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Snoqualmie's draft 2027-28 budget would hire 10.5 people before voters decide whether to pay for them

Penner Strategy

Snoqualmie's draft budget would hire 10.5 people in 2027 from savings and count on voters approving a property tax increase of about $3.6 million a year in 2028 to pay for them. Councilmembers adopt the budget on November 30, before the increase is on any ballot. Savings cover the budget through 2028 with no new hires and no tax increase.

10.5

positions the draft would fund in 2027

$3.6 million

about how much the increase adds to property tax each year

$3.4 million

savings under minimum in 2028 if Snoqualmie hires, cuts nothing, loses vote

KEY POINTS

- **Waiting on the hires keeps savings above minimum.** Savings would end 2028 about $500,000 over the minimum, counting the General and Reserve Funds together, even if the vote fails.
- **Costs top income by about $1.7 million.** That 2027 gap exists even without the hires, and it widens each year because property tax can grow only 1% a year by law and city spending has outgrown city income.
- **The increase would raise property tax about two fifths.** Voters raised Snoqualmie's property tax about a tenth in 2016.

City savings end 2028 under the minimum only if Snoqualmie hires, cuts nothing, loses the vote

Snoqualmie's General Fund and Reserve Fund together end 2028 with $4.2 million, about $200,000 over the minimum, if the city hires in 2027 and voters approve the increase. The two funds together end 2028 with $0.6 million, $3.4 million under the minimum, if the city hires and the increase fails with nothing cut, because the hires are permanent and the savings are gone. Waiting to hire until after the vote keeps the two funds together above the minimum whether the increase passes or not.[1]

Snoqualmie's General Fund pays for day-to-day service, and city policy requires a separate Reserve Fund to hold at least 15% of a year's General Fund spending.

Snoqualmie's draft pays $1.86 million for the new positions and programs in 2027 out of savings, and says itself that savings "can bridge the timing of the revenue increase, but it cannot sustain ongoing services indefinitely."[2] Councilmembers voted 6 to 1 in August against putting the increase on the November 2026 ballot, and the next date named in news reports is August 2027.[3]

Snoqualmie's two funds still end 2028 at $4.25 million if the city waits and the increase fails.[1] That balance already absorbs the end of the North Bend police contract in 2026, which took about $700,000 a year with it.[4]

Snoqualmie's budgets have usually projected a lower General Fund balance two years out than the city ended up with, and three of the four projections that audited results can check came in low, by as much as $3.07 million.[5]

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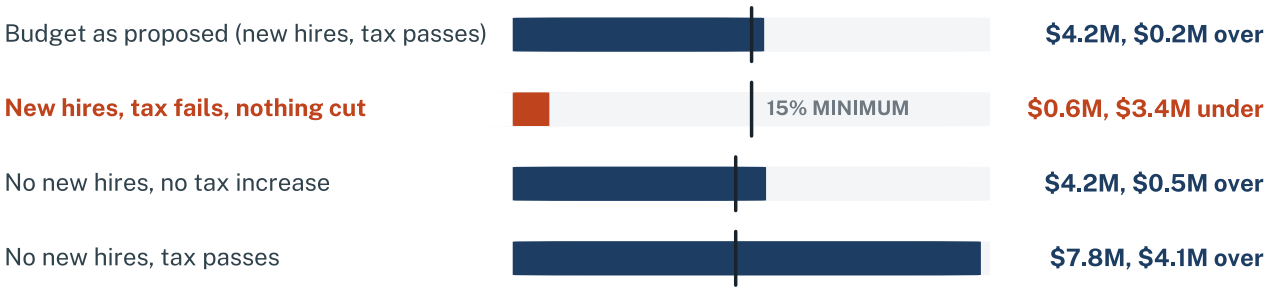
Hire first and lose the tax vote, and the city ends 2028 $3.4 million under its reserve minimum; wait for the vote and it stays above either way

General Fund plus Reserve Fund balance at the end of 2028, in millions of dollars, with each path's 15% reserve minimum marked on its bar.



Source City of Snoqualmie Mayor's Preliminary 2027-28 Budget, pages 30, 35 and 57; Penner Strategy arithmetic.

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Snoqualmie's costs outgrow its income, with or without the tax increase

Snoqualmie would spend about $1.7 million more than it takes in during 2027 even without the new hires, and $1.8 million more in 2028. About $720,000 of each year's gap is transfers into the Reserve Fund and the facilities fund, and about $1 million is the cost of running the city as it is. Savings cover the gap through 2028, but the General Fund itself ends 2028 near zero, and the $4.25 million left sits in the Reserve Fund.[1]

Property tax can grow only 1% a year by law, while prices have risen close to 4% a year. City spending grew 2.2% a year faster than inflation over the last decade, and city income grew only 1.4% faster. So the shortfall widens by $100,000 to $200,000 each year.[6]

The city's own forecast has income beating costs by $681,000 in 2028 with the tax increase in place, but by only $24,000 in 2035. Costs pass income again in 2036, because costs grow 2.6% a year and income 2.2%.[7] A $3.6 million increase covers the gap for about eight years, and then the same shortfall returns.

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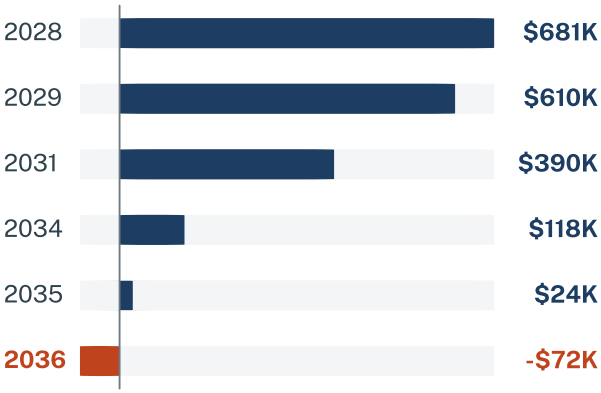
Snoqualmie's yearly surplus with the tax increase shrinks from $681,000 in 2028 to $24,000 in 2035 and turns negative in 2036

Ongoing income minus ongoing cost in the draft's 10-year forecast, in thousands of dollars.



Only the years the budget states are drawn.

Source City of Snoqualmie Mayor's Preliminary 2027-28 Budget, page 26.

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Snoqualmie's reserve meets policy in 2028 only with a one-time transfer

The Reserve Fund ends 2028 at 15.8% of a year's spending because the budget moves $647,000 into it from money the IT fund had built up. Leave that transfer out and the fund ends at 13.4%, under the 15% minimum. Snoqualmie's Reserve Fund earns interest but has no revenue of its own, so keeping it at 15% in later years takes more transfers from the General Fund.[8]

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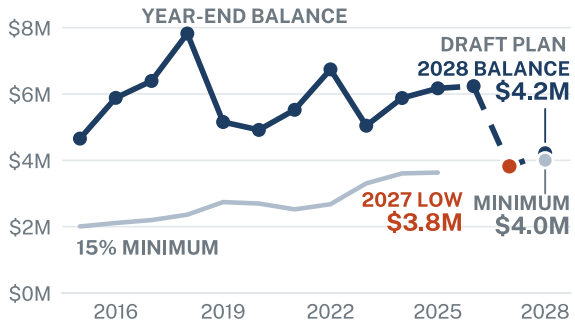
Snoqualmie's savings fall from $6.2 million to $3.8 million in 2027, the lowest since 2015, and end 2028 just $0.2 million over the 15% minimum

Year-end General Fund balance, in millions of dollars. 2015 to 2025 as audited; 2026 to 2028 as the draft budget plans them, General Fund plus Reserve Fund.



No 15% minimum is stated in the draft for 2026 or 2027, so none is drawn for those years.

Source Washington State Auditor financial data 2015 to 2025; City of Snoqualmie Mayor's Preliminary 2027-28 Budget, pages 28 and 57.

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Property tax buys less than in 2019, but total city income kept pace with inflation

Property tax collections grew more slowly than prices from 2019 to 2025, so the same tax buys about 16% less in 2025 and about 18% less in 2026.[10] Snoqualmie's budget puts the losses higher: it says city revenue buys 12% less than in 2019 and property tax 21% less.[9]

Property, sales and utility taxes together buy 12% less over the same years, but total General Fund revenue did not fall after inflation. Audited General Fund revenue grew 4% more than inflation, and nearly all of that growth came from the North Bend police contract and from charges the General Fund bills to the city's own utility and internal funds.[11]

Revenue grew less than 1% faster than inflation once the North Bend police contract and the internal charges come out. Snoqualmie's 12% figure compares 2019 with revenue the draft projects for 2027, which the city has not collected.

This tax increase is five times the last one

Snoqualmie's budget calls the increase a restoration of the purchasing power voters approved in 2016.[12] Voters' 2016 increase added $0.68 million to the city's property tax, about 10%.[13] This increase adds $3.6 million to a property tax of $8.7 million. Snoqualmie's property tax would rise about 41%.[14]

Office staff cuts came after 2019, not over a decade

Snoqualmie's budget says office support fell from 22 positions to 16 over the past decade.[15] Prior budgets show 17 support positions in 2017 and a peak of 21.5 in 2019, so the cuts came after that peak. Snoqualmie's budget also says planning fell from 9 positions to 5.[15] No prior budget shows planning at 5, and planning stands at 8 after the Council added positions.[16]

Snoqualmie paid for about 110 positions of its own in 2017, not counting officers the North Bend contract paid for. The draft proposes 116.8 positions for 2027, while the city's population grew 7.5% since 2017.[17]

Budget pages describe one of the 10.5 new positions, a contracts analyst, as a job the city has not had, and two others, both budget analysts, as added capacity.[18] Snoqualmie's budget does not say which positions restore a job cut since 2019 and which are new.

What the Council should ask before November 30

Councilmembers decide whether to fund the 10.5 positions now, after the vote, or in part. Snoqualmie's mayor-council form gives the Council authority over the money but not over when the city hires, so a condition tying the hiring to the vote would have to go into the budget ordinance.[19]

Councilmembers also decide how large a tax increase to put to voters, if any. The shortfall without the hires is $1 million to $1.7 million a year. About half of the $3.6 million request pays for the hires and new programs.

Staff should say why the budget sets permit and service-charge income below the city's own growth assumptions. Staff should also say which of the positions restore a cut and which are new, and why the budget counts an unapproved tax increase as 2028 revenue.

Want to dig further into this? Contact Penner Strategy at josh@pennerstrategy.com or visit pennerstrategy.com.

Notes

Page numbers are from the City of Snoqualmie Mayor's Preliminary 2027-28 Biennial Budget, updated October 7, 2026. Outside sources were fetched October 11, 2026.

1. Pages 30, 35 and 57, re-added by path; the no-hire path removes the Personnel Cost Additions and Program & Service Additions rows.
2. Pages 27 and 35.
3. Living Snoqualmie, August 5 and October 2, 2026; Snoqualmie Valley Record, August 11, 2026. News reports, not the budget.
4. Page 36.
5. The two-year projections in the 2017-18 through 2025-26 budgets against State Auditor year-end balances.
6. State Auditor Schedule 01, General Fund 001, 2015 to 2025, deflated by BLS CPI-W Seattle.
7. Page 26.
8. Pages 56 and 57.
9. Page 27; page 18 for the 1% limit.
10. State Auditor Schedule 01, General Fund property tax receipts, 2019 and 2025; CPI-W Seattle 273.3 (2019) to 355.9 (2025). The levy itself was $8.04 million in 2019 and $8.72 million in 2025 (Department of Revenue); receipts differ from the levy by timing and delinquencies.
11. State Auditor Schedule 01, 2019 and 2025. Without the North Bend contract (342.10) and interfund charges (341.43) the real change is +0.9%; property, sales and utility taxes together, -11.9%.
12. Page 4.
13. Washington Secretary of State, November 8, 2016 return, 3,514 to 2,596; Department of Revenue levy detail 2016 and 2017.
14. Page 26; Department of Revenue 2025 levy $8.72 million.
15. Page 12.
16. Staffing tables in the 2017-18, 2019-20, 2023-24 and 2025-26 adopted budgets, same departments counted each year; pages 12 and 13 of the draft for the current 8.
17. Page 12 for 116.8; 2017-18 budget for 118.81 including 9.2 North Bend-funded police; OFM population 13,535 (2017) to 14,550 (2026).
18. Pages 52, 53 and 55.
19. The mayor-council form under Title 35A RCW. General practice, not a legal opinion.