

# City of Puyallup

## August 2021 Financial Summary

### General Fund at a Glance...

Budget vs Actual Comparison				
	2020 ACT	2021 BUD	2021 EST	VARIANCE
Revenues	49,371,406	50,866,748	54,276,300	3,409,552
Expenditures	49,078,513	51,346,838	50,256,630	1,090,208
<b>Gain/(Loss)</b>	<b>292,892</b>	<b>(480,090)</b>	<b>4,019,670</b>	<b>4,499,760</b>

Results through August continue a strong positive trend for 2021. Revenues are projected to come in about \$3.4 million higher than budget and expenditures \$1.1 million below budget, creating an overall positive variance from budget of \$4.5 million.

The \$4.5 million difference between the budgeted and actual gain/(loss) amounts is the preliminary estimate of Tier 3 monies that 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.

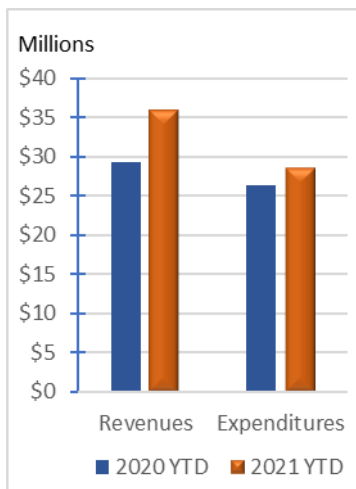
### General Fund Reserves

	2020 ACT	2021 BUD	2021 EST
Beginning Balance	7,493,868	5,686,760	5,686,760
Ending Balance	7,786,760	5,206,670	9,706,430
less Tier 3	(2,100,000)		(3,000,000)
General Fund Reserve:	5,686,760	5,206,670	6,706,430
	11.5%	10.2%	12.4%

2021 year-end reserves are estimated at \$6.7 million, or 12.4% of revenues, after setting aside preliminary Tier 3 monies of \$3 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)	29,240,588	35,799,000	6,558,412	22.4%
Expenditures (no trfs)	26,392,531	28,420,511	2,027,981	7.7%
<b>Gain/(Loss)</b>	<b>2,848,057</b>	<b>7,378,489</b>	<b>4,530,431</b>	<b>159.1%</b>

Through August, revenues and expenditures exceed last year and both remain consistent with expectations. The \$6.5 million revenue increase reflects robust sales tax collections, along with engineering, cemetery, plans review and recreation fees, and photo enforcement fines in a more "normal" range compared with 2020. Higher expenditures are the result of normal department spending this year, whereas significant savings strategies were in place last year.

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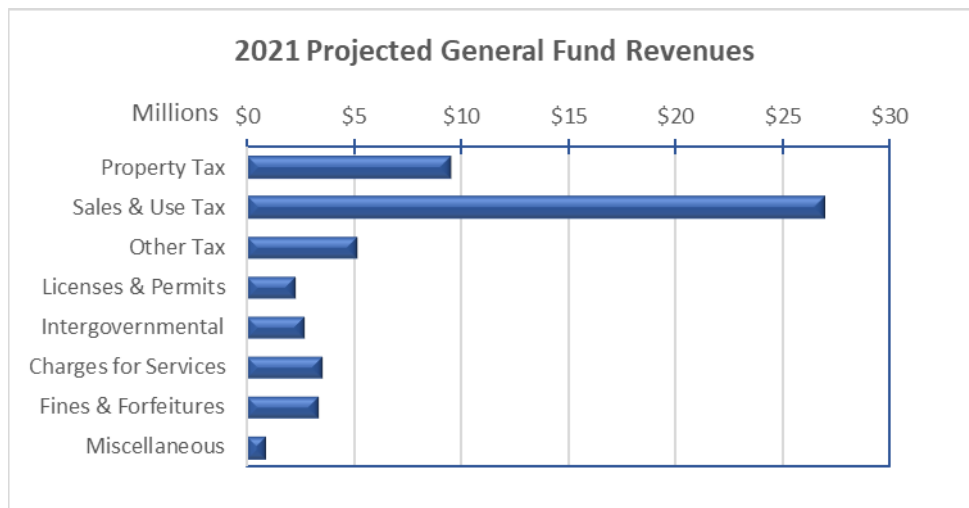
General Fund Revenues by Type (excluding transfers)					
	2021 BUD	2021 YTD	2021 EST	VARIANCE	
Property Tax	9,370,130	5,172,329	9,498,500	128,370	1.4%
Sales & Use Tax	24,495,870	17,963,424	26,897,500	2,401,630	9.8%
Other Tax	5,207,240	3,078,834	5,134,100	(73,140)	-1.4%
Licenses & Permits	1,888,360	1,639,441	2,247,300	358,940	19.0%
Intergovernmental	2,625,312	2,131,022	2,663,900	38,588	1.5%
Charges for Services	3,314,986	2,647,764	3,547,000	232,014	7.0%
Fines & Forfeitures	3,414,410	2,417,481	3,326,200	(88,210)	-2.6%
Miscellaneous	480,440	748,706	891,800	411,360	85.6%
<b>Total Revenues</b>	<b>50,796,748</b>	<b>35,799,000</b>	<b>54,206,300</b>	<b>3,409,552</b>	<b>6.7%</b>

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

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

**Licenses & Permits:** Building permits are expected to exceed budget by \$350,000.

**Miscellaneous:** Includes \$330,000 of one-time monies for the sale of property on South Hill.

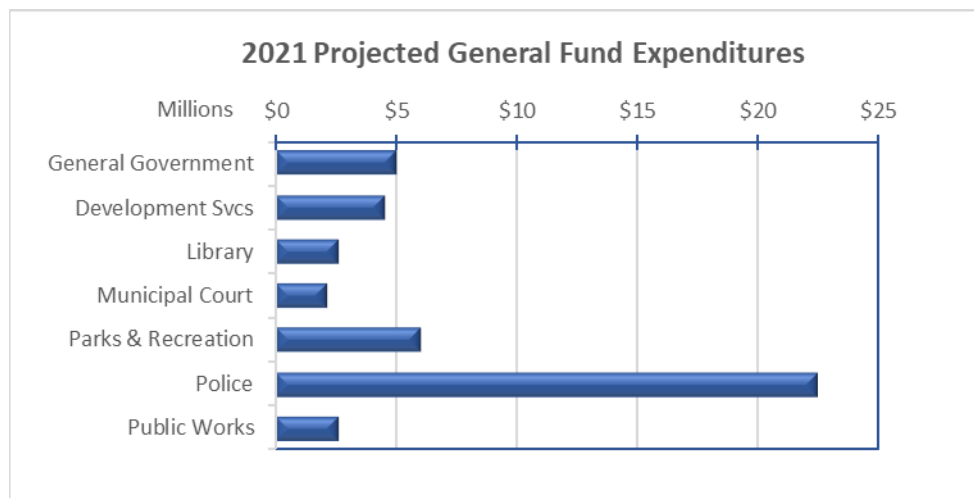


# City of Puyallup

## August 2021 Financial Summary

General Fund Expenditures by Department (excluding transfers)					
	2021 BUD	2021 YTD	2021 EST	VARIANCE	
City Council	225,120	125,566	206,740	18,380	8.2%
City Manager	1,251,338	732,288	1,121,490	129,848	10.4%
City Clerk	391,700	244,896	371,730	19,970	5.1%
Dev & Permitting Svcs	4,759,828	2,916,268	4,535,470	224,358	4.7%
Finance	758,710	471,887	733,270	25,440	3.4%
Human Resources	457,930	264,451	427,310	30,620	6.7%
Legal	1,274,060	851,672	1,289,100	(15,040)	-1.2%
Library	2,979,940	1,607,115	2,622,200	357,740	12.0%
Municipal Court	2,171,518	1,401,418	2,136,820	34,698	1.6%
Non-Departmental	909,433	341,930	861,170	48,263	5.3%
Parks & Recreation	6,260,789	3,608,569	5,986,820	273,969	4.4%
Police	22,457,212	14,520,841	22,419,240	37,972	0.2%
Public Works	2,808,400	1,333,611	2,604,410	203,990	7.3%
<b>Total Expenditures</b>	<b>46,705,978</b>	<b>28,420,511</b>	<b>45,315,770</b>	<b>1,390,208</b>	<b>3.0%</b>

No major expenditure variances through August. 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

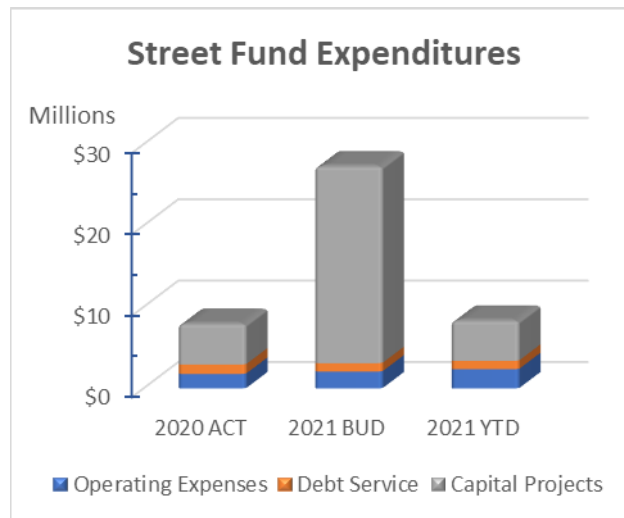
## August 2021 Financial Summary

### 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 YTD
<b>Beginning Balance</b>	8,934,353	10,215,288	10,215,288
Fuel Tax/Multimodal Funds	385,937	429,490	248,648
Traffic Impact Fees	662,116	1,200,000	1,243,064
Capital Project Grants	1,932,349	9,735,429	5,635,180
Other Revenues	413,163	652,560	8,640
Transfers In	5,831,629	6,953,718	83,014
<b>Total Revenues</b>	<b>9,225,195</b>	<b>18,971,197</b>	<b>7,218,547</b>
Operating Expenses	1,784,997	2,077,810	2,362,928
Debt Service	1,156,219	1,031,770	1,030,763
Capital Projects	5,003,043	24,182,436	4,942,300
Transfers Out	-	-	-
<b>Total Expenditures</b>	<b>7,944,260</b>	<b>27,292,016</b>	<b>8,335,990</b>
<b>Ending Balance</b>	<b>10,215,288</b>	<b>1,894,469</b>	<b>9,097,844</b>

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



# City of Puyallup

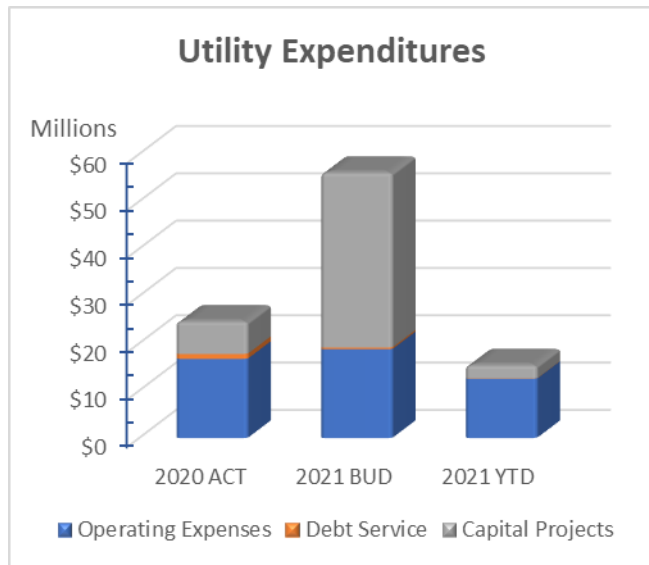
## August 2021 Financial Summary

### 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 \$300,000 of City ARPA monies have been reserved for this purpose. 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 YTD
<b>Beginning Balance</b>	25,225,934	27,835,990	27,835,990
User Fees	23,709,811	24,478,020	16,817,692
System Dev Charges	1,945,322	1,980,860	2,746,338
Other Revenues	338,556	294,200	142,877
Grants	1,257,782	6,402,477	724,811
<b>Total Revenues</b>	<b>27,251,471</b>	<b>33,155,557</b>	<b>20,431,718</b>
Operating Expenses	16,724,182	18,760,230	12,507,093
Debt Service	1,039,799	347,200	55,614
Capital Projects	6,877,434	36,980,737	2,839,909
<b>Total Expenditures</b>	<b>24,641,415</b>	<b>56,088,167</b>	<b>15,402,616</b>
<b>Ending Balance</b>	<b>27,835,990</b>	<b>4,903,380</b>	<b>32,865,092</b>



# City of Puyallup

## August 2021 Financial Summary

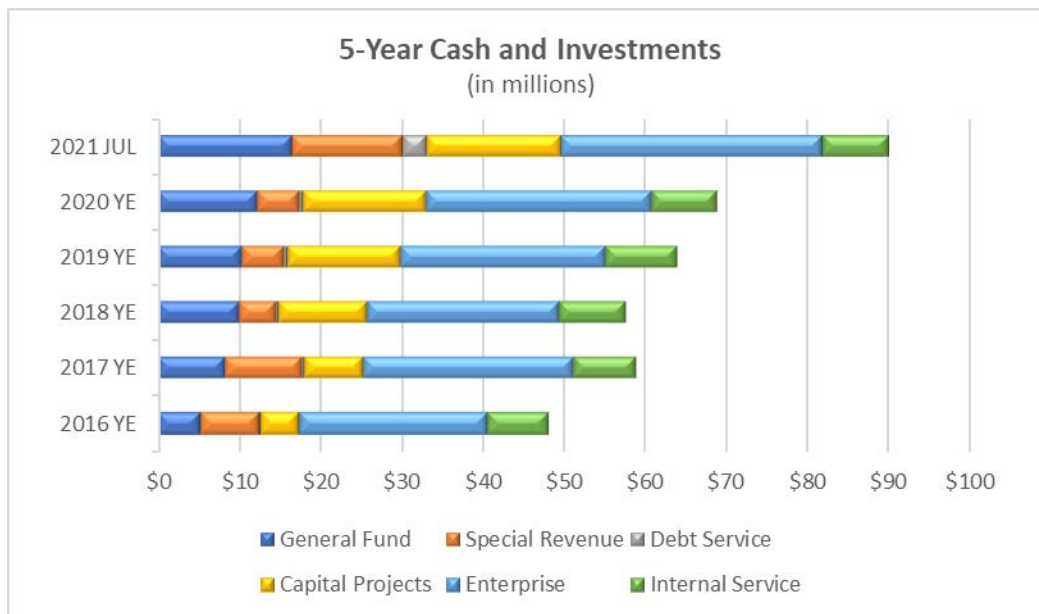
### City-Wide Cash and Investments

	2016 YE	2017 YE	2018 YE	2019 YE	2020 YE	2021 AUG
General Fund	1,714,189	5,613,564	7,188,466	7,504,974	7,786,760	12,690,610
General Fund - Other	3,504,895	2,648,335	2,806,831	2,798,442	4,486,592	4,708,661
Special Revenue	7,245,450	9,455,865	4,562,016	5,261,402	5,119,889	14,214,147
Debt Service	282,095	288,292	305,283	517,046	505,658	3,018,207
Street Capital Projects	3,486,440	5,273,289	5,476,894	8,915,411	10,215,288	9,110,968
Parks Capital Projects	1,150,658	1,896,328	4,879,439	2,904,086	2,948,859	3,811,345
Facility Capital Projects	119,948	121,076	558,137	1,984,322	1,961,283	1,907,754
Enterprise - Utilities	23,046,430	25,887,173	23,569,469	25,214,816	27,833,412	32,756,314
Enterprise - Pavilion	101,306	87,234	97,165	95,158	90,373	106,220
Internal Service	7,545,047	7,662,713	8,350,700	8,885,049	8,008,817	8,113,021
<b>Total</b>	<b>48,196,459</b>	<b>58,933,870</b>	<b>57,794,399</b>	<b>64,080,707</b>	<b>68,956,931</b>	<b>90,437,248</b>

**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:** As of 2020 year-end, 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.

Special Revenues include \$5.9 million in ARPA monies received in July, which is half of the City's total allocation. The remaining half is expected in July/August 2022.



# City of Puyallup

## August 2021 Financial Summary

Summary by Fund (excluding transfers)						
	Revenues			Expenditures		
	Budget	YTD AUG	Balance	Budget	YTD AUG	Balance
<b>General</b>						
General Fund	50,796,748	35,799,000	14,997,748	46,705,978	28,420,511	18,285,467
Budget Stability Reserves	3,240	1,446	1,794	18,000	18,345	(345)
Radio Replacement	2,100	291	1,809	63,000	62,735	265
Donations to Puyallup	83,172	8,785	74,387	109,052	10,685	98,367
LEOFF 1 Retiree Benefits	4,330	790	3,540	557,840	284,068	273,772
Firemen's Pension	66,650	68,394	(1,744)	172,000	111,708	60,292
<b>Total General Fund</b>	<b>50,956,240</b>	<b>35,878,706</b>	<b>15,077,534</b>	<b>47,625,870</b>	<b>28,908,052</b>	<b>18,717,818</b>
<b>Special Revenue</b>						
Seizure and Forfeiture	50,550	69,936	(19,386)	65,960	20,280	45,680
DUI Cost Recovery	68,400	73,887	(5,487)	52,800	56,679	(3,879)
American Rescue Plan	-	5,913,687	(5,913,687)	-	240,341	(240,341)
Affordable Housing Sales Tax	-	130,239	(130,239)	-	-	-
Motel Tax	1,377,120	710,695	666,425	755,900	283,619	472,281
Trial Court Improvement	21,750	16,150	5,600	-	-	-
Lift Grant	1,011,000	724,450	286,550	-	-	-
Real Estate Excise Tax	2,011,000	1,773,758	237,242	-	-	-
<b>Total Special Revenue Funds</b>	<b>4,539,820</b>	<b>9,412,802</b>	<b>(4,872,982)</b>	<b>874,660</b>	<b>600,919</b>	<b>273,741</b>
<b>Debt Service</b>						
GO Bonds	-	-	-	3,389,950	873,897	2,516,053
PWTF & HIA Loans	-	-	-	332,120	332,116	4
<b>Total Debt Service Funds</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,722,070</b>	<b>1,206,013</b>	<b>2,516,057</b>
<b>Capital Projects</b>						
Streets	12,017,479	7,135,532	4,881,947	26,260,246	7,305,228	18,955,018
Parks	741,260	1,071,212	(329,952)	3,228,578	216,430	3,012,148
Facility	9,170	1,546	7,624	1,045,217	67,554	977,663
<b>Total Capital Projects Funds</b>	<b>12,767,909</b>	<b>8,208,290</b>	<b>4,559,619</b>	<b>30,534,041</b>	<b>7,589,212</b>	<b>22,944,829</b>
<b>Enterprise</b>						
Sanitation Utility	450,330	294,068	156,262	227,260	116,028	111,232
Water Utility	7,385,000	5,043,901	2,341,099	9,885,970	4,010,399	5,875,571
Sewer Utility	12,944,360	9,683,514	3,260,846	27,069,134	6,594,569	20,474,565
Storm & Surface Water Utility	12,375,867	5,410,235	6,965,632	18,905,803	4,681,620	14,224,183
Pavilion	289,250	166,966	122,284	355,040	157,010	198,030
<b>Total Enterprise Funds</b>	<b>33,444,807</b>	<b>20,598,684</b>	<b>12,846,123</b>	<b>56,443,207</b>	<b>15,559,626</b>	<b>40,883,581</b>
<b>Internal Service</b>						
Equipment Rental	2,390,790	1,676,503	714,287	2,585,940	1,570,126	1,015,814
Insurance	2,353,500	2,151,697	201,803	2,359,838	2,303,622	56,216
IT & Communications	3,843,160	2,511,924	1,331,236	4,981,511	2,412,958	2,568,553
Health Insurance	8,354,550	5,547,842	2,806,708	8,532,160	6,495,372	2,036,788
Facility Maintenance	2,443,290	1,361,573	1,081,717	2,440,350	1,370,835	1,069,515
<b>Total Internal Service Funds</b>	<b>19,385,290</b>	<b>13,249,539</b>	<b>6,135,751</b>	<b>20,899,799</b>	<b>14,152,913</b>	<b>6,746,886</b>
<b>Grand Total</b>	<b>121,094,066</b>	<b>87,348,021</b>	<b>33,746,045</b>	<b>160,099,647</b>	<b>68,016,735</b>	<b>92,082,912</b>