



**LYNNWOOD FINANCE COMMITTEE - regular Finance Committee
meeting
Conference Room 4, City Hall
THURSDAY, JUNE 22, 2023 3:30 PM**

1. CALL TO ORDER
2. ROLL CALL
3. FINANCIAL REPORTS
 - 3.A [Sales Tax Report](#) - 20 minutes
Michelle Meyer, Finance Director
4. DISCUSSION ITEM
 - 4.A [American Rescue Plan Act Update](#) - 20 minutes
Michelle Meyer, Director of Finance
 - 4.B [Utility Delinquency Update](#) - 30 minutes
Finance Director Meyer
5. ADJOURN

FINANCE COMMITTEE 3.A

CITY OF LYNNWOOD FINANCE COMMITTEE

TITLE: Sales Tax Report

DEPARTMENT CONTACT: Michelle Meyer, City Council

SUMMARY:

Review of Sales Tax Revenues through May 2023

PRESENTER:

Michelle Meyer, Finance Director

ESTIMATED TIME:

20

BACKGROUND:

The City receives Sales Tax revenue distributions on a monthly basis for sales that occurred two months prior. Detailed reports through March 2023 sales (revenues received through May 2023) will be reviewed.

SUGGESTED ACTION:

Review of Sales Tax detail

PREVIOUS COUNCIL ACTIONS:

The Finance Committee reviews monthly sales tax detail at each meeting.

DEPARTMENT ATTACHMENTS

Description:

[Lynnwood Sales Tax Analysis Through May 2023.pdf](#)



Sales Tax Analysis - Annual Summary
May 2023

Tax Categories	Jan - May 2020	Jan - May 2021	Jan - May 2022	Jan - May 2023
Construction	\$ 653,303	\$ 1,151,791	\$ 1,313,243	\$ 1,369,519
Manufacturing & Wholesale Trade	299,274	382,201	345,768	356,610
Retail Trade	2,839,765	3,919,472	4,299,646	4,934,370
Motor Vehicle & Parts Dealers	1,684,800	2,684,812	2,863,485	3,390,432
Information	229,388	254,507	252,902	368,862
Finance & Insurance	106,404	144,200	154,430	82,342
Real Estate Rental and Leasing	97,075	105,775	119,818	126,425
Professional, Scientific, & Technical Services	203,631	397,624	253,223	286,495
Arts, Entertainment, & Recreation	33,340	30,618	50,206	65,969
Accommodation	67,921	65,328	115,761	122,643
Food Services	530,947	606,757	722,429	846,200
Other Products and Services*	415,274	573,602	729,274	765,952
Total Sales Tax Collected	\$ 7,161,122	\$ 10,316,687	\$ 11,220,185	\$ 12,715,820
Budgeted Sales Tax Collections	\$ 23,058,883	\$ 24,453,852	\$ 24,744,533	\$ 28,186,576
Realized Revenue as Compared to Budget	31%	42%	45%	45%

*Categories with small amounts of sales tax revenues have been combined

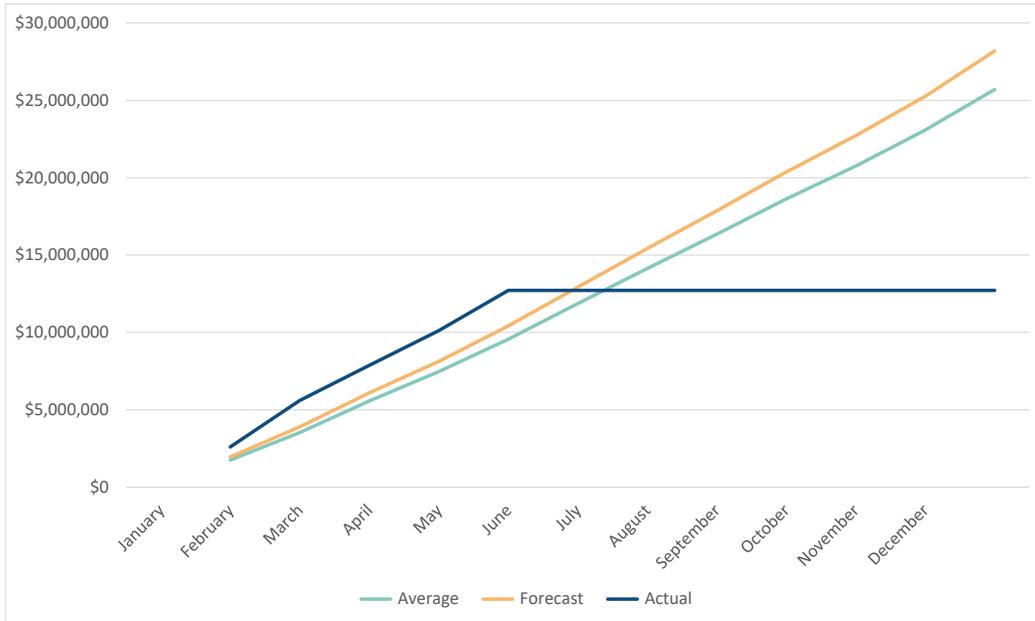
YEAR TO DATE SALES TAX COLLECTION BY CATEGORY





Sales Tax Analysis - Annual Summary
May 2023

	2021	2022	3-Year Average Collection 2020 - 2022		Forecast 2023	Actual 2023	% Change 2022 - 2023
			Rate	Amount			
January	\$ 1,673,177	\$ 1,901,554	6.91%	\$ 1,752,505	\$ 1,948,729	\$ 2,599,134	26.84%
February	1,733,822	2,074,602	6.92%	1,774,807	1,951,314	2,998,393	30.81%
March	2,355,720	2,568,509	7.77%	2,043,807	2,189,026	2,266,392	-13.33%
April	2,267,311	2,271,016	7.22%	1,895,697	2,035,803	2,250,419	-0.92%
May	2,286,659	2,404,505	8.13%	2,099,183	2,290,332	2,601,481	7.57%
June	2,456,345	2,631,081	8.92%	2,299,394	2,513,967	-	NA
July	2,405,511	2,485,667	8.85%	2,267,547	2,494,207	-	NA
August	2,370,461	2,380,789	8.68%	2,218,906	2,445,371	-	NA
September	2,348,177	2,485,667	8.88%	2,269,252	2,502,243	-	NA
October	2,191,650	2,380,789	8.32%	2,130,083	2,344,204	-	NA
November	2,296,275	2,734,291	9.02%	2,318,679	2,543,213	-	NA
December	2,717,370	2,658,769	10.39%	2,630,355	2,928,167	-	NA
Total Sales Tax Collected	\$ 27,102,478	\$ 28,977,239			\$ 28,186,576	\$ 12,715,820	
Percentage Increase(Decrease)	22.44%	6.47%					

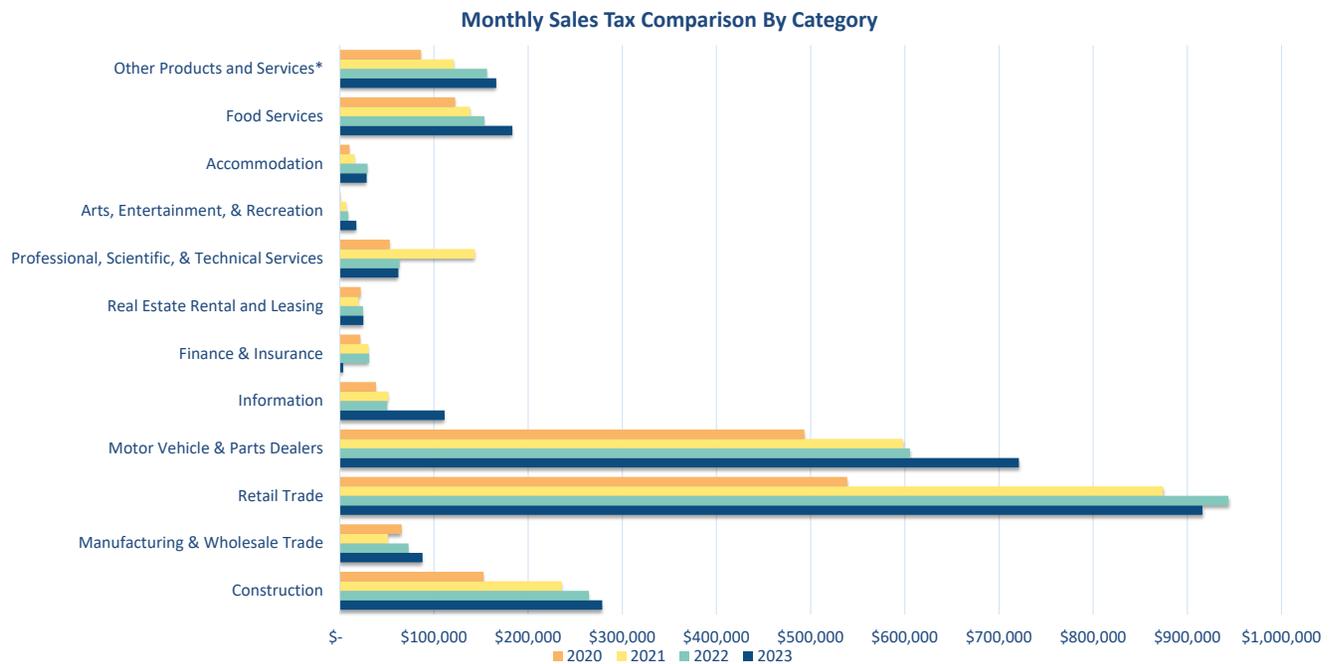




Sales Tax Analysis - Monthly Comparison
May 2023

Tax Categories	May 2020	May 2021	May 2022	May 2023	Change in Collections from Prior Year	
					\$	%
Construction	\$ 152,754	\$ 235,670	\$ 264,546	\$ 278,625	\$ 14,079	5.32%
Manufacturing & Wholesale Trade	65,821	51,152	73,064	87,808	14,744	20.18%
Retail Trade	538,914	874,159	943,555	916,047	(27,508)	(2.92%)
Motor Vehicle & Parts Dealers	493,347	597,926	605,455	721,136	115,681	19.11%
Information	38,462	51,697	50,230	111,353	61,123	121.69%
Finance & Insurance	21,841	30,448	31,183	3,701	(27,482)	(88.13%)
Real Estate Rental and Leasing	22,188	19,985	24,572	25,029	457	1.86%
Professional, Scientific, & Technical Services	53,144	143,476	63,516	62,131	(1,385)	(2.18%)
Arts, Entertainment, & Recreation	814	6,904	8,952	17,512	8,560	95.62%
Accommodation	10,338	15,779	29,489	28,594	(895)	(3.04%)
Food Services	122,486	138,386	153,534	183,340	29,806	19.41%
Other Products and Services*	86,276	121,078	156,410	166,203	9,793	6.26%
Total Sales Tax Collected	\$ 1,606,385	\$ 2,286,660	\$ 2,404,506	\$ 2,601,481	\$ 196,973	8.19%

*Categories with small amounts of sales tax revenues have been combined





LYNNWOOD
WASHINGTON

Sales Tax Analysis - Monthly Category Comparisons
May 2023

Sum of Accumulation Amount	Column Labels
Row Labels	Construction 2023
January	\$298,823
February	\$282,011
March	\$258,701
April	\$251,360
May	\$278,625
Grand Total	\$1,369,519



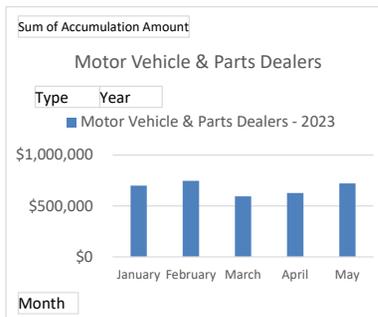
Sum of Accumulation Amount	Column Labels
Row Labels	Manufacturing & Wholesale Trade 2023
January	\$74,558
February	\$68,755
March	\$61,594
April	\$63,894
May	\$87,808
Grand Total	\$356,610



Sum of Accumulation Amount	Column Labels
Row Labels	Retail Trade 2023
January	\$1,020,321
February	\$1,334,647
March	\$843,832
April	\$819,524
May	\$916,047
Grand Total	\$4,934,370

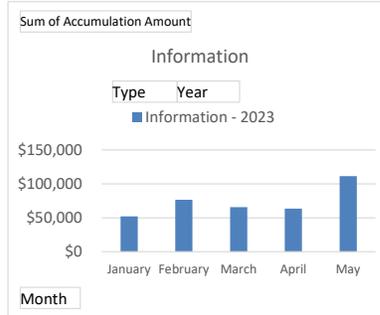


Sum of Accumulation Amount	Column Labels
Row Labels	Motor Vehicle & 2023
January	\$700,263
February	\$746,673
March	\$594,935
April	\$627,425
May	\$721,136
Grand Total	\$3,390,432

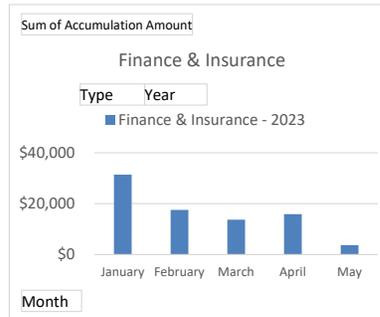




Sum of Accumulation Amount	Column Labels
Row Labels	Information 2023
January	\$52,007
February	\$76,438
March	\$65,614
April	\$63,451
May	\$111,353
Grand Total	\$368,862



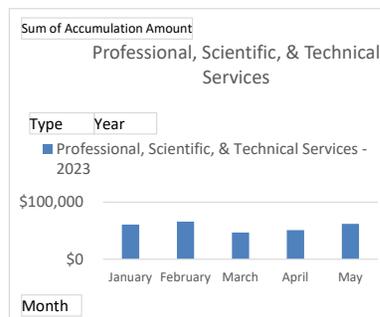
Sum of Accumulation Amount	Column Labels
Row Labels	Finance & Insurance 2023
January	\$31,442
February	\$17,551
March	\$13,731
April	\$15,918
May	\$3,701
Grand Total	\$82,342



Sum of Accumulation Amount	Column Labels
Row Labels	Real Estate Rental 2023
January	\$24,180
February	\$28,101
March	\$26,007
April	\$23,107
May	\$25,029
Grand Total	\$126,425



Sum of Accumulation Amount	Column Labels
Row Labels	Professional, 2023
January	\$60,761
February	\$65,998
March	\$46,752
April	\$50,853
May	\$62,131
Grand Total	\$286,495





LYNNWOOD
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Sales Tax Analysis - Monthly Category Comparisons
May 2023

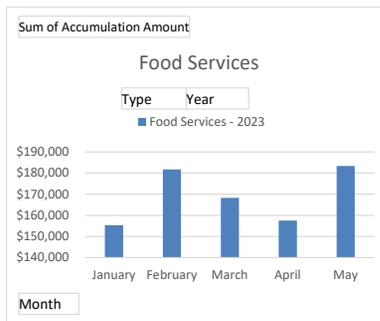
Sum of Accumulation Amount	Column Labels
Row Labels	Arts, Entertainment, 2023
January	\$8,926
February	\$18,285
March	\$10,348
April	\$10,898
May	\$17,512
Grand Total	\$65,969



Sum of Accumulation Amount	Column Labels
Row Labels	Accommodation 2023
January	\$27,274
February	\$21,385
March	\$22,882
April	\$22,507
May	\$28,594
Grand Total	\$122,643



Sum of Accumulation Amount	Column Labels
Row Labels	Food Services 2023
January	\$155,368
February	\$181,731
March	\$168,269
April	\$157,491
May	\$183,340
Grand Total	\$846,200



Sum of Accumulation Amount	Column Labels
Row Labels	Other Products and 2023
January	\$145,212
February	\$156,818
March	\$153,727
April	\$143,992
May	\$166,203
Grand Total	\$765,952



FINANCE COMMITTEE 4.A

CITY OF LYNNWOOD FINANCE COMMITTEE

TITLE: American Rescue Plan Act Update

DEPARTMENT CONTACT: Michelle Meyer, Finance

SUMMARY:

Review ARPA project listing

PRESENTER:

Michelle Meyer, Director of Finance

ESTIMATED TIME:

20

BACKGROUND:

Review of ongoing ARPA projects.

A summary of allocations and expenditures through the grant reporting period ended 3/31/23 and Council action through 6/12/23 is provided for review.

SUGGESTED ACTION:

Review status of ARPA allocations

PREVIOUS COUNCIL ACTIONS:

Last Finance Committee Review was at the May 2023 meeting.

FUNDING:

Funds were awarded in a prior year and are available in the the 2023-2024 Budget in the American Rescue Plan Act Fund (131).

DEPARTMENT ATTACHMENTS

Description:

[ARPA Expenditures and Balance Remaining 6.12.23.pdf](#)

City of Lynnwood American Rescue Plan Act Allocations						
Date Approved	Expenditure Category and Detailed Description	2021 ACTUAL	2022 ACTUAL	2023 THROUGH Q1	2023+ REMAINING	Total
2. Negative Economic Impacts						
5/23/2022	2.37 Economic Impact Assistance: Other: VOAWW Neighborhood Center Construction (orig \$1M)				\$ 998,500	
3. Public Sector Capacity						
8/9/2021	3.2 Rehiring Public Sector Staff: PW Custodian (1 FTE)	\$ 18,720			\$ -	
9/13/2021	3.4 Effective Service Delivery: City Council Chambers AV	\$ 6,133	\$ 100,954		\$ 42,913	
6. Replace Lost Revenue & Provide Expanded Services up to \$10M						
8/9/2021	6.1 Provision of Government Services: Body camera equipment, services, and warranty	\$ 400,000	\$ -		\$ -	
8/9/2021	6.1 Provision of Government Services: Body camera program staff (1 FTE)		\$ 52,312		\$ -	
4/11/2022	6.1 Provision of Government Services: Municipal Court Chambers AV			\$ 32,939	\$ 37,061	
4/25/2022	6.1 Provision of Government Services: Residential Street Improvements				\$ 2,500,000	
5/9/2022	6.1 Provision of Government Services: Recreation Scholarships				\$ 25,000	
6/27/2022	6.1 Provision of Government Services: Hire 5 new full time police officers through 2024		\$ 187,883	\$ 137,867	\$ 1,532,127.53	
6/27/2022	6.1 Provision of Government Services: 18 additional body cameras for Police Department		\$ 92,512		\$ -	
6/27/2022	6.1 Provision of Government Services: 20 Tasers for Police Department		\$ 75,644		\$ -	
7/25/2022	6.1 Provision of Government Services: Capital Facilities Plan for Veteran's Hub				\$ 55,000	
10/10/2022	6.1 Provision of Government Services: Lynnwood Police Assistance Fund				\$ 20,000	
11/14/2022	6.1 Provision of Government Services: Community and Human Services Position				\$ 300,000	
2/27/2023	6.1 Provision of Government Services: Hire 2 FTE for Parks Graffiti Mitigation & Trailer				\$ 388,432	
5/23/2022	6.2 Non-federal match for other Federal Programs: Scriber Lake Park Boardwalk				\$ 2,000,000	
5/23/2022	6.1 and 2.1 Household Assistance: Food Programs Lynnwood Food Bank				\$ 400,000	
2/27/2023	6.1 and 2.34 Assistance to Impacted Nonprofit Organizations: NW Veteran's Museum				\$ 2,500	
2/27/2023	6.1 and 2.34 Assistance to Impacted Nonprofit Organizations: Sno-Isle Genealogical Society				\$ 2,500	
2/27/2023	6.1 and 2.34 Assistance to Impacted Nonprofit Organizations: Lynnwood Alderwood-Manor Heritage Assn.				\$ 2,500	
4/25/2022	6.1 and 2.37 Economic Impact Assistance: Other: Heroes' Café				\$ 5,000	
7/25/2022	6.1 and 2.37 Economic Impact Assistance: Other: Kids in Transition Snohomish County Grant Match				\$ 150,000	
11/14/2022	6.1 and 2.37 Economic Impact Assistance: Other: Lynnwood Chamber of Commerce Shop Lynnwood				\$ 43,000	
7/25/2022	6.1 and x.xx VOAWW Rapid Rehousing Snohomish County Grant Match				\$ 250,000	
11/14/2022	6.1 and x.xx Tutoring				\$ 60,000	
6/12/2023	6.1 Provision of Government Services: Gun Buy Back Program				\$ 15,000	
7. Administrative						
6/13/2022	7.1 Administrative Expenses: ARPA Accountant (.5 FTE 2.5 years)		\$ 19,561	\$ 12,727	\$ 92,712	
Eligible Category to be defined						
5/23/2022	Silver Creek Church (\$15K lighting, \$50K repave parking lot for FB)				\$ 65,000	
Total		\$ 424,852	\$ 528,867	\$ 183,533	\$ 8,987,246	\$ 10,124,497.29
ARPA Revenue (tranches 1 and 2)						\$ 10,936,804.00
Allocated To Date						\$ 10,124,497.29
Balance Remaining						\$ 812,306.71

FINANCE COMMITTEE 4.B

CITY OF LYNNWOOD FINANCE COMMITTEE

TITLE: Utility Delinquency Update

DEPARTMENT CONTACT: Michelle Meyer, Finance

PRESENTER:

Finance Director Meyer

ESTIMATED TIME:

30

BACKGROUND:

Staff will provide an update on Utility aging data through June 14, 2023.

SUGGESTED ACTION:

Review of updated utility aging data

PREVIOUS COUNCIL ACTIONS:

The Finance Committee routinely reviews utility delinquency. The last review was at the November 2022 meeting.

DEPARTMENT ATTACHMENTS

Description:

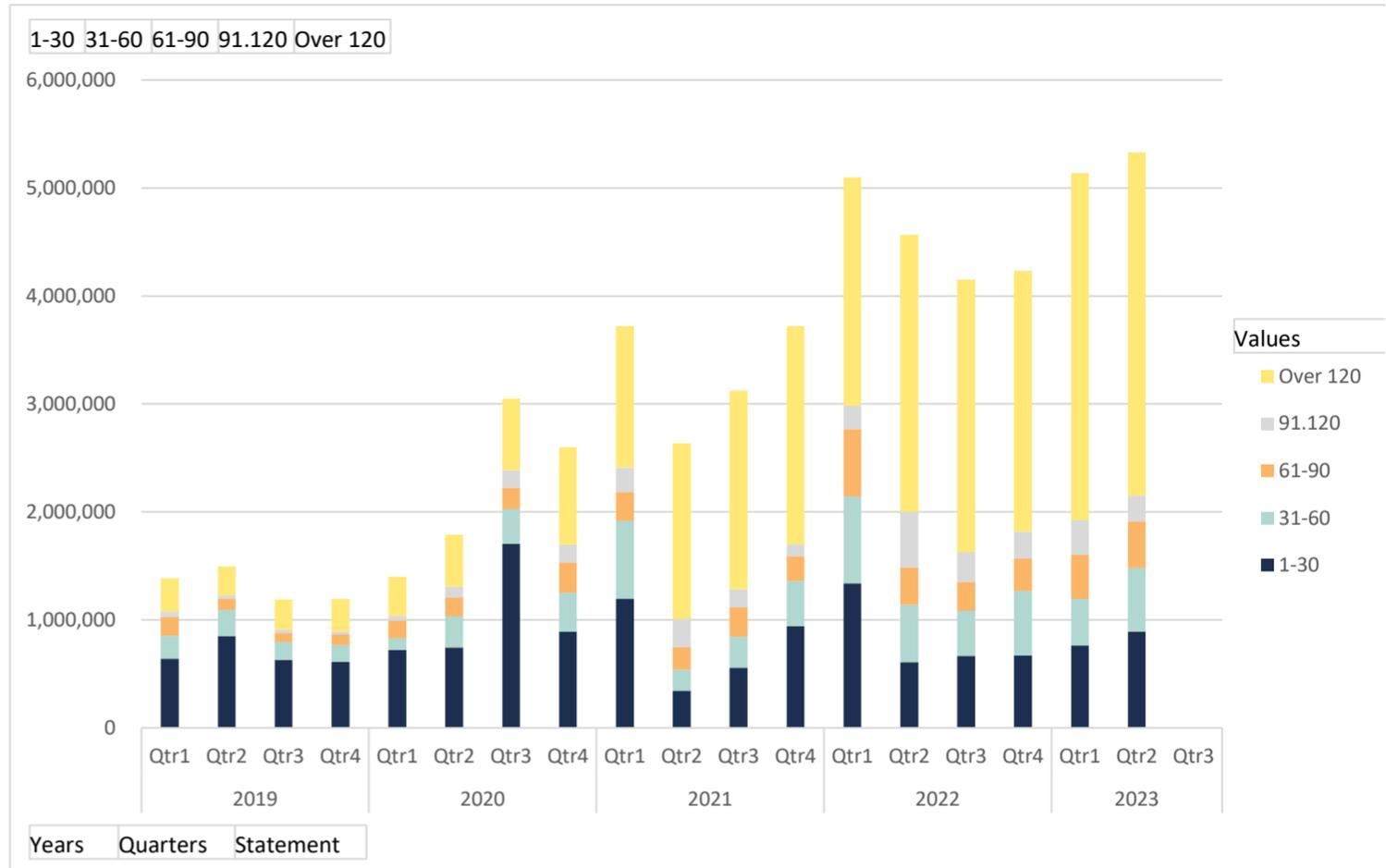
[UB Aging Report Summary through 06.14.2023.pdf](#)

Utility Accounts more than 120 days as of 06/14/2023

	Account Type	# of Accounts	% of Accounts	\$ of Accounts
Residential	1 Single Family Residential	491	70.56%	\$ 701,930
	2 Residential Special Rate A, Prop. Tax (40% rate, 60% discount)	8	1.15%	\$ 3,671
	3 Residential Special Rate B (45%, rate, 55% discount)	1	0.14%	\$ 22
	4 Residential Special Rate C (50% rate, 50% discount)	-	0.00%	\$ -
	5 Residential Special Rate L, SNAP/Tanf (40% rate, 60% discount)	14	2.01%	\$ 11,769
	6 Mutli-Unit Complex (2-8 multifamily homes on 1 meter)	18	2.59%	\$ 43,419
	7 Multi-Unit Apartment (>8 multifamily homes on 1 meter)	30	4.31%	\$ 301,816
	8 Multi-Unit Condo (>10 condominiums on 1 meter)	-	0.00%	\$ -
	9 Multi-Unit MHP (mobile home park on 1 meter)	1	0.14%	\$ 3,636
	10 Multi-Unit SPR (multifamily homes with individual meters)	1	0.14%	\$ 301
Commerical	11 Commercial Business (Single commercial property on 1 meter)	96	13.79%	\$ 572,711
	12 Commercial Complex (>1 commercial businesses on 1 meter)	35	5.03%	\$ 299,351
	13 Government (government property/land use)	-	0.00%	\$ -
	14 COL (City of Lynnwood property)	-	0.00%	\$ -
	15 School (public or private school or college)	1	0.14%	\$ 150
		696	100.00%	\$ 1,938,776

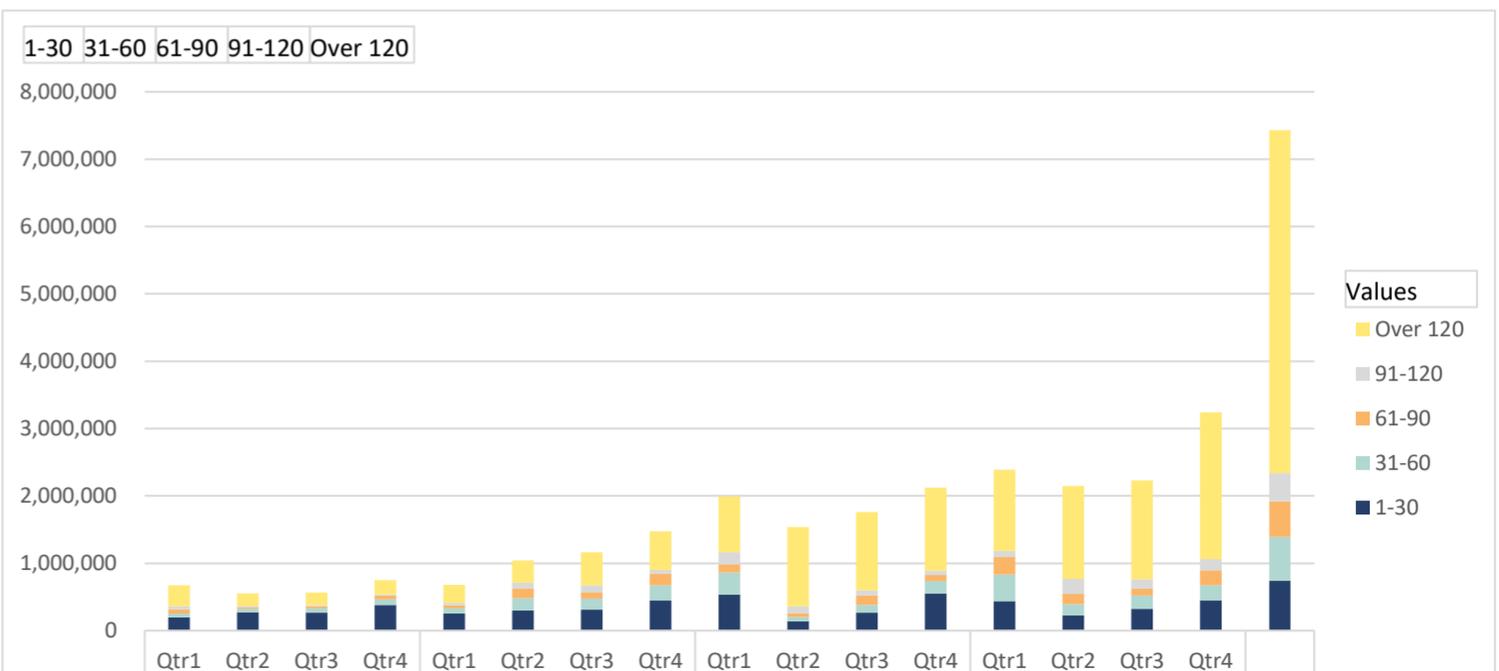
Year/Quarter	1-30	31-60	61-90	91.120	Over 120
2019					
Qtr1	640,386	214,274	170,091	53,881	308,257
Qtr2	850,753	240,857	103,583	34,149	264,807
Qtr3	631,764	162,143	84,682	31,317	278,342
Qtr4	613,153	153,538	98,214	28,866	301,620
2020					
Qtr1	721,468	111,950	160,542	44,185	362,685
Qtr2	743,045	290,379	174,856	101,449	479,487
Qtr3	1,703,730	322,540	199,057	162,357	663,033
Qtr4	891,287	360,586	279,424	166,630	902,271
2021					
Qtr1	1,195,130	723,002	266,336	226,790	1,309,410
Qtr2	343,493	194,803	208,758	260,524	1,628,008
Qtr3	556,497	288,748	274,067	162,634	1,840,978
Qtr4	943,587	414,860	233,477	109,253	2,019,705
2022					
Qtr1	1,337,836	806,077	621,883	218,967	2,112,183
Qtr2	608,676	532,539	344,252	516,023	2,565,618
Qtr3	668,020	415,802	269,008	274,359	2,524,028
Qtr4	671,171	595,511	300,582	250,135	2,417,287
2023					
Qtr1	763,193	430,457	406,191	324,083	3,214,398
Qtr2	889,330	593,402	431,356	236,476	3,177,361
Qtr3	0	0	0	0	0

Utility Accounts Receivable Delinquent Aging - Residential



Year/Quarter	1-30	31-60	61-90	91-120	Over 120
2019					
Qtr1	198,090.73	54,614	66,876	43,164	309,487
Qtr2	271,841.45	50,786	28,064	17,853	182,298
Qtr3	265,113.75	66,277	29,453	17,673	185,441
Qtr4	380,426.67	84,614	53,850	20,165	211,185
2020					
Qtr1	256,068.20	74,856	42,933	41,342	265,725
Qtr2	299,559.28	183,750	145,452	85,280	328,815
Qtr3	312,464.90	161,758	95,636	104,771	485,693
Qtr4	448,885.91	226,975	171,729	57,004	567,282
2021					
Qtr1	533,122.48	333,829	115,916	178,219	835,390
Qtr2	141,454.67	59,688	60,640	102,005	1,172,135
Qtr3	266,028.22	116,658	134,971	78,012	1,164,132
Qtr4	551,626.93	187,144	85,310	66,322	1,231,967
2022					
Qtr1	434,927.86	396,306	259,546	90,605	1,205,498
Qtr2	227,437.71	165,530	153,990	222,750	1,378,812

Utility Accounts Receivable Delinquent Aging - Commercial

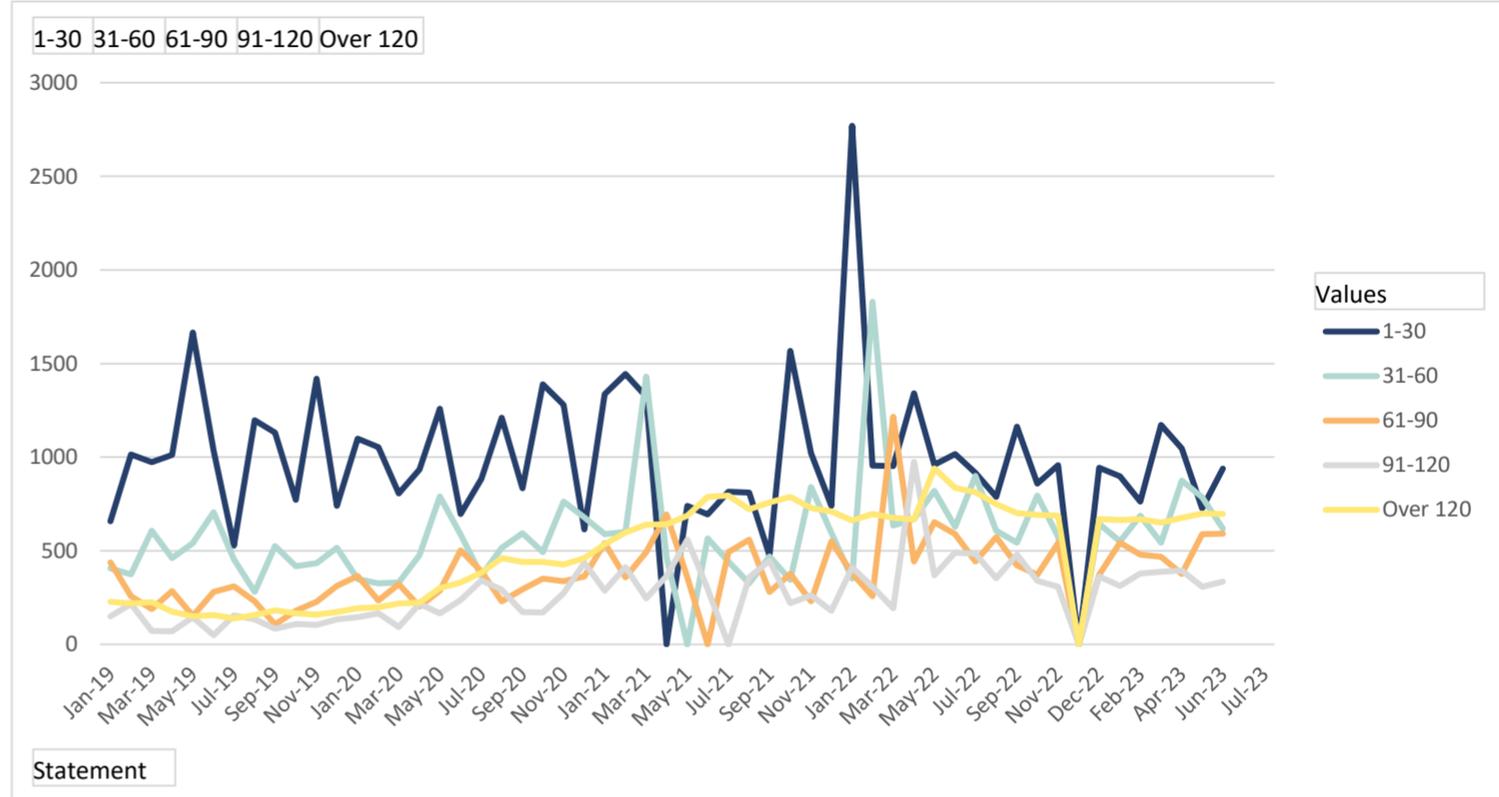


Qtr3	326,173.39	192,681	102,551	142,992	1,464,570
Qtr4	451,662	219,686	224,492	164,365	2,182,659
2023	746,118.44	642,365	527,857	423,603	5,091,283

	2019	2020	2021	2022	2023
Years	Quarters	Statement			

Year/Quarter	1-30	31-60	61-90	91-120	Over 120
Jan-19	657	405	437	149	228
Feb-19	1015	373	257	217	218
Mar-19	974	607	189	73	226
Apr-19	1011	461	286	70	175
May-19	1666	541	152	146	149
Jun-19	1035	706	281	49	157
Jul-19	527	455	309	154	138
Aug-19	1198	281	230	135	156
Sep-19	1130	524	107	83	182
Oct-19	772	418	180	109	166
Nov-19	1418	433	228	105	159
Dec-19	741	516	313	135	172
Jan-20	1098	350	364	146	193
Feb-20	1053	327	234	167	198
Mar-20	807	330	322	93	218
Apr-20	935	478	203	217	224
May-20	1258	791	288	165	301
Jun-20	696	586	502	238	330
Jul-20	885	367	391	343	384
Aug-20	1211	517	231	292	461
Sep-20	834	593	293	174	441
Oct-20	1389	492	352	171	440

Number of Delinquent Utility Accounts - Residential and Commercial



Over 120 Past due	# of accounts
Over 50,000	4
Between 10,000 - 49,999	29
Between 5,000 - 9,999	38
Between 1,000 - 4,999	241
Between 500 - 999	125
Below 500	259
Total	696

Total amounts	# of accounts
Over 50,000	4
Between 10,000 - 49,999	40
Between 5,000 - 9,999	65
Between 1,000 - 4,999	391
Between 500 - 999	288
Below 500	1005
Total	1793