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**For Immediate Release**

November 13, 2023

**District to hold meetings to share financial status with the Community**

*The District has scheduled meetings with administrators, staff, families, and the community to share its financial state.*

*Msvl. WA* - The Marysville School District's financial state continues to be dire. This financial crisis is a direct consequence of two failed levy measures in 2022 that left the District without \$25 million to operate schools and programs. Losing \$25M from the budget placed the District in a negative budget status, causing it to enter into binding conditions with the State. The District is taking several steps to find a resolution by examining all options, including holding continued conversations with bargaining groups. Over the last two years, the District has reduced staff by upwards of 132.22 FTE positions (full-time equivalent). Cutting these staff members left the district and schools without enough people to operate schools and school-based programs effectively and efficiently. Some staff have been rehired, but personnel are still lacking in several schools and departments. Many essential jobs are still open. Although the District passed a four-year levy measure in the spring of 2023 and expects its first revenue payments between April - June 2024 of approximately \$13.5M, that revenue is not enough to eliminate the district's deficit and has already been accounted for in the multi-year budget submitted to the State to cover basic staff costs of salaries and benefits. Eliminating the deficit caused by the loss of \$25M will require time, future levy payments to the District, and collaboration with employee groups.

As one of the first steps, the District requested to borrow funds from the Snohomish County Treasurer; however, it was not a viable option then. The District will continue to explore other opportunities with the Treasurer, but for now, the District is left to search for other funding options.

The District has investigated the option of borrowing funds from private banks, but the response has been lukewarm in preliminary conversations. The District also learned that the interest rates would be so high that the interest expenses would substantially add to the budget deficit.

The District will implement a plan to borrow \$5 million from the Capital Fund budget. This loan from the capital fund must be paid back within one year. Unfortunately, borrowing from this fund reduces the financial resources available to care for our aging facilities.

On November 6, 2023, the Board of Directors passed a resolution to ask the state for an emergency apportionment advancement. This is not a loan but an advance on future state-issued funds, which will be withheld at the end of the school year, putting the district again in a deficit budget status. This request is by no means guaranteed but an option that was put forth for consideration, yet it was declined due to a lack of new revenue.

The financial state of the school district is not something that happened overnight. “When Superintendent Robbins came to Marysville, he inherited a District that was in a dire financial situation,” says Wade Rinehardt, Vice President of the Marysville School Board. “We are confident that he and the district leaders are doing everything they can to remedy this unfortunate situation,” he added. It is important to note that the school district’s audits from the Washington State Auditor’s Office found no financial irregularities or material misstatements for decades, nor did the auditor find excess, hidden, or unreported funds in the district’s financial processes and reports. All funds were accounted for and adequately reported.

Complete transparency with our families, staff, and community is at the forefront as the District navigates these financial woes. Looking ahead to the coming school year, the District may have to consider multiple options, including closing schools and school-based programs, eliminating all sports, and closing the MPHS pool.

The District has scheduled meetings with administrators, staff, families, and the community. Community members are invited to attend a budget presentation on Tuesday, November 28, from 7:00 to 8:00 p.m. in the Commons at Marysville Pilchuck High School at 5611 108th Street NE, Marysville, to learn more about the District’s current financial status.

For more information on the budget, visit the Marysville School District website dedicated to sharing the budget information at [msd25.org/budget](https://msd25.org/budget) or email [communications@msd25.org](mailto:communications@msd25.org). Additional information about the district's budget can also be found at [msd25.org/finance](https://msd25.org/finance).

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Contact:  
Jodi Runyon, Director of Communications  
[communications@msd25.org](mailto:communications@msd25.org)  
(360) 965-0005