



CITY OF LYNNWOOD

Finance Committee

zoom

Date: THURSDAY, MAY 27, 2021

Time: 3:00 PM

-
1. CALL TO ORDER
 2. ROLL CALL
 3. FINANCIAL REPORTS
 - A. Review of 2020 Year-end financial report
[4th Quarter 2020 Financial Report Exec. Summary.pdf](#)
[Financial Report 4th Qtr Dec 2020.pdf](#)
 4. DISCUSSION ITEM
 - A. Review of February 2021 Sales Tax Revenues
[Financial Report Feb Sales Tax Table 14.pdf](#)
[Financial Report Mar Sales Tax Table 14.pdf](#)
 - B. Update on 2020 Annual Report and Audit
 - C. Update on CJC Bond Issuance
 - D. Discuss participation in Snohomish County Investment Pool
[SCIP Operating Terms and Conditions 2021.pdf](#)
 - E. Update on American Rescue Plan Act funding
[American Rescue Plan memo 5.24.21.pdf](#)
 5. ADJOURN

FINANCE COMMITTEE 3.A

CITY OF LYNNWOOD FINANCE COMMITTEE

TITLE: Review of 2020 Year-end financial report

DEPARTMENT CONTACT: Michelle Meyer, Finance

DEPARTMENT ATTACHMENTS

Description:

[4th Quarter 2020 Financial Report Exec. Summary.pdf](#)

[Financial Report 4th Qtr Dec 2020.pdf](#)

EXECUTIVE SUMMARY – DECEMBER 2020 FINANCIAL REPORT

The Finance Department carefully monitors the City’s finances and this report provides detailed information about our financial health through the end of 2020. Lynnwood is committed to maintaining fiscal sustainability and transparency as the City receives and expends funds according to the amended 2019-2020 Biennial Budget. Figures for some key indicators of fiscal health are provided below (additional detail in body of this Report). Lynnwood utilizes a biennial budget (24 months) and this reporting period equals 24 of 24 months, which is 100% of the two-year period.

General Fund Summary

Biennial Actual thru December 2020	Actual	Budgeted for 2019-2020	Percent, Actual to Budgeted
Total Operating Revenue	\$ 101,707,658	\$ 119,533,686	85.1%
Total Operating Expenditures	\$ 100,459,348	\$ 114,312,324	87.9%
Less Transfers from General Fund	\$ 2,554,393	\$ 5,085,721	50.2%
Net Revenue over (under) net expenditures	\$ (1,306,083)	\$ 135,641	N/A

General Fund Reserve Requirements

Reserve Requirements = 2.5 Months 2019 Expenditures	Actual	Required @ 12/31/2020	Over/(Under)
Reserves (Revenue Stabilization + General Fund balance)	\$ 8,994,820	\$ 9,519,143	\$ (524,323)

Economic Indicator – Quarterly Sales Tax Revenues (Includes both General Fund and EDIF)

Quarterly Sales Tax Indicator	Same Period One Year Ago	Current Year	Percent Change
Total Sales Tax Revenue, 4th Quarter 2019 vs 2020	\$ 6,425,713	\$ 6,258,206	-2.61%
Total Sales Tax Revenue, 3rd Quarter 2019 vs 2020	\$ 6,057,874	\$ 5,556,696	-8.27%
Total Sales Tax Revenue, 2nd Quarter 2019 vs 2020	\$ 5,989,726	\$ 4,565,906	-23.77%

General Fund Biennial Revenues by Category

Biennial Actual thru December 2020	Actual	Budgeted for 2019-2020	Percent, Actual to Budgeted
Taxes	\$ 64,465,816	\$ 70,398,437	91.6%
Licenses and Permits	8,787,287	9,618,798	91.4%
Intergovernmental Revenue	6,194,567	8,422,669	73.5%
Charges for Services	10,303,563	13,518,552	76.2%
Fines and Forfeitures	7,886,522	9,141,660	86.3%
Miscellaneous Revenues	905,666	2,041,326	44.4%
Non-Revenue	38,641	12,448	310.4%
Other Financing Sources	1,671,203	3,494,075	47.8%
Grand Total	\$ 100,253,265	\$ 116,647,965	85.9%

General Fund Biennial Expenditures by Department

Biennial Actual thru December 2020	Actual	Budgeted for 2019-2020	Percent, Actual to Budgeted
Administrative Services	\$ 7,310,222	\$ 7,645,789	95.6%
Information Technology	4,713,593	5,244,292	89.9%
Community Development	4,925,667	6,982,765	70.5%
Economic Development	2,060,874	3,954,842	52.1%
Executive	1,701,793	1,881,717	90.4%
Fire Marshal	2,305,312	2,276,882	101.2%
Human Resources	1,640,010	1,916,267	85.6%
Legal	3,322,885	3,348,654	99.2%
Legislative	781,314	872,547	89.5%
Municipal Court	2,621,795	2,871,854	91.3%
Non-Departmental (Transfers)	8,673,256	9,735,972	89.1%
Parks & Recreation	14,339,693	17,261,088	83.1%
Police	40,550,592	43,826,031	92.5%
Public Works	6,612,342	8,693,624	76.1%
Grand Total	\$ 101,559,348	\$ 116,512,324	87.2%

General Fund Biennial Expenditures by Category

Biennial Actual thru December 2020	Actual	Budgeted for 2019-2020	Percent, Actual to Budgeted
Salaries and Wages	\$ 48,455,120	\$ 51,408,451	94.3%
Personnel Benefits	18,284,595	20,586,589	88.8%
Supplies	2,119,791	3,120,782	67.9%
Services	19,974,049	26,422,851	75.6%
Intergovernmental Services	5,677,462	6,849,099	82.9%
Capital Outlays	302,355	328,176	92.1%
Debt Interest & Other Costs	600	1,000	60.0%
Operating Transfers Out	6,745,376	7,795,376	86.5%
Grand Total	\$ 101,559,348	\$ 116,512,324	87.2%

Economic Development Infrastructure Fund (EDIF) Summary

Biennial Actual through December 2020	Actual	Budgeted for 2019-2020	Percent, Actual to Budgeted
Total Revenue from Sales Tax	\$ 1,106,141	\$ 1,475,721	74.96%
Total Revenue from Permit Fees	\$ 348,252	\$ 1,410,000	24.70%
Investment Interest	\$ 453,417	\$ 100,000	453.42%
Transfer from LID 93 Fund	\$ 750,000	\$ 750,000	100.00%
Total Revenue, All Sources	\$ 2,657,810	\$ 3,735,721	71.15%
Total Expenditures	\$ (1,058,000)	\$ (7,000,000)	15.11%
Ending Fund Balance as of 12/31/2020	\$ 11,043,874	\$ 6,179,785	N/A

Real Estate Excise Tax (REET) Includes both REET 1 and REET 2

Actual YTD through December 2020	Actual	Budgeted for 2019-2020	Percent, Actual to Budgeted
REET Revenue, 2020, through December	\$ 1,794,326	\$ 2,200,000	81.56%
REET Revenue, 2019, through December	\$ 2,492,804	\$ 2,200,000	113.31%
Change: Increase (Decrease)	\$ (698,478)	N/A	N/A
Change: Percent	-28.02%	N/A	N/A
REET Revenue, 1/1/2019 - 12/31/2020	\$ 4,287,130	\$ 4,400,000	97.43%

Utilities Fund

4th Quarter 2020	Actual	Budgeted for 2019-2020	Percent, Actual to Budgeted
Biennial Operating Revenue through 4th Qtr 2020	\$ 51,853,185	\$ 56,851,525	91.21%
Biennial Operating Expenditures through 4th Qtr	\$ 34,221,473	\$ 37,615,908	90.98%
Net Revenue over (under) net expenses	\$ 17,631,712	\$ 19,235,617	91.66%
Transfers to Utility Capital Fund	\$ 8,391,922	\$ 15,062,453	55.71%
Total Revenues over (under) all expenses	\$ 9,239,790	\$ 4,173,164	221.41%

City's Total Cash and Investment Balances and 2020 Investment Interest Earnings

As of December 31 2020, 2019	December 2020	December 2019
Funds Invested - LGIP	\$ 50,686,975	\$ 44,531,583
Investment Portfolio	\$ 23,835,335	\$ 22,218,666
Cash in Bank Accounts and Petty Cash	\$ 3,521,074	\$ 10,125,352
Total Cash & Investments	\$ 78,043,384	\$ 76,875,601
Investment Interest Earnings, Year to Date	\$ 952,852	\$ 1,972,358

DATE: Thursday, May 27, 2021

TO: Mayor Nicola Smith
Lynnwood City Council
Finance Committee

FROM: Michelle Meyer, Finance Director
Janella Lewis, Acting Accounting Manager/ Budget
Cyndie Eddy, Finance Supervisor
Arum Kwon, Utility/Fleet Accountant

SUBJECT: **4th Quarter Ending December 2020 Financial Report**

	A	B	C	D
1	Table 1: Biennial Year-To-Date Revenue and Expenditure Performance			
2	General Fund Revenue & Expenditure			
3	Biennial Year-To-Date through December 2020			
4				
5		Biennial Actual thru December 2020	2019-2020 Adopted Budget	% of Budget
6	Operating Revenue before EDIF allocation	\$ 101,707,658	\$ 119,533,686	85.1%
7	Operating Expenditures not including transfers to Capital Fund	100,459,348	114,312,324	87.9%
8	Subtotal Revenue over (under) expenditures prior to Operating/Capital Funds Transfers	\$ 1,248,310	\$ 5,221,362	
9				
10	Operating Revenue allocated to EDIF Fund	1,454,393	2,885,721	50.4%
11	Transfer to Capital Development Fund	1,100,000	2,200,000	50.0%
12				
13	Revenue less Operating Revenue allocated to EDIF Fund	\$ 100,253,265	\$ 116,647,965	85.9%
14	All Expenditures including Transfer to Capital Development Fund	101,559,348	116,512,324	87.2%
15	Total Revenue over/(under) Expenditures and Operating/Capital Transfers	\$ (1,306,083)	\$ 135,641	

Through December 2020, which represents 100% of the 2019-2020 Biennial Budget, before transfers to the EDIF fund and not including transfers to the Capital Development Fund, the General Fund revenues were at 86.6% and expenditures were at 88.1% of the adopted budget.

As of December 31st, before revenue transfers to EDIF and one-time transfers to the Capital Development Fund, General Fund's biennial revenues exceeded expenditures by \$1,248,310.

The report reflects transfers of 2019 permit revenues from the General Fund to the EDIF Fund, and transfers of applicable sales tax for January through December 2019. Due to the COVID-19 Pandemic transfers did not happen for 2020.

This report includes revenues and expenditures as of December 31, 2020.

Table 2: Year-To-Date Revenue and Expenditure Performance Through December - General Fund

	A	B	C	D	E
1	General Fund Revenue & Expenditure				
2	For the Year-To-Date Period Ending through December 2018, 2019 & 2020				
3					
4		Actual thru December 2020	Actual thru December 2019	% of Incr (Decr) from 2019 to 2020	Actual thru December 2018
5	Operating Revenue before EDIF allocation	\$ 49,400,424	\$ 52,307,234	-5.6%	\$ 54,611,810
6	Operating Expenditures not including transfers to Capital Fund	49,401,197	51,058,151	-3.2%	53,156,766
7	Subtotal Revenue over (under) Expenditures prior to Operating/Capital Funds Transfers	\$ (773)	\$ 1,249,083		\$ 1,455,044
8	Operating Revenue allocated to EDIF Fund	-	1,454,393	-100.0%	3,114,866
9	Transfer to Capital Development Fund	-	1,100,000	-100.0%	1,100,000
10	Revenue less Operating Revenue allocated to EDIF Fund	\$ 49,400,424	\$ 50,852,841	-2.9%	\$ 51,496,944
11	All Expenditures including Transfer to Capital Development Fund	49,401,197	52,158,151	-5.3%	54,256,766
12	Total Revenue over/(under) Expenditures and Operating/Capital Transfers	\$ (773)	\$ (1,305,310)		\$ (2,759,822)

For 2020, before transfers to the EDIF fund and Capital Development Fund, expenditures exceeded revenues by \$773. Due to the COVID-19 pandemic there were no transfers to the EDIF or the Capital Development Funds in 2020.

Table 3: General Fund's Revenue Budget Balance

The 2019-2020 General Fund Original Budget and Approved Budget Amendments are summarized below:

	A	B	C	D	E	F	G	H	I	J	
1	Breakdown of the Original Adopted Budget: (Ord 3315 11/26/2018)										
2											
3	Beginning Fund Balance								7,106,249	(A)	
4	2019-2020 Budgeted Revenue with Transfers & Amendments								111,755,736	(B)	
5											
6	2019-2020 Original Adopted Budget (Ord 3315 11/26/2018)								\$ 118,861,985		
7	2019 - 2020 Original Revenue Budget								011	General Fund #	
8											
9	Beginning Fund Balance (Ord 3315 11/26/2018)								\$ 7,106,249	(A)	
10	Fund Balance Adjustment Ord 3341 dtd. 8/12/19								(1,143,842)		
11	Total Adjusted Budgeted Beginning Fund Balance								\$ 5,962,407		
12											
13	2019-2020 Original Approved Revenue Budget (Ord 3315 11/26/2018)								\$ 111,755,736	(B)	
14											
15	2019-2020 Revenue Budget Amendments and Approvals:										
16	3341	8/12/19	GEMT Revenues						1,117,193		
17	3341	8/12/19	P&R 10 Minute Walk Grant						40,000		
18	3341	8/12/19	Sound Transit Reimbursement for BHC Contract Carryover						218,475		
19	3349	11/25/19	Reduce the 2020 Property Tax Levy per public comment						(100,000)		
20	3349	11/25/19	Park Facility revenue increase for Wickers Building Rentals						500		
21	3362	6/22/20	U.S. CARES Act Grant for COVID-19 Pandemic						968,000		
22	3367	9/16/20	Additional U.S. CARES Act Grant for COVID-19 Pandemic						594,000		
23	3384	12/24/20	U.S. Additional CARES Act Grant for COVID-19 Pandemic						231,596		
24	3384	12/24/20	Transfer from LID Guaranty Fund 224 to close out						186,440		
25	3384	12/24/20	Transfer from LID 93-1 I-5 196th Fund 263 to close out						120,398		
26	3384	12/24/20	Transfer from Program Development Fund 099 to close out						15,627		
27	3384	12/14/20	Transfer from the Revenue Stabilization Fund						1,500,000		
28	Total 2019-2020 Budget Amendments and Approvals								4,892,229		
29	Total 2019-2020 Original Revenue Budgets with Amendments								116,647,965		
30	<i>The above amount is presented in our revenue budget and actual presentation.</i>										
31	2019-2020 Adopted Budget with Amendments - December 31, 2020								\$ 122,610,372		

Table 4: General Fund's Expenditure Budget Balance

The 2019-2020 General Fund Original Budget and Approved Budget Amendments are summarized below:

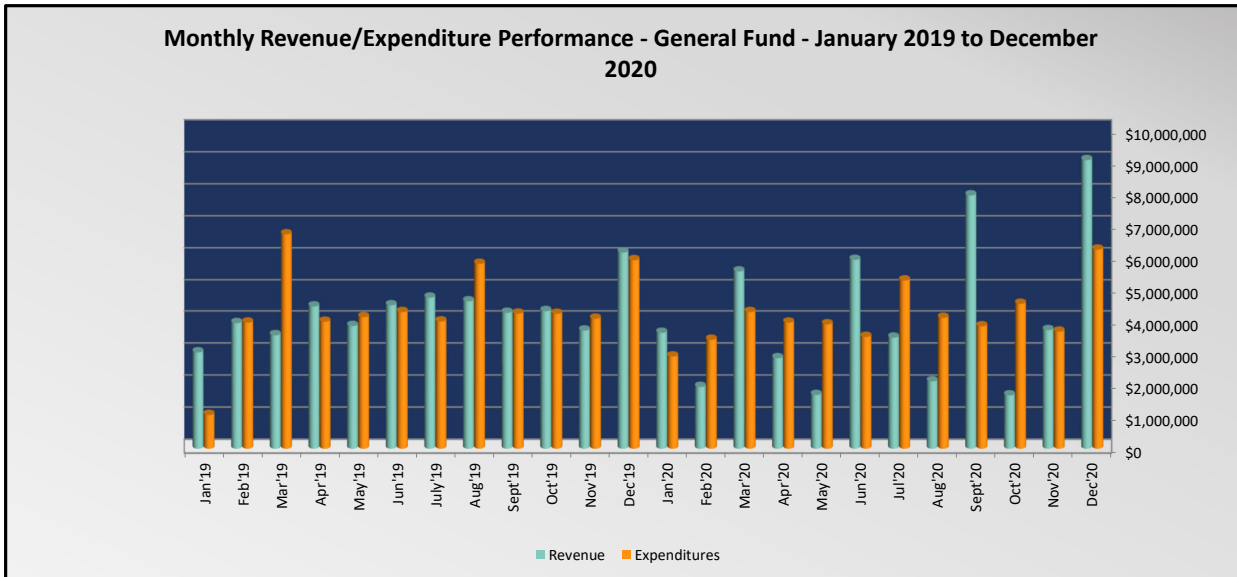
	A	B	C	D	E	F	G	H	I	J	
1	Breakdown of the Original Adopted Budget: (Ord 3315 11/26/2018)										
2											
3	2019-2020 Budgeted Expenditures with Transfers & Amendments								113,879,450	(A)	
4	Ending Fund Balance								4,982,535	(B)	
5											
6	2019-2020 Original Adopted Budget								\$ 118,861,985		
7	2019 - 2020 Revised Expenditure Budget								General Fund	# 011	
8											
9	2019-2020 Original Approved Budget (Ord 3315 11/26/2018)								\$ 113,879,450	(A)	
10											
11	2019-2020 Budget Amendments and Approvals:										
12		3341	8/12/19	Encumbrance Carryover					531,538		
13		3341	8/12/19	GEMT IGT Transfer to Health Care Authority					300,440		
14		3341	8/12/19	GEMT Consultant					40,000		
15		3341	8/12/19	PRCA 10 Minute Walk Grant					40,000		
16		3341	8/12/19	Maintenance Costs for Healthy Communities Minivan					4,900		
17		3349	11/25/19	Heritage Park-Wickers Building Furnishings, tenant improvements, etc.					7,000		
18		3349	11/25/19	Meadowdale Playfields repairs of damage caused by thieves					15,400		
19		3349	11/25/19	Reduce expenditures by \$100K to reflect the decrease of property tax					(100,000)		
20		3362	6/22/20	U.S. CARES Act Grant for COVID-19 Pandemic					968,000		
21		3367	9/16/20	Additional U.S. CARES Act Grant for COVID-19 Pandemic					594,000		
22		3384	12/14/20	Additional U.S. CARES Act Grant for COVID-19 Pandemic					231,596		
23	Total 2019-2020 Budget Amendments and Approvals								2,632,874		
24	Total 2019-2020 Original Budgets with Amendments								116,512,324		
25	<i>The above amount is presented in our expenditure budget and actual presentation.</i>										
26											
27	Ending Fund Balance (Ord 3315 11/26/2018)								4,982,535	(B)	
28		3341	8/12/19	Fund Balance Adjustment					(685,052)		
29		3349	11/25/19	Fund Balance Adjustment					(21,900)		
30		3384	12/14/20	Fund Balance Adjustment					1,822,465		
31	Adjusted Ending Fund Balance								6,098,048		
32	2019-2020 Adopted Budget with Amendments - December 31, 2020								\$ 122,610,372		

Table 5: General Fund's Monthly Revenue and Expenditure

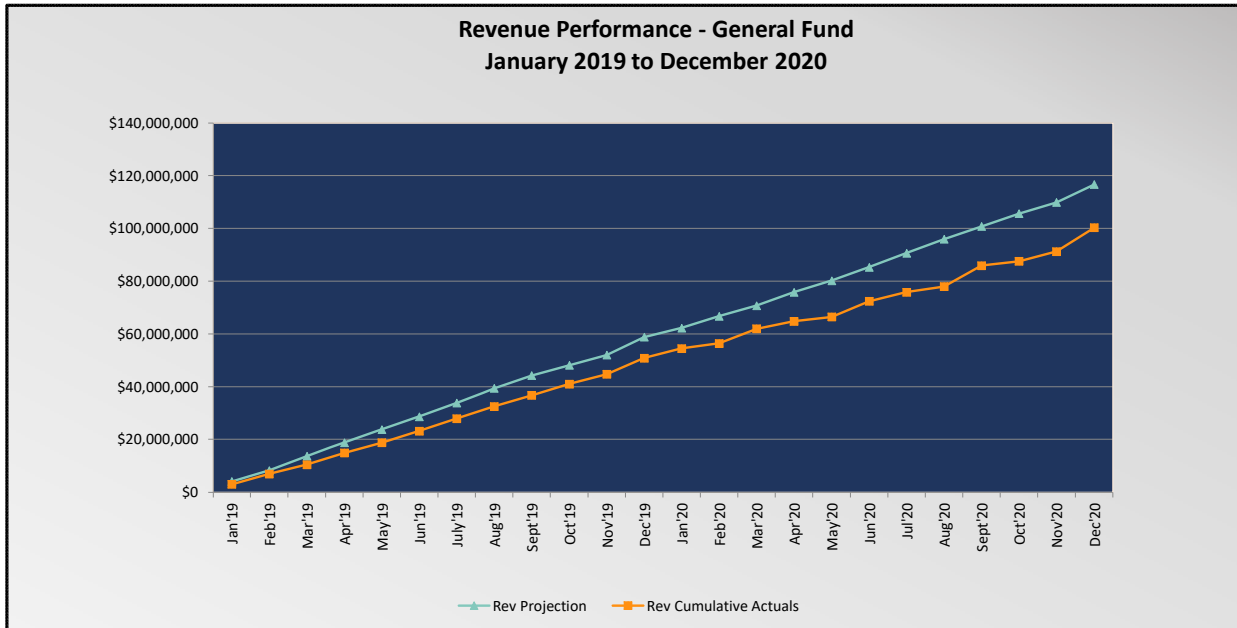
	A	B	C	D	E	F	G	H	I	J	
1	Monthly Revenue and Expenditure Summary - General Fund										
2	2019-2020 Biennium										
3	Year to Date				Monthly						
4	Revenue Year to Date	Revenue Budget	Expenditure Year to Date	Expenditure Budget	Monthly Revenue	Monthly Revenue Allocation*	% Over/(Under) Revenue Allocation	Monthly Expenditure	Monthly Expenditure Allocation*	% Over/(Under) Expenditure Allocation	
5	January-19	\$ 3,004,041	\$ 4,129,294	\$ 1,051,768	\$ 2,248,786	\$ 3,004,041	\$ 4,129,294	-27.25%	\$ 1,051,768	\$ 2,248,786	-53.23%
6	February-19	6,919,584	8,231,148	4,984,173	6,289,847	3,915,543	4,101,854	-4.54%	3,932,405	4,041,060	-2.69%
7	March-19	10,457,180	13,632,419	11,701,622	11,712,683	3,537,596	5,401,270	-34.50%	6,717,449	5,422,836	23.87%
8	April-19	14,891,930	18,823,489	15,659,671	17,499,437	4,434,750	5,191,071	-14.57%	3,958,049	5,786,754	-31.60%
9	May-19	18,717,451	23,811,172	19,759,380	22,086,499	3,825,521	4,987,683	-23.30%	4,099,709	4,587,063	-10.62%
10	June-19	23,188,926	28,659,646	24,018,096	27,104,997	4,471,475	4,848,473	-7.78%	4,258,716	5,018,498	-15.14%
11	July-19	27,898,526	33,830,609	27,986,189	31,754,537	4,709,600	5,170,964	-8.92%	3,968,093	4,649,540	-14.66%
12	August-19	32,493,099	39,390,975	33,781,255	37,583,073	4,594,573	5,560,366	-17.37%	5,795,066	5,828,535	-0.57%
13	September-19	36,728,757	44,242,272	37,991,024	41,745,021	4,235,658	4,851,297	-12.69%	4,209,769	4,161,948	1.15%
14	October-19	41,020,162	48,093,675	42,195,755	46,627,667	4,291,405	3,851,404	11.42%	4,204,731	4,882,645	-13.88%
15	November-19	44,703,343	51,983,398	46,247,642	51,018,090	3,683,181	3,889,723	-5.31%	4,051,887	4,390,423	-7.71%
16	December-19	50,852,841	58,795,955	52,158,151	58,733,455	6,149,498	6,812,557	-9.73%	5,910,509	7,715,365	-23.39%
17	January-20	54,464,415	62,225,780	55,031,558	59,872,004	3,611,574	3,429,824	5.30%	2,873,407	1,138,549	152.37%
18	February-20	56,390,121	66,696,299	58,427,476	64,128,869	1,925,706	4,470,520	-56.92%	3,395,918	4,256,865	-20.22%
19	March-20	61,947,979	70,735,303	62,687,213	71,400,786	5,557,858	4,039,004	37.60%	4,259,737	7,271,918	-41.42%
20	April-20	64,769,253	75,798,620	66,617,090	75,685,195	2,821,274	5,063,317	-44.28%	3,929,877	4,284,408	-8.27%
21	May-20	66,442,862	80,166,358	70,493,584	80,123,168	1,673,609	4,367,738	-61.68%	3,876,494	4,437,973	-12.65%
22	June-20	72,363,879	85,271,606	73,978,330	84,733,268	5,921,017	5,105,248	15.98%	3,484,746	4,610,100	-24.41%
23	July-20	75,826,708	90,648,729	79,254,525	89,028,765	3,462,829	5,377,124	-35.60%	5,276,195	4,295,498	22.83%
24	August-20	77,925,325	95,894,523	83,334,875	95,301,978	2,098,617	5,245,793	-59.99%	4,080,350	6,273,213	-34.96%
25	September-20	85,860,674	100,730,529	87,150,995	99,859,093	7,935,349	4,836,007	64.09%	3,816,120	4,557,114	-16.26%
26	October-20	87,521,005	105,630,184	91,668,687	104,410,753	1,660,331	4,899,655	-66.11%	4,517,692	4,551,661	-0.75%
27	November-20	91,217,035	109,835,408	95,318,239	108,796,959	3,696,030	4,205,223	-12.11%	3,649,552	4,386,205	-16.79%
28	December-20	100,253,265	116,647,965	101,559,348	116,512,324	9,036,230	6,812,557	32.64%	6,241,109	7,715,365	-19.11%
29	Total Revenues and Expenditures				100,253,265	116,647,965	-14.05%	101,559,348	116,512,324	-12.83%	

* Monthly allocation formula = 2018-2019 Monthly Actual/2018-2019 Biennium Actuals

Chart 1: Month-to-Month Revenue and Expenditure Performance – General Fund



**Chart 2: Biennial Revenue Projection Vs. Actual Performance – General Fund
From January 2019 to Date of Reporting**



**Chart 3: Biennial Expenditure Projection Vs. Performance – General Fund
From January 2019 to Date of Reporting**

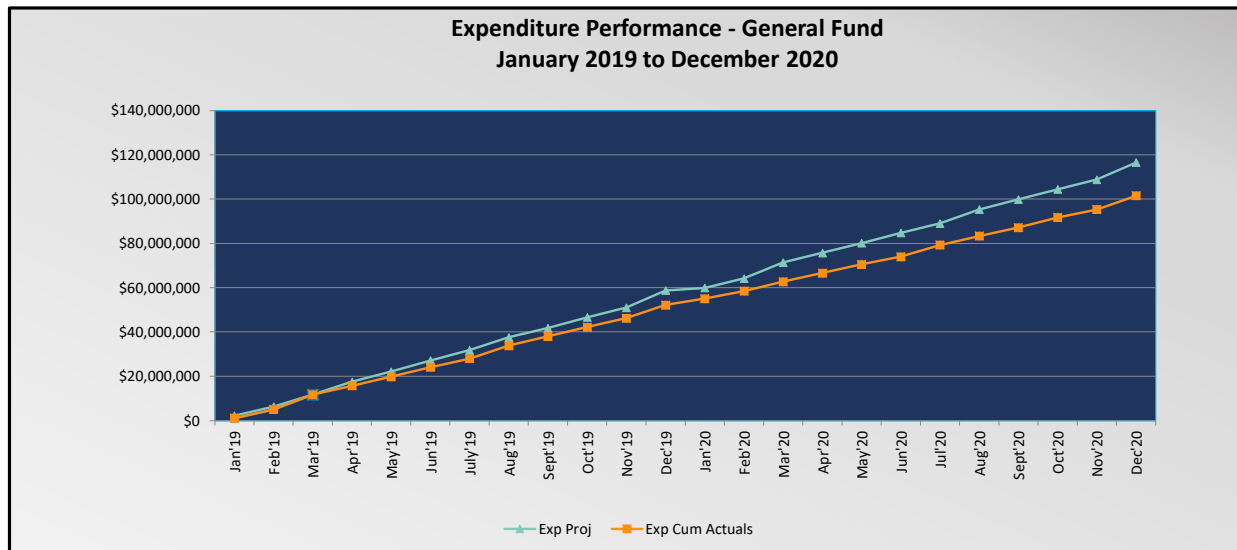


Table 6: Change in the General Fund's Fund Balance in December 2020

	A	B	C	D	E	F	G	H	I	
1	Change in General Fund's Fund Balance in 2020									
2										
3	Beginning Fund Balance (Actual) - General Fund									\$ 4,125,560
4	Plus: 2020 Revenues									49,400,424
5	Less: 2020 Expenditures									(49,401,197)
6										
7	Ending Fund Balance - General Fund									\$ 4,124,787
8	Plus: Revenue Stabilization Fund's Ending Fund Balance									4,870,033
9	Total Fund Balance									\$ 8,994,820
10										
11	General Fund Reserve Requirements at 12/31/2020:									\$ 9,519,143
12	(2 1/2 Months of 2019 Operating Expenditures per 2019 CAFR)									
13	Unassigned Fund Balance									\$ (524,323)
14	Total Fund Balance									\$ 8,994,820

Table 7: General Fund's Biennial Revenues

	A	B	C	D
1	General Fund's Biennial Revenues Through December 2020			
2	FY 2019 - 2020			
3				
4	Category	Biennial Actual thru December 2020	2019-2020 Budget	% of Budget
5	30-Fund Balance	\$ 4,125,560	\$ 5,962,407	69.2%
6	31-Taxes	64,465,816	70,398,437	91.6%
7	32-Licenses and Permits	8,787,287	9,618,798	91.4%
8	33-Intergovernmental Revenue	6,194,567	8,422,669	73.5%
9	34-Charges for Services	10,303,563	13,518,552	76.2%
10	35-Fines and Forfeits	7,886,522	9,141,660	86.3%
11	36-Miscellaneous Revenues	905,666	2,041,326	44.4%
12	38-Non-Revenue	38,641	12,448	310.4%
13	39-Other Financing Sources	1,671,203	3,494,075	47.8%
14	Total Revenue	100,253,265	116,647,965	85.9%
15	Total Resources Including Fund Balance	\$ 104,378,825	\$ 122,610,372	

Table 8: General Fund's Comparative Year-To-Date Revenues Ending December 2018, 2019 & 2020

	A	B	C	D	E
1	General Fund's Annual Revenues				
2	Chart 4: Comparative Sales Tax Revenue Forecast from 2017 – 2020				
3	Category	Actual thru December 2020	Actual thru December 2019	% of Incr (Decr) from 2019 to 2020	Actual thru December 2018
4	30-Fund Balance	\$ 4,125,560	\$ 10,134,924	-59.29%	\$ 11,596,466
5	31-Taxes	31,188,752	33,277,064	-6.3%	34,319,636
6	32-Licenses and Permits	5,456,588	3,330,699	63.8%	4,354,357
7	33-Intergovernmental Revenue	3,209,298	2,985,268	7.5%	1,589,699
8	34-Charges for Services	4,417,843	5,885,720	-24.9%	6,069,984
9	35-Fines and Forfeits	3,112,338	4,774,184	-34.8%	4,292,162
10	36-Miscellaneous Revenues	345,497	560,169	-38.3%	841,459
11	38-Non-Revenue	7,858	30,784	-74.5%	29,087
12	39-Other Financing Sources	1,662,250	8,953	18466.4%	560
13	Total Revenue	49,400,424	50,852,841	-2.9%	51,496,944
14	Total Resources Including Fund Balance	\$ 53,525,984	\$ 60,987,765		\$ 63,093,410

As forecasted, revenues from business licenses and permit fees have rebounded from their lows experienced in 2019. Business license fee revenues were delayed in 2019 when the Department of Revenue took over billing and collection of the fees.

Table 9: Biennial Detailed Tax Revenue Information:

	A	B	C	D	E
1	General Fund Biennial Detailed Tax Revenue thru December 2020				
2			Biennial Actual thru December 2020	2019-2020 Budget	% of Budget
3	Taxes				
4	Business Taxes				
5	Utility Tax-Electric		\$ 4,137,490	\$ 4,599,307	89.96%
6	Utility Tax-Water		848,172	843,660	100.53%
7	Utility Tax-Gas		1,053,200	1,206,207	87.32%
8	Utility Tax-Sewer		1,269,585	1,272,499	99.77%
9	Utility Tax-Solid Waste		1,219,060	1,177,441	103.53%
10	Utility Tax-Cable		956,705	1,098,210	87.11%
11	Utility Tax-Telephone/Pager		1,537,173	2,105,395	73.01%
12	Utility Tax-Storm		502,131	485,718	103.38%
13	Leasehold Tax		12,076	8,650	139.61%
14	Admissions Tax		831,617	1,459,918	56.96%
15	Gambling Tax-Punch Brds/Pulltabs		235,656	250,691	94.00%
16	Gambling Tax-Bingo and Raffles		2,894	3,141	92.14%
17	Gambling Tax-Amusement Games		11,338	19,864	57.08%
18	Business Taxes Total		\$ 12,617,097	\$ 14,530,701	86.83%
19	General Property Tax		8,242,405	8,355,000	98.65%
20	EMS Property Tax		29,121	-	100.00%
21	Retail Sales Tax		43,577,193	47,512,736	91.72%
22	Total Taxes		\$ 64,465,816	\$ 70,398,437	91.57%

To more accurately report the revenues earned by the City as of December 31, taxes were accrued through December 31.

Table 10: Comparative Tax Revenue – Ending December 2018 to 2020

	A	B	C	D	E	F
1	General Fund's Detailed Tax Revenue					
2	For the Year-To-Date Period Ending through December 2018, 2019 & 2020					
3			Actual thru December 2020	Actual thru December 2019	% of Incr (Decr) from 2019 to 2020	Actual thru December 2018
4	Taxes					
5	Business Taxes					
6	Utility Tax-Electric	\$ 2,019,000	\$ 2,118,490	-4.7%	\$ 2,111,290	
7	Utility Tax-Water	415,791	432,381	-3.8%	400,466	
8	Utility Tax-Gas	543,268	509,932	6.5%	505,162	
9	Utility Tax-Sewer	615,204	654,381	-6.0%	608,543	
10	Utility Tax-Solid Waste	613,269	605,791	1.2%	583,191	
11	Utility Tax-Cable	487,487	469,218	3.9%	473,405	
12	Utility Tax-Telephone/Pager	709,408	827,765	-14.3%	1,044,244	
13	Utility Tax-Storm	250,303	251,828	-0.6%	234,886	
14	Leasehold Tax	8,357	3,719	124.7%	1,917	
15	Admissions Tax	129,583	702,034	-81.5%	921,418	
16	Gambling Tax-Punch Brds/Pulltabs	92,979	142,677	-34.8%	196,769	
17	Gambling Tax-Bingo and Raffles	1,028	1,866	-44.9%	3,260	
18	Gambling Tax-Amusement Games	1,667	9,671	-82.8%	11,802	
19	Business Taxes Total	\$ 5,887,344	\$ 6,729,753	-12.5%	\$ 7,096,353	
20	General Property Tax	4,275,199	3,967,206	7.8%	3,885,877	
21	EMS Property Tax	5,282	23,839	-77.8%	2,323,234	
22	Retail Sales Tax	21,020,927	22,556,266	-6.8%	21,014,172	
23	Total Taxes	\$ 31,188,752	\$ 33,277,064	-6.3%	\$ 34,319,636	

EMS property tax decreased by 77.8% because the City of Lynnwood no longer collects EMS property tax. Beginning in 2019, the South Snohomish County Fire and Rescue Regional Fire Authority (SSCFR) collects the EMS property tax. There will continue to be small receipts due to prior year collections.

To more accurately report the revenues earned by the City as of December 31, all taxes were accrued through December, 2020.

Table 11: Actual Gross Historical Sales Tax Collection (includes EDIF portion)

	A	B	C	D	E	F	G	H	I
1	Gross Sales Tax by Actual Month Collection from 2009-2019 For the City of Lynnwood								
2	Actual Month Sales Tax	% Chng	Year 2020	17-19 Avg % Rcpt	Year 2019	Year 2018	Year 2017	Year 2016	Year 2009
3	January	2.00%	\$ 1,682,783	7.10%	\$ 1,649,756	\$ 1,659,199	\$ 1,553,675	\$ 1,493,741	\$ 1,138,197
4	February	1.37%	1,515,997	6.61%	1,495,512	1,546,656	1,488,779	1,545,115	\$ 1,076,493
5	March	-40.93%	1,207,193	8.34%	2,043,826	1,915,769	1,754,850	1,864,563	\$ 1,224,186
6	April	-40.87%	1,148,763	7.76%	1,942,838	1,780,484	1,594,147	1,703,745	\$ 1,132,075
7	May	-20.19%	1,606,386	8.21%	2,012,870	1,854,102	1,756,250	1,717,336	\$ 1,177,676
8	June	-10.98%	1,810,757	8.65%	2,034,018	1,985,036	1,905,880	1,867,961	\$ 1,277,028
9	July	-5.70%	1,911,463	8.57%	2,027,103	1,956,153	1,887,629	1,923,826	\$ 1,263,931
10	August	-5.91%	1,905,468	8.58%	2,025,251	1,990,993	1,862,273	1,795,304	\$ 1,277,361
11	September	-1.58%	1,973,911	8.61%	2,005,520	1,949,367	1,948,209	1,900,981	\$ 1,231,375
12	October	-3.25%	1,817,809	8.13%	1,878,921	1,855,533	1,838,875	1,660,559	\$ 1,135,572
13	November	-6.16%	1,925,471	8.71%	2,051,950	2,052,650	1,864,936	1,777,630	\$ 1,201,577
14	December	0.81%	2,514,926	10.73%	2,494,842	2,363,406	2,495,798	2,347,520	\$ 1,740,441
15			\$ 21,020,927	100.0%	\$ 23,662,407	\$ 22,909,348	\$ 21,951,301	\$ 21,598,281	\$ 14,875,912
16	Percentage incr (decr)	-11.16%			3.29%	4.36%	1.63%	3.64%	-14.01%

2010 thru 2014 Sales Tax Collection Information are not presented. We present 2009 to show what the revenue was during the economic downturn.

Table 12: Quarterly Sales Tax as Economic Indicator (includes EDIF portion)

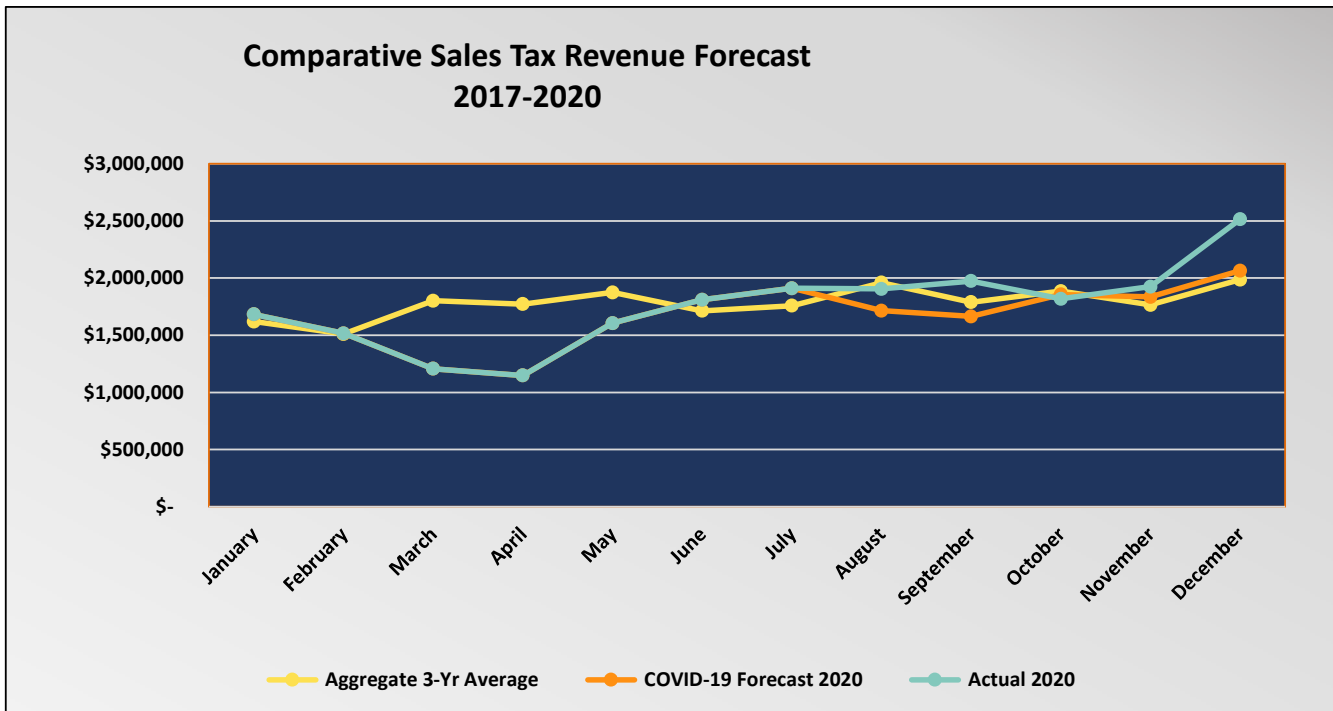
	A	B	C	D	E	F	G	H	I
1	Total Gross Sales Tax Earned by Quarter								
2		% Chng	4th Quarter 2020			4th Quarter 2019			
3	Total	-2.61%	\$	6,258,206			\$	6,425,713	
4									
5		% Chng	3rd Quarter 2020			3rd Quarter 2019			
6	Total	-4.41%	\$	5,790,842			\$	6,057,874	

Table 13: Comparative General Fund Sales Tax Revenue Forecast 2017 – 2020

	A	B	C	D	E	F	G	H
1	Comparative Sales Tax Revenue Forecast 2017-2020 For the General Fund							
2	Actual Month Sales Tax	Actual 2020	COVID-19 Forecast 2020	Aggregate 3-Yr Average	17-19 Avg % Rcpt	Year 2019	Year 2018	Year 2017
3	January	\$ 1,682,783	\$ 1,682,783	\$ 1,620,877	7.56%	\$ 1,649,756	\$ 1,659,199	\$ 1,553,675
4	February	1,515,997	1,515,996	1,510,315	7.04%	1,495,511	1,546,656	1,488,779
5	March	1,207,193	1,207,193	1,802,176	8.41%	1,835,909	1,815,769	1,754,850
6	April	1,148,763	1,148,763	1,772,490	8.27%	1,942,838	1,780,484	1,594,147
7	May	1,606,386	1,606,386	1,874,407	8.74%	2,012,870	1,854,102	1,756,250
8	June	1,810,757	1,810,757	1,713,983	7.99%	1,750,143	1,985,036	1,406,769
9	July	1,911,463	1,911,463	1,758,705	8.20%	2,027,102	1,361,384	1,887,629
10	August	1,905,468	1,715,194	1,959,506	9.14%	2,025,251	1,990,993	1,862,273
11	September	1,973,911	1,664,004	1,789,200	8.35%	1,698,505	1,949,367	1,719,727
12	October	1,817,809	1,856,792	1,885,576	8.79%	1,878,921	1,855,533	1,922,273
13	November	1,925,471	1,835,776	1,766,117	8.24%	2,051,950	1,321,192	1,925,209
14	December	2,514,926	2,064,958	1,986,602	9.27%	2,187,510	1,894,457	1,877,838
15		\$ 21,020,927	\$ 20,020,065	\$ 21,439,952	100.0%	\$ 22,556,266	\$ 21,014,172	\$ 20,749,419
16	% Over/(Under) COVID Forecast	5.00%			% Increase (Decrease)	7.34%	1.28%	-3.93%

Sales tax totaling \$1,106,141 was transferred to the EDIF Fund in 2019. Nothing has been transferred in 2020.

Chart 4: Comparative Sales Tax Revenue Forecast from 2017 – 2020



Sales Tax totaling \$1,106,141 was transferred to the EDIF Fund in 2019. Nothing has been transferred in 2020. Due to the COVID-19 Pandemic we did not transfer any revenues to the EDIF fund in 2020.

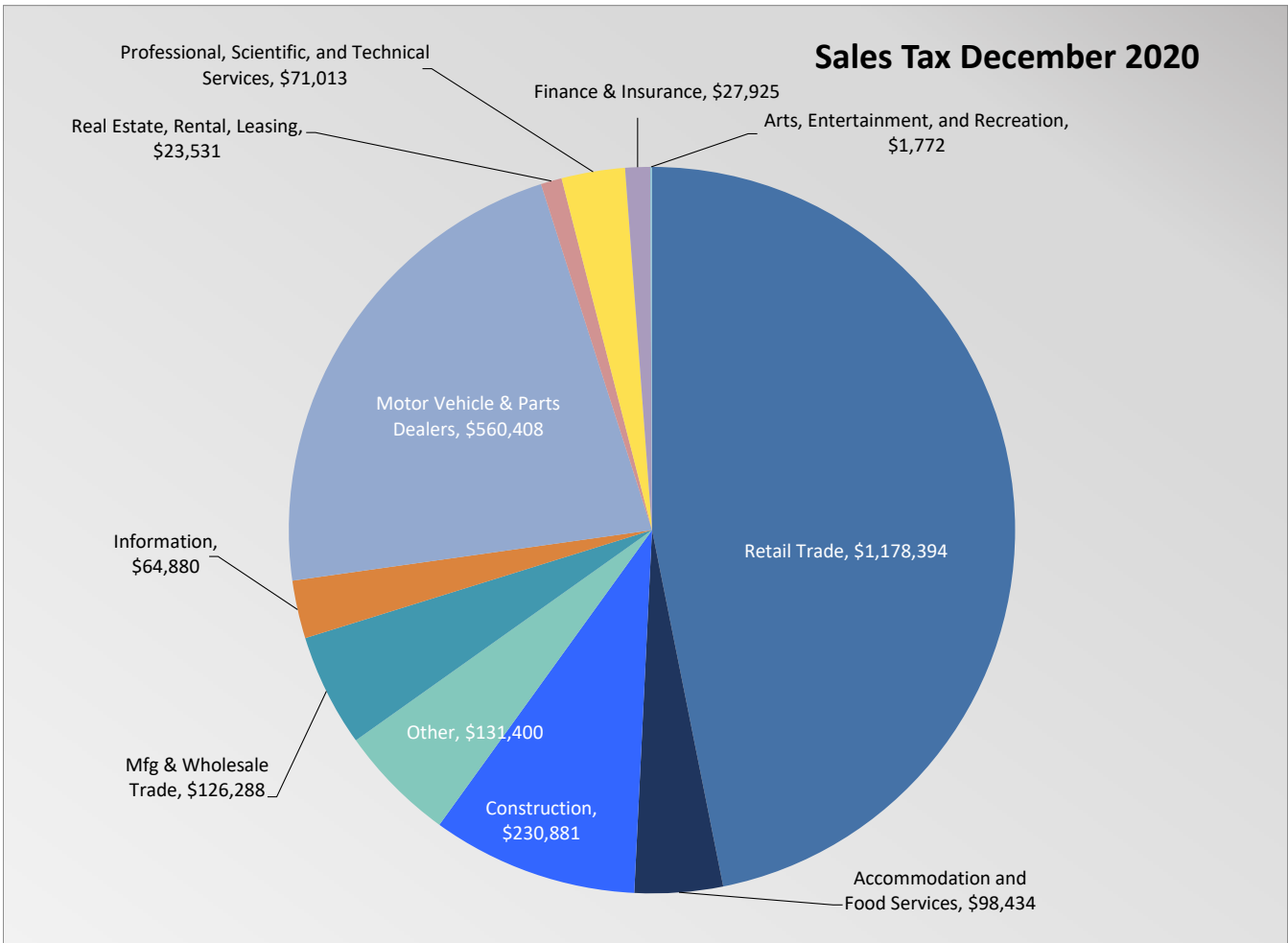
Report on Year-To-Date Sales Tax Earned for the month of Dec 2020, Cash Received in February 2021

Table 14: 2019 & 2020 Year-To-Date Sales Tax Collection by Category

	A	B	C	D	E	F	G	H
1		City of Lynnwood						
2		Year to Date Sales Tax Collection By Category						
3		For the reporting period of December 2020 (Jan 2019 to Dec 2020)						
4		Source: Microflex - Washington State Department of Revenue						
5								
6			Month	Month		Y-T-D	Y-T-D	
7		Category	December	December	Month %	December	December	Y-T-D %
8		Retail Trade	\$ 1,178,394	\$ 1,267,877	-7.1%	\$ 8,855,341	\$ 10,280,408	-13.9%
9		Accommodation and Food Services	98,434	170,384	-42.2%	1,306,098	1,916,984	-31.9%
10		Construction	230,881	195,372	18.2%	1,919,888	2,106,138	-8.8%
11		All Others ²	131,400	121,517	8.1%	1,338,718	1,485,226	-9.9%
12		Mfg and Wholesale Trade	126,288	72,325	74.6%	961,517	1,134,533	-15.2%
13		Information ¹	64,880	78,209	-17.0%	579,794	688,452	-15.8%
14		Motor Vehicle & Part's Dealers	560,408	467,658	19.8%	4,840,333	4,852,774	-0.3%
15		Real Estate, Rental, Leasing	23,531	26,008	-9.5%	244,053	271,713	-10.2%
16		Professional, Scientific, and Technical Services	71,013	53,623	32.4%	607,435	471,275	28.9%
17		Finance and Insurance	27,925	25,954	7.6%	309,588	308,433	0.4%
18		Arts, Entertainment, and Recreation	1,772	15,915	-88.9%	58,161	146,474	-60.3%
19		TOTAL	\$ 2,514,926	\$ 2,494,842	0.8%	\$ 21,020,926	\$ 23,662,410	-11.2%
20								
21		¹ Category on "information" pertains to businesses in telecommunications, internet service providers, motion pictures, sound record, publishing industries, broadcasting, and other information services.						
22								
23								
24								
25		² All Others pertain to various categories not included in the other segments and not material enough to have a separate category.						
26								
27								
28								

Chart 5: Pie Chart for the month of December 2020 Sales Tax Collection

Sales Tax Earned in December, Collected in February 2021



General Fund's Expenditures

Table 15: Biennial Expenditures by Department - General Fund

	A	B	C	D
1	Biennial Expenditures by Department through December 2020 FY 2019 - 2020			
2				
3				
4	Department	Biennial Actual thru December 2020	2019-2020 Budget	% of Budget
5	ADMINISTRATIVE SERVICES	\$ 7,310,222	\$ 7,645,789	95.6%
6	INFORMATION TECHNOLOGY	4,713,593	5,244,292	89.9%
7	COMMUNITY DEVELOPMENT	4,925,667	6,982,765	70.5%
8	ECONOMIC DEVELOPMENT (1)	2,060,874	3,954,842	52.1%
9	EXECUTIVE	1,701,793	1,881,717	90.4%
10	FIRE MARSHAL (2)	2,305,312	2,276,882	101.2%
11	HUMAN RESOURCES	1,640,010	1,916,267	85.6%
12	LEGAL	3,322,885	3,348,654	99.2%
13	LEGISLATIVE	781,314	872,547	89.5%
14	MUNICIPAL COURT	2,621,795	2,871,854	91.3%
15	NON-DEPARTMENTAL	8,673,256	9,735,972	89.1%
16	PARKS & RECREATION	14,339,693	17,261,088	83.1%
17	POLICE	40,550,592	43,826,031	92.5%
18	PUBLIC WORKS (3)	6,612,342	8,693,624	76.1%
19	Grand Total	\$ 101,559,348	\$ 116,512,324	87.2%

- (1) The Economic Development expenditures are only 52.1% of budget because only \$1,000,204 of the \$2,727,256 (or 37%) budgeted for one time Sound Transit related work has been expended as of December 2020.
- (2) Fire Marshal expenditures are 101.2% of budget because a retro pay was done for Fire Marshal Services for 2018-2020.
- (3) Public Works expenditures are only 76.1% of budget because applicable engineering and project managers' expenditures are charged directly to capital projects.

Table 16: General Fund Comparative Expenditures by Department

	A	B	C	D	E
1	General Fund Comparative Expenditures by Department				
2	For the Year-To-Date Period Ending through December 2018, 2019 & 2020				
3	Department	Actual thru December 2020	Actual thru December 2019	% of Incr (Decr) from 2019 to 2020	Actual thru December 2018
4	ADMINISTRATIVE SERVICES	\$ 3,723,697	\$ 3,586,525	3.8%	\$ 3,562,517
5	INFORMATION TECHNOLOGY	2,338,109	2,375,484	-1.6%	2,143,051
6	COMMUNITY DEVELOPMENT	2,371,392	2,554,275	-7.2%	3,057,919
7	ECONOMIC DEVELOPMENT	1,084,706	976,168	11.1%	701,941
8	EXECUTIVE	829,942	871,851	-4.8%	802,540
9	FIRE - OTHER	-	344,110	100.0%	6,537
10	FIRE - MARSHAL	1,128,477	832,725	35.5%	841,116
11	FIRE - RFA PAYMENTS (1)	-	-	100.0%	2,730,648
12	HUMAN RESOURCES	861,632	778,378	10.7%	784,652
13	LEGAL	1,608,960	1,713,925	-6.1%	1,842,041
14	LEGISLATIVE	374,768	406,546	-7.8%	406,952
15	MUNICIPAL COURT	1,330,374	1,291,421	3.0%	1,325,287
16	NON-DEPARTMENTAL	4,732,968	3,940,288	20.1%	3,948,774
17	PARKS & RECREATION	6,320,538	8,019,155	-21.2%	8,137,175
18	POLICE	19,200,149	21,350,443	-10.1%	20,683,675
19	PUBLIC WORKS	3,495,485	3,116,857	12.1%	3,281,941
20	Grand Total	\$ 49,401,197	\$ 52,158,151	-5.29%	\$ 54,256,766

(1) The contract to transfer the Regional Fire Authority (RFA) EMS Property Taxes ended in 2018. The payments to the RFA in 2020 are for Fire Marshal services only and cover the services provided in calendar year 2020.

Note: Departments were encouraged to curb spending due to the COVID-19 pandemic and revenues coming in lower than expected.

Table 17: General Fund Biennial Expenditure Categories Through December 2020

	A	B	C	D	
1	Biennial Expenditure Categories through December FY 2019 - 2020				
2					
3					
4	Category	Biennial Actual thru December 2020	2019-2020 Budget	% of Total	% of Budget
5	SALARIES & WAGES	\$ 48,455,120	\$ 51,408,451	47.7%	94.3%
6	PERSONNEL BENEFITS	18,284,595	20,586,589	18.0%	88.8%
7	SUPPLIES	2,119,791	3,120,782	2.1%	67.9%
8	SERVICES	19,974,049	26,422,851	19.7%	75.6%
9	INTERGOVTL SERVICES/PYMNT	5,677,462	6,849,099	5.6%	82.9%
10	CAPITAL OUTLAYS (1)	302,355	328,176	0.3%	92.1%
11	DEBT INTEREST & OTHER COST	600	1,000	0.0%	60.0%
12	OPERATING TRANSFERS OUT	6,745,376	7,795,376	6.6%	86.5%
13	Grand Total	\$ 101,559,348	\$ 116,512,324	100.0%	87.2%

Note: Almost all expenditure categories are lower than expected at 100% of the biennial budget because of reductions made due to reduced revenues from COVID-19.

Table 18: General Fund Comparative Year-To-Date Expenditures from 2018-2020

	A	B	C	D
1	GENERAL FUND			
2	Comparative Fiscal Expenditure Categories through December 2018-2020			
3				
4	Category	Actual thru December 2020	Actual thru December 2019	% of Incr (Decr) from 2019 to 2020
5	SALARIES & WAGES	\$ 24,055,074	\$ 24,400,046	-1.4%
6	PERSONNEL BENEFITS	9,142,245	9,142,350	0.0%
7	SUPPLIES	888,600	1,231,191	-27.8%
8	SERVICES	9,756,425	10,217,624	-4.5%
9	INTERGOVTL SERVICES/PYMNT	2,596,157	3,081,305	-15.7%
10	RFA SERVICES	-	-	100.0%
11	CAPITAL OUTLAYS	183,508	118,847	54.4%
12	DEBT INTEREST & OTHER COST	600	-	0.0%
13	OPERATING TRANSFERS OUT	2,778,588	3,966,788	-30.0%
14	Grand Total	\$ 49,401,197	\$ 52,158,151	-5.3%
15				
16				
17				
18				
19	Category Summary:	Actual thru December 2020	Actual thru December 2019	% of Incr (Decr) from 2019 to 2020
20	SALARIES & BENEFITS	\$ 33,197,319	\$ 33,542,396	-1.0%
21	OTHER COSTS	13,425,290	14,648,967	-8.4%
22	OPERATING TRANSFERS OUT	2,778,588	3,966,788	-30.0%
23	Grand Total	\$ 49,401,197	\$ 52,158,151	-5.3%

Note: General Fund expenditures are 5.3% lower in 2020 than the same time period in 2019 due to the reductions made for COVID-19 revenue impacts.

Table 19: General Fund’s Biennial Legal Expenditures Through December 2020

	A	B	C	D	
1	Biennial Legal Expenditures through December				
2	FY 2019 - 2020				
3					
4	Department	Biennial Actual thru December 2020	% of Total	2019-2020 Budget	% of Budget
5	ATTORNEY FEES	575,591	17.3%	640,000	89.9%
6	PROSECUTING ATTORNEY	1,118,400	33.7%	1,116,000	100.2%
7	PUBLIC DEFENDERS	1,599,202	48.1%	1,540,000	103.8%
8	LANGUAGE INTERPRETERS	27,744	0.8%	24,000	115.6%
9	OTHERS	1,948	0.1%	28,654	6.8%
10	Grand Total	\$ 3,322,885	100.0%	\$ 3,348,654	99.2%
11					
12					
13					
14					
15					
16					

Table 20: General Fund’s Comparative Year-To-Date Legal Expenditures (2018 – 2020)

	A	B	C	D	
17	General Fund Comparative Legal Expenditures				
18	From Jan 2019 to Date of Reporting				
19					
20					
21					
22	Department	Actual thru December 2020	Actual thru December 2019	% of Incr (Decr) from 2019 to 2020	Actual thru December 2018
23	ATTORNEY FEES	255,413	320,178	-20.2%	472,567
24	PROSECUTING ATTORNEY	559,200	559,200	0.0%	546,125
25	PUBLIC DEFENDERS	785,215	813,987	-3.5%	807,489
26	LANGUAGE INTERPRETERS	7,276	20,468	-64.5%	15,764
27	OTHERS	1,856	92	1917.4%	96
28	Grand Total	\$ 1,608,960	\$ 1,713,925	-6.12%	\$ 1,842,041

Table 21: REET I Fund Performance

	A	B	C	D	E	F	G
1	TABLE 21: Change in REET I's Fund Balance in 2020						
2	Fund 331 REET I						
3						ACTUAL	BUDGET
4	Beginning Fund Balance - REET I Fund (Fd 331)					\$ 1,801,825	\$ 1,162,176
5	3341	8/12/19	Beginning Fund Balance Adjustment			-	639,649
6	Adjusted Beginning Fund Balance					\$ 1,801,825	\$ 1,801,825
7	Plus: 2019-2020 Operating Revenues					2,143,565	2,200,000
8	Investment Interest					93,584	40,000
9	2019 - 2020 Total Revenues and Other Financing Sources					2,237,149	2,240,000
10	Total Beg F/B, Revenues & Other Financing Sources					4,038,974	4,041,825
11	Less: 2019-2020 Expenditures and Other Financing Uses						
12	Transfer to Fund 203 Other Governmental Debt					-	(500,000)
13	Transfer to Capital Funds					(1,349,969)	(2,649,153)
14	2019-2020 Total Expenditures and Other Financing Uses					(1,349,969)	(3,149,153)
15							
16	Ending Fund Balance - (December 31, 2020)					\$ 2,689,005	\$ 892,672

RCW 82.46.010 Tax on sale of real property authorized—Proceeds dedicated to local capital projects—Additional tax authorized—Maximum rates.

(1) The legislative authority of any county or city must identify in the adopted budget the capital projects funded in whole or in part from the proceeds of the tax authorized in this section and must indicate that such tax is intended to be in addition to other funds that may be reasonably available for such capital projects.

(6) The definitions in this subsection (6) apply throughout this section unless the context clearly requires otherwise.

(a) "City" means any city or town.

(b) "Capital project" means those public works projects of a local government for planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of streets; roads; highways; sidewalks; street and road lighting systems; traffic signals; bridges; domestic water systems; storm and sanitary sewer systems; parks; recreational facilities; law enforcement facilities; fire protection facilities; trails; libraries; administrative facilities; judicial facilities; river flood control projects; waterway flood control projects by those jurisdictions that, prior to June 11, 1992, have expended funds derived from the tax authorized by this section for such purposes; until December 31, 1995, housing projects for those jurisdictions that, prior to June 11, 1992, have expended or committed to expend funds derived from the tax authorized by this section or the tax authorized by RCW **82.46.035** for such purposes; and technology infrastructure that is integral to the capital project.

Table 22: REET II Fund Performance

	A	B	C	D	E	F	G
1	TABLE 22: Change in REET II's Fund Balance in 2020						
2	Fund 330 REET II						
3						ACTUAL	BUDGET
4	Beginning Fund Balance - REET II Fund (Fd 330)					\$ 2,741,162	\$ 2,155,166
5	3341	8/12/19 Beginning Fund Balance Adjustment				-	585,996
6	Adjusted Beginning Fund Balance					\$ 2,741,162	\$ 2,741,162
7	Plus: 2019-2020 Operating Revenues					2,143,565	2,200,000
8	Investment Interest					133,070	40,000
9	2019-2020 Total Revenues					2,276,635	2,240,000
10	Total Beg F/B, Revenues & Other Sources					5,017,797	4,981,162
11	Less: 2019-2020 Expenditures						
12	2019-2020 Expenditures and Other Financing Uses						
13	Transfer to Fund 203 Other Governmental Debt					-	(500,000)
14	Transfer to Capital Funds					(1,201,561)	(3,818,000)
15	2019-2020 Expenditures and Other Financing Uses					(1,201,561)	(4,318,000)
16							
17	Ending Fund Balance - (December 31, 2020)					\$ 3,816,236	\$ 663,162

RCW 82.46.035 Additional tax—Certain counties and cities—Ballot proposition—Use limited to capital projects—Temporary rescindment for noncompliance.

(1) The legislative authority of any county or city must identify in the adopted budget the capital projects funded in whole or in part from the proceeds of the tax authorized in this section and must indicate that such tax is intended to be in addition to other funds that may be reasonably available for such capital projects.

(5) As used in this section, "city" means any city or town and "capital project" means those public works projects of a local government for planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, bridges, domestic water systems, storm and sanitary sewer systems, and planning, construction, reconstruction, repair, rehabilitation, or improvement of parks.

Table 23: General Fund & EDIF Fund – Comparative 2020 & 2019 Revenue Performance

	A	B	C	D	E	F	
1	General and EDIF Funds						
2	Special Revenue Financial Focus by Fund For 2020 & 2019						
3		December 2020			December 2019		
4	Category	General Fund	EDIF Fund	Total	General Fund	EDIF Fund	Total
5	31-Taxes						
6	Local Retail Sales Tax	\$ 21,020,927	\$ -	\$ 21,020,927	\$ 22,556,266	\$ 1,106,141	\$ 23,662,407
7							
8	32-Licenses and Permits						
9	Permits	2,321,902	-	2,321,902	1,062,233	327,211	1,389,444
10							
11	34-Charges For Services						
12	Building & Plan Check Fees	598,017	-	598,017	395,610	21,041	416,651
13							
14	36-Miscellaneous Revenue						
15	Investment Interest	48,592	137,826	186,418	(77,817)	315,591	237,774
16							
17	39-Other & Disposal-Cap. Assets						
18	Transfers & Sale of Cap Asset	6,005	375,000	381,005	5,805	375,000	380,805
19	Total Revenue	\$ 23,995,443	\$ 512,826	\$ 24,508,269	\$ 23,942,097	\$ 2,144,984	\$ 26,087,081

Note: Included in the 2019-2020 budget is a transfer of \$750,000 from the LID-93 Fund in addition to the sales tax and permit revenues transferred from the General Fund. Applicable sales tax and permit revenues earned through the fourth quarter of 2019 were transferred to the EDIF fund in December 2019.

Due to the COVID-19 Pandemic it was determined to not transfer any permit revenues or sales tax at this time.

Table 24: EDIF Fund Performance

	A	B	C	D	E	F	G
1	Fund 020 ECONOMIC DEVELOPMENT INFRASTRUCTURE FUND						
2						ACTUAL	BUDGET
3	Beginning Fund Balance - EDIF Fund (Fd 020)					\$ 9,444,064	\$ 8,103,577
4	3341	8/12/19 Beginning Fund Balance Adjustment				-	1,340,487
5	Adjusted Beginning Fund Balance					\$ 9,444,064	\$ 9,444,064
6	Plus: 2019-2020 Operating Revenues						
7	Tax Revenue					1,106,141	1,475,721
8	Licenses and Permits					348,252	1,410,000
9	Investment Interest					453,417	100,000
10	2019-2020 Total Revenues					1,907,810	2,985,721
11	Plus: 2019-2020 Other Financing Sources						
12	Transfer from Fund 263					750,000	750,000
13	Total Other Financing Sources					750,000	750,000
14	Total Beg F/B, Revenues & Other Sources					12,101,874	13,179,785
15	Less: 2019-2020 Expenditures						
16	Expenditures and Other Financing Uses						
17	Transfer to Fund 357					-	(6,700,000)
18	Transfer to Fund 360					(1,058,000)	(300,000)
19	Expenditures and Other Financing Uses					(1,058,000)	(7,000,000)
20	Ending Fund Balance - (December 31, 2020)					\$ 11,043,874	\$ 6,179,785

Table 25: Cash and Investment

	A	B	C
1	City of Lynnwood		
2	Monthly Cash and Investment Reconciliation Report		
3	As of December 31, 2020		
4			
5		DECEMBER 2020	DECEMBER 2019
6	Lynnwood Main Account - US Bank	\$ 3,114,073	\$ 9,489,593
7	Lynnwood Municipal Court Acct	371,653	499,213
8	Custodial Accounts	2,348	-
9	Police Major Buy Fund	-	103,546
10	Cash in Bank	\$ 3,488,074	\$ 10,092,352
11			
12	LGIP	44,595,212	42,252,793
13	LGIP - 2018 Utility Rev Bond	4,350,905	-
14	LGIP - Rev Bonds - Bond Reserves	-	366
15	LGIP - Transportation Benefit District	1,740,858	2,277,647
16	LGIP - 2015 Util Sys Bond	-	777
17	Investments	23,835,335	22,218,666
18	Total Investments	\$ 74,522,310	\$ 66,750,249
19			
20	Total Cash in Bank & Investments	\$ 78,010,384	\$ 76,842,601
21			
22	Other Cash		
23			
24	Cash in Office	10,000	10,000
25	Advance Travel	15,000	15,000
26	Police Investigation	8,000	8,000
27	Total Other Cash	\$ 33,000	\$ 33,000
28	Grand Total	\$ 78,043,384	\$ 76,875,601

Table 26: Investment Portfolio

Listed below are the City's investment portfolio as of December 31, 2020.

	A	B	C	D	E	F	G	
1	City of Lynnwood							
2	Treasurer's Investment Report							
3	Activity for December 2020							
4								
5								
6	INVESTMENTS	FUND	PURCHASE DATE	YIELD INTEREST RATE	MATURITY DATE	TYPE OF INVEST	PAR AMOUNT	COST OF INVESTMENT
7	Federal Home Loan Mtg Corp	699	10/30/17	1.89%	4/30/21	FHLMC	1,000,000	999,000
8	Federal Home Loan Bank	699	2/19/19	2.54%	12/10/21	FHLB	1,000,000	1,013,168
9	Federal National Mortgage Assn	699	12/12/19	1.57%	1/19/23	FNMA	2,000,000	2,048,556
10	Farmer Mac	699	2/11/20	1.64%	2/10/23	FAMCA	2,000,000	2,002,168
11	Federal Farm Credit Bank	699	4/2/20	1.16%	3/3/23	FFCB	2,250,000	2,269,163
12	Federal National Mortgage Assn	699	6/5/20	0.41%	5/26/23	FNMA	1,000,000	1,001,654
13	Federal Farm Credit Bank	699	6/14/19	2.17%	6/7/23	FFCB	1,000,000	1,004,826
14	Federal National Mortgage Assn	699	11/1/19	1.57%	9/12/23	FNMA	2,000,000	2,097,456
15	Federal Home Loan Mtg Corp*	699	12/11/20	0.23%	11/16/23	FHLMC	1,000,000	1,001,925
16	Federal Home Loan Bank	699	3/18/19	2.45%	12/8/23	FHLB	2,000,000	2,083,788
17	Federal Home Loan Mtg Corp*	699	10/15/20	0.30%	12/29/23	FHLMC	2,150,000	2,150,000
18	Federal Home Loan Mtg Corp	699	7/22/20	0.45%	7/22/24	FHLMC	1,000,000	1,051,045
19	Federal Natl Mortgage Assn*	699	10/15/20	0.22%	10/15/24	FNMA	2,000,000	2,112,000
20	Federal Natl Mortgage Assn*	699	11/18/20	0.40%	11/18/24	FNMA	2,000,000	2,001,586
21	Federal Home Loan Mtg Corp*	699	8/13/20	0.52%	8/13/25	FHLMC	1,000,000	999,000
22								
23					Total Investments		\$23,400,000	\$23,835,335
24	*New investment							
25								
26	Investments Sold or Called in 4th Quarter 2020							
27	Resolution Funding Corp Strip Princ	699	12/22/16	1.90%	10/15/20	RFCSP	2,150,000	2,000,422
28	Federal Home Loan Bank	699	3/18/19	2.46%	12/11/20	FHLB	1,000,000	1,012,024
29	Federal Home Loan Mtg Corp	699	5/31/19	2.15%	11/9/21	FHLMC	1,000,000	1,013,099
30	Federal Home Loan Mtg Corp	699	1/15/20	1.66%	10/13/22	FHLMC	2,000,000	2,003,224
31					Total Sold or Called		\$6,150,000	\$6,028,769

Table 27: Investment Interest Earnings

Listed below are the City's interest earnings performance as of December 31, 2020.

	A	B	C	D	E	
1	Comparative Interest Earnings					
2	For the Year-To-Date Period Ending December 2017 - 2020					
3	Fund	Actual thru December 2020	Actual thru December 2019	% of Incr (Decr) from 2019 to 2020	Actual thru December 2018	Actual thru December 2017
4	GENERAL FUND	\$ 48,592	\$ (77,817)	-162.4%	\$ 173,732	\$ 118,629
5	ECO DEV INFRASTRUCTURE	137,826	315,591	-56.3%	135,622	26,316
6	OTHER GENERAL GOVTL	\$ 90,610	\$ 231,585	-60.9%	\$ 120,186	\$ 29,530
7	TRANSPD BD DISTRICT (TBD)	21,005	57,917	-63.7%	31,984	5,333
8	REET I & II	\$ 73,759	\$ 152,894	-51.8%	\$ 62,177	\$ 28,110
9	CAPITAL DEV FUND	16,124	41,166	-60.8%	544	-
10	UTILITIES	\$ 439,307	\$ 1,124,991	-61.0%	\$ 471,143	\$ 224,924
11	GOLF	3,924	5,759	-31.9%	4,072	3,183
12	INTERNAL SERVICE	\$ 36,118	\$ 98,500	-63.3%	\$ 38,723	\$ 20,798
13	OTHER FUNDS	85,587	21,772	293.1%	13,639	6,069
15	Grand Total	\$ 952,852	\$ 1,972,358	-51.69%	\$ 1,051,822	\$ 462,892

Table 28: General Fund's Biennial Revenues by Category

	A	B	C	D	E
1	Biennial Revenue Through December 31, 2020				
3	Category	Biennial Actual thru December 2020	2019-2020 Budget		% of Budget
4	BEGINNING FUND BALANCE	\$ 5,430,869	\$ 5,962,407		100.0%
5	31-Taxes	64,465,817	70,398,437		91.6%
6	BUSINESS & EXCISE TAXES	12,617,098	14,530,701		86.8%
7	GENERAL PROPERTY TAXES	8,242,405	8,355,000		98.7%
8	EMS PROPERTY TAXES	29,121	-		100.0%
9	RETAIL SALES AND USE TAXES	43,577,193	47,512,736		91.7%
10	32-Licenses and Permits	8,787,286	9,618,798		91.4%
11	BUSINESS LICENSES AND PERMITS	5,397,174	7,234,498		74.6%
12	NON-BUS LICENSES & PERMITS	3,390,112	2,384,300		142.2%
13	33-Intergovernmental Revenue	6,194,566	8,422,169		73.6%
14	GEMT & CARES ACT FUNDING	2,771,951	3,010,789		92.1%
15	INDIRECT FEDERAL GRANTS	54,956	61,385		0.0%
16	INTLCL GRNTS ENT IMP PYMTS	1,661,914	3,471,845		47.9%
17	ST ENT IMPCT PYMTS & IN LIEU T	1,106,407	1,280,123		86.4%
18	STATE GRANTS	69,688	60,442		115.3%
19	STATE SHARED REVENUES	529,650	537,585		98.5%
20	34-Charges for Services	10,303,564	13,518,552		76.2%
21	CULTURE & RECREATION	3,264,200	5,350,350		61.0%
22	UTILITIES & ECONOMIC ENVIRONMENT	1,446,777	2,391,573		60.5%
23	GENERAL GOVERNMENT	5,125,313	5,026,609		102.0%
24	SECURITY OF PERSONS & PROPERTY	467,274	750,020		62.3%
25	35-Fines and Forfeits	7,886,522	9,141,660		86.3%
26	CIVIL PARKING INFRACTION PENAL	5,524,006	6,606,190		83.6%
27	CRIMINAL COSTS	2,291,037	2,437,812		94.0%
28	NON-CRT FINES, FORFEIT & PENAL	71,479	97,658		73.2%
29	36-Miscellaneous Revenues	905,666	2,041,826		44.4%
30	CONTRIB/DONATIONS FROM PRV SRC	41,457	100,000		41.5%
31	INTEREST & OTHER EARNINGS	52,083	306,864		17.0%
32	P CARD REBATES	175,677	252,000		69.7%
33	OTHER	66,757	321,212		20.8%
34	RENTS, LEASES & CONCESSIONS	569,692	1,061,750		53.7%
35	38-Non-Revenue	38,641	12,448		310.4%
36	PROC LONG-TRM DBT-PROP FUNDS ON	38,641	12,448		310.4%
37	39-Other Financing Sources	1,671,203	3,494,075		47.8%
38	OTHER	5,526	-		0.0%
39	DISPOSITION OF FIXED ASSETS	2,313	-		0.0%
40	OPERATING TRANSFERS-IN	1,663,364	3,494,075		47.6%
41	Total Revenue	100,253,265	116,647,965		85.9%
42	Total Revenue Including Fund Balance	\$ 105,684,134	\$ 122,610,372	*	86.2%

* The report includes actual beginning fund balance of the respective years. RE: Annual Financial Report

Table 29: General Fund's Comparative Annual Revenues by Category

A	B	C	D	E	
1	Comparative Revenues ending December 31, 2018, 2019 & 2020				
2	Category	Actual thru December 2020	Actual thru December 2019	% of Incr (Decr) from 2019 to 2020	Actual thru December 2018
3	BEGINNING FUND BALANCE	\$ 4,125,560	\$ 10,134,924		\$ 11,596,466
4	31-Taxes	31,188,752	33,277,064	-6.3%	34,319,636
5	BUSINESS & EXCISE TAXES	5,887,344	6,729,753	-12.5%	7,096,353
6	GENERAL PROPERTY TAXES	4,275,199	3,967,206	7.8%	3,885,877
7	EMS PROPERTY TAXES	5,282	23,839	-77.8%	2,323,234
8	RETAIL SALES AND USE TAXES	21,020,927	22,556,266	-6.8%	21,014,172
9	32-Licenses and Permits	5,456,588	3,330,699	63.8%	4,354,357
10	BUSINESS LICENSES AND PERMITS	3,131,208	2,265,967	38.2%	3,334,111
11	NON-BUS LICENSES & PERMITS	2,325,380	1,064,732	118.4%	1,020,246
12	33-Intergovernmental Revenue	3,209,298	2,985,268	7.5%	1,589,699
13	GEMT & CARES ACT FUNDING	1,607,157	1,164,794	38.0%	-
14	INDIRECT FEDERAL GRANTS	15,023	39,933	-62.4%	47,509
15	LOCAL GRANTS ENTITLEMENTS & OTHER	721,099	940,815	-23.4%	632,166
16	STATE ENTITLEMENT IMPACT PMTS & IN LIE	580,105	526,302	10.2%	600,243
17	STATE GRANTS	20,767	48,921	-57.5%	41,638
18	STATE SHARED REVENUES	265,147	264,503	0.2%	268,143
19	34-Charges for Services	4,417,843	5,885,720	-24.9%	6,069,984
20	CULTURE & RECREATION	879,478	2,384,721	-63.1%	2,620,462
21	UTILITIES & ECONOMIC ENVIRONMENT	908,748	538,029	68.9%	870,201
22	GENERAL GOVERNMENT	2,502,634	2,622,679	-4.6%	2,260,777
23	SECURITY OF PERSONS & PROPERTY	126,983	340,291	-62.7%	318,544
24	35-Fines and Forfeits	3,112,338	4,774,184	-34.8%	4,292,162
25	CIVIL PARKING INFRACTION PENAL	2,330,936	3,193,070	-27.0%	2,457,915
26	CRIMINAL COSTS	764,483	1,526,554	-49.9%	1,792,112
27	NON-CRT FINES, FORFEIT & PENAL	16,919	54,560	-69.0%	42,135
28	36-Miscellaneous Revenues	345,497	560,169	-38.3%	841,459
29	CONTRIB/DONATIONS FROM PRV SRC	11,031	30,426	-63.7%	70,795
30	INTEREST & OTHER EARNINGS	76,399	(24,316)	-414.2%	211,645
31	P CARD REBATES	81,105	94,572	-14.2%	92,834
32	OTHERS	19,563	47,194	-58.5%	37,932
33	RENTS, LEASES & CONCESSIONS	157,399	412,293	-61.8%	428,253
34	38-Non-Revenue	7,858	30,784	-74.5%	29,087
35	PROC LONG-TRM DBT-PROP FUNDS ON	7,858	30,784	-74.5%	29,087
36	39-Other Financing Sources	1,662,250	8,953	18466.4%	560
37	K-9 INSURANCE RECOVERY	2,378	3,148	-24.5%	119
38	DISPOSITION OF FIXED ASSETS	2,313	-	0.0%	441
39	OPERATING TRANSFERS-IN	1,657,559	5,805	28454.0%	-
40	Total Revenue	49,400,424	50,852,841	-2.9%	51,496,944
41	Total Revenue Including Fund Balance	\$ 53,525,984	\$ 60,987,765	-12.2%	\$ 63,093,410

* The report includes actual beginning fund balance of the respective years. RE: Annual Financial Report

Table 30: General Fund's Biennial Departmental Expenditures by Department

	A	B	C	D
1	Actual Expenditures thru December 31, 2020			
2	Department	Biennial Actual thru December 2020	2019-2020 Biennial Budget	% of Budget
3	ADMINISTRATIVE SERVICES	7,310,222	7,645,789	95.61%
4	1-Salaries & Wages	4,445,309	4,453,723	99.81%
5	2-Personnel Benefits	1,790,974	1,849,197	96.85%
6	3-Supplies	50,648	61,200	82.76%
7	4-Services	1,009,842	1,278,869	78.96%
8	5-Intergovernmental Svcs	98	1,800	5.44%
9	6-Capital Outlay	12,751	-	0.00%
10	8-Debt Service-Interest	600	1,000	60.00%
11	INFORMATION TECHNOLOGY	4,713,594	5,244,292	89.88%
12	1-Salaries & Wages	2,256,877	2,401,888	93.96%
13	2-Personnel Benefits	917,992	1,002,100	91.61%
14	3-Supplies	176,879	179,650	98.46%
15	4-Services	1,302,448	1,638,403	79.49%
16	6-Capital Outlay	59,398	22,251	266.95%
17	COMMUNITY DEVELOPMENT	4,925,667	6,982,765	70.54%
18	1-Salaries & Wages	2,565,336	3,377,537	75.95%
19	2-Personnel Benefits	1,062,150	1,485,616	71.50%
20	3-Supplies	59,798	129,000	46.36%
21	4-Services	1,238,383	1,990,612	62.21%
22	ECONOMIC DEVELOPMENT	2,060,874	3,954,842	52.11%
23	1-Salaries & Wages	677,806	695,792	97.42%
24	2-Personnel Benefits	223,154	258,843	86.21%
25	3-Supplies	1,948	9,350	20.83%
26	4-Services	1,157,966	2,990,857	38.72%
27	EXECUTIVE	1,701,793	1,881,717	90.44%
28	1-Salaries & Wages	999,026	994,722	100.43%
29	2-Personnel Benefits	333,541	368,454	90.52%
30	3-Supplies	24,191	22,450	107.76%
31	4-Services	345,035	496,091	69.55%
32	FIRE MARSHAL	2,305,312	2,276,882	101.25%
34	3-Supplies	5,021	4,500	111.58%
35	4-Services	66,944	80,817	82.83%
36	5-Intergovernmental Svcs	2,231,104	2,191,565	101.80%
37	HUMAN RESOURCES	1,640,009	1,916,267	85.58%
38	1-Salaries & Wages	968,712	973,523	99.51%
39	2-Personnel Benefits	415,034	419,714	98.88%
40	3-Supplies	44,350	47,100	94.16%
41	4-Services	211,913	475,930	44.53%

Table 30: General Fund's Biennial Departmental Expenditures by Department

	A	B	C	D
1	Actual Expenditures thru December 31, 2020			
2	Department	Biennial Actual thru December 2020	2019-2020 Biennial Budget	% of Budget
42	LEGAL	3,322,885	3,348,654	99.23%
43	3-Supplies	1,700	8,900	19.10%
44	4-Services	3,321,185	3,339,754	99.44%
45	LEGISLATIVE	781,314	872,547	89.54%
46	1-Salaries & Wages	401,738	406,385	98.86%
47	2-Personnel Benefits	310,744	329,554	94.29%
48	3-Supplies	3,191	5,200	61.37%
49	4-Services	65,641	131,408	49.95%
50	MUNICIPAL COURT	2,621,795	2,871,854	91.29%
51	1-Salaries & Wages	1,422,870	1,550,219	91.79%
52	2-Personnel Benefits	667,227	647,764	103.00%
53	3-Supplies	22,779	17,500	130.17%
54	4-Services	508,919	656,371	77.54%
55	NON-DEPARTMENTAL	8,673,256	9,141,972	94.87%
56	0-Transfers	6,692,376	7,742,376	86.44%
57	1-Salaries & Wages	314,017	360,700	87.06%
58	2-Personnel Benefits	43,158	39,200	110.10%
59	3-Supplies	99,304	48,100	206.45%
60	4-Services	1,379,747	720,000	191.63%
61	6-Capital Outlay	144,654	231,596	62.46%
62	PARKS & RECREATION	14,339,693	17,855,088	80.31%
63	1-Salaries & Wages	8,003,985	8,987,767	89.05%
64	2-Personnel Benefits	3,078,876	3,399,794	90.56%
65	3-Supplies	550,788	811,177	67.90%
66	4-Services	2,644,543	4,304,350	61.44%
67	5-Intergovernmental Svcs	22,292	165,000	13.51%
68	6-Capital Outlay	39,209	187,000	100.00%
69	POLICE	40,550,592	43,826,031	92.53%
70	1-Salaries & Wages	23,166,117	23,121,854	100.19%
71	2-Personnel Benefits	8,148,189	8,891,833	91.64%
72	3-Supplies	884,146	1,406,375	62.87%
73	4-Services	4,881,829	5,905,235	82.67%
74	5-Intergovernmental Svcs	3,423,968	4,490,734	76.25%
75	6-Capital Outlay	46,343	10,000	463.43%
76	PUBLIC WORKS	6,612,342	8,693,624	76.06%
77	1-Salaries & Wages	3,233,328	4,084,341	79.16%
78	2-Personnel Benefits	1,291,314	1,894,520	68.16%
79	3-Supplies	195,048	370,280	52.68%
80	4-Services	1,839,652	2,291,483	80.28%
82	9-Interfund Payment for Svcs	53,000	53,000	100.00%
83	Grand Totals	\$ 101,559,348	\$ 116,512,324	87.17%

Table 31: General Fund's Comparative Year-To-Date Detailed Expenditures by Department

	A	B	C	D	E
1	December 31, 2018, 2019 & 2020				
2	Department	Actual thru December 2020	Actual thru December 2019	% of Incr (Decr) from 2019 to 2020	Actual thru December 2018
3	ADMINISTRATIVE SERVICES	3,723,697	3,586,525	3.82%	3,562,518
4	1-Salaries & Wages	2,294,175	2,151,134	6.65%	2,099,034
5	2-Personnel Benefits	915,539	875,435	4.58%	853,499
6	3-Supplies	14,501	36,147	-59.88%	41,407
7	4-Services	498,882	510,960	-2.36%	567,962
8	5-Intergovernmental Svcs	-	98	0.00%	316
9	6-Capital Outlay	-	12,751	0.00%	-
10	8-Debt Service-Interest	600	-	0.00%	300
11	INFORMATION TECHNOLOGY	2,338,109	2,375,484	-1.57%	2,143,052
12	1-Salaries & Wages	1,138,499	1,118,377	1.80%	1,202,197
13	2-Personnel Benefits	467,356	450,636	3.71%	516,233
14	3-Supplies	80,739	96,140	-16.02%	97,960
15	4-Services	619,206	683,242	-9.37%	175,900
16	6-Capital Outlay	32,309	27,089	19.27%	150,762
17	COMMUNITY DEVELOPMENT	2,371,392	2,554,275	-7.16%	3,057,919
18	1-Salaries & Wages	1,284,609	1,280,727	0.30%	1,591,371
19	2-Personnel Benefits	528,378	533,772	-1.01%	675,862
20	3-Supplies	24,818	34,980	-29.05%	89,595
21	4-Services	533,587	704,796	-24.29%	701,091
22	ECONOMIC DEVELOPMENT	1,084,706	976,168	11.12%	701,941
23	1-Salaries & Wages	353,453	324,352	8.97%	270,902
24	2-Personnel Benefits	113,609	109,545	3.71%	105,319
25	3-Supplies	1,041	907	14.77%	8,667
26	4-Services	616,603	541,364	13.90%	317,053
27	EXECUTIVE	829,942	871,851	-4.81%	802,540
28	1-Salaries & Wages	500,409	498,617	0.36%	458,658
29	2-Personnel Benefits	166,785	166,756	0.02%	166,474
30	3-Supplies	2,150	22,041	-90.25%	8,972
31	4-Services	160,598	184,437	-12.93%	168,436
32	FIRE	1,128,477	1,176,835	-4.11%	3,578,301
33	2-Personnel Benefits	-	2,243	0.00%	4,108
34	3-Supplies	1,946	3,075	-36.72%	361
35	4-Services	14,536	52,408	-72.26%	24,515
36	5-Intergovernmental Svcs	1,111,995	1,119,109	-0.64%	3,549,317
37	HUMAN RESOURCES	861,632	778,378	10.70%	784,652
38	1-Salaries & Wages	522,514	446,198	17.10%	392,159
39	2-Personnel Benefits	213,849	201,185	6.29%	139,116
40	3-Supplies	21,413	22,937	-6.64%	13,928
41	4-Services	103,856	108,058	-3.89%	239,449

Table 31: General Fund's Comparative Year-To-Date Detailed Expenditures by Department

	A	B	C	D	E
1	December 31, 2018, 2019 & 2020				
2	Department	Actual thru December 2020	Actual thru December 2019	% of Incr (Decr) from 2019 to 2020	Actual thru December 2018
42	LEGAL	1,608,960	1,713,925	-6.12%	1,842,040
43	3-Supplies	1,700	-	0.00%	96
44	4-Services	1,607,260	1,713,925	-6.22%	1,841,944
45	LEGISLATIVE	374,768	406,546	-7.82%	406,952
46	1-Salaries & Wages	191,913	209,824	-8.54%	203,936
47	2-Personnel Benefits	155,979	154,765	0.78%	158,522
48	3-Supplies	937	2,255	-58.45%	2,996
49	4-Services	25,939	39,702	-34.67%	41,498
50	MUNICIPAL COURT	1,330,374	1,291,421	3.02%	1,325,287
51	1-Salaries & Wages	731,867	691,003	5.91%	715,407
52	2-Personnel Benefits	350,492	316,735	10.66%	296,356
53	3-Supplies	16,698	6,081	174.59%	35,277
54	4-Services	231,317	277,602	-16.67%	278,247
55	NON-DEPARTMENTAL	4,732,968	3,940,288	20.12%	3,948,773
56	0-Transfers	2,752,088	3,940,288	-30.16%	3,866,751
57	1-Salaries & Wages	314,017	-	0.00%	82,022
58	2-Personnel Benefits	43,158	-	0.00%	-
59	4-Services	99,304	-	0.00%	-
60	5-Intergovernmental Svcs	1,379,747	-	0.00%	-
61	6-Capital Outlay	144,654	-	0.00%	-
62	PARKS & RECREATION	6,320,538	8,019,155	-21.18%	8,137,174
63	1-Salaries & Wages	3,623,405	4,380,580	-17.28%	4,205,071
64	2-Personnel Benefits	1,505,512	1,573,364	-4.31%	1,566,394
65	3-Supplies	189,190	361,598	-47.68%	523,998
66	4-Services	972,129	1,672,414	-41.87%	1,745,381
67	5-Intergovernmental Svcs	23,757	(1,465)	-1721.64%	83,562
68	6-Capital Outlay	6,545	32,664	-79.96%	12,768
69	POLICE	19,200,149	21,350,443	-10.07%	20,683,675
70	1-Salaries & Wages	11,320,869	11,845,248	-4.43%	10,603,608
71	2-Personnel Benefits	3,987,383	4,160,806	-4.17%	4,140,180
72	3-Supplies	334,508	549,638	-39.14%	678,740
73	4-Services	2,096,983	2,784,846	-24.70%	2,954,745
74	5-Intergovernmental Svcs	1,460,406	1,963,562	-25.62%	2,246,605
75	6-Capital Outlay	-	46,343	0.00%	59,797
76	PUBLIC WORKS	3,495,485	3,116,857	12.15%	3,281,942
77	1-Salaries & Wages	1,779,343	1,453,984	22.38%	1,467,216
78	2-Personnel Benefits	694,205	597,109	16.26%	676,548
79	3-Supplies	99,655	95,394	4.47%	205,580
80	4-Services	895,782	943,870	-5.09%	871,598
81	9-Interfund Payment for Svcs	26,500	26,500	0.00%	61,000
82	Grand Totals	\$ 49,401,197	\$ 52,158,151	-5.3%	\$ 54,256,766

Table 32: Year to Date Operation - Fund Balance Report

	A	B	C	D	
1	Period Ending: December 31, 2020				
2	Fund	Balance 01/01/20 - (Note 1)	2020 YTD Revenue	2020 YTD Expenditure	Balance 12/31/2020- Ending Balance
3	011 General	\$ 4,125,560	\$ 49,400,424	\$ 49,401,197	\$ 4,124,787
4	020 Econ Dev Infrastructure	10,559,048	512,826	28,000	11,043,874
5	098 Revenue Stabilization Fund	6,000,000	-	1,129,967	4,870,033
6	099 Program Development Fund	15,627	-	15,627	-
7	101 Lodging Tax Fund	1,266,951	347,870	720,625	894,196
8	104 Drug Enforcement	230,480	165,632	103,850	292,262
9	105 Criminal Justice	3,591,505	1,033,494	1,822,504	2,802,495
10	110 Transportation Impact Fee	2,018,715	290,178	-	2,308,893
11	111 Street	259,415	2,328,963	2,345,055	243,323
12	114 Cum. Parks	77,239	11,946	1,229	87,956
13	116 Cum. Art	49,878	636	-	50,514
14	119 Cum. Aid Car	16,766	207	-	16,973
15	121 Tree Fund Reserve	293,816	2,467	63,115	233,168
16	128 Path and Trails	8,852	6,206	6,170	8,888
17	144 Solid Waste	81,982	43,978	38,390	87,570
18	146 Affordable Supportive Housing	-	87,293	-	87,293
19	150 Transportation Bene Dist-TBD	3,354,819	3,797,363	2,537,865	4,614,317
20	180 Park Impact Fees	184,353	2,289,665	43,000	2,431,018
21	215 800 MHz Debt Service	6,003	-	6,003	-
22	223 Rec Ctr 2012 LTGO Bonds	111,277	1,656,638	1,656,013	111,902
23	224 Local Improvement Guaranty	184,721	843	185,564	-
24	263 LID 93 1-5 196th Project	495,180	218	495,398	-
25	330 Real Estate Excise Tax II	2,875,598	940,638	-	3,816,236
26	331 Real Estate Excise Tax I	2,312,968	1,052,098	676,061	2,689,005
27	333 Capital Development Plan	1,441,225	16,124	219,784	1,237,565
28	Total	\$ 39,561,978	\$ 63,985,707	\$ 61,495,417	\$ 42,052,268

Table 33: Year to Date Capital (CIP) - Fund Balance Report

	A	B	C	D	
1	Period Ending: December 31, 2020				
2	Fund	Balance 01/01/20 - (Note 1)	2020 YTD Revenue	2020 YTD Expenditure	Balance 12/31/2020- Ending Balance
3	332 Hardware/Software Upgrade	\$ 6,519	\$ -	\$ -	\$ 6,519
4	357 Other General Govt Capital Improv.	70,263	339	43,978	26,624
5	360 Transportation Capital Project	5,689,590	4,864,990	8,023,219	2,531,361
6	370 Facilities Capital Infrastructure	1,578,105	23,112	409,153	1,192,064
7	380 Parks & Recr Capital Infrastructure	422,887	1,246,378	1,071,629	597,636
8	390 Public Safety Capital Infrastructure	795,146	1,603,728	1,925,718	473,156
9	412 Utilities Capital Construction	18,754,871	1,953,721	10,752,309	9,956,283
10					
11	Total	27,317,381	9,692,268	22,226,006	14,783,643
12	Note 1 -- Beginning fund balances reflect audited 2019 year-end financial closing.				

Table 34: Utility Fund Comparative Year-To-Date Revenue Ending Dec 2018, 2019 & 2020

	A	B	C	D	E
1	Utility Fund Revenues				
2	Comparative Fiscal Revenue For the Year-To-Date				
3	Period ending Dec 2018, 2019 & 2020				
4	Category	Actual thru Dec 2020	% Change 2019-2020	Actual thru Dec 2019	Actual thru Dec 2018
5	33-INTERGOVERNMENTAL REVENUES	60,436	0.00%	8,721	69,683
6		60,436	0.00%	8,721	69,683
7	34-CHARGES FOR SERVICES	24,224,852	4.83%	23,107,675	21,553,019
8	Water Sales	7,081,704	-2.12%	7,234,766	6,660,286
9	Sewer/Reclaimed Water Sales	734,354	34.94%	544,193	667,211
10	Sewer Connection Fees	1,633,850	3566.63%	44,560	71,920
11	Sewer Service	10,577,183	-3.57%	10,969,213	10,099,887
12	Storm Drainage Services	4,139,664	-1.01%	4,181,897	3,892,395
13	Misc Services	58,097	-56.33%	133,046	161,320
14	35-FINES AND PENALTIES	4,850	14.12%	4,250	1,000
15	Sewer Admin Fine	4,250	6.25%	4,000	1,000
16	Water Admin Fine	600	0.00%	250	-
17	36-MISCELLANEOUS REVENUES	190,309	-45.91%	351,861	311,664
18	Interest Earnings	184,437	-43.65%	327,313	306,396
19	Misc Water	9,300	103.50%	4,570	4,768
20	Misc Sewer	(3,428)	-117.16%	19,978	500
21	Misc Storm	-	0.00%	-	-
22	37-PROPRIETARY FUND REVENUES	3,028,671	247.50%	871,560	278,465
23	Contributions	3,033,937	259.45%	844,044	280,465
24	Capital Gain/(Loss)/Transfer	(5,266)	0.00%	27,516	(2,000)
25	39-OTH & DISP-CAP ASSET	10,538,729	0.00%	12,810,095	104,810
26	Sale of Capital Assets/Net Book Value	(19,861)	0.00%	12,100	-
27	Transfers	10,558,590	0.00%	12,797,995	104,810
28	Revenue Bond Proceeds	-	0.00%	-	-
29	Total Revenue	38,047,847	2.41%	37,154,162	22,318,641

Chart 6: Multi-Year Utility Fund Reserve Comparison by Type

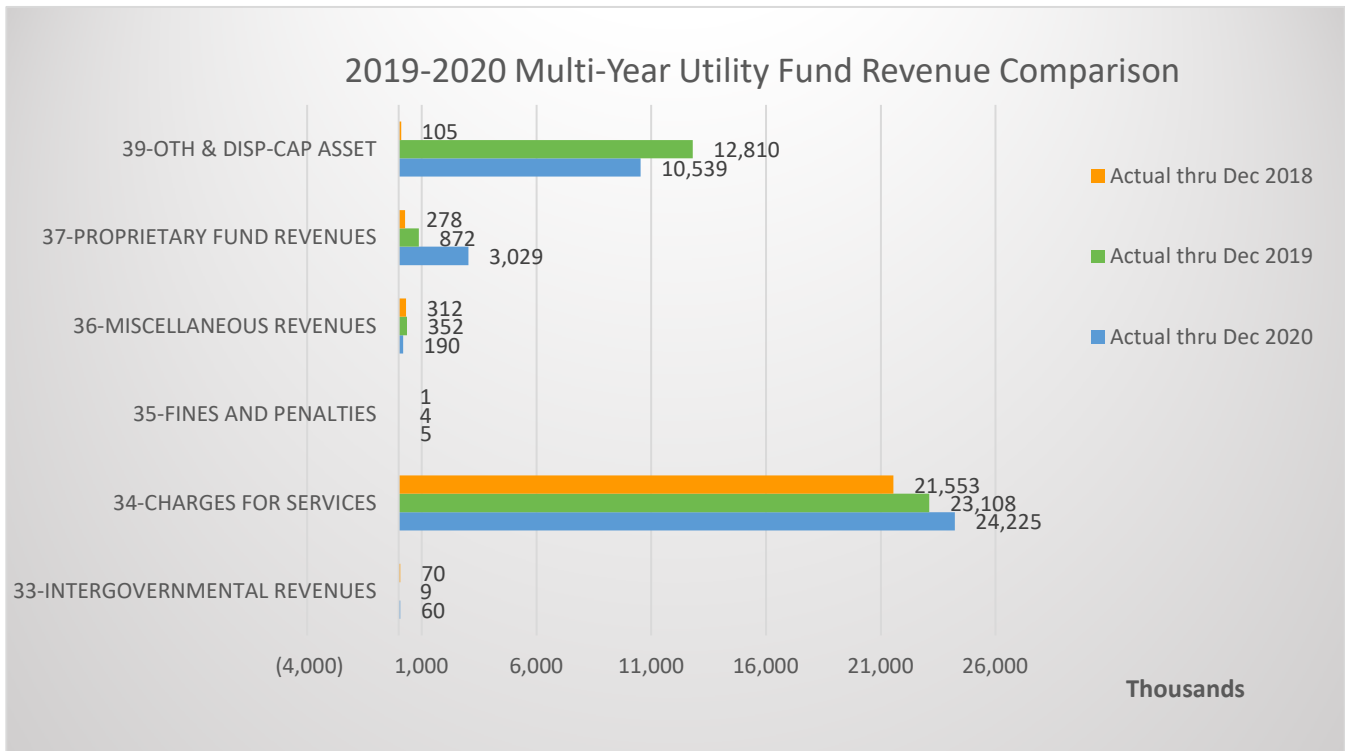


Table 35: Utility Fund Expenditures by Utility Program through Dec 2020

	A	B	C	D	E
1	Expenditures by Utility Fund Program thru Dec 2020				
2	FY 2019-2020				
3					
4	Program Type	Actual thru Dec 2020	2019-2020 Revised Budget	% of Budget	% of Total
5	PW-Water Ops	10,984,723	20,348,385	53.98%	25.78%
6	PW-Sewer Ops	17,754,179	9,745,925	182.17%	41.66%
7	PW-Storm Ops	5,482,571	6,281,248	87.28%	12.87%
8	PW-Capital	-	100,000	0.00%	0.00%
9	PW-Debt Service Fund Transfer	-	1,140,350	0.00%	0.00%
10	PW-Capital Transfers	8,391,922	15,062,453	55.71%	19.69%
11	Grand Total	42,613,395	52,678,361	80.89%	100%

2019-2020

**UTILITY FUND
EXPENDITURES BY PROGRAM
THROUGH SEP 20**

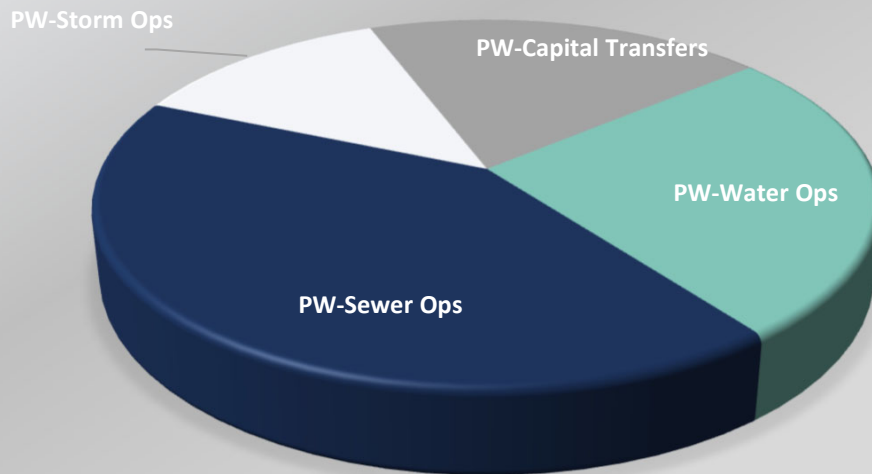


Table 36: Utility Fund Comparative Year-To-Date Expenditures and Summary

	A	B	C	D	E
	Utility Fund				
1	Comparative Fiscal Expenditure Categories through Dec 2018-2020				
2					
3	Category	Actual thru Dec 2020	Actual thru Dec 2019	% Change 2019 - 2020	Actual thru Dec 2018
4	Salaries & Wages	\$ 4,086,159	\$ 3,695,290	10.6%	\$ 3,426,840
5	Personnel Benefits	1,068,659	1,143,166	-6.5%	929,654
6	Supplies	3,621,864	3,245,474	11.6%	3,139,727
7	Services	6,938,885	6,125,119	13.3%	5,961,837
8	Intergovernmental Svcs/Pmts	650,594	548,892	18.5%	627,715
9	Capital Outlays	-	-	0.0%	-
10	Debt Serv Principal	-	-	0.0%	-
11	Debt Interest & Other Costs	1,538,727	1,558,642	0.0%	1,141,625
12	Debt Service Transfer	-	-	0.0%	-
13	Capital Transfers	10,621,657	3,273,618	224.5%	36,674,132
14	Grand Total	\$ 28,526,545	\$ 19,590,201	45.6%	\$ 51,901,530
15					
16	Summary	Actual thru Dec 2020	Actual thru Dec 2019	Actual thru Dec 2018	
17	Salaries and Benefits	\$ 5,154,818	\$ 4,838,456	\$ 4,356,494	
18	Other Costs	12,750,070	11,478,127	10,870,904	
19	Transfers	\$ 10,621,657	\$ 3,273,618	36,674,132	
20	Grand Total	\$ 28,526,545	\$ 19,590,201	\$ 51,901,530	

Utility Fund Expenditures by Type through Sep 2019-2020

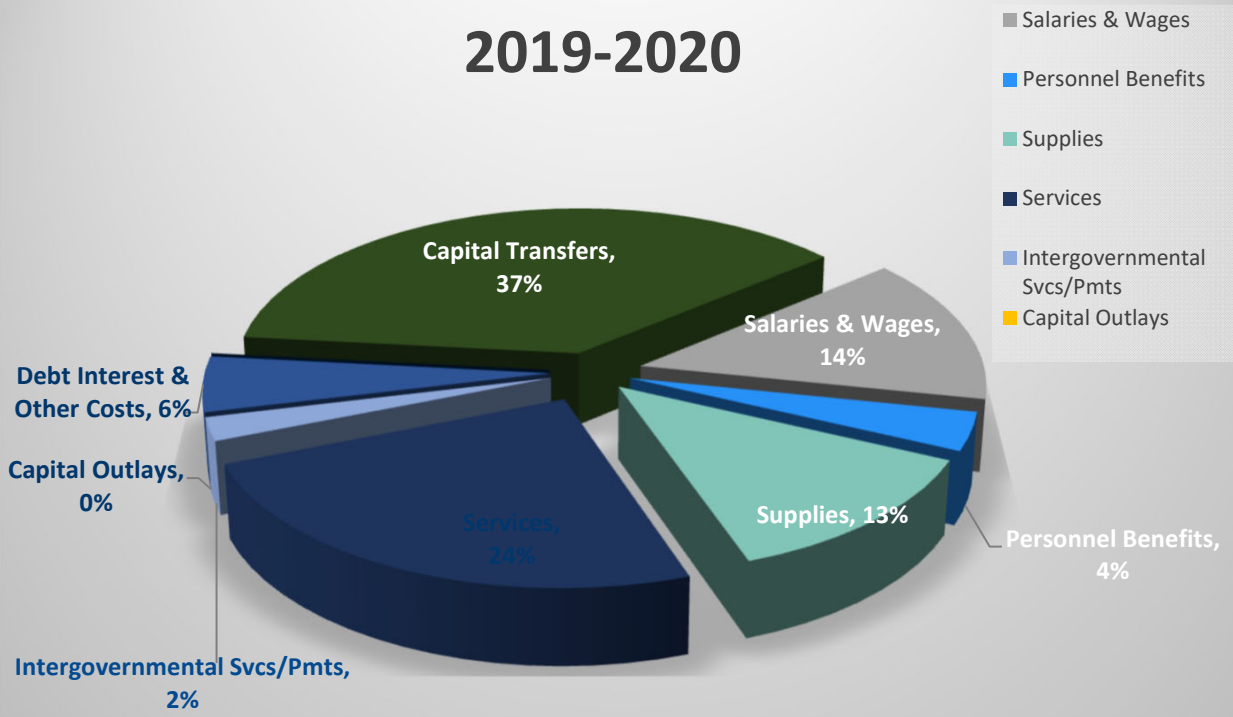


Table 37: Utility Fund Revenue and Expenditure by Program

	A	B	C	D	E
1	Utility Fund Revenue & Expenditure				
2	by Fund Program				
3	Biennial Year-To-Date through Dec 2020				
4		Water	Sewer	Storm	Total
5	Operating Revenue	19,003,471	24,528,153	8,321,561	51,853,185
6	Operating Expenditures	(10,984,723)	(17,754,179)	(5,482,571)	(34,221,473)
7	Subtotal - Revenue over/under Expenditures prior to Operating/Capital FundsTransfers	8,018,748	6,773,974	2,838,990	17,631,712
8	Operating/ Capital Fund Transfers Total	(5,671,565)	(2,333,446)	(386,911)	(8,391,922)
9	Total Revenues over/(under) Expenditures and Operating/Capital Transfers	\$ 2,347,183	\$ 4,440,528	\$ 2,452,079	\$ 9,239,790

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FINANCE COMMITTEE 4.A

CITY OF LYNNWOOD FINANCE COMMITTEE

TITLE: Review of February 2021 Sales Tax Revenues

DEPARTMENT CONTACT: Michelle Meyer, Finance

DEPARTMENT ATTACHMENTS

Description:

[Financial Report Feb Sales Tax Table 14.pdf](#)

[Financial Report Mar Sales Tax Table 14.pdf](#)

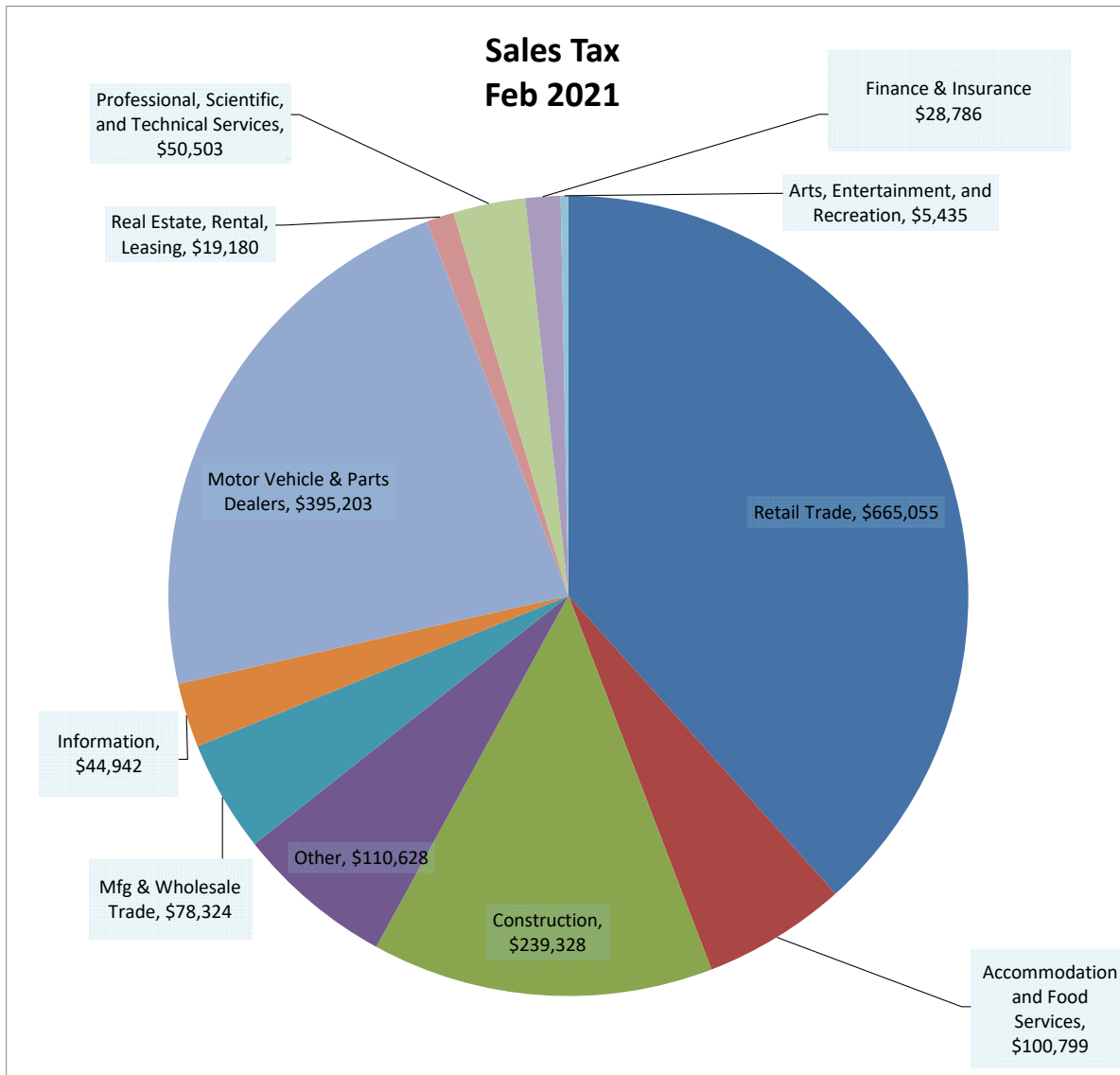
Report on Year-To-Date Sales Tax Earned for the month of Feb 2021, Cash Received in Apr 2021

Table 14: 2020 & 2021 Year-To-Date Sales Tax Collection by Category

	A	B	C	D	E	F	G	H
1		City of Lynnwood						
2		2021 Year to Date Sales Tax Collection By Category						
3		For the reporting period of Feb 2021						
4		Source: Microflex - Washington State Department of Revenue						
5								
6			Month	Month	Month	Year To	Year To	Year To
7						Date	Date	Date
8		Category	Feb-21	Feb-20	% Change	Feb-21	Feb-20	% Change
9		Retail Trade	\$ 665,055	\$ 671,734	-0.99%	\$ 1,341,904	\$ 1,329,349	0.9%
10		Accommodation and Food Services	100,799	152,458	-33.9%	195,354	245,706	-20.5%
11		Construction	239,328	141,206	69.5%	401,632	259,949	54.5%
12		All Others ²	110,628	123,422	-10.4%	227,303	215,825	5.3%
13		Mfg and Wholesale Trade	78,324	54,318	44.2%	152,097	118,752	28.1%
14		Information ¹	44,942	58,946	-23.8%	93,927	107,915	-13.0%
15		Motor Vehicle & Part's Dealers	395,203	397,052	-0.5%	792,380	754,377	5.0%
16		Real Estate, Rental, Leasing	19,180	21,113	-9.2%	37,886	43,281	-12.5%
17		Professional, Scientific, and Technical Services	50,503	30,677	64.6%	106,452	62,763	69.6%
18		Finance and Insurance	24,425	19,235	27.0%	48,118	37,895	27.0%
19		Arts, Entertainment, and Recreation	5,435	12,622	-56.9%	9,946	22,967	-56.7%
20		TOTAL	\$ 1,733,822	\$ 1,682,783	3.0%	\$ 3,406,999	\$ 3,198,779	6.51%
21								
22		¹ Category on "information" pertains to businesses in telecommunications, internet service providers, motion pictures, sound record, publishing industries, broadcasting, and other information services.						
23								
24								
25		² All Others pertain to various categories not included in the other segments and not material enough to have a separate category.						
26								

Chart 5: Pie Chart for the month of Feb 2021 Sales Tax Collection

Sales Tax Earned in Feb 2021, Collected in Apr 2021



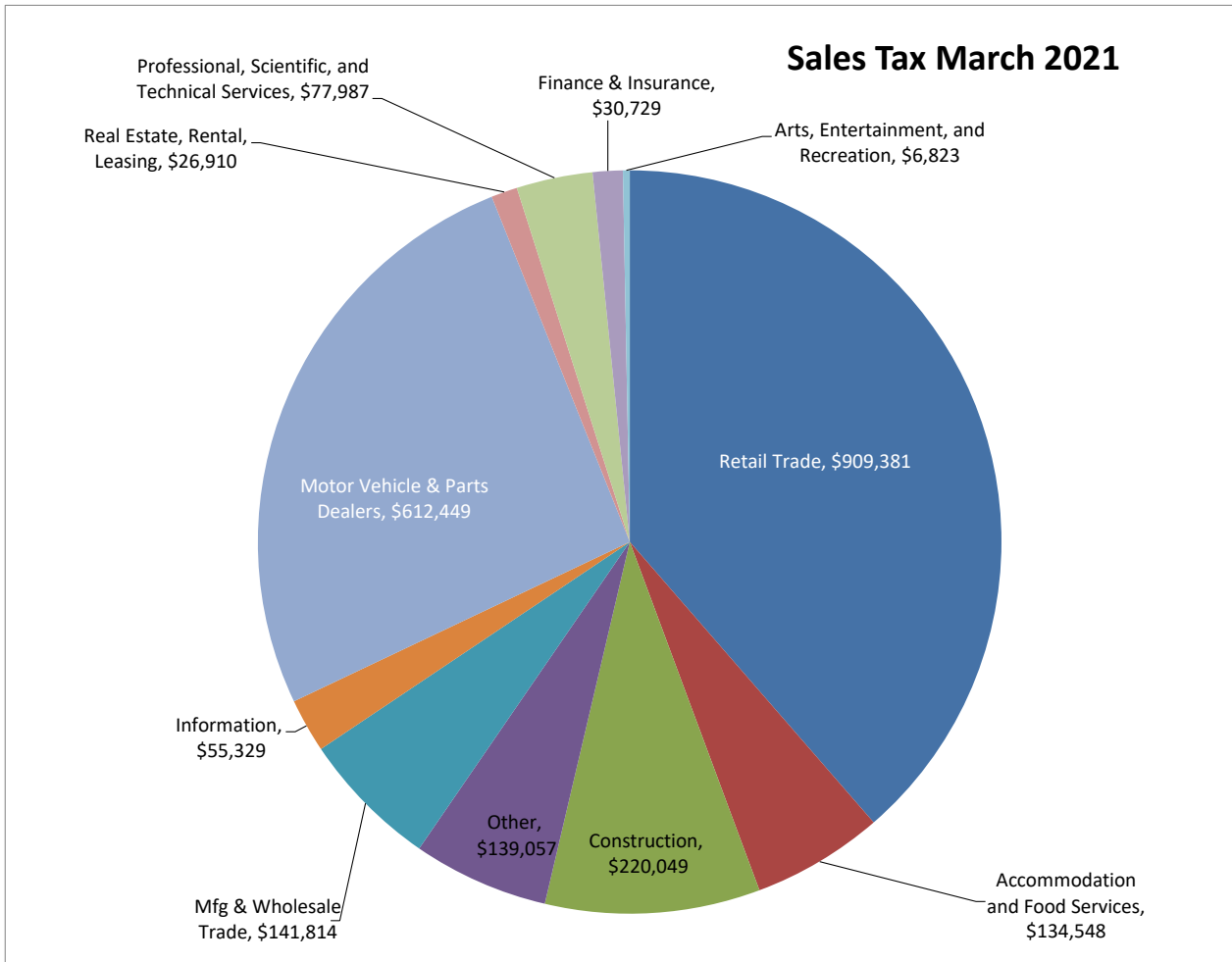
Report on Year-To-Date Sales Tax Earned for the month of March 2021, Cash Received in May 2021

Table 14: 2020 & 2021 Year-To-Date Sales Tax Collection by Category

	A	B	C	D	E	F	G	H
1		City of Lynnwood						
2		2021 Year to Date Sales Tax Collection By Category						
3		For the reporting period of Mar 2021 (Mar 2020 to Mar 2021)						
4		Source: Microflex - Washington State Department of Revenue						
5								
6			Month	Month	Month	Year To	Year To	Year To
7						Date	Date	Date
8		Category	Mar-21	Mar-20	% Change	Mar-21	Mar-20	% Change
9		Retail Trade	\$ 909,381	\$ 561,277	62.02%	\$ 2,251,285	\$ 1,890,626	19.1%
10		Accommodation and Food Services	134,548	71,896	87.1%	329,902	317,602	3.9%
11		Construction	220,049	137,311	60.3%	621,681	397,260	56.5%
12		All Others ²	139,057	96,649	43.9%	366,360	312,474	17.2%
13		Mfg and Wholesale Trade	141,814	77,958	81.9%	293,911	196,710	49.4%
14		Information ¹	55,329	42,735	29.5%	149,256	150,650	-0.9%
15		Motor Vehicle & Part's Dealers	612,449	132,631	361.8%	1,404,829	887,008	58.4%
16		Real Estate, Rental, Leasing	26,910	16,239	65.7%	64,796	59,520	8.9%
17		Professional, Scientific, and Technical Services	77,987	42,709	82.6%	184,439	105,472	74.9%
18		Finance and Insurance	30,729	19,720	55.8%	78,847	57,615	36.9%
19		Arts, Entertainment, and Recreation	6,823	8,068	-15.4%	16,769	31,035	-46.0%
20		TOTAL	\$ 2,355,076	\$ 1,207,193	95.1%	\$ 5,762,075	\$ 4,405,972	30.78%
21								
22		¹ Category on "information" pertains to businesses in telecommunications, internet service providers, motion pictures, sound record, publishing industries, broadcasting, and other information services.						
23								
24								
25		² All Others pertain to various categories not included in the other segments and not material enough to have a separate category.						
26								

Chart 5: Pie Chart for the month of March 2021 Sales Tax Collection

Sales Tax Earned in March 2021, Collected in May 2021



FINANCE COMMITTEE 4.B

**CITY OF LYNNWOOD
FINANCE COMMITTEE**

TITLE: Update on 2020 Annual Report and Audit **DEPARTMENT**

CONTACT: Michelle Meyer, Finance

DEPARTMENT ATTACHMENTS

Description:

FINANCE COMMITTEE 4.C

**CITY OF LYNNWOOD
FINANCE COMMITTEE**

TITLE: Update on CJC Bond Issuance DEPARTMENT

CONTACT: Michelle Meyer, Finance

DEPARTMENT ATTACHMENTS

Description:

FINANCE COMMITTEE 4.D

CITY OF LYNNWOOD FINANCE COMMITTEE

TITLE: Discuss participation in Snohomish County Investment Pool

DEPARTMENT CONTACT: Michelle Meyer, Finance

DEPARTMENT ATTACHMENTS

Description:

[SCIP Operating Terms and Conditions 2021.pdf](#)

SNOHOMISH COUNTY INVESTMENT POOL (SCIP)

OPERATING TERMS & CONDITIONS

January 2021



Snohomish County Treasurer

Brian Sullivan

Investment Officer

Arif Kanji

The Snohomish Investment County Pool (SCIP)

The Snohomish County Treasurer is authorized to offer investment pooling opportunities to Districts located in the County. This is authorized by RCW 36.29.020, 36.29.022 and 36.29.024

The SCIP was established to provide county departments as well as eligible government entities within Snohomish County a mechanism whereby they may utilize the resources of the County Treasurer to maximize the potential of their surplus public funds, in a manner that optimizes safety, liquidity and the return on such funds. The Snohomish County Investment Pool (SCIP) portfolio seeks to provide current income by investing in a combination of high-quality investments with varying maturities designed to control investment risk and maximize earnings. The securities in the pool are longer term; hence the portfolio has an average maturity of more than 90 days.

Participants may include, but are not limited to districts, (such as the following: school, fire, port, drainage, road improvement, emergency management, fire districts) cities and other public entities who desire to participate.

The fund seeks to provide income by investing in high-quality, short- and long-term securities that are eligible for investment in the State of Washington. The SCIP is not designed for participants who wish daily withdrawals and contributions.

FUND SNAPSHOT

The table below provides a summary comparison of the fund’s investment types and sensitivity to interest rates risk. This current snapshot can be expected to vary over time.

Current Investments (12/31/2020)	<ul style="list-style-type: none"> • Bank Deposits • Local Government Investment Pool • US Treasury Notes • US Government Agency Obligations • WA State and local Municipal Securities • Supranationals – World Bank
Modified Duration	2.06 Years
Weighted Average Maturity	2.11 Years
NAV (Net Asset Value)	\$100.996
Book Value of Investments	\$475,776,256
Market Value of Investments	\$480,515,010
Unrealized gain/(loss)	\$4,738,754

Unrealized Gain/(Loss) as % of portfolio	.996%
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Participation

Participation in the investment pool should be considered a long-term commitment. Participants will not withdraw and deposit funds into the pool for speculative purposes as such actions may negatively impact other participants in the pool, hence, withdrawals from the pool are to be made only for planned operating and capital expenditures

Fees and Expenses

Administrative Fee

The Snohomish County Treasurer’s office charges pool participants a fee representing administration and recovery costs associated with the operation of the pool. In accordance with RCW 36.29.024, this fee is intended to reflect the Snohomish County’s actual direct expense and out-of-pocket cost of administering the Pool.

The average periodic investment fee charged is on an annualized basis and will be based on the daily principal balance maintained in the pool by the participants. The rate may fluctuate due to the actual average principal balances being maintained in the pool differing from projected balances. The fee will be paid monthly. In the event that there are no earnings, the administrative fee will be deducted from principal. Because most of the expenses in the SCIP are fixed costs, the fee (expressed as a percentage of fund assets) will be affected by: (1) The amount of operating expenses; and (2) the total assets of the SCIP.

**Snohomish County Investment Pool (SCIP)
Operating Expenses (In Basis Points)**

Year	Total Operating Expenses		Rebate
	Basis Points	Percent	
2014	5.1	0.051%	No Rebate Issued
2015	3.82	0.038%	No Rebate Issued
2016	3.70	0.037%	No Rebate Issued

2017	4.0	0.040%	No Rebate Issued
2018	3.25	0.0325%	No Rebate Issued
2019	3.25	0.0325%	No Rebate Issued
2020	4.19	0.0419%	No Rebate Issued

(1 basis point = 0.01%)

Rebate

At the end of the Fiscal year, the Snohomish County Investment Pool will prepare a final accounting for pool expenses. The participants will be rebated administrative fees that are in excess of operational requirements. The SCIP may maintain a reserve rebate fund to cover unanticipated and one-time capital expenditures. The proportionate share of the rebate is based on the participant's average daily balance for the fiscal year in which the rebate was posted.

Portfolio Turnover

The Portfolio does not pay a commission or fee when it buys or sells securities (or "turns over its portfolio). However, debt securities often trade with a bid/ask spread. Consequently, a higher portfolio turnover rate may generate higher transaction costs that could affect the Portfolios performance.

Investment Objective

The primary objectives of the SCIP in priority order are;

- (1) Safety – Preservation of the principal in the portfolio
- (2) Maintain Liquidity
- (3) Maximize the yield

Principal Investment Strategies

The SCIP will seek to invest primarily in high-quality short- and long-term securities. Fifteen percent of the portfolio will mature in a year or less. The SCIP will strive to have a duration range of between 1.5 years to 2.5 years. The target duration will be 2 years.

Typically, a high percent of the portfolio will be invested in US Government Agency Obligations and US Treasury Notes. The SCIP will only invest in eligible investments permitted by state law. The SCIP will not be registered with the SEC. Investments of the SCIP will conform to the Snohomish County Investment Policy. The most recent Investment Policy will be available upon request or can be found on the Treasurers home page at <https://www.snohomishcountywa.gov/5342/>

The SCIP manager will select investments taking into account the credit quality of the issuer, security specific features, current and potential valuation, and trading opportunities

The SCIP manager will be able to improve on the investment return of all pool participants by monitoring the cash flow needs of the pool participants, and to its best ability, matching its investments to those needs

For purposes of evaluating the performance of the SCIP, benchmark indices will be established and will include the Washington State Local Government Investment Pool (LGIP), and a benchmark that closely resembles the characteristics of the portfolio.

Principal Risks of Investing in the SCIP

Interest Rate Risk

The SCIP invests in longer term securities and will react slower to a rise or drop in interest rates. In the event that interest rates rise rapidly, the SCIP may in the short term return a lower rate compared to the Local Government Investment Pool (LGIP); conversely, if interest rates drop quickly, the SCIP will be able to return a higher rate of return than that of the Local Government Investment Pool (LGIP). Over the course of a full interest rate cycle, the SCIP should outperform the LGIP due to its longer term weighted maturity.

Liquidity Risk

Liquidity risk is the risk that the Fund will experience significant net withdrawals of Fund shares at a time when it cannot find willing buyers for its portfolio securities or can only sell its portfolio securities at a material loss.

Management Risk

Poor security selection or an ineffective investment strategy could cause the SCIP to underperform relevant benchmarks or other funds with a similar investment objective.

Issuer Risk

The SCIP is subject to the risk that debt issuers and other counterparties may not honor their obligations. Changes in an issuer's credit rating (e.g., a rating downgrade) or the market's perception of an issuer's creditworthiness could also affect the value of the Fund's investment in that issuer. The degree of credit risk depends on both the financial condition of the issuer and the terms of the obligation. Also, a decline in the credit quality of an issuer can cause the price of a security to decrease.

Call or extension Risk

During periods of falling interest rates, an issuer of a callable bond held by the SCIP may “call” or repay the security before its stated maturity, hence, the SCIP may have to reinvest proceeds at a lower interest rate, resulting in a decline in the SCIP’s income. Also, during periods of rising interest rates an issuer of a callable bond may elect not to call a bond, and the SCIP may have to value the bond on a yield to maturity basis. The ability of the issuer of a debt security to repay the principal prior to a security’s maturity can cause greater price volatility if the interest rate changes.

An investment in the SCIP is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Pool seeks to preserve the value of investments, pool participants could lose money by investing in the SCIP. There is no assurance that the SCIP will achieve its investment objective.

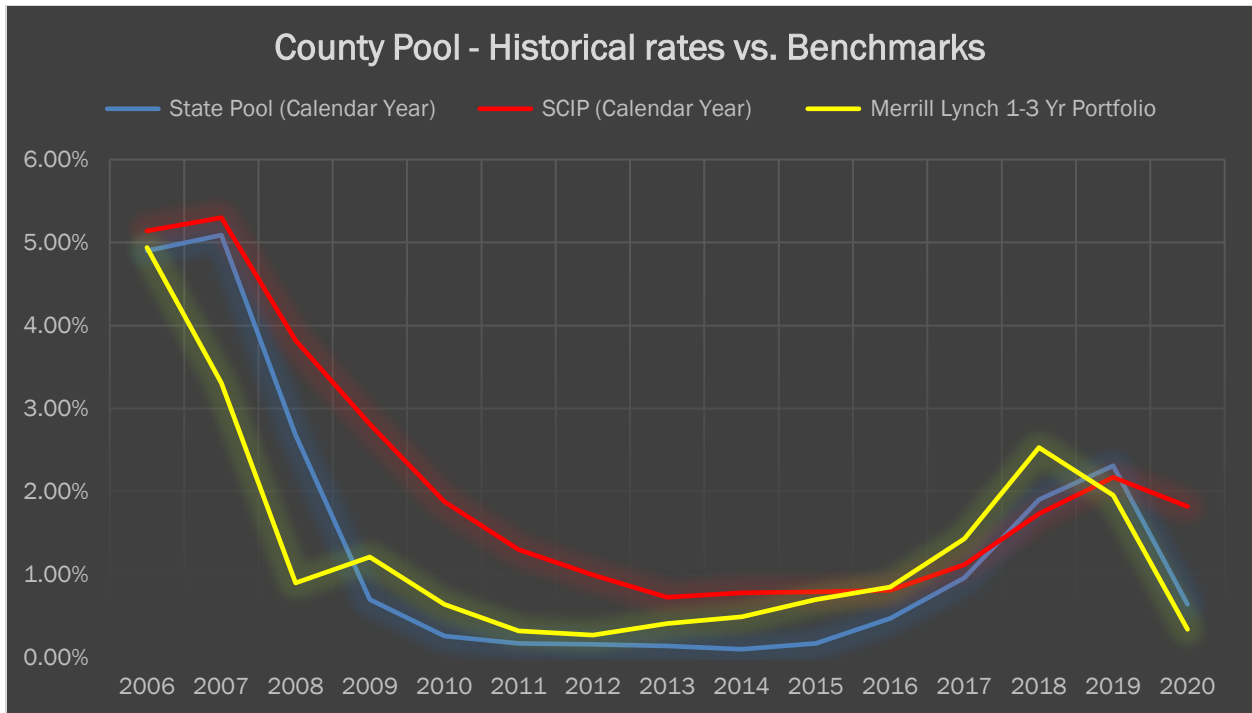
Performance

The following information is intended to address the risks of investing in the SCIP. The information illustrates changes in the performance of the SCIP from year to year. Returns are based on past results and are not an indication of future performance. Updated performance information will be provided to participants on a quarterly basis. Monthly performance information can be obtained by calling the Treasurer’s Office at 425-388-3630 or emailing strinvestments@snoco.org.

Calendar Year-by-Year Returns: Book Yield – SCIP

2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
5.14%	5.30%	3.82%	2.81%	1.88%	1.30%	1.00%	.73%	.78%	.74%	.81%	1.12%
2018	2019	2020									
1.73%	2.17%	1.82%									

SCIP – 5 Year Average Annual Return	1.53%
State Pool – 5 Year Average Annual Return	1.24%



Quarterly Investment Reports

Quarterly Investment reports can be found on the Treasurers home page at: <https://www.snohomishcountywa.gov/5342/>

Transactions: SCIP

General Information

The minimum size (contributions or withdrawals) for the SCIP will be ten thousand dollars. The County Treasurer may, in its sole discretion, allow for transactions for less than the minimum amount

Valuing Shares

The SCIP will be operated using a constant net asset value (NAV). The SCIP will mark-to-market the portfolio on a monthly basis. The unrealized loss/gain will be calculated by subtracting the market value of the securities less the amortized book value.

Transaction Limitation

The County Treasurers Office reserves the right at its sole discretion to set a minimum and/or maximum transaction amount from the SCIP and to limit the number of transactions, whether contribution, withdrawal, or transfer permitted in a day or any given period of time.

The County Treasurers Office also reserves the right at its sole discretion to reject any proposed contribution, and, to reject any proposed contribution made by a pool participant engaged in behavior deemed by the County Treasurer to be abusive of the SCIP.

A pool participant may transfer funds from one SCIP account to another SCIP account. The transfers will be subject to the same time and contribution limits.

Contributions

Deposits

The District shall determine and provide a minimum of a weeks' notice to Snohomish County of the specific amounts of funds it intends to invest in the Pool and the time horizon that the funds will stay in the Pool. For bond funds and large deposits, the County Treasurer may request, at the time of deposit, that the District provide a drawdown timeline.

Withdrawals

The District understands and agrees that its investment of funds in the SCIP is considered a long-term investment. Participants will not withdraw and deposit funds into the pool for speculative purposes as such actions may negatively impact other participants in the pool, hence, withdrawals from the pool are to be made only for planned operating and capital expenditures

Districts wanting to withdraw money from the Pool will provide a minimum of a weeks' notice to Snohomish County of the specific amounts of funds it intends to withdraw from the Pool and the date that the funds are needed.

Large Withdrawals

To allow the investment officer to manage cash flows, the following are guidelines for withdrawing large sums of money

1. SCIP participants will notify the Treasurer's Office 7 business days in advance if a disbursement up to one million is to be made.
2. SCIP participants will notify the Treasurer's Office 30 business days in advance if a disbursement up to five million is to be made.
3. SCIP participants will notify the Treasurer's Office 90 business days in advance if a disbursement exceeding \$5 million is to be made.

Participants in the pool are required to provide cash flow projections. In order to operate the pool efficiently, the participants should also disclose to the Treasurer's Office any plans for significant withdrawals or deposits on balances maintained in the SCIP. This allows the Treasurer to enhance returns while maintaining sufficient liquidity for all pool participants.

Notice of contribution to/from the SCIP can be given by calling the Snohomish County Investment Pool (425-388-3630).

Earnings and Distribution

Accrued Earnings

Earnings are allocated based on the weighted average daily balance a participant's fund maintains in the Pool as determined by Snohomish County. Earnings are calculated on a 365-day basis. Earnings and fees will be calculated by the 5th business day of the following month; however, the distribution will be effective as of the first of the month. The monthly interest rate used for Pool distributions will be calculated using earnings of the Pool on an accrual basis as well as gains or losses from the sale of investment instruments. Earnings will be posted less the administrative fee.

Cash Distribution

Cash collected from coupon payments, sale/ maturing of securities will be distributed to participants by the 20th day of each month. The distribution of cash will be based on the balance of cash received in the prior month. It will be responsibility of the participant to inform the County if they want the distribution of cash re-invested.

Monthly Statements and Reporting

Statements: Every calendar month, each pool participant will be sent a monthly statement which includes the pool participant's beginning balance, contributions, withdrawals, transfers, fees, earnings and ending balance for the preceding calendar month.

Reporting: At least quarterly, a report summarizing the current position of the SCIP, will be posted to the Treasurers home page for the Participants to review. This report will be prepared in a manner which will allow the participants in the pool to ascertain whether investment activities during the reporting period have conformed to the investment policy. The report will include at a minimum:

- Executive Summary of the Portfolio prepared by an outside advisor
- Asset allocation of types of securities
- Performance of portfolio and its appropriate benchmark(s)
- Duration and Weighted Average Maturity of the portfolio
- Interest Rate shock Analysis and Net Asset Value (NAV)

Management

The County Treasurer is the manager of the SCIP and has overall responsibility for the general management and administration of the fund.

The County may utilize outside investment resources from time to time to review and /or develop new investment strategies. ***Snohomish County Treasurer's Office has retained the services of FTN Financial Main Street Advisors, an outside firm to evaluate, provide compliance oversight and issue a quarterly report analysis of the Snohomish County Investment Pool (SCIP).***

Custodian

A third-party custodian that will hold securities and act as an agent for the Fund, will be appointed in accordance with the terms of the Snohomish County Investment Policy. The current custodian is Wells Fargo Bank.

Amendments

The **Operating Terms and Conditions** as well as the **Snohomish County Investment Policy** may be amended from time to time. Pool participants will receive a copy of the **Operating Terms and Conditions** as well as the **Investment Policy** on an annual basis.

SCIP – Contact Information

Email: strinvestments@snoco.org Phone: 425-388-3630

Mail:
Snohomish County Treasurer
Investments Department
3000 Rockefeller Ave
M/S 501
Everett, WA 98201
Fax: 425-388-3089

PARTICIPANT SIGNATURE PAGE

DISTRICT _____

I _____ on behalf of _____ have read and understand the Terms and Conditions for the Snohomish County Investment Pool. I understand and acknowledge that these Terms and Conditions represent a memorandum of understanding between _____ and the Snohomish County Treasurer.

Signed by: _____

District Name: _____

Signature: _____

Date: _____

Please email a copy of the signed page back to the investment department

FINANCE COMMITTEE 4.E

**CITY OF LYNNWOOD
FINANCE COMMITTEE**

TITLE:

Update on American Rescue Plan Act funding DEPARTMENT

CONTACT: Michelle Meyer, Finance

DEPARTMENT ATTACHMENTS

Description:

[American Rescue Plan memo 5.24.21.pdf](#)

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Date: May 24, 2021
To: Finance Committee
From: Michelle Meyer, Finance Director
RE: AMERICAN RESCUE PLAN ACT UPDATE

Summary:

The US Department of Treasury released the “Interim Final Rule” for the American Rescue Plan Act with an effective date of May 17, 2021. Changes to the program can still be made until the “Final Rule” is issued after July 16, 2021.

Allocations and further guidance for “nonentitlement” units of local government (NEUs) are still forthcoming (Lynnwood is a nonentitlement city). NEUs will receive allocations from their state 30-60 days after the state receives funding. NEUs will receive half of the funding in 2021 and half in 2022.

Funds can be used to cover costs starting March 3, 2021 and must be obligated by December 31, 2024 with the period of performance ending no later than December 21, 2026. Eligible uses include:

- Respond to public health emergency / negative economic impacts
- Revenue loss (General Fund only, based on a formula. Under Interim rules, cannot be used to directly reimburse a utility fund but this may change)
- Water, sewer, and broadband infrastructure
- Expanded uses for hardest hit communities (in Qualified Census Tract)

More information will be shared when it is made available. Once we have final guidance on program rules, staff will compile a list of eligible potential uses for Council consideration.