



CITY OF SNOQUALMIE

MEDIA CONTACT

Joan Pliego
Public Information Officer

Office: 425-888-1551 x203
Cell: 425-281-3317
PO Box 987
Snoqualmie, WA 98065

jpliego@ci.snoqualmie.wa.us
www.ci.snoqualmie.wa.us

City of Snoqualmie

News Release

For immediate release: October 14, 2009, 8:30 a.m.

Snoqualmie City Council Opposes Initiative 1033

Snoqualmie, WA – The Snoqualmie City Council unanimously adopted a resolution on October 12, 2009, expressing opposition to Initiative Measure No. 1033 (I-1033), which will appear on the November 3 general election ballot as “Initiative Measure No. 1033 concerns state, county, and city revenue.” I-1033 seeks to limit the growth of state, county, and city general fund revenues received from taxes, fees, and other charges not expressly approved by the voters.

At the City Council meeting, Council Members received information from the Finance Department about the financial impact to the city’s general fund, which supports essential services such as police, fire, parks, and street maintenance. Recognizing the negative impacts of I-1033 to the City of Snoqualmie budget, which is already experiencing financial challenges, the City Council approved the resolution.

Using a six-year forecast, the city’s general fund would experience a reduction of \$11.5 million beginning in 2012, which equates to a reduction in revenues from property taxes from \$4.4 million (2009 level) to \$2.1 million in year 6, increasing the city’s dependence on sales and utility taxes, which are more volatile revenue sources. To put it in perspective, that is about one third of the general fund budget over the same period.

I-1033 would apply starting with general revenues received in 2010 with the limit not to exceed the cap based on 2009 revenues, adjusted annually based on any change in population and inflation. That means that I-1033 would limit any revenue received from a recovery from the current economic recession and new revenue from future residential and commercial development, resulting in no new revenues to support core city services. In the event of further economic downturn, the limit would continue to reset each year based upon the prior year, resulting in a debilitating effect on the city’s general fund.

The Washington State Office of Financial Management (OFM) estimates that I-1033 will reduce state general fund revenues that support education; social, health, and environmental services; and general government activities by \$8.5 billion by 2015. This would negatively impact the city’s ability to monetarily support local human service programs, maintenance and growth of the city’s parks system, expansion of community programs parallel to population growth, increased capacity to support natural disasters, and many other services that the city provides to its citizens on an ongoing basis.

To view the OFM’s “Fiscal Impact Statement of Initiative 1033”, please visit www.ofm.wa.gov.

#

Contact: Joan Pliego, PIO
jpliego@ci.snoqualmie.wa.us
425-281-3317