CITY OF LYNNWOOD
RESOLUTION NO. 2011-11

A RESOLUTION OF THE CITY OF LYNNWOOD, WASHINGTON,
RELATED TO THE MID-YEAR FINANCIAL REVIEW AND MID-
YEAR BIENNIAL BUDGET AMENDMENTS

WHEREAS, 2.72.05 of the Lynnwood Municipal Code does require the City of
Lynnwood’s Finance Director to present to the City Council a Mid-Year Financial Review; and,

WHEREAS, on July 26, 2011 Finance Director Hines did present to the council his Mid-
Year Financial Review; and,

WHEREAS, the council wishes to publicly thank Finance Director Hines for the
thoroughness of his Mid-Year Financial Review; and,

WHEREAS, the Mid-Year Financial Review did project actual biennial revenues at ?% 
lower than budget projections; and

WHEREAS, the Mid-Year Financial Review did project actual biennial expenditures at
?% less than budget projections; and,

WHEREAS, the Mid-Year Financial Review did project an actual 2012 budget deficit of
$SSSS, should certain conditions prevail; and,

WHEREAS, Mayor Don Gough did present to the council at 10:20pm at that same
council meeting, without forewarning or consultation, a 10.5 page memo containing his
recommendation to address the projected deficit by reducing staffing at the city by 29.65 FTEs;
and,

WHEREAS, no analysis was provided to the council regarding the effects of such layoffs
on the levels of service to our residents and businesses; and,

WHEREAS, no other options were presented to the council for consideration; and,

WHEREAS, there are numerous areas that need analysis prior to considering any mid-
biennial budget adjustments including but not exclusive of:

1. The impact on levels of service should the proposed layoffs be implemented
2. The impact on city revenues due to the large number of building and retail
   projects coming online in 2011-12
3. The impact on city finances from the financing of the Recreation Center and the
   higher than projected revenues being generated by the Center
4. The impact on city finances due to expenditure savings that may be realized in
   2012 and beyond as the city transitions to a different benefits plan for its
   employees

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WHEREAS, that same memo called for councilmembers to submit "comments and suggestions" to the administration by 5:00pm August 2nd which is only five business days after receipt of the mayor’s recommendation; and,

WHEREAS, the council has not had an opportunity to ask questions, gather necessary information or engage in deliberation with colleagues at a council meeting; and,

WHEREAS, no public hearings have been scheduled on this matter as are required under Lynnwood Municipal Code 2.72.190 prior to adoption of any ordinance modifying the biennial budget; and,

WHEREAS, the council does consider the mayor’s notification of some city employees of impending layoffs to be a de facto and unilateral adjustment to the biennial budget without council’s or the public’s input;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LYNNWOOD DOES HEREBY RESOLVE AS FOLLOWS:

1. This resolution does constitute a response from the council by 5:00pm August 2nd as requested in the Mayor’s memo.
2. The council condemns in the strongest terms possible the Mayor’s handling of this issue.
3. The council calls on the Mayor to suspend implementation of any layoffs until the council adopts mid-year biennial budget amendments.
4. The council president, as provided for in Council Rule 17, shall appoint a 2011-12 Mid-Biennial Budget Review Task Group which shall:
   a. Review the information provided by the Finance Director in his Mid-Year Financial Review and the Mayor’s memo of July 26, 2011;
   b. Work with the mayor and other city staff to gather any additional information it deems necessary;
   c. Prepare and present to the council and the administration by September 19, 2011 a draft report on its findings including any recommendations from the committee.

APPROVED by the Mayor this 8 day of August, 2011.

[Signature]
DON GOUGH, MAYOR

ATTEST/AUTHENTICATED

[Signature]
Lorenzo Hines, FINANCE DIRECTOR

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