



LYNNWOOD FINANCE COMMITTEE - regular Finance Committee meeting

Conference Room 4, City Hall

THURSDAY, SEPTEMBER 21, 2023 3:30 PM

-
1. CALL TO ORDER
 2. ROLL CALL
 3. DISCUSSION ITEM
 - 3.A [American Rescue Plan Act Update](#) - 20 minutes
Sandra Fujioka, Assistant Finance Director
 - 3.B [Sales Tax Report](#) - 20 minutes
Sandra Fujioka, Assistant Finance Director
 - 3.C [Utility Delinquency Update](#) - 20 minutes
Daniela Whitman, Finance Manager
 4. ADJOURN

FINANCE COMMITTEE 3.A

CITY OF LYNNWOOD FINANCE COMMITTEE

TITLE: American Rescue Plan Act Update

DEPARTMENT CONTACT: Sandra Fujioka, Finance

SUMMARY:

Review ARPA project listing

PRESENTER:

Sandra Fujioka, Assistant Finance Director

ESTIMATED TIME:

20

BACKGROUND:

Update on funding status of ongoing ARPA projects.

A summary of allocations and expenditures through the grant reporting period ended 6/30/23 and Council action through 8/14/23 is provided for review.

SUGGESTED ACTION:

Review status of ARPA allocations

PREVIOUS COUNCIL ACTIONS:

Last Finance Committee Review was at the July 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 8.14.23.pdf](#)

ARPA Expenditures and Balance Remaining						
Date Approved	Expenditure Category and Detailed Description	2021 ACTUAL	2022 ACTUAL	2023 THROUGH Q2	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)	\$ 18,719.62			\$ -	
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	\$ 390,720	\$ 9,280		\$ -	
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			\$ 41,306.89	\$ 28,693	
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		\$ 187,882.86	\$ 324,689.79	\$ 1,345,304.43	
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			\$ 115.98	\$ 299,884	
2/27/2023	6.1 Provision of Government Services: Hire 2 FTE for Parks Graffiti Mitigation & Trailer			\$ 33,388.78	\$ 355,043	
5/23/2022	6.2 Non-federal match for other Federal Programs: Scriber Lake Park Boardwalk			\$ 117,575	\$ 1,882,425	
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			\$ 1,810.72	\$ 3,189	
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	
6/12/2023	6.1 Provision of Government Services: Gun Buy Back Program				\$ 15,000	
8/14/2023	6.1 and 1.11 Violence Prevention, 1.12 Mental Health Services: ACCESS project				\$ 79,469	
8/14/2023	6.1 and 1.13 Substance Use Services: Evergreen Recovery Centers: Hire 2 Additional Nurses				\$ 252,720	
8/14/2023	6.1, 1.12 Mental Health Services: Edmonds School District School Based Clinicians				\$ 199,657	
8/14/2023	6.1 and 2.34 Assistance to Impacted Non-Profit: Clothes for Kids, Clothing				\$ 58,500	
8/14/2023	6.1 and 2.18 Housing Support: Other Housing Assistance: Keep Dreams Alive Foundation Housing Academy				\$ 6,000	
8/14/2023	6.1 and 2.25 Addressing Educational Disparities: Foundation for Edmonds School District: On the Job Training Program				\$ 43,784	
8/14/2023	6.1 and 2.1 Household Assistance: Food Programs Homage Senior Services				\$ 3,000	
8/14/2023	6.1 Provision of Government Services: Lynnwood Police Assistance Fund				\$ 25,000	
7. Administrative						
6/13/2022	7.1 Administrative Expenses: ARPA Accountant (.5 FTE 2.5 years)		\$ 19,561.28	\$ 28,488.98	\$ 76,950	
Project/Eligible Category to be defined						
11/14/2022	Tutoring				\$ 60,000	
5/23/2022	Silver Creek Church (\$15K lighting, \$50K repave parking lot for FoodBank)				\$ 65,000	
Total		\$ 415,572	\$ 538,147	\$ 547,376	\$ 9,291,532	\$ 10,792,627.29
ARPA Revenue (tranches 1 and 2)						\$ 10,936,804.00
Allocated To Date						\$ 10,792,627.29
Balance Remaining						\$ 144,176.71

FINANCE COMMITTEE 3.B

CITY OF LYNNWOOD FINANCE COMMITTEE

TITLE: Sales Tax Report

DEPARTMENT CONTACT: Sandra Fujioka, City Council

SUMMARY:

Review of Sales Tax Revenues through August 2023

PRESENTER:

Sandra Fujioka, Assistant 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 June 2023 sales (revenues received through August 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:

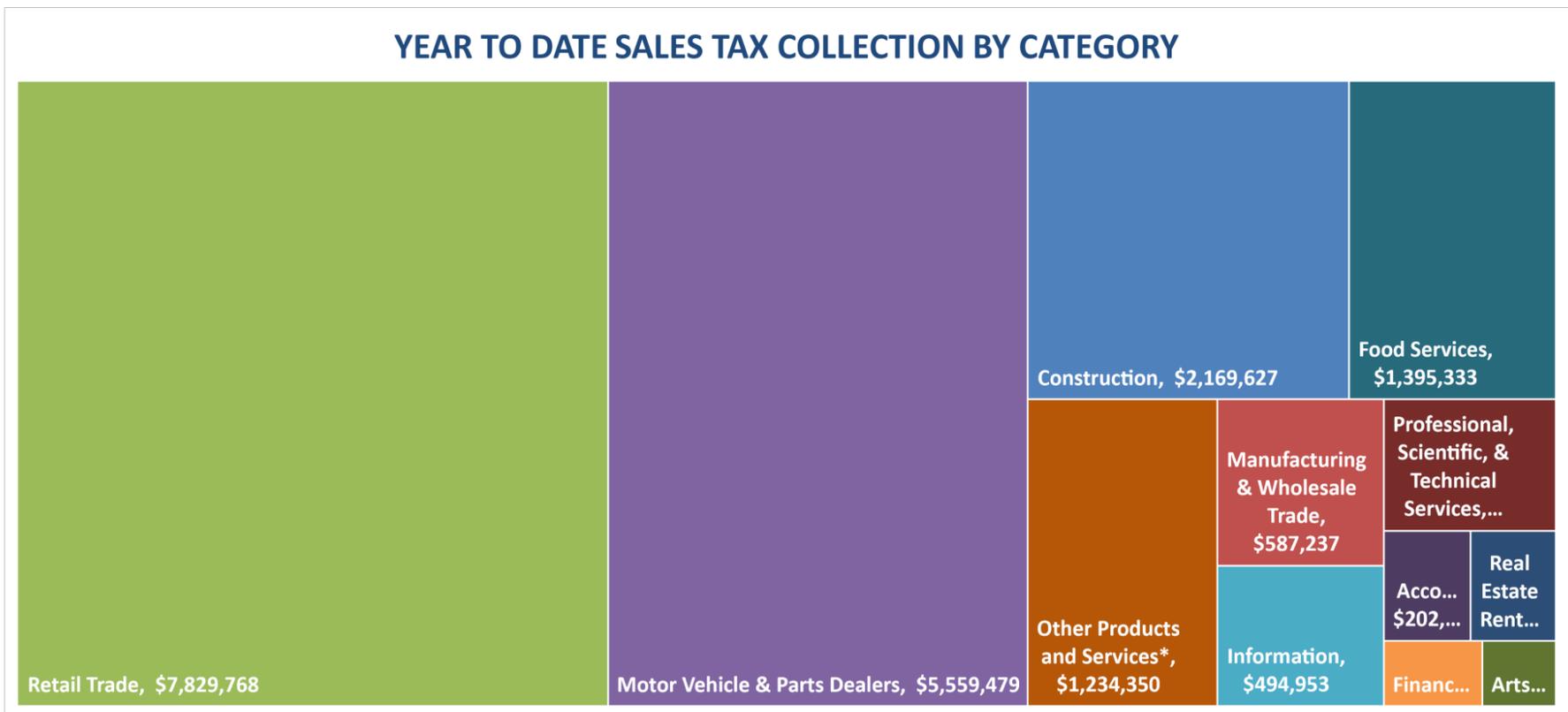
[Lynnwood Sales Tax Analysis Through Aug 2023.pdf](#)



Sales Tax Analysis - Annual Summary
August 2023

Tax Categories	Jan - Aug 2020	Jan - Aug 2021	Jan - Aug 2022	Jan - Aug 2023
Construction	\$ 795,487	\$ 1,997,803	\$ 2,298,523	\$ 2,169,627
Manufacturing & Wholesale Trade	390,757	631,507	562,194	587,237
Retail Trade	3,550,377	6,789,296	7,346,356	7,829,768
Motor Vehicle & Parts Dealers	2,171,411	4,455,998	4,571,303	5,559,479
Information	272,325	412,523	418,037	494,953
Finance & Insurance	132,640	266,131	232,449	136,175
Real Estate Rental and Leasing	116,008	189,040	201,165	199,201
Professional, Scientific, & Technical Services	275,072	572,709	390,622	479,637
Arts, Entertainment, & Recreation	34,819	59,501	81,190	101,727
Accommodation	84,442	150,311	231,767	202,689
Food Services	639,257	1,054,365	1,196,171	1,395,333
Other Products and Services*	509,284	969,822	1,187,946	1,234,350
Total Sales Tax Collected	\$ 8,971,879	\$ 17,549,006	\$ 18,717,723	\$ 20,390,176
Budgeted Sales Tax Collections	\$ 23,058,883	\$ 24,453,852	\$ 24,744,533	\$ 28,186,576
Realized Revenue as Compared to Budget	39%	72%	76%	72%

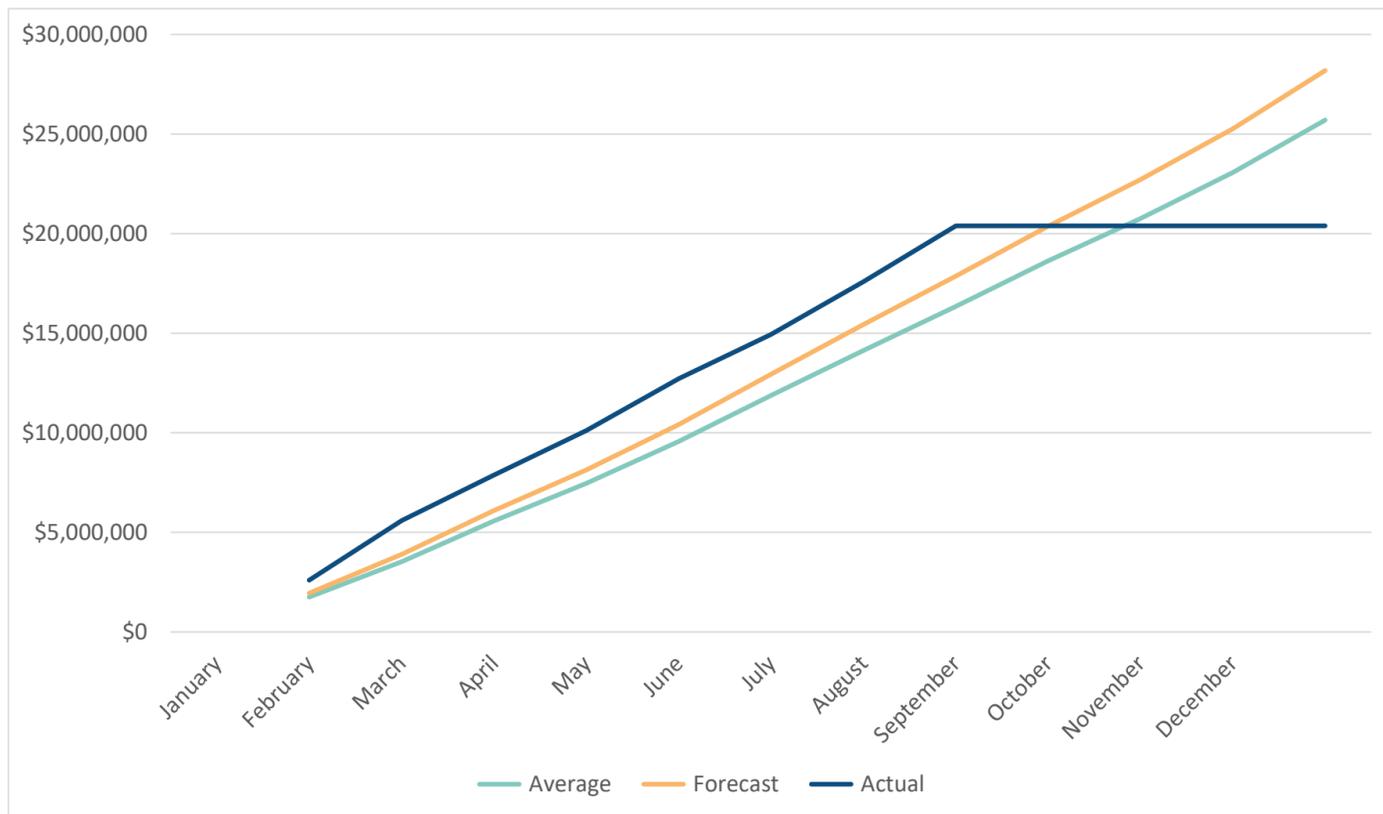
*Categories with small amounts of sales tax revenues have been combined





Sales Tax Analysis - Annual Summary
August 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	2,228,709	-18.05%
July		2,405,511		2,485,667	8.85%	2,267,547	2,494,207	2,638,901	5.81%
August		2,370,461		2,380,789	8.68%	2,218,906	2,445,371	2,806,745	15.18%
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	\$ 20,390,175	
Percentage Increase(Decrease)		22.44%		6.47%					

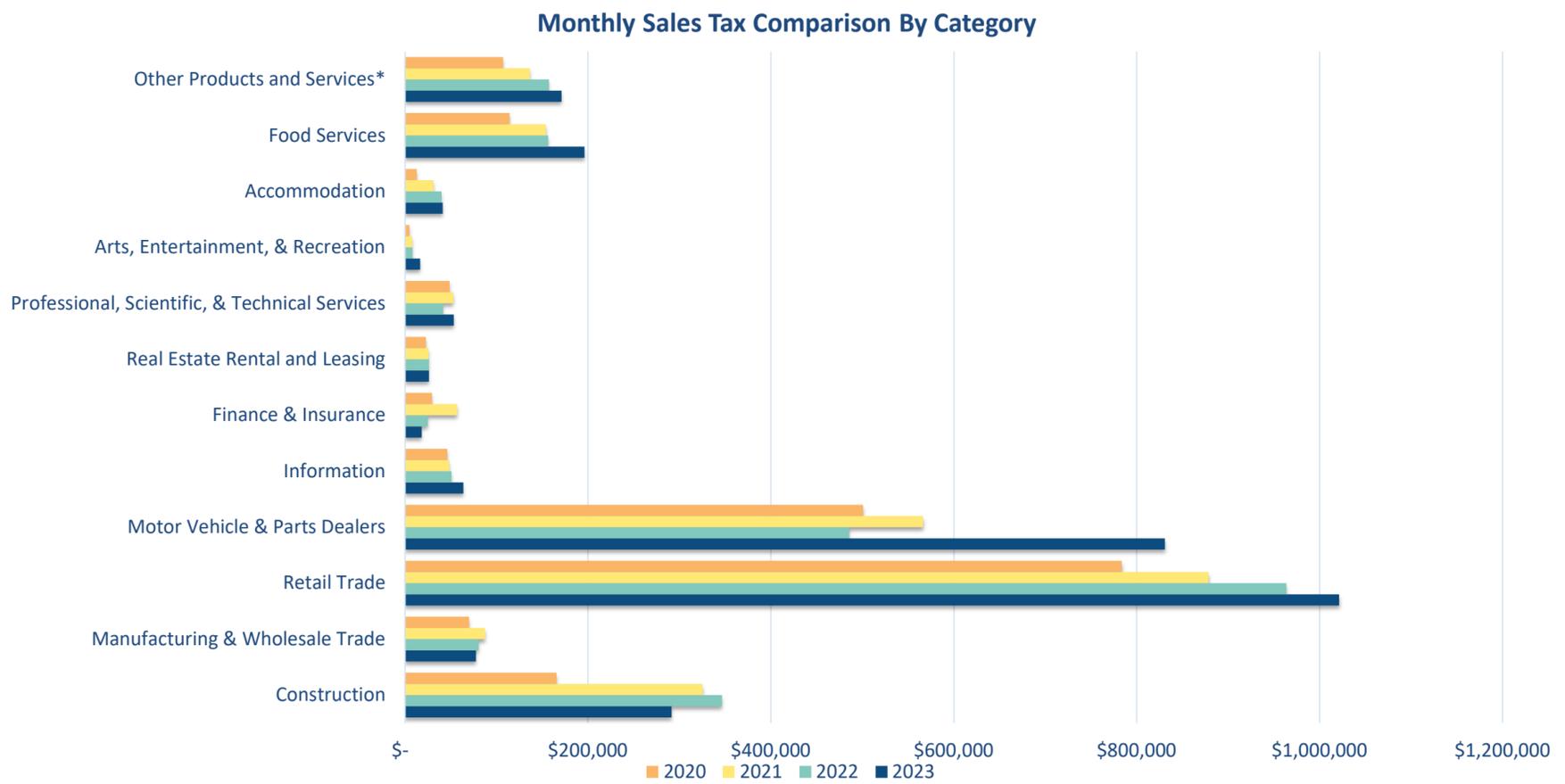




Sales Tax Analysis - Monthly Comparison
August 2023

Tax Categories	August 2020	August 2021	August 2022	August 2023	Change in Collections from Prior Year	
					\$	%
Construction	\$ 165,456	\$ 325,354	\$ 346,384	\$ 291,474	\$ (54,910)	(15.85%)
Manufacturing & Wholesale Trade	69,811	87,387	80,352	77,545	(2,807)	(3.49%)
Retail Trade	783,539	878,446	963,608	1,021,155	57,547	5.97%
Motor Vehicle & Parts Dealers	500,573	566,465	485,615	830,708	345,093	71.06%
Information	46,138	48,186	50,896	63,516	12,620	24.80%
Finance & Insurance	29,579	56,821	24,784	18,285	(6,499)	(26.22%)
Real Estate Rental and Leasing	22,611	25,806	26,191	26,261	70	0.27%
Professional, Scientific, & Technical Services	48,779	52,696	41,727	53,130	11,403	27.33%
Arts, Entertainment, & Recreation	4,899	7,586	7,938	16,622	8,684	109.40%
Accommodation	12,839	31,011	39,695	40,979	1,284	3.23%
Food Services	114,190	154,135	156,344	196,102	39,758	25.43%
Other Products and Services*	107,054	136,569	157,255	170,968	13,713	8.72%
Total Sales Tax Collected	\$ 1,905,468	\$ 2,370,462	\$ 2,380,789	\$ 2,806,745	\$ 425,956	17.89%

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





LYNNWOOD
WASHINGTON

Sales Tax Analysis - Monthly Category Comparisons
August 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
June	\$240,185
July	\$268,449
August	\$291,474
Grand Total	\$2,169,627



Sum of Accumulation Amount	Column Labels
Row Labels	Manufacturing & 2023
January	\$74,558
February	\$68,755
March	\$61,594
April	\$63,894
May	\$87,808
June	\$70,002
July	\$83,080
August	\$77,545
Grand Total	\$587,237



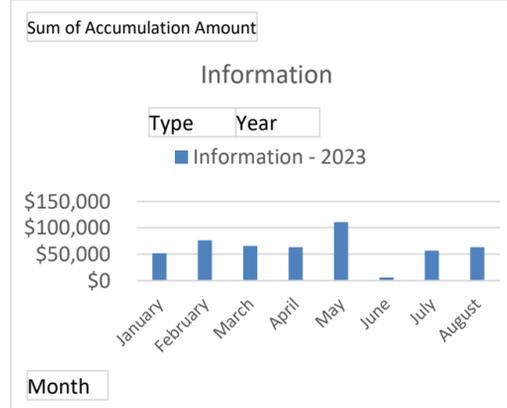
Sum of Accumulation Amount	Column Labels
Row Labels	Retail Trade 2023
January	\$1,020,321
February	\$1,334,647
March	\$843,832
April	\$819,524
May	\$916,047
June	\$871,101
July	\$1,003,142
August	\$1,021,155
Grand Total	\$7,829,768



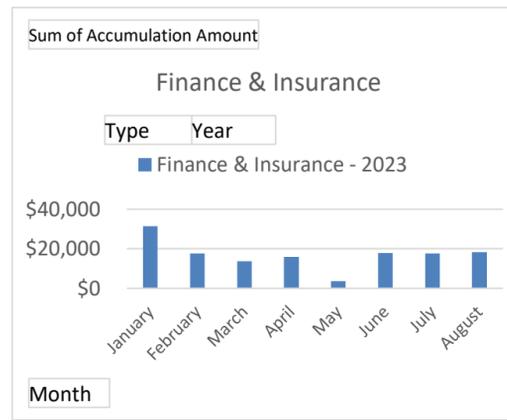
Sum of Accumulation Amount	Column Labels
Row Labels	Motor Vehicle & 2023
January	\$700,263
February	\$746,673
March	\$594,935
April	\$627,425
May	\$721,136
June	\$619,307
July	\$719,032
August	\$830,708
Grand Total	\$5,559,479



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
June	\$5,708
July	\$56,867
August	\$63,516
Grand Total	\$494,953



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
June	\$17,796
July	\$17,751
August	\$18,285
Grand Total	\$136,175



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
June	\$21,764
July	\$24,751
August	\$26,261
Grand Total	\$199,201



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
June	\$47,502
July	\$92,510
August	\$53,130
Grand Total	\$479,637

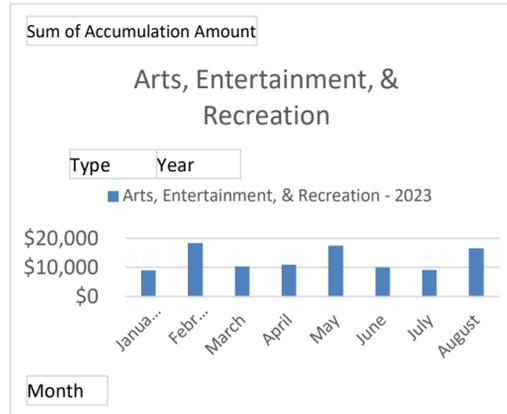




LYNNWOOD
WASHINGTON

Sales Tax Analysis - Monthly Category Comparisons
August 2023

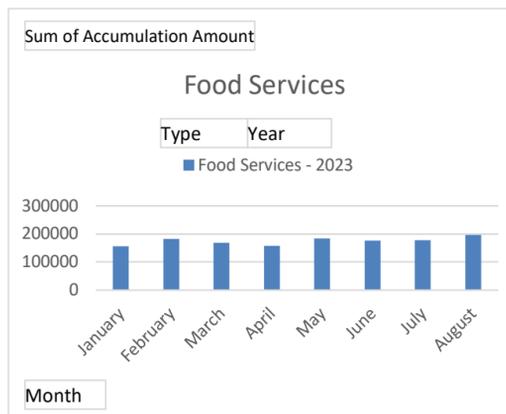
Sum of Accumulation Amount	Column Labels
Row Labels	Arts, Entertainment, 2023
January	\$8,926
February	\$18,285
March	\$10,348
April	\$10,898
May	\$17,512
June	\$10,054
July	\$9,081
August	\$16,622
Grand Total	\$101,727



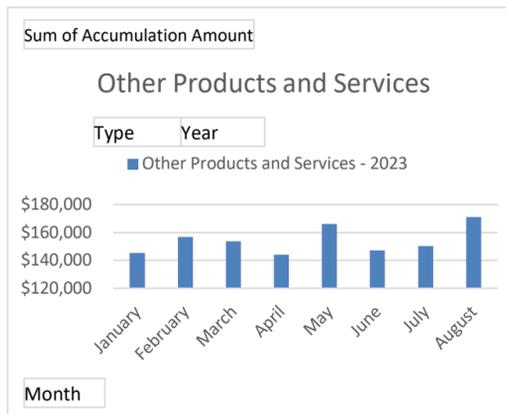
Sum of Accumulation Amount	Column Labels
Row Labels	Accommodation 2023
January	\$27,274
February	\$21,385
March	\$22,882
April	\$22,507
May	\$28,594
June	\$2,426
July	\$36,641
August	\$40,979
Grand Total	\$202,689



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
June	\$175,828.03
July	\$177,202.57
August	\$196,102.32
Grand Total	\$1,395,333



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
June	\$147,036
July	\$150,394
August	\$170,968
Grand Total	\$1,234,350



FINANCE COMMITTEE 3.C

CITY OF LYNNWOOD FINANCE COMMITTEE

TITLE: Utility Delinquency Update

DEPARTMENT CONTACT: Sandra Fujioka, Finance

SUMMARY:

Updated utility aging report

PRESENTER:

Daniela Whitman, Finance Manager

ESTIMATED TIME:

20

BACKGROUND:

Staff will provide an update on Utility aging data through August 31, 2023.

SUGGESTED ACTION:

Review of updated utility aging data

PREVIOUS COUNCIL ACTIONS:

The Finance Committee routinely reviews utility delinquency. The last report was included in the July Finance Committee meeting packet.

DEPARTMENT ATTACHMENTS

Description:

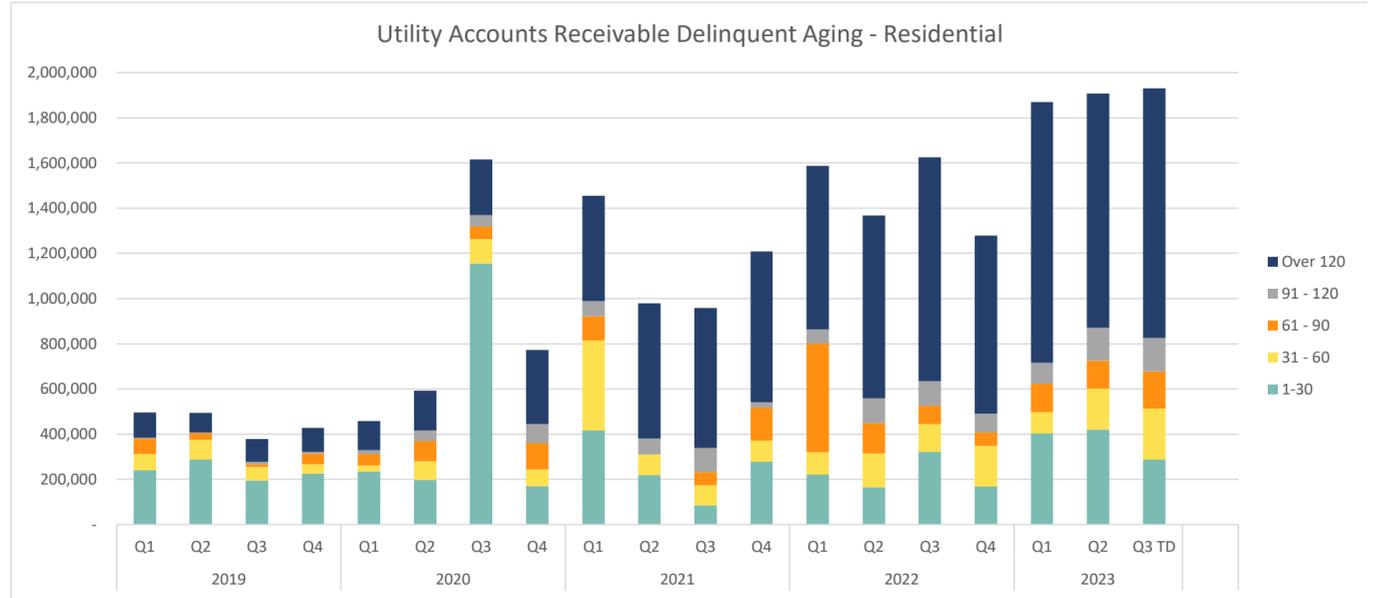
[08 - Aug UB Aging Report Summary 08312023.pdf](#)

Utility Accounts more than 120 days as of 08/31/2023

	Account Type	# of Accounts	% of Accounts	\$ of Accounts
Residential	1 Single Family Residential	493	71.47%	\$ 712,837
	2 Residential Special Rate A, Prop. Tax (40% rate, 60% discount)	10	1.45%	\$ 4,950
	3 Residential Special Rate B (45%, rate, 55% discount)	1	0.14%	\$ 27
	4 Residential Special Rate C (50% rate, 50% discount)	-	0.00%	\$ -
	5 Residential Special Rate L, SNAP/Tanf (40% rate, 60% discount)	15	2.17%	\$ 12,331
	6 Mutli-Unit Complex (2-8 multifamily homes on 1 meter)	16	2.32%	\$ 37,737
	7 Multi-Unit Apartment (>8 multifamily homes on 1 meter)	32	4.64%	\$ 327,220
	8 Multi-Unit Condo (>10 condominiums on 1 meter)	3	0.43%	\$ 8,441
	9 Multi-Unit MHP (mobile home park on 1 meter)	-	0.00%	\$ -
	10 Multi-Unit SPR (multifamily homes with individual meters)	-	0.00%	\$ -
Commerical	11 Commercial Business (Single commercial property on 1 meter)	86	12.46%	\$ 563,308
	12 Commercial Complex (>1 commercial businesses on 1 meter)	32	4.64%	\$ 286,751
	13 Government (government property/land use)	-	0.00%	\$ -
	14 COL (City of Lynnwood property)	1	0.14%	\$ 94
	15 School (public or private school or college)	1	0.14%	\$ 170
		690	100.00%	\$ 1,953,866

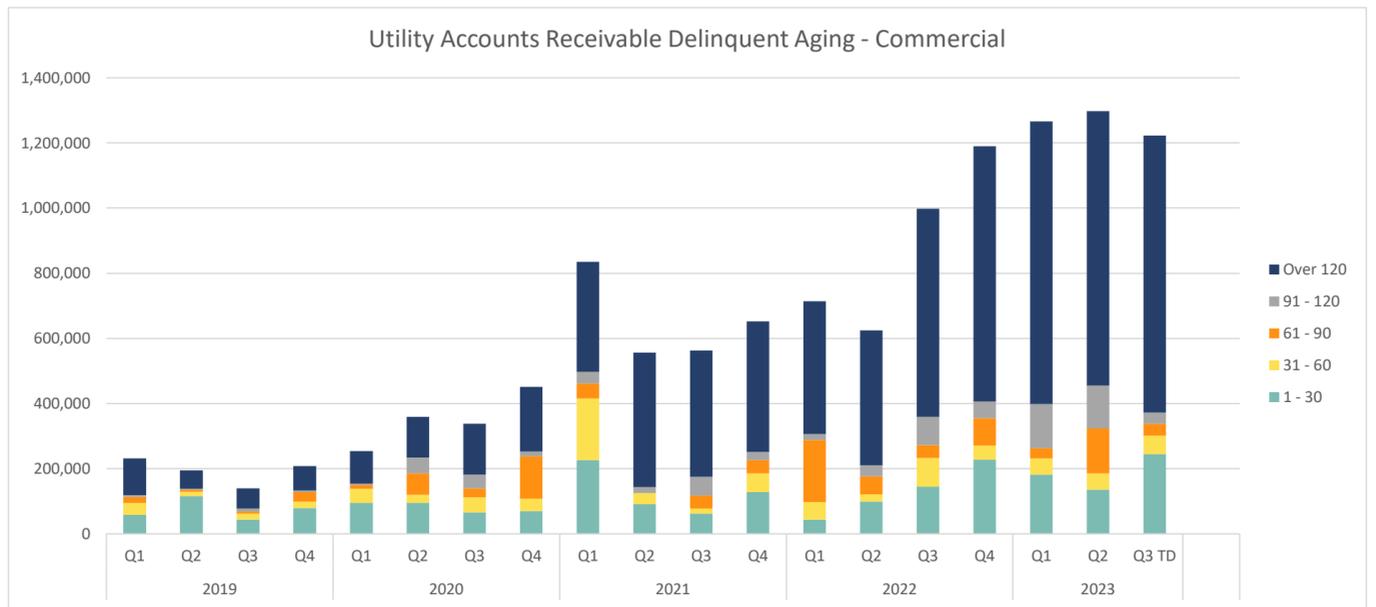
Utility Accounts Receivable Delinquent Aging - Residential

Years	Quarter	1-30	31 - 60	61 - 90	91 - 120	Over 120
2019	Q1	240,348	71,031	68,273	4,955	110,441
	Q2	287,561	86,578	31,277	1,417	87,081
	Q3	194,115	61,260	11,286	11,459	100,274
	Q4	224,195	42,942	46,341	8,074	106,337
2020	Q1	234,481	26,480	52,033	16,640	128,198
	Q2	196,231	84,570	88,730	47,286	175,864
	Q3	1,156,000	108,263	55,842	48,772	245,979
	Q4	169,296	74,491	115,172	86,211	327,363
2021	Q1	416,209	397,203	109,663	64,832	466,120
	Q2	218,393	92,100	-	70,300	599,031
	Q3	84,077	89,863	57,706	106,907	620,191
	Q4	278,277	93,501	144,209	25,349	666,855
2022	Q1	221,984	96,813	481,452	63,174	723,244
	Q2	164,942	148,893	135,363	108,604	810,674
	Q3	322,122	123,370	80,716	107,104	991,828
	Q4	168,712	179,931	58,009	84,392	787,327
2023	Q1	403,055	94,090	126,418	92,373	1,152,845
	Q2	419,602	182,112	122,765	146,080	1,037,014
	Q3 TD	287,532	225,301	165,396	147,864	1,103,543



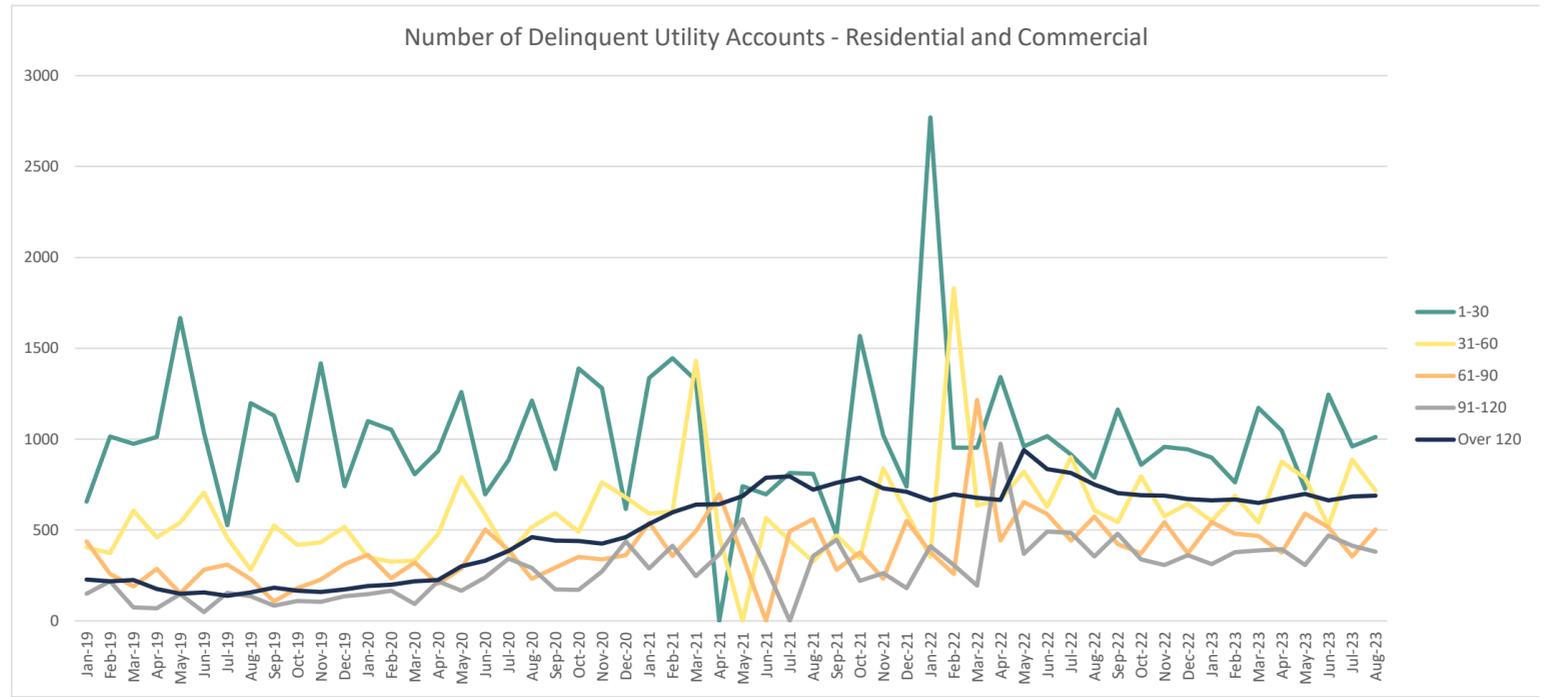
Utility Accounts Receivable Delinquent Aging - Commercial

Years	Quarter	1 - 30	31 - 60	61 - 90	91 - 120	Over 120
2019	Q1	58,192	36,805	17,938	5,902	113,150
	Q2	116,424	13,221	5,698	3,368	56,624
	Q3	43,433	19,105	5,705	9,234	62,460
	Q4	78,684	19,847	29,875	4,702	75,479
2020	Q1	94,635	43,542	12,280	4,349	98,706
	Q2	95,076	24,654	65,825	49,228	124,026
	Q3	65,929	45,769	27,951	41,824	156,256
	Q4	70,177	38,157	129,550	14,735	198,043
2021	Q1	227,115	188,654	45,599	35,413	338,876
	Q2	90,507	34,678	-	18,246	413,123
	Q3	62,089	15,861	39,933	56,974	388,345
	Q4	127,808	58,403	39,852	25,181	401,710
2022	Q1	43,561	53,689	190,373	18,815	407,040
	Q2	99,287	21,902	55,311	34,726	412,876
	Q3	145,481	87,224	40,307	86,278	638,583
	Q4	227,519	43,633	83,700	52,037	782,401
2023	Q1	182,008	49,948	31,156	134,955	868,576
	Q2	136,141	49,100	138,302	130,979	843,700
	Q3 TD	244,219	57,168	36,552	34,193	850,323



Number of Delinquent Utility Accounts - Residential and Commercial

Month/Year	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
Nov-20	1280	763	337	273	426
Dec-20	615	679	362	436	461
Jan-21	1337	590	540	288	534
Feb-21	1445	601	357	414	598
Mar-21	1323	1430	493	247	640
Apr-21	0	465	695	366	641
May-21	740	0	357	560	687
Jun-21	695	566	0	296	788
Jul-21	815	442	494	0	795
Aug-21	810	327	559	358	722
Sep-21	474	471	281	447	759
Oct-21	1568	345	376	221	788
Nov-21	1021	840	231	262	729
Dec-21	739	595	550	180	710
Jan-22	2770	352	379	410	662
Feb-22	954	1830	257	307	697
Mar-22	952	634	1216	194	677
Apr-22	1341	668	442	975	666
May-22	960	821	653	369	940
Jun-22	1016	627	588	490	836
Jul-22	916	900	442	483	813
Aug-22	787	608	574	354	750
Sep-22	1162	544	422	479	702
Oct-22	859	795	372	339	692
Nov-22	958	576	542	307	688
Dec-22	944	645	372	362	670
Jan-23	898	551	544	313	664
Feb-23	762	688	479	378	668
Mar-23	1171	544	467	388	650
Apr-23	1046	876	376	395	675
May-23	727	785	589	308	699
Jun-23	1245	524	514	469	662
Jul-23	959	886	354	414	684
Aug-23	1012	718	502	380	690



(No billing occurred in March of 2021, so aging leaves a gap. March 2021 was billed in April 2021)

Over 120 Past due	# of accounts
Over 50,000	3
Between 10,000 - 49,999	28
Between 5,000 - 9,999	47
Between 1,000 - 4,999	239
Between 500 - 999	130
Below 500	243
	690

Total amounts	# of accounts
Over 50,000	5
Between 10,000 - 49,999	40
Between 5,000 - 9,999	66
Between 1,000 - 4,999	380
Between 500 - 999	306
Below 500	1035
	1832