

City of Puyallup

February 2022 Financial Summary

General Fund at a Glance...

Budget vs Actual Comparison

	2021 ACT	2022 BUD	2022 EST	VARIANCE
Revenues	56,337,899	52,375,354	54,741,300	2,365,946
Expenditures	48,714,539	57,505,871	56,213,130	1,292,741
Gain/(Loss)	7,623,361	(5,130,517)	(1,471,830)	3,658,687

Despite signs of a shifting economy, 2022 is starting off with a continuing positive trend. Revenues are projected to come in about \$2.3 million higher than budget and expenditures \$1.3 million below budget, creating an overall positive variance from budget of nearly \$3.6 million.

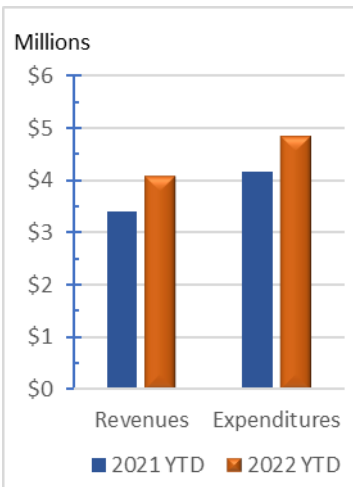
The \$3.6 million difference between the budgeted and actual gain/(loss) amounts is the projected amount of Tier 3 monies available for spending in 2023. Per policy, one-third of these monies are first allocated to General Fund Reserves and the balance is available for one-time expenses.

General Fund Reserves

	2021 ACT	2022 BUD	2022 EST
Beginning Balance	5,686,760	10,310,121	10,310,121
Ending Balance	13,310,121	5,179,604	8,838,291
less Tier 3	(3,000,000)		
General Fund Reserves	10,310,121	5,179,604	8,838,291
	18.3%	9.9%	16.1%

2022 year-end reserves are estimated at \$8.8 million, or 16.1% of revenues, before setting aside monies for Tier 3 spending.

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



2021 vs 2022 YTD Comparison

	2021 YTD	2022 YTD	\$ Change	% Change
Revenues (no trfs)	7,204,318	7,817,237	612,918	8.5%
Expenditures (no trfs)	6,753,780	8,099,054	1,345,275	19.9%
Gain/(Loss)	450,539	(281,817)	(732,356)	-162.6%

Through February, revenues and expenditures are up from last year, which is consistent with expectations. The \$600,000 revenue increase reflects continued robust sales tax collections. Expenditures are the result of normal department spending this year, coupled with the impacts of inflation.

City of Puyallup

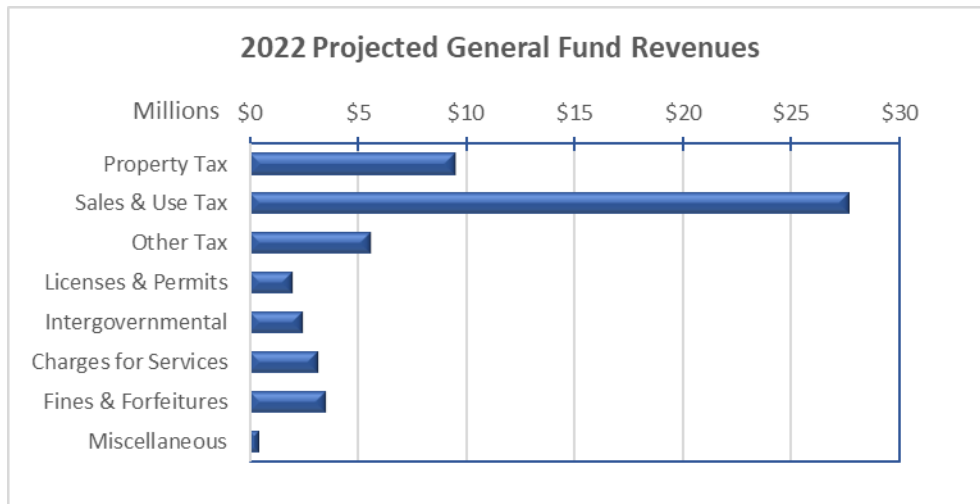
February 2022 Financial Summary

General Fund Revenues by Type (excluding transfers)					
	2022 BUD	2022 YTD	2022 EST	VARIANCE	
Property Tax	9,563,830	68,981	9,563,800	(30)	0.0%
Sales & Use Tax	26,275,730	4,792,599	27,700,000	1,424,270	5.4%
Other Tax	5,303,290	869,085	5,647,600	344,310	6.5%
Licenses & Permits	1,888,360	422,502	2,010,200	121,840	6.5%
Intergovernmental	2,383,241	509,096	2,518,400	135,159	5.7%
Charges for Services	2,956,483	615,202	3,229,100	272,617	9.2%
Fines & Forfeitures	3,499,770	464,365	3,568,300	68,530	2.0%
Miscellaneous	484,650	75,407	483,900	(750)	-0.2%
Total Revenues	52,355,354	7,817,237	54,721,300	2,365,946	4.5%

Through February, overall sales tax continues a strong positive trend. 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. Both Construction and Accommodations/Food appear to have fully recovered, with sales tax collections higher than pre-pandemic levels.

Charges for Services: Plan review fees are expected to exceed budget by \$200,000.

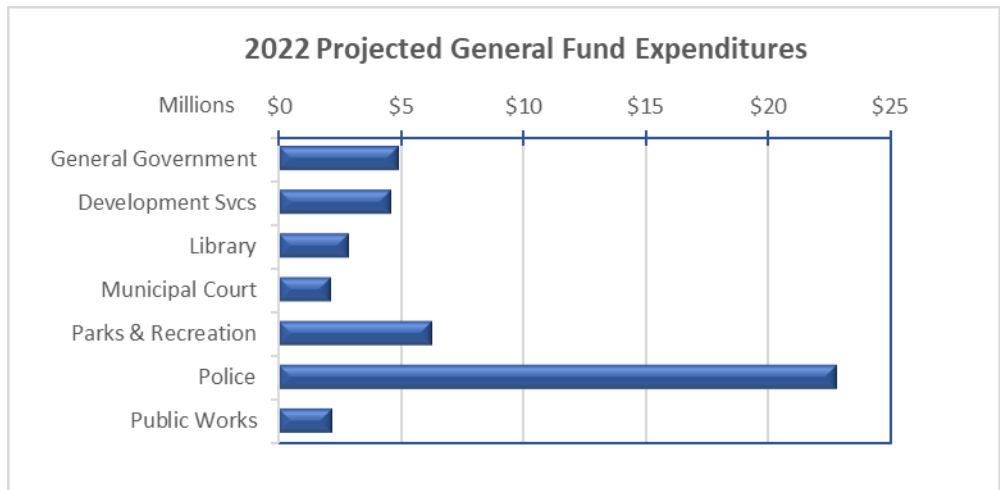


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General Fund Expenditures by Department (excluding transfers)					
	2022 BUD	2022 YTD	2022 EST	VARIANCE	
City Council	220,180	31,080	178,820	41,360	18.8%
City Manager	978,590	204,804	897,780	80,810	8.3%
City Clerk	400,800	162,957	380,770	20,030	5.0%
Dev & Permitting Svcs	4,634,167	677,239	4,595,010	39,157	0.8%
Finance	856,342	152,787	840,860	15,482	1.8%
Human Resources	467,140	77,733	415,310	51,830	11.1%
Legal	1,413,630	267,090	1,356,390	57,240	4.0%
Library	3,002,107	537,378	2,867,590	134,517	4.5%
Municipal Court	2,237,020	377,499	2,145,330	91,690	4.1%
Non-Departmental	806,740	203,806	818,420	(11,680)	-1.4%
Parks & Recreation	6,380,938	983,063	6,276,560	104,378	1.6%
Police	22,946,523	4,073,189	22,806,530	139,993	0.6%
Public Works	2,727,034	350,430	2,199,100	527,934	19.4%
Total Expenditures	47,071,211	8,099,054	45,778,470	1,292,741	2.7%

No major expenditure variances through February. Departments are authorized to spend up to their adopted budgets, without specific action needed to reduce spending.



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

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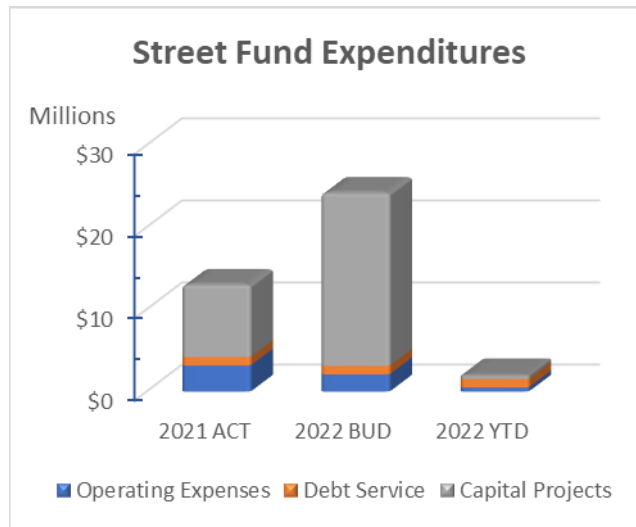
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Street Fund at a Glance... (excluding intrafund transfers)

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

Street Fund			
	2021 ACT	2022 BUD	2022 YTD
Beginning Balance	10,215,288	9,402,009	9,402,009
Fuel Tax/Multimodal Funds	406,761	433,220	55,255
Traffic Impact Fees	1,316,864	1,200,000	210,490
Capital Project Grants	6,921,302	2,826,946	1,457,991
Other Revenues	12,181	652,560	7,750
Transfers In	3,551,542	11,110,176	-
Total Revenues	12,208,650	16,222,902	1,731,486
Operating Expenses	3,175,424	2,110,090	499,662
Debt Service	1,031,063	1,034,680	1,033,980
Capital Projects	8,815,443	21,072,660	506,016
Transfers Out	-	71,822	-
Total Expenditures	13,021,929	24,289,252	2,039,658
Ending Balance	9,402,009	1,335,659	9,093,838

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



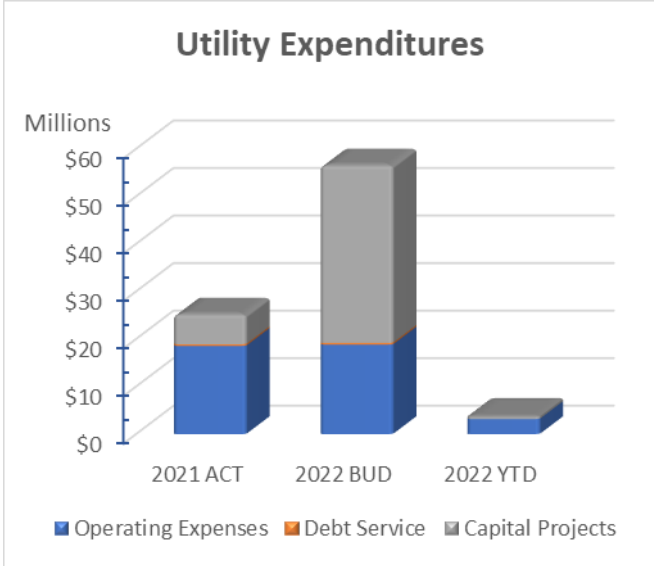
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Utilities at a Glance... (excluding transfers)

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.

Combined Utility Funds			
	2021 ACT	2022 BUD	2022 YTD
Beginning Balance	27,835,989	33,675,011	33,675,011
User Fees	25,310,972	25,057,370	3,947,601
System Dev Charges	3,358,972	2,019,490	448,499
Other Revenues	165,725	294,200	33,311
Grants	2,197,169	4,356,633	361,171
Total Revenues	31,032,838	31,727,693	4,790,582
Operating Expenses	18,571,032	18,838,690	3,176,860
Debt Service	345,739	349,790	-
Capital Projects	6,277,045	37,356,821	670,745
Total Expenditures	25,193,816	56,545,301	3,847,605
Ending Balance	33,675,011	8,857,403	34,617,987



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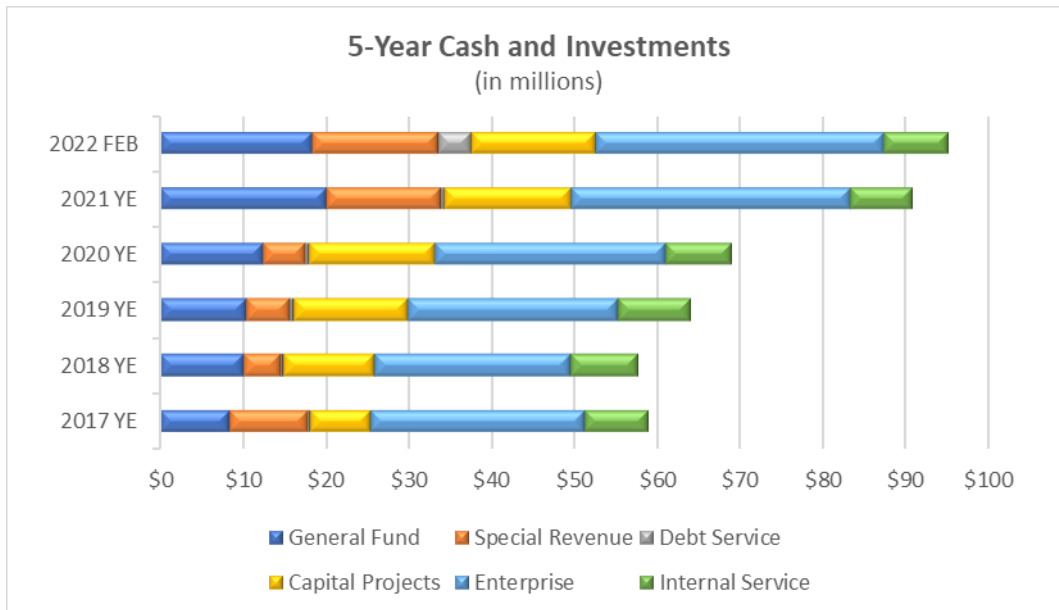
City-Wide Cash and Investments

	2017 YE	2018 YE	2019 YE	2020 YE	2021 YE	2022 FEB
General Fund	5,613,564	7,188,466	7,504,974	7,786,760	15,418,417	13,815,499
General Fund - Other	2,648,335	2,806,831	2,798,442	4,486,592	4,452,558	4,364,909
Special Revenue	9,455,865	4,562,016	5,261,402	5,119,889	13,815,755	15,220,390
Debt Service	288,292	305,283	517,046	505,658	505,658	4,007,680
Street Capital Projects	5,273,289	5,476,894	8,915,411	10,215,288	9,402,009	9,155,900
Parks Capital Projects	1,896,328	4,879,439	2,904,086	2,948,859	4,042,112	4,060,643
Facility Capital Projects	121,076	558,137	1,984,322	1,961,283	1,891,626	1,841,971
Enterprise - Utilities	25,887,173	23,569,469	25,214,816	27,833,412	33,672,434	34,740,216
Enterprise - Pavilion	87,234	97,165	95,158	90,373	99,841	124,811
Internal Service	7,662,713	8,350,700	8,885,049	8,008,817	7,583,372	7,888,342
Total	58,933,870	57,794,399	64,080,707	68,956,931	90,883,782	95,220,360

General Fund: Comparing 2017 and 2021 ending cash, the balance has grown by \$9.8 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 2021 year-end, the cash balances for all other funds combined have grown by \$22.1 million since 2017, largely due to a significant increase in funding available for capital projects.

Special Revenues include \$5 million in unspent ARPA monies. Another \$5.9 million is expected to be received in June/July 2022.



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	52,355,354	7,817,237	44,538,117	47,071,211	8,099,054	38,972,157
Budget Stability Reserves	3,240	287	2,953	250,000		250,000
Radio Replacement	2,100	77	2,023	63,000		63,000
Donations to Puyallup	9,120	1,202	7,918	96,777		96,777
LEOFF 1 Retiree Benefits	4,330	230	4,100	557,640	63,995	493,645
Firemen's Pension	66,650	190	66,460	172,000	25,641	146,359
Total General Fund	52,440,794	7,819,223	44,621,571	48,210,628	8,188,690	40,021,938
Special Revenue						
Seizure and Forfeiture	50,550	14,706	35,844	65,960		65,960
DUI Cost Recovery	68,400	16,867	51,533	52,800	9,344	43,456
American Rescue Plan	5,912,500	935	5,911,565	2,688,608	106,363	2,582,245
Affordable Housing Sales Tax		39,817	(39,817)			-
Motel Tax	1,418,140	251,284	1,166,856	659,900	31,513	628,387
Trial Court Improvement	22,120	2	22,118			-
Lift Grant	1,011,000	671	1,010,329			-
Real Estate Excise Tax	2,011,000	1,205,754	805,246			-
Total Special Revenue Funds	10,493,710	1,530,036	8,963,674	3,467,268	147,220	3,320,048
Debt Service						
GO Bonds			-	3,258,300	84,100	3,174,200
PWTF & HIA Loans			-	330,490		330,490
Total Debt Service Funds	-	-	-	3,588,790	84,100	3,504,690
Capital Projects						
Streets	5,112,726	1,731,486	3,381,240	23,182,750	1,005,678	22,177,072
Parks	816,100	158,300	657,800	4,171,725	144,354	4,027,371
Facility	9,170	338	8,832	1,022,405	50,410	971,995
Total Capital Projects Funds	5,937,996	1,890,124	4,047,872	28,376,880	1,200,442	27,176,438
Enterprise						
Sanitation Utility	454,780	73,104	381,676	226,520	15,394	211,126
Water Utility	7,566,170	1,161,007	6,405,163	10,850,723	1,389,390	9,461,333
Sewer Utility	13,200,050	2,263,766	10,936,284	28,260,055	1,558,249	26,701,806
Storm & Surface Water Utility	10,506,693	1,292,705	9,213,988	17,208,003	884,572	16,323,431
Pavilion	289,250	72,181	217,069	354,580	51,354	303,226
Total Enterprise Funds	32,016,943	4,862,763	27,154,180	56,899,881	3,898,959	53,000,922
Internal Service						
Equipment Rental	2,390,790	405,372	1,985,418	2,933,315	443,571	2,489,744
Insurance	2,402,500	1,848,596	553,904	2,411,298	1,700,984	710,314
IT & Communications	3,518,140	587,173	2,930,967	5,491,304	703,336	4,787,968
Health Insurance	8,354,550	1,460,278	6,894,272	8,533,120	1,375,879	7,157,241
Facility Maintenance	2,468,710	366,702	2,102,008	2,434,300	374,363	2,059,937
Total Internal Service Funds	19,134,690	4,668,121	14,466,569	21,803,337	4,598,133	17,205,204
Grand Total	120,024,133	20,770,267	99,253,866	162,346,784	18,117,544	144,229,240