

City of Puyallup

July 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	55,491,500	2,570,708
Expenditures	48,714,539	58,098,142	56,869,840	1,228,302
Gain/(Loss)	7,623,361	(5,177,350)	(1,378,340)	3,799,010

Despite a shifting economy and stalled growth in certain retail sales tax revenues, 2022 continues a positive variance compared to budget. Revenues are projected to come in about \$2.6 million higher than budget and expenditures \$1.2 million below budget, creating an overall positive variance from budget of \$3.8 million.

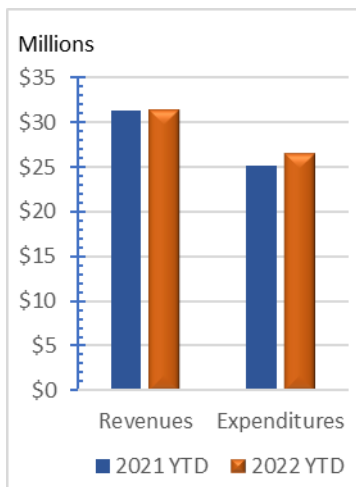
The \$3.8 million difference between the budgeted and actual gain/(loss) amounts is the projected amount of Tier 3 monies available for spending in 2023. Per policy, one-third of these monies are first allocated to General Fund Reserves to maintain a 15% reserves balances and the remaining is available 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	8,931,781
less Tier 3	(5,100,000)		
General Fund Reserves	10,310,121	5,132,771	8,931,781
	18.3%	9.7%	16.1%

2022 year-end reserves are estimated at \$8.9 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)	31,379,351	31,407,189	27,839	0.1%
Expenditures (no trfs)	25,174,150	26,526,088	1,351,938	5.4%
Gain/(Loss)	6,205,201	4,881,102	(1,324,099)	-21.3%

Through July, revenues and expenditures are up from last year, which is consistent with expectations. Revenues are nearly identical to last year, reflecting stalled growth during uncertain economic times. Expenditures are the result of normal department spending, coupled with the impacts of inflation. As a reminder, regular operations were severely curtailed January thru July of 2021.

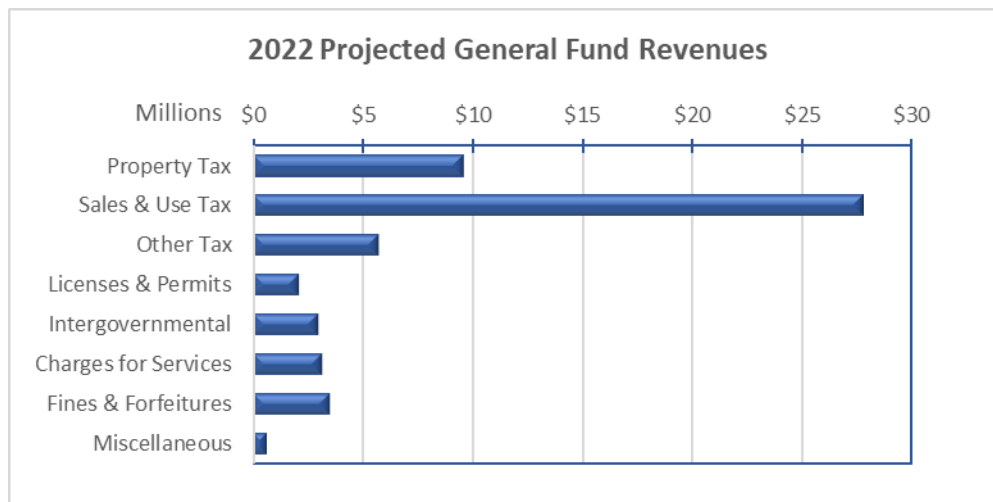
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General Fund Revenues by Type (excluding transfers)					
	2022 BUD	2022 YTD	2022 EST	VARIANCE	
Property Tax	9,563,830	5,294,573	9,578,000	14,170	0.1%
Sales & Use Tax	26,275,730	16,001,364	27,743,800	1,468,070	5.6%
Other Tax	5,303,290	2,898,718	5,727,600	424,310	8.0%
Licenses & Permits	1,888,360	1,274,031	2,114,900	226,540	12.0%
Intergovernmental	2,651,679	1,884,403	2,964,900	313,221	11.8%
Charges for Services	2,956,483	1,810,086	3,140,000	183,517	6.2%
Fines & Forfeitures	3,499,770	1,948,577	3,495,000	(4,770)	-0.1%
Miscellaneous	721,650	295,438	667,300	(54,350)	-7.5%
Total Revenues	52,860,792	31,407,189	55,431,500	2,570,708	4.9%

Through July, 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.

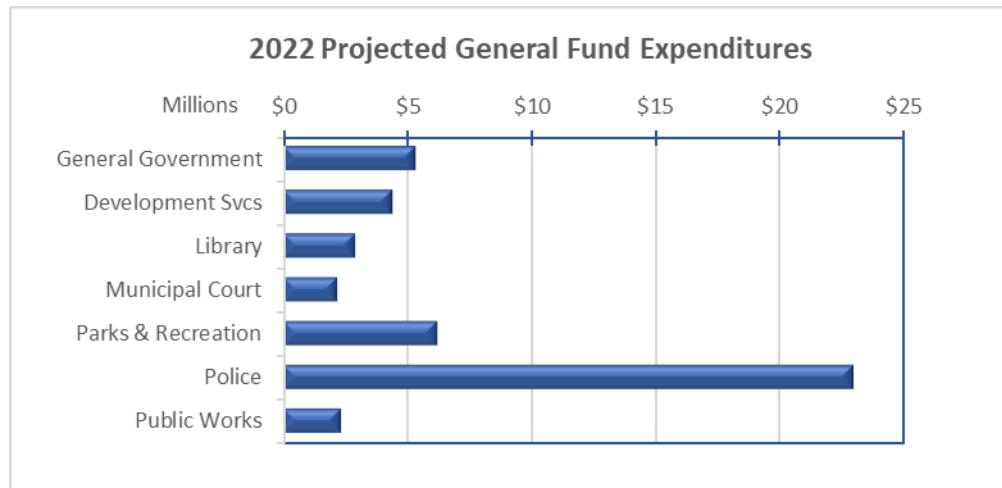


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General Fund Expenditures by Department (excluding transfers)					
	2022 BUD	2022 YTD	2022 EST	VARIANCE	
City Council	220,415	100,609	189,220	31,195	14.2%
City Manager	1,230,814	746,647	1,241,830	(11,016)	-0.9%
City Clerk	401,395	320,135	429,050	(27,655)	-6.9%
Dev & Permitting Svcs	4,638,563	2,297,794	4,426,150	212,413	4.6%
Finance	857,866	446,931	781,740	76,126	8.9%
Human Resources	467,713	285,561	464,700	3,013	0.6%
Legal	1,415,157	839,630	1,407,510	7,647	0.5%
Library	3,004,373	1,715,047	2,894,400	109,973	3.7%
Municipal Court	2,238,734	1,225,158	2,171,960	66,774	3.0%
Non-Departmental	806,740	320,074	811,440	(4,700)	-0.6%
Parks & Recreation	6,580,755	3,371,809	6,245,020	335,735	5.1%
Police	23,019,735	13,632,416	22,996,380	23,355	0.1%
Public Works	2,730,772	1,224,278	2,325,330	405,442	14.8%
Total Expenditures	47,613,032	26,526,088	46,384,730	1,228,302	2.6%

No major expenditure variances through July. 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

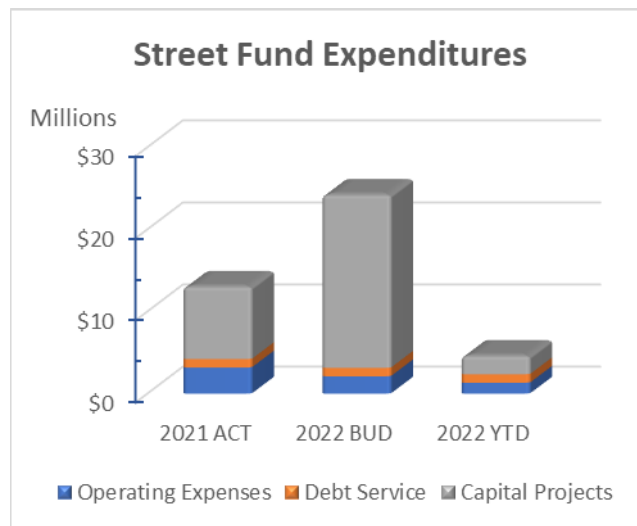
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Street Fund at a Glance... (excluding intrafund transfers)

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	224,865
Traffic Impact Fees	1,316,864	1,200,000	490,091
Capital Project Grants	6,921,302	2,826,946	2,669,024
Other Revenues	12,181	652,560	153,108
Transfers In	3,551,542	11,110,176	260,753
Total Revenues	12,208,650	16,222,902	3,797,840
Operating Expenses	3,175,424	2,110,090	1,322,342
Debt Service	1,031,063	1,034,680	1,033,980
Capital Projects	8,815,443	21,072,660	2,243,766
Transfers Out	-	71,822	71,822
Total Expenditures	13,021,929	24,289,252	4,671,909
Ending Balance	9,402,009	1,335,659	8,527,940

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



City of Puyallup

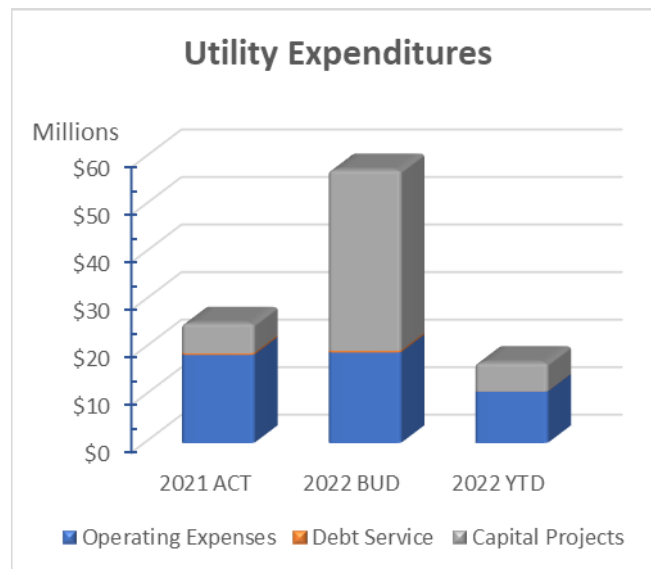
July 2022 Financial Summary

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	14,253,835
System Dev Charges	3,358,972	2,019,490	1,350,049
Other Revenues	206,126	294,200	161,123
Grants	2,197,169	4,356,633	1,643,971
Total Revenues	31,032,838	31,727,693	17,408,978
Operating Expenses	18,571,032	19,084,974	10,827,950
Debt Service	345,739	349,790	51,882
Capital Projects	6,277,045	38,001,246	6,038,690
Total Expenditures	25,193,816	57,436,010	16,918,522
Ending Balance	33,675,011	7,966,694	34,165,467



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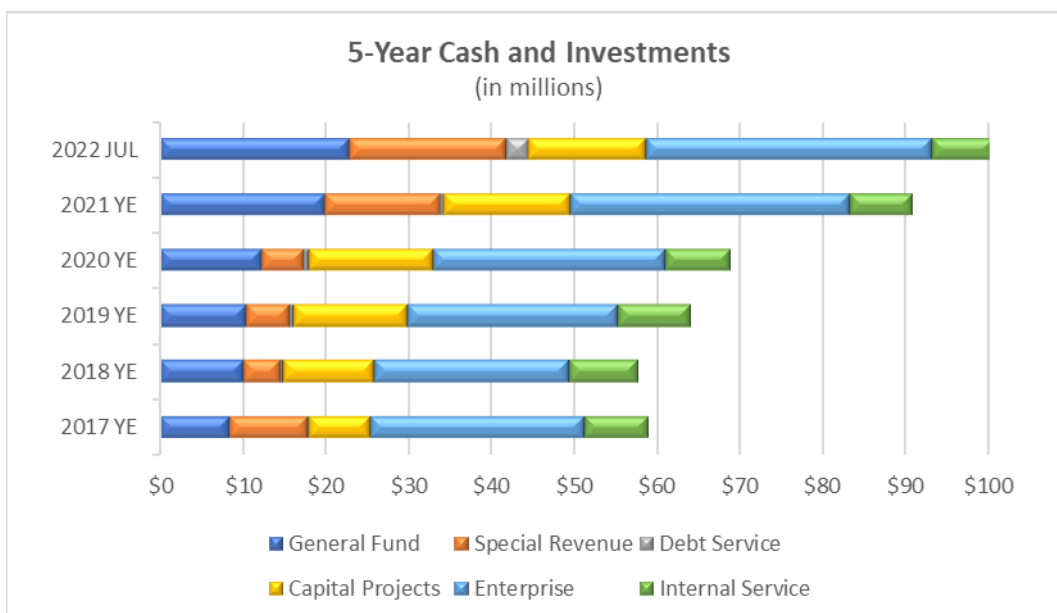
City-Wide Cash and Investments

	2017 YE	2018 YE	2019 YE	2020 YE	2021 YE	2022 JUL
General Fund	5,613,564	7,188,466	7,504,974	7,786,760	15,418,417	18,923,000
General Fund - Other	2,648,335	2,806,831	2,798,442	4,486,592	4,452,558	3,751,593
Special Revenue	9,455,865	4,562,016	5,261,402	5,119,889	13,815,755	19,004,451
Debt Service	288,292	305,283	517,046	505,658	505,658	2,786,504
Street Capital Projects	5,273,289	5,476,894	8,915,411	10,215,288	9,402,009	8,401,437
Parks Capital Projects	1,896,328	4,879,439	2,904,086	2,948,859	4,042,112	3,992,867
Facility Capital Projects	121,076	558,137	1,984,322	1,961,283	1,891,626	1,801,447
Enterprise - Utilities	25,887,173	23,569,469	25,214,816	27,833,412	33,672,434	34,464,480
Enterprise - Pavilion	87,234	97,165	95,158	90,373	99,841	129,804
Internal Service	7,662,713	8,350,700	8,885,049	8,008,817	7,583,372	7,391,648
Total	58,933,870	57,794,399	64,080,707	68,956,931	90,883,782	100,647,230

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 \$10.3 million in unspent ARPA monies.



City of Puyallup

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Summary by Fund (excluding transfers)						
	Revenues			Expenditures		
	Budget	YTD JUL	Balance	Budget	YTD JUL	Balance
General						
General Fund	52,860,792	31,407,189	21,453,603	47,613,032	26,526,088	21,086,944
Budget Stability Reserves	3,240	2,358	882	250,000	15,000	235,000
Radio Replacement	2,100	658	1,442	63,000		63,000
Donations to Puyallup	9,120	7,117	2,003	96,777	74,835	21,942
LEOFF 1 Retiree Benefits	4,330	1,759	2,571	557,640	247,357	310,283
Firemen's Pension	66,650	73,470	(6,820)	172,000	107,989	64,011
Total General Fund	52,946,232	31,492,551	21,453,681	48,752,449	26,971,269	21,781,180
Special Revenue						
Seizure and Forfeiture	50,550	21,876	28,674	65,960	14,599	51,361
DUI Cost Recovery	68,400	55,701	12,699	119,050	70,192	48,858
American Rescue Plan	5,912,500	5,928,440	(15,940)	2,942,828	628,097	2,314,731
Affordable Housing Sales Tax		93,290	(93,290)			-
Motel Tax	1,418,140	827,566	590,574	702,534	119,837	582,697
Trial Court Improvement	22,120	10,803	11,317			-
Lift Grant	1,011,000	323,387	687,613			-
Real Estate Excise Tax	2,011,000	2,324,455	(313,455)			-
Total Special Revenue Funds	10,493,710	9,585,518	908,192	3,830,372	832,725	2,997,647
Debt Service						
GO Bonds			-	3,258,300	974,796	2,283,504
PWTF & HIA Loans			-	330,490	330,480	10
Total Debt Service Funds	-	-	-	3,588,790	1,305,276	2,283,514
Capital Projects						
Streets	5,112,726	3,537,087	1,575,639	23,182,750	3,566,108	19,616,642
Parks	1,825,500	592,362	1,233,138	5,739,822	625,328	5,114,494
Facility	9,170	2,787	6,383	1,022,405	202,968	819,437
Total Capital Projects Funds	6,947,396	4,132,236	2,815,160	29,944,977	4,394,404	25,550,573
Enterprise						
Sanitation Utility	454,780	266,810	187,970	226,583	46,800	179,783
Water Utility	7,566,170	3,978,544	3,587,626	11,316,572	5,578,852	5,737,720
Sewer Utility	13,200,050	8,111,960	5,088,090	28,651,177	7,012,842	21,638,335
Storm & Surface Water Utility	10,506,693	5,051,665	5,455,028	17,241,678	4,280,028	12,961,650
Pavilion	289,250	248,124	41,126	354,667	221,232	133,435
Total Enterprise Funds	32,016,943	17,657,103	14,359,840	57,790,677	17,139,754	40,650,923
Internal Service						
Equipment Rental	2,390,790	1,581,967	808,823	2,934,085	1,256,449	1,677,636
Insurance	2,402,500	2,149,033	253,467	2,411,472	2,250,036	161,436
IT & Communications	3,518,140	2,053,673	1,464,467	5,492,761	2,656,254	2,836,507
Health Insurance	8,354,550	4,956,650	3,397,900	8,533,120	5,063,468	3,469,652
Facility Maintenance	2,468,710	1,405,757	1,062,953	2,475,704	1,405,203	1,070,501
Total Internal Service Funds	19,134,690	12,147,080	6,987,610	21,847,142	12,631,410	9,215,732
Grand Total	121,538,971	75,014,488	46,524,483	165,754,407	63,274,838	102,479,569