

**MINUTES OF THE SPECIAL COUNCIL MEETING OF THE LYNNWOOD CITY COUNCIL
HELD MAY 28 2020 AT 3:00 p.m. VIA ZOOM**

Attendance:

Mayor Nicola Smith (absent)
Council President Christine Frizzell, Chair
Council Vice President Shannon Sessions
Councilmember Ian Cotton (absent)
Councilmember Ruth Ross
Councilmember George Hurst
Councilmember Jim Smith (absent)
Councilmember Julieta Altamirano-Crosby
Interim City Clerk Karen Fitzthum

Others:

Finance Director Sonja Springer
Budget Supervisor Janella Lewis
Strategic Planner Corbitt Loch

Comments and Questions on Memo Items

- None

First Quarter 2020 Financial Report – Sonja Springer, Finance Director

- Director Springer reviewed the Executive Summary of the First Quarter 2020 Financial Report. Council questions and comments followed.
- Councilmember Ross brought up concerns about the impacts to the City’s bond rating. Director Springer indicated she is monitoring this.
- Council President Frizzell recommended considering the impact of potential bad debt if it is not already being considered. She also asked to get sales tax collection data sooner than the next quarterly report. Director Springer indicated it could be provided monthly.

Update on 2021-2022 Budget Process Schedule – Sonja Springer, Finance Director

- Director Springer reviewed the 2021-2022 Budget Process Schedule. She explained that the City is a little behind schedule in some areas due to the current situation, but all departments are currently working on budget submittals, and the dates when Council will see the budget have not changed. Council will receive a high level summary by the Mayor on September 14, and the first public hearing will be on September 28. The detailed budget will be provided to Council on October 12. Departments will provide presentations throughout October, and there will be a public hearing on November 9. Council will deliberate throughout November, and the budget is scheduled to be adopted at the end of November or in December.
- Council comments and questions followed.
- There was discussion about how to engage boards and commissions and community groups in this time of COVID-19. It was noted this would depend on what is allowed in each particular phase. Director Springer explained that flyers will go into utility bills to inform people about the public hearings. Interim City Clerk Fitzthum explained limitations about the ability for boards and commissions to meet right now. Strategic Planner Loch explained that staff hoped to hear feedback from boards and commissions through the Council liaisons once they are able to meet again.

Summary of General Fund Revenue-Expenditure “Gap” for 2020

- Director Springer then reviewed a memo she had provided to Council discussing the General Fund Expenditure “Gap” for 2020. She discussed details of the impact of COVID-19 on sales tax and

49 other revenue on the City’s General Fund. The total revenue shortage for 2020 is expected to be \$8.2
50 million. This has been somewhat offset by expenditure reductions and cost savings from the closure
51 of the Recreation Center and the Senior Center, but leaves a remaining “gap” for 2020 of
52 \$3,225,800. Director Springer also discussed updated revenue forecasts and summarized that the
53 2021-2022 Budget will be a challenging one to put together.

- 54 • Council comments and questions followed.
- 55 • Councilmember Hurst predicted that the sales tax revenue will actually be even lower.
- 56 • Council President Frizzell asked about the possibility of insurance claims related to loss of revenue
57 at the Recreation Center. Interim City Clerk Fitzthum gave an update on these efforts.
- 58 • Council President Frizzell asked to see the forecast with a larger sales tax revenue decrease. Director
59 Springer adjusted percentages in real time for the Council to see different potential scenarios.
- 60 • Council President Frizzell commented that she will be reworking legislative budget numbers and
61 bringing those back to the Council.

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63 **Development of Outcome Measures (Performance Measures) for the Legislative Department’s**
64 **2021-2022 Budget – Corbitt Loch, Senior Manager, Strategic Planner**

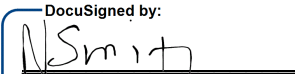
- 65 • Strategic Planner Loch reviewed the topic of performance measures for the Legislative Department.
66 He gave examples of what other jurisdictions have used as performance measures.
- 67 • Council President Frizzell recommended doing a community survey and also looking at the previous
68 survey that was done.
- 69 • Councilmember Hurst concurred and suggested focusing on voter registration and participation as a
70 performance measure.
- 71 • Council President Sessions also recommended reviewing the previous community survey. She spoke
72 to the importance of the Council staying within its appropriate role in the community. There was
73 some discussion about the difference between running a nonprofit organization and the responsibility
74 of running a city.
- 75 • Strategic Planner Loch recommended going back to the American Community Survey, which is
76 done every four years, for some guidance.

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78 **Council President and Council Comments**

- 79 • Councilmember Hurst recommended listening in to the Special Health District Board Meeting
80 happening on Friday and also the Special County Council Meeting coming up when Snohomish
81 County’s request for a variance to go to Phase 2 is going to occur.

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83 **Adjourn**

- 84 • Meeting adjourned at 4:38 p.m.

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89 Nicola Smith, Mayor