

The Port's strategy for dealing with an uncertain economic future

By Chris Keuss, Executive Director, the Port of Edmonds

These are turbulent times.

On that I'm sure we all agree. How to deal with it, however, is a different matter entirely.

There are too many issues and multiple opinions on how to address each of them. How do we plan the future for our families? Or for small cities such as Edmonds and Woodway? Or for the Port of Edmonds?

That latter group—the Port, which is my organization—has an idea that anyone could use to help soften the insecurity of an uncertain tomorrow. It came to light at the most recent Port Commission meeting.

In two words, it follows the century-old motto of the Boy Scouts: Be Prepared.

This is the time of year when the Port Commissioners (and most other elected officials) are wrestling with a budget for the coming year. Many of you are doing the same thing with your personal family finances. But how can anyone plan if they don't know what their income will be? And with prices of just about everything heading up, how can they know what their expenses are likely to be either?

Specifically, here at the Port of Edmonds we have no way of knowing how today's economy will impact the local boating community. For years we have had long waiting lists of boaters waiting for permanent moorage at the Port. Will we continue to have occupancy at or near 100%? Or will people currently at the Port put their boats in storage or maybe even get out of boating entirely?

On the other hand, the market for boats is soft today, which makes this an excellent time to buy, often at huge savings. If that trend develops, the demand for quality moorage will go up, not down. But how do we know?

Then there is the matter of taxation. The Commissioners are trying to set the 2009 Port property tax rate. Do they hold the line at what works out to be less than \$44 for a \$500,000 home in the Port District? Or do they increase the levy amount, which the law allows them to do, albeit by very little? Alternatively, do they reduce the Port's share of local property taxes—which, incidentally, is what the Commissioners philosophically prefer. The problem is they don't know what the Port's needs will be. These are in fact turbulent times and the elected Commissioners do not have any clearer view of the future than the rest of us.

So here's what they decided to do: They will look at creating two budgets, one anticipating a modest decline in activity and the other addressing a more serious downtrend. The two would be interchangeable. At any point—should circumstances change in either direction—they could move from one budgeting strategy to the other. In other words, the Port would “be prepared.”

If you would like to sit in on the budgeting process, the Port Commission next meets to discuss the budget at 7:00 PM, Monday, October 13. The public is welcome to attend.

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