



## ORDINANCE NO. 4173-26

An ORDINANCE approving the appropriations of the 2026 revised City of Everett Budget and amending Ordinance No. 4126-25.

### WHEREAS,

The City Council has reviewed the amended budget appropriations and information which was made available; and approves the appropriation of local, state, and federal funds and the increase or decrease from previously approved programs within the 2026 Budget.

### NOW, THEREFORE, THE CITY OF EVERETT DOES ORDAIN:

**Section 1.** Ordinance No. 4126-25 is hereby amended by the amendments shown on Attachment A, which is incorporated by reference. The amendments shall be made to the 2026 Budget with a total increased expenditure appropriation of \$7,476,470.

		<u>Expenditures</u>
2026 Original Budget	\$	612,755,455
Budget Amendment #1		7,476,470
Project funding previously approved		5,038,272
2026 Amended Budget	\$	<u>625,270,197</u>

**Section 2.** The City Clerk and the codifiers of this Ordinance are authorized to make necessary corrections to this Ordinance including, but not limited to, the correction of scrivener's/clerical errors, references, ordinance numbering, section/subsection numbers, and any internal references.

**Section 3.** The City Council hereby declares that should any section, paragraph, sentence, clause or phrase of this ordinance be declared invalid for any reason, it is the intent of the City Council that it would have passed all portions of this ordinance independent of the elimination of any such portion as may be declared invalid.

**Section 4.** The enactment of this Ordinance shall not affect any case, proceeding, appeal or other matter currently pending in any court or in any way modify any right or liability, civil or criminal, which may be in existence on the effective date of this Ordinance.



\_\_\_\_\_  
Cassie Franklin, Mayor

ATTEST:



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Marista Jorve, City Clerk

PASSED: 4/8/2026

VALID: 4/11/2026

PUBLISHED: 4/15/2026

EFFECTIVE DATE: 4/26/2026

**2026  
Budget Adjustments  
Tally Sheet**

	Department		Code	Rev	Exp	FB
GGR-1	Non-Departmental	Human Needs Grants	009R		37,593	(37,593)

This reappropriation proposes to carry forward unspent 2025 Human Needs grant award funds into the 2026 allocation. A total of \$37,593 will be allocated under professional services for subrecipient agreements.

Increase professional services - Non-Departmental	009	5000199410		37,593		
Funding Source- Fund balance	009	5980000490				37,593

	Department		Code	Rev	Exp	FB
GGR-2	Police	Skydio Drones	031R		8,774	
GGR-2	Non-Departmental	Skydio Drones	009R			(8,774)

In 2025, the Everett Police Department issued a purchase order for two Skydio Drones. Due to market conditions and supply chain delays, the order was not received and paid in full as expected. This reappropriation request seeks to carry forward \$8,774 unspent to 2026 expenditure budget.

Increase M&O expenditures - Police	031	5400004350		8,774		
Funding Source- Fund balance	009	5980000490				8,774

	Department		Code	Rev	Exp	FB
GGR-3	Parks & Community Services	Tree Power Program Grant	101R	11,108	11,108	
GGR-3	Non-Departmental	Tree Power Program Grant	009R			(11,108)
GGR-3	General Fund	Tree Power Program Grant	002R	(11,108)		

In 2025, the Parks & Community Services department received \$11,108 from PUD No.1 of Snohomish County for Tree Power Program. The City will purchase, plant and maintain tree at a site located at 400 Slevers Duecy Blvd. This reappropriation carries forward the unspent grant funds to be used in 2026.

Increase M&O expenditures - Parks & Community Services	101	552100000480		11,108		
Increase property tax distribution - Parks & Community Services	101	3111010010				11,108
Reduce property tax distribution - General Fund	002	3111002000		11,108		
Funding Source- Fund balance	009	5980000490				11,108

	Department		Code	Rev	Exp	FB
GGR-4	Street Improvements	Overlay and Street Projects	119R	696,058	696,058	
GGR-4	Non-Departmental	Overlay and Street Projects	009R			(696,058)
GGR-4	General Fund	Overlay and Street Projects	002R	(696,058)		

This reappropriation proposes to carry forward the remaining Street Improvement funds into the 2026 budget for upcoming street improvement projects. The source of these funds is an allocated share of the motor vehicle fuel tax from Washington State and car tab fees. These funds are used for various initiatives, including arterial street projects, sidewalk replacements, parking improvements, non-motorized improvements, traffic signal projects, capital project grant matching funds, and the overlay program.

Increase M&O expenditures - Street Improvement Fund	119	5524000953650		696,058		
Increase property tax distribution - Street Improvement Fund	119	3111010000				696,058
Reduce property tax distribution - General Fund	002	3111002000		696,058		
Funding Source- Fund balance	009	5980000490				696,058

**2026  
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Department		Code	Rev	Exp	FB	
GGA-1	General Fund	OPD Social Services Grant	002A	60,620		
GGA-1	Legal	OPD Social Services Grant	003A		60,620	
<p>The City was awarded \$90,930 social services grant from the Washington State Office of Public Defense for public defense improvements and new expenses in calendar years 2026 through June 2027. Distribution: <b>\$60,620.00</b> in 2026 to pay Everett Law Association, and <b>\$30,310.00</b> will be used in the first half of 2027.</p>						
Increase state grant revenues - General Fund		002	3341120003			60,620
Increase M&O expenditures - Legal		003	5250000410	60,620		

Department		Code	Rev	Exp	FB	
GGA-2	CPED	Annexation study	021A		200,000	
GGA-2	Non-Departmental	Annexation study	009A			(200,000)
<p>The amendment requests budget authority for the Planning department to seek professional consulting service for potential annexation study.</p>						
Increase professional services expenditures - CPED		021	multiple	200,000		
Funding Source- Fund balance		009	5980000490			200,000

Department		Code	Rev	Exp	FB	
GGA-3	CPED	South Everett and DEA planning	021A		50,000	
GGA-3	Non-Departmental	South Everett and DEA planning	009A			(50,000)
<p>The planning department requests \$50,000 for professional services to support outreach and community engagement for the upcoming Casino Road neighborhood and Downtown Everett Association Planning Process plan work in 2026 and 2027. The neighborhood plan is called out in the comprehensive plan's list of actions for the first five years: <i>Action UF-3: Prepare subarea plans for Community Hubs and define Neighborhood Nodes</i>. Professional services will extend the city's capacity for meaningful, coordinated, and inclusive engagement, consistent with the comprehensive plan's Engagement, Administration, and Implementation element.</p>						
Increase professional services expenditures - CPED		021	multiple	50,000		
Funding Source- Fund balance		009	5980000490			50,000

**2026  
Budget Adjustments  
Tally Sheet**

Department	Code	Rev	Exp	FB
NGR-1 Vehicle and Equipment Repl. Vehicle Replacements	126R		205,000	(205,000)
<p>This reappropriation proposes to carry forward funds for vehicles scheduled for replacement in 2025, but not received by December 31, 2025.            Fire: \$ 40,000 for replacing a 2010 Ford Escape Hybrid            Park:            - \$ 125,000 for replacing a 2009 Ford F-550 hook lift truck            - \$ 40,000 for replacing a 2013 Toro 3280-D Ride-on Mower</p>				
Increase vehicle expenditures - Fire	126	5200032640	40,000	
Increase vehicle expenditures - Parks and Community Services	126	5200101640	165,000	
Funding Source- Fund balance	126	3080000000		205,000

Department	Code	Rev	Exp	FB
NGR-2 Cumulative Reserve for Library Library purchase and profession service	152R		40,834	(40,834)
<p>This reappropriation will carry forward unspent funds from the Library's 2025 budget to the 2026 expenditure budget for items and services ordered in 2025 but not paid in full until 2026. The funds will be allocated as follows:            -- \$ 26,431 for library supplies            -- \$ 14,403 for The Whole Mind Strategy agreement</p>				
Increase M&O expenditures - Cumulative Reserve for Library Fund	152	5710000350	26,431	
Increase M&O expenditures - Cumulative Reserve for Library Fund	152	5710000410	14,403	
Funding Source- Fund balance	152	3080000000		40,834

Department	Code	Rev	Exp	FB
NGR-3 General Gov't Special Projects Local COVID Recovery Program	155R		4,800,420	(4,800,420)
<p>The City established the COVID Relief Program in 2023. The source of funding was resources made available in the General Fund by using Local Covid Relief funding to pay a portion of the 2023 Police and Fire labor costs. The programs submitted for reappropriation (below) were approved by Council Resolution or supplier contracts.</p>				
Prg 110 Pallet Shelters	155	5325110410	1,352,402	
Prg 130 CHART 2.0	155	5325130410	537,660	
Prg 160 MHP Fire/Library	155	5325160550	361,501	
Prg 190 Property Room Relocation	155	5325190550	234,425	
Prg 230 Digital Permit Accelerator	155	5325230550	68,670	
Prg 240 South Everett Business & Economic Development	155	5325240410	58,417	
Prg 300 City Council Allocations	155	multiple	473,921	
Prg 310 Grant Admin Support	155	5325310550	66,475	
Prg 320 Council of Neighborhoods	155	5325401410	100,000	
Prg 330 Housing Hope Childcare	155	5325330410	1,000,000	
Prg 360 Chamber of Commerce	155	5325360550	250,500	
Clean Everett Day Allocation	155	5325120410	10,000	
Downtown Storefront Project (Council Approved 12/3/2025)	155	5325380410	25,000	
FIFA World Cup Fan Zone Program	155	5325370410	261,449	
Funding Source- Fund balance	155	3080000325		4,800,420

**2026  
Budget Adjustments  
Tally Sheet**

Department		Code	Rev	Exp	FB
NGA-1	General Gov't Special Projects	155A	333,000	333,000	

The City was awarded a \$500,000 grant from the Washington State Health Care Authority (HCA) for the Street Medicine Team Pilot Program. This program is a component of the Emergency Mobile Opioid Team in Everett (EMOTE) program. In 2025, the grant agreement was amended to increase award amount to \$1,216,000 and also extend the period of performance to 6/30/2027. The grant funds will support a portion of labor cost for the Program Manager and establish a subrecipient relationship with a community partner for the delivery of services to reduce health disparities and to improve health outcomes among the unhoused population. This amendment proposes to increase the 2026 budget authority of the fund to reflect the change. The amended grant agreement was approved by Council on August 13, 2025.

Increase grant revenue - General Government Special Projects	155	3340690420		333,000
Increase transfers out - General Government Special Projects	155	5420000550	25,000	
Increase M&O expenditures - General Government Special Projects	155	5420000410	308,000	

Department		Code	Rev	Exp	FB
NGA-2	General Gov't Special Projects	155A	1,033,063	1,033,063	

The Council previously authorized the Mayor to accept and execute the \$4,000,000 Chemical Dependency and Mental Health (CDMH) Interlocal Agreement with Snohomish County. This Agreement aims to establish a housing facility within the City of Everett to provide short-term housing for individuals who are unhoused, along with coordination and access to substance use and mental health treatment services. The period of performance for the agreement is from 10/24/24 to 12/31/26. The City will act as a pass-through for the funds, providing a forgivable loan of \$2,966,937 in 2024 and a grant of \$1,033,063 in 2026 to the Everett Gospel Mission.

Increase revenue - General Government Special Projects	155	3370070410		1,033,063
Increase M&O expenditures - General Government Special Projects	155	5410000410	1,033,063	

## 2026 BUDGET ADJUSTMENTS for Budget Amendment # 1

### General Government Reappropriations

<u>Fund</u>	<u>Description</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Fund Balance</u>
GGR-1	Non-Departmental			
	Human Needs Grants	-	37,593	(37,593)
GGR-2	Police			
	Skydio Drones	-	8,774	(8,774)
GGR-3	Parks & Community Services			
	Tree Power Program Grant	-	11,108	(11,108)
GGR-4	Street Improvements			
	Overlay and Street Projects	-	696,058	(696,058)
<b>Total General Government Reappropriations</b>		<b>\$ -</b>	<b>\$ 753,533</b>	<b>\$ (753,533)</b>

### General Government Amendments

<u>Fund</u>	<u>Description</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Fund Balance</u>
GGA-1	General Fund			
	OPD Social Services Grant	60,620	-	60,620
GGA-1	Legal			
	OPD Social Services Grant	-	60,620	(60,620)
GGA-2	CPED			
	Annexation study	-	200,000	(200,000)
GGA-3	CPED			
	South Everett and DEA planning	-	50,000	(50,000)
<b>Total General Government Amendments</b>		<b>\$ 60,620</b>	<b>\$ 310,620</b>	<b>\$ (250,000)</b>

### Non-General Government Reappropriations

<u>Fund</u>	<u>Description</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Fund Balance</u>
NGR-1	Vehicle and Equipment Repl.			
	Vehicle Replacements	-	205,000	(205,000)
NGR-2	Cumulative Reserve for Library			
	Library purchase and profession service	-	40,834	(40,834)
NGR-3	General Gov't Special Projects			
	Local COVID Recovery Program	-	4,800,420	(4,800,420)
<b>Total Non-General Government Reappropriations</b>		<b>\$ -</b>	<b>\$ 5,046,254</b>	<b>\$ (5,046,254)</b>

### Non-General Government Amendments

<u>Fund</u>	<u>Description</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Fund Balance</u>
NGA-1	General Gov't Special Projects			
	WA HCA Grant	333,000	333,000	-
NGA-2	General Gov't Special Projects			
	Snohomish County Interlocal Agreement	1,033,063	1,033,063	-
<b>Total Non-General Government Amendments</b>		<b>\$ 1,366,063</b>	<b>\$ 1,366,063</b>	<b>\$ -</b>
<b>TOTAL General and Non-General Gov't. Amendments</b>		<b>\$ 1,426,683</b>	<b>\$ 7,476,470</b>	<b>\$ (6,049,787)</b>

# Ordinance No. 4173-26

Final Audit Report

2026-04-13

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