

**LYNNWOOD
CITY COUNCIL
Work Session**

Date: Wednesday, November 21, 2018

Time: 7:00 PM

Place: City Hall Council Chambers

PLEASE NOTE: The Transportation Benefit District Meeting will start at 6:30pm and at 7:00pm this meeting will recess. Mayor Smith will call the 7:00pm Work Session to order and immediately recess so the TBD meeting can continue. Upon adjournment of the TBD meeting, the Regular Work Session will re-convene.

- 7:00 PM **A** Executive Session: Human Resources Director Interviews
- 9:00 PM **B** Break
- 9:10 PM **C** Discussion - Proposed 2019-2020 Budget
- 10:10 PM **D** Mayor Comments and Questions
- 10:15 PM **E** Council President and Council Comments
- Adjourn

Memorandums for Future Agenda Items:

Memorandums for Your Information:

Contact: Executive Office (425) 670-5001

CITY COUNCIL ITEM A

**CITY OF LYNNWOOD
City Council**

TITLE: Executive Session: Human Resources Director Interviews

DEPARTMENT CONTACT: Nicola Smith, Mayor

SUMMARY:

Council will interview two candidates for the Human Resources Director position.

DOCUMENT ATTACHMENTS

Description:

Type:

No Attachments Available

CITY COUNCIL ITEM B

**CITY OF LYNNWOOD
City Council**

TITLE: Break

DEPARTMENT CONTACT: Council President Benjamin Goodwin

DOCUMENT ATTACHMENTS

Description:

Type:

No Attachments Available

CITY COUNCIL ITEM C

CITY OF LYNNWOOD Administrative Services

TITLE: Discussion - Proposed 2019-2020 Budget

DEPARTMENT CONTACT: Sonja Springer and Corbitt Loch

SUMMARY:

The purpose of this agenda item is to allow for Council discussion/deliberation on the Proposed 2019-2020 Budget.

POLICY QUESTION(S) FOR COUNCIL CONSIDERATION:

Is the Proposed 2019-2020 Budget appropriate as written?

Which, if any, of the suggested adjustments to the Proposed 2019-2020 Budget does the City Council wish to discuss?

ACTION:

Identify any remaining issues needing discussion before adoption of the 2019-2020 Biennial Budget (and the 2019 property tax levy) at a future meeting.

A summary of suggested changes and Council President Goodwin's instructions are provided as attachments.

BACKGROUND:

The Proposed 2019-2020 Budget has been reviewed during numerous City Council meetings. On November 13, 2018, public hearings were conducted on the 2019 property tax levy and the Proposed 2019-2020 Budget.

Council action on the property tax levy for 2019 must occur no later than November 26, 2018. Council action on the Proposed 2019-2020 Budget must occur no later than December 31, 2018.

PREVIOUS COUNCIL ACTIONS:

The City Council has: A) approved the budget calendar for 2018; B) participated in the Community Budget Workshop; C) received the preliminary proposed budget on September 10, 2018; D) received the Proposed 2019-2020 Budget on October 8, 2018; E) received budget presentations by all directors; and F) conducted public hearings on November 13, 2018.

FUNDING:

NA

KEY FEATURES AND VISION ALIGNMENT:

The Proposed 2019-2020 Budget is: A) highly aligned with the Community Vision and the Strategic Plan; B) structurally balanced (financially sustainable); C) conforms to the Lynnwood's Financial Policies; and D) foundational to Lynnwood's continued evolution as a Regional Growth Center and as a hub for transit, commerce, livability.

ADMINISTRATION RECOMMENDATION:

Identify issues/questions needing further discussion.

DOCUMENT ATTACHMENTS

Description:	Type:
Instructions for Proposing Changes	Backup Material
Council Suggested Changes Summary	Backup Material

From: [Benjamin Goodwin](#)
To: [DL Council](#)
Cc: [Beth Morris](#); [Art Ceniza](#); [Nicola Smith](#); [Sonja Springer](#); [Corbitt Loch](#)
Subject: Budget news and scheduling until the end of the year
Date: Tuesday, November 6, 2018 4:33:14 PM

Colleagues -

Between now and the end of the year we will be focused on the budget. The administration and council leadership have some requests for budget changes or adjustments. **We ask that:**

- 1) All budget proposals, changes or additions, be in writing and emailed to Sonja Springer, Corbitt Loch, DL Council, Beth Morris, Mayor SMith and Art Ceniza. This will allow questions that other council members may have answered in shot rather than explaining the same thing multiple times and to help prevent the same question coming from different council members.
- 2) Any changes in expenditure are offset by some change in revenue that you determine or present, whether it is one idea or a few different ideas is fine. The key here is WHAT is changing and FROM WHERE are the funds coming and TO WHERE are the funds going.
- 3) If you have any questions or concerns you consider meeting with Director Springer and/or Strategic Planner Loch. They have offered to meet one on one with anyone that has questions or comments on the current budget proposals and how any changes you might be considering would impact the budget.
- 4) You email any questions you have currently to Director Springer and copy those mentioned above before the public on November 13th to give the administration time to compose an answer.

The agendas for the remainder of the year will be concentrated on the budget and that will be the priority. We have some things tentatively scheduled for early December, assuming that the budget is resolved and we don't need more time on that.

Director Springer has advised that the property tax decision must be made at the November 26th meeting because if the property tax information is not in by November 30th we will not be able to collect property taxes for 2019.

If necessary, the budget discussion can go into December and it must be passed before the end of the year.

Also keep in mind that any decision made at the TBD meeting on November 21st may have fiscal impacts on the budget.

Sorry about the long email, but there was a lot of information that needed to go out. Thank you all for your work on the issues affecting our city. Please don't hesitate to ask any questions you may have.

Council President Goodwin
[Lynnwood City Council Position 5](#)
Bgoodwin@lynnwoodWA.gov

(425)670-5010

Summary - Councilmembers' Suggested Changes to the Proposed 2019-2020 Budget

No.	Date	Sponsor	Dept.	Description	Expense (2 yr.)
1.1	11/13	Hurst	Police	Add 1 FTE Communications Mgr.	258,076
1.2	11/13	Hurst	Police	Add 1 FTE Communications Mgr.	160,483
1.3	11/13	Hurst	Econ. Dev.	Add 1 FTE Bus. Dev. Mgr.	209,000
					\$ 627,559
Revenue Source					Revenue (2 yr.)
GF: Comm. Dev. \$500,000 Improve. Reserve (reduce from \$500,000 to \$100,000)					400,000
Savings from reduced 911 assessment					235,260
					\$ 635,260

Staff Comment:

1. It is presumed that the \$500,000 improvement reserve will be used to fund a combination of one-time expenses and new, reoccurring expenses. It is not yet known what portion of the \$500,000 will be applied to ongoing expenses. 2. The proposed budget already includes the correct amount of reductions in the Snohomish County 911 assessment; the \$235K is for the SERS assessment. 2. It is not known whether the compensation proposed by Councilmember Hurst for the Business Development Manager position will be sufficient to attract and retain qualified candidates.

No.	Date	Sponsor	Dept.	Description	Expense (2 yr.)
2.1	11/13	Hurst	Comm. Dev.	Restore \$500,000 Improvement Reserve	400,000
2.2	11/13	Hurst	Human Svcs	Add \$200,000 for hum. svcs. grants	200,000
2.3	11/13	Hurst	?	Add \$150,000 for displaced renters	150,000
					\$ 750,000
Revenue Source					Revenue (2 yr.)
Fund 263: 196th Street LID closeout, in lieu of transfer to EDIF.					750,000
					\$ 750,000

Staff Comment:

1. Funds from closure of this LID are one-time monies, and use of one-time funds for ongoing expenses would be inconsistent with Lynnwood's Financial Policies.

No.	Date	Sponsor	Dept.	Description	Expense (2 yr.)
3.1	11/13	Hurst	Capital	Remove \$2.2 M transfer from GF to Capital, since GF transfers to EDIF will satisfy this policy goal.	2,200,000
					\$ 2,200,000
Revenue Source					Revenue (2 yr.)
Capital Fund (eliminate transfer from GF)					2,200,000
					\$ 2,200,000

Staff Comment:

This is not recommended as it would jeopardize the City's efforts to ensure our infrastructure will be adequate to accommodate future growth.

No.	Date	Sponsor	Dept.	Description	Expense (2 yr.)
4.1	11/13	Hurst	Legal	Do not proceed with hiring in-house city attorney until costs are clarified.	NA
					\$ -
Revenue Source					Revenue (2 yr.)
					\$ -

Staff Comment:

Administration concurs. The Legal Department budget is intended to accommodate a future decision regarding city attorney services. It is understood that additional analysis and discussion will be needed. Also, Council authority to amend the Salary Ordinance to create a city attorney position will be needed.

No.	Date	Sponsor	Dept.	Description	Expense (2 yr.)
					\$ -
Revenue Source					Revenue (2 yr.)
					\$ -

Staff Comment:

CITY COUNCIL ITEM D

**CITY OF LYNNWOOD
City Council**

TITLE: Mayor Comments and Questions

DEPARTMENT CONTACT: Nicola Smith, Mayor

DOCUMENT ATTACHMENTS

Description:

Type:

No Attachments Available

CITY COUNCIL ITEM E

**CITY OF LYNNWOOD
City Council**

TITLE: Council President and Council Comments

DEPARTMENT CONTACT: Council President Benjamin Goodwin

DOCUMENT ATTACHMENTS

Description:

Type:

No Attachments Available