

City of Puyallup

May 2021 Financial Summary

General Fund at a Glance...

Budget vs Actual Comparison				
	2020 ACT	2021 BUD	2021 EST	VARIANCE
Revenues	49,371,406	49,690,556	52,328,830	2,638,274
Expenditures	49,078,513	50,125,837	49,387,086	738,751
Gain/(Loss)	292,892	(435,281)	2,941,744	3,377,025

Results through May continue a strong positive trend for 2021. Revenues are projected to come in about \$2.6 million higher than budget and expenditures \$740,000 below budget, creating an overall positive variance from budget of nearly \$3.4 million.

The \$3.4 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.

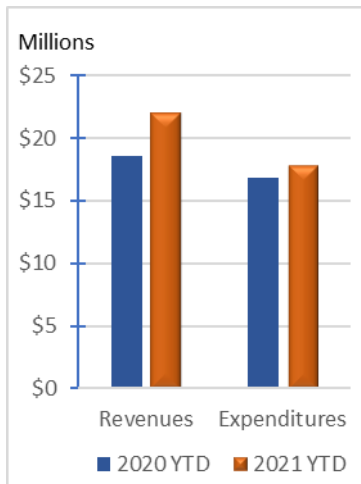
General Fund Reserves

	2020 ACT	2021 BUD	2021 EST
Beginning Balance	7,571,337	5,819,238	5,819,238
Ending Balance	7,919,238	5,383,957	8,760,982
less Tier 3	(2,100,000)		(2,251,000)
General Fund Reserves	5,819,238	5,383,957	6,509,982
	11.8%	10.8%	12.4%

2021 year-end reserves are estimated at \$6.5 million, or 12.4% of actual revenues, after setting aside preliminary Tier 3 monies of \$2.25 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)	18,562,994	22,066,365	3,503,372	18.9%
Expenditures (no trfs)	16,798,386	17,889,792	1,091,407	6.5%
Gain/(Loss)	1,764,608	4,176,573	2,411,965	136.7%

Through May, revenues and expenditures exceed last year and both remain consistent with expectations. The increase of \$3.5 million in revenues is largely because the due date for last year's April 30th property tax payment was extended to June 1st, as well as overall strong signs of recovery. Expenditures are higher because departments are spending normally, whereas significant savings strategies were in place by this time last year.

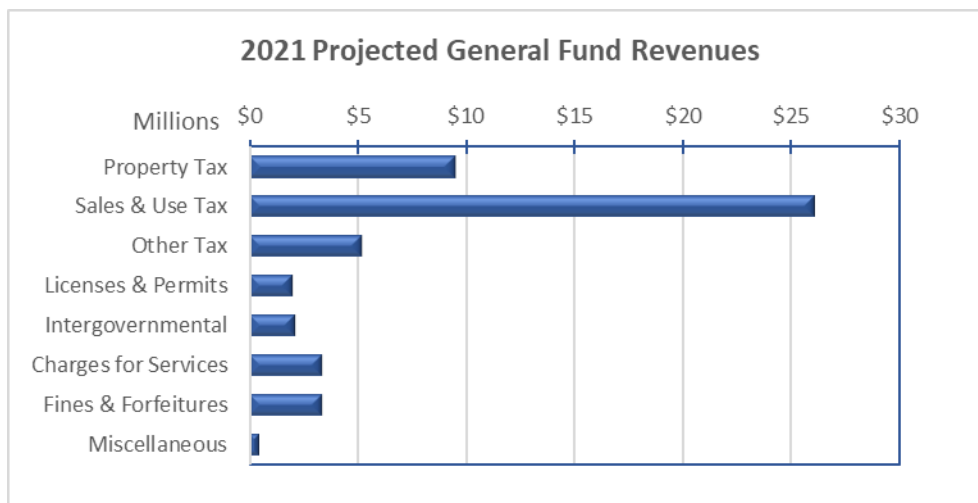
City of Puyallup

May 2021 Financial Summary

General Fund Revenues by Type (excluding transfers)					
	2021 BUD	2021 YTD	2021 EST	VARIANCE	
Property Tax	9,370,130	4,294,214	9,520,130	150,000	1.6%
Sales & Use Tax	24,495,870	10,742,111	26,100,200	1,604,330	6.5%
Other Tax	5,207,240	1,971,997	5,207,500	260	0.0%
Licenses & Permits	1,888,360	1,001,908	2,055,300	166,940	8.8%
Intergovernmental	1,850,736	901,917	2,143,600	292,864	15.8%
Charges for Services	2,956,370	1,485,146	3,412,700	456,330	15.4%
Fines & Forfeitures	3,414,410	1,471,911	3,373,600	(40,810)	-1.2%
Miscellaneous	487,440	197,161	495,800	8,360	1.7%
Total Revenues	49,670,556	22,066,365	52,308,830	2,638,274	5.3%

Revenues are budgeted conservatively per the budget stability policy, with two exceptions for sales tax and development engineering fees. Through May, overall sales tax continues a strong trend of economic recovery. Other revenues are coming in essentially as expected.

Sales Tax: Retail Trade and Professional & Other Services sectors continue to be strong performers in terms of sales tax. Construction has significantly improved over the past four months and is on track to be consistent with 2019 collections. While the Accommodations/Food sector remains the hardest hit by the pandemic, sales tax collections over the past two months have been at pre-pandemic levels. This is a positive sign that recovery in this sector is finally underway.



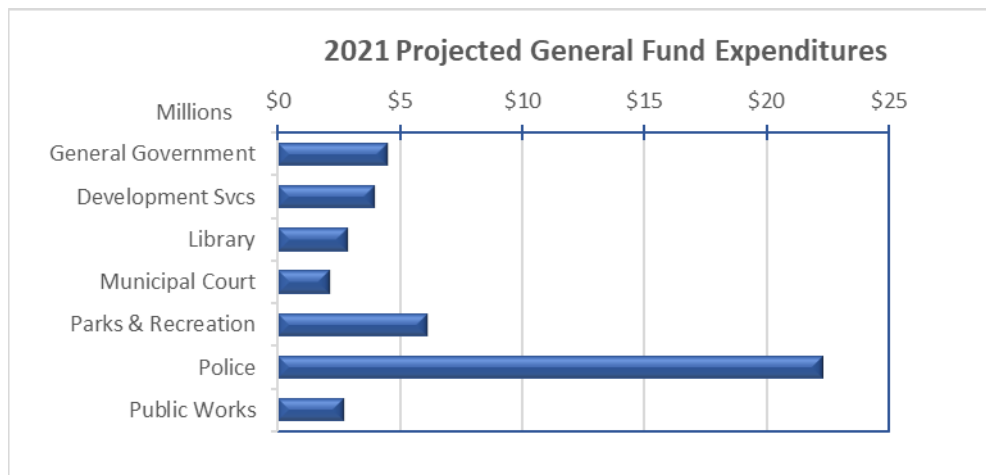
City of Puyallup

May 2021 Financial Summary

General Fund Expenditures by Department (excluding transfers)

	2021 BUD	2021 YTD	2021 EST	VARIANCE	
City Council	225,120	74,213	207,550	17,570	7.8%
City Manager	872,573	396,970	794,100	78,473	9.0%
City Clerk	391,700	186,159	359,690	32,010	8.2%
Dev & Permitting Svcs	4,231,212	1,639,511	3,988,830	242,382	5.7%
Finance	758,710	310,102	699,380	59,330	7.8%
Human Resources	457,930	164,246	395,400	62,530	13.7%
Legal	1,274,060	540,984	1,266,360	7,700	0.6%
Library	2,976,940	1,002,874	2,870,190	106,750	3.6%
Municipal Court	2,136,591	879,063	2,107,220	29,371	1.4%
Non-Departmental	792,710	366,772	776,330	16,380	2.1%
Parks & Recreation	6,208,240	2,069,455	6,121,660	86,580	1.4%
Police	22,350,791	9,437,018	22,246,250	104,541	0.5%
Public Works	2,808,400	822,424	2,707,790	100,610	3.6%
Total Expenditures	45,484,977	17,889,792	44,540,750	944,227	2.1%

No expenditure variances through May. Departments are authorized to spend up to their adopted budgets, without specific action needed to reduce spending. This could change if revenue projections become negatively impacted at any point in the year, although this seems unlikely given current trends.



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

City of Puyallup

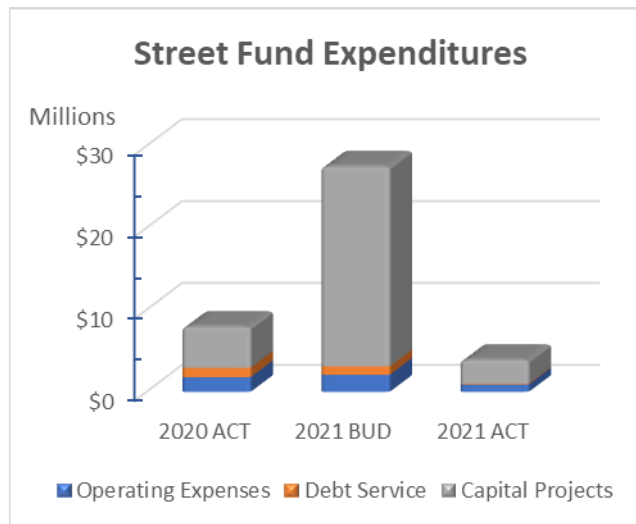
May 2021 Financial Summary

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	141,004
Traffic Impact Fees	662,116	1,200,000	1,131,656
Capital Project Grants	1,932,349	9,753,550	2,977,597
Other Revenues	413,163	652,560	5,776
Transfers In	5,831,629	6,953,718	-
Total Revenues	9,225,195	18,989,318	4,256,032
Operating Expenses	1,784,997	2,077,810	887,105
Debt Service	1,156,219	1,031,770	91,825
Capital Projects	5,003,043	24,393,595	2,931,225
Transfers Out	-	-	-
Total Expenditures	7,944,260	27,503,175	3,910,155
Ending Balance	10,196,346	1,682,489	10,542,223

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



City of Puyallup

May 2021 Financial Summary

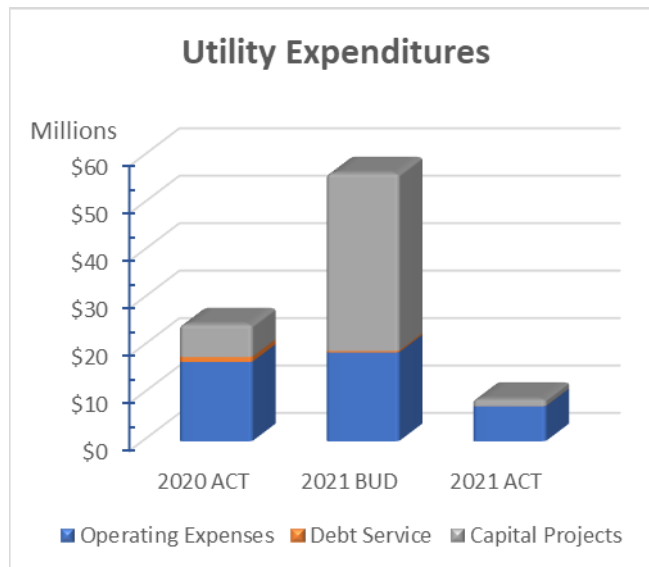
Utilities at a Glance... (excluding transfers)

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	27,824,872	27,824,872
User Fees	23,709,811	24,478,020	9,943,740
System Dev Charges	1,945,322	1,980,860	2,068,807
Other Revenues	338,556	294,200	98,897
Grants	1,257,782	6,402,477	310,945
Total Revenues	27,251,471	33,155,557	12,422,389
Operating Expenses	16,724,182	18,717,230	7,384,535
Debt Service	1,039,799	347,200	44,075
Capital Projects	6,877,434	37,393,514	1,469,917
Total Expenditures	24,641,415	56,457,944	8,898,527
Ending Balance	27,824,872	4,522,485	31,348,734



City of Puyallup

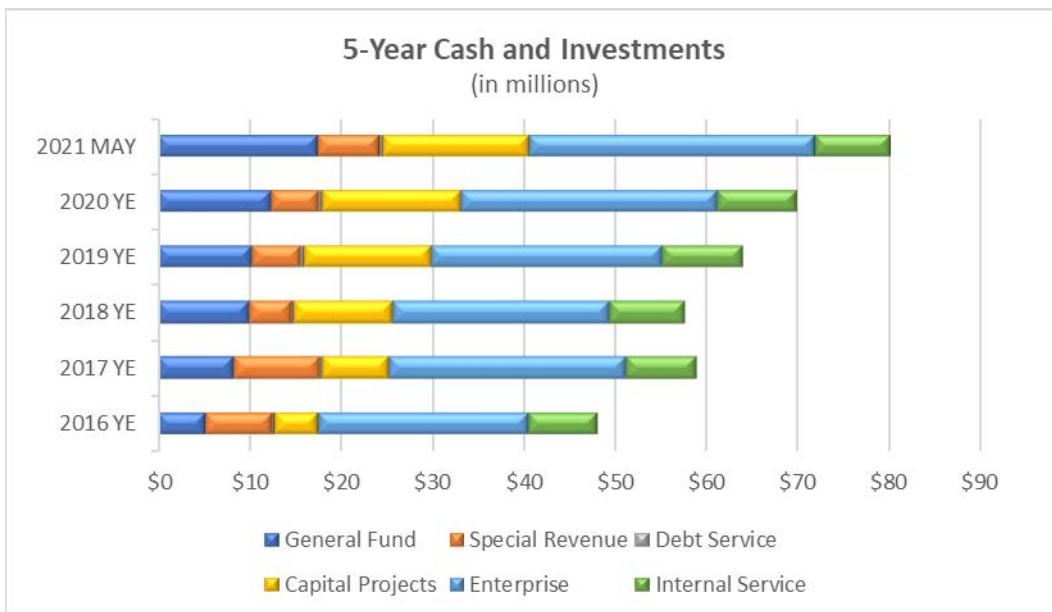
May 2021 Financial Summary

City-Wide Cash and Investments

	2016 YE	2017 YE	2018 YE	2019 YE	2020 YE	2021 MAY
General Fund	1,714,189	5,613,564	7,188,466	7,504,974	7,921,842	13,187,561
General Fund - Other	3,504,895	2,648,335	2,806,831	2,798,442	4,492,643	4,221,349
Special Revenue	7,245,450	9,455,865	4,562,016	5,261,402	5,119,889	6,737,886
Debt Service	282,095	288,292	305,283	517,046	505,658	505,661
Street Capital Projects	3,486,440	5,273,289	5,476,894	8,915,411	10,215,288	10,561,165
Parks Capital Projects	1,150,658	1,896,328	4,879,439	2,904,086	2,948,859	3,514,957
Facility Capital Projects	119,948	121,076	558,137	1,984,322	1,961,283	1,906,748
Enterprise - Utilities	23,046,430	25,887,173	23,569,469	25,214,816	28,059,567	31,165,997
Enterprise - Pavilion	101,306	87,234	97,165	95,158	90,012	84,955
Internal Service	7,545,047	7,662,713	8,350,700	8,885,049	8,597,444	8,301,278
Total	48,196,459	58,933,870	57,794,399	64,080,707	69,912,485	80,187,556

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

May 2021 Financial Summary

Summary by Fund (excluding transfers)						
	Revenues			Expenditures		
	Budget	YTD MAY	Balance	Budget	YTD MAY	Balance
General						
General Fund	49,670,556	22,066,365	27,604,191	45,484,977	17,889,792	27,595,185
Budget Stability Reserves	3,240	973	2,267	43,256	-	43,256
Radio Replacement	2,100	195	1,905	63,000	62,735	265
Donations to Puyallup	83,172	5,000	78,172	109,052	9,015	100,037
LEOFF 1 Retiree Benefits	4,330	513	3,817	557,840	181,474	376,366
Firemen's Pension	66,650	54,987	11,663	172,000	73,687	98,313
Total General Fund	49,830,048	22,128,033	27,702,015	46,430,125	18,216,703	28,213,422
Special Revenue						
Seizure and Forfeiture	50,550	69,739	(19,189)	65,960	16,546	49,414
DUI Cost Recovery	68,400	46,308	22,092	52,800	47,780	5,020
Affordable Housing Sales Tax	-	89,858	(89,858)	-	-	-
Motel Tax	1,377,120	354,184	1,022,936	755,900	134,849	621,051
Trial Court Improvement	21,750	10,766	10,984	-	-	-
Lift Grant	1,011,000	1,400	1,009,600	-	-	-
Real Estate Excise Tax	2,011,000	1,013,879	997,121	-	-	-
Total Special Revenue Funds	4,539,820	1,586,134	2,953,686	874,660	199,175	675,485
Debt Service						
GO Bonds	-	-	-	3,389,950	91,825	3,298,125
PWTF & HIA Loans	-	3	(3)	332,120	-	332,120
Total Debt Service Funds	-	3	(3)	3,722,070	91,825	3,630,245
Capital Projects						
Streets	12,035,600	4,256,032	7,779,568	26,471,405	3,818,330	22,653,075
Parks	741,260	752,258	(10,998)	2,728,578	186,417	2,542,161
Facility	9,170	1,015	8,155	1,004,217	55,550	948,667
Total Capital Projects Funds	12,786,030	5,009,305	7,776,725	30,204,200	4,060,297	26,143,903
Enterprise						
Sanitation Utility	450,330	189,082	261,248	227,260	34,119	193,141
Water Utility	7,385,000	2,759,254	4,625,746	9,885,970	2,553,228	7,332,742
Sewer Utility	12,944,360	5,941,070	7,003,290	27,254,839	3,813,075	23,441,764
Storm & Surface Water Utility	12,375,867	3,532,983	8,842,884	19,089,875	2,498,105	16,591,770
Pavilion	289,250	67,015	222,235	355,040	74,887	280,153
Total Enterprise Funds	33,444,807	12,489,404	20,955,403	56,812,984	8,973,414	47,839,570
Internal Service						
Equipment Rental	2,390,790	920,031	1,470,759	2,569,940	986,540	1,583,400
Insurance	2,353,500	1,987,412	366,088	2,359,838	1,896,300	463,538
IT & Communications	3,838,160	1,589,104	2,249,056	4,963,255	1,448,802	3,514,453
Health Insurance	8,354,550	3,494,371	4,860,179	8,532,160	4,382,446	4,149,714
Facility Maintenance	2,443,290	859,896	1,583,394	2,421,350	869,858	1,551,492
Total Internal Service Funds	19,380,290	8,850,814	10,529,476	20,846,543	9,583,946	11,262,597
Grand Total	119,980,995	50,063,693	69,917,302	158,890,582	41,125,360	117,765,222