

City of Puyallup

January 2021 Financial Summary

General Fund at a Glance...

Budget vs Actual Comparison

	2020 ACT	2021 BUD	2021 EST	VARIANCE
Revenues	49,441,714	49,664,490	50,384,530	720,040
Expenditures	49,078,513	49,988,672	49,240,000	748,672
Gain/(Loss)	363,201	(324,182)	1,144,530	1,468,712

Results through January indicate a much more “normal” year than in 2020. Revenues are projected to come in about \$720,000 higher than budget and expenditures \$750,000 below budget, creating an overall positive variance from budget of nearly \$1.5 million.

The \$1.5 million difference between the budgeted and actual gain/(loss) amounts is the preliminary estimate of Tier 3 monies that could potentially be available for spending in 2022. Per policy, one-third of these monies are first allocated to General Fund Reserves and the balance is available for one-time expenses.

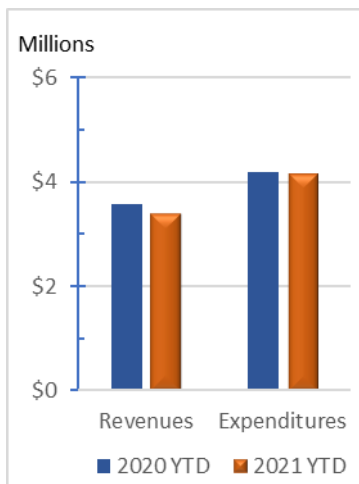
General Fund Reserves

	2020 ACT	2021 BUD	2021 EST
Beginning Balance	7,571,337	5,821,842	5,821,842
Ending Balance	7,921,842	5,497,660	6,966,372
less Tier 3	(2,100,000)		(979,000)
General Fund Reserves	5,821,842	5,497,660	5,987,372
	11.8%	11.1%	11.9%

2021 year-end reserves are estimated at nearly \$6 million, or 11.9% of actual revenues, after setting aside preliminary Tier 3 monies of \$979,000 for future allocation by Council.

In addition, 2020 Tier 3 monies of \$2.1 million remain available for one-time projects.

Council's target for General Fund reserves is 8-15% of operating revenues.



2020 vs 2021 YTD Comparison

	2020 YTD	2021 YTD	\$ Change	% Change
Revenues (no trfs)	3,570,834	3,396,118	(174,716)	-4.9%
Expenditures (no trfs)	4,188,384	4,169,922	(18,462)	-0.4%
Gain/(Loss)	(617,549)	(773,804)	(156,255)	25.3%

This chart compares 2021 year-to-date results to 2020 revenues and expenditures. Through January, both revenues and expenditures are very nearly last year amounts.

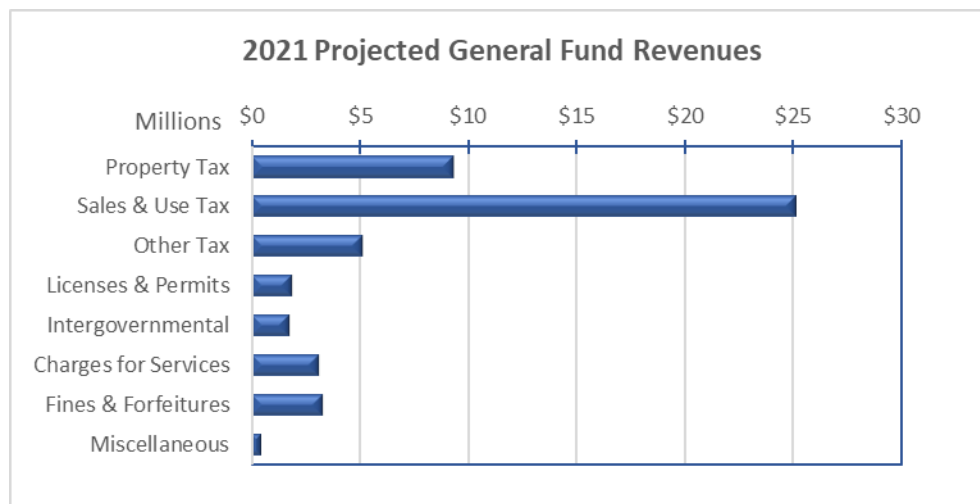
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General Fund Revenues by Type (excluding transfers)					
	2021 BUD	2021 YTD	2021 EST	VARIANCE	
Property Tax	9,370,130	51,900	9,370,130	0	0.0%
Sales & Use Tax	24,495,870	2,068,307	25,146,400	650,530	2.7%
Other Tax	5,207,240	417,812	5,190,000	(17,240)	-0.3%
Licenses & Permits	1,888,360	223,071	1,914,000	25,640	1.4%
Intergovernmental	1,766,270	141,979	1,778,800	12,530	0.7%
Charges for Services	3,024,770	192,087	3,145,400	120,630	4.0%
Fines & Forfeitures	3,414,410	254,861	3,337,800	(76,610)	-2.2%
Miscellaneous	477,440	46,101	482,000	4,560	1.0%
Total Revenues	49,644,490	3,396,118	50,364,530	720,040	1.5%

Revenues are budgeted conservatively per the budget stability policy, with two exceptions for sales tax and development engineering fees. Through January, revenues are coming in as projected, although sales tax is a bit stronger than expected.

Sales Tax: Retail Trade and Professional & Other Services sectors continue to be strong performers in terms of sales tax. Construction and Accommodations/Food sectors remain the hardest hit by the pandemic guidelines issued by the governor’s office, causing those revenues to continue to lag.



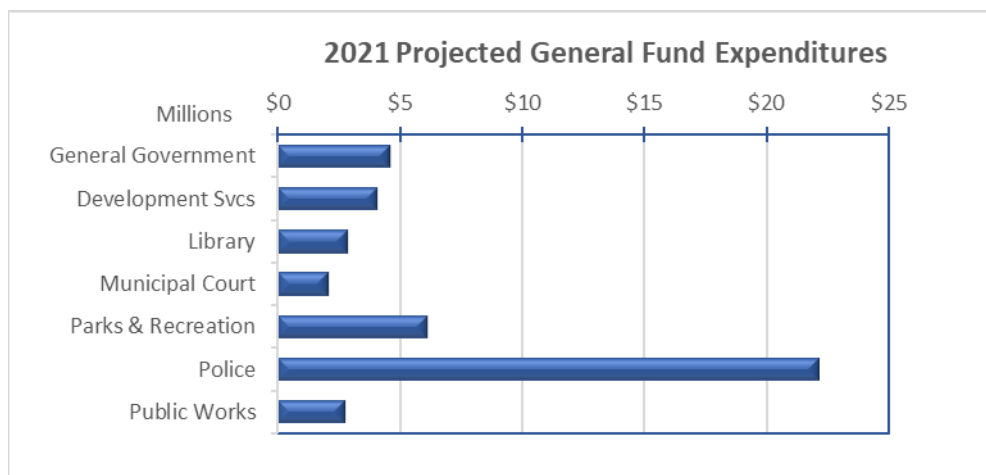
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General Fund Expenditures by Department (excluding transfers)

	2021 BUD	2021 YTD	2021 EST	VARIANCE	
City Council	225,120	13,194	211,400	13,720	6.1%
City Manager	834,400	79,072	785,800	48,600	5.8%
City Clerk	391,700	36,260	348,100	43,600	11.1%
Dev & Permitting Svcs	4,231,212	445,304	4,086,500	144,712	3.4%
Finance	758,710	94,594	680,600	78,110	10.3%
Human Resources	457,930	38,138	417,200	40,730	8.9%
Legal	1,274,060	142,644	1,271,200	2,860	0.2%
Library	2,966,940	258,842	2,869,300	97,640	3.3%
Municipal Court	2,129,210	216,967	2,096,600	32,610	1.5%
Non-Departmental	855,710	205,691	853,500	2,210	0.3%
Parks & Recreation	6,205,740	422,666	6,130,300	75,440	1.2%
Police	22,240,090	2,057,941	22,109,300	130,790	0.6%
Public Works	2,794,550	158,608	2,756,900	37,650	1.3%
Total Expenditures	45,365,372	4,169,922	44,616,700	748,672	1.7%

No major variances through January. Departments are authorized to spend up to their adopted budgets, without specific action needed to reduce spending. This may change, should revenue projections be negatively impacted at any point in the year.



General Government: City Council, City Clerk, City Manager, Finance, Human Resources, Legal, Non-Dept

City of Puyallup

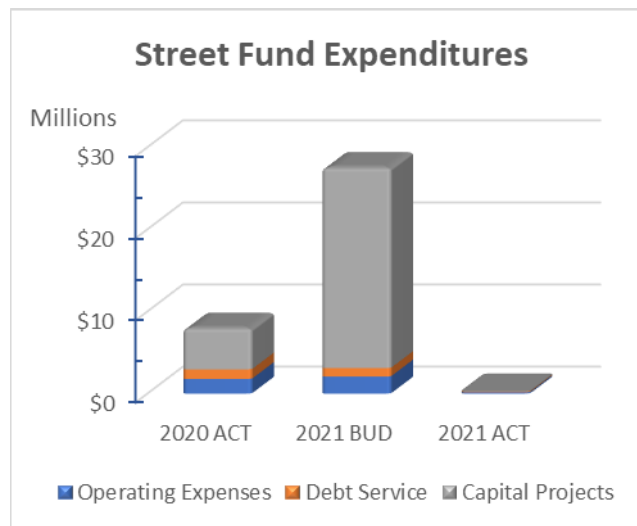
January 2021 Financial Summary

Street Fund at a Glance... (excluding intrafund transfers)

The Street Fund accounts for repairs and maintenance, debt service and construction of city streets. Grants and other non-city monies are aggressively pursued to help offset costs of eligible capital projects.

Street Fund			
	2020 ACT	2021 BUD	2021 ACT
Beginning Balance	8,915,411	10,196,346	10,196,346
Fuel Tax/Multimodal Funds	385,937	429,490	22,465
Traffic Impact Fees	662,116	1,200,000	4,500
Capital Project Grants	1,932,349	9,753,550	-
Other Revenues	413,163	652,560	1,333
Transfers In	5,831,629	6,953,718	-
Total Revenues	9,225,195	18,989,318	28,298
Operating Expenses	1,784,997	2,077,810	159,045
Debt Service	1,156,219	1,031,770	91,825
Capital Projects	5,003,043	24,393,595	17,958
Transfers Out	-	-	-
Total Expenditures	7,944,260	27,503,175	268,828
Ending Balance	10,196,346	1,682,489	9,955,817

Transfers In from GF Tier 1, Budget Stability, REET and LIFT grant.



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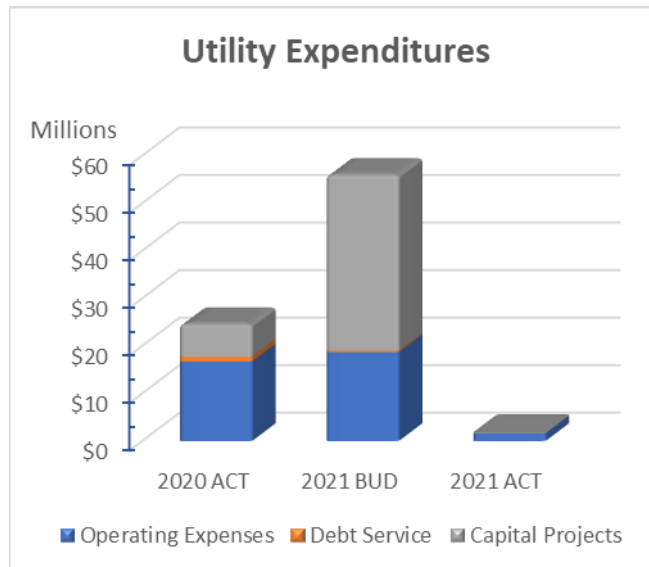
Utilities at a Glance... (excluding transfers)

City utilities (sanitation, water, wastewater and stormwater) are funded with user and system development charges, which are expected to cover the operations, debt service and capital needs of the utility.

In response to the economic hardship on residents and businesses resulting from the state-wide response to COVID-19, the City has expanded the utility payment extension policy and waived late fees. Both are scheduled to be in effect until 60 days after the state of emergency is lifted. At that point, the regular payment extension and late fee policies will resume. As the months have gone by, delinquent account balances have increased substantially to nearly \$450,000 versus a pre-pandemic average of \$250,000. Pierce County has implemented a customer relief program and a City program is under consideration using ARPA monies. We are hopeful that these programs will provide sufficient aid to those of our customers needing assistance.

Combined Utility Funds

	2020 ACT	2021 BUD	2021 ACT
Beginning Balance	25,214,816	27,825,233	27,825,233
User Fees	23,709,811	24,478,020	2,006,429
System Dev Charges	1,945,322	1,980,860	135,473
Other Revenues	338,916	294,200	38,534
Grants	1,257,782	5,749,732	-
Total Revenues	27,251,831	32,502,812	2,180,436
Operating Expenses	16,724,182	18,717,230	1,607,958
Debt Service	1,039,799	347,200	-
Capital Projects	6,877,434	36,962,665	98,878
Total Expenditures	24,641,415	56,027,095	1,706,836
Ending Balance	27,825,233	4,300,950	28,298,833



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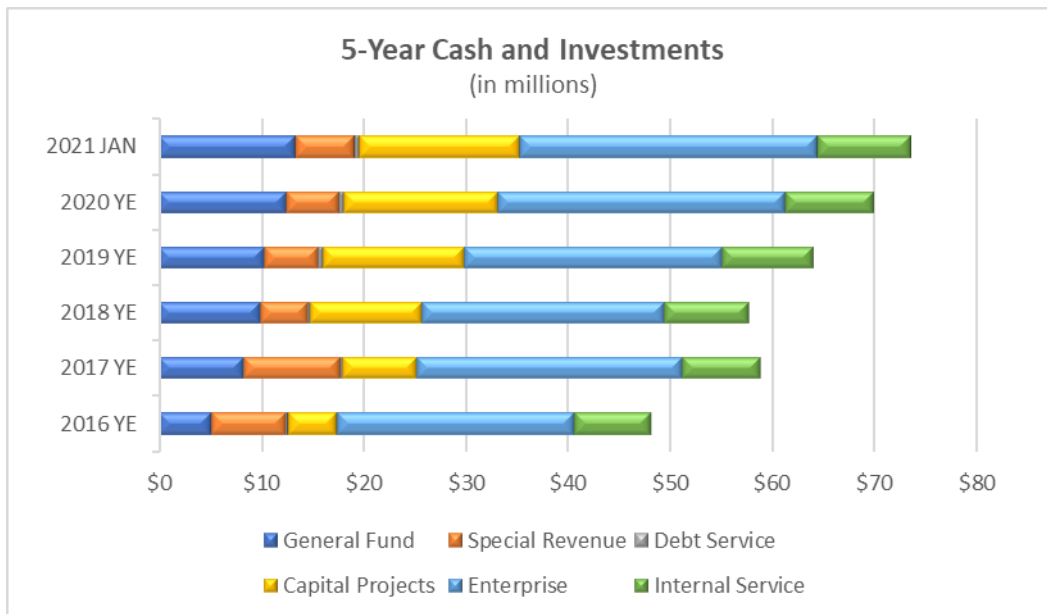
January 2021 Financial Summary

City-Wide Cash and Investments

	2016 YE	2017 YE	2018 YE	2019 YE	2020 YE	2021 JAN
General Fund	1,714,189	5,613,564	7,188,466	7,504,974	7,921,842	8,864,011
General Fund - Other	3,504,895	2,648,335	2,806,831	2,798,442	4,492,643	4,448,898
Special Revenue	7,245,450	9,455,865	4,562,016	5,261,402	5,119,889	5,741,260
Debt Service	282,095	288,292	305,283	517,046	505,658	505,659
Street Capital Projects	3,486,440	5,273,289	5,476,894	8,915,411	10,215,288	10,698,190
Parks Capital Projects	1,150,658	1,896,328	4,879,439	2,904,086	2,948,859	3,029,466
Facility Capital Projects	119,948	121,076	558,137	1,984,322	1,961,283	1,962,065
Enterprise - Utilities	23,046,430	25,887,173	23,569,469	25,214,816	28,059,567	29,152,695
Enterprise - Pavilion	101,306	87,234	97,165	95,158	90,012	85,684
Internal Service	7,545,047	7,662,713	8,350,700	8,885,049	8,597,444	9,145,297
Total	48,196,459	58,933,870	57,794,399	64,080,707	69,912,485	73,633,225

General Fund: Comparing 2016 and 2020 ending cash, the balance has grown by \$6.2 million. This is intentional growth to ensure adequate reserves for cash flow purposes and in case of an economic downturn.

All Other Funds: The cash balances for all other funds combined have grown by \$15.5 million since 2016, largely due to a significant increase in funding available for capital projects.



City of Puyallup

January 2021 Financial Summary

Summary by Fund (excluding transfers)						
	Revenues			Expenditures		
	Budget	YTD JAN	Balance	Budget	YTD JAN	Balance
General						
General Fund	49,644,490	3,396,118	46,248,372	45,365,372	4,169,922	41,195,450
Budget Stability Reserves	3,240	243	2,997	63,256	-	63,256
Radio Replacement	2,100	50	2,050	63,000	-	63,000
Donations to Puyallup	9,120	-	9,120	35,000	-	35,000
LEOFF 1 Retiree Benefits	4,330	136	4,194	557,840	45,612	512,228
Firemen's Pension	66,650	138	66,512	172,000	14,277	157,723
Total General Fund	49,729,930	3,396,685	46,333,245	46,256,468	4,229,811	42,026,657
Special Revenue						
Seizure and Forfeiture	50,550	6,833	43,717	65,960	1,170	64,790
DUI Cost Recovery	-	7,605	(7,605)	-	5,702	(5,702)
Affordable Housing Sales Tax	-	17,188	(17,188)	-	-	-
Motel Tax	1,377,120	60,027	1,317,093	755,900	-	755,900
Trial Court Improvement	21,750	1	21,749	-	-	-
Lift Grant	1,011,000	350	1,010,650	-	-	-
Real Estate Excise Tax	2,011,000	221,859	1,789,141	-	-	-
Total Special Revenue Funds	4,471,420	313,863	4,157,557	821,860	6,872	814,988
Debt Service						
GO Bonds	-	-	-	3,389,950	91,825	3,298,125
PWTF & HIA Loans	-	-	-	332,120	-	332,120
Total Debt Service Funds	-	-	-	3,722,070	91,825	3,630,245
Capital Projects						
Streets	12,035,600	28,298	12,007,302	26,471,405	177,003	26,294,402
Parks	740,260	80,326	659,934	2,728,578	1,159	2,727,419
Facility	9,170	256	8,914	984,217	-	984,217
Total Capital Projects Funds	12,785,030	108,880	12,676,150	30,184,200	178,162	30,006,038
Enterprise						
Sanitation Utility	450,330	42,139	408,191	227,260	9,202	218,058
Water Utility	7,385,000	524,110	6,860,890	10,107,866	468,689	9,639,177
Sewer Utility	12,944,360	1,145,182	11,799,178	27,254,839	716,179	26,538,660
Storm & Surface Water Utility	11,723,122	469,006	11,254,116	18,437,130	512,765	17,924,365
Pavilion	289,250	4,153	285,097	355,040	12,254	342,786
Total Enterprise Funds	32,792,062	2,184,590	30,607,472	56,382,135	1,719,089	54,663,046
Internal Service						
Equipment Rental	2,390,790	165,844	2,224,946	2,569,940	74,088	2,495,852
Insurance	2,353,500	1,747,887	605,613	2,359,838	1,538,705	821,133
IT & Communications	3,838,160	300,231	3,537,929	4,945,695	320,168	4,625,527
Health Insurance	8,354,550	710,538	7,644,012	8,532,160	893,910	7,638,250
Facility Maintenance	2,443,290	175,986	2,267,304	2,421,350	188,773	2,232,577
Total Internal Service Funds	19,380,290	3,100,486	16,279,804	20,828,983	3,015,644	17,813,339
Grand Total	119,158,732	9,104,504	110,054,228	158,195,716	9,241,403	148,954,313