



# 2025-2026 Internal Service Budget Overview

August 28, 2024

# Agenda

## 1. Estimated Internal Service Budgets for 2025-2026

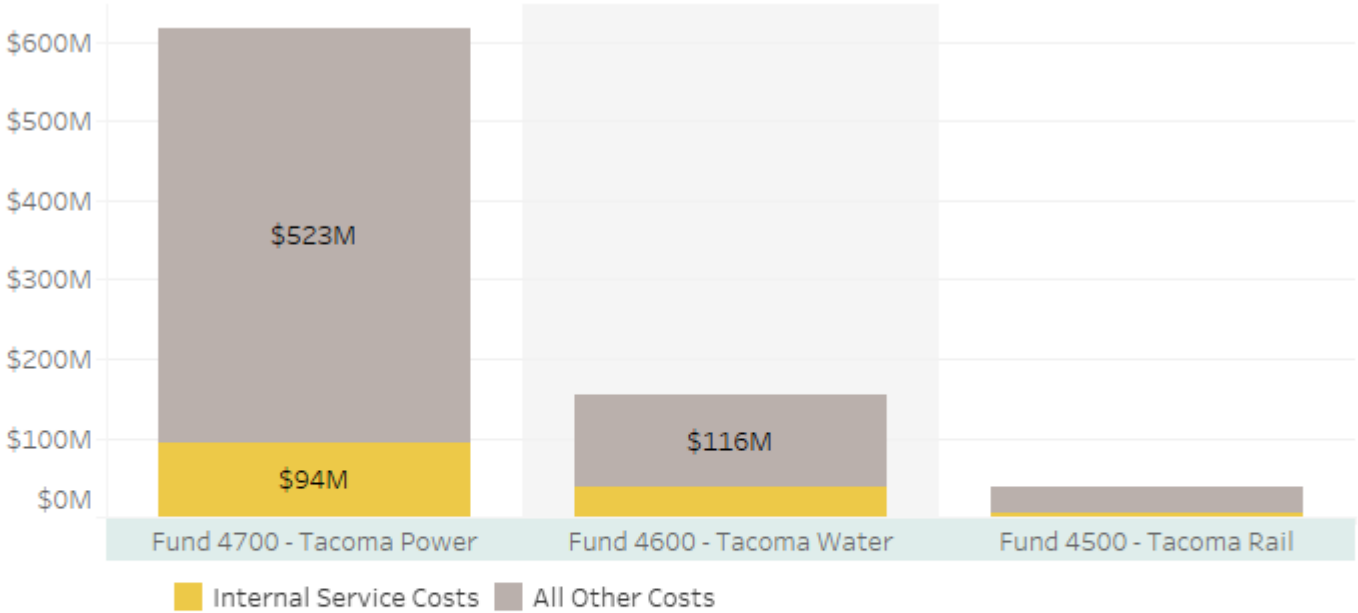
- Power
- Water
- Rail

## 2. Methodology Changes

- Active Directory
- Workforce Connect

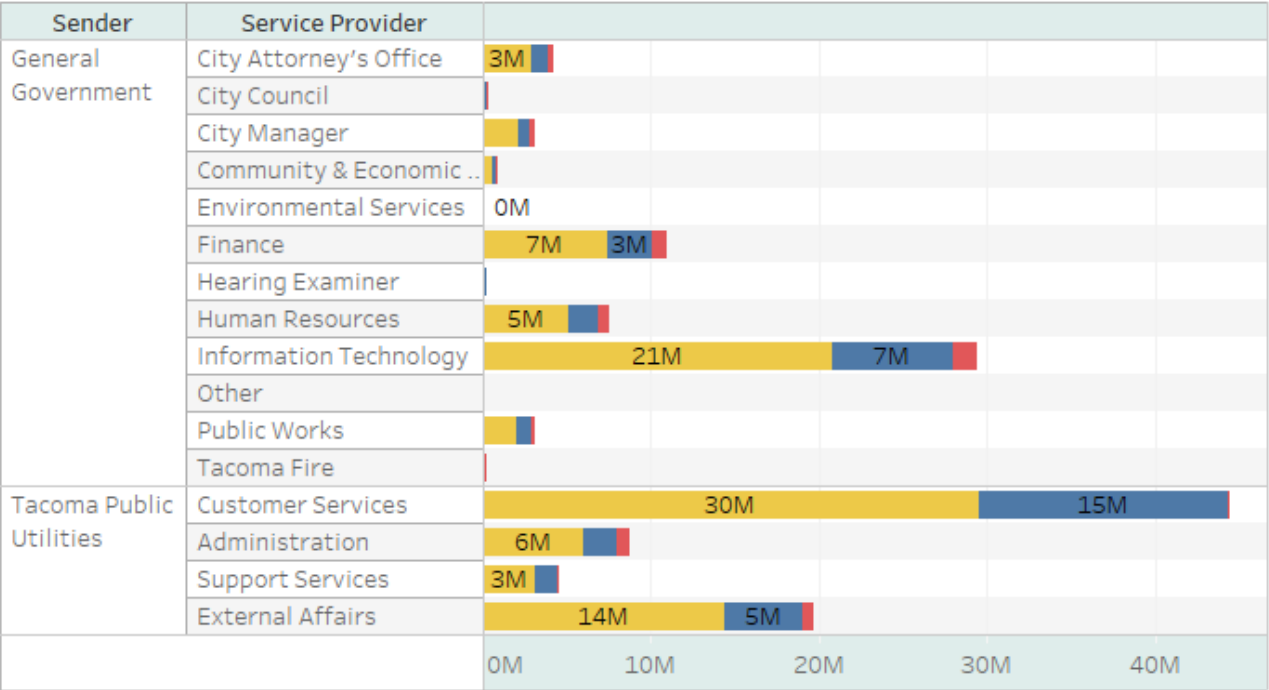


# Estimated 2025-2026 Internal Service Baseline Budgets



Cost Type	Fund 4700 - Tacoma Power	Fund 4600 - Tacoma Water	Fund 4500 - Tacoma Rail	Grand Total
Internal Service Costs	\$93,929,256	\$37,657,783	\$5,325,437	\$136,912,476
All Other Costs	\$523,309,878	\$116,470,462	\$33,634,457	\$673,414,796
Grand Total	\$617,239,134	\$154,128,245	\$38,959,894	\$810,327,272

# Estimated 2025-2026 Internal Service Baseline Budgets



Sender	Service Provider	Fund 4700 - Ta..	Fund 4600 - Ta..	Fund 4500 - Ta..	Grand Total
General Government	City Attorney's Office	2,845,921	980,482	416,656	4,243,059
	City Council	152,895	54,662	20,183	227,740
	City Manager	2,068,243	739,453	273,023	3,080,719
	Community & Economic ..	529,005	287,676	74,175	890,856
	Environmental Services	-	-	-	-
	Finance	7,420,387	2,688,947	824,414	10,933,748
	Hearing Examiner	63,405	63,405	-	126,810
	Human Resources	5,051,757	1,806,044	666,869	7,524,670
	Information Technology	20,831,460	7,147,530	1,468,315	29,447,304
	Other	-	-	-	-
	Public Works	1,945,063	973,472	173,773	3,092,309
	Tacoma Fire	111,240	39,770	14,684	165,695
Tacoma Public Utilities	Customer Services	29,518,125	14,862,004	48,578	44,428,707
	Administration	5,926,685	2,037,862	714,902	8,679,449
	Support Services	3,058,374	1,332,152	44,184	4,434,710
	External Affairs	14,406,697	4,644,324	585,679	19,636,699
<b>Grand Total</b>	<b>93,929,256</b>	<b>37,657,783</b>	<b>5,325,437</b>	<b>136,912,476</b>	

■ Fund 4700 - Tacoma Power    
 ■ Fund 4600 - Tacoma Water    
 ■ Fund 4500 - Tacoma Rail

# Internal Services 2025-2026

## Major Issues

- Growth of expectations and needs
- Technology and Administrative Debt and Impact on Process Improvement
- Heavy workloads and high position turnover

## Risk Management

- **Public Disclosure Workflow Software (\$100k)**
- **Cybersecurity Investments (\$1.3M)**

## Infrastructure and System Regular Maintenance

- **SAP NOW (\$15.8M)**
  - Migration, Cloud, and Remediation
  - CRM replacement

## Process Improvements and Trust Building

**Expense Reductions through more accurate projections, efficiencies, and replacements (-\$2.7M)**



CITY OF  
**Tacoma**