

**LYNNWOOD
CITY COUNCIL
Finance Committee**

Date: Thursday, January 28, 2021

Time: 3:00 PM

**Place: This meeting will be held electronically via
Zoom. See the City of Lynnwood website for
details.**

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- 3:00 PM **A** Elect Finance Committee Chair
- 3:05 PM **B** Discuss: 2021 Meeting Calendar
- 3:10 PM **C** Discuss: Golf Course Annual Report, 2020
- 3:15 PM **D** Discuss: Sales tax revenue, November 2020
- 3:20 PM **E** Discuss: Sales tax projections Jan, Feb, March 2021
- Adjourn

Memorandums for Future Agenda Items:

Memorandums for Your Information:

Contact: Council Office (425) 670-5011

CITY COUNCIL ITEM A

CITY OF LYNNWOOD City Council

TITLE: Elect Finance Committee Chair

DEPARTMENT CONTACT: Lisa Harrison, Executive Assistant

SUMMARY:

Each year the finance committee votes for a chair to lead the finance committee meetings.

DOCUMENT ATTACHMENTS

Description:	Type:
Elected Chair memo	Backup Material

Date: January 21, 2021

To: Finance Committee

From: Corbitt Loch

RE: ELECTION OF OFFICERS

City Council Rule 18.A.3 calls for election of a Finance Committee chair at least annually. Rule 18 is provided below for reference.

EXCERPT – CITY COUNCIL RULES

Rule 18. Finance Committee:

- A. A Standing Finance Committee (“the Committee”) of the Lynnwood City Council is hereby established and created. The Committee shall operate according to the following rules and procedures, and have the following rights and responsibilities:

Membership.

1. The Committee shall consist of three Councilmembers appointed by the Council President in consultation with the members of the City Council.
2. The appointments shall be made at the first business meeting of every even numbered year and shall be for a term of two years provided that appointments may be made for a shorter term in order to fill a vacancy.
3. The members of the Committee shall at least annually at their first meeting of the year select a chair who shall be one of the three Committee members.

Meetings.

1. The Committee shall meet in regular session at least monthly. Once membership is established at the start of the year, the members of the Committee shall prepare and present an ordinance or resolution to the Council establishing the dates and times of the Committee's monthly meetings for the year.
2. Additional meetings may be scheduled by majority vote of the Committee members at a regular Committee meeting or by passage of a scheduling motion at a business or work session of the City Council.

3. The meetings shall be presided over by the Committee chair and operate according to all Council rules governing work sessions and work committees unless otherwise noted in this resolution. In the absence of the Committee chair, the Committee shall choose a presiding officer from the remaining members.
4. All meetings shall be open to the public.

Area of Responsibility.

1. The Committee is charged with the responsibility to review and report its recommendations on the biennial budget and mid-biennial budget amendments, and to this end may hold public hearings.
2. The Committee shall receive monthly financial reports from the Administration and shall work with the Administration as to the content and presentation format of those reports to the Council.
3. The Committee shall be responsible for creating and submitting the Legislative Department Budget to the Council for their review and adoption, and also responsible for monitoring and reporting to the Council on the implementation of that budget on a periodic basis.
4. The Committee shall incorporate and execute all the duties and responsibilities of the City of Lynnwood's Audit and Insurance Committee pursuant to any requirements of state law or the Lynnwood Municipal Code.
5. The Committee shall also consider and report on such other financial matters as may from time to time be referred to it by a majority of the Council present.



CITY COUNCIL ITEM B

**CITY OF LYNNWOOD
City Council**

TITLE: Discuss: 2021 Meeting Calendar

DEPARTMENT CONTACT: Corbitt Loch, Acting Finance Director

DOCUMENT ATTACHMENTS

Description:	Type:
2021 Draft Meeting Calendar	Backup Material
Finance Committee meeting memo	Backup Material



RESOLUTION NO. 2021 - __

**A RESOLUTION OF THE CITY OF LYNNWOOD, WASHINGTON,
ADOPTING THE 2021 MEETING SCHEDULE FOR THE CITY
COUNCIL FINANCE COMMITTEE.**

WHEREAS, with the approval of Resolution 2012-01 on January 9, 2012, the City Council established City Council Finance Committee; and

WHEREAS, the City Council Rules of Procedure (Resolution 2015-04) state that the Finance Committee shall present an ordinance or resolution to the City Council that sets their regular meeting dates/times for the year; NOW THEREFORE,

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

Section 1. Adoption of regular meeting time, date, and location. The regular meeting schedule for the City Council Finance Committee shall be 3:00 pm on the fourth Thursday of each month, unless otherwise stated below. As indicated on the City of Lynnwood website (www.Lynnwoodwa.gov), meetings will be held electronically until public health regulations allow for in-person meetings at Lynnwood City Hall, 19100 44th Ave W, Lynnwood, WA 98036.

Section 2. Finance Committee meeting calendar for 2021.

January 28, 2021 (fourth Thursday)	July 22, 2021 (fourth Thursday)
February 25, 2021 (fourth Thursday)	August 2021 none - recess
March 25, 2021 (fourth Thursday)	September 23, 2021 (fourth Thursday)
April 22, 2021 (fourth Thursday)	October 28, 2021 (fourth Thursday)
May 27, 2021 (fourth Thursday)	November 18, 2021 (third Thursday)
June 24, 2021 (fourth Thursday)	December 2021 none – recess

Section 3. Changes to meeting schedule authorized. The chair of the Finance Committee may authorize variation(s) to the meeting schedules specified herein, with public notice provided in accordance with applicable law.

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1 This Resolution shall be in full force and effect from and after its adoption and approval.

2
3 **PASSED BY THE CITY COUNCIL, the ____th day of _____ 2021.**

4
5 APPROVED:

6
7
8 _____
9 Nicola Smith, Mayor

10
11 ATTEST/AUTHENTICATED:

12
13
14 _____
15 Karen Fitzthum, Interim City Clerk

16
17
18
19 FILED WITH CITY CLERK: __/__/2021

20 PASSED BY THE CITY COUNCIL: __/__/2021

21 RESOLUTION NUMBER: 2021-__

22
23

Date: January 21, 2021

To: Finance Committee

From: Corbitt Loch

RE: FINANCE MEETING CALENDAR FOR 2021

City Council Rule 18.A.1 calls for preparation of an ordinance or resolution each year regarding the dates and times of Committee meetings. Rule 18 is provided below for reference.

A draft resolution is provided for the Committee's consideration.

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CITY COUNCIL ITEM C

**CITY OF LYNNWOOD
City Council**

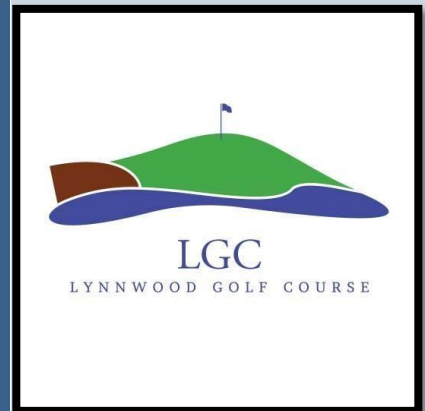
TITLE: Discuss: Golf Course Annual Report, 2020

DEPARTMENT CONTACT: Lynn Sordel, Director of Parks & Recreation

DOCUMENT ATTACHMENTS

Description:	Type:
Golf Course Annual Report, 2020	Backup Material

Monthly Commentary



Lynnwood Golf Course finished out 2020 with a bang as December was, again, a record breaking month. While there were wet days that were slow as rainfall was up about 1.3" from normal at 6.65", but there were dry days that the tee sheet filled. It was strange to see days of 150-180 players in the winter. Those numbers pushed December rounds to 2,917, the most since the course opened; only 1997 was close with 2,882. The year finished at 55,155, the most since 2003. Revenue was also the highest ever for the month of December by over \$10,000 at \$68,658.

Financial Review

Revenue

Premier is proud to present the Operational and Financial Report for the month of December 2020. On the following page is a chart with a financial summary for the month, prior year, budget, and year-to-date totals.

Lynnwood was able to achieve record high revenue in December in all measurable revenue categories!

Expenses

Expenses for December were over budget \$14,486 (26%) at \$69,942. Gas was up \$640 (107%) as Power Cart rentals were up 112% and a lot of extra clean-up was done on the golf course. Maintenance and Supplies were up \$6,889 (172%) mainly due to extra chemical expenses and equipment repairs. Equipment Rentals is up \$4,315 (131%) due to unexpected rentals such as truck and trailer, Sani-can service. Utilities- Water is up from timing of invoices, and Printing is up \$1,385 (100%) as play was up so much more scorecards were needed.

Payroll was over budget \$3,631 (10%) due to extra maintenance work done on the golf course, and unexpected running of the beverage cart.

Rounds Played

December	2,917
2019	1,378
Budget	1,562
YTD	55,155

2020 wrapped up as the Seattle regions first wetter-than-normal year since 2017, thanks in large part to a very wet January. 41.32" compared to a normal of 37.49"

Lynnwood Golf Course – December 2020

	Dec 20	Dec 19	Dec Budget	2020 YTD	2019 YTD	2020 YTD Budget
Ordinary Income/Expense						
Income						
4100 · Income-Green Fees	55,787	23,611	27,541	1,270,174	969,476	1,185,924
4150 · Income-Cart Rental	6,691	3,152	4,230	208,948	173,488	174,403
4175 · Income-Club Rental	-	98	30	190	3,923	2,719
4200 · Income-Hard Goods	1,782	1,180	1,562	46,586	39,921	42,662
4250 · Income-Soft Goods	1,449	907	1,718	31,272	30,776	35,507
4600 · Income-F&B	2,949	1,945	3,124	93,769	119,900	122,095
Total Income	68,658	30,893	38,205	1,650,939	1,337,484	1,563,310
Cost of Goods Sold						
5000 · Food Beverage & Liquor	956	860	1,408	32,131	41,413	46,396
5200 · Hard Goods	925	1,195	1,405	27,822	23,823	28,093
5202 · Discounts-Pro Shop	-	-	-	(620)	(1,193)	-
5250 · Soft Goods	4,377	645	1,546	23,393	23,099	24,484
5254 · Freight	-	67	-	2,283	1,939	-
6086 · Teaching Commission	-	118	-	157	1,318	-
Total COGS	6,258	2,885	4,359	85,165	90,399	98,973
Gross Profit	62,400	28,008	33,846	1,565,774	1,247,085	1,464,337
Expense						
5690 · Golf Cart Gas	1,240	(1,634)	600	10,834	13,369	12,700
6000 · Payroll	40,417	29,276	36,786	517,706	466,959	536,036
60000 · Advertising and Promotion	-	-	1,000	-	-	14,500
6050 · Linen	171	-	-	3,384	-	-
6055 · Uniform Allowance	37	-	-	15	920	1,225
6065 · Advertising & Marketing	465	1,514	-	4,527	9,691	-
6075 · Employee Drug Screening	-	-	100	815	1,783	2,100
6077 · Maint. & Maint. Sup	10,889	4,996	4,000	101,579	94,166	89,000
6078 · Equipment Maintenance	155	155	800	5,316	6,615	9,600
6080 · Training Allowance	49	-	-	742	1,446	1,000
6092 · Supplies	105	262	490	4,802	5,147	8,860
6097 · Satellite Cable Service	304	196	360	3,653	4,548	4,320
6100 · Equipment Rental	7,605	2,841	3,290	66,337	68,727	72,735
6105 · Insurance - Other	1,165	1,416	-	15,720	17,211	-
6110 · Utilities - Water	1,094	1,032	400	9,883	14,753	13,600
6115 · Utilities - Electric Bill	486	576	1,000	11,138	9,310	14,800
6120 · Utilities-Gas	619	-	750	4,372	3,183	4,800
6125 · Trash Collection	372	372	400	4,476	4,099	4,800
6130 · Parking	-	-	-	19	20	-
6132 · Over/Short	(4)	(12)	-	(25)	(135)	-
6137 · Postage & Express Mail	-	245	-	357	481	170
6139 · Bank & Payroll Charges	254	167	300	2,873	2,638	3,800
6140 · Taxes	-	-	-	1,652	2,327	-
6147 · Legal & Professional	210	218	300	3,113	3,517	4,600
6150 · Security	94	94	85	1,214	1,150	1,020
6154 · Printing	1,385	-	-	2,769	1,363	2,600
6155 · Office Expense	-	33	160	2,282	2,128	1,980
6156 · Small Equipment	-	-	300	2,637	1,463	3,930
6157 · Paper Goods	-	-	50	-	-	1,050
6160 · Telecommunications	130	266	-	1,737	862	-
6167 · Computer/Network	1,643	5,379	2,400	20,377	24,762	34,800
6172 · Travel	25	-	75	104	1,109	1,500
6180 · Maintenance - Parts	883	154	-	21,866	13,171	-
6230 · Licenses and Permits	-	-	-	1,738	555	1,485
63300 · Insurance Expense	-	-	1,600	-	-	19,640
6450 · Dues and Subscriptions	150	385	220	2,472	3,075	2,740
64900 · Office Supplies	-	-	-	-	146	-
6500 · Misc Expense	-	-	-	-	-	2,275
66700 · Professional Fees	-	80	-	-	80	-
67200 · Repairs and Maintenance	-	-	-	748	7,457	-
Total Expense	69,942	48,008	55,456	831,232	788,096	870,666
Net Ordinary Income	(7,542)	(20,001)	(21,610)	734,542	458,989	593,671
Net Income	(7,542)	(20,001)	(21,610)	734,542	458,989	593,671

Pro's Spotlight Bulletin

December was another great month for play and revenue. Although there were extra expenses spent on the golf course to keep it and its equipment in shape, the NOI was only down (\$7,542) in a month that normally sees a much higher loss to revenue. We were able to keep staff working as we hit record play levels, along with revenue.

There are no words to describe the relief that was felt at the end of December to still be in the green. After the scare of Covid-19, and the closure of the golf course for 40 days (March 25th-May 4th), there was much fear that the loss of revenue would have a devastating effect on the end of year numbers; especially the NOI. While there was no way to know how the reopening would go and how the play numbers would be affected, we braced for the worst, and hoped for the best. What we got was unimaginable. Instead of people staying home from the golf courses for protection, they flooded the courses with tee times, filling the tee sheets every day as golf was one of the limited number of activities allowed in the state. The result was record breaking play and revenue levels.

Not only did we meet conservative goals for revenue and NOI, we surpassed them beyond our wildest dreams. The total revenue set a new facility record at \$1,650,939, beating the old record by about \$250,000, set in 2000 at \$1,407,688, and surpassing 2019 of \$1,337,484. The NOI was also a record high of \$734,542, surpassing 2019 by \$275,553. All of this was only possible with the hard work and dedication of the best staff in Premier. The smart, hardworking crew from the Pro Shop comprised of Marty Molloy, Matt Cooper, Jenna Ring, Graeme Hafford, Eric Strand, Henry Tillman, Tabitha Pridemore, Alex Wilder, Nick Cooper and Jack Tillman. The skillful and hardworking crew on Maintenance comprised of Reed Perry, Jared Rodgers, Matt Lewis, Calvin Smith, Reid McPherson Connor Engebretson, Matt Santay and Alex Williams. Thank you staff for everything you do for the golfers and the success of Lynnwood Golf Course. 2021 will be a new year filled with anticipation and surprises, but whatever it brings, the staff at Lynnwood Golf Course will be ready to take on its challenges and ensure a successful year, just as they did in 2020.

Employee of the Month: Matt Cooper

Matt Cooper is a detail person who takes great pride in his hard work and precision. As with every month, staff enjoys watching him work through each transaction with skill and efficiency, rarely making a mistake. Matt understands the POS, Policies and Procedures better than any staff, which makes him the go-to guy among the staff. His friendly, outgoing personality and knowledge of the operation makes him popular, and earns him much respect among the customers. Thank you, Matt for being such a solid employee at Lynnwood Golf Course.

Department News

The maintenance crew started several projects in December that will carry them through the winter and keep them quite busy. With age, the trees and bushes along the cart paths continually grow and encroach upon the sides of the path, and hang down from trees above. Reid McPherson worked hard cutting branches back from the path, clearing the way for their equipment and rental carts. Calvin Smith and Connor Engebretson spent much of their time spreading sand in areas that continually collect water or are soft spots. The whole crew spent much of their time on a weekly basis blowing debris from the many winter windstorms into piles, picking them up and hauling it off and out of sight. The golf course looks clean and great for the golfers, making it easier for them to find their golf balls.

The Pro Shop got in the spirit of the holidays by preparing a basket for the raffle in the Annual Awards event for Premier. The staff didn't go with the traditional prizes of golf items or bottles of wine, but instead got creative and put together a basket of food (about 7-10 meals) for the needy. Their hope was to provide many meals for a hungry family. The virtual awards event was attended by Dan Smith, Reed Perry, Matt Cooper and Tabitha Pridemore. Lynnwood won a couple of awards for "Most Improved Revenue" and "Most Improved NOI" which all of the staff was very proud to receive.

The beverage cart continued through the month of December on the very busy days. A continued thank you goes to Tabitha for braving the elements to provide some unexpected service and squeak out a few more sales.

Sincerely,

Beth Hagen

Looking Forward

Revenue for the month through January 19th is \$39,827 – 221% ahead of last year and 70% ahead of budget.

CITY COUNCIL ITEM D

**CITY OF LYNNWOOD
City Council**

TITLE: Discuss: Sales tax revenue, November 2020

DEPARTMENT CONTACT: Corbitt Loch, Acting Finance Director

DOCUMENT ATTACHMENTS

Description:

Type:

No Attachments Available

CITY COUNCIL ITEM E

**CITY OF LYNNWOOD
City Clerk**

TITLE: Discuss: Sales tax projections Jan, Feb, March 2021

DEPARTMENT CONTACT: Corbitt Loch, Acting Finance Director

DOCUMENT ATTACHMENTS

Description:

Type:

No Attachments Available