

EDMONDS CIVIC ROUNDTABLE

AND

MY EDMONDS NEWS

present:

EDMONDS LEVY LID LIFT CONVERSATION

OCTOBER 6, 2025

CON Side Information Packet

Diane Buckshnis

MYTH: The City is broke and Financial Transparency identifies good Management Practices:

Fact: The City maintains a strong \$133M balance sheet, including \$70.9M in investments. While the General Fund is underfunded, new revenue sources are emerging and alternative plan exist.

Fact: Historically, total city revenues have significantly outpaced inflation. Since property taxes are only 12% of the total, it's short-sighted not to recognize all revenue sources.

Fact: The 2025–2026 Biennial Budget was balanced with only a \$6.0M levy. The proposed mid-biennium update remains incomplete, lacking strategic outlook, sound assumptions, and adequate fund balances.

Fact: In 2023, Mayor Rosen inherited a General Fund imbalance of \$4.3M (decrease) that was never reconciled or footnoted. This significant discrepancy remains an unanswered question.

Fact: Council has permitted reductions in financial transparency contrary to adopted policy. The Administration claimed \$9.8M in identified budget cuts that cannot be independently verified.

Fact: \$15M in Ground Emergency Medical Transport (GEMT) fees remain outstanding from the Regional Fire Authority (RFA) and are owed to the City of Edmonds.

MYTH: Everyone can afford this levy:

Fact: If approved, Proposition 1 would represent the second major tax increase in one year, significantly burdening homeowners, renters, and small businesses following the RFA tax increase.

Fact: Roughly 75% of Edmonds households earn below the city's average household income, meaning this levy will disproportionately affect most residents and small enterprises.

Fact: The \$14.5M levy escalates to a \$17M annual permanent levy—amounting to approximately \$95M over six years, far beyond historical spending patterns.

MYTH: Deep staff cuts have and will happen if the \$14.5M Levy does not pass:

Fact: The budget does not substantiate this claim. Current staffing authorizes 252 positions, with 32 unfilled; 2026 projections include 266 positions and a 4% cost-of-living adjustment.

Fact: July 2025 financials show that “cuts” have been equated to currently unfilled positions, not actual layoffs or service reductions.

Fact: The \$12.1M in annual cost savings from RFA annexation and the \$5M/year in new non-property tax revenues are both available to fund staff positions.

MYTH: The Frances Anderson Center and other parks will close:

Fact: This is a campaign-driven fear tactic intended to secure a Yes vote.

Fact: The adopted biennial budget already incorporates capital investments within a balanced six-year plan. Any shortfall in operating can be achieved if general funds are reallocated as suggested.

MYTH: Proposition 1 is an “All or Nothing” decision:

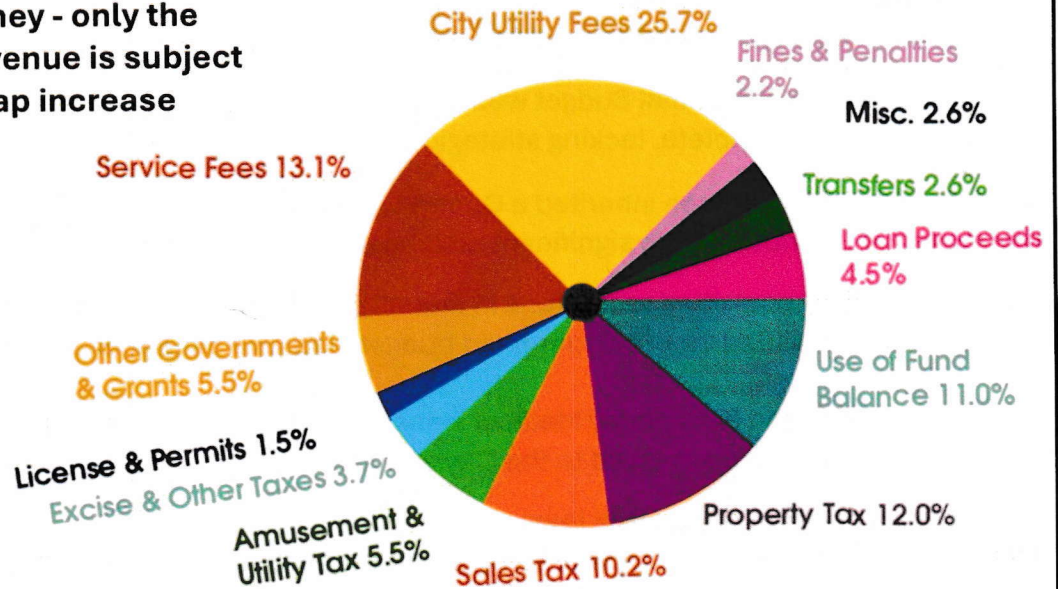
Fact: A balanced alternative budget proposal has been provided to both the Mayor and Council. In 2020, a \$1.5M transfer from the Equipment Rental Fund to the General Fund established a legal precedent for such flexibility.

Fact: The Blue-Ribbon Commission has recommended forming a Citizens Finance Committee to work with City leadership to determine a more appropriately sized levy for 2027.

WHERE THE MONEY COMES FROM

We have money - only the
Property Tax revenue is subject
to the 1% cap increase

2025



The City Claims to have Saved \$7,000,000 ...

Staff Approaches

1. Positions eliminated
2. Positions unfunded
3. Furloughs
4. Unfilled positions

Total \$7,000,000

Number of individuals impacted 130

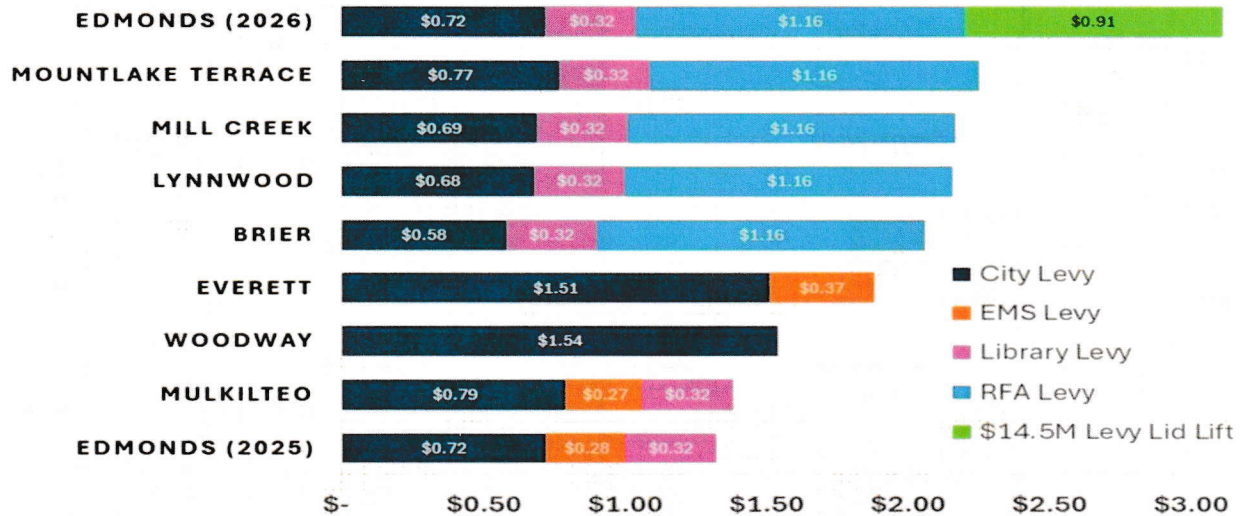
... The Budget Does Not Support the Narrative

	2022	2023	2024	2025	2026	2027	2028	2029
	Actual	Actual	Estimate	Budget	Budget	Outlook	Outlook	Outlook
Expenditures								
Labor	17,498,082	20,237,110	25,039,816	23,590,707	24,643,904	25,876,000	27,170,000	28,529,000
Benefits	6,076,422	7,089,638	8,861,658	8,630,475	9,112,643	9,659,000	10,239,000	10,853,000
Supplies	837,671	829,316	655,650	669,699	657,584	677,000	697,000	718,000
Services	18,736,558	24,937,795	16,825,621	23,886,716	12,592,948	12,971,000	13,360,000	13,761,000
Capital	1,597,773	1,010,936	5,000	6,000	6,000	6,000	6,000	6,000
Debt Service	391,523	466,768	595,624	924,170	4,245,842	4,245,842	1,095,842	1,095,842
Transfers	1,315,062	1,192,279	650,000	680,000	675,000	600,000	600,000	600,000
Total Expenses	46,453,091	55,763,842	52,633,369	58,387,767	51,933,921	54,034,842	53,167,842	55,562,842

Source: 2025-2026__AdoptedBudgetDocument-withcover.pdf

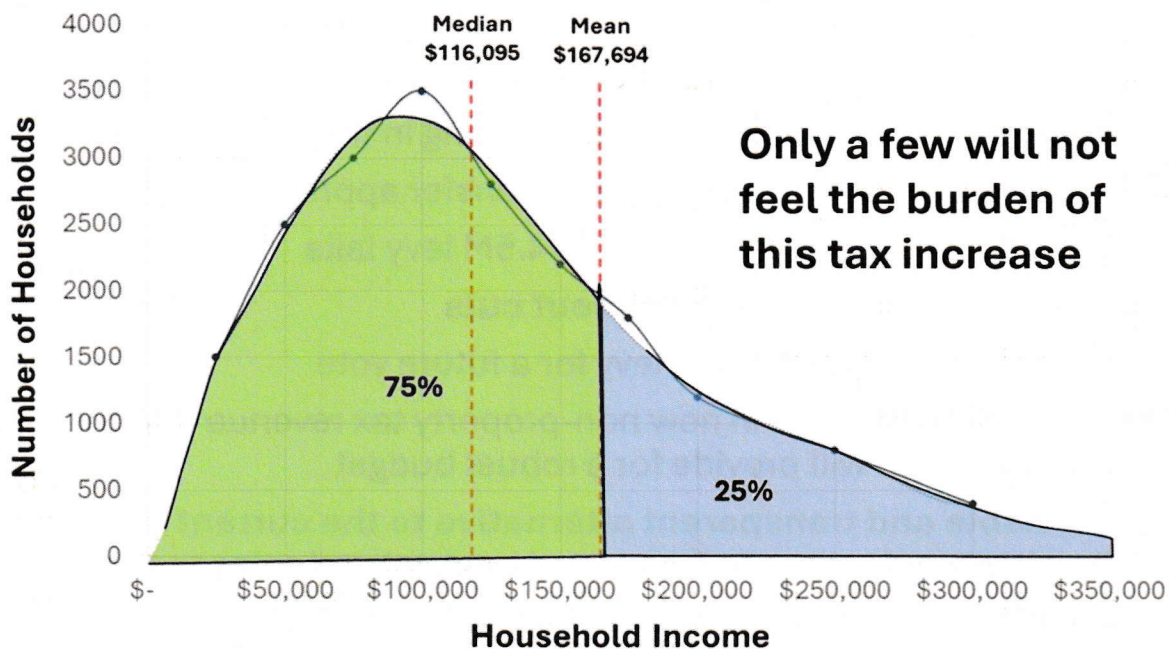
If the \$14.5M levy lid lift passes...

Neighboring City Levy Rate Comparison



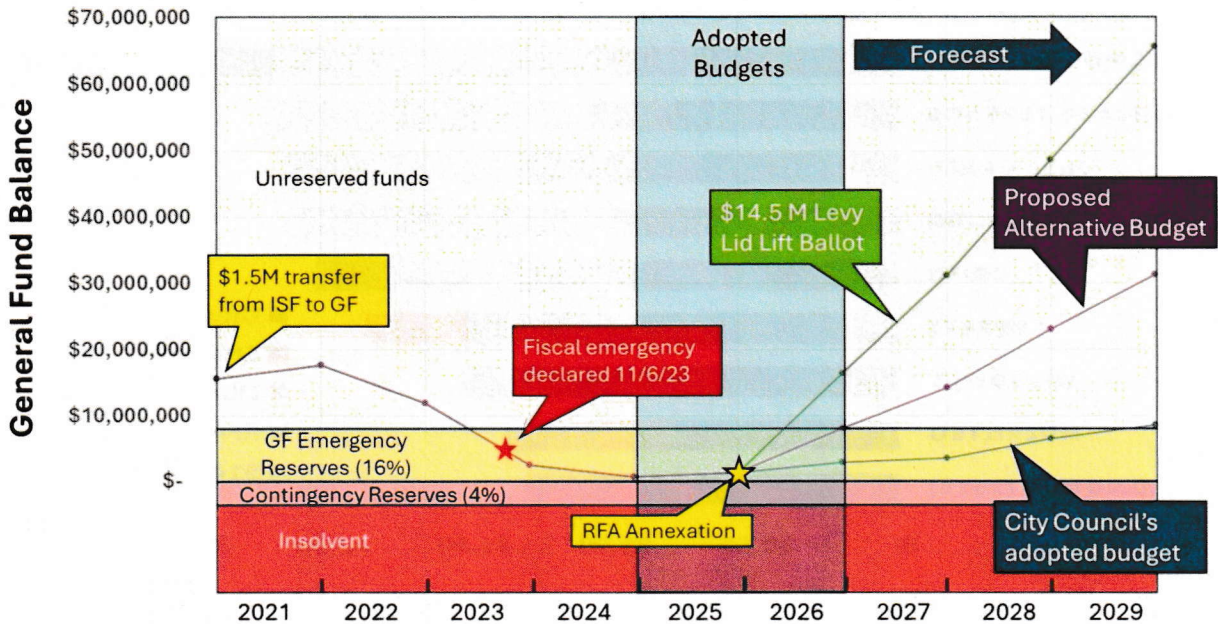
... Edmonds becomes the most expensive city in the area

Edmonds Income Demographics



Alternative Budget

(Equivalent level of services)

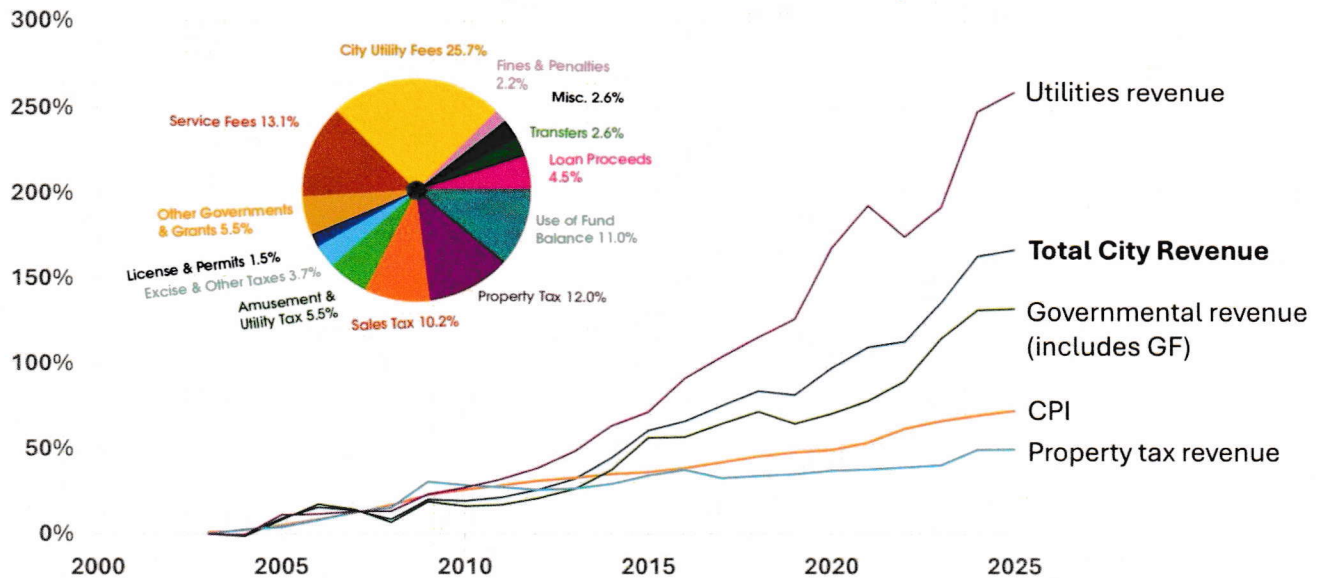


Alternative Budget Summary

- A legal framework to supplement the General Fund
- Utilizes untapped financial resources sitting in the bank
- In 2020, the city used this exact fund transfer approach
- Offsets city proposed “cuts” if the \$14.5M levy fails
- Maintains a balanced budget **without cuts**
- Provides time to right-size the levy for a future vote
- Combined with the \$5M in new non-property tax revenue that the city has committed to will provide for a robust budget

This is a viable and transparent alternative to the current thinking that the citizens deserve to know and understand prior to the election BUT can only be adopted if we vote ‘NO’

Growth Rate of City Revenues Outpaces CPI



We have a management/spending problem when our revenue growth consistently exceeds CPI.

General Fund Expenditures

