



City of Everett

FY2027 MAYOR RECOMMENDED BUDGET

MAYOR ROBERT J. VAN CAMPEN | BUDGET ADDRESS | MAY, 14, 2026



Responsibility. Transparency. Accountability.

THE COMMITMENT

1 TAKE A HARD LOOK AT FINANCES

Review spending, cost drivers, revenue assumptions, and financial practices with honesty and discipline.

2 RESTORE TRUST IN GOVERNMENT

Strengthen oversight, internal controls, accountability, and transparency in how public dollars are managed.

3 SPEND EVERY DOLLAR WITH PURPOSE

Focus resources on services and functions that directly benefit Everett residents and prepare the City for the future.



Responsible investment today for a stronger, more transparent, and more resilient Everett tomorrow.

CHALLENGES & SOLUTIONS

1 HEALTH INSURANCE COSTS

Employee benefits projected to approach \$41M.

→ Open dialogue with public employees to begin controlling costs responsibly.

2 ACCOUNTING PRACTICES

Inherited procedures did not properly track expenditures.

→ Employ stricter accounting, internal review, and timely financial reporting.

3 VACATION CARRYOVER LIABILITY

Unlimited carryover created avoidable unfunded exposure.

→ Cap and strictly enforce carryover policy going forward.

4 TAKE-HOME VEHICLE COSTS

Vehicle practices contributed to rising fuel and operating costs.

→ Eliminate most non-union, non-public safety take-home vehicles July 1.

5 UNREALISTIC REVENUE ASSUMPTIONS

Approx. \$5.5M in Encore personal property tax revenue could not be collected.

→ Use realistic, supportable, collectible revenues.

FY27 BUDGET AT A GLANCE

\$312.3M

Mayor recommended FY27
operating budget

+\$12.4M

Increase over
FY26 Adjusted Budget

+4.1%

Change from
FY26 Adjusted Budget

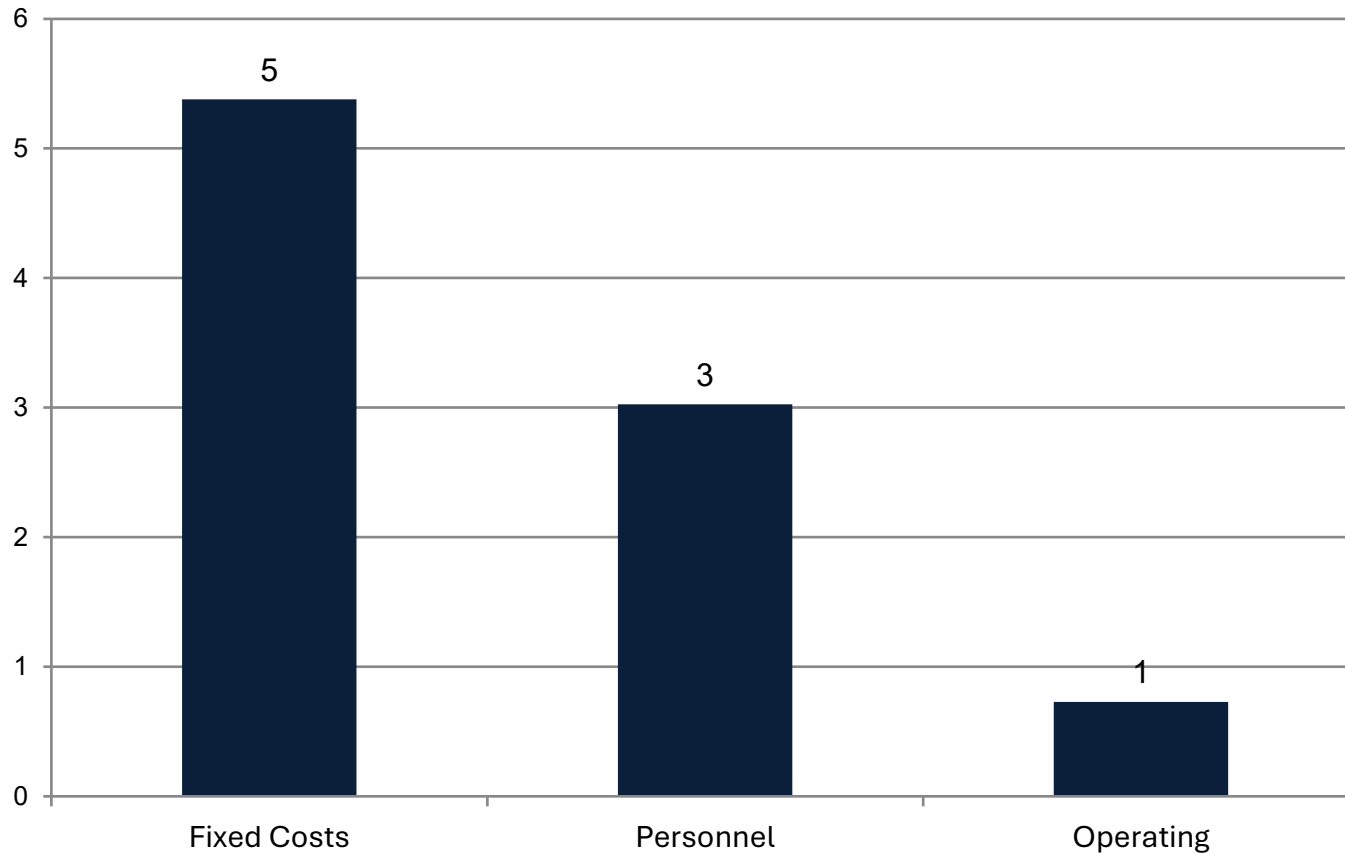
→ RISING COSTS OF ESSENTIAL SERVICES

→ MANAGING TODAY, INVESTING IN TOMORROW

→ THE TOP-LINE INCREASE SHOULD **NOT** BE MISTAKEN FOR BROAD
NEW SPENDING FLEXIBILITY

WHY THE BUDGET GROWS

→ *The cost of providing essential services is growing.*



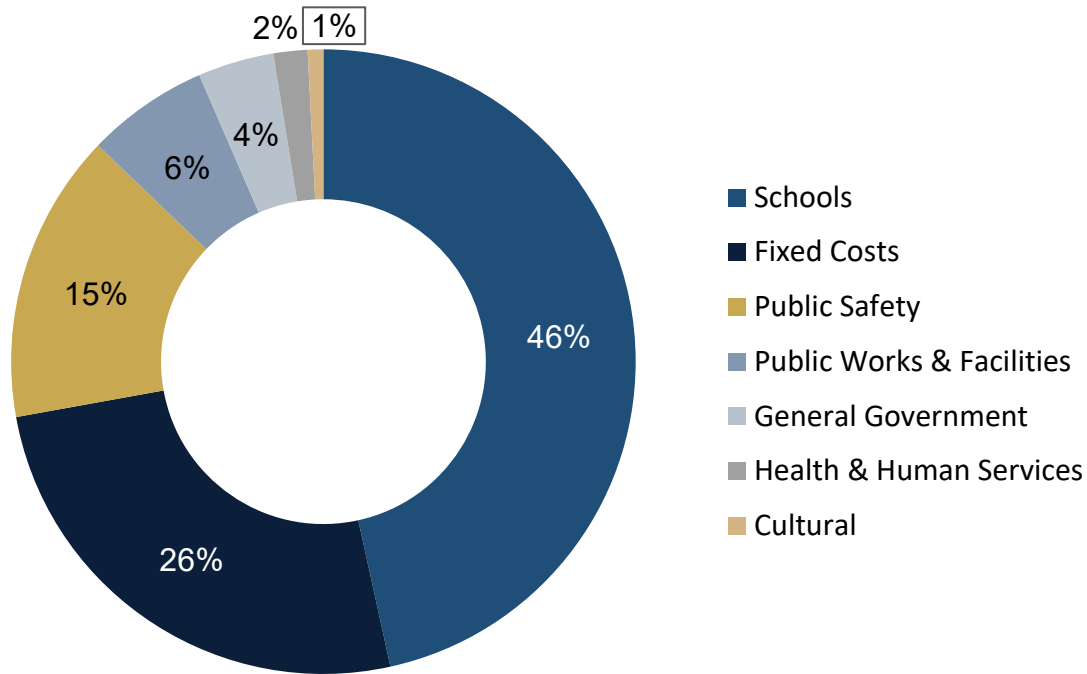
This is **not broad expansion**.

Growth is driven mainly by **fixed costs, health insurance, schools, public safety, utilities, and contractual compensation**.

Operating growth is comparatively **modest**.

OPERATING BUDGET

→ Schools, fixed costs, and public safety account for most of the total operating budget.



Approximately 87%
of the operating budget is Schools,
Fixed Costs, and Public Safety.

That leaves a relatively small share
for every other municipal service,
program, and investment.

FIXED COSTS & HEALTH INSURANCE

→ *Health insurance remains the dominant fixed-cost pressure.*

\$41.2M

FY27 Employee Benefits

+\$5.8M

Increase over FY26

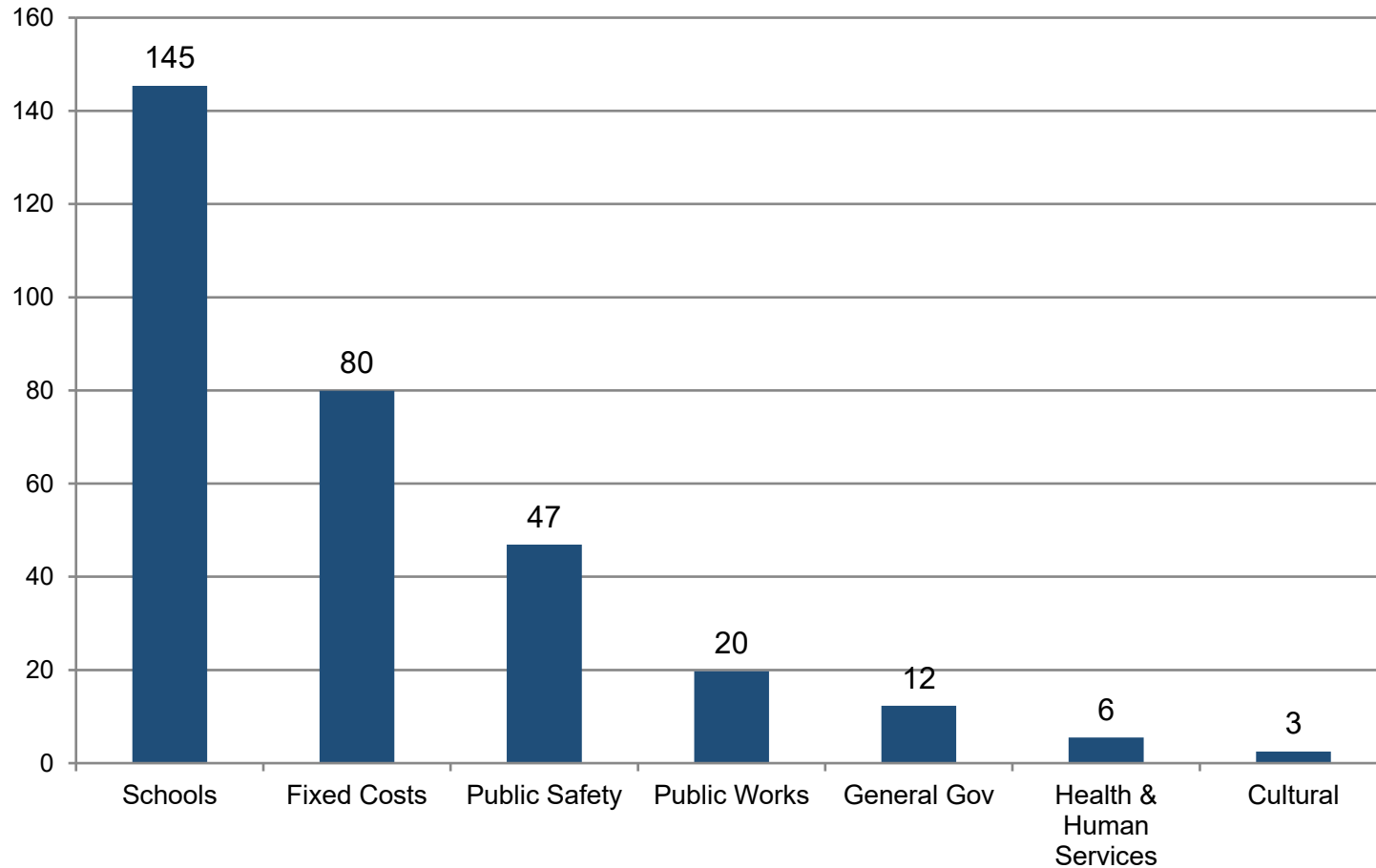
+16.3%

Growth rate

- Fixed costs increase by approximately \$5.4M, or 7.2%.
- Employee benefits approach \$41M, overwhelmingly driven by health insurance.
- The Administration is opening dialogue with public employees to identify responsible solutions.

FISCAL RESPONSIBILITY & ACCOUNTABILITY

→ *This budget is built on disciplined financial management.*



- **Reviewed** spending across departments
- **Strengthened** oversight and efficiency
- Focused on **protecting taxpayers** and city services
- **Elevated budget** and financial management functions
- **Improved** procurement and legal compliance
- Continued strengthening internal controls and **oversight**

EVERETT PUBLIC SCHOOLS

→ *A first step toward an urban model of excellence and success.*

\$145.4M

FY27 School Department Budget

+\$3.2M

Increase over FY26 Adjusted

+2.3%

Change from FY26 Adjusted

- 47% of the operating budget **supports Everett Public Schools**
- Investing in **educational excellence**
- Balancing school funding with broader city **financial pressures**

INFRASTRUCTURE & NEIGHBORHOODS

→ *A strong city starts with strong everyday systems.*

\$19.7M

Public Works, Engineering,
and Facilities

+\$1.0M

Increase over FY26 Adjusted

+5.5%

Change from FY26 Adjusted

- Utility costs transferred to Facilities
- Improves transparency in building-related expenses
- Better aligns costs, resources, and departmental responsibility

PUBLIC SAFETY & CITY SERVICES

→ *Public safety remains a core responsibility and central priority.*

\$46.9M

Public Safety FY27 Proposed

+\$2.2M

Increase over FY26 Adjusted

+4.9%

Change from FY26 Adjusted

- Continued **investment** in police, fire, and emergency communications
- Supports **rapid response** to resident and business needs
- Maintains **critical inspectional** and **public safety services**
- Strengthens the City's core public safety **infrastructure**

DIVERSITY, EQUITY AND INCLUSION

→ *The prior DEI function is being restructured and refocused on compliance, connection, and community engagement*

COMPLIANCE THROUGH HUMAN RESOURCES

- Equity Officer focused on workplace training, policy development, inclusive recruitment, and ADA coordination.

CONNECTION THROUGH MAYOR'S OFFICE

- Multicultural Affairs and Community Engagement role strengthens partnerships and neighborhood connection.

SHARED RESPONSIBILITY FOR ALL CITY EMPLOYEES

- Foster a positive workplace culture and deliver inclusive, high-quality public service.

The principle is simple: focus resources on compliance, connection, partnerships, and impact.

BUILDING FOR THE FUTURE

→ *Targeted capacity helps Everett manage growth, complexity, and change.*

PARTNERSHIPS

Strengthen state and regional partnerships that support Everett's long-term interests.

ECONOMIC DEVELOPMENT

Advance opportunities that are right-sized and serve the City's fiscal, infrastructure, and neighborhood priorities.

PLANNING AND TRANSPORTATION

Improve capacity to manage growth, mobility, development, and infrastructure needs.

PERSONNEL DISTINCTION

Most personnel growth is contractual, negotiated by the prior Administration in Fall 2025; new capacity is targeted, not broad expansion.

FUTURE READINESS

Invest today in the functions needed for a more stable, sustainable path forward.

ADDITIONAL APPROPRIATED FUNDS

→ Presented separately from the main operating budget, but important to the overall financial picture.

\$24.0M

Water and Sewer Enterprise

+3.4%

Change from FY26 Adjusted

\$564,737

Everett Community Television

-3.0%

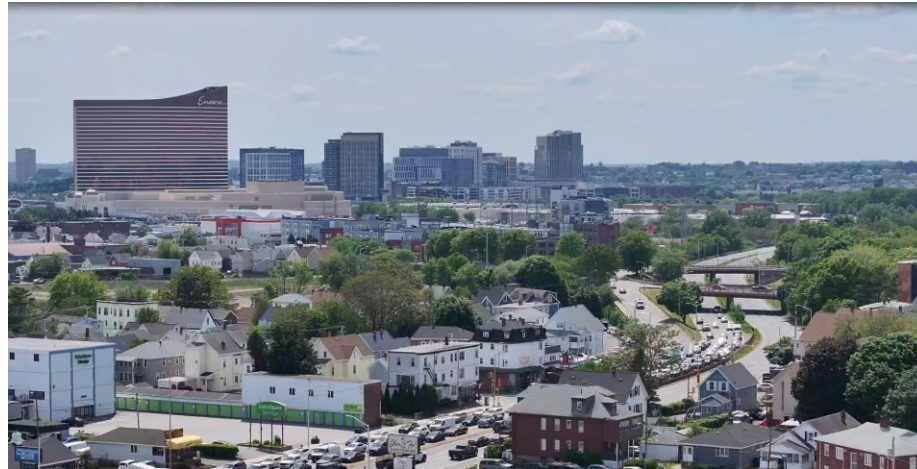
Change from FY26 Adjusted

Water and Sewer reflects the continuing cost of essential infrastructure and MWRA-related obligations.

RESPONSIBLE INVESTMENTS

→ *This FY27 Budget reflects our shared values*

ACCOUNTABILITY | OPPORTUNITY | STABILITY | PROGRESS



Together, we are building a stronger, more transparent, and more resilient Everett.