



## FINANCE COMMITTEE MINUTES

3:00 PM April 21, 2025  
City Hall – 300 4th Street

### Present:

Mayor Scott Korthuis  
City Administrator John Williams  
Finance Director Laura Scholl

### Councilmembers:

Kyle Strengholt (Chair)  
Lee Beld  
Nic Laninga

1. **The Finance Committee reviewed and approved the March 17, 2025 minutes.**
2. **The Committee reviewed and approved the Payroll for the month of March 2025.**
3. **The 2025 Overtime numbers were reviewed.**  
The committee reviewed the payroll overtime impacts for February.
  - Police incurred 254.5 hours in March compared to 322.5 hours in February and is down from 331 hours in March 2024. Included in these hours is 46 hours of 2hr Hold over, which suggests that the switch to covering partial shifts may be working in reducing OT overall. 25% of the year has elapsed, and Police has expended 35% of the OT budget for the year.
  - Fire incurred 442.25 hours in March compared to 355.75 hours in February and is up from 223.25 hours in March 2024. 11%% of Fire OT was due to sick leave coverage and 22% was due to Kelly Days. 25% of the year has elapsed and Fire has used 37% of the OT budget for the year.

#### **4. Sales Tax - YTD Review and Source Breakdown.**

Sales Tax revenues for March came in at \$286,110, which is a typical decline from February, and follows our trendline for other years. This amount is 2.5% (\$7,083) above budget and 0.7% (\$2,092) below March 2024. Overall, for two months, this puts us at 1.56% (\$14,504) above YTD budget. This is a relatively flat to budgeted Sales Tax, which was budgeted flat to 2024. Small Cities report is showing other cities are experiencing flat or downward trending sales tax. Industry and other cities are reporting uncertainties and declining business related to border traffic. Lynden tends to be insulated from border fluctuations more than other cities in the County, but full impacts are unknown. Whatcom County Tourism reports a 16% decline in overnight hotel stays over last year for February and March.

#### **5. The Claims Clearing Certificates were reviewed and approved for March 12 through April 15, 2025.**

The report is sorted by supplier, then by check number then invoice number. There is an indent at the start of each supplier name and totaled at the bottom of each supplier.

#### **6. Court Revenues were reviewed for Q1 2025 – which are down 6.58% or \$2,126 compared to 2024**

#### **7. Council Packet items presented:**

- A. Consent: RES-25-1116 Request to cancel checks 32183 and 32227 – approved for Council review.
- B. Reports: Payroll & Claims
- C. Consent: Surplus property Disposal – Ambulance A7503 – as estimated values is greater than \$10K, Council must vote on how to dispose of the property. Finance has recommended to put in the Tribune for two weeks and if not bids received, to dispose through the local auction. Recommended for review at Council.

#### **8. Finance Department Informational or Added Items**

- A. The Monthly Financial Reports were reviewed for the Month ended March 31, 2025. This is the first month to include Capital and Operating for Water and Sewer Utilities, with a breakdown for both sections.

Cash Flow statement & Projection were provided for up to March 31, 2025. As of the end of March, the City ended with 32 days total Cash on Hand, and 15 days of Unrestricted Cash in the General Fund. The State Auditor indicates a bare minimum balance of 60 days on hand and recommendations are 90 days. The City is starting to receive the 1<sup>st</sup> half of the property taxes which is helping cash flow for April. Comparing cash flow projections to actuals shows the projections to be fairly accurate for January, February and March. Long term projections indicate that additional work will be needed when it comes to budget time. The summer months also have historically been high for project and operating expenses, which will demonstrate where we are at budgetarily.

- B. Finance Committee briefly discussed the surplus of the old Fire Engine, now that the Quint will be operational. Finance will be working with Fire and Council to develop a plan to transfer the engine to the fire training academy that operates out of Meridian School District. While a straight donation may not be permitted, the City should be able to negotiate the consideration as it is another government entity.

**The meeting was adjourned at 3:56 pm. The next Finance Committee meeting is on Monday, May 19 at 3:00 pm.**

DRAFT