase or decrease a given funds biennial budget. While not required by law, the City adopts budgets for proprietary funds and some selected trust funds. These budgets are "management budgets" and as such, are not reported in the ACFR.

Although the City is not legally responsible for the Tacoma Community Redevelopment Authority (TCRA), the City has included certain financial information pertaining to TCRA. The City is not required to report the TCRA or the Greater Tacoma Regional Convention Center Public Facilities District (GTRCCPFD)'s budgets and therefore it is excluded from the budget and actual comparisons.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of moneys are recorded, is employed as an extension of formal budgetary control for governmental fund types. Encumbrances outstanding at December 31 are reported as restricted, committed, or assigned fund balances as defined by GASB 54. Encumbrances outstanding at the end of the biennium are re-appropriated at the beginning of the next biennium with budget's approval.

B. Budget basis of accounting

All budgets are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP).

C. The budget process

The budget process begins with the City Council making appropriate revisions to the City's long-term strategic plan, identifying goals, and setting priorities. In early June, the initial revenue forecast is completed by the Office of Management, Budget and Analysis (OMBA) and City departments and agencies begin budget preparation. Budget requests are due to OMBA in late July. OMBA reviews and revises budget requests in August. The revenue forecast is refined in early September and a preliminary budget is presented to the Executive Forum in early October. The preliminary budget is further refined during the month of October.

By Washington State law, the City Council must receive a balanced preliminary budget by November 1st. Public budget hearings are conducted by the City Council in mid-November. Any changes the Council decides to make to the preliminary budget are made after the public hearings and before the reading of the budget ordinance in December. Washington State law requires that the City Council adopt a balanced budget on or before December 31.

Washington State law requires that a mid-biennial review and modification be conducted between September 1 and December 31 of the first year of the biennium. Supplemental budget requests are accepted from departments during the month of August. Revenue estimates for the biennium are reviewed and adjusted in early September. The new revenue estimates and the supplemental requests are submitted to the Budget Committee and the Executive Forum in late September. Preliminary modifications are presented to the City Manager for review and changes in October. Modifications are submitted to the City Council in early November. Public hearings are conducted in November. The City Council adopts the amended biennial budget on or before December 31.

D. Funds presented

Budgetary information is displayed for all funds that are subject to the City's biennial budget process. The General Fund and Transportation Capital and Engineering Fund budgetary information is located in the Required

Supplementary Information section on pages 4-15. Non-major special revenue funds budgetary information is located in the Combining Statements Non-Major Funds section on pages 5-12 to 5-40.

Note 2 Pensions

Schedule of Changes in the Employer Net Pension Liability or Asset: The total pension liability contained in the schedule was provided by the System's actuary, Milliman. The net pension liability or asset is measured at the total pension liability, less the amount of System's fiduciary net position.

Schedule of Employer Contributions: The required employee contributions and percent of those contributions actually made are presented in the schedule.

Actuarial Assumptions: The information presented in the required supplementary schedules was used in the actuarial valuation for purposes of determining the actuarially determined contribution rate. The assumptions and methods used for this actuarial valuation were recommended by the actuary and adopted by the Board.

The police and firefighters pension funds are not within the scope of GASB 68 and are not administered through an irrevocable trust. They are required to be reported under the requirements of GASB 73. The assets accumulated for this purpose are recorded in the General Fund.

Note 3 Other Post-Employment Benefits (OPEB)

Schedule of Changes in the Total OPEB Liability and Related Ratios are presented above. The schedule was provided by the actuary. It includes a 10-year schedule of changes in the total OPEB liability as well as the total OPEB liability, covered-employee payroll and the total OPEB liability as a percentage of covered-employee payroll.

There are no assets accumulated in a trust that meets the criteria set forth in paragraph 4 of GASB 75 to pay related benefits.

The revised trends were reflected in the December 31, 2022 Total OPEB Liability. GASB 75 requires the discount rate used to measure the Total OPEB Liability to be a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The discount rate was 3.25% at the December 31, 2023 measurement date.

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended December 31, 2024
(amounts expressed in thousands)

	Budget Amounts		Actual Results 2023-2024 Biennium	Variance
	Original (GAAP Basis) 2023-2024 Biennium	Final Adopted (GAAP Basis) 2023-2024 Biennium		
REVENUES:				
Taxes:				
Property	\$ 135,539	\$ 135,539	\$ 136,363	\$ 824
Retail Sales & Use	147,100	169,309	165,289	(4,020)
Business	120,561	120,406	180,021	59,615
Excise	108,130	4,466	4,219	(247)
Other	5,121	3,065	4,070	1,005
Licenses and Permits	20,087	6,405	4,925	(1,480)
Intergovernmental	27,241	16,855	15,211	(1,644)
Charges for Services	7,185	17,393	20,294	2,901
Fines and Forfeitures	1,323	3,083	3,451	368
Investment Earnings	32	3,712	12,289	8,577
Miscellaneous	34,401	1,775	1,652	(123)
Total Revenues	<u>606,720</u>	<u>482,008</u>	<u>547,784</u>	<u>65,776</u>
EXPENDITURES:				
Current:				
General Government	75,751	80,748	62,528	(18,220)
Public Safety	358,463	379,692	378,573	(1,119)
Natural and Economic Environment	8,987	13,960	12,231	(1,729)
Social Service	39,694	39,008	33,695	(5,313)
Culture and Recreation	30,526	32,064	32,610	546
Debt Service	-	-	2,056	2,056
Capital Outlay	-	-	4,233	4,233
Total Expenditures	<u>513,421</u>	<u>545,472</u>	<u>525,926</u>	<u>(19,546)</u>
Excess (Deficiency) of Revenues OVER EXPENDITURES	<u>93,299</u>	<u>(63,464)</u>	<u>21,858</u>	<u>85,322</u>
OTHER FINANCING SOURCES (USES):				
Sales of Capital Assets	-	23	2,074	2,051
Insurance Recoveries	-	-	9	9
Capital Lease Revenue	-	-	1,506	1,506
Transfers In	-	143,315	96,992	(46,323)
Transfers Out	(101,754)	(101,754)	(104,781)	(3,027)
Total Other Financing Sources and Uses	<u>(101,754)</u>	<u>41,584</u>	<u>(4,200)</u>	<u>(45,784)</u>
Net Change in Fund Balances	<u>(8,455)</u>	<u>(21,880)</u>	<u>17,658</u>	<u>39,538</u>
Fund Balances - January 1	<u>8,455</u>	<u>21,880</u>	<u>108,255</u>	<u>86,375</u>
Prior Period Adjustment	-	-	494	494
Fund Balance - January 1, Restated	<u>8,455</u>	<u>21,880</u>	<u>108,749</u>	<u>86,869</u>
Fund Balances -December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 126,407</u>	<u>\$ 126,407</u>

Perspective Difference Reconciliation

ACTUAL FUND BALANCE - GENERAL FUND SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND
BALANCE

126,407

The following fund were budgeted as general fund or trust
fund but do not meet the definition of special revenue fund, or
trust and therefore are accounted for within the general fund

Contingency Fund	739
Deferred Compensation Fund	3
Police Pension Fund	81
Firefighter Pension Fund	262
Payroll Clearing Fund	22
TOTAL FUND BALANCE - GENERAL FUND	
BALANCE SHEET FOR GOVERNMENTAL FUNDS	<u>\$ 127,514</u>

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
TRANSPORTATION CAPITAL AND ENGINEERING

For the Year Ended December 31, 2024
(amounts expressed in thousands)

	Budget Amounts		Actual Results 2023-2024 Biennium	Variance
	Original (GAAP Basis) 2023-2024 Biennium	Final Adopted (GAAP Basis) 2023-2024 Biennium		
REVENUES:				
Intergovernmental	\$ -	\$ 36,315	\$ 15,853	\$ (20,462)
Charges for Services	-	445	550	105
Investment Earnings	-	100	328	228
Miscellaneous	17,495	-	-	-
Total Revenues	<u>17,495</u>	<u>36,860</u>	<u>16,731</u>	<u>(20,129)</u>
EXPENDITURES:				
Current:				
Transportation	600	15,272	10,207	(5,065)
Interest and Other Costs	-	-	107	107
Capital Outlay	16,895	56,406	31,078	(25,328)
Total Expenditures	<u>17,495</u>	<u>71,678</u>	<u>41,392</u>	<u>(30,286)</u>
Excess (Deficiency) of Revenues OVER EXPENDITURES	<u>-</u>	<u>(34,818)</u>	<u>(24,661)</u>	<u>10,157</u>
OTHER FINANCING SOURCES (USES):				
Issuance of Debt	-	4,844	3,445	(1,399)
Insurance Recoveries	-	-	826	826
Transfers In	-	29,248	20,829	(8,419)
Transfers Out	-	-	(187)	(187)
Total Other Financing Sources (Uses)	<u>-</u>	<u>34,092</u>	<u>24,913</u>	<u>(9,179)</u>
Net Change in Fund Balances	<u>-</u>	<u>(726)</u>	<u>252</u>	<u>978</u>
Fund Balances - January 1	-	-	6,523	6,523
Prior Period Adjustment	-	-	(8)	(8)
Fund Balance - January 1, Restated	<u>-</u>	<u>-</u>	<u>6,515</u>	<u>6,515</u>
Fund Balance -December 31	<u>\$ -</u>	<u>\$ (726)</u>	<u>\$ 6,767</u>	<u>\$ 7,493</u>



Non-Major Governmental Funds

The City of Tacoma has six types of Non-Major Governmental Funds.

Special Revenue Funds

Special Revenue funds account for specific revenues sources that are restricted for expenditure for a specific purpose. The City of Tacoma has 22 different special revenue funds. These funds include everything from the Fire Department Fund, to the Library Fund, to the Tourism Fund.

Debt Service Funds

Debt Service Funds accounts for the payment and accumulation of resources or both the principal and interest of long-term debt. The City of Tacoma has 7 different debt service funds.

Capital Project Funds

Capital Project Funds account for the financial resources used in acquisition or construction or major capital facilities. The City has 5 different capital project funds.

Enterprise Funds

Enterprise Funds are used when an in exchange of goods and/or services, a fee is charged. The City of Tacoma has 10 different enterprise funds which include the Performing Arts Fund and the Tacoma Dome Fund.

Internal Service Funds

Internal Service funds are used to report the financing of goods and/or services administered from one department to another department. These transactions follow a cost reimbursement basis and include funds such as the Worker's Compensation Fund, Health Benefits Trust Fund, as well as 14 other funds.

COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
December 31, 2024
(amounts expressed in thousands)

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Funds	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS				
Cash and Cash Equivalents	\$ 171,938	\$ 2,388	\$ 58,603	\$ 232,929
Investments	5,307	-	-	5,307
Accounts Receivables (Net)	25,725	16,346	708	42,779
Due From Other Funds	1	-	-	1
Due From Other Governmental Units	7,901	-	-	7,901
Notes and Contracts Receivable	1,269	-	-	1,269
Inventory	1,761	-	-	1,761
Prepaid Items	11	-	-	11
Total Assets	<u>213,913</u>	<u>18,734</u>	<u>59,311</u>	<u>291,958</u>
DEFERRED OUTFLOW OF RESOURCES				
	-	-	-	-
Total Assets and Deferred Outflows	<u>213,913</u>	<u>18,734</u>	<u>59,311</u>	<u>291,958</u>
LIABILITIES				
Accounts Payable	7,855	-	669	8,524
Customer Deposit	176	-	-	176
Note Payable	1,563	-	-	1,563
Due to Other Funds	336	-	-	336
Due to Other Governmental Units	46	-	-	46
Other Liabilities Payable	2,026	-	-	2,026
Unearned Revenue	50	-	-	50
Total Liabilities	<u>12,052</u>	<u>-</u>	<u>669</u>	<u>12,721</u>
DEFERRED INFLOW OF RESOURCES				
Unavailable Revenue	11,068	14,298	-	25,366
Total Deferred Inflow of Resources	<u>11,068</u>	<u>14,298</u>	<u>-</u>	<u>25,366</u>
FUND BALANCE				
Nonspendable	1,778	-	-	1,778
Restricted	95,029	4,436	53,751	153,216
Committed	41,734	-	4,891	46,625
Assigned	52,252	-	-	52,252
Total Fund Balance	<u>190,793</u>	<u>4,436</u>	<u>58,642</u>	<u>253,871</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ 213,913</u>	<u>\$ 18,734</u>	<u>\$ 59,311</u>	<u>\$ 291,958</u>

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENT FUNDS
For the Year Ended December 31, 2024
(amounts expressed in thousands)

	Total Nonmajor Special Revenue	Total Nonmajor Debt Service	Total Nonmajor Capital Projects	Total Nonmajor Governmental
REVENUES				
Taxes:				
Property	\$ 25,839	\$ 8	\$ -	\$ 25,847
Retail Sales & Use	36,321	-	500	36,821
Business	24,951	-	-	24,951
Excise	2,901	-	9,648	12,549
Licenses and permits	542	-	-	542
Intergovernmental	43,118	-	1,937	45,055
Charges for Services	15,028	-	-	15,028
Fines and Penalties	3,206	646	-	3,852
Investment Earnings	8,369	186	2,539	11,094
Miscellaneous	4,517	275	338	5,130
Total Revenues	<u>164,792</u>	<u>1,115</u>	<u>14,962</u>	<u>180,869</u>
EXPENDITURES				
Current:				
General Government	728	-	445	1,173
Public Safety	52,090	-	79	52,169
Transportation	53,848	-	-	53,848
Natural and Economic Environment	20,257	-	-	20,257
Social Services	9,199	-	2	9,201
Culture and Recreation	7,671	-	1,294	8,965
Debt Service:				
Principal	64	12,515	-	12,579
Interest	27	3,742	-	3,769
Capital Outlay	9,078	-	10,861	19,939
Total Expenditures	<u>152,962</u>	<u>16,257</u>	<u>12,681</u>	<u>181,900</u>
Excess (Deficiency) of Revenues OVER EXPENDITURES	<u>11,830</u>	<u>(15,142)</u>	<u>2,281</u>	<u>(1,031)</u>
OTHER FINANCING SOURCES (USES)				
Insurance Recoveries	3	-	-	3
Lease Revenue	115	-	-	115
Transfers In	35,211	13,132	11,546	59,889
Transfers Out	(68,946)	(26)	(15,336)	(84,308)
Total Other Financing Sources (Uses)	<u>(33,617)</u>	<u>13,106</u>	<u>(3,790)</u>	<u>(24,301)</u>
Net Change in Fund Balance	<u>(21,787)</u>	<u>(2,036)</u>	<u>(1,509)</u>	<u>(25,332)</u>
Fund Balance - Beginning	212,256	6,237	60,151	278,644
Error Correction	324	235	-	559
Fund Balance - Beginning, Restated	<u>212,580</u>	<u>6,472</u>	<u>60,151</u>	<u>279,203</u>
Fund Balance - Ending	<u>\$ 190,793</u>	<u>\$ 4,436</u>	<u>\$ 58,642</u>	<u>\$ 253,871</u>

Non-Major Special Revenue Funds

Special Revenue funds accounts for specific revenue sources that are restricted for expenditures for a specific purpose. The City of Tacoma has 22 different special revenue funds and 3 managerial funds. These funds include everything from the Fire Department Fund to the Library Fund, to the Tourism Fund.

Court Special Revenue Fund (#1020)

Accounts for funding from Direct WA State Administrative Office of the Courts restricted for court improvements for reimbursement for Judges Salaries, non-capital improvements, and capital improvements.

Contingency Fund (#1030)

Accounts for Council approved projects. This fund is rolled into the General Fund for reporting but budgeted separately.

Transportation Revenue Fund (#1050)

Accounts for Motor vehicle Fuel tax revenues.

Public Works Street Fund (#1065)

Accounts for maintenance of City streets.

Transportation Benefit District (#1070)

Accounts for revenues and disbursement to the City of funds collected within the Transportation Benefit District. These funds are transferred to the Public Works Street fund for the maintenance of City streets.

Streets Initiative Fund (#1085)

Accounts for resources collected from Propositions 3 & A and expenditures for street repairs identified in the Infrastructure Maintenance Plan.

Fire Department Fund (#1090)

Accounts for expenditures related to the specific revenues or grants for fire services.

Property Management/Street Vacation Fund (#1100)

Accounts for costs associated with Public Works Facilities and Street Rights-of-way.

Local Improvement Guarantee Fund (#1110)

Provides for the guarantee of Local Improvement Bond obligations.

Public Works Paths and Trails Fund (#1140)

Was created for the purpose of creating and maintaining paths and trails within the City of Tacoma.

Building and Land Use Services Fund (#1145)

Was created for the purpose of managing code violations and preserving historical buildings.

Fire Department EMS Fund (#1155)

Accounts for costs associated with the emergency management.

Tourism Fund (#1180)

Was created to promote use of the convention center and to promote tourism for the City.

Neighborhood and Community Service Fund (#1185)

Accounts for neighborhood and community services to protect human rights and provide services to improve neighborhoods and households.

Community and Economic Development Fund (#1195)

Was created to promote economic development for the City.

Library Fund (#1200)

Accounts for costs associated with the operations of the Library system.

Historically Underutilized Business (HUB) Fund (#1236)

Accounts for activities which provide opportunities to qualified small businesses doing business within the City.

Police Fund (#1267)

Accounts for cost related to specific special revenues or grants for police services.

Municipal Cable Fund (#1431)

Supports the accounting for TV Tacoma, the City's television station.

Local Employment Apprenticeship Program Fund (#1500)

Accounts for activities for the Local Employment Apprenticeship Program.

Traffic Enforcement, Engineering, and Education Fund (#1650)

Manages the "red light" traffic camera program.

American Rescue Plan Act Fund (#1700)

Accounts for the grant awards from the Department of Treasury and related expenditures.

Deferred Compensation Trust (#6050)

Accounts for voluntary contribution from City of Tacoma employees towards retirement plan. This fund is rolled into the General Fund for reporting but budgeted separately.

Relief & Pension Police (#6120)

Account for management of pre-LEOFF pension plan administered by the City for police officers employed before March 1, 1970, the effective date of LEOFF. This fund is rolled into the General Fund for reporting but budgeted separately.

Relief & Pension Firefighters (#6150)

Account for management of pre-LEOFF pension plan administered by the City for Firefighters employed before March 1, 1970, the effective date of LEOFF. This fund is rolled into the General Fund for reporting but budgeted separately.

**COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS**

December 31, 2024

(amounts expressed in thousands)

Page 1 of 6

	Courts Special Revenue # 1020	Transportation Revenue # 1050	Public Works Street # 1065	Transportation Benefit District # 1070
ASSETS				
Cash and Cash Equivalents	\$ 577	\$ 5,546	\$ 10,137	\$ 4,680
Investments	-	-	-	-
Accounts Receivables (Net)	-	-	1,222	1,786
Due From Other Funds	-	-	-	-
Notes and Contracts Receivable				
Due From Other Governmental Units	57	597	-	-
Inventory	-	-	1,761	-
Prepaid Items	-	-	-	-
Total Assets	<u>634</u>	<u>6,143</u>	<u>13,120</u>	<u>6,466</u>
DEFERRED OUTFLOW OF RESOURCES				
	-	-	-	-
Total Assets and Deferred Outflows	<u>634</u>	<u>6,143</u>	<u>13,120</u>	<u>6,466</u>
LIABILITIES				
Accounts Payable	373	-	1,356	-
Customer Deposit	-	-	-	-
Note Payable				
Due to Other Funds	-	-	-	-
Due to Other Governmental Units	-	-	-	-
Other Liabilities Payable	12	-	792	-
Unearned Revenue	14	-	-	-
Total Liabilities	<u>399</u>	<u>-</u>	<u>2,148</u>	<u>-</u>
DEFERRED INFLOW OF RESOURCES				
Unavailable Revenue	-	-	-	-
Total Deferred Inflow of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE				
Nonspendable	-	-	1,761	-
Restricted	200	5,336	-	6,466
Committed		507	-	-
Assigned	35	300	9,211	-
Total Fund Balance	<u>235</u>	<u>6,143</u>	<u>10,972</u>	<u>6,466</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ 634</u>	<u>\$ 6,143</u>	<u>\$ 13,120</u>	<u>\$ 6,466</u>

**COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS**

December 31, 2024
(amounts expressed in thousands)
Page 2 of 6

	Streets Initiative # 1085	Fire Department # 1090	Property Management Street Vacation # 1100	Local Improvement Guarantee # 1110
ASSETS				
Cash and Cash Equivalents	\$ 42,459	\$ 2,593	\$ 4,910	\$ 380
Investments	-	-	-	5,307
Accounts Receivables (Net)	1,008	191	-	-
Due From Other Funds	-	-	-	-
Notes and Contracts Receivable				
Due From Other Governmental Units	24	373	-	-
Inventory	-	-	-	-
Prepaid Items	-	-	-	-
Total Assets	<u>43,491</u>	<u>3,157</u>	<u>4,910</u>	<u>5,687</u>
DEFERRED OUTFLOW OF RESOURCES				
	-	-	-	-
Total Assets and Deferred Outflows	<u>43,491</u>	<u>3,157</u>	<u>4,910</u>	<u>5,687</u>
LIABILITIES				
Accounts Payable	856	10	-	-
Customer Deposit	-	-	125	-
Note Payable				
Due to Other Funds	-	-	-	-
Due to Other Governmental Units	-	-	-	-
Other Liabilities Payable	127	6	-	-
Unearned Revenue	-	-	-	-
Total Liabilities	<u>983</u>	<u>16</u>	<u>125</u>	<u>-</u>
DEFERRED INFLOW OF RESOURCES				
Unavailable Revenue	102	103	-	695
Total Deferred Inflow of Resources	<u>102</u>	<u>103</u>	<u>-</u>	<u>695</u>
FUND BALANCE				
Nonspendable	-	-	-	-
Restricted	-	1,582	1,441	4,992
Committed	29,947	1,462	2,677	-
Assigned	12,459	(6)	667	-
Total Fund Balance	<u>42,406</u>	<u>3,038</u>	<u>4,785</u>	<u>4,992</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ 43,491</u>	<u>\$ 3,157</u>	<u>\$ 4,910</u>	<u>\$ 5,687</u>

COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS
December 31, 2024
(amounts expressed in thousands)
Page 3 of 6

	Public Works Paths & Trails # 1140	Building & Land Use Services # 1145	Fire Department EMS # 1155	Tourism # 1180
ASSETS				
Cash and Cash Equivalents	\$ 2	\$ 1,056	\$ 18,069	\$ 6,383
Investments	-	-	-	-
Accounts Receivables (Net)	-	1,595	2,116	810
Due From Other Funds	-	-	-	-
Notes and Contracts Receivable				
Due From Other Governmental Units	1,598	-	-	-
Inventory	-	-	-	-
Prepaid Items	-	-	-	-
Total Assets	<u>1,600</u>	<u>2,651</u>	<u>20,185</u>	<u>7,193</u>
DEFERRED OUTFLOW OF RESOURCES				
	-	-	-	-
Total Assets and Deferred Outflows	<u>1,600</u>	<u>2,651</u>	<u>20,185</u>	<u>7,193</u>
LIABILITIES				
Accounts Payable	801	26	359	-
Customer Deposit	-	-	-	-
Note Payable				
Due to Other Funds	-	-	-	-
Due to Other Governmental Units	-	-	-	-
Other Liabilities Payable	-	-	885	-
Unearned Revenue	-	-	-	-
Total Liabilities	<u>801</u>	<u>26</u>	<u>1,244</u>	<u>-</u>
DEFERRED INFLOW OF RESOURCES				
Unavailable Revenue	-	-	400	-
Total Deferred Inflow of Resources	<u>-</u>	<u>-</u>	<u>400</u>	<u>-</u>
FUND BALANCE				
Nonspendable	-	-	-	-
Restricted	-	-	8,341	7,193
Committed	428		-	-
Assigned	371	2,625	10,200	-
Total Fund Balance	<u>799</u>	<u>2,625</u>	<u>18,541</u>	<u>7,193</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ 1,600</u>	<u>\$ 2,651</u>	<u>\$ 20,185</u>	<u>\$ 7,193</u>

**COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS**

December 31, 2024

(amounts expressed in thousands)

Page 4 of 6

	Neighborhood & Community Services # 1185	Community & Economic Development # 1195	Library # 1200	Historically Underutilized Business # 1236
ASSETS				
Cash and Cash Equivalents	\$ 11,971	\$ 45,171	\$ 7,192	\$ 129
Investments	-	-	-	-
Accounts Receivables (Net)	11,443	4,965	-	-
Due From Other Funds	-	-	-	-
Notes and Contracts Receivable		1,269		
Due From Other Governmental Units	168	4,910		-
Inventory	-	-	-	-
Prepaid Items	-	11	-	-
Total Assets	<u>23,582</u>	<u>56,326</u>	<u>7,192</u>	<u>129</u>
DEFERRED OUTFLOW OF RESOURCES				
	-	-	-	-
Total Assets and Deferred Outflows	<u>23,582</u>	<u>56,326</u>	<u>7,192</u>	<u>129</u>
LIABILITIES				
Accounts Payable	1,040	2,778		13
Customer Deposit	1	-	-	-
Note Payable		1,563		
Due to Other Funds	-	-	-	-
Due to Other Governmental Units	46	-	-	-
Other Liabilities Payable	102	28	5	12
Unearned Revenue	-	21		-
Total Liabilities	<u>1,189</u>	<u>4,390</u>	<u>5</u>	<u>25</u>
DEFERRED INFLOW OF RESOURCES				
Unavailable Revenue	9,768	-	-	-
Total Deferred Inflow of Resources	<u>9,768</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE				
Nonspendable	-	-	17	-
Restricted	10,009	41,205	435	-
Committed	2,232	916	3,555	-
Assigned	384	9,815	3,180	104
Total Fund Balance	<u>12,625</u>	<u>51,936</u>	<u>7,187</u>	<u>104</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ 23,582</u>	<u>\$ 56,326</u>	<u>\$ 7,192</u>	<u>\$ 129</u>

COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS

December 31, 2024

(amounts expressed in thousands)

Page 5 of 6

	Police Special Revenue # 1267	Municipal Cable # 1431	LEAP # 1500	Traffic Enforce Engineering & Education # 1650
ASSETS				
Cash and Cash Equivalents	\$ 1,907	\$ 6,874	\$ 221	\$ 1,645
Investments	-	-	-	-
Accounts Receivables (Net)	20	68	4	497
Due From Other Funds	1	-	-	-
Notes and Contracts Receivable				
Due From Other Governmental Units	149	-	25	-
Inventory	-	-	-	-
Prepaid Items	-	-	-	-
Total Assets	<u>2,077</u>	<u>6,942</u>	<u>250</u>	<u>2,142</u>
DEFERRED OUTFLOW OF RESOURCES				
	-	-	-	-
Total Assets and Deferred Outflows	<u>2,077</u>	<u>6,942</u>	<u>250</u>	<u>2,142</u>
LIABILITIES				
Accounts Payable	50	108	4	73
Customer Deposit	-	50	-	-
Note Payable				
Due to Other Funds	336	-	-	-
Due to Other Governmental Units	-	-	-	-
Other Liabilities Payable	-	-	5	52
Unearned Revenue	15	-	-	-
Total Liabilities	<u>401</u>	<u>158</u>	<u>9</u>	<u>125</u>
DEFERRED INFLOW OF RESOURCES				
Unavailable Revenue	-	-	-	-
Total Deferred Inflow of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE				
Nonspendable	-	-	-	-
Restricted	1,027	6,774	-	-
Committed	-	10	-	-
Assigned	649	-	241	2,017
Total Fund Balance	<u>1,676</u>	<u>6,784</u>	<u>241</u>	<u>2,017</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ 2,077</u>	<u>\$ 6,942</u>	<u>\$ 250</u>	<u>\$ 2,142</u>

COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS
December 31, 2024
(amounts expressed in thousands)
Page 6 of 6

	American Rescue Plan Act # 1700	Total Nonmajor Special Revenue Funds
ASSETS		
Cash and Cash Equivalents	\$ 36	\$ 171,938
Investments	-	5,307
Accounts Receivables (Net)	-	25,725
Due From Other Funds	-	1
Notes and Contracts Receivable		1,269
Due From Other Governmental Units	-	7,901
Inventory	-	1,761
Prepaid Items	-	11
Total Assets	<u>36</u>	<u>213,913</u>
DEFERRED OUTFLOW OF RESOURCES		
	-	-
Total Assets and Deferred Outflows	<u>36</u>	<u>213,913</u>
LIABILITIES		
Accounts Payable	8	7,855
Customer Deposit	-	176
Note Payable		1,563
Due to Other Funds	-	336
Due to Other Governmental Units	-	46
Other Liabilities Payable	-	2,026
Unearned Revenue	-	50
Total Liabilities	<u>8</u>	<u>12,052</u>
DEFERRED INFLOW OF RESOURCES		
Unavailable Revenue	-	11,068
Total Deferred Inflow of Resources	<u>-</u>	<u>11,068</u>
FUND BALANCE		
Nonspendable	-	1,778
Restricted	28	95,029
Committed	-	41,734
Assigned	-	52,252
Total Fund Balance	<u>28</u>	<u>190,793</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ 36</u>	<u>\$ 213,913</u>

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR SPECIAL REVENUE FUNDS

For the Year Ended December 31, 2024

(amounts expressed in thousands)

Page 1 of 6

	Courts Special Revenue # 1020	Transportation Revenue # 1050	Public Works Street # 1065	Transportation Benefit District # 1070
REVENUES				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Retail Sales & Use	-	-	-	7,448
Business	-	-	9,315	-
Excise	-	-	-	2,901
License and Permits	-	66	-	-
Intergovernmental	412	4,231	-	-
Charges for Services	-	-	1,039	-
Fines and penalties	1	1	-	-
Investment Earnings	-	258	537	32
Miscellaneous	-	300	12	-
Total Revenues	<u>413</u>	<u>4,856</u>	<u>10,903</u>	<u>10,381</u>
EXPENDITURES				
Current:				
General Government	429	-	-	-
Public Safety	-	-	-	-
Transportation	-	11	32,214	12
Natural and Economic Environment	-	-	-	-
Social Services	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital Outlay	-	-	9	-
Total Expenditures	<u>429</u>	<u>11</u>	<u>32,223</u>	<u>12</u>
Excess (Deficiency) of Revenues				
OVER EXPENDITURES	<u>(16)</u>	<u>4,845</u>	<u>(21,320)</u>	<u>10,369</u>
OTHER FINANCING SOURCES (USES)				
Insurance Recoveries	-	-	1	-
Right-of-use proceeds	-	-	-	-
Transfers In	-	-	20,173	-
Transfers Out	-	(5,435)	(4,873)	(10,725)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(5,435)</u>	<u>15,301</u>	<u>(10,725)</u>
Net Change in Fund Balance	<u>(16)</u>	<u>(590)</u>	<u>(6,019)</u>	<u>(356)</u>
Fund Balance - Beginning	251	6,733	16,997	6,822
Error Correction	-	-	(6)	-
Fund Balance - Beginning, Restated	251	6,733	16,991	6,822
Fund Balance - Ending	<u>\$ 235</u>	<u>\$ 6,143</u>	<u>\$ 10,972</u>	<u>\$ 6,466</u>

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR SPECIAL REVENUE FUNDS

For the Year Ended December 31, 2024

(amounts expressed in thousands)

Page 2 of 6

	Streets Initiative # 1085	Fire Department # 1090	Property Management Street Vacation # 1100	Local Improvement Guarantee # 1110
REVENUES				
Taxes:				
Property	\$ 4,684	\$ -	\$ -	\$ -
Retail Sales & Use	152	-	-	-
Business	9,682	-	-	-
Excise	-	-	-	-
License and Permits	-	-	56	-
Intergovernmental	24	977	-	-
Charges for Services	-	341	-	-
Fines and penalties	-	-	-	-
Investment Earnings	1,947	122	177	196
Miscellaneous	-	1	-	-
Total Revenues	<u>16,489</u>	<u>1,441</u>	<u>233</u>	<u>196</u>
EXPENDITURES				
Current:				
General Government	-	-	58	17
Public Safety	-	893	-	-
Transportation	21,611	-	-	-
Natural and Economic Environment	-	-	-	-
Social Services	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital Outlay	-	116	-	-
Total Expenditures	<u>21,611</u>	<u>1,009</u>	<u>58</u>	<u>17</u>
Excess (Deficiency) of Revenues				
OVER EXPENDITURES	<u>(5,122)</u>	<u>432</u>	<u>175</u>	<u>179</u>
OTHER FINANCING SOURCES (USES)				
Insurance Recoveries	2	-	-	-
Right-of-use proceeds	-	115	-	-
Transfers In	10,659	-	-	25
Transfers Out	(7,728)	(69)	(336)	-
Total Other Financing Sources (Uses)	<u>2,933</u>	<u>46</u>	<u>(336)</u>	<u>25</u>
Net Change in Fund Balance	<u>(2,189)</u>	<u>478</u>	<u>(161)</u>	<u>204</u>
Fund Balance - Beginning	44,277	2,561	4,946	4,788
Error Correction	318	(1)	-	-
Fund Balance - Beginning, Restated	44,595	2,560	4,946	4,788
Fund Balance - Ending	<u>\$ 42,406</u>	<u>\$ 3,038</u>	<u>\$ 4,785</u>	<u>\$ 4,992</u>

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR SPECIAL REVENUE FUNDS

For the Year Ended December 31, 2024

(amounts expressed in thousands)

Page 3 of 6

	Public Works Paths & Trails # 1140	Building & Land Use Services # 1145	Fire Department EMS # 1155	Tourism # 1180
REVENUES				
Taxes:				
Property	\$ -	\$ -	\$ 21,155	\$ -
Retail Sales & Use	-	-	-	5,365
Business	-	-	-	-
Excise	-	-	-	-
License and Permits	-	-	-	-
Intergovernmental	6,479	-	13,489	-
Charges for Services	-	64	9,967	-
Fines and penalties	-	47	1	-
Investment Earnings	-	66	676	241
Miscellaneous	-	-	-	-
Total Revenues	<u>6,479</u>	<u>177</u>	<u>45,288</u>	<u>5,606</u>
EXPENDITURES				
Current:				
General Government	9	-	-	-
Public Safety	-	320	43,749	-
Transportation	-	-	-	-
Natural and Economic Environment	-	-	-	-
Social Services	-	-	-	-
Culture and Recreation	-	-	-	1
Debt Service:				
Principal	-	-	8	-
Interest	-	-	-	-
Capital Outlay	8,013	-	206	-
Total Expenditures	<u>8,022</u>	<u>320</u>	<u>43,963</u>	<u>1</u>
Excess (Deficiency) of Revenues				
OVER EXPENDITURES	<u>(1,543)</u>	<u>(143)</u>	<u>1,325</u>	<u>5,605</u>
OTHER FINANCING SOURCES (USES)				
Insurance Recoveries	-	-	-	-
Right-of-use proceeds	-	-	-	-
Transfers In	1,971	-	152	-
Transfers Out	-	-	(3,248)	(4,315)
Total Other Financing Sources (Uses)	<u>1,971</u>	<u>-</u>	<u>(3,096)</u>	<u>(4,315)</u>
Net Change in Fund Balance	<u>428</u>	<u>(143)</u>	<u>(1,771)</u>	<u>1,290</u>
Fund Balance - Beginning	371	2,768	20,273	5,903
Error Correction	-	-	39	-
Fund Balance - Beginning, Restated	<u>371</u>	<u>2,768</u>	<u>20,312</u>	<u>5,903</u>
Fund Balance - Ending	<u>\$ 799</u>	<u>\$ 2,625</u>	<u>\$ 18,541</u>	<u>\$ 7,193</u>

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR SPECIAL REVENUE FUNDS

For the Year Ended December 31, 2024

(amounts expressed in thousands)

Page 4 of 6

	Neighborhood & Community Services # 1185	Community & Economic Development # 1195	Library # 1200	Historically Underutilized Business # 1236
REVENUES				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Retail Sales & Use	7,449	15,907	-	-
Business	5,954	-	-	-
Excise	-	-	-	-
License and Permits	-	-	-	-
Intergovernmental	8,335	8,708	13	-
Charges for Services	151	2,340	2	742
Fines and penalties	-	-	-	-
Investment Earnings	469	2,086	356	-
Miscellaneous	4,103	5	59	-
Total Revenues	<u>26,461</u>	<u>29,046</u>	<u>430</u>	<u>742</u>
EXPENDITURES				
Current:				
General Government	-	1	-	-
Public Safety	668	1,651	-	-
Transportation	-	-	-	-
Natural and Economic Environment	4,832	14,507	-	742
Social Services	9,199	-	-	-
Culture and Recreation	-	7,178	492	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital Outlay	298	-	46	-
Total Expenditures	<u>14,997</u>	<u>23,337</u>	<u>538</u>	<u>742</u>
Excess (Deficiency) of Revenues				
OVER EXPENDITURES	<u>11,464</u>	<u>5,709</u>	<u>(108)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Insurance Recoveries	-	-	-	-
Right-of-use proceeds	-	-	-	-
Transfers In	50	2,174	7	-
Transfers Out	(7,678)	-	(854)	-
Total Other Financing Sources (Uses)	<u>(7,628)</u>	<u>2,174</u>	<u>(847)</u>	<u>-</u>
Net Change in Fund Balance	<u>3,836</u>	<u>7,883</u>	<u>(955)</u>	<u>-</u>
Fund Balance - Beginning	8,828	44,027	8,142	104
Error Correction	(39)	26	-	-
Fund Balance - Beginning, Restated	8,789	44,053	8,142	104
Fund Balance - Ending	<u>\$ 12,625</u>	<u>\$ 51,936</u>	<u>\$ 7,187</u>	<u>\$ 104</u>

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR SPECIAL REVENUE FUNDS

For the Year Ended December 31, 2024

(amounts expressed in thousands)

Page 5 of 6

	Police Special Revenue # 1267	Municipal Cable # 1431	LEAP # 1500	Traffic Enforce Engineering & Education # 1650
REVENUES				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Retail Sales & Use	-	-	-	-
Business	-	-	-	-
Excise	-	-	-	-
License and Permits	-	420	-	-
Intergovernmental	421	-	29	-
Charges for Services	162	58	162	-
Fines and penalties	318	-	-	2,838
Investment Earnings	93	283	13	56
Miscellaneous	37	-	-	-
Total Revenues	<u>1,031</u>	<u>761</u>	<u>204</u>	<u>2,894</u>
EXPENDITURES				
Current:				
General Government	-	214	-	-
Public Safety	1,253	-	-	3,031
Transportation	-	-	-	-
Natural and Economic Environment	-	-	176	-
Social Services	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	28	28
Interest	-	-	-	27
Capital Outlay	390	-	-	-
Total Expenditures	<u>1,643</u>	<u>214</u>	<u>204</u>	<u>3,086</u>
Excess (Deficiency) of Revenues				
OVER EXPENDITURES	<u>(612)</u>	<u>547</u>	<u>-</u>	<u>(192)</u>
OTHER FINANCING SOURCES (USES)				
Insurance Recoveries	-	-	-	-
Right-of-use proceeds	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>(612)</u>	<u>547</u>	<u>-</u>	<u>(192)</u>
Fund Balance - Beginning	2,301	6,237	241	2,209
Error Correction	(13)	-	-	-
Fund Balance - Beginning, Restated	<u>2,288</u>	<u>6,237</u>	<u>241</u>	<u>2,209</u>
Fund Balance - Ending	<u>\$ 1,676</u>	<u>\$ 6,784</u>	<u>\$ 241</u>	<u>\$ 2,017</u>

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR SPECIAL REVENUE FUNDS

For the Year Ended December 31, 2024

(amounts expressed in thousands)

Page 6 of 6

	American Rescue Plan Act # 1700	Total Nonmajor Special Revenue Funds
REVENUES		
Taxes:		
Property	\$ -	\$ 25,839
Retail Sales & Use	-	36,321
Business	-	24,951
Excise	-	2,901
License and Permits	-	542
Intergovernmental		43,118
Charges for Services	-	15,028
Fines and penalties	-	3,206
Investment Earnings	761	8,369
Miscellaneous	-	4,517
Total Revenues	761	164,792
EXPENDITURES		
Current:		
General Government	-	728
Public Safety	525	52,090
Transportation	-	53,848
Natural and Economic Environment	-	20,257
Social Services	-	9,199
Culture and Recreation	-	7,671
Debt Service:		
Principal	-	64
Interest	-	27
Capital Outlay	-	9,078
Total Expenditures	525	152,962
Excess (Deficiency) of Revenues		
OVER EXPENDITURES	236	11,830
OTHER FINANCING SOURCES (USES)		
Insurance Recoveries	-	3
Right-of-use proceeds	-	115
Transfers In	-	35,211
Transfers Out	(23,685)	(68,946)
Total Other Financing Sources (Uses)	(23,685)	(33,617)
Net Change in Fund Balance	(23,449)	(21,787)
Fund Balance - Beginning	23,477	212,256
Error Correction	-	324
Fund Balance - Beginning, Restated	23,477	212,580
Fund Balance - Ending	\$ 28	\$ 190,793

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
COURTS SPECIAL REVENUE FUND

For the Year Ended December 31, 2024
(amounts expressed in thousands)

	Budget Amounts		Actual Results 2023-2024 Biennium	Variance
	Original (GAAP Basis) 2023-2024 Biennium	Final Adopted (GAAP Basis) 2023-2024 Biennium		
REVENUES:				
Intergovernmental	\$ 136	\$ 136	\$ 835	\$ 699
Fines and Penalties	-	-	2	2
Total Revenues	<u>136</u>	<u>136</u>	<u>837</u>	<u>701</u>
EXPENDITURES:				
Current:				
General Government	147	1,147	831	(316)
Total Expenditures	<u>147</u>	<u>1,147</u>	<u>831</u>	<u>(316)</u>
Excess (Deficiency) of Revenues OVER EXPENDITURES	<u>(11)</u>	<u>(1,011)</u>	<u>6</u>	<u>1,017</u>
OTHER FINANCING SOURCES (USES):				
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(11)	(1,011)	6	1,017
Fund Balances - January 1	11	1,011	229	(782)
Fund Balance -December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 235</u>	<u>\$ 235</u>

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
COUNCIL CONTINGENCY FUND

For the Year Ended December 31, 2024
(amounts expressed in thousands)

	Budget Amounts		Actual Results 2023-2024 Biennium	Variance
	Original (GAAP Basis) 2023-2024 Biennium	Final Adopted (GAAP Basis) 2023-2024 Biennium		
REVENUES:				
Investment Earnings	\$ -	\$ -	\$ 72	\$ 72
Total Revenues	<u>-</u>	<u>-</u>	<u>72</u>	<u>72</u>
EXPENDITURES:				
Current:				
General Government	500	669	464	(205)
Total Expenditures	<u>500</u>	<u>669</u>	<u>464</u>	<u>(205)</u>
Excess (Deficiency) of Revenues OVER EXPENDITURES	<u>(500)</u>	<u>(669)</u>	<u>(392)</u>	<u>277</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	500	500	364	(136)
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>500</u>	<u>500</u>	<u>364</u>	<u>(136)</u>
Net Change in Fund Balances	<u>-</u>	<u>(169)</u>	<u>(28)</u>	<u>141</u>
Fund Balances - January 1	-	169	773	604
Error Correction	-	-	(6)	(6)
Fund Balance - January 1, Restated	-	-	767	767
Fund Balance -December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 739</u>	<u>\$ 739</u>

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
TRANSPORTATION SPECIAL REVENUE FUND
For the Year Ended December 31, 2024
(amounts expressed in thousands)

	Budget Amounts		Actual Results 2023-2024 Biennium	Variance
	Original (GAAP Basis) 2023-2024 Biennium	Final Adopted (GAAP Basis) 2023-2024 Biennium		
REVENUES:				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	200	200	138	(62)
Intergovernmental	8,896	8,896	8,606	(290)
Charges for Services	-	-	85	85
Fines and penalties	-	-	1	1
Investment Earnings	73	73	542	469
Miscellaneous	-	-	300	300
Total Revenues	<u>9,169</u>	<u>9,169</u>	<u>9,672</u>	<u>503</u>
EXPENDITURES:				
Current:				
Transportation	<u>224</u>	<u>133</u>	<u>18</u>	<u>(115)</u>
Total Expenditures	<u>224</u>	<u>133</u>	<u>18</u>	<u>(115)</u>
Excess (Deficiency) of Revenues OVER EXPENDITURES	<u>8,945</u>	<u>9,036</u>	<u>9,654</u>	<u>618</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	-	-	28	28
Transfers Out	<u>(8,739)</u>	<u>(9,957)</u>	<u>(9,933)</u>	<u>24</u>
Total Other Financing sources and Uses	<u>(8,739)</u>	<u>(9,957)</u>	<u>(9,905)</u>	<u>52</u>
Net Change in fund Balances	<u>206</u>	<u>(921)</u>	<u>(251)</u>	<u>670</u>
Fund Balances - January 1	-	932	6,394	5,462
Error Correction	-	-	-	-
Fund Balance - January 1, Restated	-	-	6,394	-
Fund Balance -December 31	<u>\$ 206</u>	<u>\$ 11</u>	<u>\$ 6,143</u>	<u>\$ 6,132</u>

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
PUBLIC WORKS STREET SPECIAL REVENUE FUND
For the Year Ended December 31, 2024
(amounts expressed in thousands)

	Budget Amounts		Actual Results 2023-2024 Biennium	Variance
	Original (GAAP Basis) 2023-2024 Biennium	Final Adopted (GAAP Basis) 2023-2024 Biennium		
REVENUES:				
Taxes:				
Business	\$ 2,405	\$ 9,755	\$ 10,491	\$ 736
Charges for Services	804	1,059	1,946	887
Investment Earnings	-	255	1,030	775
Miscellaneous	-	23	71	48
Total Revenues	<u>3,209</u>	<u>11,092</u>	<u>13,538</u>	<u>2,446</u>
EXPENDITURES:				
Current:				
Transportation	63,489	65,822	58,274	(7,548)
Capital Outlay	-	-	9	9
Total Expenditures	<u>63,489</u>	<u>65,822</u>	<u>58,283</u>	<u>(7,539)</u>
Excess (Deficiency) of Revenues OVER EXPENDITURES	<u>(60,280)</u>	<u>(54,730)</u>	<u>(44,745)</u>	<u>9,985</u>
OTHER FINANCING SOURCES (USES):				
Sales of Capital Assets	-	-	28	28
Insurance Recoveries	-	-	1	1
Transfers In	55,774	48,118	49,409	1,291
Transfers Out	(240)	(1,866)	(5,379)	(3,513)
Total Other Financing Sources (Uses)	<u>55,534</u>	<u>46,252</u>	<u>44,059</u>	<u>(2,193)</u>
Net Change in Fund Balances	<u>(4,746)</u>	<u>(8,478)</u>	<u>(686)</u>	<u>7,792</u>
Fund Balance - January 1	4,746	4,746	11,664	6,918
Error Correction	-	-	(6)	(6)
Fund Balance - January 1, Restated	<u>4,746</u>	<u>4,746</u>	<u>11,658</u>	<u>6,912</u>
Fund Balance -December 31	<u>\$ -</u>	<u>\$ (3,732)</u>	<u>\$ 10,972</u>	<u>\$ 14,704</u>

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
TRANSPORTATION BENEFIT DISTRICT SPECIAL REVENUE FUND

For the Year Ended December 31, 2024
(amounts expressed in thousands)

	Budget Amounts		Actual Results 2023-2024 Biennium	Variance
	Original (GAAP Basis) 2023-2024 Biennium	Final Adopted (GAAP Basis) 2023-2024 Biennium		
REVENUES:				
Taxes:				
Retail Sales & Use	\$ 14,601	\$ 14,601	\$ 14,722	\$ 121
Excise	5,796	5,796	5,801	5
Investment Earnings	85	85	120	35
Total Revenues	<u>20,482</u>	<u>20,482</u>	<u>20,643</u>	<u>161</u>
EXPENDITURES:				
Current:				
Transportation	-	-	21	21
Total Expenditures	<u>-</u>	<u>-</u>	<u>21</u>	<u>21</u>
Excess (Deficiency) of Revenues OVER EXPENDITURES	<u>20,482</u>	<u>20,482</u>	<u>20,622</u>	<u>140</u>
OTHER FINANCING SOURCES (USES):				
Transfers Out	(23,007)	(23,000)	(22,372)	628
Total Other Financing Sources (Uses)	<u>(23,007)</u>	<u>(23,000)</u>	<u>(22,372)</u>	<u>628</u>
Net Change in Fund Balances	<u>(2,525)</u>	<u>(2,518)</u>	<u>(1,750)</u>	<u>768</u>
Fund Balances - January 1	2,525	2,525	8,216	5,691
Error Correction	-	-	-	-
Fund Balance -December 31	<u>\$ -</u>	<u>\$ 7</u>	<u>\$ 6,466</u>	<u>\$ 6,459</u>

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
STREET INITIATIVE SPECIAL REVENUE FUND
For the Year Ended December 31, 2024
(amounts expressed in thousands)

	Budget Amounts		Actual Results 2023-2024 Biennium	Variance
	Original (GAAP Basis) 2023-2024 Biennium	Final Adopted (GAAP Basis) 2023-2024 Biennium		
REVENUES:				
Taxes:				
Property	\$ 9,163	\$ 9,163	\$ 9,245	\$ 82
Retail Sales & Use	623	1,031	557	(474)
Business	2,252	10,228	11,282	1,054
Intergovernmental		-	104	104
Investment Earnings	588	588	3,560	2,972
Miscellaneous	-	-	11	11
Total Revenues	<u>12,626</u>	<u>21,010</u>	<u>24,759</u>	<u>3,749</u>
EXPENDITURES:				
Current:				
Transportation	<u>49,516</u>	<u>39,055</u>	<u>34,140</u>	<u>(4,915)</u>
Total Expenditures	<u>49,516</u>	<u>39,055</u>	<u>34,140</u>	<u>(4,915)</u>
Excess (Deficiency) of Revenues OVER EXPENDITURES	<u>(36,890)</u>	<u>(18,045)</u>	<u>(9,381)</u>	<u>8,664</u>
OTHER FINANCING SOURCES (USES):				
Insurance Recoveries			2	2
Transfers In	37,650	29,674	29,128	(546)
Transfers Out	(760)	(11,629)	(10,915)	714
Total Other Financing Sources (Uses)	<u>36,890</u>	<u>18,045</u>	<u>18,215</u>	<u>170</u>
Net Change in Fund Balances	<u>-</u>	<u>-</u>	<u>8,834</u>	<u>8,834</u>
Fund Balances - January 1	<u>-</u>	<u>1</u>	<u>33,262</u>	<u>33,261</u>
Error Correction			310	310
Fund Balance - January 1, Restated	<u>-</u>	<u>1</u>	<u>33,572</u>	<u>33,571</u>
Fund Balance -December 31	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 42,406</u>	<u>\$ 42,405</u>

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FIRE SPECIAL REVENUE FUND

For the Year Ended December 31, 2024
(amounts expressed in thousands)

	Budget Amounts		Actual Results 2023-2024 Biennium	Variance
	Original (GAAP Basis) 2023-2024 Biennium	Final Adopted (GAAP Basis) 2023-2024 Biennium		
REVENUES:				
Intergovernmental	\$ 1,657	\$ 2,082	\$ 1,757	\$ (325)
Charges for Services	-	629	629	-
Investment Earnings	29	29	234	205
Miscellaneous	-	-	4	4
Total Revenues	<u>1,686</u>	<u>2,740</u>	<u>2,624</u>	<u>(116)</u>
EXPENDITURES:				
Current:				
Public Safety	1,689	1,690	1,498	(192)
Capital Outlay	-	-	212	212
Total Expenditures	<u>1,689</u>	<u>1,690</u>	<u>1,710</u>	<u>20</u>
Excess (Deficiency) of Revenues OVER EXPENDITURES	<u>(3)</u>	<u>1,050</u>	<u>914</u>	<u>(136)</u>
OTHER FINANCING SOURCES (USES):				
Right-of-use proceeds			115	115
Transfers In	-		-	-
Transfers Out	-	(1,158)	(69)	1,089
Total Other Financing Sources (Uses)	<u>-</u>	<u>(1,158)</u>	<u>46</u>	<u>1,204</u>
Net Change in Fund Balances	<u>(3)</u>	<u>(108)</u>	<u>960</u>	<u>1,068</u>
Fund Balances - January 1	3	108	2,079	1,971
Error Correction			(1)	(1)
Fund Balance - January 1, Restated	<u>3</u>	<u>108</u>	<u>2,078</u>	<u>1,970</u>
Fund Balance -December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,038</u>	<u>\$ 3,038</u>

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
PROPERTY MANAGEMENT STREET VACATION SPECIAL REVENUE FUND

For the Year Ended December 31, 2024
(amounts expressed in thousands)

	Budget Amounts		Actual Results 2023-2024 Biennium	Variance
	Original (GAAP Basis) 2023-2024 Biennium	Final Adopted (GAAP Basis) 2023-2024 Biennium		
REVENUES:				
Taxes:				
Licenses and Permits	\$ 369	\$ 369	\$ 1,641	\$ 1,272
Investment Earnings	99	99	391	292
Total Revenues	<u>468</u>	<u>468</u>	<u>2,032</u>	<u>1,564</u>
EXPENDITURES:				
Current:				
General Government	468	2,758	93	(2,665)
Total Expenditures	<u>468</u>	<u>2,758</u>	<u>93</u>	<u>(2,665)</u>
Excess (Deficiency) of Revenues OVER EXPENDITURES	<u>-</u>	<u>(2,290)</u>	<u>1,939</u>	<u>4,229</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	-	-	-	-
Transfers Out	-	-	(2,336)	(2,336)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(2,336)</u>	<u>(2,336)</u>
Net Change in Fund Balances	<u>-</u>	<u>(2,290)</u>	<u>(397)</u>	<u>1,893</u>
Fund Balances - January 1		2,290	5,182	2,892
Error Correction	-	-	-	-
Fund Balance - January 1, Restated	<u>-</u>	<u>2,290</u>	<u>5,182</u>	<u>2,892</u>
Fund Balance -December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,785</u>	<u>\$ 4,785</u>

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
LOCAL IMPROVEMENT GUARANTEE SPECIAL REVENUE FUND

For the Year Ended December 31, 2024
(amounts expressed in thousands)

	Budget Amounts			
	Original (GAAP Basis) 2023-2024 Biennium	Final Adopted (GAAP Basis) 2023-2024 Biennium	Actual Results 2023-2024 Biennium	Variance
REVENUES:				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Investment Earnings	56	18	391	373
Total Revenues	56	18	391	373
EXPENDITURES:				
Current:				
General Government	56	38	32	(6)
Total Expenditures	56	38	32	(6)
Excess (Deficiency) of Revenues OVER EXPENDITURES	-	(20)	359	379
OTHER FINANCING SOURCES (USES):				
Transfers In	-	-	28	28
Total Other Financing Sources (Uses)	-	-	28	28
Net Change in Fund Balances	-	(20)	387	407
Fund Balances - January 1	-	37	4,605	4,568
Fund Balance -December 31	\$ -	\$ 17	\$ 4,992	\$ 4,975

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
PATHS & TRAILS SPECIAL REVENUE FUND
For the Year Ended December 31, 2024
(amounts expressed in thousands)

	Budget Amounts		Actual Results 2023-2024 Biennium	Variance
	Original (GAAP Basis) 2023-2024 Biennium	Final Adopted (GAAP Basis) 2023-2024 Biennium		
REVENUES:				
Intergovernmental	\$ 4,583	\$ 2,678	\$ 6,491	\$ 3,813
Investment Earnings	-	-	12	12
Total Revenues	<u>4,583</u>	<u>2,678</u>	<u>6,503</u>	<u>3,825</u>
EXPENDITURES:				
Current:				
Transportation	-	-	-	-
Capital Outlay	4,583	6,328	8,521	2,193
Total Expenditures	<u>4,583</u>	<u>6,328</u>	<u>8,530</u>	<u>2,202</u>
Excess (Deficiency) of Revenues OVER EXPENDITURES	<u>-</u>	<u>(3,650)</u>	<u>(2,027)</u>	<u>1,623</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	-	3,650	2,407	(1,243)
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>3,650</u>	<u>2,407</u>	<u>(1,243)</u>
Net Change in Fund Balances	<u>-</u>	<u>-</u>	<u>380</u>	<u>380</u>
Fund Balances - January 1	-	-	419	419
Error Correction	-	-	-	-
Fund Balance - January 1, Restated	-	-	419	419
Fund Balance -December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 799</u>	<u>\$ 799</u>

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
BUILDING & LAND USE SERVICES SPECIAL REVENUE FUND

For the Year Ended December 31, 2024
(amounts expressed in thousands)

	Budget Amounts		Actual Results 2023-2024 Biennium	Variance
	Original (GAAP Basis) 2023-2024 Biennium	Final Adopted (GAAP Basis) 2023-2024 Biennium		
REVENUES:				
Charges for Services	\$ 326	\$ 326	\$ 132	\$ (194)
Fines and Penalties	310	310	86	(224)
Investment Earnings	75	75	129	54
Miscellaneous	-	-	8	8
Total Revenues	<u>711</u>	<u>711</u>	<u>355</u>	<u>(356)</u>
EXPENDITURES:				
Current:				
Public Safety	-	-	676	676
Natural and Economic Environment	1,501	1,510	-	(1,510)
Total Expenditures	<u>1,501</u>	<u>1,510</u>	<u>676</u>	<u>(834)</u>
Excess (Deficiency) of Revenues OVER EXPENDITURES	<u>(790)</u>	<u>(799)</u>	<u>(321)</u>	<u>478</u>
OTHER FINANCING SOURCES (USES):				
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>(790)</u>	<u>(799)</u>	<u>(321)</u>	<u>478</u>
Fund Balances - January 1	790	799	2,946	2,147
Error Correction	-	-	-	-
Fund Balance - January 1, Restated	<u>790</u>	<u>799</u>	<u>2,946</u>	<u>2,147</u>
Fund Balance -December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,625</u>	<u>\$ 2,625</u>

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FIRE EMS SPECIAL REVENUE FUND

For the Year Ended December 31, 2024
(amounts expressed in thousands)

	Budget Amounts		Actual Results 2023-2024 Biennium	Variance
	Original (GAAP Basis) 2023-2024 Biennium	Final Adopted (GAAP Basis) 2023-2024 Biennium		
REVENUES:				
Taxes:				
Property	\$ 24,445	\$ 33,091	\$ 33,340	\$ 249
Intergovernmental	48,802	48,802	24,951	(23,851)
Charges for Services	8,116	8,016	24,673	16,657
Fines and Penalties	-	-	1	1
Investment Earnings	614	405	1,624	1,219
Total Revenues	<u>81,977</u>	<u>90,314</u>	<u>84,589</u>	<u>(5,725)</u>
EXPENDITURES:				
Current:				
Public Safety	81,931	97,211	84,725	(12,486)
Debt Service				-
Principal	-	-	26	26
Interest and Other Costs	-	-	-	-
Capital Outlay	-	-	283	283
Total Expenditures	<u>81,931</u>	<u>97,211</u>	<u>85,034</u>	<u>(12,177)</u>
Excess (Deficiency) of Revenues OVER EXPENDITURES	<u>46</u>	<u>(6,897)</u>	<u>(445)</u>	<u>6,452</u>
OTHER FINANCING SOURCES (USES):				
Lease Revenue	-	-	81	81
Transfers In	-	209	256	47
Transfers Out	(8,488)	(3,114)	(3,578)	(464)
Total Other Financing Sources (Uses)	<u>(8,488)</u>	<u>(2,905)</u>	<u>(3,241)</u>	<u>(336)</u>
Net Change in Fund Balances	<u>(8,442)</u>	<u>(9,802)</u>	<u>(3,686)</u>	<u>6,116</u>
Fund Balances - January 1	<u>8,442</u>	<u>9,802</u>	<u>22,188</u>	<u>12,386</u>
Error Correction	-	-	39	39
Fund Balance -December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,541</u>	<u>\$ 18,541</u>

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
TOURISM SPECIAL REVENUE FUND

For the Year Ended December 31, 2024
(amounts expressed in thousands)

	Budget Amounts		Actual Results 2023-2024 Biennium	Variance
	Original (GAAP Basis) 2023-2024 Biennium	Final Adopted (GAAP Basis) 2023-2024 Biennium		
REVENUES:				
Taxes:				
Retail Sales & Use	\$ 9,422	\$ 9,422	\$ 11,209	\$ 1,787
Investment Earnings	42	42	413	371
Total Revenues	<u>9,464</u>	<u>9,464</u>	<u>11,622</u>	<u>2,158</u>
EXPENDITURES:				
Current:				
Culture and Recreation	-	-	1	1
Total Expenditures	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
Excess (Deficiency) of Revenues OVER EXPENDITURES	<u>9,464</u>	<u>9,464</u>	<u>11,621</u>	<u>2,157</u>
OTHER FINANCING SOURCES (USES):				
Transfers Out	(8,636)	(8,636)	(8,636)	-
Total Other Financing Sources (Uses)	<u>(8,636)</u>	<u>(8,636)</u>	<u>(8,636)</u>	<u>-</u>
Net Change in Fund Balances	<u>828</u>	<u>828</u>	<u>2,985</u>	<u>2,157</u>
Fund Balances - January 1	<u>-</u>	<u>-</u>	<u>4,208</u>	<u>4,208</u>
Fund Balance -December 31	<u>\$ 828</u>	<u>\$ 828</u>	<u>\$ 7,193</u>	<u>\$ 6,365</u>

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
NEIGHBORHOOD & COMMUNITY SERVICES SPECIAL REVENUE FUND

For the Year Ended December 31, 2024
(amounts expressed in thousands)

	Budget Amounts		Actual Results 2023-2024 Biennium	Variance
	Original (GAAP Basis) 2023-2024 Biennium	Final Adopted (GAAP Basis) 2023-2024 Biennium		
REVENUES:				
Taxes:				
Retail Sales & Use	\$ 15,172	\$ 14,621	\$ 14,745	\$ 124
Business	-	7,350	9,656	2,306
Intergovernmental	1,454	7,497	14,966	7,469
Charges for Services	7,350	541	426	(115)
Investment Earnings	866	183	1,131	948
Miscellaneous	-	-	4,375	4,375
Total Revenues	<u>24,842</u>	<u>30,192</u>	<u>45,299</u>	<u>15,107</u>
EXPENDITURES:				
Current:				
Public Safety	-	3,606	1,458	(2,148)
Natural and Economic Environment	7,436	8,419	9,373	954
Social Service	17,079	19,477	17,506	(1,971)
Debt Service				
Principal	-	-	21	21
Interest and Other Costs	-	-	-	-
Capital Outlay	-	-	298	298
Total Expenditures	<u>24,515</u>	<u>31,502</u>	<u>28,656</u>	<u>(2,846)</u>
Excess (Deficiency) of Revenues OVER EXPENDITURES	<u>327</u>	<u>(1,310)</u>	<u>16,643</u>	<u>17,953</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	-	1,128	514	(614)
Transfers Out	-	(6,167)	(13,628)	(7,461)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(5,039)</u>	<u>(13,114)</u>	<u>(8,075)</u>
Net Change in Fund Balances	<u>327</u>	<u>(6,349)</u>	<u>3,529</u>	<u>9,878</u>
Fund Balances - January 1	971	6,923	9,027	2,104
Error Correction	-	-	69	69
Fund Balance - January 1, Restated	971	6,923	9,096	2,173
Fund Balance -December 31	<u>\$ 1,298</u>	<u>\$ 574</u>	<u>\$ 12,625</u>	<u>\$ 12,051</u>

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
COMMUNITY & ECONOMIC DEVELOPMENT SPECIAL REVENUE FUND

For the Year Ended December 31, 2024
(amounts expressed in thousands)

	Budget Amounts			
	Original	Final	Actual	
	(GAAP Basis)	(GAAP Basis)	Results	
	2023-2024	2023-2024	2023-2024	
	Biennium	Biennium	Biennium	Variance
REVENUES:				
Taxes:				
Retail Sales & Use	\$ 32,326	\$ 31,585	\$ 31,420	\$ (165)
Intergovernmental	13,382	14,843	17,019	2,176
Charges for Services	3,990	4,088	4,186	98
Investment Earnings	-	243	3,542	3,299
Miscellaneous	-	-	105	105
Total Revenues	<u>49,698</u>	<u>50,759</u>	<u>56,272</u>	<u>5,513</u>
EXPENDITURES:				
Current:				
General Government	-	-	3	3
Public Safety	2,843	2,843	3,077	234
Natural and Economic Environment	32,648	43,047	29,036	(14,011)
Culture and Recreation	12,979	13,846	14,253	407
Debt Service				-
Principal	-	-	-	-
Interest and Other Costs	-	-	41	41
Capital Outlay	-	-	75	75
Total Expenditures	<u>48,470</u>	<u>59,736</u>	<u>46,485</u>	<u>(13,251)</u>
Excess (Deficiency) of Revenues				
OVER EXPENDITURES	<u>1,228</u>	<u>(8,977)</u>	<u>9,787</u>	<u>18,764</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	-	3,517	4,756	1,239
Transfers Out	(4,849)	(100)	-	100
Total Other Financing Sources (Uses)	<u>(4,849)</u>	<u>3,417</u>	<u>4,756</u>	<u>1,339</u>
Net Change in Fund Balances	<u>(3,621)</u>	<u>(5,560)</u>	<u>14,543</u>	<u>20,103</u>
Fund Balances - January 1	3,621	10,253	37,299	27,046
Error Correction	-	-	94	94
Fund Balance - January 1, Restated	<u>3,621</u>	<u>10,253</u>	<u>37,393</u>	<u>27,140</u>
Fund Balance -December 31	<u>\$ -</u>	<u>\$ 4,693</u>	<u>\$ 51,936</u>	<u>\$ 47,243</u>

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
LIBRARY SPECIAL REVENUE FUND

For the Year Ended December 31, 2024
(amounts expressed in thousands)

	Budget Amounts		Actual Results 2023-2024 Biennium	Variance
	Original (GAAP Basis) 2023-2024 Biennium	Final Adopted (GAAP Basis) 2023-2024 Biennium		
REVENUES:				
Intergovernmental	\$ 230	\$ 380	\$ 180	\$ (200)
Charges for Services	-	230	133	(97)
Investment Earnings	246	176	724	548
Lease Revenue	-	-	6	6
Miscellaneous	-	115	300	185
Total Revenues	<u>476</u>	<u>901</u>	<u>1,343</u>	<u>442</u>
EXPENDITURES:				
Current:				
Culture and Recreation	822	1,107	941	(166)
Capital Outlay	-	-	97	97
Total Expenditures	<u>822</u>	<u>1,107</u>	<u>1,038</u>	<u>(69)</u>
Excess (Deficiency) of Revenues OVER EXPENDITURES	<u>(346)</u>	<u>(206)</u>	<u>305</u>	<u>511</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	-	-	7	7
Transfers Out	-	(1,745)	(866)	879
Total Other Financing Sources (Uses)	<u>-</u>	<u>(1,745)</u>	<u>(859)</u>	<u>886</u>
Net Change in Fund Balances	<u>(346)</u>	<u>(1,951)</u>	<u>(554)</u>	<u>1,397</u>
Fund Balances - January 1	<u>346</u>	<u>2,251</u>	<u>7,741</u>	<u>5,490</u>
Error Correction	-	-	-	-
Fund Balance - January 1, Restated	<u>346</u>	<u>2,251</u>	<u>7,741</u>	<u>5,490</u>
Fund Balance -December 31	<u>\$ -</u>	<u>\$ 300</u>	<u>\$ 7,187</u>	<u>\$ 6,887</u>

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
HISTORICALLY UNDERUTILIZED BUSINESS SPECIAL REVENUE FUND
For the Year Ended December 31, 2024
(amounts expressed in thousands)

	Budget Amounts		Actual Results 2023-2024 Biennium	Variance
	Original (GAAP Basis) 2023-2024 Biennium	Final Adopted (GAAP Basis) 2023-2024 Biennium		
REVENUES:				
Charges for Services	\$ 918	\$ 1,278	\$ 1,118	\$ (160)
Total Revenues	<u>918</u>	<u>1,278</u>	<u>1,118</u>	<u>(160)</u>
EXPENDITURES:				
Current:				
Natural and Economic Environment	918	1,278	1,122	(156)
Total Expenditures	<u>918</u>	<u>1,278</u>	<u>1,122</u>	<u>(156)</u>
Excess (Deficiency) of Revenues OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>(4)</u>	<u>(4)</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>-</u>	<u>-</u>	<u>(4)</u>	<u>(4)</u>
Fund Balances - January 1	-	-	108	108
Error Correction	-	-	-	-
Fund Balance - January 1, Restated	-	-	108	108
Fund Balance -December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 104</u>	<u>\$ 104</u>

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
POLICE SPECIAL REVENUE FUND

For the Year Ended December 31, 2024
(amounts expressed in thousands)

	Budget Amounts		Actual Results 2023-2024 Biennium	Variance
	Original (GAAP Basis) 2023-2024 Biennium	Final Adopted (GAAP Basis) 2023-2024 Biennium		
REVENUES:				
Intergovernmental	\$ 811	\$ 1,821	\$ 716	\$ (1,105)
Charges for Services	230	230	299	69
Fines and Penalties	760	760	515	(245)
Investment Earnings	49	49	212	163
Miscellaneous	-	-	187	187
Total Revenues	<u>1,850</u>	<u>2,860</u>	<u>1,929</u>	<u>(931)</u>
EXPENDITURES:				
Current:				
Public Safety	1,283	3,034	2,055	(979)
Principal	-	-	10	10
Capital Outlay	-	-	768	768
Total Expenditures	<u>1,283</u>	<u>3,034</u>	<u>2,833</u>	<u>(201)</u>
Excess (Deficiency) of Revenues OVER EXPENDITURES	<u>567</u>	<u>(174)</u>	<u>(904)</u>	<u>(730)</u>
OTHER FINANCING SOURCES (USES):				
Sales of Capital Assets	-	-	41	41
Lease Revenue	-	-	31	31
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>72</u>	<u>72</u>
Net Change in Fund Balances	<u>567</u>	<u>(174)</u>	<u>(832)</u>	<u>(658)</u>
Fund Balances - January 1	89	574	2,509	1,935
Error Correction	-	-	(1)	(1)
Fund Balance - January 1, Restated	89	574	2,508	1,934
Fund Balance -December 31	<u>\$ 656</u>	<u>\$ 400</u>	<u>\$ 1,676</u>	<u>\$ 1,276</u>

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MUNICIPAL TV SPECIAL REVENUE FUND
For the Year Ended December 31, 2024
(amounts expressed in thousands)

	Budget Amounts		Actual Results 2023-2024 Biennium	Variance
	Original (GAAP Basis) 2023-2024 Biennium	Final Adopted (GAAP Basis) 2023-2024 Biennium		
REVENUES:				
Licenses and Permits	\$ 1,115	\$ 1,233	\$ 970	\$ (263)
Charges for Services	-	-	116	116
Investment Earnings	258	140	585	445
Total Revenues	<u>1,373</u>	<u>1,373</u>	<u>1,671</u>	<u>298</u>
EXPENDITURES:				
Current:				
General Government	500	500	692	192
Capital Outlay	-	-	238	238
Total Expenditures	<u>500</u>	<u>500</u>	<u>930</u>	<u>430</u>
Excess (Deficiency) of Revenues OVER EXPENDITURES	<u>873</u>	<u>873</u>	<u>741</u>	<u>(132)</u>
OTHER FINANCING SOURCES (USES):				
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>873</u>	<u>873</u>	<u>741</u>	<u>(132)</u>
Fund Balances - January 1	-	-	6,042	6,042
Error Correction	-	-	1	1
Fund Balance - January 1, Restated	-	-	6,043	6,043
Fund Balance -December 31	<u>\$ 873</u>	<u>\$ 873</u>	<u>\$ 6,784</u>	<u>\$ 5,911</u>

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
LEAP SPECIAL REVENUE FUND

For the Year Ended December 31, 2024
(amounts expressed in thousands)

	Budget Amounts		Actual Results 2023-2024 Biennium	Variance
	Original (GAAP Basis) 2023-2024 Biennium	Final Adopted (GAAP Basis) 2023-2024 Biennium		
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ 29	\$ 29
Charges for Services	396	396	334	(62)
Investment Earnings	7	7	29	22
Total Revenues	<u>403</u>	<u>403</u>	<u>392</u>	<u>(11)</u>
EXPENDITURES:				
Current:				
Natural and Economic Environment	628	637	337	(300)
Debt Service				-
Principal	-	-	55	55
Interest and Other Costs	-	-	1	1
Capital Outlay	-	-	56	56
Total Expenditures	<u>628</u>	<u>637</u>	<u>449</u>	<u>(188)</u>
Excess (Deficiency) of Revenues OVER EXPENDITURES	<u>(225)</u>	<u>(234)</u>	<u>(57)</u>	<u>177</u>
OTHER FINANCING SOURCES (USES):				
Lease Revenue	-	-	56	56
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>56</u>	<u>56</u>
Net Change in Fund Balances	<u>(225)</u>	<u>(234)</u>	<u>(1)</u>	<u>233</u>
Fund Balances - January 1	<u>225</u>	<u>234</u>	<u>242</u>	<u>8</u>
				-
Fund Balance -December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 241</u>	<u>\$ 241</u>

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
TRAFFIC ENFORCEMENT, ENGINEERING, AND EDUCATION SPECIAL REVENUE FUND
For the Year Ended December 31, 2024
(amounts expressed in thousands)

	Budget Amounts		Actual Results 2023-2024 Biennium	Variance
	Original (GAAP Basis) 2023-2024 Biennium	Final Adopted (GAAP Basis) 2023-2024 Biennium		
REVENUES:				
Fines and Penalties	\$ 6,440	\$ 6,440	\$ 6,391	\$ (49)
Investment Earnings	-	19	139	120
Total Revenues	6,440	6,459	6,530	71
EXPENDITURES:				
Current:				
Public Safety	6,987	6,987	6,359	(628)
Principal	-	-	57	57
Interest and Other Costs	-	-	57	57
Total Expenditures	6,987	6,987	6,473	(514)
Excess (Deficiency) of Revenues OVER EXPENDITURES	(547)	(528)	57	585
OTHER FINANCING SOURCES (USES):				
Transfers In	547	-	-	-
Total Other Financing Sources (Uses)	547	-	-	-
Net Change in Fund Balances	-	(528)	57	585
Fund Balances - January 1		528	1,960	1,432
Error Correction			-	-
Fund Balance - January 1, Restated	-	528	1,960	1,432
Fund Balance -December 31	\$ -	\$ -	\$ 2,017	\$ 2,017

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
AMERICAN RESCUE PLAN ACT

For the Year Ended December 31, 2024
(amounts expressed in thousands)

	Budget Amounts		Actual Results 2023-2024 Biennium	Variance
	Original (GAAP Basis) 2023-2024 Biennium	Final Adopted (GAAP Basis) 2023-2024 Biennium		
REVENUES:				
Intergovernmental	\$ -		\$ -	\$ -
Investment Earnings	402	402	2,748	2,346
Total Revenues	402	402	2,748	2,346
EXPENDITURES:				
Current:				
General Government	10		-	-
Public Safety	-	11,789	4,946	(6,843)
Capital Outlay	-	-	130	130
Total Expenditures	10	11,789	5,076	(6,713)
Excess (Deficiency) of Revenues OVER EXPENDITURES	392	(11,387)	(2,328)	9,059
OTHER FINANCING SOURCES (USES):				
Transfers Out	(30,485)	(30,485)	(39,425)	(8,940)
Total Other Financing Sources (Uses)	(30,485)	(30,485)	(39,425)	(8,940)
Net Change in Fund Balances	(30,093)	(41,872)	(41,753)	119
Fund Balances - January 1	30,093	41,872	41,829	(43)
Error Correction	-	-	(48)	(48)
Fund Balance - January 1, Restated	30,093	41,872	41,781	(91)
Fund Balance -December 31	\$ -	\$ -	\$ 28	\$ 28

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
DEFERRED COMPENSATION

For the Year Ended December 31, 2024
(amounts expressed in thousands)

	Budget Amounts			
	Original (GAAP Basis) 2023-2024 Biennium	Final Adopted (GAAP Basis) 2023-2024 Biennium	Actual Results 2023-2024 Biennium	Variance
REVENUES:				
Charges for Services	\$ 506	\$ 506	\$ 511	\$ 5
Investment Earnings	-	-	2	2
Total Revenues	506	506	513	7
EXPENDITURES:				
Current:				
General Government	535	535	516	(19)
Total Expenditures	535	535	516	(19)
Excess (Deficiency) of Revenues OVER EXPENDITURES	(29)	(29)	(3)	26
OTHER FINANCING SOURCES (USES):				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(29)	(29)	(3)	26
Fund Balances - January 1	29	29	6	(23)
Error Correction	-	-	-	-
Fund Balance - January 1, Restated	29	29	6	(23)
Fund Balance -December 31	\$ -	\$ -	\$ 3	\$ 3

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
POLICE PENSION

For the Year Ended December 31, 2024
(amounts expressed in thousands)

	Budget Amounts			
	Original (GAAP Basis) 2023-2024 Biennium	Final Adopted (GAAP Basis) 2023-2024 Biennium	Actual Results 2023-2024 Biennium	Variance
REVENUES:				
Investment Earnings	\$ -	\$ 6	\$ 6	\$ -
Miscellaneous	10,448	10,442	-	(10,442)
Total Revenues	10,448	10,448	6	(10,442)
EXPENDITURES:				
Current:				
General Government			-	-
Public Safety	10,460	10,460	9,146	(1,314)
Total Expenditures	10,460	10,460	9,146	(1,314)
Excess (Deficiency) of Revenues OVER EXPENDITURES	(12)	(12)	(9,140)	(9,128)
OTHER FINANCING SOURCES (USES):				
Transfers In	-	-	9,349	9,349
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	9,349	9,349
Net Change in Fund Balances	(12)	(12)	209	221
Fund Balances - January 1	12	12	(146)	(158)
Error Correction	-	-	18	18
Fund Balance - January 1, Restated	12	12	(128)	(140)
Fund Balance -December 31	\$ -	\$ -	\$ 81	\$ 81

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FIREFIGHTER PENSION

For the Year Ended December 31, 2024
(amounts expressed in thousands)

	Budget Amounts			
	Original (GAAP Basis) 2023-2024 Biennium	Final Adopted (GAAP Basis) 2023-2024 Biennium	Actual Results 2023-2024 Biennium	Variance
REVENUES:				
Intergovernmental	\$ 940	\$ 940	\$ 1,158	\$ 218
Charges for Services			13	13
Investment Earnings	-	6	28	22
Miscellaneous	11,882	11,876	-	(11,876)
Total Revenues	12,822	12,822	1,199	(11,623)
EXPENDITURES:				
Current:				
General Government			-	-
Public Safety	12,829	12,829	9,868	(2,961)
Total Expenditures	12,829	12,829	9,868	(2,961)
Excess (Deficiency) of Revenues OVER EXPENDITURES	(7)	(7)	(8,669)	(8,662)
OTHER FINANCING SOURCES (USES):				
Transfers In	-	-	8,541	8,541
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	8,541	8,541
Net Change in Fund Balances	(7)	(7)	(128)	(121)
Fund Balances - January 1	7	7	338	331
Error Correction	-	-	52	52
Fund Balance - January 1, Restated	7	7	390	383
Fund Balance -December 31	\$ -	\$ -	\$ 262	\$ 262

Non-Major Debt Service Funds

Debt Service Funds account for the payment and accumulation of resources of both the principal and interest of long-term debt. The City of Tacoma has seven different debt service funds.

Voted Bonds Fund (#2010)

Accounts for the debt service of unlimited general obligation bonds issued by the City of Tacoma.

Non-voted Bonds Fund (#2035)

Accounts for the debt service of limited general obligation bonds issued by the City of Tacoma.

CWED PWTF Loans Fund (#2038)

Accounts for the debt service of obtaining public works trust fund loans.

2009 LTGO Bonds Series A-F Fund (#2040)

Accounts for the debt service of the 2009 LTGO bonds.

2010 LTGO Bonds Fund (#2041)

Accounts for the debt service of the 2010 LTGO bonds.

LTGO Bonds (#2043)

Accounts for the debt service of LTGO bonds.

Consolidated LID Bond Redemption Fund (#(2)-7999)

Accounts for the debt service related to LIDs.

**COMBINING BALANCE SHEET
NON-MAJOR DEBT SERVICE FUNDS**

December 31, 2024
(amounts expressed in thousands)
Page 1 of 3

	Voted Bonds #2010	Non-Voted Bonds #2035	PWTF Loans #2038
ASSETS			
Cash and Cash Equivalents	\$ 15	\$ 288	\$ -
Accounts Receivables (Net)	-	-	-
Total Assets	<u>15</u>	<u>288</u>	<u>-</u>
DEFERRED OUTFLOW OF RESOURCES			
	-	-	-
Total Assets and Deferred Outflows	<u>15</u>	<u>288</u>	<u>-</u>
LIABILITIES			
Liabilities:			
Current Payables	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOW OF RESOURCES			
Unavailable Revenue	18	-	-
Total Deferred Inflow of Resources	<u>18</u>	<u>-</u>	<u>-</u>
FUND BALANCE			
Restricted	(3)	288	-
Total Fund Balance	<u>(3)</u>	<u>288</u>	<u>-</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ 15</u>	<u>\$ 288</u>	<u>\$ -</u>

**COMBINING BALANCE SHEET
NON-MAJOR DEBT SERVICE FUNDS**

December 31, 2024
(amounts expressed in thousands)
Page 2 of 3

	2009 LTGO Bonds #2040	2010 LTGO Bonds #2041	2017 LTGO Bonds #2043
ASSETS			
Cash and Cash Equivalents	\$ -	\$ 657	\$ 403
Accounts Receivables (Net)	-	-	4
Total Assets	<u>-</u>	<u>657</u>	<u>407</u>
DEFERRED OUTFLOW OF RESOURCES			
	-	-	-
Total Assets and Deferred Outflows	<u>-</u>	<u>657</u>	<u>407</u>
LIABILITIES			
Liabilities:			
Current Payables	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOW OF RESOURCES			
Unavailable Revenue	-	-	(14)
Total Deferred Inflow of Resources	<u>-</u>	<u>-</u>	<u>(14)</u>
FUND BALANCE			
Restricted	-	657	421
Total Fund Balance	<u>-</u>	<u>657</u>	<u>421</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ -</u>	<u>\$ 657</u>	<u>\$ 407</u>

**COMBINING BALANCE SHEET
NON-MAJOR DEBT SERVICE FUNDS**

December 31, 2024
(amounts expressed in thousands)
Page 3 of 3

	Consolidated LID Bonds #7999	Total Nonmajor Debt Service Funds
ASSETS		
Cash and Cash Equivalents	\$ 1,025	\$ 2,388
Accounts Receivables (Net)	16,342	16,346
Total Assets	<u>17,367</u>	<u>18,734</u>
DEFERRED OUTFLOW OF RESOURCES		
	-	-
Total Assets and Deferred Outflows	<u>17,367</u>	<u>18,734</u>
LIABILITIES		
Liabilities:		
Current Payables	-	-
Total Liabilities	<u>-</u>	<u>-</u>
DEFERRED INFLOW OF RESOURCES		
Unavailable Revenue	14,294	14,298
Total Deferred Inflow of Resources	<u>14,294</u>	<u>14,298</u>
FUND BALANCE		
Restricted	3,073	4,436
Total Fund Balance	<u>3,073</u>	<u>4,436</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ 17,367</u>	<u>\$ 18,734</u>

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**NON-MAJOR DEBT SERVICE FUNDS**

For the Year Ended December 31, 2024

(amounts expressed in thousands)

Page 1 of 3

	Voted Bonds #2010	Non-Voted Bonds #2035	PWTF Loans #2038
REVENUES			
Taxes:			
Property Taxes	\$ -	\$ -	\$ -
Fines and Penalties	-	-	-
Investment Earnings	-	-	-
Miscellaneous	-	-	-
Total Revenues	-	-	-
EXPENDITURES			
General Government	-	-	-
Debt Service:			
Principal	-	-	570
Interest	-	-	6
Total Expenditures	-	-	576
Excess (Deficiency) of Revenues OVER EXPENDITURES	-	-	(576)
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	576
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	576
Net Change in Fund Balance	-	-	-
Fund Balance - Beginning	(3)	288	-
Error Correction	-	-	-
Fund Balance - Ending	\$ (3)	\$ 288	\$ -

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**NON-MAJOR DEBT SERVICE FUNDS**

For the Year Ended December 31, 2024

(amounts expressed in thousands)

Page 2 of 3

	2009 LTGO Bonds #2040	2010 LTGO Bonds #2041	2017 LTGO Bonds #2043
REVENUES			
Taxes:			
Property Taxes	\$ -	\$ -	\$ 8
Fines and Penalties	-	-	-
Investment Earnings	-	12	115
Miscellaneous	-	-	-
Total Revenues	<u>-</u>	<u>12</u>	<u>123</u>
EXPENDITURES			
General Government	-	-	-
Debt Service:			
Principal	6,065	2,520	1,120
Interest	706	1,197	936
Total Expenditures	<u>6,771</u>	<u>3,717</u>	<u>2,056</u>
Excess (Deficiency) of Revenues OVER EXPENDITURES	<u>(6,771)</u>	<u>(3,705)</u>	<u>(1,933)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	6,764	3,717	2,075
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	<u>6,764</u>	<u>3,717</u>	<u>2,075</u>
Net Change in Fund Balance	<u>(7)</u>	<u>12</u>	<u>142</u>
Fund Balance - Beginning	7	645	44
Error Correction	-	-	235
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 657</u>	<u>\$ 421</u>

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**NON-MAJOR DEBT SERVICE FUNDS**

For the Year Ended December 31, 2024

(amounts expressed in thousands)

Page 3 of 3

	Consolidated LID Bonds #7999	Total Nonmajor Debt Service Funds
REVENUES		
Taxes:		
Property Taxes	\$ -	\$ 8
Fines and Penalties	646	646
Investment Earnings	59	186
Miscellaneous	275	275
Total Revenues	<u>980</u>	<u>1,115</u>
EXPENDITURES		
General Government	-	-
Debt Service:		
Principal	2,240	12,515
Interest	897	3,742
Total Expenditures	<u>3,137</u>	<u>16,257</u>
Excess (Deficiency) of Revenues		
OVER EXPENDITURES	<u>(2,157)</u>	<u>(15,142)</u>
OTHER FINANCING SOURCES (USES)		
Transfers In	-	13,132
Transfers Out	(26)	(26)
Total Other Financing Sources (Uses)	<u>(26)</u>	<u>13,106</u>
Net Change in Fund Balance	<u>(2,183)</u>	<u>(2,036)</u>
Fund Balance - Beginning	5,256	6,237
Error Correction	-	235
Fund Balance - Ending	<u>\$ 3,073</u>	<u>\$ 4,436</u>

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
VOTED DEBT SERVICE FUND

For the Year Ended December 31, 2024
(amounts expressed in thousands)

	Budget Amounts			
	Original (GAAP Basis) 2023-2024 Biennium	Final Adopted (GAAP Basis) 2023-2024 Biennium	Actual Results 2023-2024 Biennium	Variance
REVENUES:				
Taxes:				
Property	\$ -	-	\$ -	\$ -
Total Revenues	-	-	-	-
EXPENDITURES:				
Current:				
General Government	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest and Other Costs	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency of Revenues OVER EXPENDITURES	-	-	-	-
OTHER FINANCING SOURCES (USES):				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources and Uses	-	-	-	-
Net Change in Fund Balances	-	-	-	-
Fund Balances - January 1	-	-	(3)	(3)
Fund Balance - December 31	\$ -	\$ -	\$ (3)	\$ (3)

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
NON VOTED DEBT SERVICE FUND

For the Year Ended December 31, 2024
(amounts expressed in thousands)

	Budget Amounts		Actual Results 2023-2024 Biennium	Variance
	Original (GAAP Basis) 2023-2024 Biennium	Final Adopted (GAAP Basis) 2023-2024 Biennium		
REVENUES:				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-
EXPENDITURES:				
Debt Service				
Principal	1,320	1,320	-	(1,320)
Interest and Other Costs	221	221	-	(221)
Total Expenditures	1,541	1,541	-	(1,541)
Excess (Deficiency of Revenues OVER EXPENDITURES	(1,541)	(1,541)	-	1,541
OTHER FINANCING SOURCES (USES):				
Transfers In	1,541	1,541	-	(1,541)
Transfers Out	-	-	-	-
Total Other Financing Sources and Uses	1,541	1,541	-	(1,541)
Net Change in Fund Balances	-	-	-	-
Fund Balance - January 1	-	-	288	288
Fund Balance - December 31	\$ -	\$ -	\$ 288	\$ 288

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
PUBLIC WORKS TRUST FUND LOANS
For the Year Ended December 31, 2024
(amounts expressed in thousands)

	Budget Amounts		Actual Results 2023-2024 Biennium	Variance
	Original (GAAP Basis) 2023-2024 Biennium	Final Adopted (GAAP Basis) 2023-2024 Biennium		
REVENUES:				
Investment Earnings	-	-	-	-
Total Revenues	-	-	-	-
EXPENDITURES:				
Debt Service				
Principal	1,149	1,141	1,140	(1)
Interest and Other Costs	-	52	12	(40)
Total Expenditures	1,149	1,193	1,152	(41)
Excess (Deficiency of Revenues OVER EXPENDITURES	(1,149)	(1,193)	(1,152)	41
OTHER FINANCING SOURCES (USES):				
Transfers In	1,149	1,193	1,152	(41)
Total Other Financing Sources and Uses	1,149	1,193	1,152	(41)
Net Change in Fund Balances	-	-	-	-
Fund Balance - January 1	-	-	-	-
Fund Balance - December 31	\$ -	\$ -	\$ -	\$ -

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
2009 LTGO REFUNDING (SERIES A-F) DEBT SERVICE FUND
For the Year Ended December 31, 2024
(amounts expressed in thousands)

	Budget Amounts		Actual Results 2023-2024 Biennium	Variance
	Original (GAAP Basis) 2023-2024 Biennium	Final Adopted (GAAP Basis) 2023-2024 Biennium		
REVENUES:				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Investment Earnings	-	-	7	7
Total Revenues	-	-	7	7
EXPENDITURES:				
Debt Service				
Principal	10,314	10,314	12,075	1,761
Interest and Other Costs	3,201	3,201	1,440	(1,761)
Total Expenditures	13,515	13,515	13,515	-
Excess (Deficiency of Revenues OVER EXPENDITURES	(13,515)	(13,515)	(13,508)	7
OTHER FINANCING SOURCES (USES):				
Transfers In	13,515	13,515	13,508	(7)
Transfers Out	-	-	-	-
Total Other Financing Sources and Uses	13,515	13,515	13,508	(7)
Net Change in Fund Balances	-	-	-	-
Fund Balance - January 1	-	-	-	-
Fund Balance - December 31	\$ -	\$ -	\$ -	\$ -

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
2010 LTGO BONDS DEBT SERVICE FUND
For the Year Ended December 31, 2024
(amounts expressed in thousands)

	Budget Amounts		Actual Results 2023-2024 Biennium	Variance
	Original (GAAP Basis) 2023-2024 Biennium	Final Adopted (GAAP Basis) 2023-2024 Biennium		
REVENUES:				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Investment Earnings	-	-	4	4
Total Revenues	-	-	4	4
EXPENDITURES:				
Debt Service				
Principal	3,640	5,240	4,960	(280)
Interest and Other Costs	2,284	2,283	2,505	222
Total Expenditures	5,924	7,523	7,465	(58)
Excess (Deficiency of Revenues OVER EXPENDITURES	(5,924)	(7,523)	(7,461)	62
OTHER FINANCING SOURCES (USES):				
Transfers In	5,924	5,923	7,465	1,542
Transfers Out	-	-	-	-
Total Other Financing Sources and Uses	5,924	5,923	7,465	1,542
Net Change in Fund Balances	-	(1,600)	4	1,604
Fund Balance - January 1	-	1,600	653	(947)
Fund Balance - December 31	\$ -	\$ -	\$ 657	\$ 657

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
2017 LTGO BOND DEBT SERVICE FUND
For the Year Ended December 31, 2024
(amounts expressed in thousands)

	Budget Amounts		Actual Results 2023-2024 Biennium	Variance
	Original (GAAP Basis) 2023-2024 Biennium	Final Adopted (GAAP Basis) 2023-2024 Biennium		
REVENUES:				
Taxes:				
Property	\$ 56	\$ -	\$ 34	\$ 34
Investment Earnings	-	56	12	(44)
Total Revenues	56	56	46	(10)
EXPENDITURES:				
Debt Service				
Principal	2,210	2,210	2,210	-
Interest and Other Costs	1,901	2,121	2,100	(21)
Total Expenditures	4,111	4,331	4,310	(21)
Excess (Deficiency of Revenues OVER EXPENDITURES	(4,055)	(4,275)	(4,264)	11
OTHER FINANCING SOURCES (USES):				
Transfers In	4,111	4,111	4,129	18
Transfers Out	-	-	-	-
Total Other Financing Sources and Uses	4,111	4,111	4,129	18
Net Change in Fund Balances	56	(164)	(135)	29
Fund Balance - January 1	-	220	321	101
Error Correction			235	
Fund Balance - December 31	\$ 56	\$ 56	\$ 421	\$ 365

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
CONSOLIDATED LID BOND REDEMPTION FUND
For the Year Ended December 31, 2024
(amounts expressed in thousands)

	Budget Amounts		Actual Results 2023-2024 Biennium	Variance
	Original (GAAP Basis) 2023-2024 Biennium	Final Adopted (GAAP Basis) 2023-2024 Biennium		
REVENUES:				
Fines and Penalties	\$ -	\$ -	\$ 1,648	\$ 1,648
Investment Earnings	-	-	197	197
Miscellaneous	-	-	2,507	2,507
Total Revenues	-	-	4,352	4,352
EXPENDITURES:				
Current:				
General Government	-	-	1	1
Debt Service				
Principal	-	-	4,685	4,685
Interest and Other Costs	-	-	1,900	1,900
Total Expenditures	-	-	6,586	6,586
Excess (Deficiency of Revenues OVER EXPENDITURES	-	-	(2,234)	(2,234)
OTHER FINANCING SOURCES (USES):				
Transfers Out	-	-	(29)	(29)
Total Other Financing Sources and Uses	-	-	(29)	(29)
Net Change in Fund Balances	-	-	(2,263)	(2,263)
Fund Balance - January 1	-	-	5,336	5,336
Error Correction	-	-	-	-
Fund Balance - December 31	\$ -	\$ -	\$ 3,073	\$ 3,073

Non-Major Capital Project Funds

Capital Project Funds account for the financial resources used in the acquisition or construction of major capital facilities. The City has five different capital project funds.

Real Estate Excise Tax Fund (#3210)

Accounts for revenues for capital projects.

Capital Projects Fund (#3211)

Accounts for the various capital expenditures.

2009 LTGO Capital Projects Fund (#3218). This fund does not require an approved budget.

Accounts for the capital expenditures associated with the proceeds obtained from the 2009 LTGO Bond Issue.

2010 LTGO Capital Projects Fund (#3220). This fund does not require an approved budget.

Accounts for various capital expenditures funded by the 2010 LTGO bond issue.

LID Interim Financing Fund (#3-7070). This fund does not require an approved budget.

Is used to provide interim financing during the formation and construction of local improvement district projects.

**COMBINING BALANCE SHEET
NON-MAJOR CAPITAL PROJECT FUNDS**

December 31, 2024
(amounts expressed in thousands)
Page 1 of 2

	Real Estate Excise Tax Fund #3210	Capital Projects #3211	2009 LTGO Capital Projects #3218
ASSETS			
Cash and Cash Equivalents	\$ 49,166	\$ 7,401	\$ 99
Accounts Receivables (Net)	664	38	-
Total Assets	<u>49,830</u>	<u>7,439</u>	<u>99</u>
DEFERRED OUTFLOW OF RESOURCES			
	-	-	-
Total Assets and Deferred Outflows	<u>49,830</u>	<u>7,439</u>	<u>99</u>
LIABILITIES			
Liabilities:			
Accounts Payable	-	666	-
Total Liabilities	<u>-</u>	<u>666</u>	<u>-</u>
DEFERRED INFLOW OF RESOURCES			
Unavailable Revenue	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE			
Restricted	46,067	5,645	99
Committed	3,763	1,128	-
Total Fund Balance	<u>49,830</u>	<u>6,773</u>	<u>99</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ 49,830</u>	<u>\$ 7,439</u>	<u>\$ 99</u>

**COMBINING BALANCE SHEET
NON-MAJOR CAPITAL PROJECT FUNDS**

December 31, 2024
(amounts expressed in thousands)

Page 2 of 2

	2010 LTGO Capital Projects #3220	LID Interim Capital Projects #7070	Total Total Nonmajor Capital Projects Funds
ASSETS			
Cash and Cash Equivalents	\$ 288	\$ 1,649	\$ 58,603
Accounts Receivables (Net)	-	6	708
Total Assets	<u>288</u>	<u>1,655</u>	<u>59,311</u>
DEFERRED OUTFLOW OF RESOURCES			
	-	-	-
Total Assets and Deferred Outflows	<u>288</u>	<u>1,655</u>	<u>59,311</u>
LIABILITIES			
Liabilities:			
Accounts Payable	3	-	669
Total Liabilities	<u>3</u>	<u>-</u>	<u>669</u>
DEFERRED INFLOW OF RESOURCES			
Unavailable Revenue	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE			
Restricted	285	1,655	53,751
Committed	-	-	4,891
Total Fund Balance	<u>285</u>	<u>1,655</u>	<u>58,642</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ 288</u>	<u>\$ 1,655</u>	<u>\$ 59,311</u>

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR CAPITAL PROJECT FUNDS

For the Year Ended December 31, 2024

(amounts expressed in thousands)

Page 1 of 2

	Real Estate Excise Tax Fund #3210	Capital Projects #3211	2009 LTGO Capital Projects #3218
REVENUES			
Taxes:			
Retail Sales & Use	\$ 500	\$ -	\$ -
Excise	9,648	-	-
Intergovernmental	-	1,937	-
Investment Earnings	2,293	230	4
Miscellaneous	-	102	-
Total Revenues	<u>12,441</u>	<u>2,269</u>	<u>4</u>
EXPENDITURES			
General Government	348	97	-
Public Safety	-	79	-
Social Services	-	2	-
Culture and Recreation	-	1,294	-
Capital Outlay	-	10,861	-
Total Expenditures	<u>348</u>	<u>12,333</u>	<u>-</u>
Excess (Deficiency) of Revenues			
OVER EXPENDITURES	<u>12,093</u>	<u>(10,064)</u>	<u>4</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	3,365	8,181	-
Transfers Out	(13,913)	(1,423)	-
Total Other Financing Sources (Uses)	<u>(10,548)</u>	<u>6,758</u>	<u>-</u>
Net Change in Fund Balance	<u>1,545</u>	<u>(3,306)</u>	<u>4</u>
Fund Balance - Beginning	48,285	10,079	95
Error Correction	-	-	-
Fund Balance - Beginning, Restated	48,285	10,079	95
Fund Balance - Ending	<u>\$ 49,830</u>	<u>\$ 6,773</u>	<u>\$ 99</u>

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR CAPITAL PROJECT FUNDS**

For the Year Ended December 31, 2024

(amounts expressed in thousands)

Page 2 of 2

	2010 LTGO Capital Projects #3220	LID Interim Capital Projects #7070	Total Nonmajor Capital Projects Funds
REVENUES			
Taxes:			
Retail Sales & Use	\$ -	\$ -	\$ 500
Excise	-	-	9,648
Intergovernmental	-	-	1,937
Investment Earnings	12	-	2,539
Miscellaneous	-	236	338
Total Revenues	<u>12</u>	<u>236</u>	<u>14,962</u>
EXPENDITURES			
General Government	-	-	445
Public Safety	-	-	79
Social Services	-	-	2
Culture and Recreation	-	-	1,294
Capital Outlay	-	-	10,861
Total Expenditures	<u>-</u>	<u>-</u>	<u>12,681</u>
Excess (Deficiency) of Revenues			
OVER EXPENDITURES	<u>12</u>	<u>236</u>	<u>2,281</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	11,546
Transfers Out	-	-	(15,336)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(3,790)</u>
Net Change in Fund Balance	<u>12</u>	<u>236</u>	<u>(1,509)</u>
Fund Balance - Beginning	273	1,419	60,151
Error Correction	-	-	-
Fund Balance - Beginning, Restated	273	1,419	60,151
Fund Balance - Ending	<u>\$ 285</u>	<u>\$ 1,655</u>	<u>\$ 58,642</u>

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
REAL ESTATE EXCISE TAX FUND

For the Year Ended December 31, 2024
(amounts expressed in thousands)

	Budget Amounts		Actual Results 2023-2024 Biennium	Variance
	Original (GAAP Basis) 2023-2024 Biennium	Final Adopted (GAAP Basis) 2023-2024 Biennium		
REVENUES:				
Taxes:				
Sales & Use	\$ 3,304	\$ 1,000	\$ 1,000	\$ -
Excise	23,600	23,600	18,338	(5,262)
Investment Earnings	-	876	4,642	3,766
Miscellaneous	1,076	-	-	-
Total Revenues	<u>27,980</u>	<u>25,476</u>	<u>23,980</u>	<u>(1,496)</u>
EXPENDITURES:				
Current:				
General Government	-	300	1,087	787
Debt Service				
Principal	2,876	-	-	-
Total Expenditures	<u>2,876</u>	<u>300</u>	<u>1,087</u>	<u>787</u>
Excess (Deficiency of Revenues OVER EXPENDITURES	<u>25,104</u>	<u>25,176</u>	<u>22,893</u>	<u>(2,283)</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	-	3,138	5,137	1,999
Transfers Out	(30,395)	(38,926)	(27,070)	11,856
Total Other Financing Sources and Uses	<u>(30,395)</u>	<u>(35,788)</u>	<u>(21,933)</u>	<u>13,855</u>
Net Change in Fund Balances	<u>(5,291)</u>	<u>(10,612)</u>	<u>960</u>	<u>11,572</u>
Fund Balance - January 1	10,850	13,800	48,870	35,070
Fund Balance - December 31	<u>\$ 5,559</u>	<u>\$ 3,188</u>	<u>\$ 49,830</u>	<u>\$ 46,642</u>

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
CAPITAL PROJECTS FUND

For the Year Ended December 31, 2024
(amounts expressed in thousands)

	Budget Amounts		Actual Results 2023-2024 Biennium	Variance
	Original (GAAP Basis) 2023-2024 Biennium	Final Adopted (GAAP Basis) 2023-2024 Biennium		
REVENUES:				
Intergovernmental	\$ -	\$ 1,953	\$ 2,256	\$ 303
Investment Earnings	3,010	60	540	480
Miscellaneous	-	46	102	56
Total Revenues	<u>3,010</u>	<u>2,059</u>	<u>2,898</u>	<u>839</u>
EXPENDITURES:				
Current:				
General Government	2,950	145	114	(31)
Public Safety	-	-	470	470
Social Services	-	-	2	2
Culture and Recreation	-	-	1,334	1,334
Capital Outlay	-	11,986	15,376	3,390
Debt Service				
Principal	-	-	-	-
Interest and Other Costs	-	-	1	1
Total Expenditures	<u>2,950</u>	<u>12,131</u>	<u>17,297</u>	<u>5,166</u>
Excess (Deficiency of Revenues OVER EXPENDITURES	<u>60</u>	<u>(10,072)</u>	<u>(14,399)</u>	<u>(4,327)</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	-	10,732	16,207	5,475
Transfers Out	-	(768)	(2,709)	(1,941)
Total Other Financing Sources and Uses	<u>-</u>	<u>9,964</u>	<u>13,498</u>	<u>3,534</u>
Net Change in Fund Balances	<u>60</u>	<u>(108)</u>	<u>(901)</u>	<u>(793)</u>
Fund Balance - January 1	-	168	7,674	7,506
Error Correction	-	-	-	-
Fund Balance - December 31	<u>\$ 60</u>	<u>\$ 60</u>	<u>\$ 6,773</u>	<u>\$ 6,713</u>

Non-Major Enterprise Funds

Enterprise Funds are used as a cost center for the City for which in exchange of goods and/or services, a fee is charged. The City of Tacoma has 10 different enterprise funds which include the Performing Arts Fund and the Tacoma Dome Fund.

Permit Services Fund (#4110)

Was created to track the revenues generated from permits and expenditures incurred directly related to the permitting process.

Tacoma Rail Mountain Division Fund (#4120)

Accounts for the operation costs of the rail system.

Parking Operating Fund (#4140)

Accounts for the City's parking facilities.

Convention Center Fund (#4165)

Accounts for activities associated with operating the Convention Center

Cheney Stadium Fund (#4170)

Accounts for activities associated with operating Cheney Stadium.

Tacoma Dome Fund (#4180)

Accounts for activities associated with operating the Tacoma Dome.

Performing Arts Fund (#4190)

Was created to track costs associated with the Performing Arts Center, Rialto Theater, Broadway Theater District, and Pantages Theater.

Union Station Fund (#4450)

Was created to account for the thirty-year lease with the federal government, which used the Union Station as a federal courthouse. The federal courthouse was bought by the federal government in 2022. The remaining fund balance is in the process of being transferred to the General Fund.

Tacoma Rail Belt Line Division Fund (#4500)

Accounts for costs for the operations of the rail system between Tacoma and the Olympia area.

Low Income Assistance Fund (#4805)

Was created to accept voluntary donations to help low income customers pay utility bills.

COMBINING STATEMENT OF NET POSITION
NON-MAJOR ENTERPRISE FUNDS

December 31, 2024
(amounts expressed in thousands)
Page 1 of 6

	Permit Services #4110	Tacoma Rail Mountain Division #4120	Parking #4140	Convention Center #4165
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 22,576	\$ 3,073	\$ 4,283	\$ 4,716
Accounts Receivables (Net)	3,843	1	278	147
Notes and Contracts Receivable				
Inventory	-	-	-	-
Prepaid Items	-	23	63	220
Restricted Cash:				
Debt Service	-	-	-	668
Other	-	-	-	1,884
Leases Receivable-Current	-	-	-	62
Total Current Assets	<u>26,419</u>	<u>3,097</u>	<u>4,624</u>	<u>7,697</u>
Noncurrent Assets:				
Leases Receivable	-	-	-	288
Long-Term Contracts and Notes	-	-	-	-
Other non-current assets	-	-	-	25
Capital Assets:				
Right to Use Lease Assets	-	-	577	71
Less: Accumulated Amortization	-	-	(36)	(35)
Land	-	-	11,176	15,086
Art	-	-	-	-
Buildings and Equipment	305	7,964	56,186	70,166
Construction in Progress	-	-	7	382
Less: Accumulated Depreciation	(298)	(3,754)	(25,594)	(38,448)
Total Capital Assets (Net of A/D)	<u>7</u>	<u>4,210</u>	<u>42,316</u>	<u>47,222</u>
Total Noncurrent Assets	<u>7</u>	<u>4,210</u>	<u>42,316</u>	<u>47,535</u>
Total Assets	<u>26,426</u>	<u>7,307</u>	<u>46,940</u>	<u>55,232</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflow from Bond Refunding	-	-	-	414
Deferred Outflow Related to Pensions	5,441	-	413	1,072
Deferred Outflow Related to OPEB	-	-	-	-
Total Deferred Outflow of Resources	<u>5,441</u>	<u>-</u>	<u>413</u>	<u>1,486</u>

**COMBINING STATEMENT OF NET POSITION
NON-MAJOR ENTERPRISE FUNDS**

December 31, 2024
(amounts expressed in thousands)
Page 2 of 6

	Cheney Stadium #4170	Tacoma Dome #4180	Performing Arts #4190	Union Station #4450
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 1,643	\$ 12,277	\$ 1,006	\$ -
Accounts Receivables (Net)	1,067	339	276	-
Notes and Contracts Receivable			157	
Inventory	-	-	-	-
Prepaid Items	77	176	79	-
Restricted Cash:				
Debt Service	-	-	-	-
Other	-	5,839		-
Leases Receivable-Current	-	-	-	-
Total Current Assets	<u>2,787</u>	<u>18,631</u>	<u>1,518</u>	<u>-</u>
Noncurrent Assets:				
Leases Receivable	-	-	-	-
Long-Term Contracts and Notes	-	-	8,187	-
Other non-current assets	-	-	3,443	-
Capital Assets:				
Right to Use Lease Assets	-	34	-	-
Less: Accumulated Amortization	-	(27)	-	-
Land	224	6,161	2,087	-
Art	226	316	19	-
Buildings and Equipment	39,680	71,971	25,279	-
Construction in Progress	2,070	585	-	-
Less: Accumulated Depreciation	(22,129)	(37,330)	(15,651)	-
Total Capital Assets (Net of A/D)	<u>20,071</u>	<u>41,710</u>	<u>11,734</u>	<u>-</u>
Total Noncurrent Assets	<u>20,071</u>	<u>41,710</u>	<u>23,364</u>	<u>-</u>
Total Assets	<u>22,858</u>	<u>60,341</u>	<u>24,882</u>	<u>-</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflow from Bond Refunding	-	-	-	-
Deferred Outflow Related to Pensions	-	1,261	-	-
Deferred Outflow Related to OPEB	-	-	-	-
Total Deferred Outflow of Resources	<u>-</u>	<u>1,261</u>	<u>-</u>	<u>-</u>

**COMBINING STATEMENT OF NET POSITION
NON-MAJOR ENTERPRISE FUNDS**

December 31, 2024
(amounts expressed in thousands)
Page 3 of 6

	Tacoma Rail Belt Line Division #4500	Low Income Assistant #4805	Total Nonmajor Enterprise Funds
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$ 20,221	\$ 5,765	\$ 75,560
Accounts Receivables (Net)	4,964	137	11,052
Notes and Contracts Receivable	-	-	157
Inventory	1,533	-	1,533
Prepaid Items	3,274	-	3,912
Restricted Cash:			
Debt Service	-	-	668
Other	-	-	7,723
Leases Receivable-Current	-	-	62
Total Current Assets	<u>29,992</u>	<u>5,902</u>	<u>100,667</u>
Noncurrent Assets:			
Leases Receivable	-	-	288
Long-Term Contracts and Notes	-	-	8,187
Other non-current assets	-	-	3,468
Capital Assets:			
Right to Use Lease Assets	-	-	682
Less: Accumulated Amortization	-	-	(98)
Land	172	-	34,906
Art	-	-	561
Buildings and Equipment	61,450	-	333,001
Construction in Progress	1,862	-	4,906
Less: Accumulated Depreciation	(24,991)	-	(168,195)
Total Capital Assets (Net of A/D)	<u>38,493</u>	<u>-</u>	<u>205,763</u>
Total Noncurrent Assets	<u>38,493</u>	<u>-</u>	<u>217,706</u>
Total Assets	<u>68,485</u>	<u>5,902</u>	<u>318,373</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflow from Bond Refunding	-	-	414
Deferred Outflow Related to Pensions	-	-	8,187
Deferred Outflow Related to OPEB	957	-	957
Total Deferred Outflow of Resources	<u>957</u>	<u>-</u>	<u>9,558</u>

**COMBINING STATEMENT OF NET POSITION
NON-MAJOR ENTERPRISE FUNDS**

December 31, 2024
(amounts expressed in thousands)
Page 4 of 6

	Permit Services #4110	Tacoma Rail Mountain Division #4120	Parking #4140	Convention Center #4165
LIABILITIES				
Current Liabilities:				
Accounts Payable	176	55	227	801
Interest Payable	-	-	-	143
Due to Other Governments	7	-	-	-
Customer Deposits	118	10	-	907
Loans Payable - Current	-	-	-	-
Compensated Absences - Current	234	-	7	39
Bonds Payable - Current	-	-	3	2,297
Leases Liability, Current	-	-	26	-
SBITA payable, Current	-	-	-	7
OPEB Liability - Current	-	-	-	-
Unearned Revenues	-	-	73	17
Other Current Liabilities	573	-	43	184
Total Current Liabilities	1,108	65	379	4,395
Noncurrent Liabilities:				
Compensated Absences	1,246	-	24	151
Leases Liability	-	-	532	-
Other non-current liabilities	-	-	-	-
Loans Payable	-	-	-	-
Bonds Payable	-	-	65	36,039
SBITA Payable, non current	-	-	-	15
Total OPEB Liability	-	-	-	-
Net Pension Liability	4,390	-	333	865
Total Noncurrent Liabilities	5,636	-	954	37,070
Total Liabilities	6,744	65	1,333	41,465
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflow Related to Pensions	65	-	5	13
Deferred Inflow Related to OPEB	-	-	-	-
Deferred Inflow related to Leases	-	-	-	304
Deferred Inflows of Resources	65	-	5	317
NET POSITION				
Net Investment in Capital Assets	7	4,210	41,691	9,159
Restricted				
Capital Purchase	-	-	-	1,884
Debt Service	-	-	288	668
Environment Service & Program	4,435	-	-	-
Unrestricted	20,616	3,032	4,036	3,225
Total Net Position	\$ 25,058	\$ 7,242	\$ 46,015	\$ 14,936

**COMBINING STATEMENT OF NET POSITION
NON-MAJOR ENTERPRISE FUNDS**

December 31, 2024
(amounts expressed in thousands)
Page 5 of 6

	Cheney Stadium #4170	Tacoma Dome #4180	Performing Arts #4190	Union Station #4450
LIABILITIES				
Current Liabilities:				
Accounts Payable	1,238	1,874	41	-
Interest Payable	-	-	-	-
Due to Other Governments	-	-	-	-
Customer Deposits	-	5,881	-	-
Loans Payable - Current	-	-	-	-
Compensated Absences - Current	-	55	-	-
Bonds Payable - Current	-	-	-	-
Leases Liability, Current	-	-	-	-
SBITA payable, Current	-	-	-	-
OPEB Liability - Current	-	-	-	-
Unearned Revenues	-	220	-	-
Other Current Liabilities	-	101	-	-
Total Current Liabilities	<u>1,238</u>	<u>8,131</u>	<u>41</u>	<u>-</u>
Noncurrent Liabilities:				
Compensated Absences	-	411	-	-
Leases Liability	-	-	-	-
Other non-current liabilities	-	-	-	-
Loans Payable	-	-	-	-
Bonds Payable	-	-	-	-
SBITA Payable, non current	-	-	-	-
Total OPEB Liability	-	-	-	-
Net Pension Liability	-	1,017	-	-
Total Noncurrent Liabilities	<u>-</u>	<u>1,428</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>1,238</u>	<u>9,559</u>	<u>41</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflow Related to Pensions	-	15	-	-
Deferred Inflow Related to OPEB	-	-	-	-
Deferred Inflow related to Leases	-	-	-	-
Deferred Inflows of Resources	<u>-</u>	<u>15</u>	<u>-</u>	<u>-</u>
NET POSITION				
Net Investment in Capital Assets	20,070	41,711	11,734	-
Restricted				
Capital Purchase	387	968	-	-
Debt Service	1,060	-	-	-
Environment Service & Program	-	-	-	-
Unrestricted	103	9,349	13,107	-
Total Net Position	<u>\$ 21,620</u>	<u>\$ 52,028</u>	<u>\$ 24,841</u>	<u>\$ -</u>

**COMBINING STATEMENT OF NET POSITION
NON-MAJOR ENTERPRISE FUNDS**

December 31, 2024
(amounts expressed in thousands)
Page 6 of 6

	Tacoma Rail Belt Line Division #4500	Low Income Assistant #4805	Total Nonmajor Enterprise Funds
LIABILITIES			
Current Liabilities:			
Accounts Payable	2,432	593	7,437
Interest Payable	-	-	143
Due to Other Governments	-	-	7
Customer Deposits	-	-	6,916
Loans Payable - Current	856	-	856
Compensated Absences - Current	239	-	574
Bonds Payable - Current	-	-	2,300
Leases Liability, Current	-	-	26
SBITA payable, Current	-	-	7
OPEB Liability - Current	196	-	196
Unearned Revenues	-	-	310
Other Current Liabilities	795	-	1,696
Total Current Liabilities	<u>4,518</u>	<u>593</u>	<u>20,468</u>
Noncurrent Liabilities:			
Compensated Absences	1,640	-	3,472
Leases Liability	-	-	532
Other non-current liabilities	3,172	-	3,172
Loans Payable	2,357	-	2,357
Bonds Payable	-	-	36,104
SBITA Payable, non current	-	-	15
Total OPEB Liability	7,952	-	7,952
Net Pension Liability	-	-	6,605
Total Noncurrent Liabilities	<u>15,121</u>	<u>-</u>	<u>60,209</u>
Total Liabilities	<u>19,639</u>	<u>593</u>	<u>80,677</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflow Related to Pensions	-	-	98
Deferred Inflow Related to OPEB	3,686	-	3,686
Deferred Inflow related to Leases	-	-	304
Deferred Inflows of Resources	<u>3,686</u>	<u>-</u>	<u>4,088</u>
NET POSITION			
Net Investment in Capital Assets	35,280	-	163,862
Restricted			
Capital Purchase	-	-	3,239
Debt Service	-	-	2,016
Environment Service & Program	-	-	4,435
Unrestricted	<u>10,837</u>	<u>5,309</u>	<u>69,614</u>
Total Net Position	<u>\$ 46,117</u>	<u>\$ 5,309</u>	<u>\$ 243,166</u>

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
NON-MAJOR ENTERPRISE FUNDS

For the Year Ended December 31, 2024

(amounts expressed in thousands)

Page 1 of 3

	Permit Services #4110	Tacoma Rail Mountain Division #4120	Parking #4140	Convention Center #4165
OPERATING REVENUES:				
Charges for Services	\$ 20,293	\$ 10	\$ 4,941	\$ 3,236
Other Operating Revenue	-	-	-	148
Total Operating Revenues	<u>20,293</u>	<u>10</u>	<u>4,941</u>	<u>3,384</u>
OPERATING EXPENSES:				
Salaries and Benefits	16,218	5	1,373	3,586
Supplies	320	-	166	279
Service	5,206	34	3,487	4,050
Taxes	-	1	26	95
Depreciation and Amortization	4	241	1,323	1,775
Total Operating Expenses	<u>21,748</u>	<u>281</u>	<u>6,375</u>	<u>9,785</u>
Operating Income (Loss)	<u>(1,455)</u>	<u>(271)</u>	<u>(1,434)</u>	<u>(6,401)</u>
NON-OPERATING REVENUE (EXPENSE):				
Interest Revenue	859	119	91	367
Interest Revenue-Lease Activities	-	-	-	-
Operating Contributions	-	-	-	5,499
Other Non-Operating Revenues	-	-	-	-
Gain (Loss) on Sale of Capital Assets	-	-	-	-
Unrealized net gain(loss) in fair value investment	89	12	9	55
Interest Expense	-	-	(27)	(1,277)
Other Non-Operating Expenses	-	-	(13)	(1)
Total Non-Operating Revenue (Expense)	<u>948</u>	<u>131</u>	<u>60</u>	<u>4,643</u>
Income (Loss) Before Contributions & Transfers	<u>(507)</u>	<u>(140)</u>	<u>(1,374)</u>	<u>(1,758)</u>
Capital Contributions	-	-	-	146
Transfers In	2,457	-	3,573	4,315
Transfers Out	(83)	-	(796)	(199)
Total Contributions and Transfers	<u>2,374</u>	<u>-</u>	<u>2,777</u>	<u>4,262</u>
Change in Net Position	1,867	(140)	1,403	2,504
Net Position, January 1	23,264	7,382	44,615	12,595
Error Correction	-	-	-	(145)
Change in Accounting Principle	(73)	-	(3)	(18)
Net Position, January 1 restated	23,191	7,382	44,612	12,432
Net Position, December 31	<u>\$ 25,058</u>	<u>\$ 7,242</u>	<u>\$ 46,015</u>	<u>\$ 14,936</u>

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
NON-MAJOR ENTERPRISE FUNDS**

For the Year Ended December 31, 2024
(amounts expressed in thousands)

Page 2 of 3

	Cheney Stadium #4170	Tacoma Dome #4180	Performing Arts #4190	Union Station #4450
OPERATING REVENUES:				
Charges for Services	\$ 167	\$ 17,823	\$ 41	\$ -
Other Operating Revenue	546	22	-	-
Total Operating Revenues	<u>713</u>	<u>17,845</u>	<u>41</u>	<u>-</u>
OPERATING EXPENSES:				
Salaries and Benefits	1	3,978	-	-
Supplies	-	514	3	-
Service	2,327	10,663	933	-
Taxes	-	254	-	-
Depreciation and Amortization	1,408	1,682	1,600	-
Total Operating Expenses	<u>3,736</u>	<u>17,091</u>	<u>2,536</u>	<u>-</u>
Operating Income (Loss)	<u>(3,023)</u>	<u>754</u>	<u>(2,495)</u>	<u>-</u>
NON-OPERATING REVENUE (EXPENSE):				
Interest Revenue	43	984	128	48
Interest Revenue-Lease Activities	-	-	-	-
Operating Contributions	3,000	-	235	-
Other Non-Operating Revenues	208	2	-	-
Gain (Loss) on Sale of Capital Assets	-	-	-	-
Unrealized net gain(loss) in fair value investment	4	162	7	-
Interest Expense	-	-	-	-
Other Non-Operating Expenses	-	-	(10)	-
Total Non-Operating Revenue (Expense)	<u>3,255</u>	<u>1,148</u>	<u>360</u>	<u>48</u>
Income (Loss) Before Contributions & Transfers	<u>232</u>	<u>1,902</u>	<u>(2,135)</u>	<u>48</u>
Capital Contributions	-	-	-	-
Transfers In	1,878	-	1,890	-
Transfers Out	(1,405)	(1,370)	-	(3,353)
Total Contributions and Transfers	<u>473</u>	<u>(1,370)</u>	<u>1,890</u>	<u>(3,353)</u>
Change in Net Position	<u>705</u>	<u>532</u>	<u>(245)</u>	<u>(3,305)</u>
Net Position, January 1	20,915	51,501	25,086	984
Error Correction	-	7	-	2,321
Change in Accounting Principle	-	(12)	-	-
Net Position, January 1 restated	20,915	51,496	25,086	3,305
Net Position, December 31	<u>\$ 21,620</u>	<u>\$ 52,028</u>	<u>\$ 24,841</u>	<u>\$ -</u>

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
NON-MAJOR ENTERPRISE FUNDS**

For the Year Ended December 31, 2024

(amounts expressed in thousands)

Page 3 of 3

	Tacoma Rail Belt Line Division #4500	Low Income Assistance #4805	Total Nonmajor Enterprise Funds
OPERATING REVENUES:			
Charges for Services	\$ 44,311	\$ -	\$ 90,822
Other Operating Revenue	-	-	716
Total Operating Revenues	<u>44,311</u>	<u>-</u>	<u>91,538</u>
OPERATING EXPENSES:			
Salaries and Benefits	18,669	-	43,830
Supplies	1,629	-	2,911
Service	10,648	1	37,349
Taxes	4,362	-	4,738
Depreciation and Amortization	2,961	-	10,994
Total Operating Expenses	<u>38,269</u>	<u>1</u>	<u>99,822</u>
Operating Income (Loss)	<u>6,042</u>	<u>(1)</u>	<u>(8,284)</u>
NON-OPERATING REVENUE (EXPENSE):			
Interest Revenue	586	197	3,422
Interest Revenue-Lease Activities	-	-	-
Operating Contributions	22	3,564	12,320
Other Non-Operating Revenues	376	-	586
Gain (Loss) on Sale of Capital Assets	(50)	-	(50)
Unrealized net gain(loss) in fair value investment	28	14	380
Interest Expense	-	-	(1,304)
Other Non-Operating Expenses	6	(2,793)	(2,811)
Total Non-Operating Revenue (Expense)	<u>968</u>	<u>982</u>	<u>12,543</u>
Income (Loss) Before Contributions & Transfers	<u>7,010</u>	<u>981</u>	<u>4,259</u>
Capital Contributions	-	-	146
Transfers In	-	-	14,113
Transfers Out	-	-	(7,206)
Total Contributions and Transfers	<u>-</u>	<u>-</u>	<u>7,053</u>
Change in Net Position	7,010	981	11,312
Net Position, January 1	39,154	4,328	229,824
Error Correction	-	-	2,183
Change in Accounting Principle	(47)	-	(153)
Net Position, January 1 restated	39,107	4,328	231,854
Net Position, December 31	<u>\$ 46,117</u>	<u>\$ 5,309</u>	<u>\$ 243,166</u>

COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR ENTERPRISE FUNDS
For the Year Ended December 31, 2024
(amounts expressed in thousands)
Page 1 of 8

	Permit Service #4110	Tacoma Rail Mountain Div #4120	Parking #4140
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 20,021	\$ (2)	\$ 4,891
Receipts from interfund services provided			
Contribution received - employee/employer			
Payments to suppliers	(2,349)	22	(2,951)
Payments to employees	(15,426)	(1)	(1,319)
Payments for taxes	31	(1)	(27)
Payments for interfund services used	(3,453)	(46)	(456)
Other operating or non-operating Receipts		12	65
Other operating or non-operating payments	(73)		(2)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(1,249)</u>	<u>(16)</u>	<u>201</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfer from other funds	2,456	-	3,573
Grants and contributions received	-	-	-
Transfer to other funds	(82)	-	(26)
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>2,374</u>	<u>-</u>	<u>3,547</u>
CASH FLOWS PROVIDED (USED) BY CAPITAL FINANCING ACTIVITIES			
Transfers from other funds	-	-	-
Proceeds received from capital debts	-	-	-
Capital lease and subscription obligation	-	-	13
Contributions and donations	-	-	-
Acquisitions and constructions of capital assets	-	-	(116)
Principal paid on capital debts	-	-	(1,456)
Interest and issuance costs paid on capital debts	-	-	(54)
Transfers to other funds	-	-	(770)
Proceeds from sales of capital assets	-	-	-
NET CASH PROVIDED (USED) BY CAPITAL FINANCING ACTIVITIES	<u>-</u>	<u>-</u>	<u>(2,383)</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Interests and dividends received	859	119	91
Change in fair value of investment	89	12	9
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>948</u>	<u>131</u>	<u>100</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>2,073</u>	<u>115</u>	<u>1,465</u>
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>20,503</u>	<u>2,958</u>	<u>2,818</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u><u>\$ 22,576</u></u>	<u><u>\$ 3,073</u></u>	<u><u>\$ 4,283</u></u>

* Increases and decreases in the fair value of investments are treated as additions or deductions to cash and equity in pooled investments and long-term investments

COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR ENTERPRISE FUNDS
For the Year Ended December 31, 2024
(amounts expressed in thousands)
Page 2 of 8

	Convention Center #4165	Cheney Stadium #4170	Tacoma Dome #4180
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 3,289	\$ (192)	\$ 17,785
Receipts from interfund services provided			
Contribution received - employee/employer			
Payments to suppliers	(3,334)	(1,149)	(22,667)
Payments to employees	(3,456)	-	(3,948)
Payments for taxes	(95)	-	(271)
Payments for interfund services used	(644)	(3)	(697)
Other operating or non-operating Receipts	70	3,546	24
Other operating or non-operating payments	(163)		(5)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(4,333)</u>	<u>2,202</u>	<u>(9,779)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfer from other funds	-	1,878	-
Grants and contributions received	5,499	-	-
Transfer to other funds	(199)	-	(295)
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>5,300</u>	<u>1,878</u>	<u>(295)</u>
CASH FLOWS PROVIDED (USED) BY CAPITAL FINANCING ACTIVITIES			
Transfers from other funds	4,315	-	-
Proceeds received from capital debts	-	-	-
Capital lease and subscription obligation	(17)	-	(17)
Contributions and donations	146	-	-
Acquisitions and constructions of capital assets	(422)	(2,070)	(159)
Principal paid on capital debts	(3,895)	-	-
Interest and issuance costs paid on capital debts	(1,728)	-	-
Transfers to other funds	-	(1,405)	(1,075)
Proceeds from sales of capital assets	-	-	-
NET CASH PROVIDED (USED) BY CAPITAL FINANCING ACTIVITIES	<u>(1,601)</u>	<u>(3,475)</u>	<u>(1,251)</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Interests and dividends received	367	43	984
Change in fair value of investment	55	4	162
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>422</u>	<u>47</u>	<u>1,146</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>(212)</u>	<u>652</u>	<u>(10,179)</u>
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>7,480</u>	<u>991</u>	<u>28,295</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u><u>\$ 7,268</u></u>	<u><u>\$ 1,643</u></u>	<u><u>\$ 18,116</u></u>

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COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR ENTERPRISE FUNDS
For the Year Ended December 31, 2024
(amounts expressed in thousands)
Page 3 of 8

	Performing Arts #4190	Union Station #4450	Tacoma Rail Belt Line Div #4500
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ (313)	\$ -	\$ 43,777
Receipts from interfund services provided			
Contribution received - employee/employer			
Payments to suppliers	(2,371)	-	(11,521)
Payments to employees	-	-	(18,149)
Payments for taxes	-	-	(4,347)
Payments for interfund services used	(83)	-	-
Other operating or non-operating Receipts		236	377
Other operating or non-operating payments	-	(10)	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(2,767)	226	10,137
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfer from other funds	1,344	-	-
Grants and contributions received	235	-	-
Transfer to other funds	-	(3,353)	-
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	1,579	(3,353)	-
CASH FLOWS PROVIDED (USED) BY CAPITAL FINANCING ACTIVITIES			
Transfers from other funds	546	-	-
Proceeds received from capital debts	-	-	452
Capital lease and subscription obligation	-	-	(19)
Contributions and donations	-	-	54
Acquisitions and constructions of capital assets	(383)	-	(2,780)
Principal paid on capital debts	-	-	(897)
Interest and issuance costs paid on capital debts	(11)	-	-
Transfers to other funds	-	-	-
Proceeds from sales of capital assets	-	-	67
NET CASH PROVIDED (USED) BY CAPITAL FINANCING ACTIVITIES	152	-	(3,123)
CASH FLOW FROM INVESTING ACTIVITIES			
Interests and dividends received	128	48	586
Change in fair value of investment	7	-	28
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	135	48	614
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(901)	(3,079)	7,628
CASH AND CASH EQUIVALENTS, JANUARY 1	1,907	3,079	12,593
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 1,006	\$ -	\$ 20,221

* Increases and decreases in the fair value of investments are treated as additions or deductions to cash and equity in pooled investments and long-term investments

COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR ENTERPRISE FUNDS
For the Year Ended December 31, 2024
(amounts expressed in thousands)
Page 4 of 8

	Low Income Assistant #4805	Total Nonmajor Enterprise Funds
CASH FLOW FROM OPERATING ACTIVITIES		
Receipts from customers and users	\$ (132)	\$ 89,124
Receipts from interfund services provided		
Contribution received - employee/employer		
Payments to suppliers	459	(45,861)
Payments to employees	-	(42,299)
Payments for taxes	-	(4,710)
Payments for interfund services used	-	(5,382)
Other operating or non-operating Receipts		4,330
Other operating or non-operating payments	(2,793)	(3,046)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(2,466)</u>	<u>(7,844)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfer from other funds	-	9,251
Grants and contributions received	3,564	9,298
Transfer to other funds	-	(3,955)
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>3,564</u>	<u>14,594</u>
CASH FLOWS PROVIDED (USED) BY CAPITAL FINANCING ACTIVITIES		
Transfers from other funds	-	4,861
Proceeds received from capital debts	-	452
Capital lease and subscription obligation	-	(40)
Contributions and donations	-	200
Acquisitions and constructions of capital assets	-	(5,930)
Principal paid on capital debts	-	(6,248)
Interest and issuance costs paid on capital debts	-	(1,793)
Transfers to other funds	-	(3,250)
Proceeds from sales of capital assets	-	67
NET CASH PROVIDED (USED) BY CAPITAL FINANCING ACTIVITIES	<u>-</u>	<u>(11,681)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Interests and dividends received	197	3,422
Change in fair value of investment	14	380
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>211</u>	<u>3,802</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>1,309</u>	<u>(1,129)</u>
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>4,456</u>	<u>85,080</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u><u>\$ 5,765</u></u>	<u><u>\$ 83,951</u></u>

* Increases and decreases in the fair value of investments are treated as additions or deductions to cash and equity in pooled investments and long-term investments

COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR ENTERPRISE FUNDS
For the Year Ended December 31, 2024
(amounts expressed in thousands)
Page 5 of 8

	Permit Service #4110	Tacoma Rail Mountain Div #4120	Parking #4140
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	\$ (1,455)	\$ (271)	\$ (1,434)
Adjustments to reconcile operating income (loss) to net cash provided (used) by:			
Operating Activities:			
Depreciation expenses	4	241	1,323
(Increase) decrease in accounts receivable	(650)	-	15
(Increase) decrease in inventories	-	-	-
(Increase) decrease in prepaid items	-	19	(5)
(Increase) decrease in deposits payable	4	-	-
Increase (decrease) in accounts payable	110	(5)	180
Increase (decrease) in accrued wages payable	225	-	18
Increase (decrease) in compensated absences	305	-	6
Increase (decrease) in intergovernmental payable	-	-	-
Increase (decrease) in deferred revenues	-	-	-
Increase (decrease) in other current liabilities	32	-	72
Increase (decrease) long term liabilities	249	-	5
Miscellaneous non-operating revenues (expenses)	(73)	-	21
Total adjustments	206	255	1,635
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (1,249)	\$ (16)	\$ 201
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES			
Contribution of capital assets	-	-	-
Acquisition of ROU Assets with additions to ROU Liabilities		-	-
Unrealized Net Gain(Loss) on Fair Value Investment			

COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR ENTERPRISE FUNDS
For the Year Ended December 31, 2024
(amounts expressed in thousands)
Page 6 of 8

	Convention Center #4165	Cheney Stadium #4170	Tacoma Dome #4180
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	\$ (6,401)	\$ (3,023)	\$ 754
Adjustments to reconcile operating income (loss) to net cash provided (used) by:			
Operating Activities:			
Depreciation expenses	1,775	1,408	1,682
(Increase) decrease in accounts receivable	(24)	(567)	(37)
(Increase) decrease in inventories	-	-	-
(Increase) decrease in prepaid items	(78)	(12)	(11)
(Increase) decrease in deposits payable	144	-	(13,318)
Increase (decrease) in accounts payable	245	1,188	1,429
Increase (decrease) in accrued wages payable	48	-	32
Increase (decrease) in compensated absences	44	-	2
Increase (decrease) in intergovernmental payable	-	-	-
Increase (decrease) in deferred revenues	(17)	-	(224)
Increase (decrease) in other current liabilities	56	-	(78)
Increase (decrease) long term liabilities	37	-	(5)
Miscellaneous non-operating revenues (expenses)	(162)	3,208	(5)
Total adjustments	2,068	5,225	(10,533)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (4,333)	\$ 2,202	\$ (9,779)
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES			
Contribution of capital assets	-	-	-
Acquisition of ROU Assets with additions to ROU Liabilities	-	-	-
Unrealized Net Gain(Loss) on Fair Value Investment			

COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR ENTERPRISE FUNDS
For the Year Ended December 31, 2024
(amounts expressed in thousands)
Page 7 of 8

	Performing Arts #4190	Union Station #4450	Tacoma Rail Belt Line Div #4500
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	\$ (2,495)	\$ -	\$ 6,042
Adjustments to reconcile operating income (loss) to net cash provided (used) by:			
Operating Activities:			
Depreciation expenses	1,600	-	2,961
(Increase) decrease in accounts receivable	(1,865)	236	(535)
(Increase) decrease in inventories	-	-	(90)
(Increase) decrease in prepaid items	(9)	-	700
(Increase) decrease in deposits payable	-	-	-
Increase (decrease) in accounts payable	2	-	969
Increase (decrease) in accrued wages payable	-	-	221
Increase (decrease) in compensated absences	-	-	255
Increase (decrease) in intergovernmental payable	-	-	-
Increase (decrease) in deferred revenues	-	-	-
Increase (decrease) in other current liabilities	-	27	(280)
Increase (decrease) long term liabilities	-	(37)	15
Miscellaneous non-operating revenues (expenses)	-	-	(121)
Total adjustments	(272)	226	4,095
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (2,767)	\$ 226	\$ 10,137
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES			
Contribution of capital assets	-	-	
Acquisition of ROU Assets with additions to ROU Liabilities	-	-	-
Unrealized Net Gain(Loss) on Fair Value Investment			28

COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR ENTERPRISE FUNDS
For the Year Ended December 31, 2024
(amounts expressed in thousands)
Page 8 of 8

	Low Income Assistant #4805	Total Nonmajor Enterprise Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating income (loss)	\$ (1)	\$ (8,284)
Adjustments to reconcile operating income (loss) to net cash provided (used) by:		
Operating Activities:		
Depreciation expenses	-	10,994
(Increase) decrease in accounts receivable	(132)	(3,559)
(Increase) decrease in inventories	-	(90)
(Increase) decrease in prepaid items	-	604
(Increase) decrease in deposits payable	-	(13,170)
Increase (decrease) in accounts payable	460	4,578
Increase (decrease) in accrued wages payable	-	544
Increase (decrease) in compensated absences	-	612
Increase (decrease) in intergovernmental payable	-	-
Increase (decrease) in deferred revenues	-	(241)
Increase (decrease) in other current liabilities	-	(171)
Increase (decrease) long term liabilities	-	264
Miscellaneous non-operating revenues (expenses)	(2,793)	75
Total adjustments	(2,465)	440
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (2,466)	\$ (7,844)
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES		
Contribution of capital assets	-	-
Acquisition of ROU Assets with additions to ROU Liabilities	-	-
Unrealized Net Gain(Loss) on Fair Value Investment		

Non-Major Internal Service Funds

Internal Service funds are used to report the financing of goods and/or services administered from one department/agency to another department/agency. These transactions follow a cost reimbursement basis and include funds such as the Worker's Compensation Fund, Health Benefits Trust Fund, as well as 13 other funds.

Finance Department Fund (#5007)

Accounts for the operation of the Finance Division

BSIP Project Fund (#5027)

Accounts for the Business Systems Improvement Project

TPU Fleet Services Fund (#5050)

Accounts for costs of maintaining and replacing City vehicles for business type activities.

Tacoma Training and Employment Program (TTEP) Fund (#5086)

Accounts for program costs to assist residents of the City ages 18-24 gain the necessary work ethics for sustainable employment.

Public Works Equipment Rental Fund (#5400)

Accounts for costs of maintaining and replacing City vehicles for General Government activities.

Asphalt Plant Fund (#5453)

Accounts for the manufacturing of asphalt sold to other funds within the City of Tacoma.

Communications Equipment-Replacement Reserves Fund (#5540)

Accounts for radio communication equipment

Third Party Liability Claims Fund (#5550)

Was created to track costs related to our self-insurance program.

Unemployment Compensation Fund (#5560)

Accounts for the City's self-insurance unemployment compensation costs.

Worker's Compensation Fund (#5570)

Accounts for the City's self-insurance worker's compensation costs.

Facilities Operations and Telecommunications Fund (#5700)

Accounts for maintenance and operation cost associated with all City of Tacoma buildings.

General Government Internal Service Fund (#5800)

Provides computer and system support and other internal services for all City departments.

Health Benefits Trust Fund (#5-64xx)IS

Provides accounting for self-insurance to all City's cost for healthcare.

Self-Insurance Claims Fund (#5-4800)

Provides accounting for self-insurance to business-type activities of the City of Tacoma departments including provisions for losses on property, liability, workers compensation, unemployment compensation.

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS

December 31, 2024

(amounts expressed in thousands)

Page 1 of 8

	Finance Department #5007	BSIP Project #5027	TPU Fleet Services #5050
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$ 2	\$ 143	\$ 2,407
Accounts Receivables (Net)	20	-	-
Inventories	-	-	911
Prepaid Items	-	-	-
Leases Receivable -Current	-	-	-
Total Current Assets	<u>22</u>	<u>143</u>	<u>3,318</u>
Noncurrent Assets:			
Leases Receivable	-	-	-
Capital Assets:			
Right to Use Lease Assets	-	-	-
Less: Accumulated Amortization	-	-	-
Land	-	-	-
Property, Plant and Equipment	-	-	4,583
Construction in Progress	-	-	249
Less: Accumulated Depreciation	-	-	(3,180)
Total Capital Assets (Net of A/D)	<u>-</u>	<u>-</u>	<u>1,652</u>
Total Noncurrent Assets	<u>-</u>	<u>-</u>	<u>1,652</u>
Total Assets	<u>22</u>	<u>143</u>	<u>4,970</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflow Related to Pensions	<u>-</u>	<u>-</u>	<u>1,413</u>

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS

December 31, 2024

(amounts expressed in thousands)

Page 2 of 8

	Tacoma Training & Employment Program #5086	Public Works Equipment Rental #5400	Asphalt Plant #5453	Communications Equipment #5540
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 337	\$ 22,669	\$ 605	\$ 7,813
Accounts Receivables (Net)	22	25	27	62
Inventories	-	620	498	-
Prepaid Items	-	117	-	-
Leases Receivable -Current	-	-	-	20
Total Current Assets	359	23,431	1,130	7,895
Noncurrent Assets:				
Leases Receivable	-	-	-	233
Capital Assets:				
Right to Use Lease Assets	-	-	-	20
Less: Accumulated Amortization	-	-	-	(8)
Land	-	-	11	-
Property, Plant and Equipment	-	77,583	1,233	6,292
Construction in Progress	-	6,455	-	-
Less: Accumulated Depreciation	-	(51,912)	(647)	(5,874)
Total Capital Assets (Net of A/D)	-	32,126	597	430
Total Noncurrent Assets	-	32,126	597	663
Total Assets	359	55,557	1,727	8,558
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflow Related to Pensions	34	1,955	84	350

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS

December 31, 2024

(amounts expressed in thousands)

Page 3 of 8

	Third Party Liability Claims #5550	Unemployment Compensation #5560	Workers Compensation #5570	Facilities #5700
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 7,241	\$ 1,810	\$ 77	\$ 3,848
Accounts Receivables (Net)	-	-	-	-
Inventories	-	-	-	-
Prepaid Items	793	-	-	153
Leases Receivable -Current	-	-	-	-
Total Current Assets	8,034	1,810	77	4,001
Noncurrent Assets:				
Leases Receivable	-	-	-	-
Capital Assets:				
Right to Use Lease Assets	68	-	-	102
Less: Accumulated Amortization	(44)	-	-	(7)
Land	-	-	-	346
Property, Plant and Equipment	-	-	-	22,574
Construction in Progress	-	-	-	2,850
Less: Accumulated Depreciation	-	-	-	(18,265)
Total Capital Assets (Net of A/D)	24	-	-	7,600
Total Noncurrent Assets	24	-	-	7,600
Total Assets	8,058	1,810	77	11,601
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflow Related to Pensions	99	-	-	798

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
December 31, 2024
(amounts expressed in thousands)
Page 4 of 8

	General Government Internal Services #5800	Health Benefits #64XX	Self-Insurance Claims #4800	Total Internal Service Funds
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 31,093	\$ 37,037	\$ 12,233	\$ 127,315
Accounts Receivables (Net)	789	-	-	945
Inventories	77	-	-	2,106
Prepaid Items	1,249	-	-	2,312
Leases Receivable -Current	55	-	-	75
Total Current Assets	33,263	37,037	12,233	132,753
Noncurrent Assets:				
Leases Receivable	3,190	-	-	3,423
Capital Assets:				
Right to Use Lease Assets	6,723	-	44	6,957
Less: Accumulated Amortization	(3,540)	-	(29)	(3,628)
Land	-	-	-	357
Property, Plant and Equipment	25,889	12	-	138,166
Construction in Progress	3,477	-	-	13,031
Less: Accumulated Depreciation	(21,157)	(8)	-	(101,043)
Total Capital Assets (Net of A/D)	11,392	4	15	53,840
Total Noncurrent Assets	14,582	4	15	57,263
Total Assets	47,845	37,041	12,248	190,016
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflow Related to Pensions	23,353	-	-	28,086

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
December 31, 2024
(amounts expressed in thousands)
Page 5 of 8

	Finance Department #5007	BSIP Project #5027	TPU Fleet Services #5050
LIABILITIES			
Current Liabilities:			
Current Payables	-	-	161
Compensated Absences - Current	-	-	83
Interest Payable	-	-	-
Leases Payable, current	-	-	-
Claims and Judgements - Current	-	-	-
SBITA payable, Current	-	-	-
Other Liabilities Payable	-	-	394
Total Current Liabilities	<u>-</u>	<u>-</u>	<u>638</u>
Noncurrent Liabilities	-	-	-
Compensated Absences	-	-	313
Claims and Judgements - Noncurrent	-	-	-
Other LT Liabilities Payable	-	-	2,493
Unearned Revenues	-	-	-
Net Pension Liability	-	-	1,140
SBITA Payable, non current	-	-	-
Leases Payable, noncurrent	-	-	-
Total Noncurrent Liabilities	<u>-</u>	<u>-</u>	<u>3,946</u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>4,584</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflow related to Leases			
Deferred Inflow Related to Pensions	-	-	17
Deferred Inflows of Resources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17</u>
NET POSITION			
Net Investment in Capital Assets	-	-	1,652
Unrestricted	<u>22</u>	<u>143</u>	<u>130</u>
Total Net Position	<u>\$ 22</u>	<u>\$ 143</u>	<u>\$ 1,782</u>

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS

December 31, 2024

(amounts expressed in thousands)

Page 6 of 8

	Tacoma Training & Employment Program #5086	Public Works Equipment Rental #5400	Asphalt Plant #5453	Communications Equipment #5540
LIABILITIES				
Current Liabilities:				
Current Payables	151	3,397	32	22
Compensated Absences - Current		115	2	34
Interest Payable	-	-	-	-
Leases Payable, current	-	-	-	3
Claims and Judgements - Current	-	-	-	-
SBITA payable, Current	-	-	-	-
Other Liabilities Payable	4	591	7	35
Total Current Liabilities	155	4,103	41	94
Noncurrent Liabilities	-	-	-	-
Compensated Absences	-	262	13	206
Claims and Judgements - Noncurrent	-	-	-	-
Other LT Liabilities Payable	-	3,921	-	-
Unearned Revenues	-	-	-	-
Net Pension Liability	27	1,577	68	282
SBITA Payable, non current	-	-	-	-
Leases Payable, noncurrent	-	-	-	9
Total Noncurrent Liabilities	27	5,760	81	497
Total Liabilities	182	9,863	122	591
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflow related to Leases				\$ 252
Deferred Inflow Related to Pensions	1	23	1	4
Deferred Inflows of Resources	\$ 1	\$ 23	\$ 1	\$ 256
NET POSITION				
Net Investment in Capital Assets	-	32,126	597	418
Unrestricted	210	15,500	1,091	7,643
Total Net Position	\$ 210	\$ 47,626	\$ 1,688	\$ 8,061

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
December 31, 2024
(amounts expressed in thousands)
Page 7 of 8

	Third Party Liability Claims #5550	Unemployment Compensation #5560	Workers Compensation #5570	Facilities #5700
LIABILITIES				
Current Liabilities:				
Current Payables	5,314	-	1,234	682
Compensated Absences - Current	-	-	-	30
Interest Payable	-	-	-	-
Leases Payable, current	-	-	-	11
Claims and Judgements - Current	49,007	-	3,728	-
SBITA payable, Current	24	-	-	-
Other Liabilities Payable	10	-	-	95
Total Current Liabilities	<u>54,355</u>	<u>-</u>	<u>4,962</u>	<u>818</u>
Noncurrent Liabilities	-	-	-	-
Compensated Absences	-	-	-	142
Claims and Judgements - Noncurrent	13,066	-	-	-
Other LT Liabilities Payable	-	-	-	-
Unearned Revenues	-	-	-	-
Net Pension Liability	80	-	-	643
SBITA Payable, non current	-	-	-	-
Leases Payable, noncurrent	-	-	-	83
Total Noncurrent Liabilities	<u>13,146</u>	<u>-</u>	<u>-</u>	<u>868</u>
Total Liabilities	<u>67,501</u>	<u>-</u>	<u>4,962</u>	<u>1,686</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflow related to Leases				
Deferred Inflow Related to Pensions	1	-	-	10
Deferred Inflows of Resources	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10</u>
NET POSITION				
Net Investment in Capital Assets	(1)	-	-	7,506
Unrestricted	<u>(59,344)</u>	<u>1,810</u>	<u>(4,885)</u>	<u>3,197</u>
Total Net Position	<u><u>\$ (59,345)</u></u>	<u><u>\$ 1,810</u></u>	<u><u>\$ (4,885)</u></u>	<u><u>\$ 10,703</u></u>

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
December 31, 2024
(amounts expressed in thousands)
Page 8 of 8

	General Government Internal Services #5800	Health Benefits #64XX	Self-Insurance Claims #4800	Total Internal Service Funds
LIABILITIES				
Current Liabilities:				
Current Payables	3,369	7,090	-	21,452
Compensated Absences - Current	1,036	-	-	1,300
Interest Payable	42	-	-	42
Leases Payable, current	103	-	-	117
Claims and Judgements - Current	-	-	5	52,740
SBITA payable, Current	1,302	-	16	1,342
Other Liabilities Payable	2,533	13,482	-	17,151
Total Current Liabilities	8,385	20,572	21	94,144
Noncurrent Liabilities	-	-	-	-
Compensated Absences	6,688	-	-	7,624
Claims and Judgements - Noncurrent	-	-	4,222	17,288
Other LT Liabilities Payable	-	-	-	6,414
Unearned Revenues	8,199	-	-	8,199
Net Pension Liability	18,843	-	-	22,660
SBITA Payable, non current	929	-	-	929
Leases Payable, noncurrent	372	-	-	464
Total Noncurrent Liabilities	35,031	-	4,222	63,578
Total Liabilities	43,416	20,572	4,243	157,722
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflow related to Leases	\$ 3,145			3,397
Deferred Inflow Related to Pensions	281	-	-	338
Deferred Inflows of Resources	\$ 3,426	\$ -	\$ -	\$ 3,735
NET POSITION				
Net Investment in Capital Assets	8,643	4	-	50,945
Unrestricted	15,713	16,465	8,005	5,700
Total Net Position	\$ 24,356	\$ 16,469	\$ 8,005	\$ 56,645

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS**

For the Year Ended December 31, 2024

(amounts expressed in thousands)

Page 1 of 4

	Finance Department #5007	BSIP Project #5027	TPU Fleet Services #5050
OPERATING REVENUES			
Charges for Services	\$ -	\$ -	\$ 2,963
Interfund Insurance Premiums	-	-	-
Other Operating Revenue	-	-	-
Total Operating Revenues	-	-	2,963
OPERATING EXPENSES			
Salaries & Benefits	-	-	518
Supplies	-	-	74
Service	-	-	834
Depreciation and Amortization	-	-	180
Total Operating Expenses	-	-	1,606
Operating Income (Loss)	-	-	1,357
NON-OPERATING REVENUE (EXPENSE)			
Interest Revenue	-	-	56
Interest Revenue-Lease Activities			
Operating Contributions			
Other Non-Operating Revenues	-	-	22
Gain (Loss) on Sale of Capital Assets	-	-	-
Unrealized Gain(loss) on FMV of Investments	-	-	2
Other Non-Operating Expenses	-	-	-
Total Non-Operating Revenues (Expenses)	-	-	80
Income (Loss) Before Contributions	-	-	1,437
Transfers In	-	-	-
Transfers Out	-	-	-
Change in Net Position	-	-	1,437
Net Position, January 1	22	143	379
Error Correction	-	-	-
Change in Accounting Principle	-	-	(34)
Net Position, January 1 restated	22	143	345
Total Net Position - Ending	\$ 22	\$ 143	\$ 1,782

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS**

For the Year Ended December 31, 2024

(amounts expressed in thousands)

Page 2 of 4

	Tacoma Training & Employment Program #5086	Public Works Equipment Rental #5400	Asphalt Plant #5453	Communications Equipment #5540
OPERATING REVENUES				
Charges for Services	\$ 396	\$ 4,995	\$ 1,552	\$ 2,308
Interfund Insurance Premiums	-	-	-	-
Other Operating Revenue	-	-	-	25
Total Operating Revenues	<u>396</u>	<u>4,995</u>	<u>1,552</u>	<u>2,333</u>
OPERATING EXPENSES				
Salaries & Benefits	88	632	295	959
Supplies	-	164	946	669
Service	427	1,270	221	1,004
Depreciation and Amortization	-	4,067	35	70
Total Operating Expenses	<u>515</u>	<u>6,133</u>	<u>1,497</u>	<u>2,702</u>
Operating Income (Loss)	<u>(119)</u>	<u>(1,138)</u>	<u>55</u>	<u>(369)</u>
NON-OPERATING REVENUE (EXPENSE)				
Interest Revenue	6	654	25	318
Interest Revenue-Lease Activities	-	-	-	-
Operating Contributions	144	-	-	-
Other Non-Operating Revenues	-	23	-	146
Gain (Loss) on Sale of Capital Assets	-	101	-	-
Unrealized Gain(loss) on FMV of Investments	-	55	2	33
Other Non-Operating Expenses	-	-	-	-
Total Non-Operating Revenues (Expenses)	<u>150</u>	<u>833</u>	<u>27</u>	<u>497</u>
Income (Loss) Before Contributions	31	(305)	82	128
Transfers In	-	11,681	-	-
Transfers Out	<u>(26)</u>	<u>(48)</u>	<u>-</u>	<u>-</u>
Change in Net Position	<u>5</u>	<u>11,328</u>	<u>82</u>	<u>128</u>
Net Position, January 1	205	36,361	1,398	7,943
Error Correction	-	-	211	-
Change in Accounting Principle	-	(63)	(3)	(10)
Net Position, January 1 restated	205	36,298	1,606	7,933
Total Net Position - Ending	<u>\$ 210</u>	<u>\$ 47,626</u>	<u>\$ 1,688</u>	<u>\$ 8,061</u>

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS**

For the Year Ended December 31, 2024

(amounts expressed in thousands)

Page 3 of 4

	Third Party Liability Claims #5550	Unemployment Compensation #5560	Workers Compensation #5570	Facilities #5700
OPERATING REVENUES				
Charges for Services	\$ -	\$ -	\$ -	\$ 5,691
Interfund Insurance Premiums	6,325	49	4,869	-
Other Operating Revenue	-	-	-	-
Total Operating Revenues	<u>6,325</u>	<u>49</u>	<u>4,869</u>	<u>5,691</u>
OPERATING EXPENSES				
Salaries & Benefits	250	-	-	2,296
Supplies	-	-	-	528
Service	31,057	333	10,124	3,571
Depreciation and Amortization	22	-	-	298
Total Operating Expenses	<u>31,329</u>	<u>333</u>	<u>10,124</u>	<u>6,693</u>
Operating Income (Loss)	<u>(25,004)</u>	<u>(284)</u>	<u>(5,255)</u>	<u>(1,002)</u>
NON-OPERATING REVENUE (EXPENSE)				
Interest Revenue	231	75	(60)	127
Interest Revenue-Lease Activities	-	-	-	-
Operating Contributions	-	-	-	-
Other Non-Operating Revenues	-	-	-	5
Gain (Loss) on Sale of Capital Assets	-	-	-	-
Unrealized Gain(loss) on FMV of Investments	18	10	11	12
Other Non-Operating Expenses	(1)	-	-	(3)
Total Non-Operating Revenues (Expenses)	<u>248</u>	<u>85</u>	<u>(49)</u>	<u>141</u>
Income (Loss) Before Contributions	<u>(24,756)</u>	<u>(199)</u>	<u>(5,304)</u>	<u>(861)</u>
Transfers In	-	-	3,196	2,671
Transfers Out	-	-	-	(228)
Change in Net Position	<u>(24,756)</u>	<u>(199)</u>	<u>(2,108)</u>	<u>1,582</u>
Net Position, January 1	<u>(34,589)</u>	<u>2,009</u>	<u>(2,777)</u>	<u>9,150</u>
Error Correction	-	-	-	-
Change in Accounting Principle	-	-	-	(29)
Net Position, January 1 restated	<u>(34,589)</u>	<u>2,009</u>	<u>(2,777)</u>	<u>9,121</u>
Total Net Position - Ending	<u>\$ (59,345)</u>	<u>\$ 1,810</u>	<u>\$ (4,885)</u>	<u>\$ 10,703</u>

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS**

For the Year Ended December 31, 2024

(amounts expressed in thousands)

Page 4 of 4

	General Government Internal Services #5800	Health Benefits #64XX	Self-Insurance Claims #4800	Total Internal Service Funds
OPERATING REVENUES				
Charges for Services	\$ 66,910	\$ -	\$ -	\$ 84,815
Interfund Insurance Premiums	19	106,353	1,480	119,095
Other Operating Revenue	94	-	-	119
Total Operating Revenues	<u>67,023</u>	<u>106,353</u>	<u>1,480</u>	<u>204,029</u>
OPERATING EXPENSES				
Salaries & Benefits	65,820	-	1	70,859
Supplies	1,797	19	-	4,197
Service	1,927	107,875	2,371	161,014
Depreciation and Amortization	3,259	1	15	7,947
Total Operating Expenses	<u>72,803</u>	<u>107,895</u>	<u>2,387</u>	<u>244,017</u>
Operating Income (Loss)	<u>(5,780)</u>	<u>(1,542)</u>	<u>(907)</u>	<u>(39,988)</u>
NON-OPERATING REVENUE (EXPENSE)				
Interest Revenue	1,201	1,368	487	4,488
Interest Revenue-Lease Activities	76	-	-	76
Operating Contributions	623	-	-	767
Other Non-Operating Revenues	14	-	-	210
Gain (Loss) on Sale of Capital Assets	15	-	-	116
Unrealized Gain(loss) on FMV of Investments	177	129	60	509
Other Non-Operating Expenses	(94)	-	(1)	(99)
Total Non-Operating Revenues (Expenses)	<u>2,012</u>	<u>1,497</u>	<u>546</u>	<u>6,067</u>
Income (Loss) Before Contributions	<u>(3,768)</u>	<u>(45)</u>	<u>(361)</u>	<u>(33,921)</u>
Transfers In	405	1,401	-	19,354
Transfers Out	<u>(517)</u>	<u>-</u>	<u>-</u>	<u>(819)</u>
Change in Net Position	<u>(3,880)</u>	<u>1,356</u>	<u>(361)</u>	<u>(15,386)</u>
Net Position, January 1	28,885	15,113	8,366	72,608
Error Correction	(195)	-	-	16
Change in Accounting Principle	(454)	-	-	(593)
Net Position, January 1 restated	28,236	15,113	8,366	72,031
Total Net Position - Ending	<u>\$ 24,356</u>	<u>\$ 16,469</u>	<u>\$ 8,005</u>	<u>\$ 56,645</u>

COMBINING STATEMENT OF CASH FLOW
INTERNAL SERVICE FUNDS

For year ended December 31, 2024

(amounts expressed in thousands)

Page 1 of 8

	Finance Department #5007	BSIP Project #5027	TPU Fleet Service #5050	Tacoma Training & Employment Program #5086
CASH FLOW FROM OPERATING ACTIVITIES				
Receipt from customers and users	\$ -	\$ -	\$ 1,970	\$ 13
Receipts from interfund services provided	-	-	5,019	400
Contribution received - employee/employer	-	-	-	-
Payments to suppliers	-	-	(1,035)	(275)
Payments to employees	-	-	(4,027)	(92)
Payments for taxes	-	-	-	-
Payments for interfund services used	-	-	(414)	(18)
Other operating or non-operating Receipts	-	-	22	-
Other operating or non-operating Payments	-	-	(34)	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	-	-	1,501	28
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfer from other funds	-	-	-	-
Grants and contributions received	-	-	-	144
Transfer to other funds	-	-	-	-
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	-	-	-	144
CASH FLOWS PROVIDED (USED) BY CAPITAL FINANCING ACTIVITIES				
Transfers from other funds	-	-	-	-
Proceeds from sales of capital assets	-	-	-	-
Acquisitions and constructions of capital assets	-	-	(647)	-
Interest and issuance costs paid on capital debts	-	-	-	-
Transfers to other funds	-	-	-	(26)
Capital lease and subscription obligation	-	-	-	-
NET CASH PROVIDED (USED) BY CAPITAL FINANCING ACTIVITIES	-	-	(647)	(26)
CASH FLOW FROM INVESTING ACTIVITIES				
Interests and dividends received	-	-	56	6
Change in fair value of investment	-	-	2	-
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	-	-	58	6
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	-	-	912	152
CASH AND CASH EQUIVALENTS, JANUARY 1	2	143	1,495	185
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 2	\$ 143	\$ 2,407	\$ 337

* Increases and decreases in the fair value of investments are treated as additions or deductions to cash and equity in pooled investments and long-term investments

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COMBINING STATEMENT OF CASH FLOW
INTERNAL SERVICE FUNDS

For year ended December 31, 2024

(amounts expressed in thousands)

Page 2 of 8

	Public Works Equipment Rental #5400	Asphalt Plant #5453	Communication Equipment #5540	Third Party Liabilities Claims #5550
CASH FLOW FROM OPERATING ACTIVITIES				
Receipt from customers and users	\$ 4,991	\$ 1,618	\$ 2,499	\$ 1,500
Receipts from interfund services provided	5,564	169	-	-
Contribution received - employee/employer	-	-	-	6,325
Payments to suppliers	2,181	(1,494)	(1,597)	(6,171)
Payments to employees	(5,320)	(333)	(894)	(242)
Payments for taxes	-	2	3	-
Payments for interfund services used	(1,010)	(92)	(168)	-
Other operating or non-operating Receipts	-	211	(2)	-
Other operating or non-operating Payments	(40)	(3)	(10)	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>6,366</u>	<u>78</u>	<u>(169)</u>	<u>1,412</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfer from other funds	11,681	-	-	-
Grants and contributions received	-	-	-	-
Transfer to other funds	(48)	-	-	-
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>11,633</u>	<u>-</u>	<u>-</u>	<u>-</u>
CASH FLOWS PROVIDED (USED) BY CAPITAL FINANCING ACTIVITIES				
Transfers from other funds	-	-	-	-
Proceeds from sales of capital assets	100	-	-	-
Acquisitions and constructions of capital assets	(12,280)	-	(4)	(24)
Interest and issuance costs paid on capital debts	-	-	-	(2)
Transfers to other funds	-	-	-	-
Capital lease and subscription obligation	-	-	-	2
NET CASH PROVIDED (USED) BY CAPITAL FINANCING ACTIVITIES	<u>(12,180)</u>	<u>-</u>	<u>(4)</u>	<u>(24)</u>
CASH FLOW FROM INVESTING ACTIVITIES				
Interests and dividends received	654	25	318	231
Change in fair value of investment	55	2	33	19
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>709</u>	<u>27</u>	<u>351</u>	<u>250</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>6,528</u>	<u>105</u>	<u>178</u>	<u>1,638</u>
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>16,141</u>	<u>500</u>	<u>7,635</u>	<u>5,603</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 22,669</u>	<u>\$ 605</u>	<u>\$ 7,813</u>	<u>\$ 7,241</u>

* Increases and decreases in the fair value of investments are treated as additions or deductions to cash and equity in pooled investments and long-term investments

COMBINING STATEMENT OF CASH FLOW
INTERNAL SERVICE FUNDS

For year ended December 31, 2024

(amounts expressed in thousands)

Page 3 of 8

	Unemployment Compensation #5560	Workers Compensation #5570	Facilities #5700	GG Internal Services #5800
CASH FLOW FROM OPERATING ACTIVITIES				
Receipt from customers and users	\$ 49	\$ -	\$ 5,691	\$ 1,190
Receipts from interfund services provided	-	-	238	82,797
Contribution received - employee/employer	-	4,869	-	-
Payments to suppliers	(468)	(6,467)	(3,194)	(18,218)
Payments to employees	-	-	(2,409)	(67,225)
Payments for taxes	-	(2,075)	(33)	(49)
Payments for interfund services used	-	(9)	(548)	(158)
Other operating or non-operating Receipts	-	-	5	2,950
Other operating or non-operating Payments	-	-	(29)	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(419)	(3,682)	(279)	1,287
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfer from other funds	-	3,196	1,100	356
Grants and contributions received	-	-	-	13
Transfer to other funds	-	-	(228)	(517)
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	-	3,196	872	(148)
CASH FLOWS PROVIDED (USED) BY CAPITAL FINANCING ACTIVITIES				
Transfers from other funds	-	-	1,571	49
Proceeds from sales of capital assets	-	-	-	15
Acquisitions and constructions of capital assets	-	-	(1,821)	(5,600)
Interest and issuance costs paid on capital debts	-	-	(3)	(113)
Transfers to other funds	-	-	-	-
Capital lease and subscription obligation	-	-	7	(356)
NET CASH PROVIDED (USED) BY CAPITAL FINANCING ACTIVITIES	-	-	(246)	(6,005)
CASH FLOW FROM INVESTING ACTIVITIES				
Interests and dividends received	75	(60)	127	1,277
Change in fair value of investment	10	11	12	177
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	85	(49)	139	1,454
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(334)	(535)	486	(3,412)
CASH AND CASH EQUIVALENTS, JANUARY 1	2,144	612	3,362	34,505
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 1,810	\$ 77	\$ 3,848	\$ 31,093

* Increases and decreases in the fair value of investments are treated as additions or deductions to cash and equity in pooled investments and long-term investments

COMBINING STATEMENT OF CASH FLOW
INTERNAL SERVICE FUNDS

For year ended December 31, 2024

(amounts expressed in thousands)

Page 4 of 8

	Health Benefits #64XX	Self Insurance Claims #4800	Total
CASH FLOW FROM OPERATING ACTIVITIES			
Receipt from customers and users	\$ -	\$ 1,480	\$ 21,001
Receipts from interfund services provided	-	-	94,187
Contribution received - employee/employer	106,353	-	117,547
Payments to suppliers	(556)	(2,272)	(39,566)
Payments to employees	(105,580)	-	(186,122)
Payments for taxes	-	-	(2,152)
Payments for interfund services used	-	(122)	(2,539)
Other operating or non-operating Receipts			3,186
Other operating or non-operating Payments	-	-	(116)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>217</u>	<u>(914)</u>	<u>5,426</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfer from other funds	1,401	-	17,734
Grants and contributions received	-	-	157
Transfer to other funds	-	-	(793)
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>1,401</u>	<u>-</u>	<u>17,098</u>
CASH FLOWS PROVIDED (USED) BY CAPITAL FINANCING ACTIVITIES			
Transfers from other funds	-	-	1,620
Proceeds from sales of capital assets	-	-	115
Acquisitions and constructions of capital assets	-	(16)	(20,392)
Interest and issuance costs paid on capital debts	-	(1)	(119)
Transfers to other funds	-	-	(26)
Capital lease and subscription obligation	-	1	(346)
NET CASH PROVIDED (USED) BY CAPITAL FINANCING ACTIVITIES	<u>-</u>	<u>(16)</u>	<u>(19,148)</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Interests and dividends received	1,368	487	4,564
Change in fair value of investment	129	60	510
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>1,497</u>	<u>547</u>	<u>5,074</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>3,115</u>	<u>(383)</u>	<u>8,450</u>
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>33,922</u>	<u>12,616</u>	<u>118,865</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u><u>\$ 37,037</u></u>	<u><u>\$ 12,233</u></u>	<u><u>\$ 127,315</u></u>

* Increases and decreases in the fair value of investments are treated as additions or deductions to cash and equity in pooled investments and long-term investments

COMBINING STATEMENT OF CASH FLOW
INTERNAL SERVICE FUNDS

For year ended December 31, 2024

(amounts expressed in thousands)

Page 5 of 8

	Finance Department #5007	BSIP Project #5027	TPU Fleet Service #5050	Tacoma Training & Employment Program #5086
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	\$ -	\$ -	\$ 1,357	\$ (119)
Adjustments to reconcile operating income (loss) to net cash provided (used) by:				
Operating Activities:				
Depreciation expenses	-	-	180	-
(Increase) decrease in accounts receivable	-	-	-	13
(Increase) decrease in intergovernmental receivables	-	-	-	-
(Increase) decrease in due from other funds	-	-	-	-
(Increase) decrease in inventories	-	-	(201)	-
(Increase) decrease in prepaid items	-	-	-	-
(Increase) decrease in other assets	-	-	-	-
Increase (decrease) in accounts payable	-	-	(4)	139
Increase (decrease) in accrued wages	-	-	51	1
Increase (decrease) in compensated absences	-	-	76	-
Increase (decrease) in intergovernmental payable	-	-	-	-
Increase (decrease) in other current liabilities	-	-	-	-
Increase (decrease) long term liabilities	-	-	54	(6)
Miscellaneous non-operating revenues (expenses)	-	-	(12)	-
Total adjustments	-	-	144	147
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,501</u>	<u>\$ 28</u>
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES				
Contribution of capital assets	-	-	-	-

COMBINING STATEMENT OF CASH FLOW
INTERNAL SERVICE FUNDS

For year ended December 31, 2024

(amounts expressed in thousands)

Page 6 of 8

	Public Works Equipment Rental #5400	Asphalt Plant #5453	Communication Equipment #5540	Third Party Liabilities Claims #5550
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	\$ (1,138)	\$ 55	\$ (369)	\$ (25,004)
Adjustments to reconcile operating income (loss) to net cash provided (used) by:				
Operating Activities:				
Depreciation expenses	4,067	35	70	22
(Increase) decrease in accounts receivable	(4)	66	16	-
(Increase) decrease in intergovernmental receivables		-	-	-
(Increase) decrease in due from other funds		-	-	1,500
(Increase) decrease in inventories	46	(101)	-	-
(Increase) decrease in prepaid items	(5)	-	16	5
(Increase) decrease in other assets		-	-	-
Increase (decrease) in accounts payable	3,194	(198)	(99)	5,277
Increase (decrease) in accrued wages	74	1	11	3
Increase (decrease) in compensated absences	101	-	30	-
Increase (decrease) in intergovernmental payable		-	-	-
Increase (decrease) in other current liabilities		10	3	16,204
Increase (decrease) long term liabilities	68	2	17	3,405
Miscellaneous non-operating revenues (expenses)	(37)	208	136	-
Total adjustments	<u>7,504</u>	<u>23</u>	<u>200</u>	<u>26,416</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 6,366</u>	<u>\$ 78</u>	<u>\$ (169)</u>	<u>\$ 1,412</u>
	-	-	-	-
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES				
Contribution of capital assets	-	-	-	-

COMBINING STATEMENT OF CASH FLOW
INTERNAL SERVICE FUNDS

For year ended December 31, 2024

(amounts expressed in thousands)

Page 7 of 8

	Unemployment Compensation #5560	Workers Compensation #5570	Facilities #5700	GG Internal Services #5800
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	\$ (284)	\$ (5,255)	\$ (1,002)	\$ (5,780)
Adjustments to reconcile operating income (loss) to net cash provided (used) by:				
Operating Activities:				
Depreciation expenses	-	-	298	3,259
(Increase) decrease in accounts receivable	-	-	-	(566)
(Increase) decrease in intergovernmental receivables	-	-	-	-
(Increase) decrease in due from other funds	-	-	-	-
(Increase) decrease in inventories	-	-	-	(1)
(Increase) decrease in prepaid items	-	-	(40)	20
(Increase) decrease in other assets	-	-	-	-
Increase (decrease) in accounts payable	(135)	783	365	1,468
Increase (decrease) in accrued wages	-	-	39	973
Increase (decrease) in compensated absences	-	-	62	1,368
Increase (decrease) in intergovernmental payable	-	-	-	-
Increase (decrease) in other current liabilities	-	790	(76)	477
Increase (decrease) long term liabilities	-	-	104	369
Miscellaneous non-operating revenues (expenses)	-	-	(29)	(300)
Total adjustments	(135)	1,573	723	7,067
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (419)	\$ (3,682)	\$ (279)	\$ 1,287
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES				
Contribution of capital assets	-	-	-	-

COMBINING STATEMENT OF CASH FLOW
INTERNAL SERVICE FUNDS

For year ended December 31, 2024

(amounts expressed in thousands)

Page 8 of 8

	Health Benefits #64XX	Self Insurance Claims #4800	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	\$ (1,542)	\$ (907)	\$ (39,988)
Adjustments to reconcile operating income (loss) to net cash provided (used) by:			
Operating Activities:			
Depreciation expenses	1	15	7,947
(Increase) decrease in accounts receivable	-	-	(475)
(Increase) decrease in intergovernmental receivables	-	-	-
(Increase) decrease in due from other funds	-	-	1,500
(Increase) decrease in inventories	-	-	(257)
(Increase) decrease in prepaid items	-	-	(4)
(Increase) decrease in other assets	-	-	-
Increase (decrease) in accounts payable	309	2	11,101
Increase (decrease) in accrued wages	2	-	1,155
Increase (decrease) in compensated absences	-	-	1,637
Increase (decrease) in intergovernmental payable	(2)	-	(2)
Increase (decrease) in other current liabilities	1,449	-	18,857
Increase (decrease) long term liabilities	-	(24)	3,989
Miscellaneous non-operating revenues (expenses)	-	-	(34)
Total adjustments	1,759	(7)	45,414
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 217</u>	<u>\$ (914)</u>	<u>\$ 5,426</u>
	-	-	-
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES			
Contribution of capital assets	-	-	-

City of Tacoma
Special Assessment Billings and Collections
Last Ten Fiscal Years

Fiscal Year Ending 31-Dec	Assessments Levied	Assessments Collected	Total Assessments Outstanding
2015	669,088	757,232	31,204,786
2016	0	2,929,619	28,275,167
2017	0	3,617,601	24,657,566
2018	0	3,296,349	21,361,217
2019	9,025,368	7,651,747	22,734,838
2020	0	2,639,374	20,095,463
2021	0	953,020	19,142,443
2022	0	2,850,488	16,291,955
2023	100,671	2,290,850	14,101,777
2024	343,937	516,171	13,929,543

NOTE: This Table includes billings and collections from Local Improvement District assessments and charges by the Sidewalk Construction Fund for repair or replacement of hazardous sidewalks.



SECTION 3

STATISTICAL SECTION

FINANCIAL TRENDS

These schedules contain trend information used in understanding how the City's financial performance has changed over time.

1. NET POSITION BY COMPONENTS
2. CHANGES IN NET POSITION
3. FUND BALANCES OF GOVERNMENTAL FUNDS
4. CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
5. GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE

REVENUE CAPACITY

These schedules contain information used in assessing the City's revenue from property tax.

6. ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
7. PROPERTY TAX RATES—DIRECT AND OVERLAPPING GOVERNMENTS
8. PROPERTY TAX LEVIES AND COLLECTIONS
9. PRINCIPAL TAXPAYERS

DEBT CAPACITY

These schedules contain information used in assessing the City's current level of outstanding debt and the City's ability to issue additional debt in the future.

10. RATIOS OF OUTSTANDING DEBT BY TYPE
11. RATIOS OF GENERAL BONDED DEBT OUTSTANDING
12. COMPUTATION OF DIRECT AND OVERLAPPING DEBT
13. LEGAL DEBT MARGIN INFORMATION
14. COMPUTATION OF CONSTITUTIONAL LIMIT OF INDEBTEDNESS
15. PLEDGED REVENUE COVERAGE

DEMOGRAPHIC AND ECONOMIC INFORMATION

These schedules show demographic and economic indicators used in understanding the environment in which the City's activities take place.

16. DEMOGRAPHIC AND ECONOMIC STATISTICS
17. PRINCIPAL EMPLOYERS

OPERATING INFORMATION

These schedules contain service and infrastructure data used in relating the City's financial report to the services the City provides and the activities it performs.

18. FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
19. OPERATING INDICATORS BY FUNCTION
20. CAPITAL ASSET STATISTICS BY FUNCTION
21. CONTRIBUTING STAFF

Net Position by Component
Last Ten Fiscal Years
Table 1
(accrual basis of accounting)
(amounts expressed in thousands)
Page 1 of 2

	2015	2016	2017	2018	2019
Governmental activities					
Net investment in capital assets	\$ 678,872	\$ 673,093	\$ 666,530	\$ 634,650	\$ 628,205
Restricted	110,825	113,897	168,280	179,780	194,244
Unrestricted	(17,920)	(35,177)	(68,583)	(97,026)	(99,133)
Total governmental activities net position	771,777	751,813	766,227	717,404	723,316
Business-type activities					
Net investment in capital assets	1,620,194	1,613,805	1,636,652	1,671,671	1,699,160
Restricted	127,008	124,289	129,836	211,427	177,563
Unrestricted	258,962	287,195	301,616	295,681	334,523
Total business-type activities net position	2,006,164	2,025,289	2,068,104	2,178,779	2,211,246
Primary government					
Net investment in capital assets	2,299,066	2,286,898	2,303,182	2,306,321	2,327,365
Restricted	237,833	238,186	298,116	391,207	371,807
Unrestricted	241,042	252,018	233,033	198,655	235,390
Total primary government net position	\$ 2,777,941	\$ 2,777,102	\$ 2,834,331	\$ 2,896,183	\$ 2,934,562

Net Position by Component
Last Ten Fiscal Years
Table 1
(accrual basis of accounting)
(amounts expressed in thousands)
Page 2 of 2

	2020	2021	2022	2023	2024
Governmental activities					
Net investment in capital assets	\$ 620,972	\$ 646,034	\$ 656,183	\$ 648,278	\$ 669,272
Restricted	213,926	325,466	334,353	266,942	236,703
Unrestricted	(84,216)	(104,663)	(57,234)	49,700	68,048
Total governmental activities net position	750,682	866,837	933,302	964,920	974,023
Business-type activities					
Net investment in capital assets	1,700,269	1,722,339	1,716,964	1,745,182	1,866,770
Restricted	171,938	158,482	231,034	99,490	80,835
Unrestricted	394,377	449,152	455,221	672,380	678,378
Total business-type activities net position	2,266,584	2,329,973	2,403,219	2,517,052	2,625,983
Primary government					
Net investment in capital assets	2,321,241	2,368,373	2,373,147	2,393,460	2,536,042
Restricted	385,864	483,948	565,387	366,432	317,538
Unrestricted	310,161	344,489	397,987	722,080	746,426
Total primary government net position	\$ 3,017,266	\$ 3,196,810	\$ 3,336,521	\$ 3,481,972	\$ 3,600,006

Changes in Net Position
Last Ten Fiscal Years
Table 2
 (accrual basis of accounting)
 (amounts expressed in thousands)
 Page 1 of 4

	2015	2016	2017	2018	2019
Expenses					
Governmental activities:					
General government	\$ 51,578	\$ 74,293	\$ 24,436	\$ 39,791	\$ 44,839
Public Safety	144,312	175,131	162,416	154,794	188,233
Utilities	2,864	1	-	-	-
Transportation	57,885	60,881	69,741	78,066	95,718
Social Services	3,551	4,983	4,908	7,425	6,167
Natural & Econ Environment	20,887	36,759	25,102	25,864	25,435
Culture and Recreation	18,448	15,258	11,187	15,380	24,249
Interest on long-term debt	13,643	8,670	8,837	6,680	16,261
Total governmental activities expense	313,168	375,976	306,627	328,000	400,902
Business-type activities:					
Public Assembly Facilities	17,801	20,986	23,243	-	-
Rail	28,579	31,571	33,579	-	-
Solid Waste	54,867	66,661	52,938	55,544	61,534
Sewer (Waste Water)	84,984	92,958	95,960	91,802	104,565
Water	82,604	95,869	97,540	96,565	101,075
Power	425,044	404,566	420,368	406,741	481,736
Other business-type funds	16,594	16,721	16,326	70,862	82,286
Total business-type activities	710,473	729,332	739,954	721,514	831,196
Total primary government expenses	\$ 1,023,641	\$ 1,105,308	\$ 1,046,581	\$ 1,049,514	\$ 1,232,098
Program Revenues					
Governmental Activities:					
Charges for services:					
General government	\$ 27,729	\$ 39,227	\$ 23,007	\$ 24,223	\$ 25,512
Public Safety	7,353	15,625	20,221	14,734	17,729
Utilities	297	-	-	-	-
Transportation	2,661	5,749	1,994	5,087	1,911
Social Services	-	-	-	9	21
Natural & Econ Environment	2,024	2,116	3,145	2,410	1,906
Culture and Recreation	86	65	195	325	2,867
Interest on long-term debt	-	-	-	-	-
Operating grants and contributions	30,420	33,903	31,791	44,865	55,031
Capital grants and contributions	23,996	7,392	11,549	18,304	4,122
revenues	94,566	104,077	91,902	109,957	109,099
Business-type activities:					
Charges for services:					
Public Assembly Facilities	14,823	15,871	16,270	*	*
Rail	32,673	33,864	33,246	*	*
Solid Waste	66,843	71,809	67,964	69,541	73,580
Sewer (Waste Water)	97,583	106,601	111,787	118,606	119,257
Water	100,305	94,433	95,085	103,364	104,365
Power	437,491	420,332	446,343	458,960	462,673
NonMajor business-type funds	17,459	18,372	20,847	72,889	84,779
Operating grants and contributions	8,138	8,392	208	-	-
Capital grants and contributions	21,582	21,413	30,528	52,194	50,369
Total business-type activities program revenues	796,897	791,087	822,278	875,554	895,023
Total primary government program revenues	\$ 891,463	\$ 895,164	\$ 914,180	\$ 985,511	\$ 1,004,122
Net (expense)/revenue					
Governmental activities	\$ (218,602)	\$ (271,899)	\$ (214,725)	\$ (218,043)	\$ (291,803)
Business-type activities	86,424	61,755	82,324	154,040	63,827
Total primary government net expense	\$ (132,178)	\$ (210,144)	\$ (132,401)	\$ (64,003)	\$ (227,976)

Changes in Net Position
Last Ten Fiscal Years
Table 2
 (accrual basis of accounting)
 (amounts expressed in thousands)
Page 2 of 4

	2020	2021	2022	2023	2024
Expenses					
Governmental activities:					
General government	\$ 28,171	\$ 44,056	\$ 25,352	\$ 36,833	\$ 56,607
Public Safety	188,563	160,016	236,506	241,854	262,181
Utilities	-	-	-	-	-
Transportation	75,468	47,414	76,017	72,298	94,744
Social Services	6,818	14,368	17,726	24,570	26,840
Natural & Econ Environment	28,745	29,618	12,240	26,997	27,076
Culture and Recreation	19,276	20,417	21,217	24,963	28,451
Interest on long-term debt	7,719	9,531	7,170	5,393	6,362
Total governmental activities expense	354,760	325,419	396,229	432,907	502,261
Business-type activities:					
Public Assembly Facilities	-	-	-	-	-
Rail	-	-	-	-	-
Solid Waste	63,262	64,787	65,792	75,257	87,352
Sewer (Waste Water)	108,263	102,481	103,029	124,752	141,378
Water	107,093	103,268	101,687	127,414	137,425
Power	435,080	441,413	437,711	477,918	527,531
Other business-type funds	76,545	75,496	80,883	93,529	105,057
Total business-type activities	790,243	787,445	789,102	898,869	998,743
Total primary government expenses	\$ 1,145,003	\$ 1,112,864	\$ 1,185,331	\$ 1,331,776	\$ 1,501,004
Program Revenues					
Governmental Activities:					
Charges for services:					
General government	\$ 22,850	\$ 16,967	\$ 20,568	\$ 19,647	\$ 17,213
Public Safety	15,548	9,545	15,334	19,189	13,780
Utilities	-	-	-	-	-
Transportation	2,533	1,273	1,337	1,348	1,754
Social Services	476	154	135	547	4,254
Natural & Econ Environment	2,370	1,899	2,504	2,494	3,249
Culture and Recreation	3,468	694	3,147	378	163
Interest on long-term debt	-	-	-	-	-
Operating grants and contributions	47,185	72,676	94,762	45,420	61,035
Capital grants and contributions	10,775	24,603	10,630	4,889	21,196
Total governmental activities program revenues	105,205	127,811	148,417	93,912	122,644
Business-type activities:					
Charges for services:					
Tacoma Venues and Events	*	*	*	*	*
Rail	*	*	*	*	*
Solid Waste	75,863	83,797	88,148	92,545	95,915
Sewer (Waste Water)	122,927	124,804	131,637	139,612	153,156
Water	105,391	112,172	120,113	123,899	131,943
Power	462,707	470,952	480,528	516,547	512,351
Other business-type funds	63,944	78,179	78,027	88,536	104,444
Operating grants and contributions:	-	-	-	-	-
Capital grants and contributions	38,277	35,331	39,676	57,063	46,700
Total business-type activities program revenues	869,109	905,235	938,129	1,018,202	1,044,509
Total primary government program revenues	\$ 974,314	\$ 1,033,046	\$ 1,086,546	\$ 1,112,114	\$ 1,167,153
Net (expense)/revenue					
Governmental activities	\$ (249,555)	\$ (197,608)	\$ (247,812)	\$ (338,995)	\$ (379,617)
Business-type activities	78,866	117,790	149,027	119,333	45,766
Total primary government net expense	\$ (170,689)	\$ (79,818)	\$ (98,785)	\$ (219,661)	\$ (333,851)

* Amounts included with "NonMajor Business-Type Funds"

(1) Lease Interest Revenue has been reported in the Charges for Services beginning in 2022

Changes in Net Position
Last Ten Fiscal Years
Table 2
 (accrual basis of accounting)
 (amounts expressed in thousands)
 Page 3 of 4

	2015	2016	2017	2018	2019
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes:					
Property taxes	\$ 67,313	\$ 78,886	\$ 74,479	\$ 74,918	\$ 77,970
Excise taxes	12,096	13,900	12,881	15,665	15,320
Sales taxes	81,772	58,970	71,634	76,153	81,132
Business taxes	24,229	49,440	51,043	53,249	53,563
Other	-	-	-	-	-
Unrestricted investment earnings	2,000	2,141	2,134	5,028	9,473
Gain on sale of capital assets	-	175	293	1,233	366
Transfers	43,572	48,973	51,452	49,459	52,627
Total governmental activities	230,982	252,485	263,916	275,705	290,451
Business-type activities:					
Taxes	-	-	1,702	1,387	-
Unrestricted investment earnings	3,965	6,223	5,591	10,848	24,682
Gain on sale of capital assets	4,679	782	4,650	3,250	107
Transfers	(43,572)	(48,973)	(51,452)	(49,459)	(52,627)
Total business-type activities	(34,928)	(41,968)	(39,509)	(33,974)	(27,838)
Total primary government	\$ 196,054	\$ 210,517	\$ 224,407	\$ 241,731	\$ 262,613
Change in Net Position					
Governmental activities	\$ 12,380	\$ (19,414)	\$ 49,191	\$ 57,662	\$ (1,352)
Business-type activities	51,496	19,787	42,815	120,066	35,989
Total primary government	\$ 63,876	\$ 373	\$ 92,006	\$ 177,728	\$ 34,637

Changes in Net Position
Last Ten Fiscal Years
Table 2
 (accrual basis of accounting)
 (amounts expressed in thousands)
Page 4 of 4

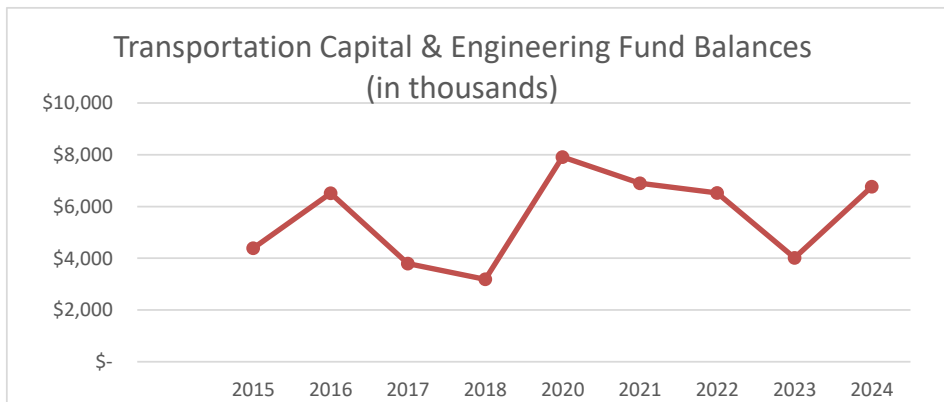
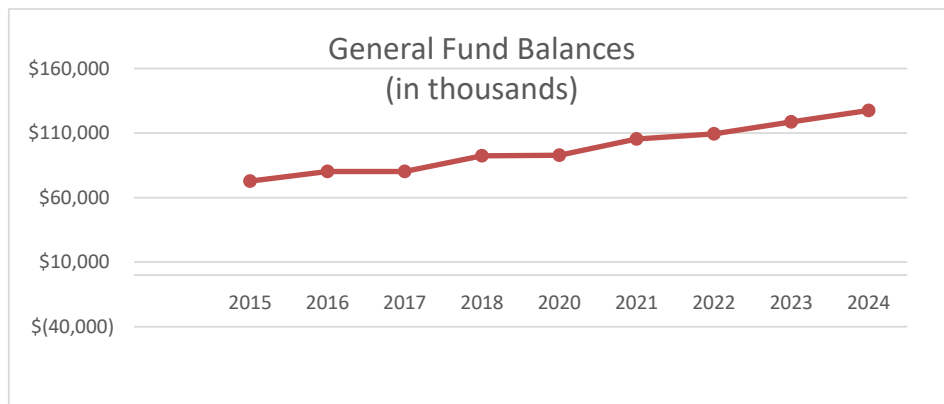
	2020	2021	2022	2023	2024
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes:					
Property taxes	\$ 81,388	\$ 81,783	\$ 79,119	\$ 84,138	\$ 95,490
Excise taxes	14,747	23,340	21,319	15,400	17,028
Sales taxes	77,718	106,635	120,772	119,125	119,817
Business taxes	52,042	46,381	50,768	66,065	145,385
Other	-	-	-	5,654 (2)	616
Unrestricted investment earnings	4,992	(988)	(6,945)	22,922	22,117
Gain on sale of capital assets	498	2,353	643	467	2,815
Transfers	231,385	53,569	47,396	58,914	(14,258)
Total governmental activities	462,770	313,073	313,072	372,685	389,010
Business-type activities:					
Taxes	-	-	-	-	-
Unrestricted investment earnings	18,509	(3,885)	(29,687)	47,927	49,830
Gain on sale of capital assets	4,836	3,101	384	4,088	8
Transfers	23,345	(53,569)	(47,396)	(58,914)	14,258
Total business-type activities	46,690	(54,353)	(76,699)	(6,899)	64,096
Total primary government	\$ 509,460	\$ 258,720	\$ 236,373	\$ 365,786	\$ 453,106
Change in Net Position					
Governmental activities	\$ 213,215	\$ 115,465	\$ 65,260	\$ 33,690	\$ 9,393
Business-type activities	125,556	63,437	72,328	112,434	109,862
Total primary government	\$ 338,771	\$ 178,902	\$ 137,588	\$ 146,125	\$ 119,255

(2) Taxes revenue from other sources have been presented separately from Property taxes beginning in 2023.

Fund Balances of Governmental Funds
Last Ten Fiscal Years
Table 3
(modified accrual basis of accounting)
(amounts expressed in thousands)
Page 1 of 2

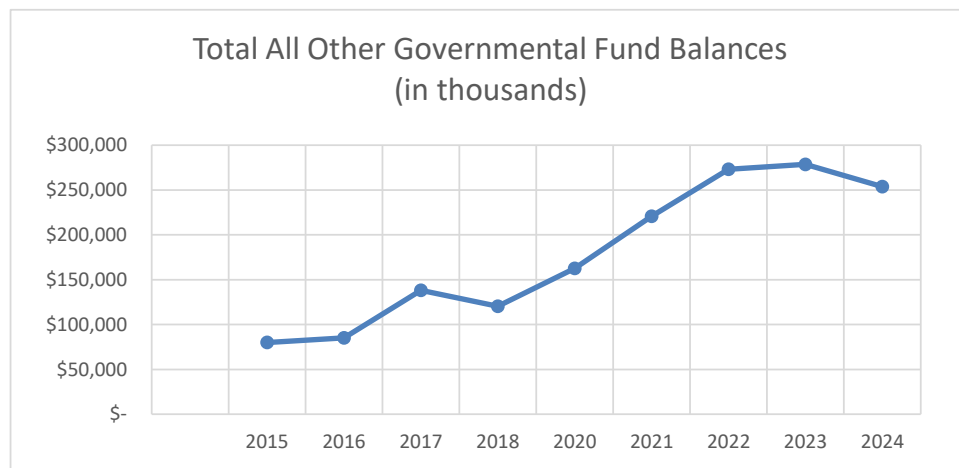
	2015	2016	2017	2018	2019
General Fund					
Nonspendable	\$ 9,933	\$ 7,774	\$ 3,630	\$ 3,915	\$ 4,074
Restricted	9	476	352	388	395
Committed	-	-	52 (1)	588	710
Committed - Council Contingencies	732	584	647	-	-
Assigned	5,580	2,592	7,974	3,148	1,992
Unassigned	56,517	68,922	67,559	84,377	70,115
Total General Fund	\$ 72,771	\$ 80,348	\$ 80,214	\$ 92,416	\$ 77,286
Transportation Capital & Engineering					
Nonspendable	-	-	-	-	-
Restricted	1,978	2,503	1,098	1,953	1,405
Committed	-	-	-	-	-
Assigned	2,409	4,016	2,695	1,231	1,639
Unassigned	-	-	-	-	-
Total Trans Capital & Engineering	\$ 4,387	\$ 6,519	\$ 3,793	\$ 3,184	\$ 3,044
All other governmental funds					
Nonspendable	\$ 1,887	\$ 1,887	\$ 1,685	\$ 1,404	\$ 1,423
Restricted	67,515	75,701	114,693	97,006	116,757
Committed	370	1,047	8,211	7,680	15,651
Assigned	14,639	10,925	13,482	14,206	17,027
Unassigned	(4,512)	(4,429)	134	(3)	-
Total all other governmental funds	\$ 79,899	\$ 85,131	\$ 138,205	\$ 120,293	\$ 150,858

(1) Committed fund balance for Deportation Defense program established in 2017.



Fund Balances of Governmental Funds
Last Ten Fiscal Years
Table 3
(modified accrual basis of accounting)
(amounts expressed in thousands)
Page 2 of 2

	2020	2021	2022	2023	2024
General Fund					
Nonspendable	\$ 3,720	\$ 1,519	\$ 1,611	\$ 1,905	\$ 2,749
Restricted	376	369	225	404	381
Committed	896	916	14	17	-
Committed - Council Contingencies	-	-	-	-	-
Assigned	1,826	1,247	1,221	1,089	907
Unassigned	85,993	101,228	106,177	115,278	123,477
Total General Fund	\$ 92,811	\$ 105,279	\$ 109,248	\$ 118,693	\$ 127,514
Transportation Capital & Engineering					
Nonspendable	-	-	-	-	-
Restricted	5,862	4,801	6,236	3,692	3,216
Committed	-	-	-	8	159
Assigned	2,053	2,097	287	314	3,392
Unassigned	-	-	-	-	-
Total Trans Capital & Engineering	\$ 7,915	\$ 6,898	\$ 6,523	\$ 4,014	\$ 6,767
All other governmental funds					
Nonspendable	\$ 1,453	\$ 6,599	\$ 5,606	\$ 4,901	\$ 1,778
Restricted	133,971	143,197	181,046	165,467	153,216
Committed	10,505	40,431	42,618	63,947	46,625
Assigned	16,832	30,493	43,732	44,329	52,252
Unassigned	-	-	-	-	-
Total all other governmental funds	\$ 162,761	\$ 220,720	\$ 273,002	\$ 278,644	\$ 253,871



**Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years**

Table 4
(modified accrual basis of accounting)
(amounts expressed in thousands)
Page 1 of 2

Revenues	2015	2016	2017	2018	2019
Taxes	\$ 184,836	\$ 197,531	\$ 209,970	\$ 221,697	\$ 229,023
Licenses and permits	4,743	9,335	11,207	11,520	11,025
Intergovernmental revenue	52,026	38,097	40,624	60,399	55,972
Charges for goods and services	26,614	39,544	20,623	22,131	21,298
Fines and forfeitures	6,842	7,182	6,931	5,616	6,868
Interest	1,758	1,702	1,677	3,789	6,741
Miscellaneous revenues	1,327	3,433	4,882	4,120	10,755
Total revenues	278,146	296,824	295,914	329,272	341,682
Expenditures					
General government	53,917	58,488	37,959	52,092	40,023
Public Safety	144,331	155,393	161,404	168,146	183,612
Physical environment	2,704	-	-	-	-
Transportation	26,362	24,219	40,182	47,614	44,697
Economic environment	19,560	31,853	24,132	25,528	24,836
Mental and physical health	3,387	4,360	4,712	7,696	6,068
Culture and recreation	12,379	11,781	13,459	13,701	21,317
Capital outlay	45,573	22,869	22,509	44,654	24,389
Debt Service:					
Principal retirement	12,305	16,074	13,805	13,988	22,629
Interest and fiscal charges	13,617	8,670	8,837	8,874	8,806
Total Expenditures	334,135	333,707	326,999	382,293	376,377
Excess of revenues over (under) expenditures	(55,989)	(36,883)	(31,085)	(53,021)	(34,695)
Other financing sources (uses)					
Sale of capital asset	91	526	4,852	988	86
Transfers in	87,312	98,474	134,993	134,776	133,577
Transfers (out)	(41,500)	(51,163)	(87,303)	(90,933)	(89,671)
Insurance recoveries	148	55	60	71	34
Proceeds from bonds issues	22,444	4,563	-	-	-
Issuance of debt refunding bonds	-	-	27,512	2,209	6,219
Payment to escrow - refunded bonds	(20,033)	-	-	-	-
Premium on issuance of debt	-	-	-	-	-
Discount on issuance of debt	-	-	-	-	-
Total other financing sources & uses	48,462	52,455	80,114	47,111	50,245
Net change in fund balances	\$ (7,527)	\$ 15,572	\$ 49,029	\$ (5,910)	\$ 15,550
Debt service as a percentage of noncapital expenditures	9.0%	8.0%	7.4%	6.8%	8.9%

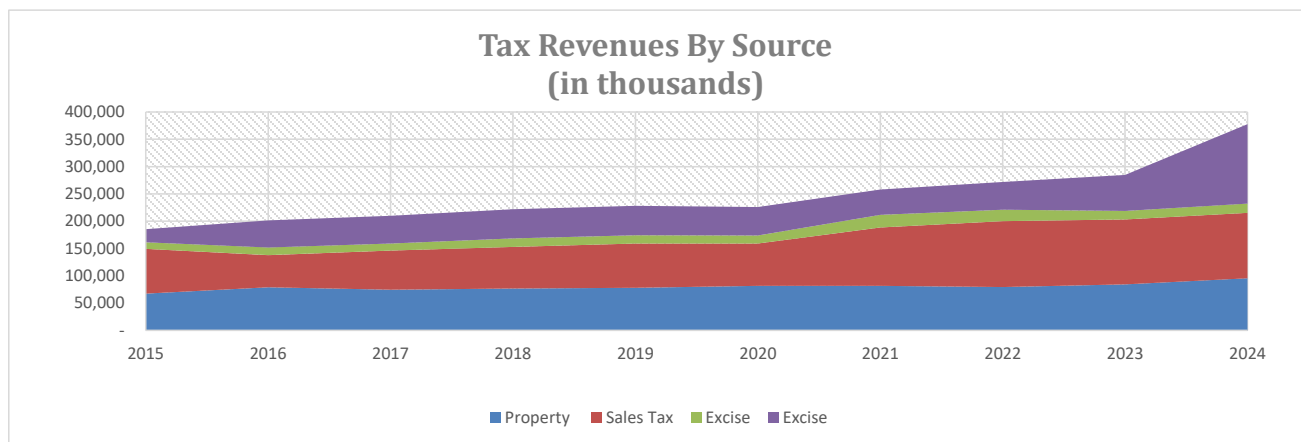
**Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years**

Table 4
(modified accrual basis of accounting)
(amounts expressed in thousands)
Page 2 of 2

Revenues	2020	2021	2022	2023	2024
Taxes	\$ 225,562	\$ 259,939	\$ 276,462	\$ 284,643	\$ 377,159
Licenses and permits	10,330	3,286	4,772	4,628	3,046
Intergovernmental revenue	54,777	91,776	99,567	45,233	64,899
Charges for goods and services	21,445	18,508	23,671	29,194	26,251
Fines and forfeitures	7,018	6,455	7,645	6,962	5,133
Investment Earnings	3,617	(525)	(5,277)	18,066	17,649
Miscellaneous revenues	8,454	2,283	7,457	3,938	5,983
Total revenues	331,203	381,722	414,297	392,664	500,120
Expenditures					
General government	34,946	36,854	28,475	30,999	35,371
Public Safety	185,607	185,503	229,279	246,436	256,415
Physical environment	-	-	-	-	-
Transportation	41,146	35,783	48,233	42,935	59,725
Natural & Economic environment	28,875	19,704	16,720	25,686	26,413
Social Services	6,763	14,656	17,889	24,570	26,633
Culture and recreation	17,192	18,198	20,015	23,115	26,024
Capital outlay	22,888	35,340	34,455	21,595	39,779
Debt Service:					
Principal retirement	13,630	30,214	12,502	13,443	13,429
Interest and fiscal charges	8,109	6,763	4,635	4,541	4,046
Total Expenditures	359,156	383,015	412,203	433,320	487,835
Excess of revenues over (under) expenditures	(27,953)	(1,293)	2,094	(40,656)	12,285
Other financing sources (uses)					
Sale of capital asset	-	2,002	475	148	1,995
Transfers in	127,397	136,405	150,048	154,986	96,966
Transfers out	(69,769)	(87,417)	(106,343)	(103,900)	(129,759)
Insurance recoveries	278	161	5	-	838
Capital lease revenue	-	-	9,420	1,467	322
Issuance of debt	2,349	19,762	-	423	3,022
Payment to escrow - refunded bonds	-	-	-	-	-
Premium on issuance of debt	-	-	-	-	-
Discount on issuance of debt	-	-	-	-	-
Total other financing sources & uses	60,255	70,913	53,605	53,124	(26,616)
Net change in fund balances	\$ 32,302	\$ 69,620	\$ 55,699	\$ 12,468	\$ (14,331)
Debt service as a percentage of noncapital expenditures	6.5%	10.6%	4.5%	4.4%	3.9%

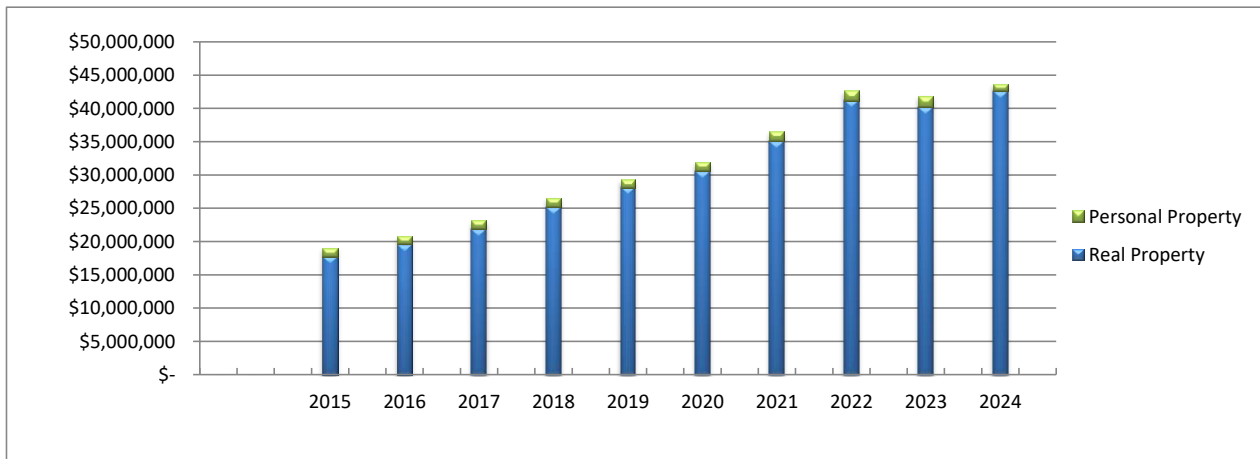
Governmental Activities Tax Revenues By Source
Last Ten Fiscal Years
Table 5
(accrual basis of accounting)
(amounts expressed in thousands)

Fiscal Year	Property Tax	Sales Tax	Business Tax	Excise Tax	Total
2015	67,313	81,772	24,229	12,096	185,410
2016	78,886	58,970	49,440	13,900	201,196
2017	74,479	71,634	51,043	12,881	210,037
2018	76,630	76,153	53,249	15,665	221,697
2019	77,970	81,132	53,563	15,320	227,985
2020	81,388	77,718	52,042	14,747	225,895
2021	81,783	106,635	46,381	23,340	258,139
2022	79,119	120,772	50,768	21,319	271,978
2023	84,138	119,125	66,065	15,400	284,728
2024	95,490	119,817	145,385	17,028	377,720



**Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
Table 6**

Tax Year	Real Property Assessed Value/ Estimated Actual Value (\$ in Thousands)	Personal Property Assessed Value/ Estimated Actual Value (\$ in Thousands)	Total Assessed Value/ Estimated Actual Value (\$ in Thousands)	Total Direct Tax Rate	Growth Increase (Decrease) Dollars (\$ in Thousands)	Percent Increase (Decrease)	Assessed Value Per Capita
2015	17,752,477	1,263,026	19,015,504	3.79	1,293,665	6.31%	93,672
2016	19,549,115	1,217,185	20,766,301	3.59	1,128,333	9.12%	100,807
2017	21,876,770	1,302,320	23,179,090	3.31	2,412,789	11.62%	111,438
2018	25,193,756	1,357,368	26,551,125	2.98	3,372,035	14.55%	127,650
2019	28,119,264	1,195,429	29,314,693	2.74	2,763,568	10.41%	140,971
2020	30,599,224	1,324,626	31,923,850	2.58	2,609,157	8.90%	145,971
2021	35,137,511	1,415,484	36,552,995	2.26	4,629,145	14.50%	167,138
2022	41,183,414	1,499,134	42,682,548	1.95	6,129,553	16.77%	193,309
2023	40,253,042	1,639,911	41,892,953	2.24	(789,595)	-1.85%	188,368
2024	42,568,602	1,069,221	43,637,823	2.19	1,744,870	4.17%	193,860



Property Tax Rates - Direct and Overlapping Governments
Last Ten Fiscal Years
Table 7

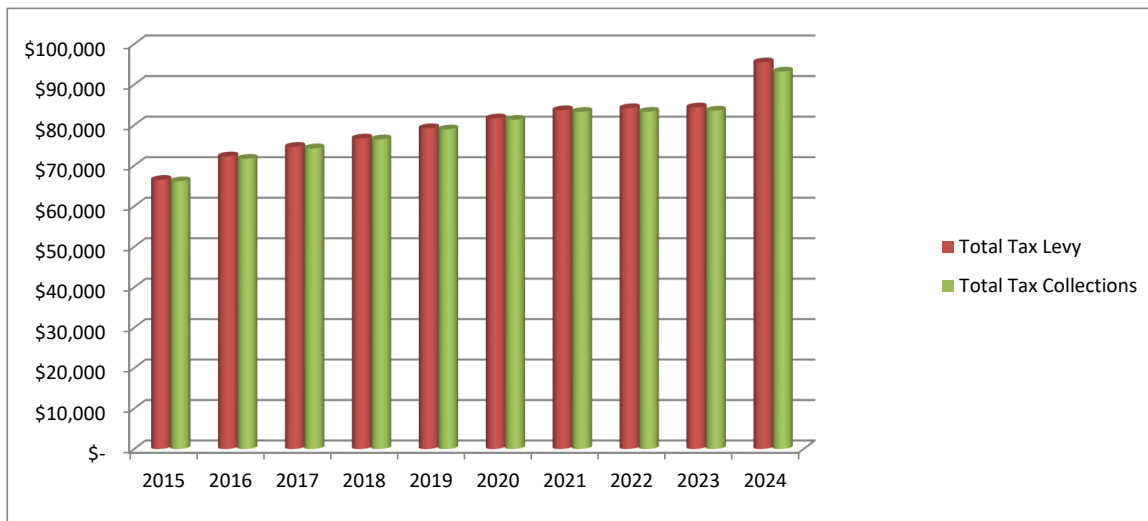
Fiscal Year End December 31	City of Tacoma	Tacoma School District #10	Pierce County	Port of Tacoma	Metro Park District	Washington State	Total
2015	3.79	7.41	1.38	0.18	1.68	2.23	16.67
2016	3.59	6.95	1.28	0.18	1.61	2.07	15.68
2017	3.31	6.27	1.18	0.18	1.55	2.91	15.40
2018	2.99	4.41	1.09	0.18	1.36	2.62	12.65
2019	2.74	5.02	1.05	0.18	1.22	3.01	13.22
2020	2.58	4.66	0.98	0.17	0.91	2.93	12.23
2021	2.26	4.36	0.88	0.15	0.84	2.66	11.15
2022	1.95	3.87	0.75	0.13	1.08	2.31	10.09
2023	2.24	3.87	0.75	0.13	1.08	2.31	10.38
2024	2.19	4.16	0.77	0.14	1.22	2.31	10.79
"CITY" TAX RATE BREAKDOWN:			<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
General Fund			\$2.04	\$1.86	1.67	1.74	1.69
Councilmanic Nonvoted Bonds			0.09	0.04	0.00	0.00	0.00
EMS Levy			0.36	0.32	0.28	0.50	0.50
G.O. Bonds			<u>0.09</u>	<u>0.04</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
TOTAL CITY			<u><u>\$2.58</u></u>	<u><u>\$2.26</u></u>	<u><u>1.95</u></u>	<u><u>2.24</u></u>	<u><u>2.19</u></u>

- Above schedule includes both regular and voted excess tax levies. Property is being assessed at 100% of true and fair market value.
- In the State of Washington property taxes, by statute, are assessed and collected by the counties for the various taxing districts with distribution of collections made in accordance with taxes levied.
- First half property tax payments must be paid on or before April 30, after which date, if unpaid, the total annual tax becomes delinquent. The second half payment is payable on or before October 31, becoming delinquent November 1.
- Each year listed represents the levy year (i.e., the year 2023 represents 2024 tax rates).

Property Tax Levies and Collections
Last Ten Fiscal Years
Table 8
(amounts expressed in thousands)

Fiscal Year End December 31	Total Tax Levy	Current Tax Collections	Percentage of Levy Collected	Delinquent Tax Collections	Tax Levy Adjustment	Total Tax Collections	Total Tax Collected as a Percentage of Total Levy	Outstanding Delinquent Taxes	Outstanding Delinquent Taxes as a Percent of Total Levy
2015	\$ 66,494	\$ 64,839	97.51%	\$ 1,307	\$ (348)	\$ 66,146	99.48%	\$ -	0.00%
2016	\$ 72,290	\$ 70,280	97.22%	\$ 1,430	\$ (575)	\$ 71,710	99.20%	\$ 5	0.01%
2017	\$ 74,638	\$ 72,855	97.61%	\$ 1,422	\$ (361)	\$ 74,277	99.52%	\$ -	0.00%
2018	\$ 76,710	\$ 75,191	98.02%	\$ 1,300	\$ (218)	\$ 76,491	99.71%	\$ 1	0.00%
2019	\$ 79,244	\$ 77,522	97.83%	\$ 1,410	\$ (312)	\$ 78,932	99.61%	\$ -	0.00%
2020	\$ 81,656	\$ 79,678	97.58%	\$ 1,636	\$ (337)	\$ 81,314	99.58%	\$ 5	0.01%
2021	\$ 83,683	\$ 81,972	97.96%	\$ 1,302	\$ (267)	\$ 83,274	99.51%	\$ 142	0.17%
2022	\$ 84,192	\$ 81,801	97.16%	\$ 1,687	\$ (457)	\$ 83,288	98.93%	\$ 447	0.53%
2023	\$ 84,369	\$ 82,586	97.89%	\$ 989	\$ (321)	\$ 83,575	99.06%	\$ 473	0.56%
2024	\$ 95,489	\$ 93,206	97.61%	\$ -	\$ (301)	\$ 93,206	97.61%	\$ 1,982	2.08%

Source: Property Tax Collection Schedule prepared by the City Treasurer's Office.



Principal Taxpayers
Current Year and Nine Years Ago
Table 9
(dollar amounts expressed in thousands)
Page 1 of 2

TEN LEADING BUSINESS AND OCCUPATION TAXPAYERS FOR 2024TAXPAYERS

AEG PRESENTS LLC
 COMCAST CABLE COMMUNICATIONS MANAGEMENT
 RAINIER CONNECT/ LIGHTCURVE
 LIVE NATION
 METROPOLITAN PARK DIST
 MULTICARE HEALTH SYSTEM
 PUGET SOUND ENERGY INC
 ST JOSEPH HOSPITAL
 US OIL & REFINING CO
 VERIZON WIRELESS

TYPE OF BUSINESS

Promoters of Performing Arts, Sports and Similar Events with Facilities
 Wired Telecommunications Carriers
 Wired Telecommunications Carriers
 Promoters of Performing Arts, Sports and Similar Events with Facilities
 Zoos and Botanical Gardens/Park
 General Medical and Surgical Hospitals
 Electric Power/Natural Gas Distribution
 General Medical and Surgical Hospitals
 Petroleum Refineries
 Wireless Telecommunications Carriers

2024 Aggregate B&O Tax of Top Ten Taxpayers (in thousands) \$20,346,575

TEN LEADING BUSINESS AND OCCUPATION TAXPAYERS FOR 2015TAXPAYERS

AT&T Mobility
 Comcast of Tacoma, Inc.
 Multicare Health System
 Puget Sound Energy Inc.
 Qwest Corporation
 St Joseph Hospital
 T Mobile West Corporation
 US Oil Trading LLC
 Verizon Wireless
 Washington United Terminals

TYPE OF BUSINESS

Cellular
 Telecommunications
 Medical
 Natural Gas
 Telecommunications
 Medical
 Cellular
 Petroleum Refinery
 Cellular
 Cellular

2015 Aggregate B&O Tax of Top Ten Taxpayers (in thousands) \$16,911,764

- The City is legally prohibited from disclosing individual information regarding the amount of business taxes paid by specific taxpayers. This schedule presents the total aggregate B & O taxes paid by the City's ten largest taxpayers.

Principal Taxpayers
Current Year and Nine Years Ago
Table 9
(dollar amounts expressed in thousands)
Page 2 of 2

TACOMA'S TOP TEN PROPERTY TAXPAYERS FOR 2024

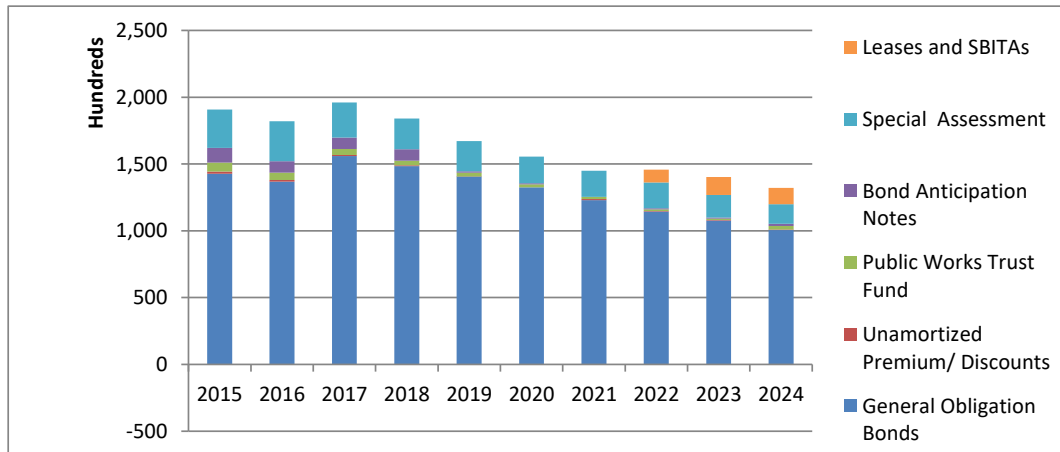
<u>TAXPAYERS</u>	<u>RANK</u>	<u>2024 ASSESSED VALUE</u>	<u>PERCENTAGE TOTAL ASSESSED VALUE</u>
PUGET SOUND ENERGY/GAS	1	\$ 337,870	18.3%
U S OIL & REFINING CO	2	333,077	18.1%
TACOMA MALL PARTNERSHIP #9600	3	240,213	13.0%
IPT TACOMA LOGISTICS CENTER LLC	4	154,835	8.4%
WESTRIDGES APARTMENTS PROPERTY OWNER LLC	5	153,606	8.3%
PROLOGIS TARGETED U S LOGISTICS FUND LP	6	145,870	7.9%
DCT BLAIR LOGISTICS CENTER LLC	7	131,789	7.2%
FAIRWAYS TIC I LLC & FAIRWAYS TIC II LLC & FAIRWAYS TIC III LLC & FAIRWAYS TI	8	118,638	6.4%
TARGA SOUND TERMINAL LLC	9	117,589	6.4%
NEWCOLD SEATTLE LLC	10	107,896	5.9%
Total Assessed Value of Top Ten Property Taxpayers		<u>\$ 1,841,383</u>	<u>100%</u>

TACOMA'S TOP TEN PROPERTY TAXPAYERS FOR 2015

<u>TAXPAYERS</u>	<u>RANK</u>	<u>2015 ASSESSED VALUE</u>	<u>PERCENTAGE TOTAL ASSESSED VALUE</u>
Tacoma Mall Partnership	1	\$ 283,781	24.7%
Rocktenn CP LLC	2	187,888	16.3%
US Oil & Refining Co.	3	185,427	16.1%
Puget Sound Energy/Gas	4	104,498	9.1%
Targa Sound Terminal LLC	5	89,590	7.8%
CSC of Tacoma LLC	6	71,397	6.2%
AT&T Mobility LLC	7	63,493	5.5%
Westridges Apartments Property Owners LLC	8	59,316	5.2%
Qwest Coporation	9	53,608	4.7%
University Steet Properties 1 LLC	10	51,370	4.5%
Total Assessed Value of Top Ten Property Taxpayers		<u>\$ 1,150,368</u>	<u>100%</u>

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
Table 10
(amounts expressed in thousands, except per capita amount)
Page 1 of 2

Fiscal Year	Governmental Activities						
	General Obligation Bonds	Unamortized Premium/ Discounts	Public Works Trust Fund Loan	Housing & Urban Dev Loan	Bond Anticipation Notes	Special Assessment Bonds	Leases and SBITAs
2015	142,833	1,498	6,755	-	10,975	28,758	-
2016	136,781	1,171	5,645	-	8,572	29,937	-
2017	155,874	844	4,534		8,572	26,257	-
2018	148,524	517	3,422		8,572	22,938	-
2019	140,604	190	2,852		841	22,626	-
2020	132,485	(38)	2,281		841	20,035	-
2021	123,081	666	1,710		841	19,595	-
2022	114,350	575	1,140		841	19,305	9,641
2023	107,642	524	993		841	16,860	13,490
2024	100,551	473	2,697		1,588	14,620	12,170



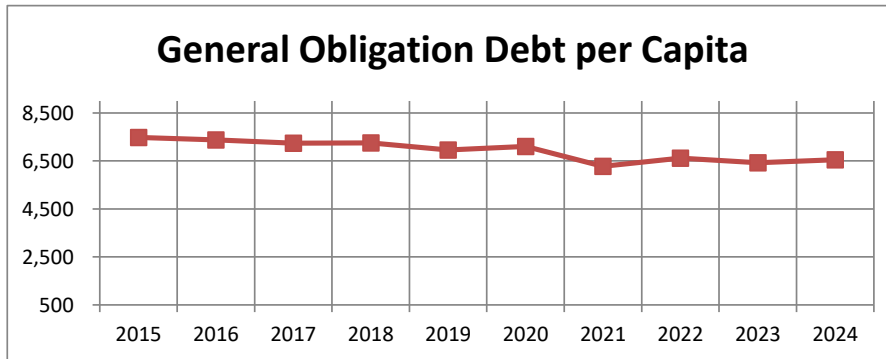
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
Table 10
(amounts expressed in thousands, except per capita amount)
Page 2 of 2

Fiscal Year	Business-Type Activities				Total Primary Government	Percentage of Personal Income (2)	Per Capita (3)
	Revenue Bonds & Loans (1)	General Obligation Bonds	Unamortized Premium/ Discounts	Leases and SBITAs			
2015	1,194,317	60,066	57,598	-	1,502,800	3.90%	7,480
2016	1,189,198	57,435	62,750	-	1,491,489	3.68%	7,373
2017	1,191,244	54,778	64,559	-	1,506,662	3.51%	7,240
2018	1,215,938	51,987	64,147	-	1,516,045	3.31%	7,250
2019	1,172,237	49,390	58,925	-	1,447,665	2.99%	6,962
2020	1,124,115	46,714	53,934	-	1,572,630	3.24%	7,108
2021	1,109,904	44,232	72,793	-	1,372,822	2.49%	6,277
2022	1,179,501	41,698	78,352	1,409	1,446,812	2.80%	6,616
2023	1,169,534	36,018	74,428	7,494	1,427,825	2.36%	6,420
2024	1,196,385	33,408	90,032	5,822	1,457,747	2.41%	6,555

(1) The Revenue Bonds do not include unamortized premiums or discounts.

(2) U.S. Department of Commerce, Bureau of Economic Analysis (Pierce county data). 2024 utilizes 2023 data

(3) See the Schedule of Demographic and Economic Statistics on Table 16 for personal income and population data.



Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
Table 11
 (amounts expressed in thousands, except per capita amount)

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund (1)	Total	% of Estimated Actual Taxable Value of Property (2)	Per Capita (3)
2015	202,899	1,652	201,247	1.06%	1,004
2016	194,216	2,184	192,032	0.93%	953
2017	210,652	2,173	208,479	0.90%	1,003
2018	200,511	2,253	198,258	0.75%	899
2019	189,994	2,328	187,666	0.63%	900
2020	179,199	2,455	176,744	0.41%	628
2021	167,313	2,817	164,496	0.45%	752
2022	156,048	2,256	153,792	0.36%	697
2023	143,660	981	142,679	0.34%	642
2024	133,959	1,363	132,596	0.30%	589

Note: Details regarding the City's outstanding debt can be found in the notes to the financials.

(1) Debt service fund balance can be found in the Combining Statements - Non-Major Funds section.

(2) See Table 6 (Assessed and Estimated Actual Value of Taxable Property) for property tax value.

(3) See the Schedule of Demographic and Economic Statistics on Table 16 for population data.

Computation of Direct and Overlapping Debt of Governmental Activities**As of December 31****Table 12****(dollar amounts expressed in thousands)**

	Net Bonded Debt Outstanding (1)	Percentage Applicable To City (2)	City Residents Share of Debt
City of Tacoma	132,099	100%	132,099
<u>OVERLAPPING DEBT</u>			
Tacoma School District #10	947,085	103.8%	982,962
Metropolitan Park District	139,983	98.1%	137,263
Port of Tacoma	114,653	22.1%	25,378
Pierce County	121,670	22.1%	26,931
Franklin Pierce School District	113,840	0.6%	648
Fife School District	121,050	9.6%	11,581
Clover Park School District	82,995	2.2%	1,809
University Place School District	13,135	3.7%	487
TOTAL OVERLAPPING DEBT	<u>1,654,411</u>		<u>1,187,059</u>
GRAND TOTAL	<u><u>1,786,510</u></u>		<u><u>1,319,158</u></u>
Population			225,100
Direct and Overlapping Debt per Capita	5.86		

(1) Net Bonded Debt Outstanding represents gross debt outstanding less available amounts in debt service funds less matured bonds and interest coupons.

(2) Applicable percentage is determined by ratio of assessed valuation of property subject to taxation in overlapping unit to valuation of property subject to taxation in the City of Tacoma.

Sources: Pierce County Assessor/Treasurer's Office, Port of Tacoma, and City of Tacoma Finance Department.

Legal Debt Margin Information
Last Ten Fiscal Years
Table 13
(amounts expressed in thousands)
Page 1 of 2

	2015	2016	2017	2018	2019
Assessed Value of Property	\$ 19,015,503	\$ 20,766,300	\$ 23,179,090	\$ 26,551,125	\$ 29,781,935
Debt Limit, 7.5% of Assessed Value	1,426,163	1,557,473	1,738,432	1,991,334	2,233,645
Total Net Debt Applicable to Limit	209,654	198,678	214,008	205,189	194,176
Legal Debt Margin	\$ 1,216,509	\$ 1,358,795	\$ 1,524,424	\$ 1,786,145	\$ 2,039,469
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	14.7%	12.8%	12.3%	10.3%	8.7%

Legal Debt Margin Information
Last Ten Fiscal Years
Table 13
(amounts expressed in thousands)
Page 2 of 2

	2020	2021	2022	2023	2024
Assessed Value of Property	\$ 32,426,115	\$ 37,098,458	\$43,161,358	\$42,461,227	44,791,568
Debt Limit, 7.5% of Assessed Value	2,431,959	2,782,384	3,237,102	3,184,592	3,359,368
Total Net Debt Applicable to Limit	182,869	169,443	157,218	139,810	132,078
Legal Debt Margin	<u>\$ 2,249,090</u>	<u>\$ 2,612,941</u>	<u>\$ 3,079,884</u>	<u>\$ 3,044,782</u>	<u>3,227,290</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	7.5%	6.1%	4.9%	4.4%	3.9%

Legal Debt Margin Calculation for Fiscal Year 2024
(amounts expressed in thousands)

Assessed Value	\$44,791,568
Debt Limit (7.5% of assessed value)	3,359,368
Debt Applicable to Limit:	
General Obligation bonds and loans	132,099
Capital leases	-
Less: Assets available from Debt Svc Fur	(22)
Total Net Debt Applicable to Limit	<u>132,078</u>
Legal Debt Margin	<u>\$ 3,227,290</u>

CITY OF TACOMA, WASHINGTON
TABLE 14
COMPUTATION OF CONSTITUTIONAL LIMIT OF INDEBTEDNESS
as of December 31, 2024

As provided in the Revised Code of Washington (RCW) Title 39 Chapter 36, the percentage limits for the various sections are layered cumulative totals. The total General Purpose Indebtedness cannot exceed 2.5% of the Total Taxable Property Value (PV); General and Utility Purpose Indebtedness cannot exceed 5.0% PV; and General, Utility and Open Space and Parks Facilities Indebtedness cannot exceed 7.5% PV. Non-voted General Purpose Indebtedness may be up to 1.5% PV only if Voted General Purpose Indebtedness does not exceed 1% PV. The limits for General Purpose debt cannot exceed 2.5% PV. However, Utility and Open Space Indebtedness may exceed 2.5% PV for the section and reduce the General Purpose Indebtedness available by an equivalent amount. In addition to limitations in RCW, the City's Finance Policy requires the maintenance of a reserve in the amount of 10% of non-voted debt capacity.

Total Taxable Property Value (Assessed at 100%, for taxes payable in 2025) (PV)		<u>\$ 44,791,567,761</u>
GENERAL PURPOSE INDEBTEDNESS		
Non-Voted General Purpose Indebtedness and Capital Leases		
Legal Limit 1.5% of Total Taxable Property Value		\$ 671,873,516
Indebtedness (Liabilities)		
Non-Voted General Obligation Bonds	\$ 157,910,000	
Capital Leases Payable	-	
Less Assets Available	-	
Indebtedness Incurred - Non-Voted General Purposes		<u>\$ 157,910,000</u>
Remaining Legally Available Non-Voted Debt Capacity - General Purposes		\$ 513,963,516
Less Required Reserve (10% of Non-Voted Debt Capacity)		<u>\$ (67,187,352)</u>
Available Non-Voted Debt Capacity - net of Required Reserve		<u>\$ 446,776,165</u>
Total General Purpose Indebtedness With A 3/5 Vote of the People (includes non-voted)		
Legal Limit 2.5% of Total Taxable Property Value		\$ 1,119,789,194
Less:	Indebtedness Incurred - Non-Voted General Purposes	<u>(157,910,000)</u>
		<u>\$ 961,879,194</u>
Indebtedness (Liabilities)		
Voted General Obligation Bonds	\$ -	
Less Assets Available	(21,725)	
Indebtedness Incurred - Voted General Purposes		<u>\$ (21,725)</u>
Total Remaining Debt Capacity - General Purposes		<u>\$ 961,900,919</u>
UTILITY PURPOSE INDEBTEDNESS		
Indebtedness For Utility Purposes With 3/5 Vote of the People		
Legal Limit 2.5% of Total Taxable Property Value		<u>\$ 1,119,789,194</u>
Remaining Debt Capacity - Utility Purposes		<u>\$ 1,119,789,194</u>
OPEN SPACES AND PARKS FACILITIES INDEBTEDNESS		
Indebtedness For Open Space And Parks Facilities With 3/5 Vote of the People		
Legal Limit 2.5% of Total Taxable Property Value		<u>\$ 1,119,789,194</u>
Remaining Debt Capacity - Open Spaces and Parks Facilities		<u>\$ 1,119,789,194</u>
SUMMARY		
Total Indebtedness Allowable		
Legal Limit 7.5% of Total Taxable Property Value		\$ 3,359,367,582
Less: Indebtedness Incurred - General Purposes	0.3525%	\$ 157,888,275
Less: Indebtedness Incurred - Utility Purposes		\$ -
Less: Indebtedness Incurred - Open Space And Parks Facilities		\$ -
Remaining Debt Capacity		<u>7.1475% \$ 3,201,479,307</u>

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Pledged-Revenue Coverage
Last Ten Fiscal Years
Table 15
(amounts expressed in thousands)
Page 1 of 2

Sewer Revenue Bonds						
Fiscal Year	Sewer Charges and Other	Less: Operating Expenses	Net Available Revenue	Principal	Interest	Coverage
2014	90,232	59,284	30,948	750	6,237	4.43
2015	97,810	60,945	36,865	780	8,031	4.18
2016	104,280	67,210	37,070	4,390	8,069	2.98
2017	110,041	67,359	42,682	4,830	7,859	3.36
2018	115,817	62,052	53,765	5,025	7,538	4.28
2019	116,919	65,861	51,058	6,625	10,223	3.03
2020	127,334	77,142	50,192	6,955	9,911	2.98
2021	123,712	76,031	47,681	9,588	7,275	2.83
2022	129,172	70,733	58,439	7,680	11,680	3.02
2023 ⁽¹⁾	149,637	87,250	62,387	8,110	12,686	3.00
2024	157,636	89,839	67,797	8,455	12,336	3.26

⁽¹⁾ 2023 information were restated as a result of the implementation of GASB 101.

Power Revenue Bonds						
Fiscal Year	Power Charges and Other	Less: Operating Expenses	Net Available Revenue	Principal	Interest	Coverage
2015	413,681	319,195	94,486	14,735	22,420	2.54
2016	418,614	388,220	30,394	12,730	19,026	0.96
2017	450,724	345,978	104,746	11,575	18,949	3.43
2018	464,467	335,372	129,095	10,095	20,143	4.27
2019	473,776	410,865	62,911	9,365	19,688	2.17
2020	476,791	359,613	117,178	7,470	19,220	4.39
2021	471,174	376,399	94,775	5,945	20,333	3.61
2022	478,366	370,369	107,997	6,240	23,538	3.63
2023 ⁽²⁾	538,887	390,718	148,169	6,555	23,226	4.98
2024	534,747	394,692	140,055	6,205	26,409	4.29

⁽²⁾ 2023 information were restated as a result of the implementation of GASB 101.

Solid Waste Revenue Bonds						
Fiscal Year	Solid Waste Charges and Other	Operating Expenses	Net Available Revenue	Principal	Interest	Coverage
2015	59,494	43,617	15,877	4,585	3,610	1.94
2016	63,568	47,196	16,372	4,830	3,167	2.05
2017 *	67,894	49,616	18,278	4,645	2,915	2.16
2018	69,111	48,743	20,368	2,060	2,662	4.31
2019	75,357	54,917	20,440	2,160	2,559	4.53
2020	77,324	55,791	21,533	2,270	2,451	4.56
2021	83,491	58,161	25,330	2,315	2,406	5.37
2022	89,051	59,156	29,895	3,140	2,722	5.10
2023 ⁽³⁾	96,956	66,662	30,294	3,680	2,793	4.68
2024	99,562	70,064	29,498	3,815	2,657	4.56

*Beginning 2017: Total Charges and Other are exclusive of bond amortization and disposal of capital assets.

⁽³⁾ 2023 information were restated as a result of the implementation of GASB 101.

Water Revenue Bonds						
Fiscal Year	Water Charges and Other	Less: Operating Expenses	Net Available Revenue	Principal	Interest	Coverage
2015	92,203	48,438	43,765	4,874	13,913	2.33
2016	94,688	52,762	41,926	5,140	13,156	2.29
2017	98,305	54,977	43,328	5,216	13,447	2.32
2018	113,090	52,489	60,601	5,414	13,291	3.24
2019	111,676	57,194	54,482	5,639	13,073	2.91
2020	110,377	58,971	51,406	6,280	12,503	2.74
2021	113,860	63,706	50,154	6,172	12,101	2.74
2022	112,331	62,332	49,999	6,275	11,954	2.74
2023 ⁽⁴⁾	136,387	78,344	58,043	5,826	11,803	3.29
2024	125,002	82,482	42,520	4,313	11,651	2.66

Note: Total Operating Expenses exclusive of depreciation, bond interest and municipal gross earning tax.

⁽⁴⁾ 2023 information were restated as a result of the implementation of GASB 101.

Pledged-Revenue Coverage
Last Ten Fiscal Years
Table 15
(amounts expressed in thousands)
Page 2 of 2

Tacoma Rail Bond Anticipation Notes						
Fiscal Year	Rail Charges and Other	Less: Operating Expenses	Net Available Revenue	Principal	Interest	Coverage
2014	30,482	25,493	4,989	223	37	19.73
2015	30,249	24,585	5,663	236	25	21.75
2016	32,261	27,135	5,126	249	12	19.64
2017	31,175	27,884	3,291	N/A	N/A	N/A
2018	34,379	28,048	6,331	N/A	N/A	N/A
2019	N/A	N/A	N/A	N/A	N/A	N/A
2020	N/A	N/A	N/A	N/A	N/A	N/A
2021	N/A	N/A	N/A	N/A	N/A	N/A
2022	N/A	N/A	N/A	N/A	N/A	N/A
2023	N/A	N/A	N/A	N/A	N/A	N/A
2024	N/A	N/A	N/A	N/A	N/A	N/A

Note: Total Operating Expenses exclusive of depreciation, bond interest and municipal gross earning tax.

Convention Center and Parking Revenue Bonds					
Fiscal Year	Net Parking Revenues	District Contribution	Total Pledged Revenues	Total Bond Debt Service	Coverage
2015	4,591	3,310	7,901	3,129	2.53
2016	4,740	3,524	8,264	2,922	2.83
2017	5,201	3,818	9,019	2,928	3.08
2018	4,531	4,162	8,693	2,925	2.97
2019	4,324	4,363	8,687	2,924	2.97
2020	1,503	4,582	6,085	2,922	2.08
2021	885	5,415	6,300	2,923	2.16
2022	1,306	5,744	7,050	2,922	2.41
2023	1,924	5,703	7,627	2,923	2.61
2024	1,208	5,939	7,147	2,923	2.45

Note: Contains a Rate Covenant for the portion of the Bonds that relate to the financing of the A Street Garage.

Parking System Rate Covenant			
Fiscal Year	Net Parking Revenues	District Contribution	Coverage
2015	4,591	346	13.27
2016	4,740	323	14.67
2017	5,201	323	14.68
2018	4,531	323	16.09
2019	4,324	323	14.01
2020	1,503	323	4.65
2021	885	323	2.74
2022	1,306	323	4.04
2023	1,924	323	5.96
2024	1,208	323	3.74

Note: Net Parking Revenues represent Parking Operating Revenues less Parking Expenses plus Gross Enforcement Revenues. The rate covenant is a coverage of at least 1.5 times.

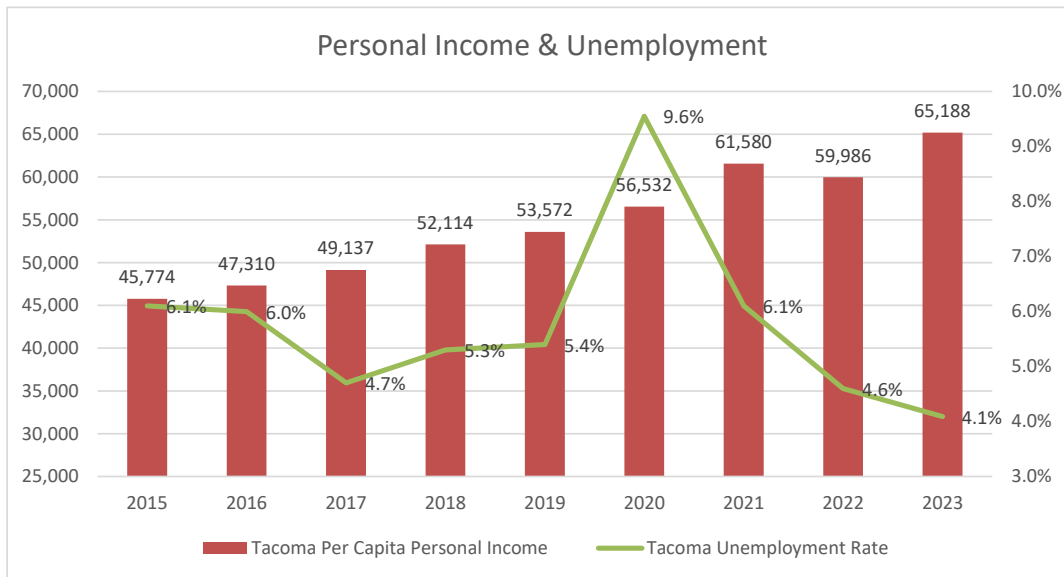
**Demographic and Economic Statistics
Last Ten Fiscal Years**

Table 16

Fiscal Year Ended December 31	Tacoma Population (1)	County Personal Income (2) (Thousands)	Tacoma Per Capita Personal Income (3)	Tacoma School Enrollment (4)	Tacoma Unemployment % Rate (5)
2015	200,900	38,492,409	45,774	28,011	6.1%
2016	202,300	40,552,080	47,310	28,323	6.0%
2017	208,100	42,955,131	49,137	28,307	4.7%
2018	209,100	45,753,481	52,114	28,355	5.3%
2019	207,948	48,481,266	53,572	27,888	5.4%
2020	221,259	51,664,015	56,532	29,168	9.6%
2021	218,700	57,004,972	61,580	28,778	6.1%
2022	220,800	55,630,100	59,986	28,455	4.6%
2023	222,400	60,540,283	65,188	28,374	4.1%
2024	225,100	Unavailable	Unavailable	29,010	4.5%

SOURCES:

- (1) Washington State Office of Financial Management
- (2) Calculated with Pierce County per Capita and Tacoma population (currently updated only through 2023)
- (3) U.S. Department of Commerce, Bureau of Economic Analysis, Pierce County (currently updated only through 2023)
- (4) Tacoma School District No. 10; total headcount of students including alternative schools as of October 1 each year.
- (5) Washington State Employment Security Department (monthly rates averaged).



Principal Employers
Current Year and Ten Years Ago
Table 17

TOP TEN EMPLOYERS FOR 2020 (PIERCE COUNTY) - DATA NOT AVAILABLE FOR 2024 AT TIME OF PRINTING

	EMPLOYEES	PERCENTAGE OF TOTAL COUNTY POPULATION	TYPE OF BUSINESS
Joint Base Lewis McChord	54,000	5.8%	Military
MultiCare Health System	8,264	0.9%	Health Care
State of Washington	7,859	0.8%	Government
CHI Franciscan Health	5,682	0.6%	Health Care
Tacoma Public Schools	3,649	0.4%	Education
City of Tacoma*	4,035	0.4%	Government
Pierce County Government	3,304	0.4%	Government
Puyallup School District	2,711	0.3%	Education
Bethel School District	2,689	0.3%	Education
Safeway & Albertsons	2,153	0.2%	Retail
Total	94,346	10.1%	

2024 Pierce County Population 933,130

* City of Tacoma shows 2024 data.

TOP TEN EMPLOYERS FOR 2015 (PIERCE COUNTY)

EMPLOYERS	EMPLOYEES	PERCENTAGE OF TOTAL COUNTY POPULATION	TYPE OF BUSINESS
Joint Base Lewis McChord	66,054	8.1%	Military
Local Public Schools	13,408	1.6%	Education
MultiCare Health System	6,904	0.8%	Health Care
Washington State Employees	6,455	0.8%	Government
Franciscan Health System	5,338	0.7%	Health Care
Pierce County Government	2,979	0.4%	Government
Washington State Higher Education	2,566	0.3%	Education
Fred Meyer Stores	2,560	0.3%	Retail
State Farm Insurance Companies	2,206	0.3%	Insurance
City of Tacoma	2,078	0.3%	Government
Total	110,548	13.5%	

2015 Pierce County Population 819,743

Note:

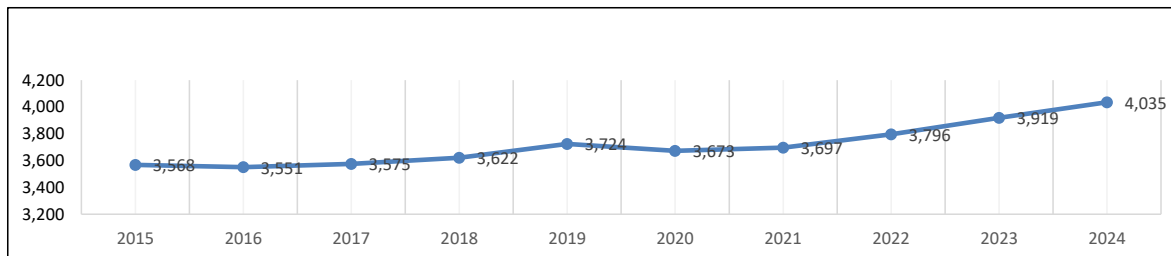
Employment data is voluntarily submitted to the City by businesses. As such, internal records of employment are incomplete. EDB for Tacoma-Pierce County data is presented instead as it represents a more complete data set.

Sources:

Economic Development Board (EDB) for Tacoma-Pierce County

**Full-time Equivalent City Government Employees by Function
Last Ten Fiscal Years
Table 18**

Function	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General government	285	286	286	290	311	288	293	313	326	328
Police	370	369	376	383	400	391	358	372	384	386
Fire	406	401	398	396	417	453	476	463	495	506
Economic Environment										
Community & Economic Developmen	26	27	30	22	26	26	25	34	34	34
Planning and Development Services	60	29	59	62	84	83	96	96	99	113
Hearing Examiner	3	3	3	3	3	3	3	3	3	3
Human Rights Human Services	41	41	37	31	30	29	26	29	33	24
Culture and Recreation	171	171	166	178	188	178	165	173	174	178
Transportation										
Public Works	718	732	735	765	754	750	746	747	775	798
Information Systems	116	111	117	121	123	117	121	129	140	145
Retirement	10	9	9	9	9	8	9	10	9	12
Tacoma Public Utilities										
Administration	11	12	12	13	17	17	19	20	23	25
Customer Service	148	150	158	146	164	163	161	157	149	179
Rail	116	113	115	118	118	115	112	106	110	109
Power	851	860	837	838	830	792	809	863	872	893
Water	236	237	237	247	250	260	278	281	293	302
Total	3,568	3,551	3,575	3,622	3,724	3,673	3,697	3,796	3,919	4,035



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Operating Indicators by Function
Last Ten Fiscal Years
Table 19
Page 1 of 2

	2015	2016	2017	2018	2019
Function					
Public Safety					
Police					
Crimes Against Person	4,376	4,443	4,569	4,345	4,718
Crimes Against Property	20,531	21,229	22,881	19,976	21,248
Fire					
Incidents	45,266	46,783	47,510	48,263	49,596
Utilities					
Power customers	174,562	176,784	177,153	177,723	182,000
Power service units - MWH	6,510,290	7,302,235	7,588,005	6,774,459	6,103,954
Water customers	99,943	100,731	101,871	103,116	105,663
Water service units	26,087,248	24,610,996	24,097,864	24,764,924	24,354,862
Wastewater customers	75,732	76,268	76,859	76,790	77,398
Surface Water customers	70,611	70,703	70,834	71,057	71,193
Solid Waste customers	60,262	60,646	60,971	61,242	61,534
Rail					
Miles of track	57.5	48.5	48.5	48.5	48.5
Number of cars switched	102,173	124,467	107,130	108,719	114,036
Parking Garages					
Number of parking stalls - garages	2,282	2,282	2,122	2,122	2,128
Number of parking stalls - surface lots	98	98	98	98	104
Number of on-street metered spaces	1,800	1,800	1,800	1,800	1,800

Data supplied by named departments

Operating Indicators by Function
Last Ten Fiscal Years
Table 19
Page 2 of 2

	2020	2021	2022	2023	2024
Function					
Public Safety					
Police					
Crimes Against Person	4,429	5,280	5,881	5,419	5,180
Crimes Against Property	21,386	24,784	29,774	25,855	20,314
Fire					
Incidents	46,411	53,222	49,172	51,468	53,004
Utilities					
Power customers	183,000	184,000	188,000	193,000	195,000
Power service units - MWH	6,937,268	6,501,588	6,892,166	5,710,359	5,637,856
Water customers	107,871	108,165	108,897	109,235	110,053
Water service units	24,981,235	26,122,668	24,348,628	23,875,053	17,694,091
Wastewater customers	79,297	79,297	78,146	78,946	79,671
Surface Water customers	71,235	71,318	71,606	71,481	71,578
Solid Waste customers	61,908	62,332	62,523	62,514	61,881
Rail					
Miles of track	48.5	48.5	48.5	48.5	48.5
Number of cars switched	95,964	97,029	183,886	264,801	293,756
Parking Garages					
Number of parking stalls - garages	2,248	2,248	2248	2248	2248
Number of parking stalls - surface lots	284	302	302	302	302
Number of on-street metered spaces	1,800	1,800	1800	1800	1800

Capital Asset Statistics by Function
Last Ten Fiscal Years
Table 20
Page 1 of 2

	2015	2016	2017	2018	2019
Function					
Public Safety					
Police					
Number of Stations	6	6	6	6	6
Vehicles:					
Marked Cars	265	265	267	260	254
Unmarked Cars-(includes seized vehicles)	110	112	115	112	153
Motorcycles	15	10	14	14	18
Fire					
Number of Stations	15	15	16	16	16
Pumpers	13	13	15.5	15.5	16
Trucks	4	4	4	4	4
Rescue Vehicles	5	5	5	5	5
Fireboats	3	3	3	3	3
Squad Vehicles	1.5	1.5	1.5	0	0
Training Towers	1	1	1	1	1
Fire Rating	3	3	3	3	3
Ambulances					
Transportation					
Streets					
Miles of Paved Streets	642.52	746.6	746.6	746.1	746.1 (1)
Miles of Unpaved Streets	208.10	10.80	10.80	11.3	11.3 (1)
Total	850.62	850.62	757.4	757.4	757.4

(1)The 2016 change in miles of Paved and Unpaved Streets is due to a condition survey performed in 2015 and the data was received in 2016.

Data supplied by named departments

Capital Asset Statistics by Function
Last Ten Fiscal Years
Table 20
Page 2 of 2

	2020	2021	2022	2023	2024
Function					
Public Safety					
Police					
Number of Stations	5	5	5	5	6
Vehicles:					
Marked Cars	161	234	227	256	231
Unmarked Cars-(includes seized vehicles)	109	118	150	134	109
Specialty Vehicles					74
Motorcycles	15	15	13	13	13
Fire					
Number of Stations	16	16	16	17	17
Pumpers	16	16	16	16	16
Trucks	4	4	4	4	4
Rescue Vehicles	5	5	5	1	1
Fireboats	3	2	2	2	2
Squad Vehicles	0	0	0	0	0
Training Towers	1	1	1	1	1
Fire Rating	3	3	3	3	3
Ambulances			4	9	10
Transportation					
Streets					
Miles of Paved Streets	746.1	746.1	746.1	746.1	746.1
Miles of Unpaved Streets	11.3	11.3	11.3	11.3	11.3
Total	757.4	757.4	757.4	757.4	757.4

Contributing Staff
Table 21

The following individuals contributed to the successful completion of the City of Tacoma's 2024 Annual Comprehensive Financial Report:

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 Polly Wainaina, CPA, Financial Services Division Manager
 Michael San Soucie, CPA, City Treasurer
 Diana Kerin-Tate, Financial Services Manager
 Ghassan Diab, Financial Services Manager
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 Julie Louviere, Financial Services Manager
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STATISTICAL SECTION

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