



Memorandum

To: City Council Members
From: Mayor Scott Korthuis
Date: October 7, 2019
Re: 2019 Budget Update

Status Report on the 2019 Budget

Revenues in all major funds are projected at year end to be at the budgeted amounts. The status of the major revenue sources are as follows:

- Property Tax – the current revenue is 5% below the forecasted budget due to tax exemptions and a time lag for late collections. As the second half of the year collections come in Property Taxes are expected to finish at year end on budget.
- Sales Tax - is robust with the current revenue 7% over the budgeted amount and is estimated to finish the year 5% over budget.
- Utility Tax – the current revenue is 1% under the budgeted amount and is estimated to finish the year on budget.

The Water fund did not enact a 2019 rate increase, though the Sewer fund revenues reflect the adoption of the 2% rate increase in 2019. Both funds are robust with strong cash positions.

Expenditures are projected at year end to be at or below the budgeted amounts. The current expense funds are as follows:

- General Government – year to date, the current expenditures are under-running the budget by 5%, this is due to a lag in capital purchases and partial payments not yet made for the new financial software. Estimates have these expenditures catching up towards year end with the General Government finishing on budget.

CITY OF LYNDEN

ADMINISTRATION DEPARTMENT

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Expenditures (continued)

- Police Department -the current expenditures are 3% under the forecasted budget due to under-runs in Administration and Capital expenditures. Expenditures are projected to catch up by year end and the department is estimated to finish on budget to as much as 2% over budget.
- Fire Department -the current expenditures are 16% under the budgeted amount due to under-runs in Fire operations and Capital expenditures. The department is estimated to finish the year on budget.
- Streets Department -the current expenditures are 12% under the budget. Capital projects throughout the Summer and early Fall will have the Streets department finishing the year closer to, but still under budget.
- Parks Department -the current expenditures are 1% under the budgeted amount. With Seasonal employment nearing an end Parks is estimated to stay steady and finish 2% under budget.
- Community Services Department - the current expenditures are 10% under the forecasted budget. As invoicing catches up through the remainder of the year it is estimated that community services will finish right on budget at year end.

Your monthly financial statements will provide you with more detailed information.