2022 Financial Results

Presenter:

• Hayley Falk, Business Services Manager, hfalk@cityoftacoma.org
## 2022 Year-End Financial Position

<table>
<thead>
<tr>
<th>Fund</th>
<th>2022 Plan</th>
<th>2022 Actuals</th>
<th>% Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>4200 – Solid Waste</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>(80,917,437)</td>
<td>(89,520,641)</td>
<td>11%</td>
</tr>
<tr>
<td>Expense</td>
<td>90,961,184</td>
<td>80,010,794</td>
<td>12%</td>
</tr>
<tr>
<td>Operating</td>
<td>73,077,516</td>
<td>73,253,130</td>
<td>0%</td>
</tr>
<tr>
<td>Capital</td>
<td>17,883,668</td>
<td>6,757,664</td>
<td>62%</td>
</tr>
<tr>
<td><strong>4300 - Wastewater</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>(84,581,970)</td>
<td>(91,855,215)</td>
<td>9%</td>
</tr>
<tr>
<td>Expense</td>
<td>117,660,732</td>
<td>108,375,761</td>
<td>8%</td>
</tr>
<tr>
<td>Operating</td>
<td>81,398,054</td>
<td>79,550,777</td>
<td>2%</td>
</tr>
<tr>
<td>Capital</td>
<td>36,262,678</td>
<td>28,824,984</td>
<td>21%</td>
</tr>
<tr>
<td><strong>4301 – Stormwater</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>(41,123,107)</td>
<td>(42,713,858)</td>
<td>4%</td>
</tr>
<tr>
<td>Expense</td>
<td>71,937,577</td>
<td>69,301,920</td>
<td>4%</td>
</tr>
<tr>
<td>Operating</td>
<td>33,869,793</td>
<td>33,346,867</td>
<td>2%</td>
</tr>
<tr>
<td>Capital</td>
<td>38,067,784</td>
<td>35,955,025</td>
<td>6%</td>
</tr>
</tbody>
</table>
2022 Year-End Revenue Position

<table>
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<tr>
<th>Plan</th>
<th>Actuals</th>
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<tr>
<td>4200 – Solid Waste</td>
<td>$81 M</td>
</tr>
<tr>
<td>4300 - Wastewater</td>
<td>$90 M</td>
</tr>
<tr>
<td>4301 – Stormwater</td>
<td>$85 M</td>
</tr>
</tbody>
</table>

- Million Plan
- Million Actuals

$92 M

$41 M

$43 M
2022 Year-End Expense Position

- 4200 – Solid Waste
  - Plan: $73 M
  - Actuals: $73 M
  - $18 M Operating
  - $7 M Capital

- 4300 - Wastewater
  - Plan: $81 M
  - Actuals: $81 M
  - $80 M Operating
  - $1 M Capital

- 4301 – Stormwater
  - Plan: $163 M
  - Actuals: $159 M
  - $72 M Operating
  - $38 M Capital

- Plan: $81 M
  - $34 M Operating
  - $36 M Capital

- Actuals: $80 M
  - $33 M Operating
  - $40 M Capital

- 80 M
  - $40 M Operating
  - $40 M Capital
Financial Forecast 2022 Estimate vs Actuals

Solid Waste

[Graphs showing fund balances for 2022 Budget and 2022 Actuals for both Ending Balances and Minimum Target over the years 2022 to 2031]
Financial Forecast 2022 Estimate vs Actuals

Wastewater

2022 Budget

2022 Actuals
Financial Forecast 2022 Estimate vs Actuals

Stormwater

2022 Budget

2022 Actuals

FUND BALANCES - OPERATING FUND

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<thead>
<tr>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
<th>2026</th>
<th>2027</th>
<th>2028</th>
<th>2029</th>
<th>2030</th>
<th>2031</th>
</tr>
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<tbody>
<tr>
<td>$0</td>
<td>$5</td>
<td>$10</td>
<td>$15</td>
<td>$20</td>
<td>$25</td>
<td>$30</td>
<td>$35</td>
<td>$40</td>
<td>$45</td>
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Next Steps

Off Budget Year Special Projects

- Long-term Asset Management Funding Plan
  - Need to double sewer capital spending by 2040

- Wastewater Rate Structure Update
  - Eliminate Winter Quarter Average for residential customers

- Solid Waste Non-Rate Charges and Fees Update
  - Disposal & Commercial Glass Recycling
Phase I Municipal Stormwater Permit

- Clean Water Act prohibits discharging pollutants through a point source into a water of the state without a NPDES (National Pollutant Discharge Elimination System) permit.
- City of Tacoma has a NPDES Phase I Municipal Stormwater Permit (Permit) which allows the City to discharge stormwater to waters and groundwaters of the state.
- The Permit is issued by Washington State Dept of Ecology
- Permit was issued Aug 1, 2019 and expires July 2024
- Permit is issued to the entire City of Tacoma
- The Permit is activity based
SW Permit Coordination

SW Permit Compliance Group Tasks:

- Administer and interpret the Phase I Municipal SW Permit
- Coordinate with staff from all departments within the City of Tacoma
- Interface with Ecology and other Permittees
- Participate or facilitate participation in Ecology Technical and Policy Advisory Groups and Committees
- Current Staff: Merita Trohimovich, Ken Burkart, Sarah Norberg
2022 Accomplishments

- Continued monitoring of overall Permit Compliance
- Changed catch basin inspection program
- Adopt-a-Drain program has over 135 participants and 320 catch basins adopted.
- Tacoma U training page developed
- IDDE Training for specific staff
- Updated all City facility operational SWPPPs
- Stormwater Management Program Plan web version
- Preliminary comments for the upcoming Ecology and EPA Permits
Tacoma U

- Internal website to house SW Permit related training materials for all city staff
- Built to help staff quickly find the training materials they need
- [https://cityoftacoma.sharepoint.com/sites/tacomau/SitePages/Stormwater.aspx](https://cityoftacoma.sharepoint.com/sites/tacomau/SitePages/Stormwater.aspx)
Annual Report

- Required to be submitted every March 31
- Ecology specifies the form and the questions to be answered
- Includes questions about all areas of Permit Compliance
- Takes a large amount of time and coordination to complete
- In 2023 answered affirmatively to all questions that Tacoma is compliant
Stormwater Management Program (SWMP) Plan

- Outlines our Stormwater Management Program
- The SWMP is a set of actions and activities required for Permit compliance
- The SWMP is meant to guide the work of staff and include input and guidance from the general public
- For 2023, we have developed a more public friendly web version of the SWMP
- Future updates to the SWMP will be more staff specific (separate version)
SWMP Plan Ed and Outreach

▶ Permittees must provide ongoing opportunities for public involvement with the SWMP
  ▶ Meet with neighborhood councils
  ▶ Postcard
▶ Emphasis on EJ using the equity tool to distribute postcards to low opportunity areas
  ▶ Translation and transcreation
  ▶ Interpretation services
▶ 2023 Plan
▶ Continue with development of public web document
▶ Develop staff specific SWMP guidance document
▶ Feedback from this group later in 2023
2024 Ecology Permit cycle

- Anticipate new Permit to be effective August 2024
- Commenting on draft preliminary language sections as they become available
Upcoming EPA SW Permit

- Individual Permit
- Jurisdictional authority is unique and complex
- Joint authority between EPA and Puyallup Tribe
- Requirements similar to Ecology permit but not the same
- Some portions of Tacoma will be covered by both the Ecology Permit and EPA Permit
- This will result in some implementation and reporting challenges
- Issue and effective dates are not currently known (anticipated 2023)
Thank You for your time!