

City of Puyallup

February 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	50,609,330	944,840
Expenditures	49,078,513	49,988,672	49,160,900	827,772
Gain/(Loss)	363,201	(324,182)	1,448,430	1,772,612

Results through February continue indicate a much more “normal” year than in 2020. Revenues are projected to come in about \$945,000 higher than budget and expenditures \$828,000 below budget, creating an overall positive variance from budget of nearly \$1.8 million.

The \$1.8 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.

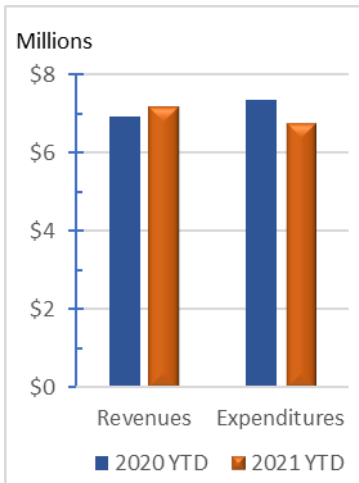
General Fund Reserves

	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	7,270,272
less Tier 3	(2,100,000)		(1,182,000)
General Fund Reserves	5,821,842	5,497,660	6,088,272
	11.8%	11.1%	12.0%

2021 year-end reserves are estimated at nearly \$6.1 million, or 12.0% of actual revenues, after setting aside preliminary Tier 3 monies of \$1.2 million 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)	6,934,663	7,204,318	269,655	3.9%
Expenditures (no trfs)	7,347,210	6,753,780	(593,431)	-8.1%
Gain/(Loss)	(412,547)	450,539	863,086	-209.2%

This chart compares 2021 year-to-date results to 2020 revenues and expenditures. Through February, revenues exceed last year's amount and expenditures are less, contributing to the overall expected positive variances from budget noted above.

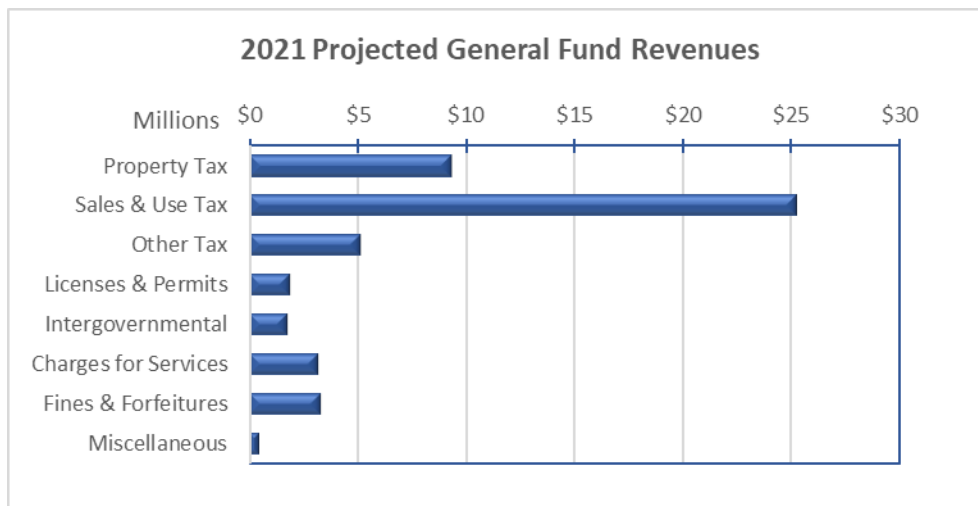
City of Puyallup

February 2021 Financial Summary

General Fund Revenues by Type (excluding transfers)					
	2021 BUD	2021 YTD	2021 EST	VARIANCE	
Property Tax	9,370,130	62,927	9,370,130	0	0.0%
Sales & Use Tax	24,495,870	4,570,034	25,296,400	800,530	3.3%
Other Tax	5,207,240	804,403	5,190,000	(17,240)	-0.3%
Licenses & Permits	1,888,360	344,078	1,914,000	25,640	1.4%
Intergovernmental	1,766,270	310,383	1,778,800	12,530	0.7%
Charges for Services	3,024,770	557,375	3,220,200	195,430	6.5%
Fines & Forfeitures	3,414,410	473,315	3,337,800	(76,610)	-2.2%
Miscellaneous	477,440	81,804	482,000	4,560	1.0%
Total Revenues	49,644,490	7,204,318	50,589,330	944,840	1.9%

Revenues are budgeted conservatively per the budget stability policy, with two exceptions for sales tax and development engineering fees. Through February, revenues are coming in as projected.

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.



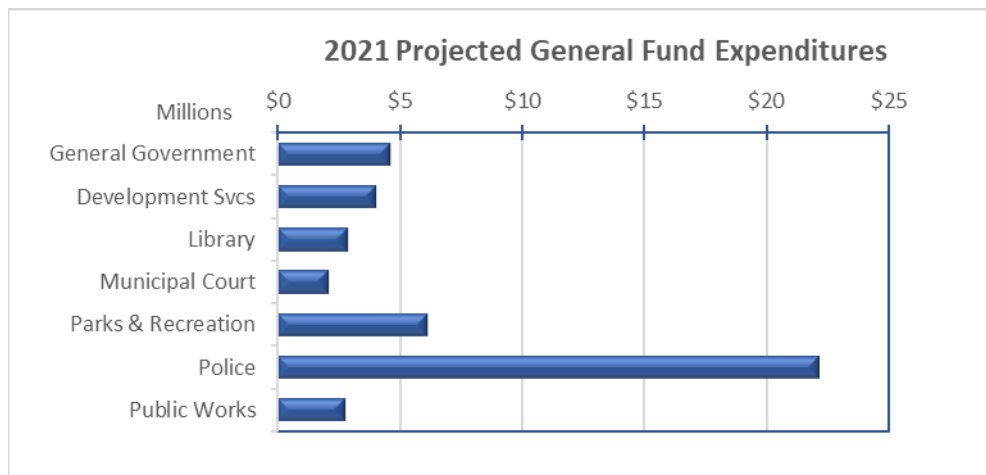
City of Puyallup

February 2021 Financial Summary

General Fund Expenditures by Department (excluding transfers)

	2021 BUD	2021 YTD	2021 EST	VARIANCE	
City Council	225,120	32,841	211,400	13,720	6.1%
City Manager	834,400	105,860	785,800	48,600	5.8%
City Clerk	391,700	127,170	348,100	43,600	11.1%
Dev & Permitting Svcs	4,231,212	745,807	4,015,100	216,112	5.1%
Finance	758,710	145,139	680,600	78,110	10.3%
Human Resources	457,930	69,963	417,200	40,730	8.9%
Legal	1,274,060	239,263	1,271,200	2,860	0.2%
Library	2,966,940	493,041	2,869,300	97,640	3.3%
Municipal Court	2,129,210	379,268	2,096,600	32,610	1.5%
Non-Departmental	855,710	257,913	853,500	2,210	0.3%
Parks & Recreation	6,205,740	858,779	6,122,600	83,140	1.3%
Police	22,240,090	4,042,596	22,109,300	130,790	0.6%
Public Works	2,794,550	355,470	2,756,900	37,650	1.3%
Total Expenditures	45,365,372	7,853,110	44,537,600	827,772	1.8%

No major variances through February. 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

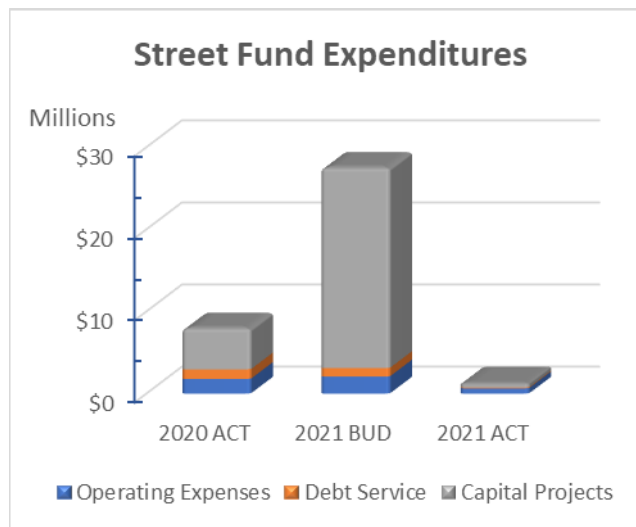
February 2021 Financial Summary

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	49,506
Traffic Impact Fees	662,116	1,200,000	96,750
Capital Project Grants	1,932,349	9,753,550	1,675,486
Other Revenues	413,163	652,560	2,624
Transfers In	5,831,629	6,953,718	-
Total Revenues	9,225,195	18,989,318	1,824,366
Operating Expenses	1,784,997	2,077,810	642,502
Debt Service	1,156,219	1,031,770	91,825
Capital Projects	5,003,043	24,393,595	546,911
Transfers Out	-	-	-
Total Expenditures	7,944,260	27,503,175	1,281,238
Ending Balance	10,196,346	1,682,489	10,739,475

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



City of Puyallup

February 2021 Financial Summary

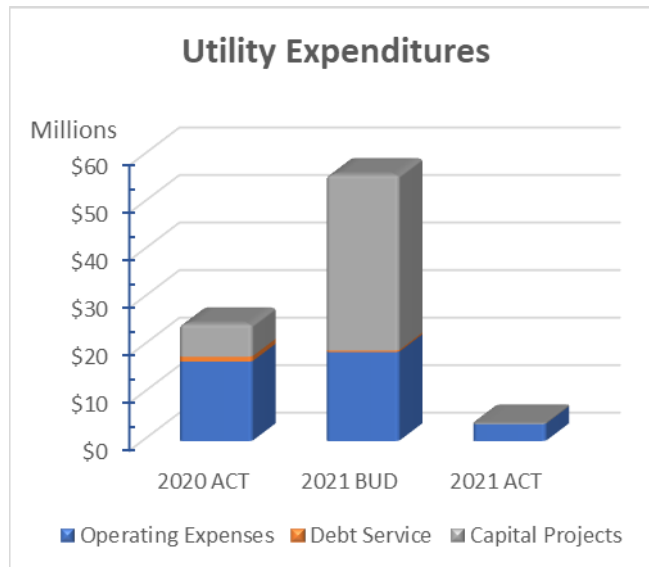
Utilities at a Glance... (excluding transfers)

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	3,879,881
System Dev Charges	1,945,322	1,980,860	963,437
Other Revenues	338,916	294,200	54,388
Grants	1,257,782	5,749,732	82,197
Total Revenues	27,251,831	32,502,812	4,979,902
Operating Expenses	16,724,182	18,717,230	3,574,752
Debt Service	1,039,799	347,200	-
Capital Projects	6,877,434	36,962,665	308,560
Total Expenditures	24,641,415	56,027,095	3,883,313
Ending Balance	27,825,233	4,300,950	28,921,822



City of Puyallup

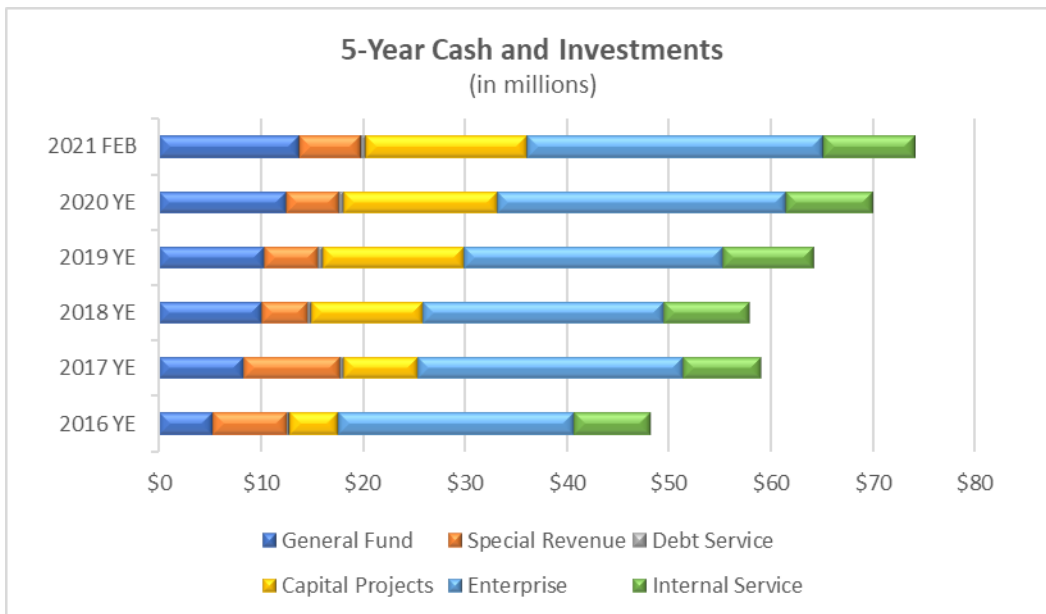
February 2021 Financial Summary

City-Wide Cash and Investments

	2016 YE	2017 YE	2018 YE	2019 YE	2020 YE	2021 FEB
General Fund	1,714,189	5,613,564	7,188,466	7,504,974	7,921,842	9,317,648
General Fund - Other	3,504,895	2,648,335	2,806,831	2,798,442	4,492,643	4,379,939
Special Revenue	7,245,450	9,455,865	4,562,016	5,261,402	5,119,889	5,917,628
Debt Service	282,095	288,292	305,283	517,046	505,658	505,660
Street Capital Projects	3,486,440	5,273,289	5,476,894	8,915,411	10,215,288	10,823,077
Parks Capital Projects	1,150,658	1,896,328	4,879,439	2,904,086	2,948,859	3,099,579
Facility Capital Projects	119,948	121,076	558,137	1,984,322	1,961,283	1,961,769
Enterprise - Utilities	23,046,430	25,887,173	23,569,469	25,214,816	28,059,567	28,919,325
Enterprise - Pavilion	101,306	87,234	97,165	95,158	90,012	64,685
Internal Service	7,545,047	7,662,713	8,350,700	8,885,049	8,597,444	9,066,678
Total	48,196,459	58,933,870	57,794,399	64,080,707	69,912,485	74,055,987

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

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Summary by Fund (excluding transfers)						
	Revenues			Expenditures		
	Budget	YTD FEB	Balance	Budget	YTD FEB	Balance
General						
General Fund	49,644,490	7,204,318	42,440,172	45,365,372	6,753,780	38,611,592
Budget Stability Reserves	3,240	462	2,778	63,256	-	63,256
Radio Replacement	2,100	95	2,005	63,000	-	63,000
Donations to Puyallup	9,120	-	9,120	35,000	-	35,000
LEOFF 1 Retiree Benefits	4,330	256	4,074	557,840	84,437	473,403
Firemen's Pension	66,650	262	66,388	172,000	28,553	143,447
Total General Fund	49,729,930	7,205,393	42,524,537	46,256,468	6,866,770	39,389,698
Special Revenue						
Seizure and Forfeiture	50,550	6,836	43,714	65,960	4,831	61,129
DUI Cost Recovery	-	17,882	(17,882)	-	11,763	(11,763)
Affordable Housing Sales Tax	-	38,046	(38,046)	-	-	-
Motel Tax	1,377,120	121,335	1,255,785	755,900	33,006	722,894
Trial Court Improvement	21,750	5,382	16,368	-	-	-
Lift Grant	1,011,000	665	1,010,335	-	-	-
Real Estate Excise Tax	2,011,000	429,737	1,581,263	-	-	-
Total Special Revenue Funds	4,471,420	619,883	3,851,537	821,860	49,600	772,260
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	1,824,366	10,211,234	26,471,405	1,189,413	25,281,992
Parks	741,260	152,621	588,639	2,728,578	8,187	2,720,391
Facility	9,170	486	8,684	984,217	1,510	982,707
Total Capital Projects Funds	12,786,030	1,977,473	10,808,557	30,184,200	1,199,110	28,985,090
Enterprise						
Sanitation Utility	450,330	73,122	377,208	227,260	19,790	207,470
Water Utility	7,385,000	1,004,954	6,380,046	10,107,866	956,542	9,151,324
Sewer Utility	12,944,360	2,255,698	10,688,662	27,254,839	1,718,601	25,536,238
Storm & Surface Water Utility	11,723,122	1,646,129	10,076,993	18,437,130	1,188,380	17,248,750
Pavilion	289,250	13,354	275,896	355,040	37,328	317,712
Total Enterprise Funds	32,792,062	4,993,257	27,798,805	56,382,135	3,920,641	52,461,494
Internal Service						
Equipment Rental	2,390,790	361,150	2,029,640	2,569,940	309,878	2,260,062
Insurance	2,353,500	1,802,419	551,081	2,359,838	1,698,409	661,429
IT & Communications	3,838,160	610,428	3,227,732	4,945,695	547,284	4,398,411
Health Insurance	8,354,550	1,405,556	6,948,994	8,532,160	1,608,039	6,924,121
Facility Maintenance	2,443,290	653,913	1,789,377	2,421,350	355,244	2,066,106
Total Internal Service Funds	19,380,290	4,833,466	14,546,824	20,828,983	4,518,854	16,310,129
Grand Total	119,159,732	19,629,472	99,530,260	158,195,716	16,646,800	141,548,916