



NEWS RELEASE

For Release: August 11, 2004

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Council Moves to Capture Salary Savings from Vacancies To Restore General Fund Reserves

[*Everett, Wash.*] The Snohomish County Council approved unanimously today a measure by Councilman Jeff Sax to capture salary savings resulting from vacancies in county general fund departments.

“Former County Executive Bob Drewell had the foresight to implemented a Hiring Freeze on temporary employees and the county has maintained that position for a limited freeze on hiring regular employees since 2003,” stated Councilman Sax. “However, in the past we have not captured the costs savings that resulted from those positions going unfilled.”

The Council’s motion, one of the products of the Council’s recent budget retreats, requests that Executive Reardon draft the appropriate legislation and send it to council to capture General Fund salary and benefit savings and dedicate them to restoring the General Fund reserves.

“Traditionally, salary and benefit savings resulting from positions remaining vacant simply folds into the fund balance or may be absorbed by expenditures in excess of appropriations in other budget categories,” concluded Sax. “This time, it was Council’s desire to capture those General Fund salary and benefit savings and dedicate them to restoring our General Fund reserves.”

The County’s Fiscal Policy since 1999 has stated in Goal (1)(d) that total personnel costs should not grow more rapidly than revenues, however since that time total revenues have decreased by 9.2% but total personnel costs have grown by 22%.

Snohomish County Executive Aaron Reardon recently revised a 2004 five-year financial forecast that shows the County falling deeply in the red – nearly \$40 million by 2009. Current revenue projections such as this suggest that Snohomish County is likely to face budget shortages like those that have been experienced by the State of Washington and other Washington counties.

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