



**LYNNWOOD FINANCE COMMITTEE - regular Finance Committee  
meeting  
THURSDAY, FEBRUARY 24, 2022 3:00 PM**

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1. CALL TO ORDER
2. ROLL CALL
3. FINANCIAL REPORTS
  - A. Monthly Sales Tax Report - *20 minutes*  
Michelle Meyer, Finance Director  
[CoL.Sales Tax Analysis Nov 2021.pdf](#)
4. DISCUSSION ITEM
  - A. Utility Assistance Program Update - *20 minutes*  
Corbitt Loch, Strategic Planner  
[Utility Assistance Programs Sno Co 021722.pdf](#)
  - B. Revenue Reductions and the Budget Process - *15 minutes*  
Michelle Meyer, Finance Director and Corbitt Loch, Strategic Planner  
[Res 2022-02 Calendar for 2023-2024 Budget 120821.pdf](#)
5. ADJOURN

## FINANCE COMMITTEE 3.A

### CITY OF LYNNWOOD FINANCE COMMITTEE

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**TITLE:** Monthly Sales Tax Report

**DEPARTMENT CONTACT:** Michelle Meyer, City Council

**SUMMARY:**

Review of Sales Tax Revenues for November Sales

**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. The detailed reports for November sales (revenues received in January) will be reviewed.

A new report format will be introduced to provide additional comparative and historical data.

**SUGGESTED ACTION:**

Review of Sales Tax detail

**PREVIOUS COUNCIL ACTIONS:**

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

**DEPARTMENT ATTACHMENTS**

Description:

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[CoL.Sales Tax Analysis Nov 2021.pdf](#)

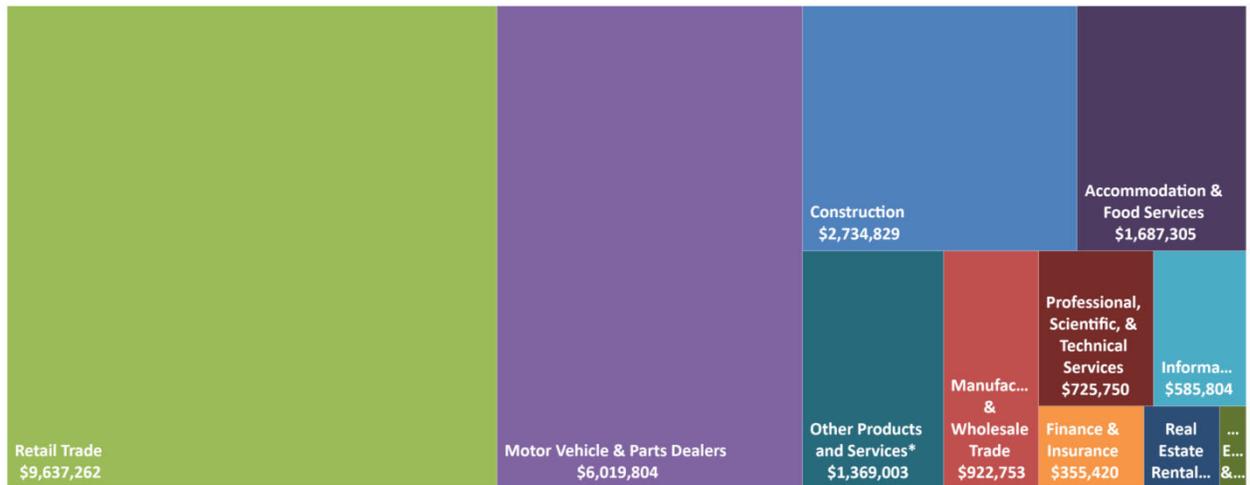


Sales Tax Analysis - Annual Summary  
November 2021

Tax Categories	Jan - Nov 2018	Jan - Nov 2019	Jan - Nov 2020	Jan - Nov 2021
Construction	\$ 2,085,920	\$ 1,930,502	\$ 1,706,852	\$ 2,734,829
Manufacturing & Wholesale Trade	908,314	765,492	774,929	922,753
Retail Trade	8,412,786	8,741,831	7,603,260	9,637,262
Motor Vehicle & Parts Dealers	4,619,548	4,903,421	4,392,054	6,019,804
Information	644,770	616,436	520,147	585,804
Finance & Insurance	265,333	286,600	287,642	355,420
Real Estate Rental and Leasing	241,809	253,251	221,215	257,114
Professional, Scientific, & Technical Services	275,235	422,882	541,841	725,750
Arts, Entertainment, & Recreation	124,035	131,881	56,960	90,062
Accommodation & Food Services	1,977,666	2,026,206	1,347,600	1,687,305
Other Products and Services*	990,526	1,089,063	1,053,501	1,369,003
<b>Total Sales Tax Collected</b>	<b>\$ 20,545,942</b>	<b>\$ 21,167,565</b>	<b>\$ 18,506,001</b>	<b>\$ 24,385,106</b>
<b>Budgeted Sales Tax Collections</b>	<b>\$ 22,403,269</b>	<b>\$ 23,058,883</b>	<b>\$ 24,453,852</b>	<b>\$ 23,073,426</b>
<b>Realized Revenue as Compared to Budget</b>	<b>92%</b>	<b>92%</b>	<b>76%</b>	<b>106%</b>

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

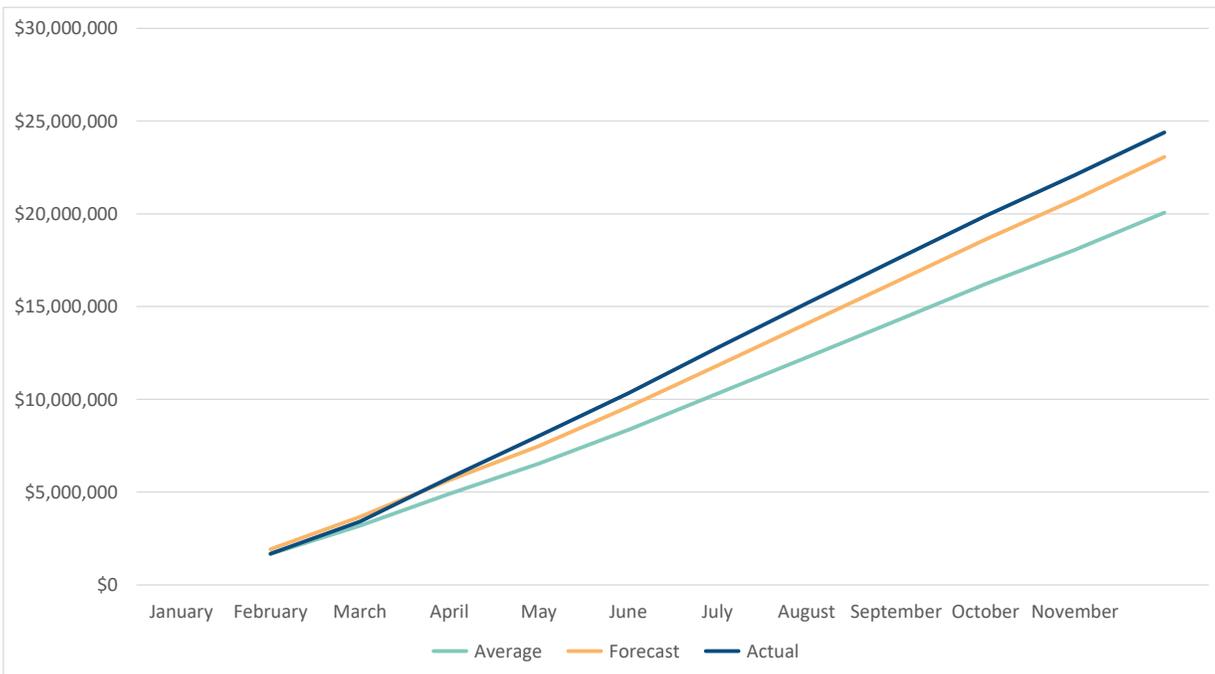
**ANNUAL SALES TAX COLLECTION BY CATEGORY**





Sales Tax Analysis - Annual Summary  
November 2021

	2018	2019	2020	3-Year Average Collection 2018 - 2020		Forecast 2021	Actual 2021
				Rate	Amount		
January	\$ 1,659,199	\$ 1,649,756	\$ 1,682,783	8.32%	\$ 1,663,913	\$ 1,919,903	\$ 1,673,177
February	1,546,656	1,495,512	1,515,996	7.59%	1,519,388	1,752,413	1,733,822
March	1,915,769	2,043,826	1,207,193	8.50%	1,722,263	1,961,474	2,355,720
April	1,780,484	1,942,838	1,148,763	8.02%	1,624,028	1,849,855	2,267,311
May	1,854,102	2,012,870	1,606,386	9.07%	1,824,453	2,093,048	2,286,659
June	1,985,036	2,034,018	1,810,757	9.69%	1,943,270	2,234,683	2,456,345
July	1,956,153	2,027,442	1,911,463	9.81%	1,965,019	2,263,335	2,405,512
August	1,990,993	2,025,251	1,905,468	9.85%	1,973,904	2,273,089	2,370,461
September	1,949,367	2,005,183	1,973,911	9.88%	1,976,154	2,278,661	2,348,178
October	1,855,533	1,878,920	1,817,809	9.24%	1,850,754	2,132,781	2,191,649
November	2,052,650	2,051,950	1,925,471	10.03%	2,010,024	2,314,184	2,296,275
<b>Total Sales Tax Collected</b>	<b>\$ 20,545,942</b>	<b>\$ 21,167,566</b>	<b>\$ 18,506,000</b>			<b>\$ 23,073,426</b>	<b>\$ 24,385,109</b>
<b>Percentage Increase(Decrease)</b>		<b>2.94%</b>	<b>-14.38%</b>				<b>24.11%</b>

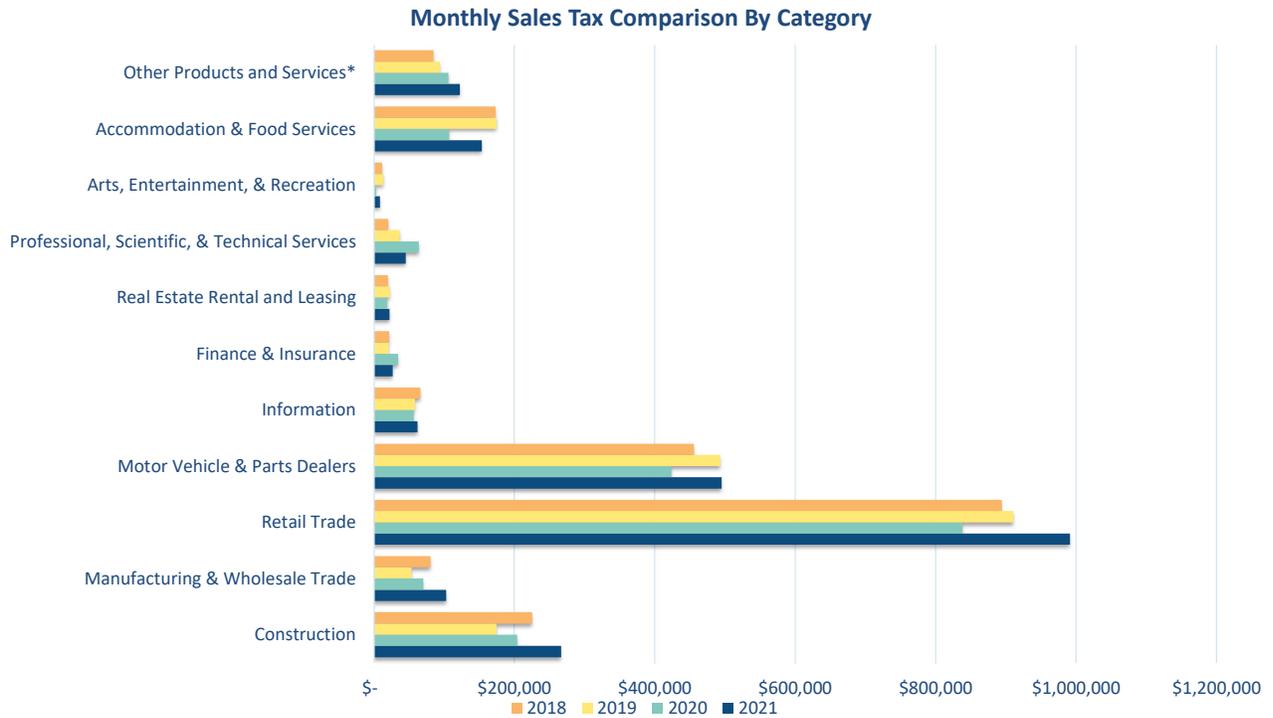




Sales Tax Analysis - Monthly Comparison  
November 2021

Tax Categories	November	November	November	November	Change in Collections from Prior Year	
	2018	2019	2020	2021	\$	%
Construction	\$ 225,101	\$ 174,326	\$ 204,134	\$ 266,646	\$ 62,512	30.62%
Manufacturing & Wholesale Trade	80,402	53,612	70,030	102,886	32,856	46.92%
Retail Trade	894,274	910,920	838,119	991,368	153,249	18.28%
Motor Vehicle & Parts Dealers	455,634	493,260	423,473	495,077	71,604	16.91%
Information	65,972	58,266	56,548	61,842	5,294	9.36%
Finance & Insurance	21,890	20,720	34,573	26,574	(7,999)	(23.14%)
Real Estate Rental and Leasing	19,973	22,463	18,852	21,951	3,099	16.44%
Professional, Scientific, & Technical Services	20,146	36,663	63,877	45,280	(18,597)	(29.11%)
Arts, Entertainment, & Recreation	11,692	13,371	2,953	8,429	5,476	185.44%
Accommodation & Food Services	172,921	174,457	107,119	153,824	46,705	43.60%
Other Products and Services*	84,645	93,892	105,793	122,398	16,605	15.70%
<b>Total Sales Tax Collected</b>	<b>\$ 2,052,650</b>	<b>\$ 2,051,950</b>	<b>\$ 1,925,471</b>	<b>\$ 2,296,275</b>	<b>\$ 370,804</b>	

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



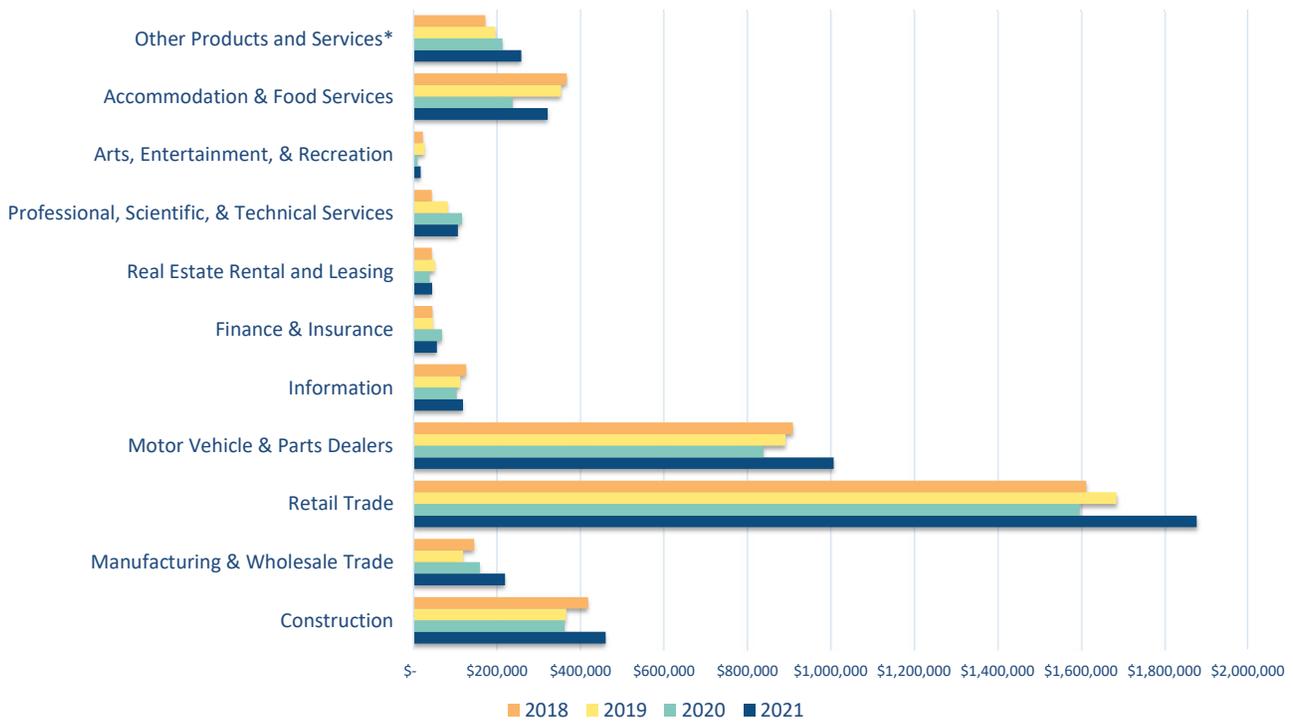


Sales Tax Analysis - Quarterly Comparison  
2021 Quarter 4

Tax Categories	Quarter 4	Quarter 4	Quarter 4	Quarter 4	Change in Collections	
	2018	2019	2020	2021	\$	%
Construction	\$ 418,859	\$ 365,621	\$ 362,481	\$ 460,333	\$ 97,852	27.00%
Manufacturing & Wholesale Trade	145,362	118,266	158,869	219,693	60,824	38.29%
Retail Trade	1,613,430	1,685,808	1,596,885	1,878,146	281,261	17.61%
Motor Vehicle & Parts Dealers	909,995	892,497	838,916	1,007,292	168,376	20.07%
Information	126,166	111,965	103,585	118,444	14,859	14.34%
Finance & Insurance	44,910	46,466	67,847	55,736	(12,111)	(17.85%)
Real Estate Rental and Leasing	43,962	51,619	38,395	44,767	6,372	16.60%
Professional, Scientific, & Technical	43,365	82,210	116,277	106,561	(9,716)	(8.36%)
Arts, Entertainment, & Recreation	22,661	27,097	9,181	16,612	7,431	80.94%
Accommodation & Food Services	367,731	353,997	237,629	321,753	84,124	35.40%
Other Products and Services*	171,743	195,325	213,213	258,589	45,376	21.28%
<b>Total Sales Tax Collected</b>	<b>\$ 3,908,184</b>	<b>\$ 3,930,871</b>	<b>\$ 3,743,278</b>	<b>\$ 4,487,926</b>	<b>\$ 744,648</b>	<b>19.89%</b>

\*Categories with less significant amounts of sales tax revenues have been combined

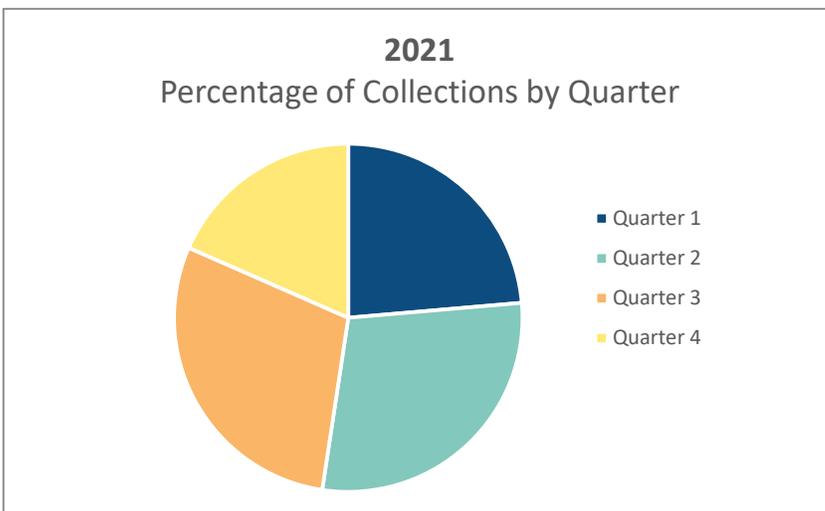
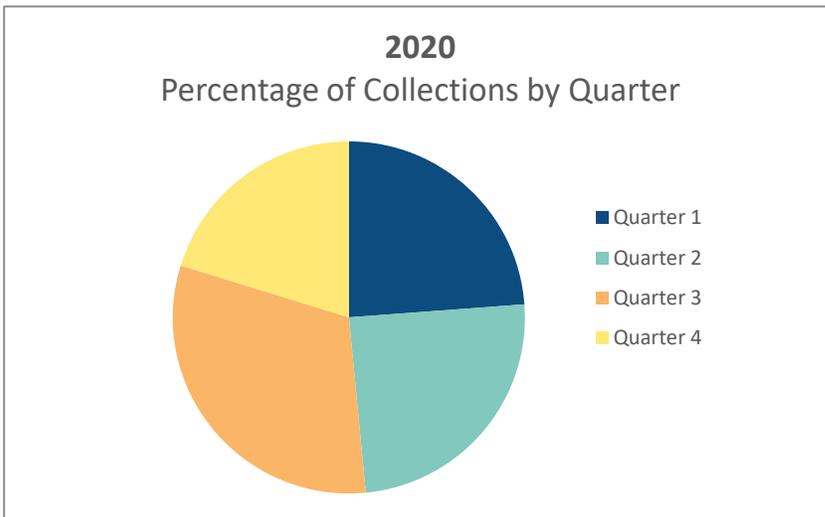
Quarterly Sales Tax Comparison By Category





Sales Tax Analysis - Quarterly Comparison  
2021 Quarter 4

Total Gross Sales Tax Earned by Quarter				
	2020	2021	% Change	
Quarter 1	\$ 4,405,973	\$ 5,762,719	23.54%	
Quarter 2	4,565,906	7,010,314	34.87%	
Quarter 3	5,790,843	7,124,150	18.72%	
Quarter 4	3,743,279	4,487,924	16.59%	
<b>Total</b>	<b>\$ 18,506,001</b>	<b>\$ 24,385,107</b>		

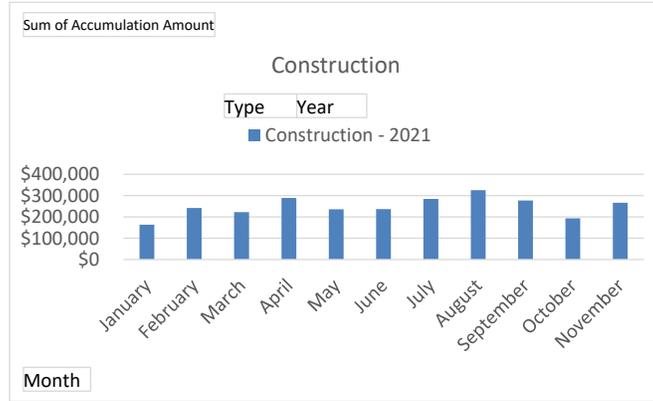




**LYNNWOOD**  
WASHINGTON

Sales Tax Analysis - Monthly Category Comparisons  
November 2021

Sum of Accumulation Amount	Column Labels
Row Labels	Construction 2021
January	\$163,723
February	\$241,603
March	\$222,278
April	\$288,517
May	\$235,670
June	\$236,455
July	\$284,203
August	\$325,354
September	\$276,693
October	\$193,687
November	\$266,646
<b>Grand Total</b>	<b>\$2,734,829</b>



Sum of Accumulation Amount	Column Labels
Row Labels	Manufacturing & Wholesale Trade 2021
January	\$69,086
February	\$72,822
March	\$100,683
April	\$88,459
May	\$51,152
June	\$81,925
July	\$79,994
August	\$87,387
September	\$71,553
October	\$116,807
November	\$102,886
<b>Grand Total</b>	<b>\$922,753</b>



Sum of Accumulation Amount	Column Labels
Row Labels	Retail Trade 2021
January	\$669,205
February	\$656,976
March	\$895,281
April	\$823,853
May	\$874,159
June	\$987,934
July	\$1,003,443
August	\$878,446
September	\$969,821
October	\$886,778
November	\$991,368
<b>Grand Total</b>	<b>\$9,637,262</b>

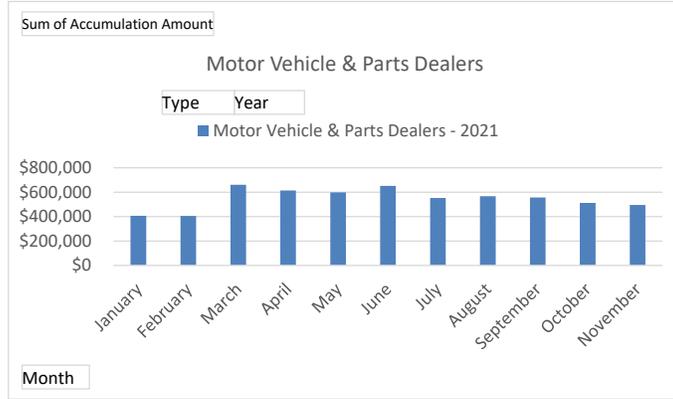




**LYNNWOOD**  
WASHINGTON

Sales Tax Analysis - Monthly Category Comparisons  
November 2021

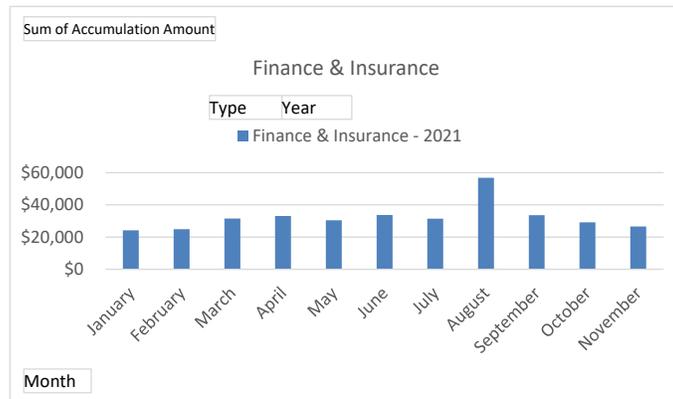
Sum of Accumulation Amount	Column Labels
Row Labels	Motor Vehicle & Parts Dealers 2021
January	\$406,546
February	\$405,533
March	\$661,347
April	\$613,460
May	\$597,926
June	\$651,576
July	\$553,146
August	\$566,465
September	\$556,513
October	\$512,215
November	\$495,077
<b>Grand Total</b>	<b>\$6,019,804</b>



Sum of Accumulation Amount	Column Labels
Row Labels	Information 2021
January	\$49,483
February	\$45,399
March	\$55,891
April	\$52,038
May	\$51,697
June	\$58,102
July	\$51,728
August	\$48,186
September	\$54,838
October	\$56,602
November	\$61,842
<b>Grand Total</b>	<b>\$585,804</b>



Sum of Accumulation Amount	Column Labels
Row Labels	Finance & Insurance 2021
January	\$24,180
February	\$24,868
March	\$31,572
April	\$33,133
May	\$30,448
June	\$33,719
July	\$31,391
August	\$56,821
September	\$33,553
October	\$29,161
November	\$26,574
<b>Grand Total</b>	<b>\$355,420</b>





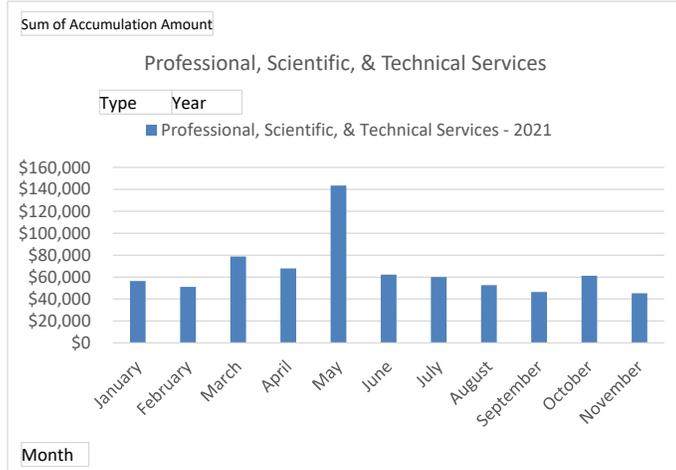
**LYNNWOOD**  
WASHINGTON

Sales Tax Analysis - Monthly Category Comparisons  
November 2021

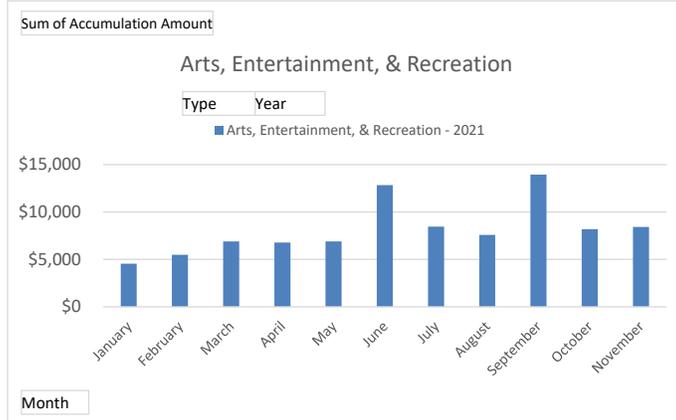
Sum of Accumulation Amount	Column Labels
Row Labels	2021
	Real Estate Rental and Leasing
January	\$18,683
February	\$19,212
March	\$26,669
April	\$21,226
May	\$19,985
June	\$28,506
July	\$28,953
August	\$25,806
September	\$23,307
October	\$22,816
November	\$21,951
<b>Grand Total</b>	<b>\$257,114</b>



Sum of Accumulation Amount	Column Labels
Row Labels	2021
	Professional, Scientific, & Technical Services
January	\$56,514
February	\$51,013
March	\$78,775
April	\$67,847
May	\$143,476
June	\$62,246
July	\$60,142
August	\$52,696
September	\$46,481
October	\$61,281
November	\$45,280
<b>Grand Total</b>	<b>\$725,750</b>



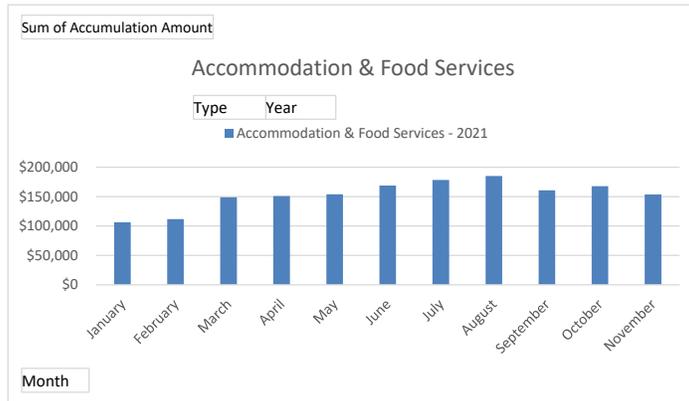
Sum of Accumulation Amount	Column Labels
Row Labels	2021
	Arts, Entertainment, & Recreation
January	\$4,557
February	\$5,490
March	\$6,892
April	\$6,775
May	\$6,904
June	\$12,844
July	\$8,454
August	\$7,586
September	\$13,949
October	\$8,183
November	\$8,429
<b>Grand Total</b>	<b>\$90,062</b>



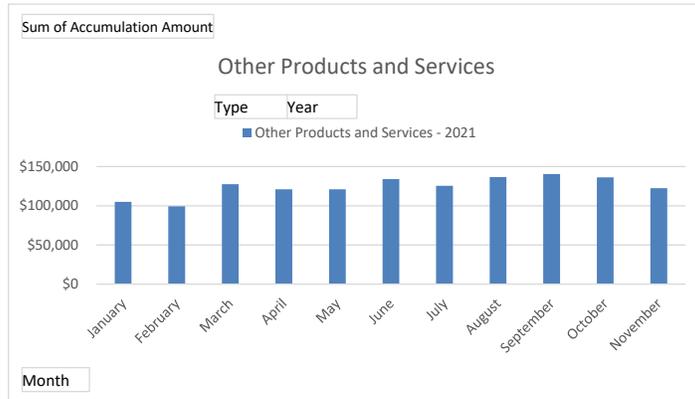


Sales Tax Analysis - Monthly Category Comparisons  
November 2021

Sum of Accumulation Amount	Column Labels Accommodation & Food Services 2021
Row Labels	
January	\$106,326
February	\$111,661
March	\$148,860
April	\$151,072
May	\$154,165
June	\$168,942
July	\$178,503
August	\$185,146
September	\$160,878
October	\$167,928
November	\$153,824
<b>Grand Total</b>	<b>\$1,687,305</b>



Sum of Accumulation Amount	Column Labels Other Products and Services 2021
Row Labels	
January	\$104,875
February	\$99,247
March	\$127,472
April	\$120,930
May	\$121,078
June	\$134,096
July	\$125,556
August	\$136,569
September	\$140,592
October	\$136,190
November	\$122,398
<b>Grand Total</b>	<b>\$1,369,003</b>



## FINANCE COMMITTEE 4.A

### CITY OF LYNNWOOD FINANCE COMMITTEE

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**TITLE:** Utility Assistance Program Update

**DEPARTMENT CONTACT:** Michelle Meyer, Finance

**PRESENTER:**

Corbitt Loch, Strategic Planner

**ESTIMATED TIME:**

20

**BACKGROUND:**

The American Rescue Plan Act included separate funding for utility assistance. The funding is allocated to states and being administered by counties. There are two separate programs being offered through Snohomish County that will be reviewed.

**SUGGESTED ACTION:**

Review of local utility assistance programs.

**DEPARTMENT ATTACHMENTS**

Description:

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[Utility Assistance Programs Sno Co 021722.pdf](#)

**Utility Assistance Programs Offered by Snohomish County 2/17/22**

	<b>Utility Assistance Program</b>	<b>Low-Income Household Water Assistance Program (LIHWAP)</b>
Status	Active	Under development
Funding Source	Federal Coronavirus Response and Relief Supplemental Appropriations Act	American Rescue Plan Act
Funding amount		\$900,000
Administered by	Workforce Snohomish on behalf of Snohomish County	Snohomish County Human Services on behalf of WA Department of Commerce
One-time or multiple benefit	Multiple	One-time
Eligible utility charges - type	Electricity, gas, water, sewer, garbage, heating oil, internet	Water, sanitary sewer, storm
Eligible utility charges - time	After March 13, 2020	
Eligible household type	Renter	Owner or renter
Household income eligibility	At or below 80% of Area Median Income (AMI), hardship due to COVID & at risk of homelessness	150% of Federal Poverty Level (FPL)
Priority eligibility	At or below 80% of AMI, unemployed	Persons with disabilities, young children, high water burden
Benefit Amount		
Contact phone	425-300-6006	--
Contact email	utilities@workforcesnohomish.org	--

<b>Area Income Levels (AMI) – 2022, Annual</b>	Persons In Household							
	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>
Basic Eligibility Income Level: 80% AMI \$	63,350	72,400	81,450	90,500	97,750	105,00	112,250	119,500
Priority Income Level: 50% AMI \$	40,500	46,300	52,100	57,850	62,500	67,150	71,750	76,400

<b>Federal Poverty Level – 2022, Annual</b>	Persons In Household							
	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>
150% Federal Poverty Level (FPL) \$	20,385	27,465	34,545	41,625	48,705	55,799	62,865	69,945

Other Assistance: LIHEAP (energy), Domestic Violence Services (rent), St. Vincent De Paul (electric), Arc (rent for IDD), Westgate Chapel (rent, utilities), Everett Gospel Mission (HEN), DSHS (financial assistance), St. Vincent De Paul (emergency needs), Operation Homefront (financial assistance for vets), Navy-Marine Corps Relief Society (emergency needs). Source: North Sound 2-1-1

## FINANCE COMMITTEE 4.B

### CITY OF LYNNWOOD FINANCE COMMITTEE

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**TITLE:** Revenue Reductions and the Budget Process

**DEPARTMENT CONTACT:** Michelle Meyer, Finance

**PRESENTER:**

Michelle Meyer, Finance Director and Corbitt Loch, Strategic Planner

**ESTIMATED TIME:**

15

**BACKGROUND:**

The City Council will be discussing the potential impacts of eliminating certain taxes and fees at their next meeting (February 28, 2022). Staff will review how this relates to the calendar for development of the 2023-2024 budget.

**SUGGESTED ACTION:**

Discuss how revenue reduction proposals coincide with the 2022 budget calendar for the 2023-2024 budget process.

**PREVIOUS COUNCIL ACTIONS:**

The budget calendar for the 2023-2024 budget was adopted by the City Council on January 24, 2022.

During the January 29, 2022 Council Summit, "tax and fee relief for residents" was identified as a 1st Quarter priority.

Council plans to discuss reductions of certain taxes and fees on February 28, 2022.

**VISIONS AND PRIORITIES ALIGNMENT:**

Strategic Plan Priority 2: Ensure financial sustainability and economic success.

**DEPARTMENT ATTACHMENTS**

Description:

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[Res 2022-02 Calendar for 2023-2024 Budget 120821.pdf](#)



**RESOLUTION NO. 2022-02**

**A RESOLUTION OF THE CITY OF LYNNWOOD, WASHINGTON,  
ADOPTING THE PLANNING CALENDAR FOR THE 2023-2024  
BUDGET.**

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**WHEREAS**, in accordance with Chapter 35A.34 RCW and Chapter 2.72 LMC, the City has adopted a biennial budget process; and

**WHEREAS**, by January 31<sup>st</sup> of even-numbered years, LMC 2.72.020 calls for the adoption by resolution of a planning calendar for the preparation and adoption of the biennial budget; and

**WHEREAS**, this Resolution complies with Chapter 2.72 LMC and with Washington State Law governing the use of biennial budgets; now therefore

**THE CITY COUNCIL OF THE CITY OF LYNNWOOD DOES RESOLVE AS FOLLOWS:**

**Section 1.**     Adoption of 2022 Planning Calendar the 2023-2024 Biennial Budget

The events and dates specified by Exhibit A to this Resolution shall comprise the 2022 budget planning calendar for the 2023-2024 biennial budget.

**Section 2.**     The City Council shall retain its full authority to modify or amend the planning calendar as the Council deems necessary, and in a manner consistent with applicable law, adopted policies, and standard practices.

This resolution was adopted by the City Council at its public meeting held January 24, 2022.

RESOLVED this \_\_\_\_ day of January 2022.

\_\_\_\_\_  
Christine Frizzell, Mayor

ATTEST/AUTHENTICATED:

\_\_\_\_\_  
Karen Fitzthum, City Clerk

Exhibit A, Resolution 2022-02

## 2022 Planning Calendar for the 2023-2024 Budget

Date	Budget Process/Step	Note
Jan. 24	Adoption of budget planning calendar per <a href="#">LMC 2.72.020</a> .	City Council Business Meeting
_____	Council Summit: discussion of 5-year strategic priorities and budget priorities for 2023-2024.	City Council Work Session
Feb.-May	As needed: Council discussion of strategic budget priorities, financial forecast, etc.	City Council Work Session(s)
Feb.-May	Outreach to the public, boards and commissions, community partners, and staff regarding budget priorities.	-
Sept. 12	Proposed Preliminary 2023-2024 Budget delivered to City Council per <a href="#">LMC 2.72.030</a> and <a href="#">RCW 35A.34.070</a> . (limited to a general overview of fund revenues and expenditures)	City Council Business Meeting
Sept. 26	First public hearing on 2023-2024 Budget (budget priorities and assumptions).	City Council Business Meeting
Oct. 10	Preliminary 2023-2024 Budget with the Mayor's budget message presented to City Council per <a href="#">LMC 2.72.040</a> and <a href="#">RCW 35A.34.080</a> . Council schedules public hearings per <a href="#">RCW 35A.34.090</a> . Mayor proposes 2023 property tax levy.	City Council Business Meeting
Oct. 17	Department budget presentations.	City Council Work Session
Oct. 19	Department budget presentations.	City Council Work Session
Oct. 24	Department budget presentations.	City Council Business Meeting
Oct. 31	Budget presentations as needed and/or City Council review of preliminary budget.	City Council Work Session
Nov. 7	Budget presentations as needed and/or City Council review of preliminary budget.	City Council Work Session
Nov. 14	Second public hearing on Preliminary 2023-2024 Budget. Public hearing on 2023 property tax levy. City Council review of preliminary budget.	City Council Business Meeting
Nov. 16	City Council review of preliminary budget.	City Council Work Session
Nov. 21	City Council review of preliminary budget. Adoption of 2023-2024 Budget. Adoption of 2023 property tax levy.	City Council Special Meeting Business
Nov. 28	Provisional, if needed.	City Council Business Meeting
Dec. →	Publish adopted budget book. Adopted budget transmitted to the state auditor and AWC per <a href="#">LMC 2.72.060</a> and <a href="#">RCW 35A.34.120</a> .	

Note: The City Council Finance Committee may review and provide guidance on portions or aspects of draft budget materials. Meetings of the Finance Committee are open to the public.

For planning purposes and subject to change.