

City of Puyallup

June 2022 Financial Summary

General Fund at a Glance...

Budget vs Actual Comparison

	2021 ACT	2022 BUD	2022 EST	VARIANCE
Revenues	56,337,899	52,920,792	54,838,000	1,917,208
Expenditures	48,714,539	58,098,142	56,626,370	1,471,772
Gain/(Loss)	7,623,361	(5,177,350)	(1,788,370)	3,388,980

Despite a shifting economy and stalled growth in certain retail sales tax revenues due to inflation and continued supply chain challenges, the first half of 2022 maintains a positive variance compared to budget. Revenues are projected to come in about \$1.9 million higher than budget and expenditures nearly \$1.5 million below budget, creating an overall positive variance from budget of \$3.4 million.

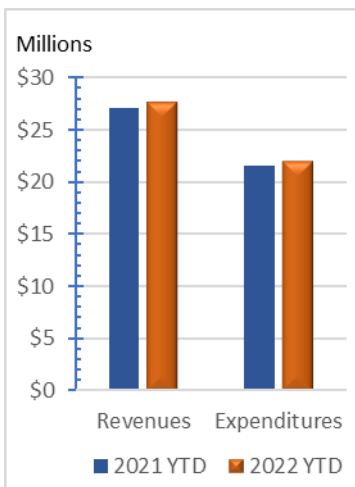
The \$3.4 million difference between the budgeted and actual gain/(loss) amounts is the projected amount of Tier 3 monies available for spending in 2023. Per policy, one-third of these monies are first allocated to General Fund Reserves to maintain a 15% reserves balances and the remaining is available for one-time expenses.

General Fund Reserves

	2021 ACT	2022 BUD	2022 EST
Beginning Balance	7,786,760	10,310,121	10,310,121
Ending Balance	15,410,121	5,132,771	8,521,751
less Tier 3	(5,100,000)		
General Fund Reserves	10,310,121	5,132,771	8,521,751
	18.3%	9.7%	15.5%

2022 year-end reserves are estimated at \$8.5 million, or 15.5% 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)	27,087,802	27,758,437	670,634	2.5%
Expenditures (no trfs)	21,493,531	22,014,432	520,901	2.4%
Gain/(Loss)	5,594,271	5,744,004	149,733	2.7%

Through June, revenues and expenditures are up from last year, which is consistent with expectations. The revenue increase reflects solid sales and other tax collections. Expenditures are the result of normal department spending, coupled with the impacts of inflation.

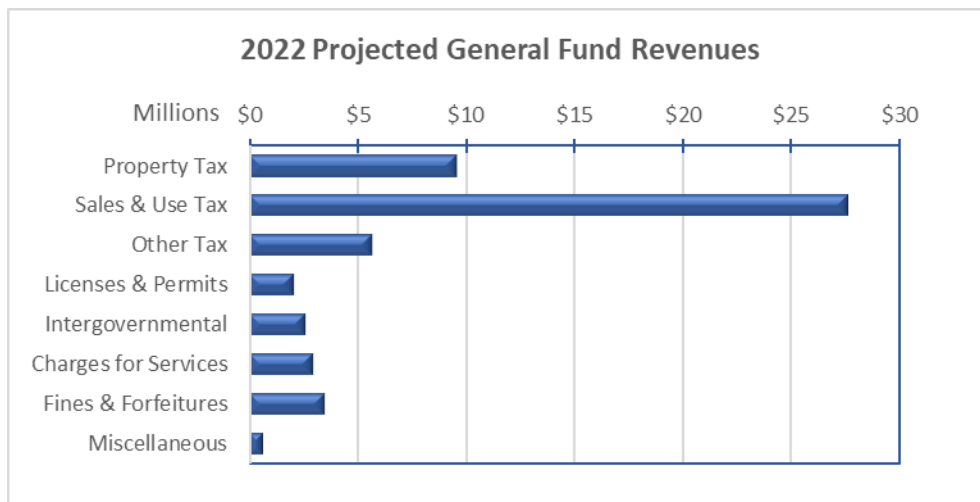
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General Fund Revenues by Type (excluding transfers)					
	2022 BUD	2022 YTD	2022 EST	VARIANCE	
Property Tax	9,563,830	5,252,798	9,578,000	14,170	0.1%
Sales & Use Tax	26,275,730	13,773,173	27,625,700	1,349,970	5.1%
Other Tax	5,303,290	2,561,298	5,711,500	408,210	7.7%
Licenses & Permits	1,888,360	1,131,387	2,119,300	230,940	12.2%
Intergovernmental	2,651,679	1,641,261	2,630,700	(20,979)	-0.8%
Charges for Services	2,956,483	1,518,711	2,967,200	10,717	0.4%
Fines & Forfeitures	3,499,770	1,632,720	3,495,100	(4,670)	-0.1%
Miscellaneous	721,650	247,089	650,500	(71,150)	-9.9%
Total Revenues	52,860,792	27,758,437	54,778,000	1,917,208	3.6%

Through June, overall 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, although sales tax from vehicle sales shows a significant decline from last year’s robust sales. Both Construction and Accommodations/Food appear to have fully recovered, with sales tax collections higher than pre-pandemic levels.

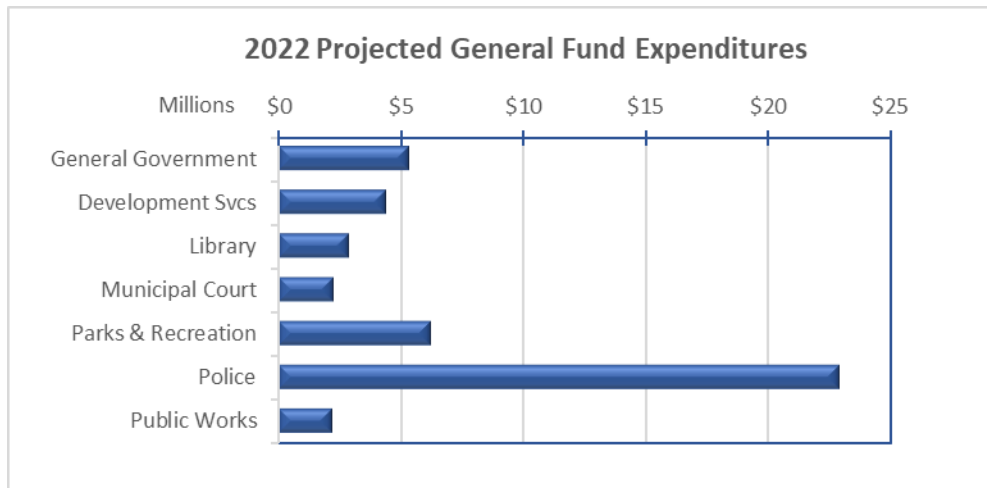


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June 2022 Financial Summary

General Fund Expenditures by Department (excluding transfers)					
	2022 BUD	2022 YTD	2022 EST	VARIANCE	
City Council	220,415	87,831	180,160	40,255	18.3%
City Manager	1,230,814	590,932	1,181,860	48,954	4.0%
City Clerk	401,395	299,238	454,110	(52,715)	-13.1%
Dev & Permitting Svcs	4,638,563	1,960,613	4,386,680	251,883	5.4%
Finance	857,866	378,803	812,720	45,146	5.3%
Human Resources	467,713	223,085	445,860	21,853	4.7%
Legal	1,415,157	710,326	1,409,970	5,187	0.4%
Library	3,004,373	1,466,784	2,859,820	144,553	4.8%
Municipal Court	2,238,734	1,048,867	2,231,170	7,564	0.3%
Non-Departmental	806,740	276,341	854,060	(47,320)	-5.9%
Parks & Recreation	6,580,755	2,817,832	6,220,160	360,595	5.5%
Police	23,019,735	11,141,394	22,905,590	114,145	0.5%
Public Works	2,730,772	1,012,385	2,199,100	531,672	19.5%
Total Expenditures	47,613,032	22,014,432	46,141,260	1,471,772	3.1%

No major expenditure variances through June. 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

City of Puyallup

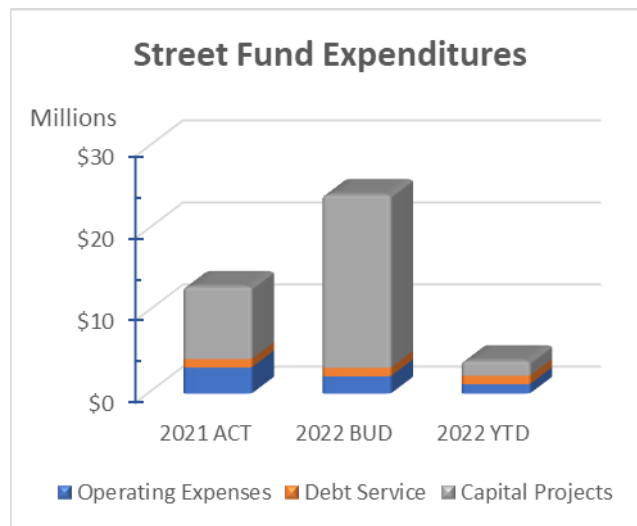
June 2022 Financial Summary

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 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	196,015
Traffic Impact Fees	1,316,864	1,200,000	417,625
Capital Project Grants	6,921,302	2,826,946	2,669,024
Other Revenues	12,181	652,560	149,173
Transfers In	3,551,542	11,110,176	-
Total Revenues	12,208,650	16,222,902	3,431,837
Operating Expenses	3,175,424	2,110,090	1,135,781
Debt Service	1,031,063	1,034,680	1,033,980
Capital Projects	8,815,443	21,072,660	1,819,050
Transfers Out	-	71,822	-
Total Expenditures	13,021,929	24,289,252	3,988,810
Ending Balance	9,402,009	1,335,659	8,845,036

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



City of Puyallup

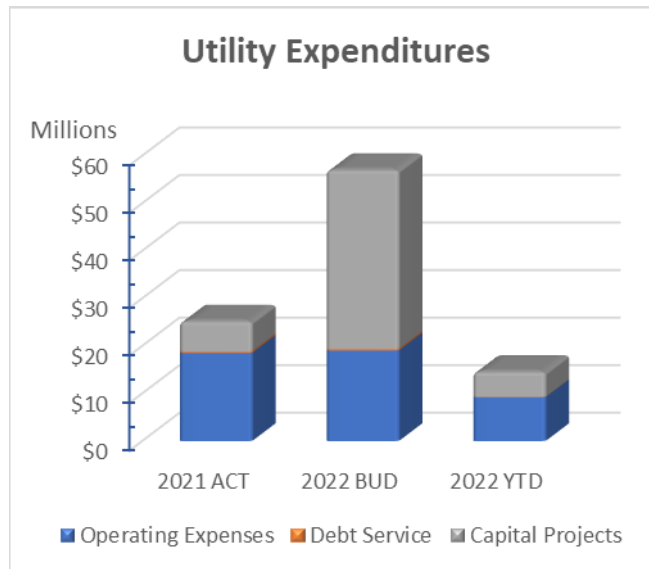
June 2022 Financial Summary

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.

Combined Utility Funds

	2021 ACT	2022 BUD	2022 YTD
Beginning Balance	27,835,989	33,675,011	33,675,011
User Fees	25,270,571	25,057,370	11,993,971
System Dev Charges	3,358,972	2,019,490	1,270,738
Other Revenues	206,126	294,200	136,695
Grants	2,197,169	4,356,633	1,643,971
Total Revenues	31,032,838	31,727,693	15,045,374
Operating Expenses	18,571,032	19,084,974	9,258,958
Debt Service	345,739	349,790	51,882
Capital Projects	6,277,045	37,613,762	5,262,631
Total Expenditures	25,193,816	57,048,526	14,573,470
Ending Balance	33,675,011	8,354,178	34,146,915



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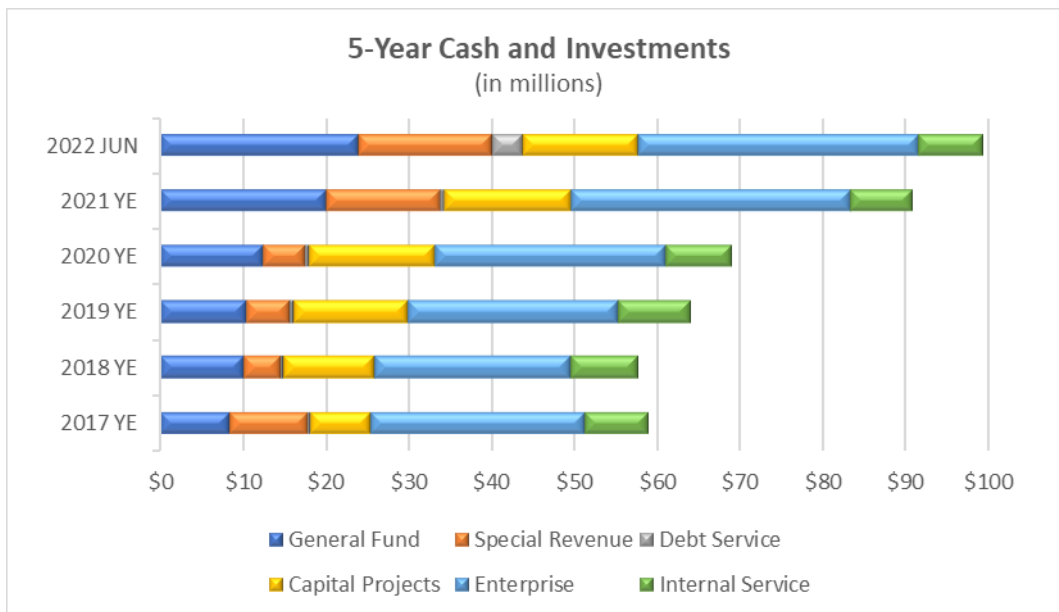
City-Wide Cash and Investments

	2017 YE	2018 YE	2019 YE	2020 YE	2021 YE	2022 JUN
General Fund	5,613,564	7,188,466	7,504,974	7,786,760	15,418,417	19,578,738
General Fund - Other	2,648,335	2,806,831	2,798,442	4,486,592	4,452,558	4,207,934
Special Revenue	9,455,865	4,562,016	5,261,402	5,119,889	13,815,755	16,160,432
Debt Service	288,292	305,283	517,046	505,658	505,658	3,677,201
Street Capital Projects	5,273,289	5,476,894	8,915,411	10,215,288	9,402,009	8,189,841
Parks Capital Projects	1,896,328	4,879,439	2,904,086	2,948,859	4,042,112	3,972,208
Facility Capital Projects	121,076	558,137	1,984,322	1,961,283	1,891,626	1,825,894
Enterprise - Utilities	25,887,173	23,569,469	25,214,816	27,833,412	33,672,434	33,759,810
Enterprise - Pavilion	87,234	97,165	95,158	90,373	99,841	129,778
Internal Service	7,662,713	8,350,700	8,885,049	8,008,817	7,583,372	7,881,555
Total	58,933,870	57,794,399	64,080,707	68,956,931	90,883,782	99,383,391

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 \$4.9 million in unspent ARPA monies. Another \$5.9 million is expected to be received in July 2022.



City of Puyallup

June 2022 Financial Summary

Summary by Fund (excluding transfers)						
	Revenues			Expenditures		
	Budget	YTD JUN	Balance	Budget	YTD JUN	Balance
General						
General Fund	52,860,792	27,758,437	25,102,355	47,613,032	22,014,432	25,598,600
Budget Stability Reserves	3,240	1,653	1,587	250,000	15,000	235,000
Radio Replacement	2,100	457	1,643	63,000		63,000
Donations to Puyallup	9,120	6,610	2,510	96,777	16,233	80,544
LEOFF 1 Retiree Benefits	4,330	1,254	3,076	557,640	214,786	342,854
Firemen's Pension	66,650	72,984	(6,334)	172,000	82,553	89,447
Total General Fund	52,946,232	27,841,395	25,104,837	48,752,449	22,343,004	26,409,445
Special Revenue						
Seizure and Forfeiture	50,550	21,821	28,729	65,960	9,955	56,005
DUI Cost Recovery	68,400	49,561	18,839	119,050	62,763	56,287
American Rescue Plan	5,912,500	5,287	5,907,213	2,942,828	375,486	2,567,342
Affordable Housing Sales Tax		74,591	(74,591)			-
Motel Tax	1,418,140	690,274	727,866	702,534	115,545	586,989
Trial Court Improvement	22,120	10,794	11,326			-
Lift Grant	1,011,000	3,929	1,007,071			-
Real Estate Excise Tax	2,011,000	2,046,965	(35,965)			-
Total Special Revenue Funds	10,493,710	2,903,222	7,590,488	3,830,372	563,749	3,266,623
Debt Service						
GO Bonds			-	3,258,300	84,100	3,174,200
PWTF & HIA Loans			-	330,490	330,480	10
Total Debt Service Funds	-	-	-	3,588,790	414,580	3,174,210
Capital Projects						
Streets	5,112,726	3,431,837	1,680,889	23,182,750	2,954,831	20,227,919
Parks	1,825,500	526,723	1,298,777	5,739,822	596,627	5,143,195
Facility	9,170	1,982	7,188	1,022,405	67,714	954,691
Total Capital Projects Funds	6,947,396	3,960,542	2,986,854	29,944,977	3,619,172	26,325,805
Enterprise						
Sanitation Utility	454,780	222,645	232,135	226,583	41,490	185,093
Water Utility	7,566,170	3,357,524	4,208,646	11,316,572	4,991,465	6,325,107
Sewer Utility	13,200,050	6,929,512	6,270,538	28,263,693	5,762,657	22,501,036
Storm & Surface Water Utility	10,506,693	4,535,694	5,970,999	17,241,678	3,777,858	13,463,820
Pavilion	289,250	213,113	76,137	354,667	184,527	170,140
Total Enterprise Funds	32,016,943	15,258,488	16,758,455	57,403,193	14,757,997	42,645,196
Internal Service						
Equipment Rental	2,390,790	1,296,791	1,093,999	2,934,085	977,509	1,956,576
Insurance	2,402,500	2,086,872	315,628	2,411,472	2,185,076	226,396
IT & Communications	3,518,140	1,780,090	1,738,050	5,492,761	1,898,148	3,594,613
Health Insurance	8,354,550	4,256,067	4,098,483	8,533,120	4,065,792	4,467,328
Facility Maintenance	2,468,710	1,230,550	1,238,160	2,475,704	1,232,848	1,242,856
Total Internal Service Funds	19,134,690	10,650,370	8,484,320	21,847,142	10,359,373	11,487,769
Grand Total	121,538,971	60,614,017	60,924,954	165,366,923	52,057,875	113,309,048