PRESS RELEASE

22 October 2008

Impossible to predict revenues in volatile economic climate
County Council Returns to Annual Budget

On the books for only seven months, Snohomish County’s first attempt to produce a biennial (two-year) budget has become a victim of the nation’s and the world’s economic crisis that have made it very difficult to accurately estimate future county revenues.

The county council today voted 4-1 to approve an emergency ordinance repealing a previous ordinance approved March 27, 2008 that had put the county on track to create a two-year-cycle budget beginning in the 2009-2010 biennium.

“Given the current economic uncertainty, we still don’t know for certain what our revenues will be next year,” said County Council Chair Dave Somers, “let alone what our revenues will be two years from now. The council must have tighter and faster controls over county spending than a biennial budget allows.”

In a matter of weeks the anticipated general fund revenue shortfall for 2009 has grown from $9 million to more than $20 million based on the 2008 adopted budget.

King County, noted Somers, is at least informally adopting a six-month budgeting cycle to be better able to track revenues.

“In the interests of transparency and considering the economic conditions, we need to keep our finger on the [economic] pulse,” said Councilmember John Koster in supporting the repeal.

Councilmember Mike Cooper said he first preferred putting strong language into the biennial budget “freezing” the ability of county departments to draw on 2010 revenues to cover 2009 expenses, even imposing quarterly controls, but in the end Cooper joined Somers, Koster and Brian Sullivan in approving the change. Councilmember Dave Gossett voted against the repeal.

Emergency ordinances require a super majority (four votes) for approval; go into effect immediately; and are not subject to a possible veto by the county executive.

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