



"A colorful past, a bright future"

Quarterly Financial Report

Third Quarter 2021

Third Quarter 2021 Financial Report

(This report contains unaudited financial information as of September 30, 2021)

Table of Contents

| Section | Page |
|------------------------|------|
| I. Executive Summary | 2 |
| II. Economic Report | 3 |
| III. Financial Results | 15 |
| IV. Outstanding Debt | 27 |
| V. Investments | 27 |
| VI. Interfund Loans | 29 |

Attachments

| | |
|--------------------------------|----|
| A. Expenditure Summary by Fund | 30 |
| B. Revenue Summary by Fund | 33 |
| C. Outstanding Debt | 36 |
| D. Investment Portfolio Tables | 37 |

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I. Executive Summary

The third quarter of 2021 continues to be marked by the slow improvement in the economy related to the world-wide pandemic and a high level of uncertainty capped by increases in leading economic indicators.

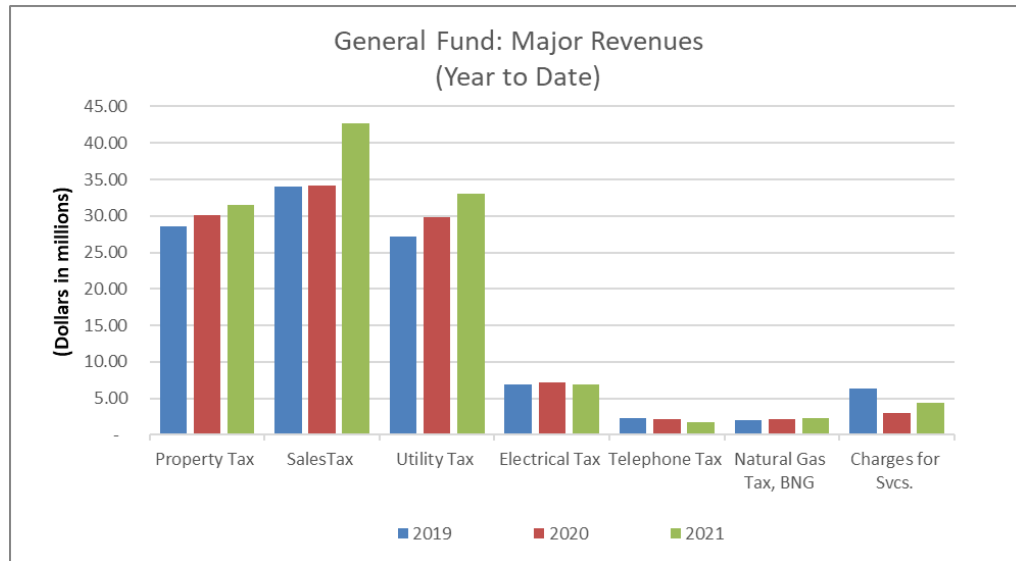
The federal government stepped in with several stimulus appropriations during the last two years to support the unemployed, businesses and local and state governments. Residents, businesses, and governments continued to purchase goods and support their mortgage and tax payments. As a result, the City has experienced a lesser financial impact than had originally been anticipated. This trend continued into 2021. Sales and property taxes remained elevated during the pandemic and residents paid most of the utility payments owed. The federal pandemic unemployment benefits expired in September of 2021 with the resulting impact likely to be present in the last quarter financial report of 2021.

The national economy grew in the third quarter of 2021 by 2.1%, according to the Bureau of Economic Analysis, significantly slower than it grew in the first two quarters of the year. The increase in third quarter GDP reflects both the continued economic recovery from the sharp declines earlier in the year and the ongoing impact of the COVID-19 pandemic, including reopening of many establishments and businesses across the United States. The increase in *real GDP* reflected rises in private inventory investment, PCE, state and local government spending and nonresidential fixed investments that were partly offset by decreases in residential fixed investments, federal government spending and exports. Imports, which are a subtraction in the calculation of GDP, decreased. In the third quarter, government assistance payments in the form of loans to businesses and grants to state and local governments increased, while social benefits to households, such as the direct economic impact payments, declined. A resurgence of COVID-19 cases resulted in new restrictions and delays in the reopening of establishments in some parts of the country.

City of Vancouver General Fund revenues in the third quarter of 2021 totaled \$137.1 million, or 76% of the forecast for the year. Driven by sales and property tax revenue, overall tax revenue was 12% higher than those through the third quarter 2020. Planning permits and miscellaneous revenue are higher than expected. Recreation fees are higher than 2020 but are still affected through pandemic closures and a staged reopening.

General Fund expenditures at the end of the third quarter for 2021 were \$118.3 million, which is \$4.1 million higher than last year's expenditures through the third quarter. Overall expenditures at the end of the third quarter are at 62% of the total expenditure budget, but many of the large payments for county services in the area of public safety have not yet taken place in 2021. Those costs, as well as the large transfers supporting other funds normally take place in the last quarter of the year.

The General Fund operating cash balance was \$80.7 million at the end of September 2021. Following is detailed information on the main revenue sources of the General Fund. Cumulatively, the five major sources of revenue listed on the chart below represent more than 91% of the total revenues in the City's General Fund.



Note: Utility tax revenue above includes the tax on Solid Waste; charges for Services exclude the Business License revenue.
 Chart No. 1 – General Fund Major Revenues

II. Economic Report

The national economy continued its growth in the third quarter of the year according to the advance estimate published by the Bureau of Economic Analysis. The unemployment rate continued to decline, and housing sales activity continues to be the most active since 2006, due to a high demand from the pandemic and low inventories of available houses.¹ The following is specific information related to some of the major national economic indicators, beginning with Gross Domestic Product.

Real GDP grew in the third quarter of 2021 by 2.1%, according to the Bureau of Economic Analysis, significantly slower than it grew in the first two quarters of the year. The increase in third quarter GDP reflects both the continued economic recovery from the sharp declines earlier in the year and the ongoing impact of the COVID-19 pandemic, including reopening of many establishments and businesses across the United States. The increase in *real GDP* reflected rises in private inventory investment, PCE, state and local government spending and nonresidential fixed investments that were partly offset by decreases in residential fixed investments, federal government spending and exports. Imports, which are a subtraction in the calculation of GDP, decreased. In the third quarter, government assistance payments in the form of loans to businesses and grants to state and local governments increased, while social benefits to households, such as the direct economic impact payments, declined. A resurgence of COVID-19 cases resulted in new restrictions and delays in the reopening of establishments in some parts of the country.²

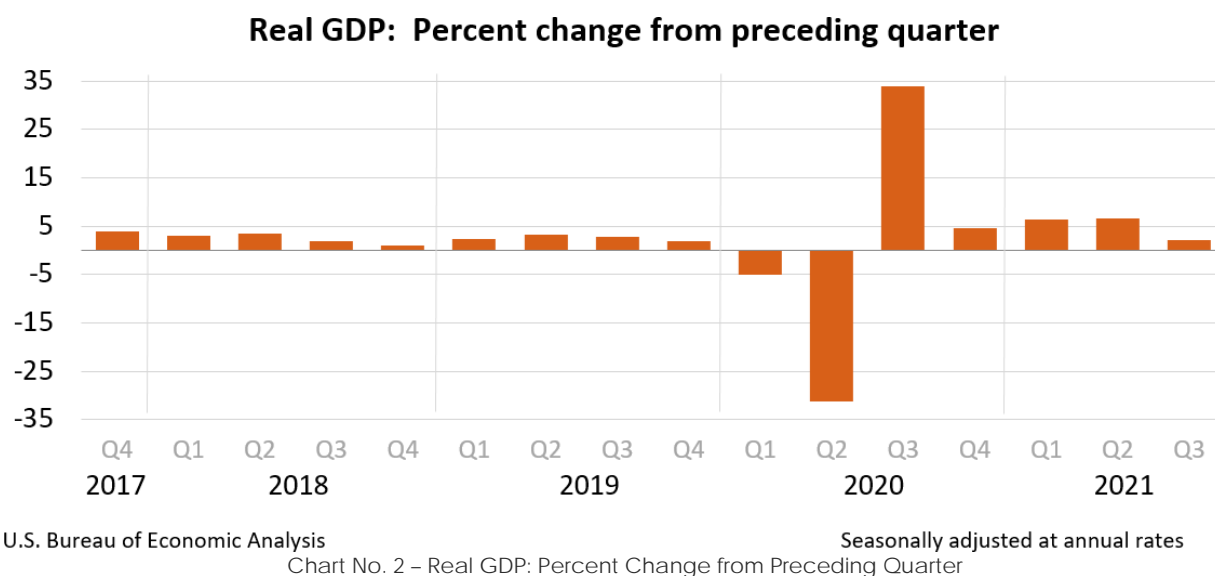
Although the economy has increased the last four consecutive quarters, employment is below pre-pandemic levels, particularly lower-wage employment in hospitality and leisure sectors. Jobs reports through September show a steady and consistent economic recovery. The unemployment rate dropped to 4.8%.³

¹ [The Housing Market Is Crazy Than It's Been Since 2006 - WSJ](#)

² [Gross Domestic Product, Third Quarter 2021 \(Second Estimate\); Corporate Profits, Third Quarter 2021 \(Preliminary Estimate\) | U.S. Bureau of Economic Analysis \(BEA\)](#)

³ [5 Numbers from the September Jobs Report | U.S. Department of Labor Blog \(dol.gov\)](#)

Reopening of establishments and the continued government response related to the pandemic, most notably the implementation of the American Rescue Plan, contribute towards the positive trend. Additionally, increases in consumer spending in goods (led by motor vehicles and parts) and services (led by food services and accommodations), business and housing investment contributed to the increase, which was partially offset by decreases in inventory investment and exports.



Information reviewed during the Federal Open Market Committee meeting in September of 2021 indicates that the COVID-19 pandemic and the measures undertaken to contain its spread continued to affect economic activity in the United States and abroad. With progress on vaccinations and strong policy support, indicators of economic activity and employment have continued to strengthen. The sectors most adversely affected by the pandemic improved in recent months, but the rise in COVID-19 cases has slowed their recovery. Inflation is elevated, largely reflecting transitory factors. Overall financial conditions remain accommodative, in part reflecting policy measures to support the economy and the flow of credit to U.S. households and businesses.

The path of the economy continues to depend on the course of the virus. Progress on vaccinations will likely continue to reduce the effects of the public health crisis on the economy, but risks to the economic outlook remain.⁴

U.S. real gross domestic product (GDP) was expanding in the third quarter at a pace that was faster than in the second quarter of the year. Moreover, labor market conditions had improved further. Consumer price inflation through September—as measured by the 12-month percentage change in the PCE price index—had picked up notably, largely reflecting transitory factors.

Total nonfarm payroll employment increased solidly through September to 4.8. As of September, total payroll employment had retraced more than two-thirds of the job losses

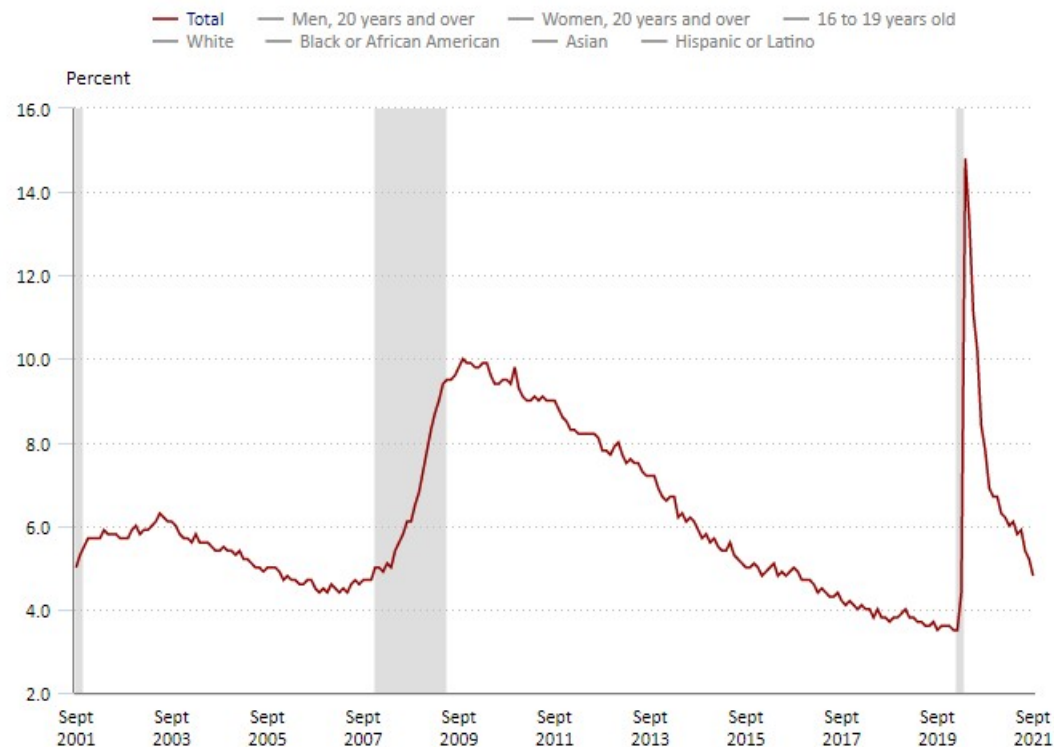
⁴ [Federal Reserve Board - Federal Reserve issues FOMC statement](#)

seen at the onset of the pandemic, although employment in the leisure and hospitality sector and in the education sector (including both public and private education) had bounced back by less.⁵

Total nonfarm payroll employment rose in September, with notable gains in the leisure and hospitality, public and private education, professional and business services, retail trade and other services while the unemployment rate was 4.8 percent in September, significantly lower than the 5.2% rate in August.⁶ In September 2021, the number of marginally attached workers increased by 167,000 and the number of discouraged workers increased by 58,000. The uptick in these numbers suggests that many workers are having trouble finding jobs. The labor force participation rate has remained static.⁷

Civilian unemployment rate, seasonally adjusted

Click and drag within the chart to zoom in on time periods



Hover over chart to view data.

Note: Shaded area represents recession, as determined by the National Bureau of Economic Research.

Persons whose ethnicity is identified as Hispanic or Latino may be of any race.

Source: U.S. Bureau of Labor Statistics.



Data Source: www.bls.gov

Chart No. 3 – Civilian Unemployment Rate, Seasonally Adjusted

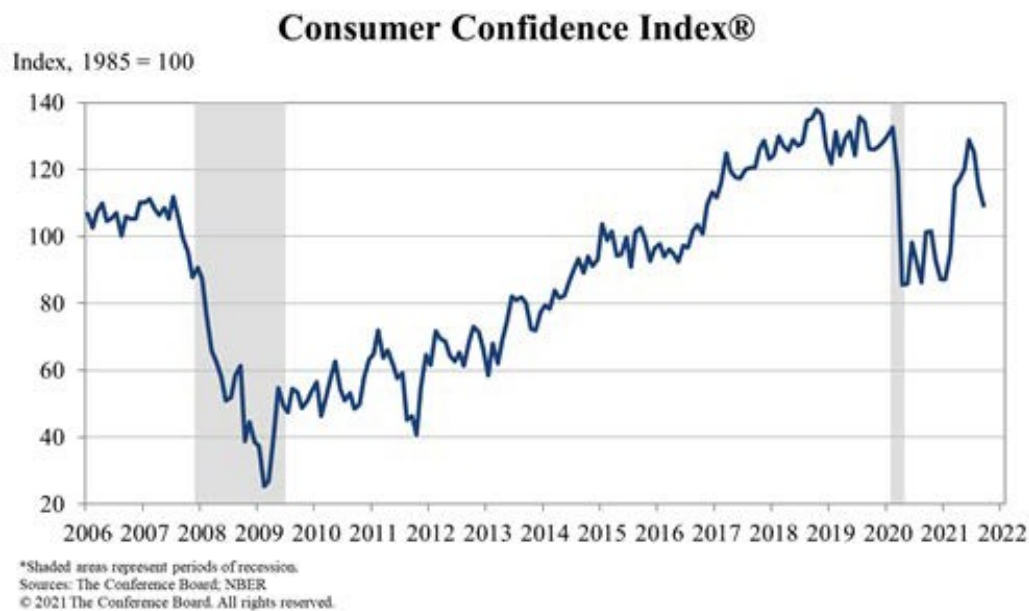
⁵ [The Fed - Monetary Policy: \(federalreserve.gov\)](https://www.federalreserve.gov/monetarypolicy/)

⁶ [Employment Situation Summary \(bls.gov\)](https://www.bls.gov/news.release/archives/empstat210901.pdf)

⁷ [With only 194,000 jobs added, September's jobs report disappoints \(brookings.edu\)](https://www.brookings.edu/blog/employment/2021/09/11/with-only-194-000-jobs-added-september-s-jobs-report-disappoints/)

One of the major measures of consumer assurance is the *Conference Board's Compiled Index of Consumer Confidence*. Three thousand households across the country are surveyed each month to determine consumer perceptions of current business and employment conditions, as well as their expectations for the upcoming six months. The level of consumer confidence is associated with anticipation about future developments in the economy and is used as an indicator of the likely general direction of consumer spending in the coming months. The index began rising in 2016 with the trend continuing during 2017, reaching a level of 135.3 by September of 2018. The Index was softer in 2019, ending the year at a reading of 126.5.

The *Conference Board's Consumer Confidence Index* fell to a seven-month low in September of 2021 to a reading of 109.3. Economists polled by Reuters had forecast the index to be 114.5. "These back-to-back declines suggest consumers have grown more cautious and are likely to curtail spending going forward," said Lynn Franco, Senior Director of Economic Indicators at The Conference Board.⁸



A second measure of consumer attitudes, the University of Michigan, known as *The Sentiment Index*, was just 0.1 index points below the April 2020 low reading level at the end of September.

"The positive impact of higher income expectations and the receding coronavirus has been offset by higher rates of inflation and falling confidence in government economic policies. Consumers not only anticipated the highest year-ahead inflation rate since 2008 in the October survey, they also expressed greater uncertainty about the year-ahead inflation rate than any time in nearly forty years (see the chart). Note that this was the first major spike in inflation uncertainty recorded outside of a recession. Even uncertainty about the long-term inflation rate was the highest in more than a decade. Declining living standards due to inflation were spontaneously mentioned by one-of-every five households, concentrated among older and poorer households. The patterns of consumers' reactions to recent rises in inflation represent the preconditions that can promote an escalating inflation rate during the year ahead. Consumers' recognition of high and rising prices is near universal, so too is their

⁸ [Consumer Confidence Index® | The Conference Board \(conference-board.org\)](https://www.conference-board.org/data/consumer-confidence/)

desire to reestablish spending for a more traditional holiday season. People understand that the origin of inflation has been in the upheavals in supply lines and labor markets. The acceptance of higher prices was caused by swollen savings due to the record pandemic cash incentives as well as by Biden's new social support programs. The declining resistance to price hikes among buyers will be joined by less resistance among sellers to hiking prices that will be justified by higher materials and labor costs. These reactions promote an accelerating inflation rate until a tipping point is reached when consumers' incomes can no longer keep pace with escalating inflation. In the past inflationary era, one recession was insufficient to realign expectations; it took a series of boom-bust cycles, until the Fed's Volcker finally defeated inflation by raising interest rates to record levels."⁹



Chart No. 4 – University of Michigan Consumer Sentiment

The US Conference Board tracks ten different economic indicators to assess the health of the economy and to evaluate the direction of economic development in the near future. The cumulative product of these indicators is called the *US Leading Economic Index (LEI)*, which has increased steadily since early 2009, remaining at its historically highest level.

*The Conference Board Leading Economic Index® (LEI) for the U.S. increased by 0.9 percent in September to 117.5, from the June reading of 115.1 (2016 = 100). "The U.S. LEI rose again in September, though at a slower rate, suggesting the economy remains on a more moderate growth trajectory compared to the first half of the year," said Ataman Ozyildirim, Senior Director of Economic Research at The Conference Board. "The Delta variant, rising inflation fears, and supply chain disruptions are all creating headwinds for the US economy. Despite the LEI's slower growth in recent months, the strengths among the components remain widespread. Indeed, The Conference Board continues to forecast strong growth ahead: 5.7 percent year-over-year for 2021 and 3.8 percent for 2022."*¹⁰

⁹ [Surveys of Consumers \(umich.edu\)](https://www.umich.edu/news/surveys-of-consumers) October

¹⁰ [US LEI PRESS RELEASE – June 2021.pdf \(conference-board.org\)](https://www.conference-board.org/press-releases/US-LEI-PRESS-RELEASE-June-2021.pdf)

The graphic representation of the LEI for the U.S. since 1999 is shown below.

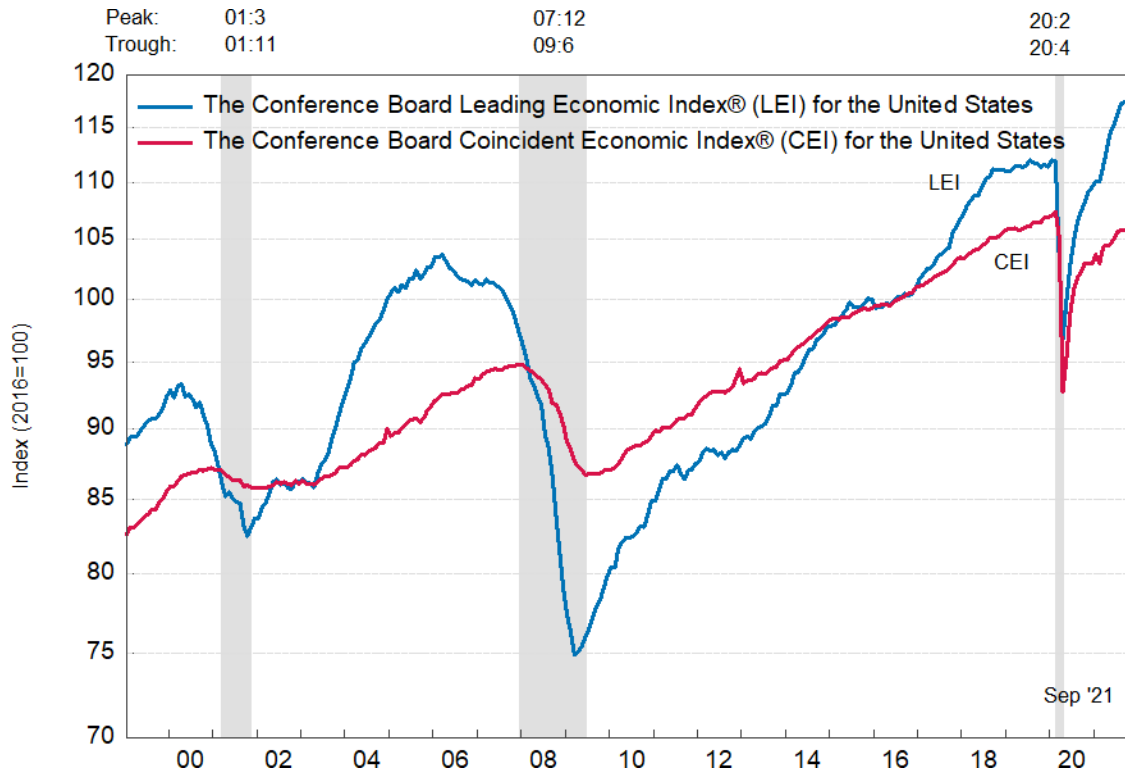


Chart No. 5 – The Conference Board Leading Economic Index (LEI) for the U.S.

National level housing sector data indicates consistently strong activity over the third quarter of the year. U.S. homebuilding and permits increased in September as historically low mortgage rates and increased demand due to homeowners fleeing cities because of the pandemic are causing this increase.

US housing starts fell 1.6% in September, below expectations. Starts reached 1.56 million units, from a revised 1.58 million in August, amid strong demand from buyers, elevated material costs and shortage of qualified workers, according to the U.S. Census Bureau.¹¹

¹¹ [United States Housing Starts | 1959-2021 Data | 2022-2023 Forecast | Calendar \(tradingeconomics.com\)](https://www.tradingeconomics.com/united-states/housing-starts)

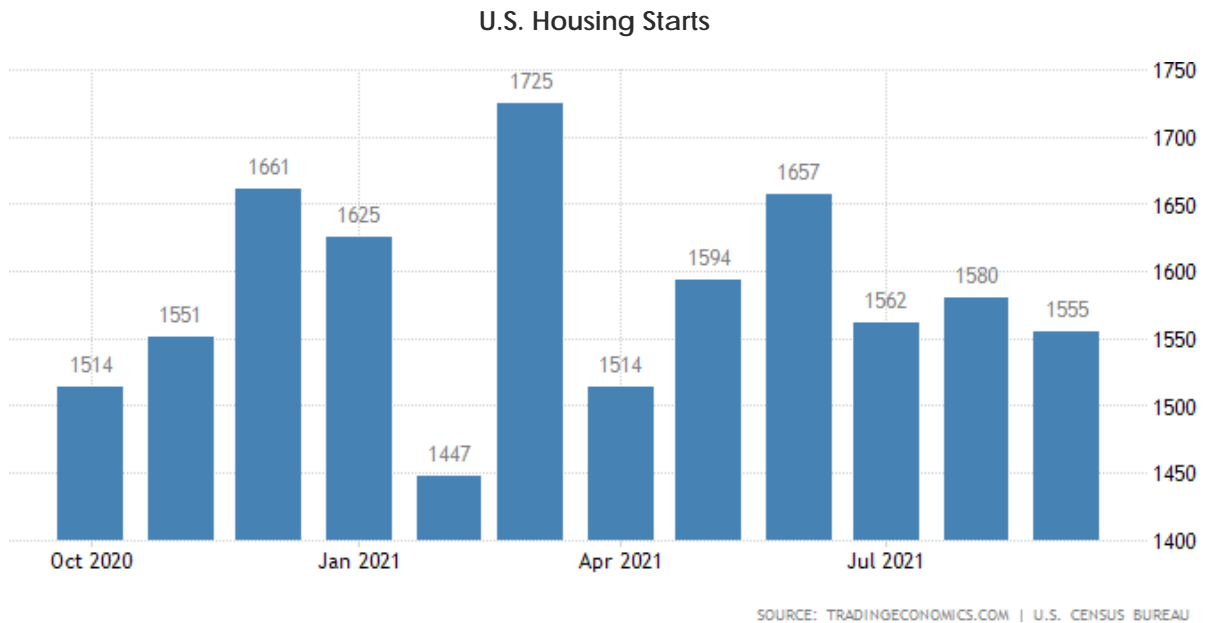


Chart No. 6 – U.S. Housing Starts

The national inflation rate as measured by the U.S. Consumer Price Index for All Urban Consumers (CPI-U) on a year-over-year basis increased 5.4% over the last 12 months, as reported by the U.S. Department of Labor for September 2021. Over that period, food prices increased 4.6 percent and energy increased by 24.8 percent.¹²

State Economy

The October of 2021 Washington State Economic and Revenue Update from the Washington Economic and Revenue Forecast Council had the following highlights:

1. Washington employment is now 110,800 (3.1%) lower than at its February 2020 peak. Private services-providing sectors added 12,200 jobs in September. The manufacturing sector added 1,000 jobs despite the loss of 300 jobs in aerospace manufacturing. Construction employment increased by 1,000 jobs. State and local government employment decreased by 3,700 jobs in September and federal government employment added 100 jobs.
2. Washington housing construction remained robust through September.
3. In September, the U.S. Department of Commerce, Bureau of Economic Analysis (BEA) released state personal income estimates for the second quarter of 2021. According to these estimates, Washington personal income declined from \$571.5 billion in the first quarter of 2021 to \$546.3 billion in the second quarter. The 16.5% decline was the 6th best performance among the states and was significantly better than the 21.8% rate of the decline for the U.S. as a whole. Changes to personal income from Covid-19 relief programs dominated overall personal income growth. Most of this was because of a reduction in direct payments to individuals.

¹² [Consumer Price Index Summary \(bls.gov\)](https://www.bls.gov/news.release/cpi.summary.htm)

4. Seattle-area consumer price inflation slightly exceeded the national average in the year ending in September 2021. From June 2020 to June 2021, the Seattle CPI rose 5.5%.
5. State of Washington General Fund revenues exceed the September forecast by 8.2 percent.¹³

Local Economy

Residential Permits

New construction was up in the third quarter of 2021. The valuation for single family house permits totaled \$99.6 million through September of 2021, compared to \$88.8 million from a comparable period of 2020.

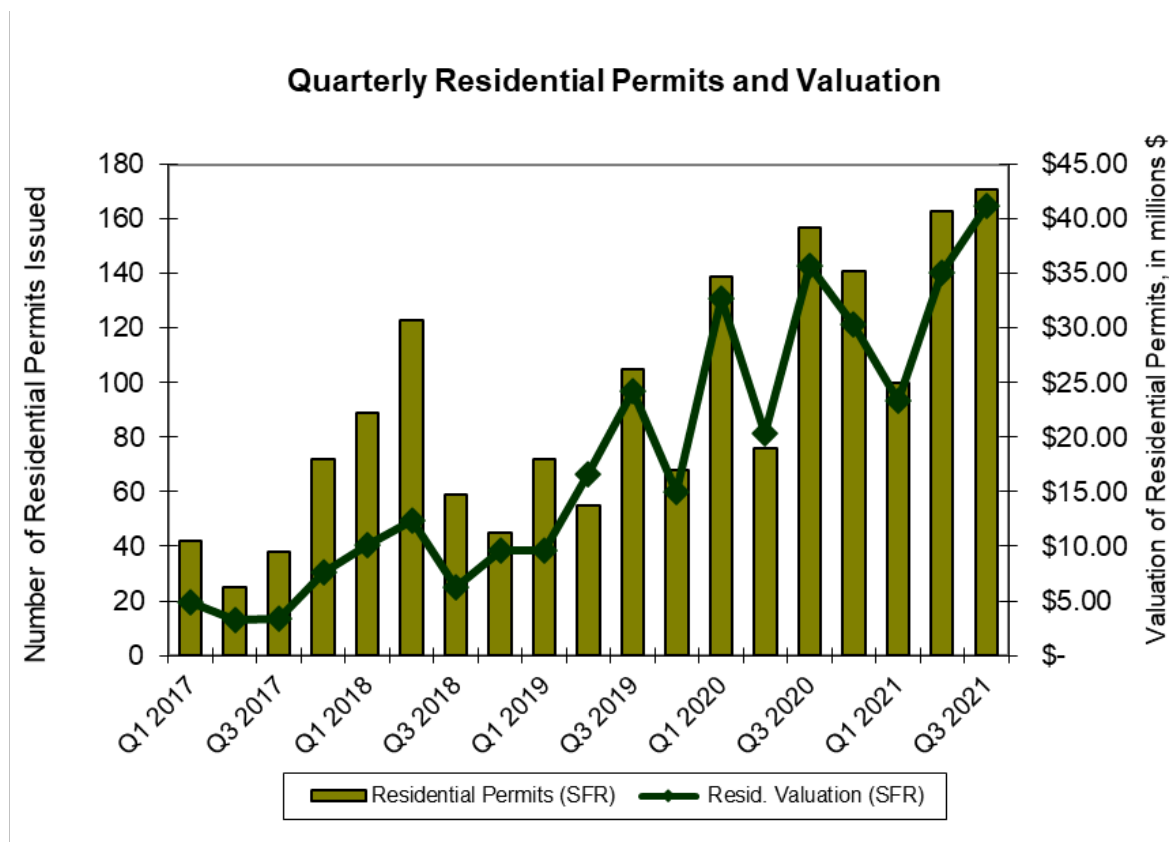


Chart No. 7 – Quarterly Residential Permits and Valuation

¹³ [July 2021 Economic and Revenue Update \(wa.gov\)](#)

Multi-Family Permits

The City has also seen a continued elevated level of multi-family units permitted within city limits. The number of units for multi-family units for the third quarter of 2021 totaled 430. Through September, the City permitted 1,494 multi-family units.

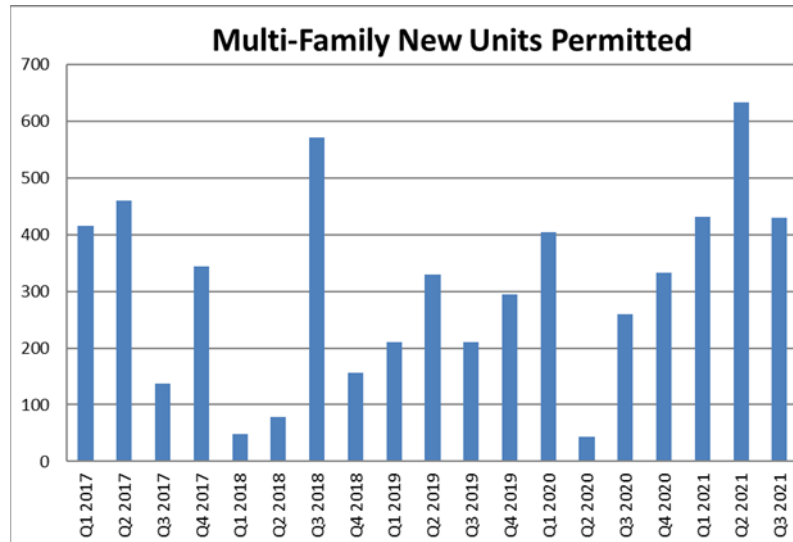
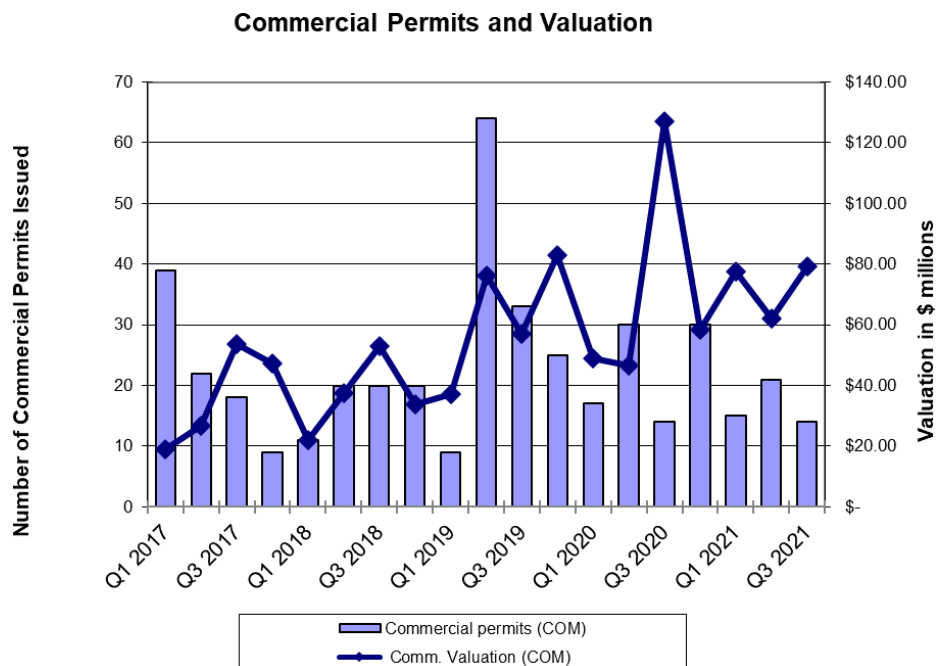


Chart No. 8 – Multi-Family New Units Permitted

Commercial Permits

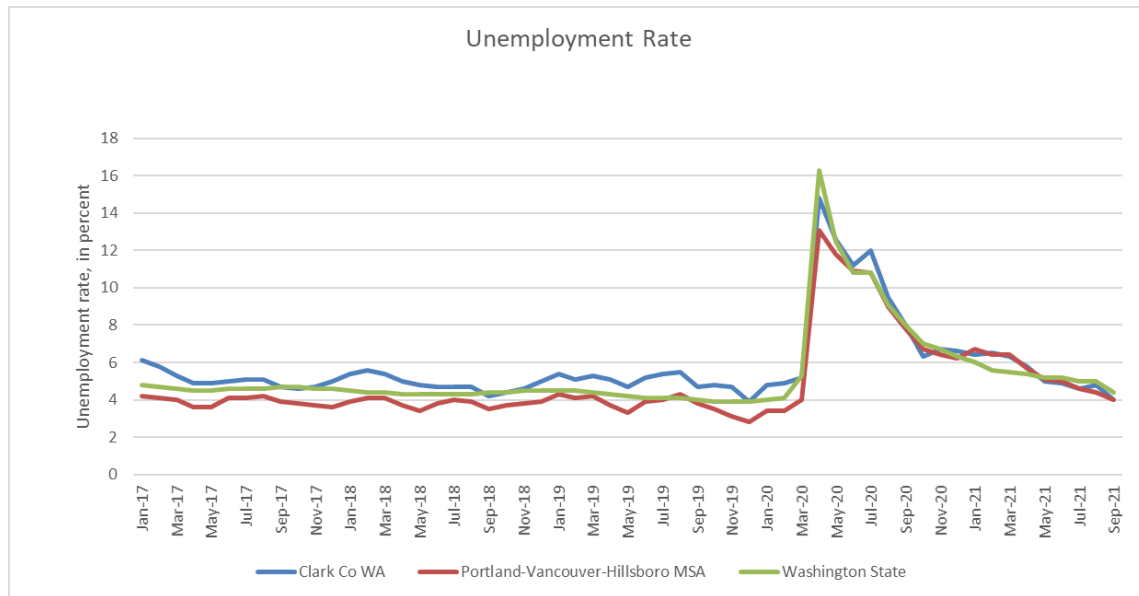
Commercial activity is generally volatile, as is the valuation of those projects. Through the third quarter of 2021 a total of 50 projects were permitted with the combined valuation of \$218.6 million.



Data provided by the Community and Economic Development Department, City of Vancouver.

Chart No. 9 – Commercial Permits and Valuation

According to the Bureau of Labor Statistics, Portland-Vancouver-Hillsboro MSA and Clark County estimated unemployment rate in September 2021 was 4.0%, slightly lower than the Vancouver rate of 4.2% and slightly below the estimated unemployment rate of 4.4% for the state.



Data provided by the Bureau of Labor Statistics

Chart No. 11 – Unemployment Rate (includes Clark County WA, Portland-Vancouver-Hillsboro MSA, WA State)

Home sales are cyclical, typically increasing in the second and third quarters of the year. Home prices continue to stabilize both nationally and locally, according to the S&P's Case-Shiller Home Price Index. The real estate market has been the star of the pandemic economy, with home prices increasing at unprecedented rates.

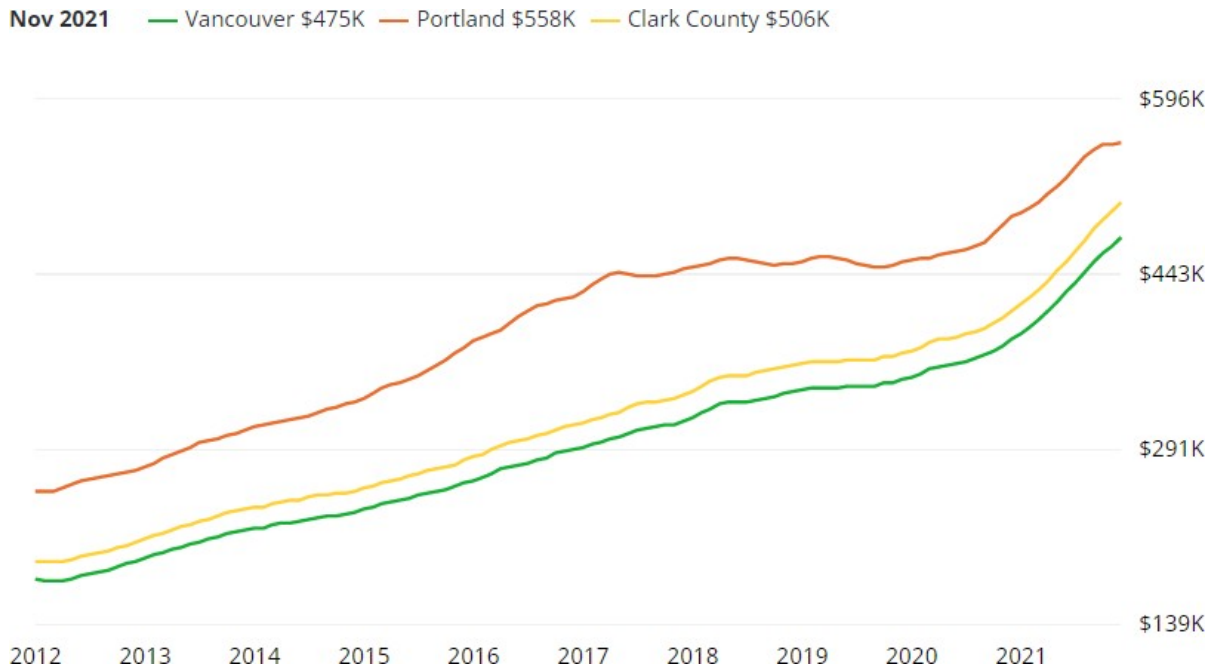
During the last twelve months, home prices have climbed 18.2% in the Portland-Vancouver metro area through July of 2021. Portland metro home prices remain in the record-setting territory, climbing higher than the housing bubble-era prices. Seattle's prices went up by approximately 23.1% over the last twelve months.



Chart No. 12 S& P Case-Schiller Home Price Index (includes National, WA-Seattle, 20-city composite, OR-Portland)

The median home value in Vancouver, WA was estimated to be \$475 thousand in September of 2021, according to Zillow, slightly lower than that in Clark County. Vancouver home values have increased by an estimated 18.4% over the past year, but the rate of the increase has accelerated over this quarter.

Comparable Median House Sale Prices



Source: Zillow, <https://www.zillow.com/vancouver-wa/home-values/>

Chart No. 13 – Composite Median House Sale Prices (includes Vancouver, Clark County, Portland)

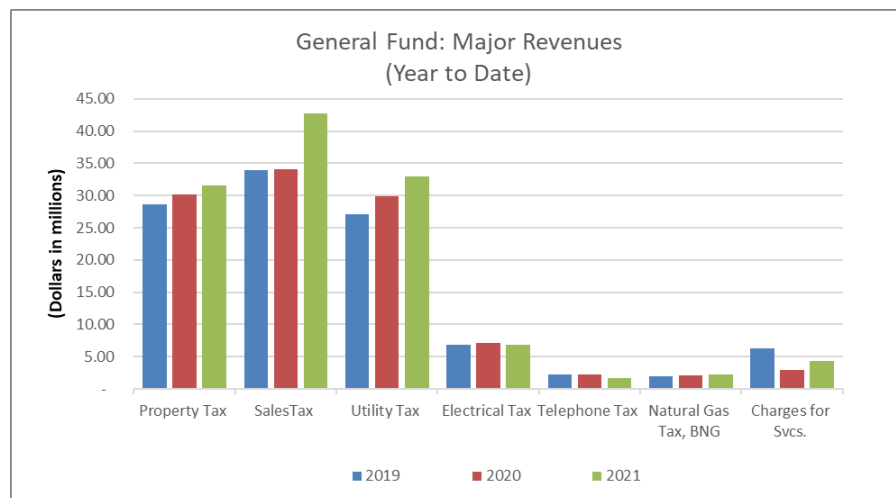
III. Financial Results

General Fund

REVENUES

City of Vancouver General Fund revenues in the third quarter of 2021 totaled \$137.7 million, one percent above the forecast for the quarter. The 2021 revenue is approximately \$15.5 million higher than comparable revenues from 2020. Driven by sales tax, property tax and water-sewer-stormwater revenue. Business license fee and surcharge revenue were lower than last year, which is largely due to the suspension of the business license fees. Recreation fees are higher than last year, which reflects the staged reopening of some facilities.

For the third quarter of 2021, sales tax revenue totaled \$42.7 million, which is \$8.6 million higher than the same period last year. Property and utility tax were higher than the same period last year, while telephone tax, and charges for services were lower.

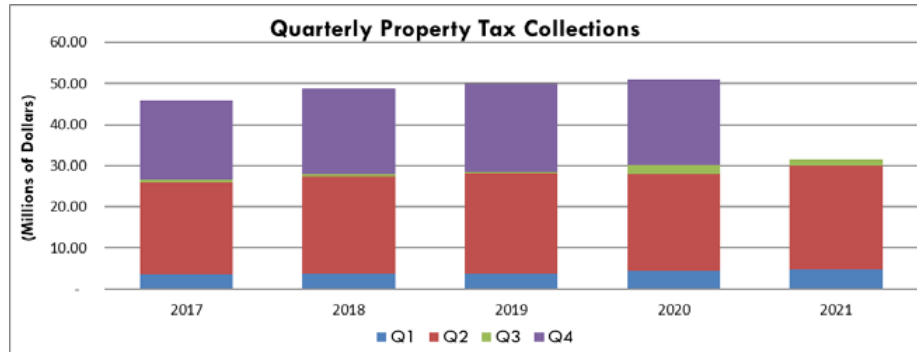


Note: Utility tax revenue above includes the tax on Solid Waste; Charges for Services exclude the Business License revenue.
General Fund: Major Revenues

Property Tax

- Property tax revenues are typically received during the second and fourth quarters of the year. The amount of revenue is based on the assessed valuation and is estimated using County Assessor's data. Deviations from estimates in this revenue source are mostly related to the amount of new construction and delinquency rates.
- The total City of Vancouver levy rate is \$2.21 per \$1,000 of assessed value, which was applied to a total taxable value of approximately \$26.6 billion. The General Fund collects \$1.98 per \$1,000 in assessed value of the total levy. An additional \$0.23 levy was approved by voters in November of 2016 for the Affordable Housing Fund. The new levy is generating \$6.0 million per year to be dedicated to increasing the number of affordable housing units in the City.

- A total of \$31.5 million in general fund property taxes (excluding the Affordable Housing Levy) was collected through the third quarter for 2021 and equates to a \$1.4 million increase over the same period in 2020. The difference is purely due to the delayed collection of 2020 taxes due to the pandemic.



Note: The dollar amounts above represent the General Fund collections of Property Tax. These have not been adjusted for inflation.

Chart No. 14 Quarterly Property Tax Collections

Sales Tax

- The 8.5% sales tax rate in the incorporated area is distributed as follows: 6.5% to the State, 0.5% for the City's "basic" sales tax, 0.3% for the City's "optional" sales tax, 0.2% for the City restricted to funding Public Safety, a new 0.1% City sales tax for affordable housing, the County's additional optional 0.1% for Law and Justice, 0.1% for addressing the region's methamphetamine drug addiction and related crime, and 0.7% for C-TRAN.
- Sales tax revenue collected through the third quarter of 2021 is \$42.8 million and represents a 25% increase from the collections during the three quarters of 2020. Retail sales were strongly influenced by federal stimulus funds received by the consumers in late 2020 and in early 2021.
- Growth in taxable retail sales reflects the improving real estate market, new construction, and discretionary spending.

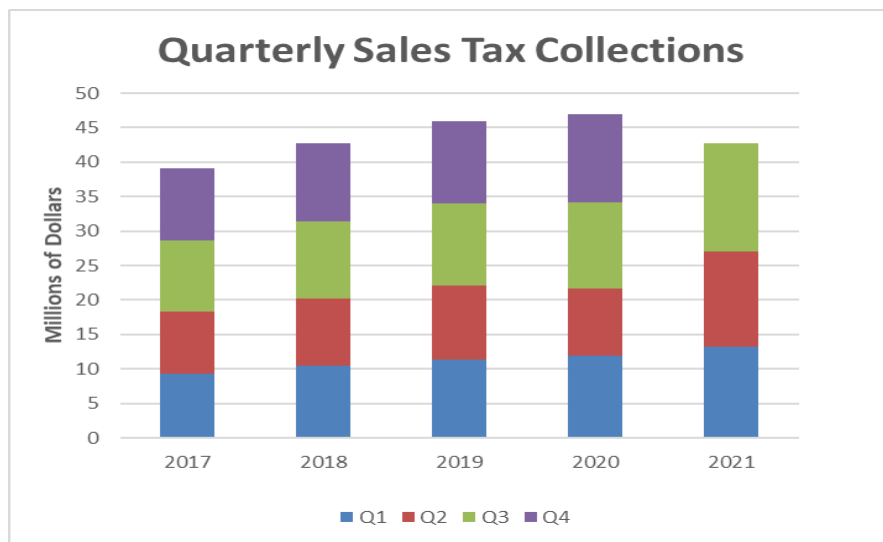


Chart No. 15 – Quarterly Sales Tax Collection

Taxes on Privately Owned Utilities

Vancouver collects a 6.0% utility tax on electrical, natural gas, and telephone services provided within the incorporated area by entities other than the City. The City also charges cable franchise fees.

- The tax on privately owned utilities generated \$10.8 million through September of 2021, compared to \$11.4 million received in 2020, approximately 5.3% below.
- Natural gas tax revenues through the third quarter of 2021 totaled \$2.2 million, comparable to collections in 2020.
- Telephone tax revenues through the third quarter of 2021 totaled \$1.7 million, approximately \$466 thousand below the 2020 revenues, likely due to the timing of the payments.
- \$6.9 million was collected in electrical tax revenue through the third quarter of 2021, approximately \$262 thousand below the comparable in the 2020 collections.
- The cable franchise fees revenue totaled \$1.5 million through the third quarter of 2021, comparable to the 2020 collections.

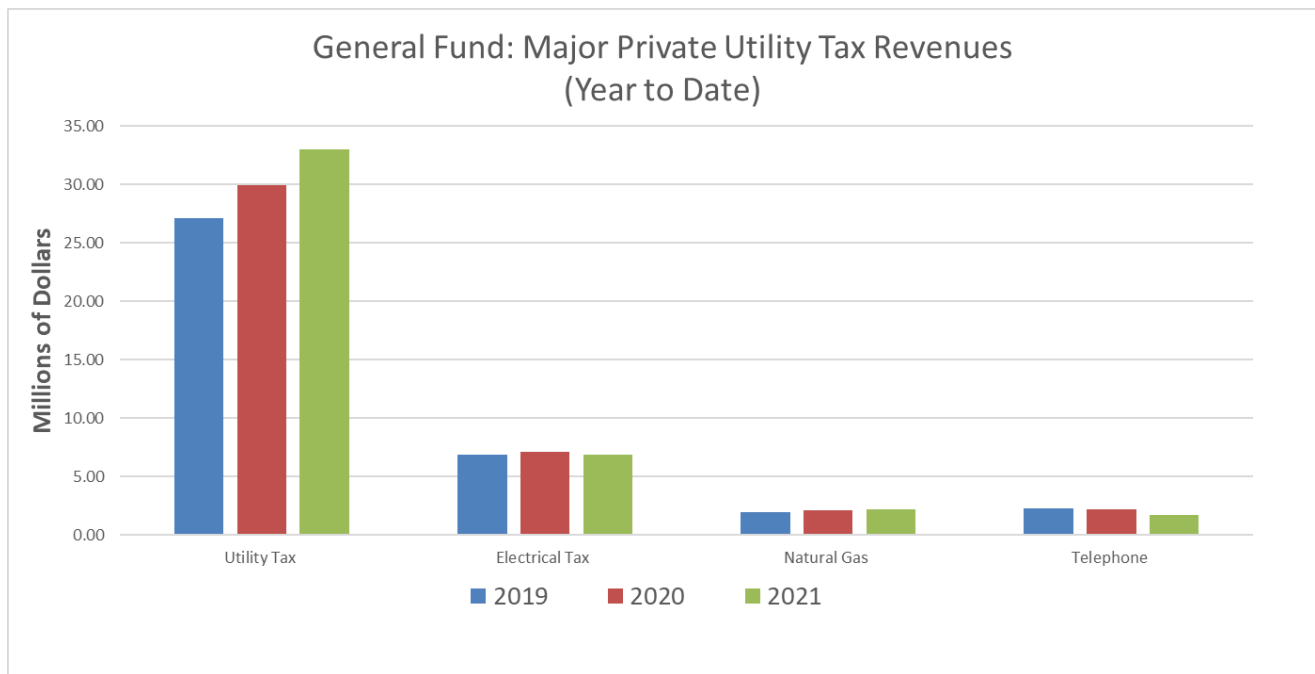


Chart No. 16 – General Fund: Major Private Utility Tax Revenues

Water, Sewer, Storm Water and Solid Waste Taxes

The City Water, Sewer, and Storm Water Utility tax was increased to 28.9% on January 1, 2020, to fund increased Police staffing and related services.

Revenue funding City-owned utilities has increased over the years due to a growing customer base as well as the underlying rate increases. The underlying water, sewer, and drainage utility rates had increases annually in recent years to keep up with inflation and the needs of the outdated infrastructure. The rates were also increased to accommodate the additional utility tax for streets and police.

A total of \$33 million in City-owned utilities taxes was collected through the third quarter of 2021.

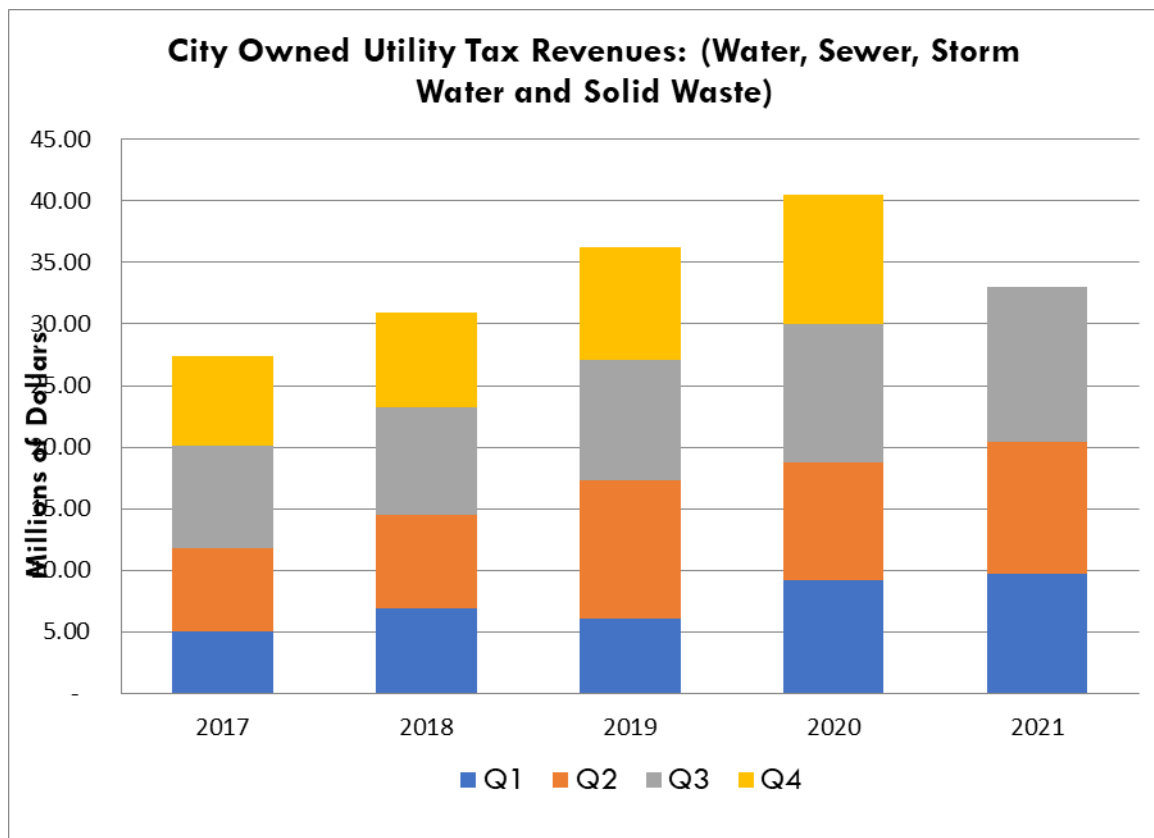


Chart No. 17 – City-Owned Tax Revenues: (Water, Sewer, Storm Water and Solid Waste)

Year-to-date for 2021, residential water revenues generated 50% of total water user revenues, while residential sewer fee revenues made up 48.0% of total sewer user revenues. The makeup of revenues between residential and commercial/industrial has remained fairly stable over the years.

Grant & Entitlement Revenues

The City received its first tranche of American Rescue Plan Act funds from the federal government in the amount of \$16.6 million. Specific criteria and guidelines accompany the use of the funds. As presented in the First Supplemental Workshop, ongoing evaluation and strategic use of the funds is in process. The timeline to incur these funds expires December 31, 2024.

Regarding other grant and entitlement revenue, the City received approximately \$0.8 million in grants to the General Fund through the third quarter of 2021, compared to the budgeted amount of \$3.6 million to be received through the end of the year.

Charges for Goods and Services

The City's largest fee-revenue generating program areas are the Development Review Services and Recreation programs. The third quarter 2021 revenue was \$1.3 million, which is approximately \$700 higher than the revenues collected through the third quarter of 2020. The City's recreation centers continue to be impacted by the pandemic and have not offered programming during the second quarter. Staged reopening for recreation had started to occur in July and by the end of September the centers were welcoming an increased number of customers.

Land Use and Other Planning Permits

From 2008 through 2010, the City experienced a significant decrease in both the number of single-family residential permits issued and in their valuation. Data from 2014 through 2020 indicated a trend of significant annual increases in development activity and the resulting land use fees. Revenue in the third quarter of 2021 were \$1.1 million, which is approximately \$233 thousand higher than 2020's revenue collected through the third quarter.

Recreation Program Fees

The City's recreation fees totaled \$1.2 million in the third quarter of 2021, approximately \$500 thousand higher than those received in 2020. As previously noted, the City's recreation centers experienced considerable revenue declines due to the extended closure of the facilities resulting from the pandemic. And while COVID restrictions are being lifted, the Parks and Recreation department is currently experiencing challenges in hiring, space restrictions, and lost interest of past consumers. These challenges will continue to affect revenue throughout the third quarter of the year.

EXPENDITURES

General Fund expenditures through the third quarter of 2021 totaled \$118 million, or 62% of the year's budget. Expenditures were higher than the third quarter of 2020, which were \$102 million.

By the third quarter of 2021, departments within the General Fund spent \$58.5 million, approximately \$4.1 million more than was spent by the third quarter of 2020. The City paused spending early in 2020 due to the unknown impact of the pandemic on city operations and finances. Additionally, as part of a savings strategy due to the unknown impacts of the pandemic, several vacant positions were held frozen during 2020 in most departments but are now expected to be filled in 2021. Salaries and benefits are higher than the previous years, while supplies and services, internal and intergovernmental expenses are lower than 2020.

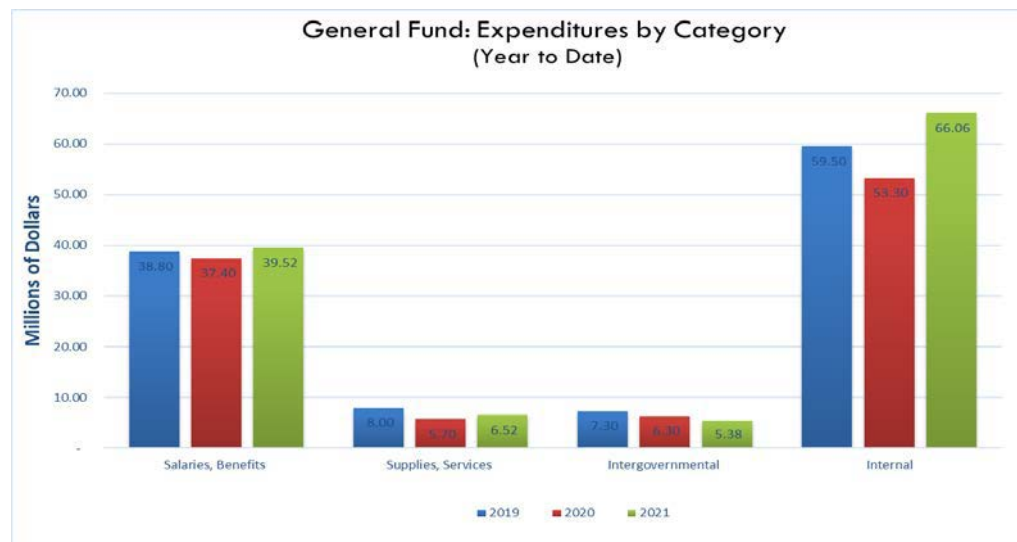


Chart No. 18 – General Fund: Expenditures by Category

- General Fund salaries and benefits expenditures totaled \$39.5 million in the third quarter 2021, higher than 2020, which was \$37.4 million. During 2020, several vacant positions were held intentionally unfilled to generate budget savings for the year.
- General Fund supplies and services category expenditures were \$6.5 million, approximately \$0.8 million above those in 2020.
- Intergovernmental expenditures include payments by the City to other jurisdictions based on inter-local agreements. Intergovernmental expenditures reached \$5.4 million in the third quarter of 2021. This category, beginning with 2019, excludes support to Fire, Street, and other funds. Due to a methodology change, those transfers are now grouped in the "Interfund" category.
- Internal expenditures include transfers between City funds. For example, General Fund's support of Fire, Street, CVTV, and other funds, as well as cost of internal services, such as Grounds and Facilities Maintenance, Finance, HR, IT, Risk, and Equipment Services. Interfund transfers were previously included with Intergovernmental expenditures. For the third quarter of 2021, interfund expenses were at \$66 million, approximately \$7 million above comparable expenses in 2020.

- Capital expenses were \$.3 million for the third quarter. Expenses in this category for 2020 were zero, and due to the immateriality of the amounts and comparison, are not included within the graph.

Cash Balance

- The General Fund operating cash balance was \$80.7 million at the end of September 2021. The balance was \$4.8 million more than the cash balance at the end of September 2020.
- In addition to the operating cash balance, the General Fund had an emergency reserve totaling \$14.1 million at the end of September 2021, compared to \$13.9 million at the end of September 2020. The Council updated the emergency reserve balance financial policy in 2012, requiring that the emergency reserve balance equals 7.0% of actual external revenues in the preceding fiscal year for the General, Street, and Fire Funds. These funds are intended to be used only for extraordinary events, such as natural disasters.

Fund Balance

- The cash balance represents a snapshot at a particular point in time, while the fund balance factors in revenues and expenditures that are anticipated to occur by the end of the year, as well as the accounting entries that have no bearing on cash.
- The total fund balance in the General Fund at the end of 2020 was \$94.7 million, according to the City's unaudited financial statements, significantly higher than the 2019 ending balance of \$80 million. The balance is composed of the Non-spendable (\$1.2 million), Restricted, Committed, Assigned, and Unassigned balances. The Restricted balance of \$0.2 million represents grant revenue received in advance of expenditures in VPD. The Committed balance of \$18.4 million represents reserves in accordance with the City Financial Policies, including the City Emergency reserve of \$14 million and the Revenue Stabilization reserve of \$4.4 million. The Assigned balance represents the Columbia Arts Center capital reserve of \$0.9 million.
- The balance pays for the ongoing operations of the General Fund when incoming seasonal revenues are not sufficient to cover expenses. It further eliminates the need for short-term borrowing. The Unassigned balance contains \$36.4 of Working Capital to ensure sufficient cash flow in the fund; \$5.5 million in compensated balances. The remaining \$30 million portion of the balance was determined to be un-designated at the end of 2020. The 2021-2022 Budget anticipates utilizing \$14 million of that balance over the biennium on one time and capital projects.

Street Fund

- Street Fund expenditures in the third quarter of 2021 were \$10.8 million, approximately \$1.3 million above the 2020 expenditures. The pandemic caused delays in a number of street projects in 2020. Those are anticipated to be made up in 2021.
- Street Fund revenues in the third quarter of 2021 totaled \$3.4 million, on par with the comparable 2020 revenue. Beginning in 2018, REET revenue is being received by the Operating Street Initiatives Fund (Fund 103) to better match the consolidated Pavement Management Program, which was moved to the same fund for the ease of operations.
- Motor Vehicle Fuel Tax (MVFT) revenues totaled \$2.5 million in the third quarter of 2021, approximately \$250 thousand higher than those in 2020. This revenue source is a set tax per gallon that does not depend on the price of gasoline. The significant nation-wide increase in gasoline prices over the past two years has resulted in declining gasoline consumption.
- Below is a pictorial representation of the Street fund's expenditures, revenues, and fund balance, and that of the Street Initiatives fund. The Street Initiatives fund primarily represents an increased level of street programming resulting from new revenues specifically increased for that purpose. The only exception to this is the Pavement Management program. The existing program was consolidated into the Street Initiatives fund with accompanying funding for the Real Estate Excise Tax and the General fund to ease the administration of program management. Additional information about the Street Initiatives program and funding is outlined below.
 - During 2015, a six-month extensive public process took place to determine the desired level of services in the city street and right-of-way maintenance program. It also decided whether additional sources would be most appropriate to fund any desired enhancements in the service level. The recommendations prepared by the Commission were accepted and acted upon by City Council, resulting in new/increased revenues being directed to Streets to fund the desired operating and capital outcomes. The ultimate anticipated results of this initiative are, among other things, an improvement in the condition of City streets from the current "fair" to "good" over a period of twenty years, reconstruction of a major arterial every two years, and improved maintenance of right-of-ways.

Following is a link to the specific set of recommendations:

http://www.cityofvancouver.us/sites/default/files/fileattachments/public_works/page/12554/streets_funding_commission_recommendation_final.pdf

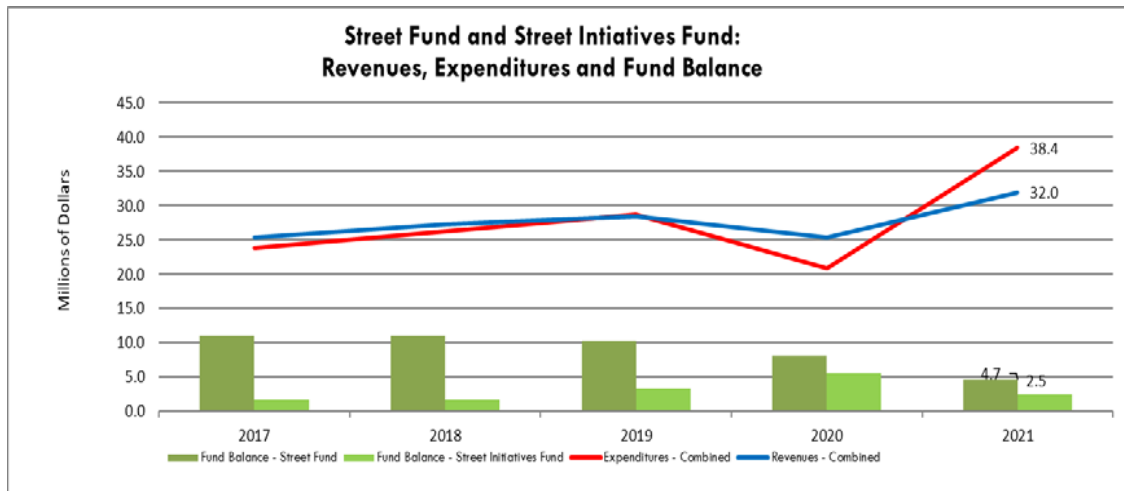


Chart No. 19 – Street Fund and Street Initiatives Fund: Revenues, Expenditures, and Fund Balance

Real Estate Excise Tax (REET)

- A Real Estate Excise Tax (REET) of one-quarter of 1.0% of the selling price is imposed on each sale of real property in the corporate limits of the City. In the past, this tax was deposited into the Street Fund. Beginning in 2018, however, it has been deposited into the Street Initiative fund and is restricted to financing preservation of the City's street system. The City also collects an additional one-quarter of 1.0% of the selling price in REET for Parks and Transportation capital.
- REET revenue increased rapidly in 2004-2006, fueled by a favorable real estate market and increasing home prices. REET revenues declined significantly through 2010 after the housing bubble in 2005 and 2006. Since 2011, collections have been increasing. Real estate activity remains very upbeat and collections in 2019 and 2020 surpassed historical highs in this revenue source.
- A total of \$4.9 million in REET revenue was received through the third quarter of 2021, compared to \$2 million received in 2020. The graph below demonstrates the fluctuations in REET collections since 2017.

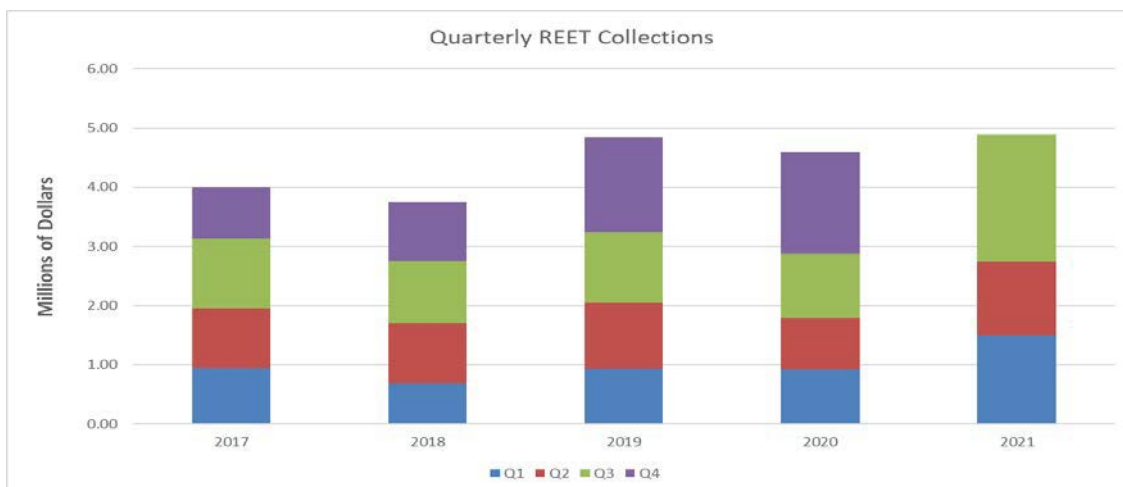
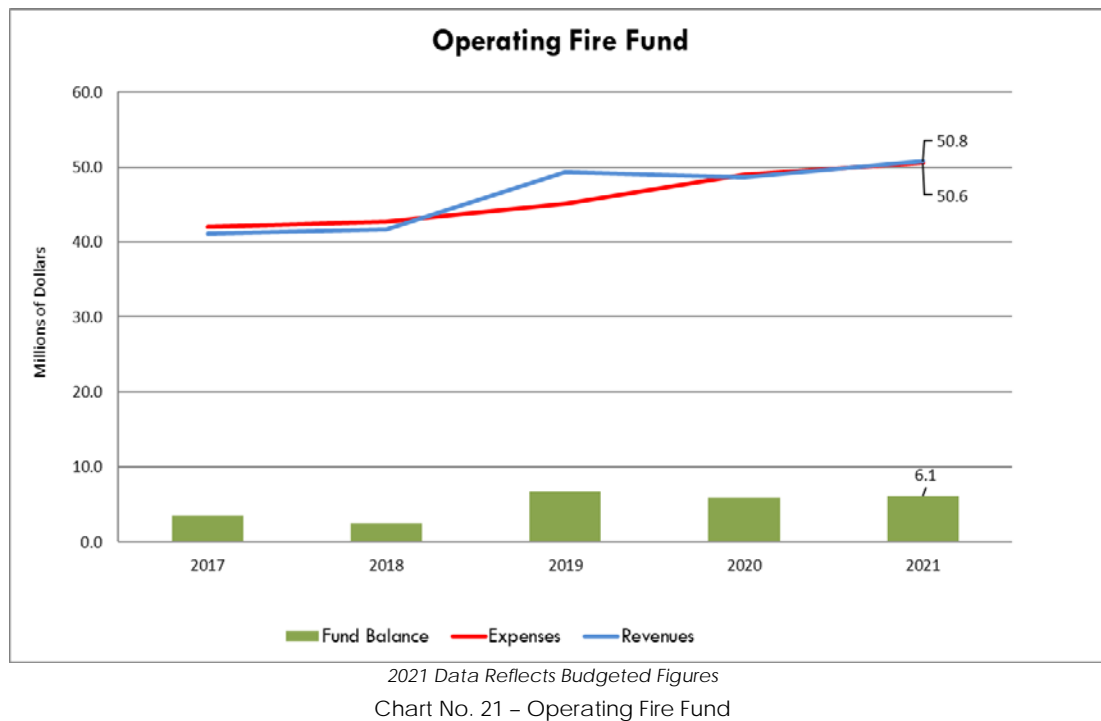


Chart No. 20 – Quarterly REET Collections

Consolidated Fire Fund

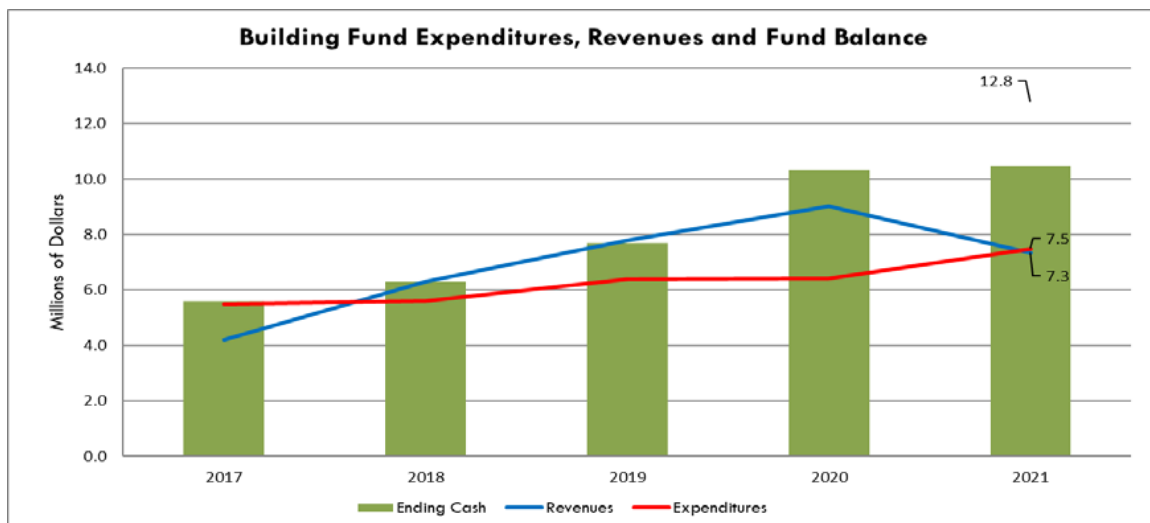
The City has an Operating Fire Fund and a Capital Fire Fund. The Capital Fire Fund contains budget and cash for vehicle replacements and purchases. The Operating Fire Fund fully supports the Capital Fire Fund. The graph below represents the Operating Fire Fund's financial information.

Operating Fire Fund revenues through the third quarter of 2021 is \$0.4 million (exclusive of General Fund and the Fire District 5 transfers) on par with collections in 2020. Total Fire operating expenditures through third quarter of 2021 were \$34.4 million, or 49% of budget, and \$1.6 million higher than those in 2020.



Building Inspection Fund

- Building review and inspection fee revenues received through the third quarter of 2021 totaled \$7.4 million, \$1.2 million higher than those in 2020.
- Building Fund expenditures through the third quarter of 2021 totaled \$4.4 million, on par with those in 2020.
- The fund balance in the Building fund targets funding for 18 months of permitting activity after revenue is collected and the replacement cost of the Infor and other software systems to ensure sufficient funding exists at the end of their useful lives. Fees and valuation tables were increased to start building the fund's balance, which has continuously declined over several prior years. The projected fund balance at the end of 2020 should cover approximately 18 months of permitting activity.



Note: Data for 2021 represents budgeted figures

Chart No. 22 – Building Fund Expenditures, Revenues and Fund Balance

Parking Fund

- Parking revenues in the third quarter totaled \$2.6 million, compared to \$2.2 million received by the third quarter of 2020. Expenditures in the fund totaled \$2.6 million, approximately \$800 thousand higher than those in 2020. Year 2020 revenues were significantly impacted by the pandemic. The parking fund is no longer supported by the General Fund.
- Parking fund sold one of its parking structures, the Columbian Park Garage in 2021, generating \$3.5 million.
- Parking fund cash was at \$4.5 million at the end of 2020 and is anticipated to reach \$9 million at the end of 2021.

Utility Operations

Operating transfers between the Water, Sewer and Storm Water funds are included in the accompanying **Attachment A**, per budget requirements. These transfers are generally eliminated when quarterly financial statements are prepared. Please call (360)487-8441 to receive a copy of the detailed financial statements for the Utility Funds.

Water

- Water sale revenues totaled \$35.8 million through the third quarter of 2021, compared to \$31.3 million received through the third quarter of 2020, representing a 14% increase in revenues. The increase is largely due to the inflationary rate increases and the 2020.
- Water fund expenditures during third quarter of 2021 totaled \$28.8 million, approximately \$2 million above those in the third quarter of 2020.

Sewer

- Fee revenues in the Sewer Fund were \$39.3 million in the third quarter of 2021, \$2 million higher than in the third quarter of 2020. Sewer rates experienced inflationary increases in 2021.
- Sewer expenditures during the third quarter of 2021 totaled \$26 million, approximately \$3 million below those in the third quarter of 2020.

Storm Water

- A total of \$15.4 million in storm water fee revenue was received by the third quarter of 2021, approximately \$1.1 million higher than the 2020 comparable revenues. In 2021, the rates had an inflationary increase.
- Overall, the expenditures in the Storm Water fund were \$12.3 million, \$0.4 million higher than those in the third quarter of 2020.

Internal Service Funds

Equipment Services Operating and Capital Funds

A total of \$4.8 million was spent by Equipment Services on operating activities in the third quarter of 2021, comparable to 2020. The ER&R Capital fund spent \$0.8 million through the third quarter of 2021, \$2.4 million below purchases of the third quarter of 2020, or 13% of the budget for the year. The amount spent so far represents the City's attempt to replace the vehicles that are at or beyond their useful lives. The vehicle purchase scheduling was impacted by the pandemic and vehicle availability.

Technology ER&R Fund

A total of \$0.9 million, was spent on technology and software replacement in the third quarter of 2021, compared to approximately \$2.6 million spent in the third quarter of 2020.

Internal Administrative Services Fund

A total of \$13.7 million was spent by HR, Finance, IT and Civil Legal in the third quarter of 2021, approximately 62% of the budget for the year and \$2.7 million above comparable expenditures from 2020. A number of positions were held vacant during 2020 but are being filled in 2021.

Risk Fund

Approximately \$3.1 million was spent in the third quarter of 2021, which was \$1.6 million lower than the third quarter of 2020.

Benefits and Self-Insured Health Insurance Funds

A total of \$16.9 million was spent on benefits through the third quarter of this year, including health insurance, approximately 67% of the budget for the year.

IV. Outstanding Debt

At the end of the third quarter of 2021, the City had around \$55 million of general obligation (G.O.) debt outstanding. General obligation debt is backed by the full faith and credit of the City and by general taxes. The weighted-average interest rate for the City's general obligation debt is 2.07%.

A complete list of the City's outstanding debt is included in Attachment C.

V. Investments

Market Conditions

- The Federal Reserve is committed to using its full range of tools to support the U.S. economy in this challenging time, thereby promoting its maximum employment and price stability goals.
- With progress on vaccinations and strong policy support, indicators of economic activity and employment have continued to strengthen. The sectors most adversely affected by the pandemic have shown improvement but have not fully recovered. Inflation has risen, largely reflecting transitory factors. Overall financial conditions remain accommodative, in part reflecting policy measures to support the economy and the flow of credit to U.S. households and businesses.
- The path of the economy continues to depend on the course of the virus. Progress on vaccinations will likely continue to reduce the effects of the public health crisis on the economy but risks to the economic outlook remain.
- The Committee seeks to achieve maximum employment and inflation at the rate of 2 percent over the longer run. With inflation having run persistently below this longer-run goal, the Committee will aim to achieve inflation moderately above 2 percent for some time so that inflation averages 2 percent over time and longer-term inflation expectations remain well anchored at 2 percent. The Committee expects to maintain an accommodative stance of monetary policy until these outcomes are achieved. The Committee decided to keep the target range for the federal funds rate at 0 to 1/4 percent and expects it will be appropriate to maintain this target range until labor market conditions have reached levels consistent with the Committee's assessments of maximum employment and inflation has risen to 2 percent and is on track to moderately exceed 2 percent for some time. In light of the substantial further progress the economy has made toward the Committee's goals since last December, the Committee decided to begin reducing the monthly pace of its net asset purchases by \$10 billion for Treasury securities and \$5 billion for agency mortgage-backed securities. Beginning later this month, the Committee will increase its holdings of Treasury securities by at least \$70 billion per month and of agency mortgage-backed securities by at least \$35 billion per month. Beginning in December, the Committee will increase its holdings of Treasury securities by at least \$60 billion per month and of agency mortgage-backed securities by at least \$30 billion per month. The Committee judges that similar reductions in the pace of net asset purchases will likely be appropriate each month, but it is prepared to adjust the pace of

purchases if warranted by changes in the economic outlook. The Federal Reserve's ongoing purchases and holdings of securities will continue to foster smooth market functioning and accommodative financial conditions, thereby supporting the flow of credit to households and businesses.

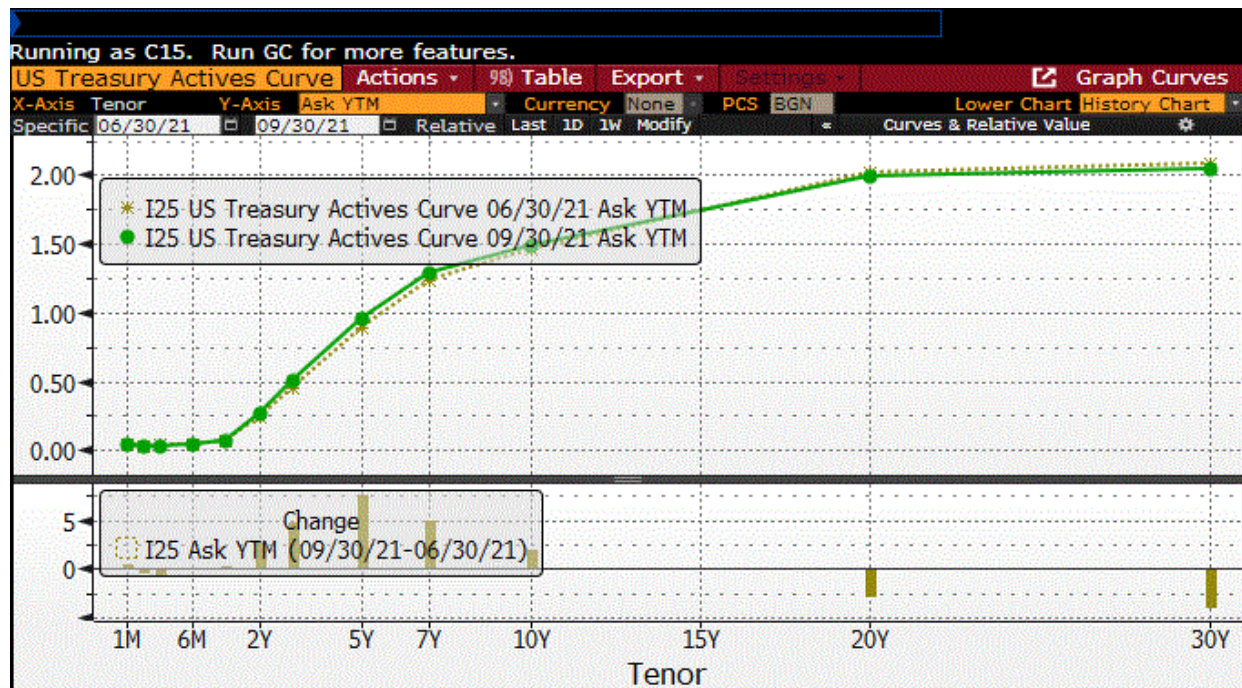


Chart No. 23 – U.S. Treasury Activities Curve

Investment Performance

The average amount invested during the third quarter of September 2021 was \$521 million compared to \$434 million on September 2020. The portfolio had a weighted average yield of 0.21% year-to-date, which is a 6-basis point higher than the projected annual yield of .15% for 2021. The projected yield is based upon the blended yield between existing rates and expected market rates when new investments are purchased during the year. The year-to-date yield is 9 bps higher than the State Investment Pool, which had an average yield of 0.11%. The State Pool has a weighted average maturity of 50 days. The City's investment portfolio weighted average maturity is approximately ten months. Longer-term portfolio yields will underperform shorter-term portfolio yields in a rising interest rate environment. Interest revenue distributed through the third quarter of 2021 to all funds is approximately \$758 thousand compared to \$2.8 million during the same period of 2020.

The City's investment portfolio profile is detailed in Attachment D.

VI. Interfund Loans

In 2003, Council passed an ordinance giving the City Treasurer the authority to make interfund loans to meet the short-term liquidity and cash flow needs of the City's various funds. The ordinance requires the City Treasurer to provide a quarterly report to City Council showing the amount of all interfund loans outstanding and the repayment plan for those loans. During 2021 there was one Interfund loan with an outstanding balance at the end of September 2021.

Reporting Quarter >>>

Third

Reporting Year >>>

2021

Reporting Date >>>

09/30/21

City of Vancouver

Outstanding Interfund Loans

Through Third Quarter 2021

| Fund | Description | Balance Outstanding 09/30/21 | Lending Fund | Interest Rate | Interest Expense Paid in 2021 | Repayment Plan |
|--|------------------------------------|------------------------------------|--------------|------------------|-------------------------------------|----------------|
| 129 | Affordable Housing Local Sales Tax | \$ 2,500,000.00 | | 0.17% | \$ 2,608.80 | |
| 108 | CDBG | - | | 0.17% | \$ 116.49 | |
| Total Outstanding Interfund Loan Balance | | 2,500,000.00 | | | | |

Chart No. 24 – Interfund Loans

Third Quarter Financial Report
Expenditures by Fund

Attachment A

| Expenditures | Actuals Last Year | Actuals Last Year (PTD) | % of Year End | Budget Current Year | Actuals (Current) | % of Budget |
|---|--------------------------|--------------------------------|----------------------|----------------------------|--------------------------|--------------------|
| General Fund | | | | | | |
| City Council | 644,816 | 465,198 | 72% | 907,724 | 521,212 | 57% |
| City Manager's Office | 4,429,594 | 3,153,717 | 71% | 6,618,987 | 3,452,343 | 52% |
| Legal Services | 3,146,178 | 2,113,471 | 67% | 3,750,416 | 2,340,325 | 62% |
| Community Economic Development | 6,963,035 | 4,674,716 | 67% | 11,875,940 | 5,006,674 | 42% |
| Parks, Trails, & Natural Resources | 8,297,124 | 5,027,432 | 61% | 11,398,703 | 6,455,564 | 57% |
| Recreation Services | 2,945,078 | 2,214,782 | 75% | 6,515,606 | 2,398,839 | 37% |
| Cultural Services | 0 | 0 | 0% | 328,251 | 67,578 | 21% |
| Police | 54,827,904 | 36,621,327 | 67% | 61,021,283 | 38,240,735 | 63% |
| Subtotal Non-Gen. Governmental | 81,253,728 | 54,270,643 | 67% | 102,416,910 | 58,483,270 | 57% |
| <i>General Governmental</i> | | | | | | |
| Child Justice Center Support | 462,648 | 346,986 | 75% | 400,000 | 353,421 | 88% |
| City Cable Programming | 515,000 | 386,250 | 75% | 515,000 | 386,250 | 75% |
| Fire District #6 | 0 | 0 | 0% | 0 | 0 | 0% |
| Emergency Mgmt (CRESA) | 220,484 | 154,262 | 70% | 222,635 | 150,812 | 68% |
| Air Pollution Control Authority | 97,005 | 97,005 | 100% | 95,936 | 97,809 | 102% |
| Humane Society | 247,065 | 170,330 | 69% | 400,000 | 148,850 | 37% |
| Animal Control | 244,980 | 183,735 | 75% | 350,200 | 231,399 | 66% |
| Alcoholism Support | 53,107 | 0 | 0% | 68,000 | 0 | 0% |
| Regional Transp Council | 48,901 | 48,901 | 100% | 48,000 | 48,901 | 102% |
| Election Support | 191,148 | (0) | 0% | 350,000 | 0 | 0% |
| AWC, Chamber of Commerce Memberships | 88,765 | 88,765 | 100% | 90,000 | 90,668 | 101% |
| Opportunity Reserve | 118,031 | 92,998 | 79% | 86,513 | 0 | 0% |
| Miscellaneous | 2,814,256 | 1,034,196 | 37% | 10,659,377 | 5,790,147 | 54% |
| Real Estate Transactions | 12,499,931 | 2,702,386 | 22% | 762,994 | 440,584 | 58% |
| Public Defender | 1,252,717 | 1,019,882 | 81% | 1,422,500 | 1,019,876 | 72% |
| County Jail Costs | 3,762,174 | 1,476,688 | 39% | 3,600,000 | 0 | 0% |
| County Corrections Costs | 1,295,398 | 899,237 | 69% | 1,550,000 | 698,475 | 45% |
| County District Court Costs | 1,037,030 | 564,960 | 54% | 1,600,000 | 456,754 | 29% |
| General Obligation Debt Payment | 3,720,010 | 642,007 | 17% | 3,104,469 | 977,164 | 31% |
| General Govt Support | 3,631,047 | 1,356,556 | 37% | 3,510,298 | 2,782,345 | 79% |
| Street Support (formerly in General Support) | 14,764,558 | 13,589,160 | 92% | 17,999,110 | 16,950,557 | 94% |
| Fire Support (formerly in General Support) | 33,010,378 | 22,417,026 | 68% | 38,016,791 | 27,321,819 | 72% |
| LEOFF Pension Support (formerly in General Support) | 4,875,265 | 1,218,816 | 25% | 2,500,000 | 1,875,000 | 75% |
| Celebrate Freedom | 0 | 0 | 0% | 170,000 | 10,000 | 6% |
| Subtotal General Governmental | 84,949,899 | 48,490,147 | 57% | 87,521,823 | 59,830,830 | 68% |
| General Fund Total | 166,203,627 | 102,679,028 | 62% | 189,938,733 | 118,314,030 | 62% |
| Special Revenue Funds | | | | | | |
| Street | 13,471,988 | 9,275,548 | 69% | 20,044,090 | 10,818,244 | 54% |
| Street Initiative- NEW Fund | 7,414,612 | 3,898,133 | 53% | 18,384,652 | 13,044,414 | 71% |
| Fire Operating Fund | 48,943,743 | 32,792,527 | 67% | 50,567,997 | 34,352,933 | 68% |
| Fire Capital Fund | 838,674 | 804,739 | 96% | 3,451,206 | 1,377,928 | 40% |
| AMR Compliance Fund | 840,766 | 548,164 | 65% | 810,386 | 600,948 | 74% |
| Drug Enforcement and Investigative Funds | 248,887 | 91,334 | 37% | 373,364 | 110,435 | 30% |
| Community Development Block Grant | 1,976,464 | 1,109,250 | 56% | 7,662,806 | 2,029,542 | 26% |
| Tourism | 1,337,504 | 838,359 | 63% | 3,816,846 | 860,081 | 23% |
| Affordable Housing | 5,866,706 | 2,948,606 | 50% | 6,066,341 | 3,902,766 | 64% |
| Criminal Justice/LLEBG | 200,256 | 2,292 | 1% | 301,941 | 3,944 | 1% |
| Real Estate Excise Tax | 1,831,891 | 260,979 | 14% | 2,936,260 | 292,830 | 10% |
| Transportation Special Revenue | 1,951,856 | 389,564 | 20% | 3,484,031 | 396,938 | 11% |
| Parks & Recreation Special Revenue | 33,225 | 288 | 1% | 0 | 0 | 0% |
| Downtown Initiatives | 111,076 | 80,466 | 72% | 457,942 | 119,867 | 26% |
| VNHR Properties | 512,463 | 111,419 | 22% | 786,883 | 223,560 | 28% |
| Senior Messenger | 264,841 | 189,208 | 71% | 427,533 | 427,532 | 100% |
| Parkhill Cemetery Improvement Fund | 3,174 | 514 | 16% | 162,331 | 17,011 | 10% |
| TIF Funds | 855,760 | 378,064 | 44% | 3,402,678 | 347,364 | 10% |
| PIF Funds | 2,512,571 | 83,108 | 3% | 5,812,935 | 458,253 | 8% |
| SIF Funds | 6,584,306 | 0 | 0% | 5,690,530 | 0 | 0% |

Attachment A

| Expenditures | Actuals Last Year | Actuals Last Year (PTD) | % of Year End | Budget Current Year | Actuals (Current) | % of Budget |
|--|--------------------------|--------------------------------|----------------------|----------------------------|--------------------------|--------------------|
| Affordable Housing Local Sales Tax Fund | 0 | 0 | 0% | 2,500,000 | 2,502,609 | 100% |
| Affordable Housing State Sales Tax Credit Fund | 0 | 0 | 0% | 0 | 6,957 | 0% |
| American Rescue Plan Act Fund | 0 | 0 | 0% | 0 | 0 | 0% |
| Debt Service Funds | | | | | | |
| G O Debt Service Fund | 15,726,966 | 9,610,393 | 61% | 25,347,542 | 19,697,569 | 78% |
| L I D Debt Fund | 11,675 | 11,675 | 100% | 5,225 | 5,225 | 100% |
| Capital Funds | | | | | | |
| 2011 Bond Capital Fund - Waterfront | 331,451 | 189,784 | 57% | 0 | 0 | 0% |
| Transportation Capital Fund | 9,955,210 | 7,246,485 | 73% | 16,862,111 | 3,102,501 | 18% |
| Capital Streets Initiative Fund | 1,274,780 | 729,736 | 57% | 8,493,300 | 1,045,568 | 12% |
| Fire Acquisition Fund | 481,740 | 227,119 | 47% | 13,575,720 | 1,880,192 | 14% |
| Capital Improvement Fund | 2,131,759 | 748,477 | 35% | 19,912,070 | 1,714,958 | 9% |
| VNHR Property Capital | 154,628 | 34,757 | 22% | 1,057,257 | 354,286 | 34% |
| 2015 Bond Capital Fund - VNHR | 0 | 0 | 0% | 0 | 0 | 0% |
| Parks Construction Fund (Capital Projects only) | 4,114,900 | 2,248,686 | 55% | 8,799,673 | 969,647 | 11% |
| City Tree Reserve Fund | 31,306 | 24,616 | 79% | 121,342 | 38,554 | 32% |
| Drainage Construction Fund | 768,663 | 531,789 | 69% | 3,211,448 | 844,143 | 26% |
| Systems Development Reserves | 3,000,000 | 0 | 0% | 2,550,000 | 0 | 0% |
| Water Construction Fund | 19,757,285 | 7,291,514 | 37% | 33,092,532 | 11,770,516 | 36% |
| SCIP Fund | 995,910 | 0 | 0% | 900,000 | 93,251 | 10% |
| Utility Customer Assistance | 29,987 | 21,189 | 71% | 230,000 | 52,271 | 23% |
| Water Revenue Bond Debt Service Fund | 78,720 | 78,720 | 100% | 0 | 0 | 0% |
| Sewer Revenue Bond Debt Service Fund | 3,857,280 | 3,857,280 | 100% | 0 | 0 | 0% |
| Debt Service Reserves | 3,272,179 | 3,272,179 | 100% | 0 | 0 | 0% |
| Sewer System Development | 3,000,000 | 0 | 0% | 3,720,000 | 0 | 0% |
| Sewer Construction Fund | 12,486,861 | 6,645,459 | 53% | 25,399,344 | 5,105,197 | 20% |
| Enterprise Funds | | | | | | |
| Storm Water | 18,402,673 | 11,944,823 | 65% | 21,248,997 | 12,341,372 | 58% |
| Water | 39,042,212 | 26,961,240 | 69% | 52,145,762 | 28,807,572 | 55% |
| Sewer | 46,205,220 | 28,931,933 | 63% | 56,522,165 | 26,002,481 | 46% |
| Building Inspection | 6,405,721 | 4,332,756 | 68% | 7,482,448 | 4,388,815 | 59% |
| Solid Waste | 2,092,933 | 1,256,387 | 60% | 2,523,860 | 1,160,438 | 46% |
| Parking | 3,354,912 | 1,742,685 | 52% | 5,389,527 | 2,577,933 | 48% |
| Tennis Center | 1,031,909 | 226 | 0% | 752,992 | 451,430 | 60% |
| Airpark | 2,048,312 | 7,206 | 0% | 1,799,875 | 556,846 | 31% |
| Internal Service Funds | | | | | | |
| Facilities Asset Mgmt & Replacement Reserve Fund | 1,061,853 | 306 | 0% | 5,161,332 | 822,026 | 16% |
| Equipment Services Operations Fund | 6,601,469 | 4,462,569 | 68% | 7,287,018 | 4,809,194 | 66% |
| Equipment ER&R Capital | 4,169,557 | 3,406,341 | 82% | 7,767,294 | 976,192 | 13% |
| Technology ER&R | 3,386,259 | 2,687,618 | 79% | 1,977,265 | 935,868 | 47% |
| Grounds & Facilities Services Fund | 11,831,708 | 7,507,647 | 63% | 15,388,880 | 8,178,964 | 53% |
| Risk Fund | 7,326,282 | 4,770,810 | 65% | 7,019,171 | 3,136,300 | 45% |
| Internal Administrative Services Fund | | | | | | |
| Finance | 5,994,329 | 3,938,461 | 66% | 6,956,747 | 4,415,557 | 63% |
| Information Technology | 5,805,652 | 4,234,463 | 73% | 9,369,130 | 6,334,885 | 68% |
| Human Resources | 2,188,106 | 1,548,693 | 71% | 3,164,001 | 1,572,797 | 50% |
| General Services | 0 | 0 | 0% | 0 | 0 | 0% |
| Legal: Civil | 1,782,120 | 1,251,606 | 70% | 2,570,698 | 1,390,224 | 54% |

Attachment A

| Expenditures | Actuals Last Year | Actuals Last Year (PTD) | % of Year End | Budget Current Year | Actuals (Current) | % of Budget |
|--|------------------------------|------------------------------------|--------------------------|--------------------------------|------------------------------|--------------------|
| Total Internal Administrative Services Fund | 15,770,208 | 10,973,223 | 70% | 22,060,575 | 13,713,463 | 62% |
| Benefits Fund | 11,008,092 | 8,175,183 | 74% | 13,158,221 | 8,502,154 | 65% |
| Self Insured Health Insurance | 15,285,974 | 12,483,577 | 82% | 11,920,882 | 8,377,467 | 70% |
| Agency Funds | | | | | | |
| SWAT Team | 249,578 | 157,947 | 63% | 338,955 | 118,221 | 35% |
| Police Pension | 928,983 | 695,313 | 75% | 1,137,402 | 808,197 | 71% |
| Fire Pension | 1,185,710 | 895,645 | 76% | 1,435,180 | 916,656 | 64% |
| Cable TV | 1,225,523 | 850,006 | 69% | 1,510,380 | 714,127 | 47% |
| PEG | 861,924 | 234,315 | 27% | 904,288 | 200,848 | 22% |
| Transportation Benefits District | 2,000,000 | 2,000,000 | 100% | 2,930,000 | 2,530,000 | 86% |

Notes:

1. This report was prepared using the methodology prescribed under the basis of budgeting, depreciation, appreciation costs have been excluded
2. Operating transfers between funds are included within this report
3. In 2015, Finance, Information Technology, Human Resources and General Services moved from General Fund to an Internal Administrative Ser

Third Quarter Financial Report
City of Vancouver Revenues by Fund

Attachment B

| Revenue | YE 2020 | 2020 Sep | % of Year End | 2021 Budget | 2021 Sep | % of Budget |
|--|--------------------|--------------------|---------------|--------------------|--------------------|-------------|
| General Fund | | | | | | |
| <u>Tax Revenue</u> | | | | | | |
| Property Tax | 51,105,020 | 30,145,392 | 59% | 52,299,887 | 31,505,028 | 60% |
| Sales Tax | 46,979,033 | 34,153,783 | 73% | 49,754,976 | 42,751,759 | 86% |
| Electrical Tax | 8,416,780 | 7,114,867 | 85% | 8,458,206 | 6,851,932 | 81% |
| Natural Gas | 2,518,004 | 2,105,326 | 84% | 2,479,347 | 2,220,280 | 90% |
| Telephone | 2,832,595 | 2,196,819 | 78% | 2,900,000 | 1,734,557 | 60% |
| Cable Franchise Fee | 1,903,829 | 1,423,098 | 75% | 1,800,000 | 1,453,184 | 81% |
| Water/Sewer/Storm Water | 32,260,846 | 23,987,304 | 74% | 33,328,558 | 26,463,820 | 79% |
| Solid Waste Utility Tax | 8,272,183 | 5,909,475 | 71% | 7,677,529 | 6,530,634 | 85% |
| Gambling and Leasehold Taxes | 693,438 | 508,024 | 73% | 700,000 | 608,839 | 87% |
| Subtotal Tax Revenues | 154,981,729 | 107,544,088 | 69% | 159,398,503 | 120,120,032 | 75% |
| Business Licenses | 812,396 | 807,246 | 99% | 837,280 | 1,271,181 | 152% |
| Grants & Entitlements | 4,666,374 | 1,079,008 | 23% | 3,590,156 | 821,905 | 23% |
| State Shared Revenues | 4,028,417 | 3,461,402 | 86% | 4,296,263 | 4,412,748 | 103% |
| Parks Contract with Clark County | 49,917 | 39,791 | 80% | 80,000 | 47,409 | 59% |
| <u>Charges for Services</u> | | | | | | |
| Planning Permits | 1,135,321 | 843,871 | 74% | 676,843 | 1,066,902 | 158% |
| Recreation Program Fees | 826,668 | 706,001 | 85% | 1,530,000 | 1,222,169 | 80% |
| Interfund Service Charges | 3,745,064 | 1,977,553 | 53% | 2,326,405 | 957,142 | 41% |
| Other Charges & Services | 483,623 | 418,358 | 87% | 1,191,578 | 1,116,592 | 94% |
| Subtotal Charges for Services | 6,190,675 | 3,945,783 | 64% | 5,724,826 | 4,362,804 | 76% |
| District Court | 1,246,585 | 1,023,162 | 82% | 900,000 | 941,872 | 105% |
| Miscellaneous | 1,328,820 | 987,710 | 74% | 2,200,000 | 2,089,676 | 95% |
| Lease Revenue (short and long-term) | 2,253,389 | 1,701,300 | 75% | 1,808,380 | 2,619,421 | 145% |
| Operating Transfers | 1,500,848 | 1,008,421 | 67% | 1,309,424 | 427,532 | 33% |
| Total General Fund | 177,042,092 | 121,580,853 | 69% | 180,144,833 | 137,114,580 | 76% |
| Street Fund | | | | | | |
| Real Estate Excise Tax | 0 | 0 | 0% | 0 | 0 | 0% |
| Motor Vehicle Fuel Tax | 3,192,309 | 2,228,713 | 70% | 3,400,000 | 2,466,828 | 73% |
| Operating Transfers | 8,692,926 | 6,455,945 | 74% | 12,067,781 | 11,994,446 | 99% |
| Permits and Misc. | 1,663,857 | 1,114,464 | 67% | 1,156,402 | 969,539 | 84% |
| Total Street Fund | 13,549,092 | 9,799,121 | 72% | 16,624,183 | 15,430,813 | 93% |
| Operating Street Initiative Fund | | | | | | |
| Real Estate Excise Tax | 4,586,632 | 2,880,377 | 63% | 4,052,027 | 4,897,785 | 121% |
| Business License Surcharge | 287,874 | 287,254 | 100% | 0 | 347,232 | 0% |
| Operating Transfers | 6,189,632 | 7,133,216 | 115% | 9,859,143 | 10,517,958 | 107% |
| Motor Vehicle Fuel Tax and Misc. | 768,618 | 526,293 | 68% | 1,436,210 | 488,182 | 34% |
| Total Operating Street Initiatives Fund | 11,832,756 | 10,827,140 | 92% | 15,347,380 | 16,251,157 | 106% |
| Operating Fire Fund | | | | | | |
| Grant Revenue | 2,970,190 | 390,151 | 13% | 1,162,804 | 383,306 | 33% |
| Operating Transfers | 33,309,873 | 22,545,611 | 68% | 37,094,326 | 27,606,411 | 74% |
| Permit/Other Fees and Misc | 12,385,799 | 6,884,262 | 56% | 12,524,731 | 6,911,286 | 55% |
| Total Operating Fire Fund | 48,665,862 | 29,820,023 | 61% | 50,781,860 | 34,901,003 | 69% |
| Fire Equipment Fund | 1,043,520 | 107,579 | 10% | 1,494,721 | 79,037 | 5% |
| AMR Compliance Fund (New) | 722,575 | 593,838 | 82% | 763,245 | 757,047 | 99% |
| Other Special Revenue Funds | | | | | | |
| Drug Enforcement | 303,387 | 261,914 | 86% | 205,000 | 186,731 | 91% |
| Community Development Block Grant | 1,941,732 | 1,309,752 | 67% | 9,358,508 | 2,065,449 | 22% |
| Tourism | 1,565,733 | 1,137,917 | 73% | 1,555,000 | 1,464,330 | 94% |
| Affordable Housing | 6,074,330 | 3,446,972 | 57% | 10,375,000 | 3,477,184 | 34% |
| Criminal Justice/LLEBG | 568,308 | 357,128 | 63% | 290,000 | 721,184 | 249% |
| Transportation Special Fund | 845,858 | 839,822 | 99% | 1,622,118 | 912,167 | 56% |
| Real Estate Excise Tax - I | 4,455,580 | 2,737,128 | 61% | 3,335,000 | 4,466,957 | 134% |
| Parks & Recreation Special Revenue Fund | 2,928 | 2,862 | 98% | 0 | 0 | 0% |
| Downtown Initiatives | 3,482,583 | 3,459,969 | 99% | 190,000 | 138,892 | 73% |
| VNHR Properties | 591,835 | 217,497 | 37% | 692,800 | 211,582 | 31% |
| Senior Messenger | 233,094 | 190,563 | 82% | 91 | (92) | -101% |
| TIF Funds | 2,248,090 | 1,626,147 | 72% | 1,851,500 | 1,762,974 | 95% |
| PIF Funds | 2,466,881 | 1,767,144 | 72% | 2,678,702 | 2,601,821 | 97% |
| SIF Funds | 6,588,273 | 0 | 0% | 5,707,366 | 0 | 0% |
| Parkhill Cemetery Fund | 38,413 | 23,096 | 60% | 25,000 | 34,499 | 138% |

| Revenue | YE 2020 | 2020 Sep | % of Year End | 2021 Budget | 2021 Sep | % of Budget |
|---|-------------------|-------------------|---------------|-------------------|-------------------|-------------|
| Affordable Housing Local Sales Tax Fund | 0 | 0 | 0% | 2,500,000 | 2,185,050 | 87% |
| Affordable Housing State Sales Tax Credit Fund | 612,649 | 408,269 | 67% | 650,000 | 508,831 | 78% |
| American Rescue Plan Act Fund | 0 | 0 | 0% | 0 | 16,573,667 | 0% |
| Debt Service Funds | | | | | | |
| G O Debt Service Fund | 15,726,966 | 9,610,393 | 61% | 25,424,073 | 19,697,569 | 77% |
| L I D Fund | 14,540 | 2,666 | 18% | 2,500 | 240 | 10% |
| Capital Funds | | | | | | |
| 2011 Bond Capital Fund - Waterfront | 33,124 | 3,201 | 10% | 0 | 0 | 0% |
| Transportation Capital Fund | 10,786,539 | 6,991,568 | 65% | 15,325,933 | 2,515,337 | 16% |
| Capital Streets Initiative Fund (NEW) | 838,560 | 730,359 | 87% | 7,415,000 | 2,876,127 | 39% |
| Capital Improvement Fund | 6,887,679 | 2,152,410 | 31% | 9,465,386 | 7,065,251 | 75% |
| Fire Acquisition Fund | 1,630,340 | 69,900 | 4% | 2,791,846 | 589,538 | 21% |
| VNHR Property Capital | 483,495 | 482,198 | 100% | 708,647 | 360,211 | 51% |
| Parks Construction Fund (Capital Projects only) | 3,147,421 | 675,356 | 21% | 11,139,056 | 2,066,487 | 19% |
| City Tree Reserve Fund | 124,644 | 85,431 | 69% | 120,000 | 61,728 | 51% |
| Drainage Construction Fund | (35,581) | 179,414 | -504% | 2,537,768 | 212,544 | 8% |
| Water/Sewer Capital Reserves | 25,329 | 22,641 | 89% | 0 | 4,200 | 0% |
| Systems Development Reserves | 4,138,940 | 2,965,146 | 72% | 3,545,000 | 4,083,206 | 115% |
| Water Construction Fund | 4,156,426 | 370,702 | 9% | 11,650,000 | 46,121 | 0% |
| SCIP Fund | 703,100 | 491,106 | 70% | 865,000 | 601,561 | 70% |
| Utility Customer Assistance | 233,518 | 19,543 | 8% | 20,000 | 13,187 | 66% |
| Water Revenue Bond Debt Service Fund | 65,891 | 65,594 | 100% | 0 | 0 | 0% |
| Sewer Revenue Bond Debt Service Fund | 3,217,466 | 3,214,096 | 100% | 10,000 | 0 | 0% |
| Debt Service Reserves | 18,772 | 18,094 | 96% | 0 | 1,060 | 0% |
| Sewer System Development | 4,556,751 | 3,321,240 | 73% | 4,508,216 | 4,710,395 | 104% |
| Sewer Construction Fund | 13,193,646 | 37,613 | 0% | 18,610,000 | 7,812 | 0% |
| Enterprise Funds | | | | | | |
| Storm Drainage Fees | 19,429,726 | 13,968,409 | 72% | 20,383,235 | 15,447,355 | 76% |
| Private Capital Contributions | 0 | 0 | 0% | 0 | 0 | 0% |
| Miscellaneous | 648,868 | 554,492 | 85% | 385,360 | 215,858 | 56% |
| Total Storm Water Fund | 20,078,593 | 14,522,902 | 72% | 20,768,595 | 15,663,213 | 75% |
| Water | | | | | | |
| <u>Water Sales</u> | | | | | | |
| Residential Water Sales | 33,937,448 | 25,608,319 | 75% | 31,884,255 | 28,695,145 | 90% |
| Commercial Water Sales | 6,472,190 | 4,817,809 | 74% | 6,640,849 | 5,793,131 | 87% |
| Governmental Water Sales | 1,194,515 | 890,666 | 75% | 1,429,958 | 1,311,571 | 92% |
| Subtotal Water Sales | 41,604,154 | 31,316,794 | 75% | 39,955,062 | 35,799,848 | 90% |
| Private Capital Contributions | 325,440 | 254,713 | 78% | 320,000 | 332,091 | 104% |
| Interfund Transfers | 3,135,028 | 0 | 0% | 3,208,391 | 20 | 0% |
| Indirect Cost Plan Revenue | 1,806,308 | 1,182,059 | 65% | 2,332,663 | 1,462,358 | 63% |
| Miscellaneous | 2,045,547 | 1,691,939 | 83% | 2,865,960 | 1,158,801 | 40% |
| Total Water Fund | 48,916,477 | 34,445,505 | 70% | 48,682,076 | 38,753,117 | 80% |
| Sewer | | | | | | |
| <u>Sewer Charge</u> | | | | | | |
| Residential Sewer Charges | 34,670,780 | 25,909,666 | 75% | 37,912,007 | 27,073,139 | 71% |
| Commercial, Industrial Sewer Charges | 14,038,836 | 10,418,610 | 74% | 14,995,312 | 11,164,987 | 74% |
| Governmental Sewer Charges | 1,359,216 | 1,024,524 | 75% | 1,354,459 | 1,084,559 | 80% |
| Subtotal Sewer Charges | 50,068,833 | 37,352,800 | 75% | 54,261,778 | 39,322,684 | 72% |
| Private Capital Contributions | 228,540 | 131,719 | 58% | 300,000 | 242,807 | 81% |
| Interfund Transfers | (476,972) | 3,800,000 | -797% | 300,000 | 0 | 0% |
| Miscellaneous | 1,176,063 | 904,623 | 77% | 840,860 | 851,781 | 101% |
| Total Sewer Fund | 51,005,575 | 42,198,251 | 83% | 55,702,638 | 40,417,272 | 73% |

| Revenue | YE 2020 | 2020 Sep | % of Year End | 2021 Budget | 2021 Sep | % of Budget |
|--|------------------|------------------|---------------|------------------|------------------|-------------|
| Sewer Cap Contingency Replacement | 63 | 56 | 89% | 0 | 10 | 0% |
| Building Inspection | | | | | | |
| Permits | 8,339,153 | 6,245,794 | 75% | 6,610,000 | 7,429,321 | 112% |
| Interfund Services | 368,118 | 183,864 | 50% | 495,916 | 199,671 | 40% |
| Miscellaneous | 315,196 | 246,547 | 78% | 237,546 | 17,512 | 7% |
| Total Building Fund | 9,022,467 | 6,676,205 | 74% | 7,343,462 | 7,646,504 | 104% |
| Solid Waste | | | | | | |
| Solid Waste Utility Tax | 1,496,738 | 1,013,809 | 68% | 1,708,530 | 1,304,939 | 76% |
| Service Charges-Recycling | 306,587 | 211,580 | 69% | 250,000 | 309,819 | 124% |
| Miscellaneous | 166,585 | 124,493 | 75% | 65,000 | 77,846 | 120% |
| Total Solid Waste Fund | 1,969,911 | 1,349,881 | 69% | 2,023,530 | 1,692,604 | 84% |
| Parking | | | | | | |
| Parking Fines | 304,207 | 222,972 | 73% | 375,000 | 328,837 | 88% |
| Parking Meters & Lots | 2,573,537 | 1,950,466 | 76% | 2,436,223 | 2,231,703 | 92% |
| Operating Transfers | 0 | 0 | 0% | 0 | 3,445,968 | 0% |
| Miscellaneous | 1,268,857 | 238,578 | 19% | 90,000 | 205,250 | 228% |
| Total Parking Fund | 4,146,601 | 2,412,016 | 58% | 2,901,223 | 6,211,758 | 214% |
| Tennis Center | | | | | | |
| Membership Fees | 683,687 | 0 | 0% | 752,992 | 595,970 | 79% |
| Operating Transfers | 0 | 0 | 0% | 0 | 0 | 0% |
| Instruction and Miscellaneous | 347,998 | 2 | 0% | 0 | (144,542) | 0% |
| Total Tennis Center Fund | 1,031,685 | 2 | 0% | 752,992 | 451,428 | 60% |
| Other Enterprise Funds | | | | | | |
| Pearson Airfield | 2,879,457 | 657,679 | 23% | 1,632,607 | 590,528 | 36% |
| Utility Customer Assistance | 233,518 | 19,543 | 8% | 20,000 | 13,187 | 66% |
| Internal Service Funds | | | | | | |
| Facilities Asset Mgmt & Replacement Reserve Fund | 7,957,188 | 695,520 | 9% | 2,250,000 | 1,536,371 | 68% |
| Equipment Services Operations Fund | 7,952,399 | 5,974,398 | 75% | 7,965,223 | 5,285,004 | 66% |
| Equipment Services Capital Fund | 6,245,564 | 1,883,662 | 30% | 7,261,482 | 2,100,472 | 29% |
| Computer Repair & Replacement | 4,183,328 | 1,042,411 | 25% | 2,831,191 | 2,036,136 | 72% |
| Grounds and Facilities Services | 11,815,812 | 7,824,449 | 66% | 15,416,003 | 7,715,206 | 50% |
| Self-Insured Worker's Comp & Liability Fund | 7,421,349 | 2,165,164 | 29% | 7,393,309 | 5,660,600 | 77% |
| Internal Administrative Services Fund | 16,873,479 | 12,703,986 | 75% | 21,684,326 | 12,321,226 | 57% |
| Benefits Fund | 11,408,338 | 8,570,977 | 75% | 12,025,000 | 8,166,219 | 68% |
| Self-Insured Health Insurance Fund | 15,561,289 | 12,106,060 | 78% | 10,891,296 | 10,023,798 | 92% |
| Agency Funds | | | | | | |
| SWAT Team | 255,745 | 207,180 | 81% | 725,893 | 284,059 | 39% |
| Police Pension | 2,090,074 | 525,680 | 25% | 1,000,000 | 764,665 | 76% |
| Fire Pension | 3,138,614 | 1,014,625 | 32% | 1,820,000 | 1,378,200 | 76% |
| Cable TV | 1,202,879 | 617,175 | 51% | 1,237,146 | 763,532 | 62% |
| PEG Capital Support Fund Comcast | 752,351 | 569,202 | 76% | 625,000 | 534,656 | 86% |
| PEG Capital Support Fund Century Link | 0 | 0 | 0% | 0 | 0 | 0% |
| Transportation Benefits District | 5,467,526 | 38,033 | 1% | 2,950,000 | 4,164,427 | 141% |

Notes:

1. This report was prepared using the methodology prescribed under the basis of budgeting
2. Operating transfers between funds are included within this report

City of Vancouver
Outstanding Debt - General Obligation Bonds
Third Quarter 2021

Attachment C

| Issue Date | Purpose | Original Issue Amount | Amount Outstanding | True Interest Cost (TIC) | Final Maturity Date |
|---|---|------------------------------|---------------------------|---------------------------------|----------------------------|
| Jun-11 | To fund Transportation Projects for the Waterfront Access Project | 10,515,000 | 380,000 | 3.93% | 12/1/2021 |
| Jan-12 | To partially refund the 2003 LTGO bond issue for the Firstenburg Community Center | 15,945,000 | 960,000 | 3.26% | 12/1/2021 |
| Dec-12 | To partially refund the 2002 LTGO & Refunding bond issue for VancouverCenter, West Coast Bank, and Street Improvements | 9,515,000 | 6,805,000 | 2.36% | 12/1/2025 |
| Jun-15 | To fund the West Barracks renovations (Vancouver Heritage Bonds) | 1,296,500 | 1,296,500 | 4.33% | 12/1/2028 |
| Jun-15 | To fund the West Barracks renovations and to partially refund the 2005 LTGO, 2006 LTGO, and the 2008 LTGO issued for the East Police Precinct, West Police Precinct, Evidence Building, Fire Station 810, Transportation Projects, and the Marshall CC remodel. | 23,100,000 | 15,620,000 | 2.54% | 12/1/2034 |
| Jun-16 | To Partially refund 2009 LTGO issued for Transportation Projects. | \$ 7,810,000 | \$ 6,340,000 | 1.89% | 12/1/2028 |
| Sep-20 | Partially refund 2010 LTGO issued for 415 City Hall building | \$ 7,045,000 | \$ 6,935,000 | 1.56% | 12/1/2035 |
| Sep-21 | Partially refund 2011 LTGO issued for the Waterfront Access Project | \$ 7,495,000 | \$ 7,495,000 | 1.67% | 12/1/2035 |
| Sep-21 | Partially refund 2012A LTGO issued for the Firstenburg Community Center | \$ 10,040,000 | \$ 10,040,000 | 1.41% | 12/1/2029 |
| Total Outstanding General Obligation Bonds | | | \$ 55,871,500 | | |

**City of Vancouver
Investment Activity
Third Quarter of 2021**
(Dollars in thousands)

| | <u>As of 6/30/2021</u> | <u>Percent of Portfolio</u> | | <u>As of 9/30/2021</u> | <u>Percent of Portfolio</u> | |
|---------------------------------|----------------------------|---------------------------------|--|----------------------------|---------------------------------|--|
| State Investment Pool | \$ 310,205 | 60.7% | | \$ 315,286 | 59.8% | |
| Clark County Investment Pool | \$ - | 0.0% | | \$ - | 0.0% | |
| U.S. Agencies | \$ 161,960 | 31.7% | | \$ 166,971 | 31.7% | |
| Municipal Bonds | \$ 39,052 | 7.6% | | \$ 45,191 | 8.6% | |
| Total by Investment Type | \$ 511,218 | 100.0% | | \$ 527,447 | 100.0% | |

| | <u>As of 6/30/2021</u> | <u>Percent of Portfolio</u> | <u>Cumulative</u> | <u>As of 9/30/2021</u> | <u>Percent of Portfolio</u> | <u>Cumulative</u> |
|------------------------------------|----------------------------|---------------------------------|-------------------|----------------------------|---------------------------------|-------------------|
| Overnight | \$ 310,205 | 60.7% | 60.7% | \$ 315,286 | 59.8% | 59.8% |
| One Month | \$ - | 0.0% | 60.7% | \$ - | 0.0% | 59.8% |
| Two to Six Months | \$ 1,534 | 0.3% | 61.0% | \$ - | 0.0% | 59.8% |
| Six Months to One Year | \$ 10,493 | 2.1% | 63.0% | \$ 10,084 | 1.9% | 61.7% |
| One to Five Years | \$ 188,986 | 37.0% | 100.0% | \$ 202,078 | 38.3% | 100.0% |
| Total by Length of Maturity | \$ 511,218 | 100.0% | | \$ 527,447 | 100.0% | |

| | | | |
|------------------|--|--|------------------|
| 11 Months | | | 10 Months |
|------------------|--|--|------------------|

**Investment Activity
3rd Quarter 2021**

| Issuer | Type of Investment | Transaction Date | Purchase or Deposit | Redemption or Withdrawal | Effective Interest Rate |
|-----------------------------|----------------------------------|-------------------------|----------------------------|---------------------------------|--------------------------------|
| <u>July</u> | | | | | |
| City of Norwalk | Municipal Bonds | 7/29/2021 | 1,175,000.00 | | 0.56% |
| FFCB | Federal Agency Coupon Securities | 7/19/2021 | 5,000,000.00 | | 0.27% |
| Washington State Treasurer* | Local Government Investment Pool | | 17,703,082.33 | 20,000,000.00 | 0.09% |
| | | | 23,878,082.33 | 20,000,000.00 | |
| <u>August</u> | | | | | |
| FHLMC | Federal Agency Coupon Securities | 8/27/2021 | 5,000,000.00 | | 0.35% |
| FNMA | Federal Agency Coupon Securities | 8/24/2021 | | 5,000,000.00 | 0.38% |
| FNMA | Federal Agency Coupon Securities | 8/24/2021 | | 5,000,000.00 | 0.38% |
| Hawaii State | Municipal Bonds | 8/27/2021 | 5,000,000.00 | | 0.57% |
| Washington State Treasurer* | Local Government Investment Pool | | 25,083,524.76 | 17,000,000.00 | 0.09% |
| | | | 35,083,524.76 | 27,000,000.00 | |
| <u>September</u> | | | | | |
| US Treasury N/B | Federal Agency Coupon Securities | 9/23/2021 | 5,000,000.00 | | 0.50% |
| US Treasury N/B | Federal Agency Coupon Securities | 9/23/2021 | 5,000,000.00 | | 0.50% |
| FHLMC | Federal Agency Coupon Securities | 9/27/2021 | | 5,000,000.00 | 0.38% |
| FHLMC | Federal Agency Coupon Securities | 9/27/2021 | | 5,000,000.00 | 0.38% |
| FHLMC | Federal Agency Coupon Securities | 9/22/2021 | | 5,000,000.00 | 0.35% |
| FHLMC | Federal Agency Coupon Securities | 9/22/2021 | | 5,000,000.00 | 0.35% |
| FHLMC | Federal Agency Coupon Securities | 9/7/2021 | 5,000,000.00 | | 0.38% |
| FHLMC | Federal Agency Coupon Securities | 9/27/2021 | | 5,000,000.00 | |
| FHLB | Federal Agency Coupon Securities | 9/24/2021 | 5,000,000.00 | | 0.40% |
| FHLB | Federal Agency Coupon Securities | 9/24/2021 | 5,000,000.00 | | 0.40% |
| FHLB | Federal Agency Coupon Securities | 9/30/2021 | 5,000,000.00 | | 0.50% |
| Washington State Treasurer* | Local Government Investment Pool | | 38,294,590.26 | 39,000,000.00 | 0.09% |
| | | | 68,294,590.26 | 64,000,000.00 | |

* Investments in the County and State Local Government Investment Pools can change daily, therefore no purchase dates are shown and the maturity dates are the last date for each reporting period.

9/30/2021

City of Vancouver Investment Portfolio Including Call Dates

| CUSIP | Investment # | Issuer | Purchase Date | Par Value | Market Value | Book Value | Stated Rate(%) | YTM 360 Equiv.(%) | YTM 365 Equiv.(%) | Days to Maturity | Maturity Date | Call Date |
|---------------|--------------|----------------------------------|---------------|----------------|----------------|----------------|----------------|-------------------|-------------------|------------------|---------------|-------------------|
| WA STATE LGIP | 97000 | Washington State LGIP | | 315,286,120.41 | 315,286,120.41 | 315,286,120.41 | 0.085 | 0.084 | 0.085 | 1 | | 1/01/900 |
| 984521UB8 | 20015 | City of Yakima WA | 04/21/2020 | 240,000.00 | 240,724.80 | 240,000.00 | 2.250 | 2.074 | 2.103 | 61 | 12/01/2021 | Callable 12/29/20 |
| 984521TL8 | 20018 | City of Yakima WA | 04/21/2020 | 380,000.00 | 381,314.80 | 380,795.64 | 3.000 | 1.696 | 1.720 | 61 | 12/01/2021 | Callable 9/22/21 |
| 720611YL0 | 20019 | Pierce County School District | 05/27/2020 | 905,000.00 | 905,526.00 | 904,699.19 | 4.000 | 0.823 | 0.834 | 61 | 12/01/2021 | Callable 3/25/21 |
| 514014SE0 | 20051 | Lancaster County School District | 12/03/2020 | 530,000.00 | 532,729.50 | 532,595.58 | 2.000 | 0.268 | 0.272 | 106 | 01/15/2022 | Bullet |
| 763665B62 | 20021 | Richland County School District | 05/21/2020 | 5,000,000.00 | 5,058,350.00 | 5,044,343.75 | 3.000 | 0.840 | 0.851 | 151 | 03/01/2022 | Callable 9/29/21 |
| 763665B62 | 20022 | Richland County School District | 05/21/2020 | 2,955,000.00 | 2,989,484.85 | 2,981,207.16 | 3.000 | 0.840 | 0.851 | 151 | 03/01/2022 | Callable 9/29/21 |
| 179093KN8 | 20033 | Clackamas County Oregon School | 10/01/2020 | 1,890,000.00 | 1,892,438.10 | 1,890,000.00 | 0.341 | 0.407 | 0.412 | 257 | 06/15/2022 | Bullet |
| 668844TL7 | 20034 | City of Norwalk CT | 09/29/2020 | 1,750,000.00 | 1,752,852.50 | 1,750,000.00 | 0.309 | 0.344 | 0.349 | 287 | 07/15/2022 | Bullet |
| 64966QLA6 | 20031 | City of New York New York | 09/09/2020 | 5,000,000.00 | 5,006,450.00 | 5,000,153.96 | 0.360 | 0.372 | 0.377 | 304 | 08/01/2022 | Callable 1/28/21 |
| 64966QLA6 | 20032 | City of New York New York | 09/09/2020 | 5,000,000.00 | 5,006,450.00 | 5,000,153.96 | 0.360 | 0.351 | 0.356 | 304 | 08/01/2022 | Callable 1/28/21 |
| 602245X49 | 21008 | County of Milwaukee Wisconsin | 03/18/2021 | 350,000.00 | 349,569.50 | 349,416.43 | 0.050 | 0.247 | 0.251 | 304 | 08/01/2022 | Bullet |
| 984521UC6 | 20016 | City of Yakima WA | 04/21/2020 | 265,000.00 | 270,875.05 | 265,000.00 | 2.350 | 2.317 | 2.349 | 426 | 12/01/2022 | Callable 12/29/20 |
| 514014SF7 | 20052 | Lancaster County School | 12/03/2020 | 1,600,000.00 | 1,636,192.00 | 1,633,865.91 | 2.000 | 0.345 | 0.350 | 471 | 01/15/2023 | Bullet |
| 3133EMXM9 | 21013 | Federal Farm Credit Bank | 05/04/2021 | 3,000,000.00 | 2,995,170.00 | 2,998,215.08 | 0.125 | 0.161 | 0.163 | 573 | 04/27/2023 | Bullet |
| 668844TM5 | 20035 | City of Norwalk CT | 09/29/2020 | 2,000,000.00 | 2,005,960.00 | 2,000,000.00 | 0.432 | 0.426 | 0.432 | 652 | 07/15/2022 | Callable 1/28/21 |
| 3135005P4 | 21020 | Federal Natl Mtg. Assoc. | 06/24/2021 | 5,000,000.00 | 5,001,250.00 | 5,000,000.00 | 0.300 | 0.296 | 0.300 | 671 | 08/03/2023 | Callable 08/3/22 |
| 419792ZJ8 | 21003 | Hawaii State | 02/22/2021 | 3,190,000.00 | 3,199,889.00 | 3,213,579.50 | 0.571 | 0.198 | 0.200 | 730 | 10/01/2023 | Bullet |
| 419792ZJ8 | 21024 | Hawaii State | 08/27/2021 | 5,000,000.00 | 5,015,500.00 | 5,026,976.13 | 0.571 | 0.051 | 0.051 | 730 | 10/01/2023 | Bullet |
| 3133EMBQ4 | 21022 | Federal Farm Credit Bank | 07/19/2021 | 5,000,000.00 | 4,999,150.00 | 4,999,763.16 | 0.270 | 0.307 | 0.311 | 734 | 10/05/2023 | Callable 10/5/21 |
| 3133EMFB3 | 20049 | Federal Farm Credit Bank | 11/04/2020 | 5,000,000.00 | 4,993,000.00 | 4,999,567.04 | 0.290 | 0.319 | 0.324 | 762 | 11/02/2023 | Callable 11/02/21 |
| 3133EMFB3 | 20050 | Federal Farm Credit Bank | 11/04/2020 | 5,000,000.00 | 4,993,000.00 | 4,999,567.04 | 0.290 | 0.319 | 0.324 | 762 | 11/02/2023 | Callable 11/02/21 |
| 3133EMPB2 | 21001 | Federal Farm Credit Bank | 02/03/2021 | 5,000,000.00 | 4,990,600.00 | 5,000,000.00 | 0.170 | 0.186 | 0.188 | 763 | 11/03/2023 | Callable 05/03/21 |
| 3133EMPB2 | 21002 | Federal Farm Credit Bank | 02/03/2021 | 5,000,000.00 | 4,990,600.00 | 5,000,000.00 | 0.170 | 0.186 | 0.188 | 763 | 11/03/2023 | Callable 05/03/21 |
| 3133EMYW6 | 21014 | Federal Farm Credit Bank | 05/13/2021 | 1,000,000.00 | 998,660.00 | 1,000,000.00 | 0.230 | 0.227 | 0.230 | 773 | 11/13/2023 | Callable 08/13/21 |
| 3133EMYW6 | 21015 | Federal Farm Credit Bank | 05/13/2021 | 5,000,000.00 | 4,993,300.00 | 5,000,000.00 | 0.230 | 0.227 | 0.230 | 773 | 11/13/2023 | Callable 08/13/21 |
| 3133EMYW6 | 21016 | Federal Farm Credit Bank | 05/13/2021 | 5,000,000.00 | 4,993,300.00 | 5,000,000.00 | 0.230 | 0.227 | 0.230 | 773 | 11/13/2023 | Callable 08/13/21 |
| 3137EFAA2 | 21006 | Federal Home Loan Mortgage Co. | 02/26/2021 | 5,000,000.00 | 4,989,200.00 | 4,995,645.64 | 0.250 | 0.286 | 0.290 | 794 | 12/04/2023 | Bullet |
| 3137EFAA2 | 21007 | Federal Home Loan Mortgage Co. | 02/26/2021 | 5,000,000.00 | 4,989,200.00 | 4,995,645.64 | 0.250 | 0.286 | 0.290 | 794 | 12/04/2023 | Bullet |
| 3133EMKW1 | 20053 | Federal Farm Credit Bank | 12/21/2020 | 5,000,000.00 | 4,986,800.00 | 4,998,888.89 | 0.210 | 0.240 | 0.243 | 811 | 12/21/2023 | Callable 12/21/21 |
| 3133EMKW1 | 20054 | Federal Farm Credit Bank | 12/21/2020 | 5,000,000.00 | 4,986,800.00 | 4,998,888.89 | 0.210 | 0.240 | 0.243 | 811 | 12/21/2023 | Callable 12/21/21 |
| 3134GWTY2 | 20042 | Federal Home Loan Mortgage Co. | 10/01/2020 | 5,000,000.00 | 4,993,750.00 | 4,999,705.36 | 0.300 | 0.305 | 0.309 | 819 | 12/29/2023 | Callable 12/29/21 |
| 3134GWTY2 | 20043 | Federal Home Loan Mortgage Co. | 10/01/2020 | 5,000,000.00 | 4,993,750.00 | 4,999,705.36 | 0.300 | 0.305 | 0.309 | 819 | 12/29/2023 | Callable 12/29/21 |
| 3133EMN81 | 21021 | Federal Farm Credit Bank | 06/29/2021 | 5,000,000.00 | 4,994,900.00 | 5,000,000.00 | 0.310 | 0.326 | 0.330 | 819 | 12/29/2023 | Callable 09/21/21 |
| 3130AMSX1 | 21018 | Federal Home Loan Bank | 06/28/2021 | 5,000,000.00 | 4,992,900.00 | 5,000,000.00 | 0.320 | 0.316 | 0.320 | 909 | 03/28/2024 | Callable 09/28/21 |
| 3134GWXC5 | 20040 | Federal Home Loan Mortgage Co. | 09/29/2020 | 5,000,000.00 | 5,003,550.00 | 5,000,000.00 | 0.350 | 0.345 | 0.350 | 910 | 03/29/2024 | Bullet |
| 3134GWXC5 | 20041 | Federal Home Loan Mortgage Co. | 09/29/2020 | 5,000,000.00 | 5,003,550.00 | 5,000,000.00 | 0.350 | 0.345 | 0.350 | 910 | 03/29/2024 | Bullet |
| 3134GWXC5 | 21025 | Federal Home Loan Mortgage Co. | 08/27/2021 | 5,000,000.00 | 5,003,550.00 | 5,000,000.00 | 0.350 | 0.364 | 0.369 | 910 | 03/29/2024 | 9/29/2021 |
| 3133EMVD1 | 21009 | Federal Farm Credit Bank | 04/06/2021 | 5,000,000.00 | 4,991,700.00 | 4,994,874.65 | 0.330 | 0.392 | 0.397 | 917 | 04/05/2024 | Callable 04/05/22 |
| 3133EMVD1 | 21010 | Federal Farm Credit Bank | 04/06/2021 | 5,000,000.00 | 4,991,700.00 | 4,994,874.65 | 0.330 | 0.392 | 0.397 | 917 | 04/05/2024 | Callable 04/05/22 |
| 3134GWYD2 | 20044 | Federal Home Loan Mortgage Co. | 10/08/2020 | 5,000,000.00 | 4,987,850.00 | 5,000,000.00 | 0.375 | 0.370 | 0.375 | 920 | 04/08/2024 | Callable 10/08/21 |
| 3134GWYD2 | 20045 | Federal Home Loan Mortgage Co. | 10/08/2020 | 5,000,000.00 | 4,987,850.00 | 5,000,000.00 | 0.375 | 0.370 | 0.375 | 920 | 04/08/2024 | Callable 10/08/21 |
| 3133EMYR7 | 21012 | Federal Farm Credit Bank | 05/06/2021 | 3,000,000.00 | 2,994,030.00 | 3,000,000.00 | 0.375 | 0.370 | 0.375 | 948 | 05/06/2024 | Callable 05/06/22 |
| 3130AMMM1 | 21019 | Federal Home Loan Bank | 06/09/2021 | 5,000,000.00 | 4,990,850.00 | 5,000,000.00 | 0.375 | 0.377 | 0.382 | 976 | 06/03/2024 | Callable 09/3/21 |
| 3130ALGQ1 | 21004 | Federal Home Loan Bank | 03/10/2021 | 5,000,000.00 | 4,986,850.00 | 5,000,000.00 | 0.300 | 0.296 | 0.300 | 983 | 06/10/2024 | Callable 09/10/21 |
| 3130ALGQ1 | 21005 | Federal Home Loan Bank | 03/10/2021 | 5,000,000.00 | 4,986,850.00 | 5,000,000.00 | 0.300 | 0.296 | 0.300 | 983 | 06/10/2024 | Callable 09/10/21 |
| 3130AMU67 | 21029 | Federal Home Loan Bank | 09/24/2021 | 5,000,000.00 | 4,986,550.00 | 5,000,000.00 | 0.400 | 0.402 | 0.407 | 1,001 | 06/28/2024 | 9/28/2021 |
| 3130AMU67 | 21030 | Federal Home Loan Bank | 09/24/2021 | 5,000,000.00 | 4,986,550.00 | 5,000,000.00 | 0.400 | 0.402 | 0.407 | 1,001 | 06/28/2024 | 9/28/2021 |
| 041431VF1 | 20048 | Arlington County Virginia | 10/27/2020 | 1,500,000.00 | 1,503,315.00 | 1,505,875.92 | 0.640 | 0.461 | 0.467 | 1,035 | 08/01/2024 | Bullet |
| 668844VL4 | 21023 | City of Norwalk CT | 07/29/2021 | 1,175,000.00 | 1,176,116.25 | 1,175,000.00 | 0.555 | 0.547 | 0.555 | 1,035 | 08/01/2024 | Bullet |
| 44256PYQ0 | 20046 | County of Howard Maryland | 10/20/2020 | 5,000,000.00 | 4,989,900.00 | 5,000,000.00 | 0.500 | 0.518 | 0.525 | 1,049 | 08/15/2024 | Bullet |
| 44256PYQ0 | 20047 | County of Howard Maryland | 10/20/2020 | 290,000.00 | 289,414.20 | 290,000.00 | 0.500 | 0.493 | 0.500 | 1,049 | 08/15/2024 | Bullet |
| 4581X0DZ8 | 21027 | US Treasury N/B | 09/23/2021 | 5,000,000.00 | 4,986,000.00 | 4,997,617.78 | 0.500 | 0.509 | 0.516 | 1,088 | 09/23/2024 | Bullet |
| 4581X0DZ8 | 21028 | US Treasury N/B | 09/23/2021 | 5,000,000.00 | 4,986,000.00 | 4,997,617.78 | 0.500 | 0.509 | 0.516 | 1,088 | 09/23/2024 | Bullet |
| 3130APF8 | 21031 | Federal Home Loan Bank | 9/30/2021 | 5,000,000.00 | 4,994,550.00 | 5,000,000.00 | 0.500 | 0.493 | 0.500 | 1,095 | | 3/20/2022 |
| 797010MX0 | 21017 | City of Buenaventura California | 5/18/2021 | 1,000,000.00 | 996,980.00 | 1,007,122.84 | 0.740 | 0.514 | 0.521 | 1,096 | 9/30/2024 | |
| 3130AM4E9 | 21011 | Federal Home Loan Bank | 4/30/2021 | 5,000,000.00 | 4,996,700.00 | 5,000,000.00 | 0.600 | 0.592 | 0.600 | 1,125 | 10/1/2024 | Bullet |
| | | | | | | | | | | | 10/30/2024 | Callable 07/30/21 |

10.75 months

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527,447,483.34