

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

Attendance:

Council President Christine Frizzell, Chair
Councilmember George Hurst
Councilmember Julieta Altamirano-Crosby
Councilmember Shannon Sessions
Councilmember Jim Smith
Councilmember Ruth Ross

Staff:

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

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

1) COVID-19 Financial Related Issues

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

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

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

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

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

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

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

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

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

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

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

4) Fourth Quarter 2019 Financial Report

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

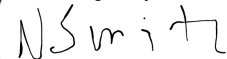
5) Closing Comments

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

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

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

DocuSigned by:



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Mayor Nicola Smith