

1 **MINUTES OF THE LYNNWOOD CITY SPECIAL COUNCIL MEETING**
2 **THURSDAY, APRIL 23, 2020, AT 3:00 P.M., ZOOM MEETING**

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4 **Attendance:**

5 Council President Christine Frizzell, Chair
6 Councilmember George Hurst
7 Councilmember Julieta Altamirano-Crosby
8 Councilmember Shannon Sessions
9 Councilmember Jim Smith
10 Councilmember Ruth Ross

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12 **Staff:**

13 Art Ceniza, City Administrator
14 Julie Moore, Public Affairs Officer
15 Karen Fitzthum, Acting City Clerk
16 Sonja Springer, Finance Director
17 Corbitt Loch, Strategic Planner
18 Janella Lewis, Finance Supervisor
19 William Franz, Public Works Director
20 Lynn Sordel, Parks and Recreation Director
21 Evan Chinn, Human Resources Director
22 David Kleitsch, Community and Economic Development Director

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24 **Call to Order:** The meeting was called to order by Council President Christine Frizzell at 3:00 pm.

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26 **1) COVID-19 Financial Related Issues**

27 Finance Director Springer went over the financial impacts of the COVID-19 pandemic. There were
28 no changes from the prior meeting on April 9th. Finance staff anticipate receiving sales tax
29 information for February in late April.

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31 The City has gone through their expenditures to determine which can be cut during this crisis. List is
32 the same as the last meeting.

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34 Councilmembers George Hurst and Jim Smith expressed concern that they were hoping to see new
35 information as to what the City plans to do regarding cutting costs. Ms. Springer assured them that
36 the department directors are being encouraged to look at other ways that the City can save money.
37 One of the ideas was to have no COLA increases for GSO Employees. The reason there are no
38 updates to revenue losses at this point is because the City has not received any new monthly
39 receipts from sales tax since the last meeting. Mr. Smith asked if there is a deadline for department
40 directors. City Administrator Art Ceniza said that staff is closely monitoring revenues and expenses
41 and will be bringing forth proposals for cost savings. He does know that Mayor Nicola Smith has
42 stated that the last resort would be layoffs.

43
44 The revenue stabilization fund could be used to close the budget gap for 2020. The gap is currently
45 \$5.1M in the General Fund and \$6.2M combined with the other funds.

46

47 Strategic Planner Corbitt Loch emphasized the point that he appreciates the Council’s concern, but
48 not to expect new numbers at every meeting. Most likely the revenue numbers would change once
49 a month. Mr. Ceniza also reminded Council that this is a moving target and the numbers could
50 change daily.

51 Ms. Springer stated that the State is also giving businesses a 60-day extension on remitting sales tax
52 payments, and this may reduce the revenues coming in during the pandemic.

53
54 Mr. Hurst stated that the revenue numbers provided may not be realistic, and the revenue shortfall
55 may be bigger than what has been estimated. He consulted with Mr. Mike Bailey and he stated that
56 the City of Lynnwood relies heavily on sales tax and predicted that the City will be hit hard by the
57 closure of businesses.

58
59 **2) Overview of City initiatives to support community during COVID-19 pandemic**

60 Mr. Ceniza and Public Affairs Officer Julie Moore presented a list of things that the City of Lynnwood
61 is doing to support Lynnwood residents and businesses.

62
63 **3) Discussion of objectives and feasibility of City sponsored community relief programs.**

64 Council and staff discussed whether the City should offer funds to local households or businesses. A
65 majority of the Councilmembers indicated that the City should not pursue this at this time, but
66 asked that Ms. Springer look for funds that could be used as a special relief fund for residents and
67 businesses.

68
69 **4) Fourth Quarter 2019 Financial Report**

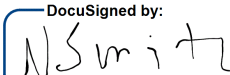
70 The financial summary was presented to Council and staff. It was noted that General Fund revenues
71 in 2019 were lower than forecasted, coming in at 45% of the revenue budget; during the first year of
72 a biennial budget you would expect about 48% of the revenue to be received.

73
74 **5) Closing Comments**

75 Finance staff will look for any unencumbered funds that could be used for resident or business relief
76 assistance. The Council would also like additional information about how departments will curtail
77 expenditures for the City.

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79 The next Special City Council meeting hosted by the Finance Committee will be held Thursday, May
80 14 at 3:00 pm, via Zoom.

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82 **Adjournment: The meeting was adjourned at 4:54 p.m.**

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84 DocuSigned by:
85 
86 _____
87 281B3CE79E884DA
Mayor Nicola Smith