



Snohomish County
County Executive's Office

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Aaron Reardon
County Executive

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Snohomish County Executive vetoes measure removing spending controls

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*With County facing \$13 million deficit,
let's not make it any easier to spend, Reardon says*

Snohomish County Executive Aaron Reardon today announced his veto of a Snohomish County Council-approved ordinance that eliminates long-standing checks and balances by centralizing key spending matters solely in Council members' hands.

The ordinance, 04-078, does away with the Executive's role in overseeing dollar transfers from a County reserve fund – the General Fund Reserve for County Operations (RCO). The measure would allow the five County Council members to take money out of the account on a simple majority vote.

The County Executive's veto – the second of his administration – comes even as the County wrestles with closing a projected 2005 deficit of more than \$13 million, a gap caused in part by County Council overspending in prior years.

“The fundamental flaw in this ordinance is that it removes controls on spending at a time when we both know that this County must become more fiscally disciplined,” Reardon wrote in a letter to Snohomish County Council chair John Koster (see attached letter). “The public expects nothing less.”

Reardon said reducing controls on spending is shortsighted and ignores the County Council's recent history of deficit spending. He noted that the County's 2003 budget included a \$9 million deficit and the 2004 budget included a \$5 million deficit. The

County must eliminate deficits and get its fiscal house in order, not make spending easier, the County Executive said.

“I am deeply concerned that removing the existing checks and balances in our system will result in increased spending by the Council,” Reardon wrote to Koster.

Reardon said he expects the County Council to override his veto.

“I fully recognize that it is the intent of the Council . . . to override my veto,” Reardon wrote. Calling the ordinance misdirected, the County Executive added, “I have a moral obligation to manage tax dollars in a fiscally prudent manner. In addition, as steward of the public’s resources, I cannot condone backdoor raids on the County Treasury.”

The Reardon administration expects to announce its proposed 2005 budget in late September. The County Executive has vowed to close the \$13 million budget deficit by employing a priority-based budgeting process much like the one used by the State of Washington to eliminate a \$2.5 billion budget deficit in 2003. Reardon said he would balance the County budget without raising taxes.

In addition, Reardon has asked the County Council to join him in creating two new County reserve funds that would help ensure fiscal solvency for the County and develop a new level of financial stability critical to long-range planning and budget development.

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