



CO00037208

SNOHOMISH COUNTY COUNCIL  
Snohomish County, Washington

AMENDED ORDINANCE NO. 08-146

RELATING TO COUNTY FINANCES, ESTABLISHING A GENERAL FUND  
REVENUE STABILIZATION FUND, ADOPTING A NEW CHAPTER 4.116  
SCC, AND AMENDING SCC 4.26.021 AND 4.26.065

WHEREAS, in 1993 by Ordinance No. 93-147 the County Council created a Revenue Stabilization Fund to reserve and accumulate unexpended General Fund resources for use in mitigating the effects of future financial shortfalls; and

WHEREAS, the Revenue Stabilization Fund created by Ordinance No. 93-147 was commonly referred to as the "rainy day reserve fund;" and

WHEREAS, in 2003 the County withdrew the resources of the Revenue Stabilization Fund created by Ordinance No. 93-147 consisting of \$869,904 and deposited those resources into the General Fund; and

WHEREAS, in 2006 by Ordinance No. 06-081 the Council terminated the Revenue Stabilization Fund as no longer used by the County; and

WHEREAS, it has become increasingly difficult for the Council to identify and account for available reserves in the General Fund that could be used by the County in the event of a revenue shortfall or other circumstance warranting the use of county reserves; and

WHEREAS, the Council intends by this ordinance to create a General Fund Revenue Stabilization Fund in order to identify, reserve, and accumulate unexpended General Fund resources for use in mitigating impacts of future General Fund revenue shortfalls as provided herein;

NOW, THEREFORE, BE IT ORDAINED:

Section 1. A new chapter is added to the Snohomish County Code to read:

**Chapter 4.116**

**GENERAL FUND REVENUE STABILIZATION FUND**

Sections:

- |           |                      |
|-----------|----------------------|
| 4.116.010 | Name of fund.        |
| 4.116.020 | Purpose of fund.     |
| 4.116.030 | Source of resources. |
| 4.116.040 | Operation of fund.   |
| 4.116.050 | Fund manager.        |

1  
2 **4.116.010 Name of fund.**

3 There is created a general fund sub-fund to be known as the general fund  
4 revenue stabilization fund.  
5

6 **4.116.020 Purpose of fund.**

7 The purpose of the general fund revenue stabilization fund is to identify,  
8 reserve, and accumulate unexpended general fund resources in order to mitigate  
9 impacts of future general fund revenue shortfalls and to provide revenue for  
10 emergency or other exigent circumstances.  
11

12 **4.116.030 Source of resources.**

13 (1) There shall be deposited into the general fund revenue stabilization fund  
14 contributions from the general fund in amounts determined by the county council.

15 (2) Such contributions may consist of:

16 (a) general fund resources identified in the adopted budget for a fiscal year  
17 or any year of a fiscal biennium as contributions to the general fund revenue  
18 stabilization fund as provided in SCC 4.116.040(1);

19 (b) general fund revenues in amounts greater than anticipated in the budget  
20 for a fiscal year or any year of a fiscal biennium identified as provided in SCC  
21 4.116.040(2); and

22 (c) other general fund resources deemed appropriate by the county council.  
23

24 **4.116.040 Operation of fund.**

25 (1) The county executive's budget submission for each year shall include a  
26 recommendation for a general fund contribution to the general fund revenue  
27 stabilization fund as provided in SCC 4.26.021(11).

28 (2) Each year as soon as possible after the general fund for the prior year is  
29 closed and audited by the state auditor, the county executive shall submit a written  
30 report to the county council stating the amount of the year-end fund balance in the  
31 general fund, if any, along with a recommendation for a general fund contribution to  
32 the general fund revenue stabilization fund to carry out the general fund reserve  
33 policy set out in SCC 4.26.065. The report shall be based on an analysis by the  
34 department of finance of available reserves in the general fund and shall include a  
35 description of relevant liquidity requirements and the purpose of any available  
36 reserves not recommended for deposit to the general fund revenue stabilization  
37 fund.

38 (3) The resources in the general fund revenue stabilization fund shall  
39 accumulate from year to year until such time as:

40 (a) available reserves in the general fund revenue stabilization fund exceed  
41 five percent (5%) of prior year revenues to the general fund and the council by  
42 majority vote appropriates all or part of the excess available reserves; or

43 (b) the council makes a written finding that emergency or other exigent  
44 circumstances exist that require use of county general fund reserves and by a  
45 minimum of four affirmative votes appropriates all or part of the available reserves in  
46 the general fund revenue stabilization fund.  
47

(4) In this chapter, "available reserves" has the meaning given in SCC 4.26.010(14).

**4.116.050 Fund manager.**

The director of the department of finance or the director's designee shall administer the revenue stabilization fund within the financial management system provided for in chapter 2.100 SCC, and shall serve as the fund manager. The fund manager shall have the duties set out in SCC 4.05.050.

Section 2. Snohomish County Code Section 4.26.021, last amended by Amended Ordinance No. 07-015 on March 21, 2007, is amended to read:

**4.26.021 Supplemental information.**

The following supplemental information shall be submitted with the proposed budget:

(1) A summary listing for each fund by agency and appropriation unit of proposed appropriations and estimated resources including revenues from all sources, and any anticipated surplus or deficit.

(2) A general description of program highlights for the budget year or fiscal biennium for each agency at the BASUB level.

(3) The following shall be presented in a manner which is consistent with each agency's budget:

(a) An organizational chart organized to the division level, which shall also describe any changes in the various agencies, and an additional organizational chart describing any anticipated reorganization,

(b) A general statement of the functions performed by each agency at the BASUB level in sufficient detail to be understood by county citizens,

(c) A statement of goals and objectives of each agency at the BASUB level for the budget year or fiscal biennium,

(d) A comparative listing of performance indicators or measurable objectives by agency at the BASUB level for the budget year, performance indicators or objectives contained in the budget for the current year, and actual performance by performance indicators or objectives for the preceding year; except that if the proposed budget is a biennial budget there shall be submitted a comparative listing of performance indicators or measurable objectives at the BASUB level for each year of the fiscal biennium, performance indicators or objectives contained in the budget for the second year of the current biennium, actual performance indicators or objectives for the first year of the current biennium, and actual performance indicators or objectives for each year of the preceding biennium, and

(e) For each fund with revenues exceeding \$10 million, a description of revenue estimation methodology and assumptions. The detail for the methodology shall include, but not be limited to, the basis for the assumption and justification for use of the assumption.

1 (4) A comparative listing of full time or part time positions within each agency  
2 at the BASUB level. The listing shall include, for every regular position for which an  
3 appropriation is requested for the budget year and for every regular position listed in  
4 the budget for the current year, or if the proposed budget is a biennial budget for  
5 every regular position for which an appropriation is requested for each year of the  
6 fiscal biennium and for every regular position listed in the budget for each year of the  
7 current biennium, the following information:

8 (a) Position title,  
9 (b) Position number,  
10 (c) Number of FTEs listed for the current year or biennium,  
11 (d) Number of FTEs for which appropriations are requested for the budget  
12 year or biennium, and  
13 (e) Estimated annual salary and benefits.

14 (5) A listing for each agency at the BASUB level of extra help and overtime  
15 expenses included in the proposed budget.

16 (6) A comparative listing for the current year and budget year, or if the  
17 proposed budget is a biennial budget for each year of the fiscal biennium and current  
18 biennium, of all full time or part time project positions within each agency at the  
19 department and fund level. The listing shall include all the information requested in  
20 subsection (4), plus the expiration date of the project position.

21 (7) For each fund by agency and appropriation unit, appropriations requested  
22 for items of capital outlay and the corresponding sources of funding, and for each  
23 fund a prioritized ranking of proposed capital equipment.

24 (8) A summary table, for information purposes only, of appropriations and  
25 estimated FTEs by fund, agency, and appropriation unit.

26 (9) For the general fund, community development fund, surface water fund,  
27 county road fund, solid waste fund, and real estate excise tax cumulative reserve  
28 fund, a five year financial forecast projection for revenues, expenditures and fund  
29 balance.

30 (10) For all internal service fund programs charging out costs to county  
31 departments via a rate model, and for the general fund's indirect cost model, a  
32 summary report and a detailed report describing the rate development and allocation  
33 methodology. These reports shall also address any change in rate development or  
34 allocation methodology from the previous budget year or fiscal biennium, including a  
35 description and justification for the change, and other information needed to permit  
36 full understanding of the model and the changes.

37 (11) ~~((A written analysis of how the proposed budget is consistent with the~~  
38 ~~reserve policy adopted by the council))~~ A recommendation for a general fund  
39 contribution to the general fund revenue stabilization fund established by SCC  
40 4.116.010 to carry out the general fund reserve policy set out in SCC 4.26.065.

41 (12) Such other information as may be requested by the council.

42 (13) If the proposed budget is a biennial budget and the county did not utilize  
43 a fiscal biennium budgetary process for the previous three years, the information  
44 required by this section shall be provided as if the county had utilized a fiscal  
45 biennium budgetary process.

1 Section 3. Snohomish County Code Section 4.26.065, adopted by Ordinance No.  
2 07-122 on November 19, 2007, is amended to read:

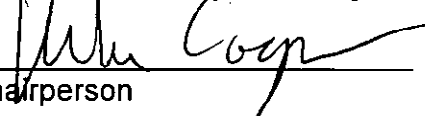
3  
4 **4.26.065 General fund reserve policy.**

5 (1) It shall be the policy of the county to deposit any available reserves in the  
6 general fund that exceed general fund liquidity needs to the general fund revenue  
7 stabilization fund established by SCC 4.116.010 for use in accordance with chapter  
8 4.116 SCC.

9 (2) The proposed budget prepared and submitted by the executive pursuant  
10 to SCC 4.26.020 and 4.26.060 and the final budget adopted by the council pursuant  
11 to SCC 4.26.100 shall ((retain)) state the amount of available reserves in the general  
12 fund ((of not less than eleven percent (11%) calculated as)) by dollar amount and as  
13 a percentage of prior year revenues to the general fund and the amount of available  
14 reserves needed for liquidity purposes. If the proposed or final budget retains any  
15 available reserves in the general fund in excess of general fund liquidity needs it  
16 shall include an explanation of the reasons why the excess amount was not  
17 deposited to the general fund revenue stabilization fund.  
18

19 PASSED this 25<sup>th</sup> day of February, 2009.

20  
21 SNOHOMISH COUNTY COUNCIL  
22 Snohomish County, Washington

23   
24  
25 Chairperson

26 ATTEST:

27   
28  
29 Asst. Clerk of the Council

30  
31 ☒ APPROVED  
32 ☐ EMERGENCY  
33 ☐ VETOED

34 DATE: 3/12/09

35  
36  
37  
38   
39 County Executive

39 ATTEST:

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41

42 **MARK SOINE**  
43 **Deputy Executive**

44 Approved as to form only:

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46 \_\_\_\_\_  
Deputy Prosecuting Attorney

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