



January 10, 2023

Re: Budget

Dear Everett Public Schools' staff,

I hope you had a nice winter break and are ready for a strong 2023! I believe this is going to be a great year and I appreciate all you do to support our students to make it a successful year for them as well.

[In November](#) I wrote to you about holding non-essential spending to reduce our budget deficit. I would like to provide an update on the budget process.

To summarize where we have been:

- Last fall we all experienced the economic downturn and an increase in the costs of goods and services as well as an increase in cost-of-living expenses. It was a time for many governments, businesses and families to look at their budgets and be more frugal with their spending.
- The district had the added factor that extra funding in ESSER funds provided support the past two years but is going away at the end of this school year. During the 2022-23 school year, fund balance was used to fill the gap in our revenue and expenses. Using fund balance will not be an option next year as it is only one time spending.
- We knew our expenditures were exceeding our revenues and, like other districts, began to look for ways to reduce our expenses. We began reviewing every open position with an extra critical eye in September and held all non-essential spending starting December 1.
- We met with a Leadership Advisory Group to get broad feedback and direction for our work.

While this work has helped to reduce the deficit, we need to find more reductions to meet budget this year and next. For 2022-23 we budgeted a deficit of \$11M, which will actually be closer to \$15M. That will bring the projected fund balance down to 5.26 percent, which is below the goal of remaining above 6 percent. Board policy requires it

to be at or above 5 percent. For 2023-24 we will be looking at additional significant reductions. The estimated range of cuts needed will be available in the next few weeks.

A few key principles guiding our decisions include:

- We will preserve items and services that directly affect student learning to the greatest extent possible.
- We will be guided by prioritizing Tier 1 instruction led by the Strategic Plan.
- We will consider regulatory, legal and contractual requirements as well as space needs.
- We will consider consolidating and reorganizing to increase efficiencies.

We anticipate every department and each school will see budget impacts moving into the 2023-24 school year. We appreciate your perspective and will consider feedback you provide, along with feedback from families and the community, to bring a recommendation to the board next month.

Please provide your thoughts via a [Survey](#) on the 2023-24 budget. Answers and comments are anonymous. The survey will be open until **midnight, Tuesday, January 17**. We will post summary results on the budget webpage. Families will be providing input as well.

There are updated FAQs and talking points on the [budget page](#). If you have any questions, please talk to your supervisor or email budget@everettsd.org.

Thank you for your input on this very important topic. We want to provide the best education for our students and a great workplace for our staff, and these decisions can be impactful.

Stay safe and be well.

Ian