

City of McCleary

Preliminary Budget

2026

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Mayor's Budget Message

Transmittal of the Proposed 2026 Budget

Chris Miller, Mayor

Date: October 22, 2025

1) Executive Summary

This budget focuses on essentials, reliability, and affordability. The budget as presented includes CPI rate adjustments generating \$110,000 in revenue. I propose achieving 0% rate increases for Electric, Water, and Sewer through strategic cost reductions and alternative revenues—protecting affordability while building fiscal resilience.

By the Numbers (2026)

Proposed Rate Policy:

- **0% increase** for Electric, Water, Sewer (replacing \$110K CPI revenue through efficiencies)
- **Stormwater:** CPI adjustment per ordinance (~3%)
- **Property Tax:** No levy increase (bank capacity)
- **Utility Taxes:** No percentage increases

Affordability Strategy (replaces \$110K CPI revenue):

- Light & Power: Reduce department expenses = **\$205,000** savings
- Solar Farm: **\$43,000** annual revenue (zero city capital cost)
- Transportation Benefit District: \$40,000-\$80,000 potential
- Business licensing and city fee review: \$10,000-\$25,000 potential
- **Total: \$298,000-\$353,000 | Net surplus: \$188,000-\$243,000**

Additional Revenue Consideration:

- Fire Levy: Evaluate placing lapsed fire levy before voters for Fire service funding

Major Projects:

- **Beerbower Park Phase 1:** \$753,000 (RCO \$500K + Commerce \$253K + \$93K in-kind match)
 - **Streets:** \$532,000 capital investment (federal grant + match)
 - **Alleys:** Priority for 2026 maintenance
-

2) Community Highlights & 2026 Priorities

2025 Accomplishments:

- Completed W. Maple Street sidewalk (Beehive to Transit Station)
- Finished chip & fog sealing on poor-condition streets
- Installed wastewater treatment plant chiller
- Recovered legacy payment errors and reduced unnecessary spending
- Restored Civil Service Commission with regular meetings
- Modernized utility meter-reading and outage reporting systems
- Installed public safety cameras at Beerbower Park and Transit Station

2026 Focus:

- Deliver Beerbower Park Phase 1 improvements
 - Complete Light & Power cutover project
 - Implement operational efficiencies in the Power Department to protect residents from rate increases
 - Advance Solar Farm for long-term rate stability (\$43K annually, \$860K+ over 20 years)
 - Develop Transportation Benefit District, business licensing, and comprehensive city fee review
 - Evaluate fire levy ballot measure for Fire service funding
-

3) Rate Policy & Financial Strategy

Proposed 0% Rate Increases

The budget includes \$110,000 from CPI rate increases. I propose giving up this revenue and replacing it through:

1. **Light & Power Cost Reduction:** Reduce department expenses = \$205,000 savings (requires operational restructuring and Council approval)
2. **Solar Farm:** \$43,000 annually (zero capital cost; \$3,583/month cost of delay)
3. **Transportation Benefit District:** \$40,000-\$80,000 (vehicle fee \$20-50; ~2,000 vehicles)
4. **Business licensing and city fee review:** \$10,000-\$25,000 (supports economic development tracking and ensures fees reflect actual service costs)

Financial Result: Creates \$188,000-\$243,000 surplus for reserve rebuilding, infrastructure investment, and fiscal resilience.

Fire Levy Consideration

The City's fire levy has lapsed. Council should consider placing a fire levy measure before voters to provide dedicated funding for Fire services. This would:

- Provide sustainable funding for fire protection services
- Reduce pressure on General Fund for Fire operations

- Allow voters to directly support public safety services
- Require ballot measure preparation and public education campaign
- Timeline: Could be placed on 2026 ballot with Council direction

Note: Stormwater follows CPI ordinance (calculated as average of Seattle-Tacoma-Bremerton and US All City CPI-U, June-to-June). No utility tax percentage increases proposed.

Affordability & Reserves

- Develop low-income utility assistance policy
 - General Fund reserves currently at 17.8% of expenditures (below recommended 25-35%)
 - Surplus from affordability strategy enables reserve rebuilding toward industry standards
 - Property tax capacity banked to preserve future flexibility
-

4) Major Expenditures & Capital Projects

Beerbower Park Phase 1 – Fully Funded (\$753,000)

Funding: RCO \$500K + Commerce \$253K + in-kind match \$93K

Improvements:

- Playground extension (20 ft), equipment replacement, inclusive pieces, rubber tile surface
- Walking path loop around park
- Pickleball and basketball court resurfacing
- ADA restroom upgrades with full replumb
- Electronic reader board, south parking resurfacing
- Community garden in northwest corner
- Beautification: benches, picnic tables, planters, landscaping

Timeline: Archaeological review early 2026; construction through year

Streets & Transportation (\$532,000)

- Federal transportation grant project (planning/engineering phase)
- Routine maintenance: crosswalks, curb painting, pothole response
- **Alleys:** Top priority
- Lower 3rd Street: Reserve match; pursuing legislative support
- S. 6th Street sidewalk: Maintain 5% TIB match for connectors

Public Safety

- Police equipment: \$4,453 (state standards compliance)
- Fire equipment: \$10,000
- Fire Levy LID Lift: \$211,901 (completing projects; fund depleted)

Utilities

- Light & Power: Complete cutover project; operational restructuring; \$113K reserve utilization
 - Water/Sewer/Storm: Advance Capital Facilities Plan; prioritize reliability and compliance
-

5) Staffing, Risks & Implementation

Staffing & Operational Efficiency

- **Light & Power:** Reduce department expenses by \$205,000 through operational restructuring — requires detailed plan with service level protections and performance monitoring
- **Citywide hiring freeze:** No new positions except critical emergencies
- IBEW negotiations underway; any agreement incorporated via amendment
- Emphasis on cross-training, process improvements, and workload management

Key Risks & Mitigation

1. **Operational risk:** Light & Power expense reduction requires excellent transition planning and service level monitoring
2. **Solar Farm delay:** \$3,583/month cost; resolve deliberations and begin Q1 2026
3. **Alternative revenue timing:** TBD, business licensing, and fee review require Q1 Council actions
4. **Financial cushion:** Core strategy (Power savings \$205K + Solar \$43K = \$248K) provides \$138K surplus even if TBD/licensing/fees produce zero

Critical Decisions

1. Utility rate policy (CPI vs. 0% with replacement strategy)
 2. Light & Power expense reduction plan (\$205,000 savings)
 3. Solar Farm approval (\$43,000 annual benefit, zero capital cost)
 4. Transportation Benefit District formation (Q1 2026)
 5. Business licensing ordinance and comprehensive city fee review (Q1 2026)
 6. Fire levy ballot measure consideration for voter approval
-

6) The Choice: Two Paths Forward

Path A (Budget as Presented):

- Apply CPI increases (~\$110K revenue)
- Maintain current staffing
- Reserves decline \$290,709

Path B (Mayor's Proposal):

- **0% rates** for Electric, Water, Sewer
- Reduce Light & Power expenses by \$205,000
- Activate Solar Farm and alternative revenues
- Create **\$188K-\$243K surplus** for reserves and infrastructure
- Transform Light & Power from deficit to surplus
- Build long-term revenue diversification
- Demonstrate operational excellence and fiscal innovation

Path B Requirements:

- Light & Power operational restructuring plan
 - Solar Farm approval
 - Council actions on TBD, business licensing, and fee review
 - Performance monitoring
 - Fire levy ballot measure evaluation and preparation
-

7) Closing

This budget reflects my commitment to keeping McCleary affordable while moving our city forward. Through operational efficiency and smart revenue strategies, we can protect residents from rate increases, strengthen our fiscal position, and invest in our community's future. McCleary will remain an affordable place to live, work, and raise a family.

Respectfully submitted,

Chris Miller
Mayor of McCleary

Elected Officials

<u>Term Expires:</u>		
Chris Miller	Mayor	December 31, 2025
Jacob Simmons	Council Position #1	December 31, 2026
Brycen Huff	Council Position #2	December 31, 2026
Brent Schiller	Council Position #3	December 31, 2025
Andrea Dahl	Council Position #4	December 31, 2025
Keith Klimek	Council Position #5	December 31, 2025

Staff

Jon Martin	City Administrator
Jamie Vinyard	City Clerk-Treasurer
Vacant	Public Works Director
Ryan Miskell	Police Chief

Budget Development Process

The budget includes financial planning and legal authority to obligate public funds. Additionally, the budget provides policy direction by the City Council to the staff and community.

The budget serves four functions:

It is a Policy Document

The budget functions as a policy document in that the decisions made within the budget will reflect the general principles or plans that guide the actions taken for the future. As a policy document, the budget makes specific attempts to link desired goals and policy direction to the actual day-to-day activities of the City staff.

It is an Operational Guide

The budget of the city reflects its operations. Activities of each City fund or department have been planned, formalized and described in the following sections. This process will help to maintain an understanding of the various operations of the City and how they relate to each other and to the attainment of the policy issues and goals of the City Council.

It is a Link with the General Public

The budget provides a unique opportunity to allow and encourage public review of City operations. The budget describes the activities of the city, the purpose of those activities, future implications, and the direct relationship to citizens.

It is a Legally Required Financial Planning Tool

Preparing and adopting a budget is a state law requirement of all cities as stated in Title 35A of the Revised Code of Washington (RCW). The budget must be adopted as a balanced budget and must be in place prior to the beginning of the City's fiscal year. The budget is the legal authority to expend public funds and controls those expenditures by limiting the amount of appropriation at the fund level. The revenues of the City are estimated, along with available cash carry-forward, to determine funds available.

The City operates on a calendar-year basis. The city utilizes an incremental budgeting approach that assumes, for most functions of government, that the current year's budget is indicative of the base required for the following year. Any increases are incremental and based on needs defined by budget policies, emerging issues, Council goals and available resources.

Budget Calendar

October 22

- Mayor's proposed budget + budget message presented to Council
- Public hearing – revenue sources

November 5

- First read – property tax ordinance
- Budget discussion (if needed)

November 19

- Public hearing on preliminary budget
- Second read – property tax ordinance
- First read – budget ordinance

December 3

- Public hearing on final budget
- Second read – budget ordinance & budget adoption

After the budget is adopted, the City enters a budget implementation and monitoring stage. Throughout the year, expenditures are monitored by the City Clerk and department directors to ensure that funds are within the approved budget. The City Clerk provides the City Council with quarterly reports to keep them current with the City's financial condition.

The Mayor is authorized to transfer budgeted amounts within a fund; however, any revisions that alter the total expenditures of a fund, or that affect the number of authorized employee positions, position titles, salary ranges or other conditions of employment must be approved by the City Council.

When the City Council determines that it is in the best interest of the City to increase or decrease the appropriation for a fund, it may do so by ordinance adopted by Council.

Budget Principles

General Principles

- Department directors have primary responsibility for formulating budget proposals in line with City Council and Mayor directions, and for implementing them once they are approved.
- The City Clerk Treasurer is responsible for coordinating the overall preparation and administration of the City's budget. This function is fulfilled in compliance with applicable State of Washington statutes governing local government budgeting practices.
- The City Clerk Treasurer assists department staff in identifying budget problems, formulating solutions and alternatives, and implementing any necessary corrective actions.
- If presented, Interfund charges will be based on recovery of costs associated with providing those services.
- Budget adjustments requiring City Council approval will occur through the ordinance process at the fund level prior to the end of the fiscal year.
- The City's budget presentation will be directed at displaying the City's budget in a Council and Citizen-friendly format.

Basis of Accounting

- Annual appropriated budgets are adopted for all funds on the cash basis of accounting.
- Budgets are adopted at the fund level that constitutes legal authority for expenditures. Annual appropriations lapse at the end of the fiscal period.
- The **General Fund** is the primary fund of the City. It accounts for all financial resources except those required or elected to be accounted for in another fund.
- **Special Revenue Funds** account for revenue sources that are legally restricted or designated to finance certain activities.
- **Capital Project Funds** account for major construction projects.
- **Enterprise Funds** account for operations that provide goods and services to the general public and are supported primarily by user charges.

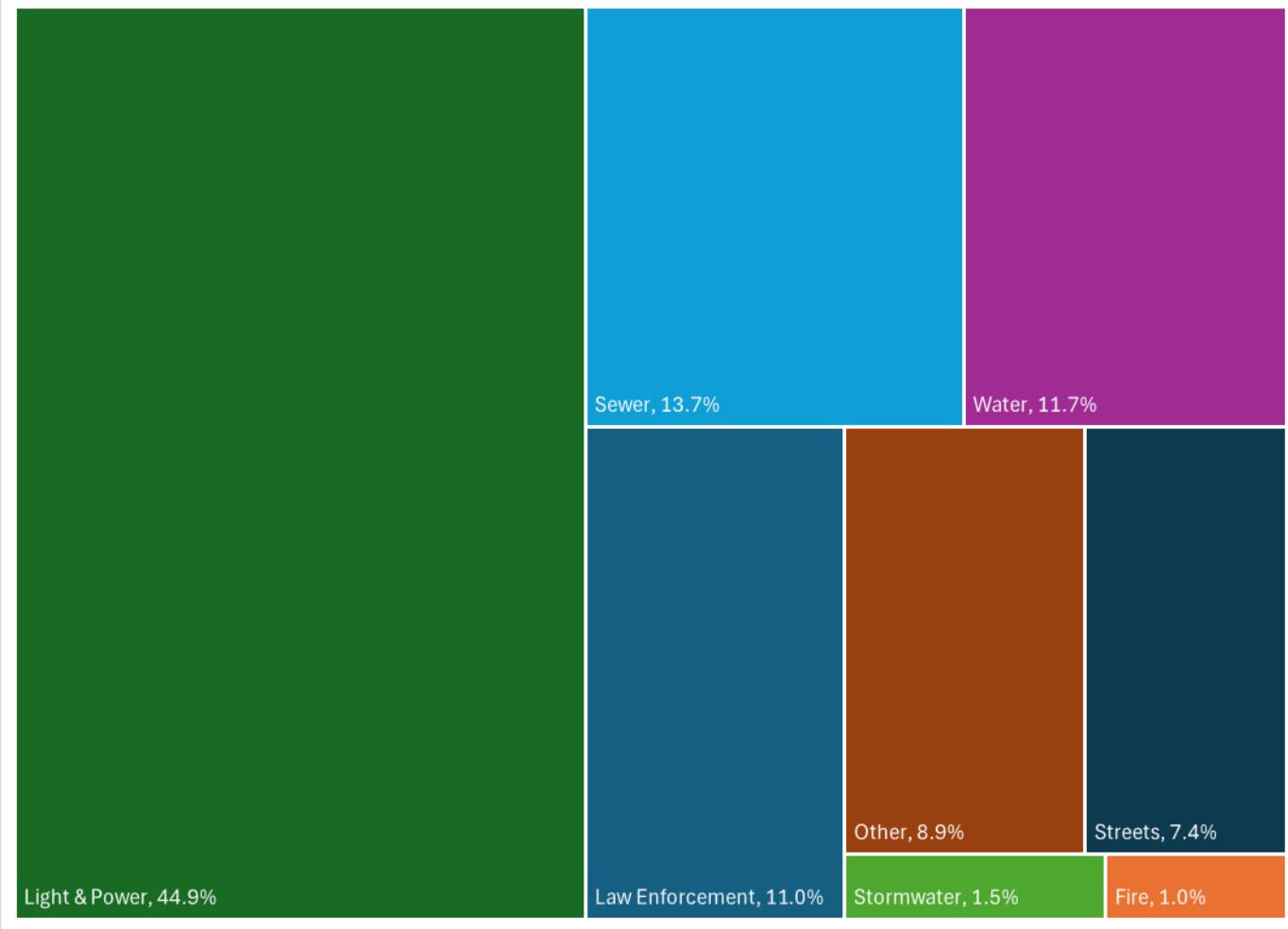
City-Wide Budget Summary

Fund	Beginning Fund Balance	Revenues	Expenditures	Increase (Decrease)	Ending Fund Balance
001 - Current Expense	308,970	1,563,900	1,589,704	(25,804)	283,166
002 - Current Expense Reserve	242,614	-	-	-	242,614
102 - Street Fund	2,515	1,067,499	1,067,499	0	2,515
120 - Street Reserve	57,480	-	22,300	(22,300)	35,180
122 - Fire Levy LID Lift	211,901	-	211,901	(211,901)	0
301 - Real Estate Excise Tax	247,548	35,000	-	35,000	282,548
302 - Street Equipment Replacement	17,041	-	-	-	17,041
304 - Light & Power Equip Replacement	108,693	-	-	-	108,693
305 - Water Equipment Replacement	290,680	-	-	-	290,680
307 - Sewer Equipment Replacement	21,938	-	-	-	21,938
309 - Storm Equipment Replacement	21,292	-	-	-	21,292
321 - Police Equipment Replacement	4,453	-	4,453	(4,453)	(0)
322 - Fire Equipment Replacement	108,151	-	10,000	(10,000)	98,151
336 - Park & Cemetery Equip Replacement	53,643	-	-	-	53,643
401 - Light and Power	249,808	3,671,400	3,772,493	(101,093)	148,715
405 - Water	957,724	1,026,600	980,150	46,450	1,004,174
407 - Sewer	114,492	1,192,000	1,149,761	42,239	156,730
409 - Storm Water	91,099	187,300	122,595	64,705	155,804
410 - Light & Power Reserve	359,663	-	113,000	(113,000)	246,663
413 - Ambulance Fund	49,480	140,000	161,135	(21,135)	28,345
421 - Sewer Bond Reserve	12,667	143,000	142,375	625	13,292
422 - Water Reserve	501,840	-	104,000	(104,000)	397,840
423 - Sewer Reserve	6,864	-	-	-	6,864
Total	4,040,554	9,026,699	9,451,366	(424,667)	3,615,887

2026 Revenue Sources - All City Funds



2026 Expenditures - All City Funds



Cost Allocation

Background

Indirect cost allocation is a method to determine and assign the cost of central services to the internal users of those services. Cost allocation enables local governments to more accurately account for the complete cost of the services it provides, and to provide a clear/concise method to use in budget development.

Indirect costs include central services costs related to legislative, executive, administration, finance, and legal services.

Cost allocation plans share indirect costs across programs, activities, funds and departments. The term “allocation” implies that there is no precise method for charging indirect costs, however cost allocations should be designed to provide a consistent, reasonable and equitable means to allocate costs.

Funds to Be Charged

An indirect cost allocation plan is intended to charge restricted funds for a fair and equitable portion of central services costs. The City has two fund types that could be eligible for indirect cost allocation – special revenue funds and enterprise funds.

Special revenue funds must be at least partially funded by an externally restricted or internally assigned revenue source; however, the special revenue funds can be, and many are, subsidized by the general fund. Therefore, there is no benefit to be had by including most special revenue funds in the indirect cost allocation plan (increasing expenditures in funds subsidized by the general fund would simply increase the amount of general fund subsidy required).

The City’s enterprise funds must be self-supporting and cannot receive general fund support in the form of subsidization or services provided at no charge. An indirect cost allocation plan is the appropriate way to charge enterprise funds for services provided by the general fund. The City’s current enterprise funds subject to allocation are Light & Power, Water, Sewer, Storm, and Ambulance.

The cost allocation plan shall be developed based on the principle that costs will be split between general government activities (those pertaining to the general fund and special revenue funds) and enterprise activities. Enterprise activities will be further allocated by fund, based on the criteria described below. General government activities will remain in the general fund.

Costs to Be Allocated

The following costs are subject to allocation:

- Salaries, benefits, supplies, training, equipment, etc. associated with:
 - Mayor and City Council (511)
 - City Administrator/Mayor (513)
 - Finance Department (514)
 - Legal (515)

Costs listed above are paid for out of the general fund and primarily exist for the support of the City as a whole. Costs included in the allocation plan should be administrative in nature and must be reasonably perceived to benefit all City funds. Therefore, the cost of services such as public safety, street maintenance, community events, etc. are excluded from the plan and are not subject to allocation.

Activities & Measurement Criteria

The activities on which to base allocations and the measurement criteria for those activities are identified in the following table.

ACTIVITIES	MEASUREMENT CRITERIA
Payroll	Salaries/benefits expense
Utility Billing	Total revenue
Accounts Payable	Non-salary expenses
Mayor and Council	Quantity of agenda items
General accounting & administration	Total expenses w/out transfers or debt service
Insurance	Total expenses w/out transfers or debt service

Budget & Accounting Procedures

1/12th of the budgeted overhead allocation for the year will be charged each month.

At year end, actual costs shall be input into the plan and a year-end adjustment processed. The adjustment should be based on actual cost inputs into the plan (i.e., actual costs incurred by the "charging" General Fund departments). The allocation factors (each "receiving" department's proportionate share) will not be updated as part of the year end adjustment. The purpose of the year end adjustment is to allocate the correct total cost, but not to change the percentages charged to each fund.

The cost allocation plan should be reviewed during each budget development cycle. It is not necessary to update the activities or measurement criteria on an annual basis if the plan has been reviewed for general reasonableness. If significant changes have been made which may affect the overall allocation percentages then the plan should be updated. The plan should be updated at least every three years.

Costs Excluded from Allocation

- A) This plan assumes that Public Works staff will begin charging direct time to appropriate funds/departments based on actual hours worked. The existing allocation process will be discontinued.
- B) Insurance will be charged directly based on the following percentages (percent of total expenses, excluding debt service and transfers):

001 General Fund – 22%
401 Light & Power – 48%
405 Water – 11%
407 Sewer – 15%
409 Stormwater – 2%
413 Ambulance – 2%

Authorized Positions

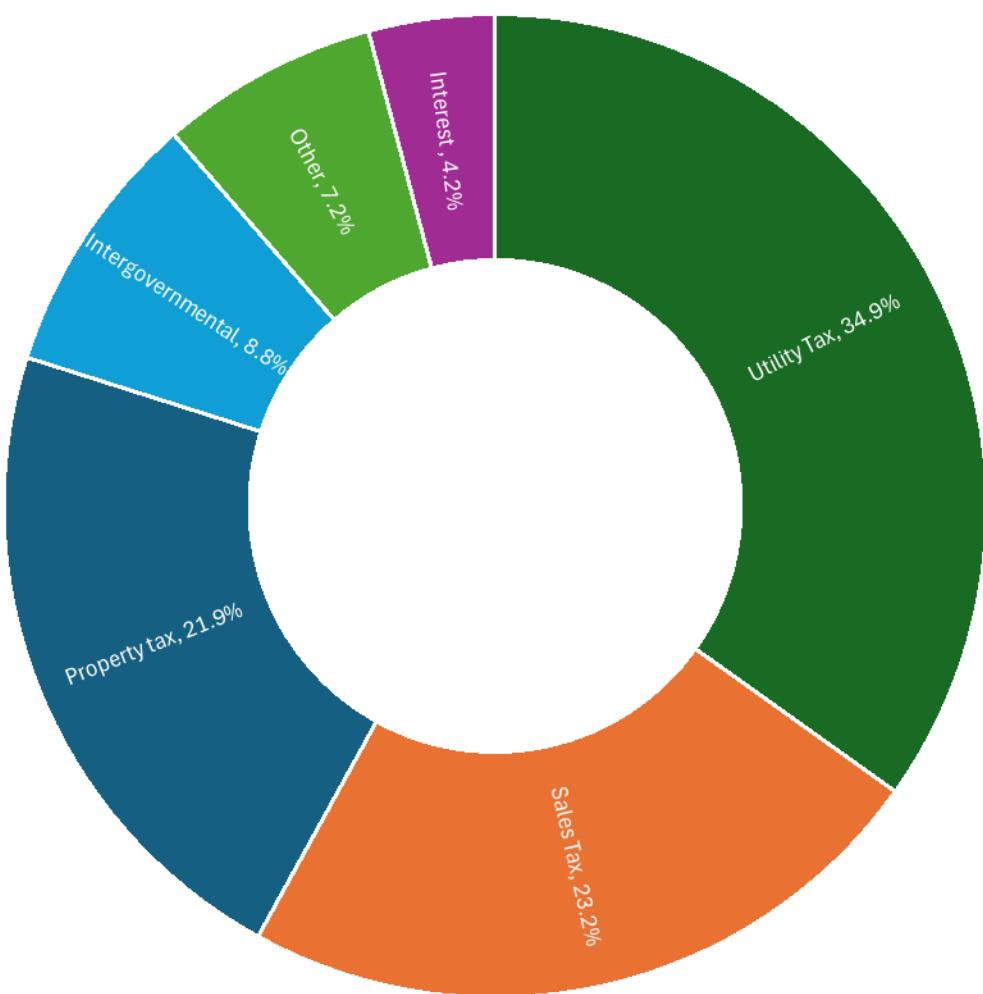
<u>Position</u>	<u>2025 FTE</u>	<u>2026 FTE</u>	<u>2026 Pay Range</u>		<u>Low</u>	<u>High</u>
			<u>Low</u>	<u>High</u>		
Exempt:						
City Administrator	1	1	122,304			Annual
Director of Public Works	--	--				
City Clerk-Treasurer	1	1	7,122	8,052	Monthly	
Police Chief	1	1	7,280	8,320	Monthly	
IBEW:						
Deputy Clerk	1	1	6,451		Monthly	<i>2025 wage</i>
Utility Accounts Manager	1	1	5,689	6,290	Monthly	<i>scale -</i>
PW Planning Assistant	1	1	4,728	5,222	Monthly	<i>pending new</i>
Office Clerk	--	--	4,453	4,923	Monthly	<i>contract</i>
Sr. Journeyman Lineman	1	1	69.46		Hourly	<i>(current</i>
Journeyman Lineman	3	4	58.65		Hourly	<i>contract</i>
Line Equipment Operator	1	1	50.63		Hourly	<i>expires at end</i>
Lineman in Training	1	--	50.63		Hourly	<i>of 2025)</i>
Teamsters:						
Police Records Clerk	0.5	0.5	4,726	5,120	Monthly	
WWTP Manager	1	1	5,360	6,700	Monthly	
WWTP Operator II	1	1	4,659	5,824	Monthly	
PW Field Crew Foreperson	1	1	4,659	5,284	Monthly	
Utility Maintenance II	2	2	4,202	5,253	Monthly	
Utility Maintenance I	2	2	3,724	4,656	Monthly	
FOP - Police:						
Police Sergeant	1	--	7,643	7,643	Monthly	
Police Officer	3	4	5,710	6,948	Monthly	
Total Regular FTE		<u>23.5</u>		<u>23.5</u>		
Part-time:						
PT Ground Maintenance I	--	--				
PT PW Summer help	--	--				
Fire/Stipend:						
Chief	1	1				
Assistant Chief	1	1				
Firefighters	16	16				

Current Expense

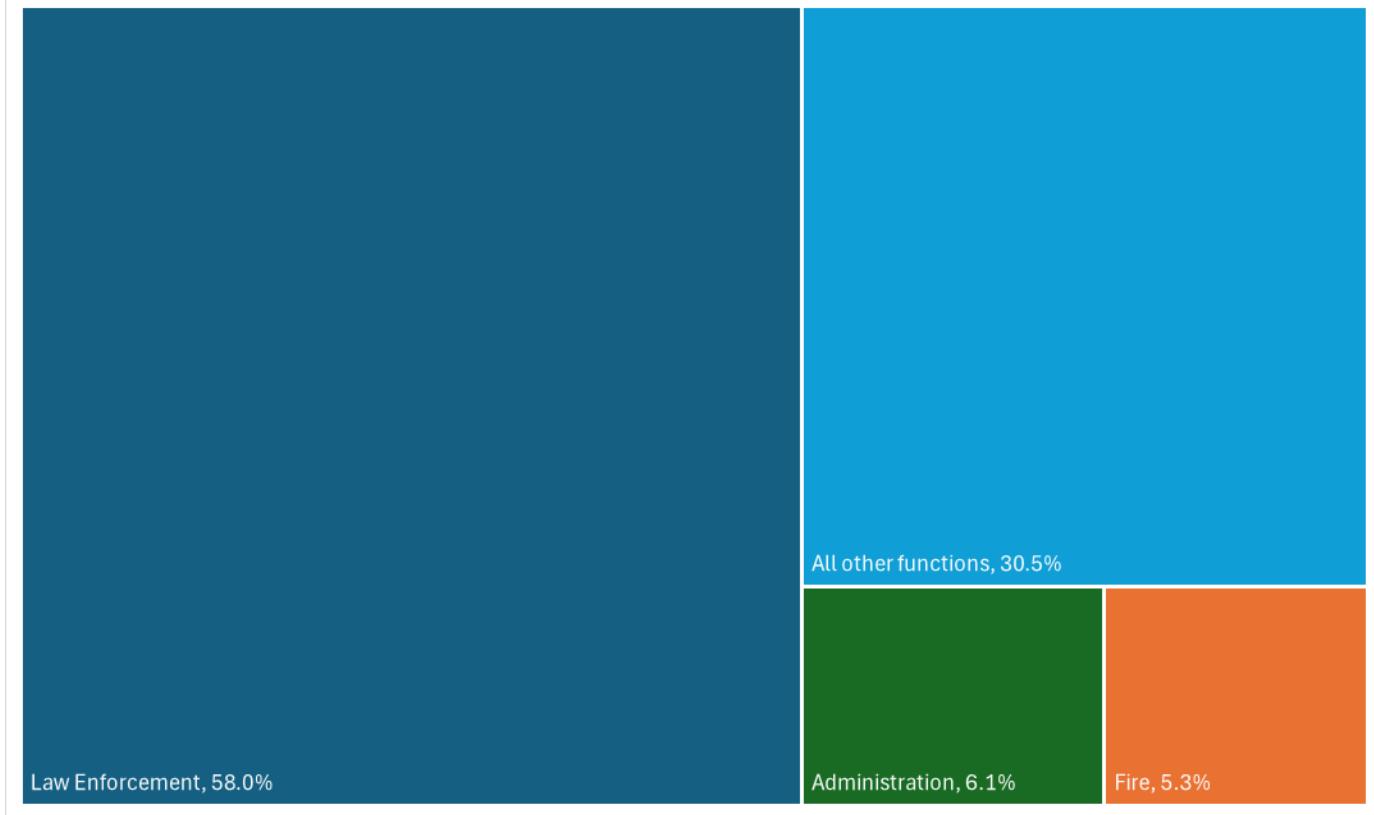
<u>Account</u>	<u>Description</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Actual</u>	<u>2025 Projected</u>	<u>2026 Budget</u>
308 Beginning Fund Balance		485,913	433,798	294,212	144,874	308,970
310 Taxes		1,134,525	1,161,516	1,157,896	1,222,533	1,249,300
320 Licenses & Permits		31,283	20,484	12,606	13,046	13,000
330 Intergovernmental Revenues		364,454	116,161	117,792	117,536	137,000
340 Charges For Services		6,818	7,249	8,361	8,283	8,300
350 Fines & Forfeitures		41,074	38,336	33,658	24,106	24,200
360 Misc Revenues		51,091	44,133	65,959	188,639	121,600
380 Non Revenues		10,925	13,364	9,702	10,458	10,500
390 Loan Proceeds		-	-	-	-	-
Total Revenues		1,640,170	1,401,242	1,405,973	1,584,601	1,563,900
511 Legislative		7,468	6,044	3,066	1,879	5,308
512 Judicial		19,725	24,400	19,825	21,000	21,000
513 Executive		10,151	10,370	7,075	3,255	37,064
514 Administration		226,268	131,683	140,791	150,981	97,725
515 Legal Services		85,236	47,017	55,168	53,032	57,000
518 Central Services		24,687	1,042	268	239	-
519 General Government Services		23,662	29,666	42,134	92,452	100,000
521 Law Enforcement		823,079	890,516	906,396	886,207	921,989
522 Fire Control		65,430	154,770	96,259	61,380	85,015
523 Jail Costs		-	-	-	7,065	7,000
524 Protective Inspections		41,907	33,608	34,615	34,807	34,345
525 ARPA		-	-	-	-	-
528 Communications & Dispatch		50,663	46,730	23,692	21,413	15,283
531 Storm Water		1,499	1,773	1,885	3,040	3,000
536 Cemetery		27,394	37,296	25,167	18,694	28,215
538 Other Utilities		247	269	276	279	-
558 Planning & Community Development		26,647	5,000	-	-	9,690
571 Education		1,887	435	-	-	-
572 Libraries		4,835	6,337	5,221	5,692	6,000
576 Park Facilities		47,386	55,072	53,090	38,970	78,517
580 Non Expenditures		3,951	(4,016)	8,691	-	-
591 Debt Service		7,716	8,627	21,691	20,121	17,607
594 Capital Expenditures		9,348	17,439	-	-	5,547
597 Interfund Transfers		183,100	36,750	110,000	-	59,398
Total Expenditures		1,692,285	1,540,829	1,555,310	1,420,505	1,589,704
Revenues less expenditures		(52,115)	(139,587)	(149,337)	164,096	(25,804)
508 Ending Fund Balance		433,798	294,212	144,874	308,970	283,166
Ending Fund Balance as % of Expenditures		26%	19%	9%	22%	18%

The budgeted decrease in fund balance is due to two one-time items: 1) 2026 is the last year in which property tax revenue will be decreased by \$16,000 to correct prior over-levy; 3) \$10,000 for a portion of the local match related to a grant-funded Street project (majority of the match is coming from the fire levy fund in the amount of \$212,000).

2026 Revenue Sources - Current Expense Fund



2026 Expenditures - Current Expense Fund



<u>Current Expense - By Object</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Actual</u>	<u>2025 Projected</u>	<u>2026 Budget</u>
Salaries & Benefits	799,075	891,552	894,687	899,542	1,316,575
Supplies	63,000	97,159	93,559	50,249	74,250
Services	509,832	425,111	432,329	431,472	116,327
Debt Service	7,716	8,627	21,691	20,121	17,607
Capital Outlay	129,562	81,629	3,044	19,122	5,547
Interfund Transfers	183,100	36,750	110,000	-	59,398
	<u>1,692,285</u>	<u>1,540,829</u>	<u>1,555,310</u>	<u>1,420,505</u>	<u>1,589,704</u>

Current Expense – Department Detail

511 - Legislative

<u>Description</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Actual</u>	<u>2025 Projected</u>	<u>2026 Budget</u>
Salaries & Benefits	7,452	6,013	2,837	1,879	6,459
Supplies	17	31	-	-	250
Services	-	-	229	-	-
Allocated Expenses	-	-	-	-	(1,401)
Total	7,468	6,044	3,066	1,879	5,308

512 - Judicial

<u>Description</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Actual</u>	<u>2025 Projected</u>	<u>2026 Budget</u>
Salaries & Benefits	-	-	-	-	-
Supplies	-	-	-	-	-
Services	19,725	24,400	19,825	21,000	21,000
Total	19,725	24,400	19,825	21,000	21,000

513 - Executive

<u>Description</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Actual</u>	<u>2025 Projected</u>	<u>2026 Budget</u>
Salaries & Benefits	7,697	7,476	3,427	2,231	147,203
Supplies	201	-	16	44	-
Services	2,252	2,894	3,632	980	2,500
Allocated Expenses	-	-	-	-	(112,639)
Total	10,151	10,370	7,075	3,255	37,064

514 - Administration

<u>Description</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Actual</u>	<u>2025 Projected</u>	<u>2026 Budget</u>
Salaries & Benefits	47,312	61,508	84,540	68,087	333,841
Supplies	3,504	11,177	1,870	2,078	2,500
Services	72,308	55,355	54,381	80,816	102,000
Allocated Expenses	-	-	-	-	(340,616)
Capital Outlay	103,145	3,642	-	-	-
Total	226,268	131,683	140,791	150,981	97,725

515 - Legal Services

<u>Description</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Actual</u>	<u>2025 Projected</u>	<u>2026 Budget</u>
Salaries & Benefits	-	-	-	-	-
Supplies	-	-	-	-	-
Services	85,236	47,017	55,168	53,032	57,000
Total	85,236	47,017	55,168	53,032	57,000

518 - Central Services

<u>Description</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Actual</u>	<u>2025 Projected</u>	<u>2026 Budget</u>
Salaries & Benefits	-	-	-	-	-
Supplies	-	-	-	-	-
Services	24,687	1,042	268	239	-
Total	24,687	1,042	268	239	-

519 - General Government

<u>Description</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Actual</u>	<u>2025 Projected</u>	<u>2026 Budget</u>
Salaries & Benefits	-	-	-	-	-
Supplies	-	-	-	-	-
Services	23,662	29,666	42,134	92,452	100,000
Total	23,662	29,666	42,134	92,452	100,000

521 - Law Enforcement

<u>Description</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Actual</u>	<u>2025 Projected</u>	<u>2026 Budget</u>
Salaries & Benefits	675,186	741,461	737,066	791,676	719,739
Supplies	37,125	55,747	65,785	35,687	54,000
Services	110,768	93,309	103,545	58,844	148,250
Total	823,079	890,516	906,396	886,207	921,989

522 - Fire Control

<u>Description</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Actual</u>	<u>2025 Projected</u>	<u>2026 Budget</u>
Salaries & Benefits	25,934	30,650	31,809	4,821	29,015
Supplies	9,726	22,144	7,676	7,456	10,000
Services	23,639	41,428	53,731	29,981	46,000
Capital Outlay	6,132	60,548	3,044	19,122	-
Total	65,430	154,770	96,259	61,380	85,015

523 - Jail Costs

<u>Description</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Actual</u>	<u>2025 Projected</u>	<u>2026 Budget</u>
Salaries & Benefits	-	-	-	-	-
Supplies	-	-	-	-	-
Services	-	-	-	7,065	7,000
Total	-	-	-	7,065	7,000

524 - Protective Inspections

Description	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Budget
Salaries & Benefits	3,987	6,425	8,537	7,032	4,845
Supplies	63	220	297	150	500
Services	26,919	26,963	25,781	27,624	29,000
Capital Outlay	10,938	-	-	-	-
Total	41,907	33,608	34,615	34,807	34,345

528 - Communications & Dispatch

Description	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Budget
Salaries & Benefits	-	-	-	-	-
Supplies	-	-	-	-	-
Services	50,663	46,730	23,692	21,413	15,283
Capital Outlay	-	-	-	-	-
Total	50,663	46,730	23,692	21,413	15,283

531 - Storm Water

Description	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Budget
Salaries & Benefits	-	-	-	-	-
Supplies	-	-	-	-	-
Services	1,499	1,773	1,885	3,040	3,000
Total	1,499	1,773	1,885	3,040	3,000

536 - Cemetery

Description	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Budget
Salaries & Benefits	16,537	21,251	13,350	11,910	21,015
Supplies	2,595	5,427	2,971	1,179	1,500
Services	8,261	10,618	8,846	5,604	5,700
Total	27,394	37,296	25,167	18,694	28,215

572 - Libraries

Description	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Budget
Salaries & Benefits	-	-	-	-	-
Supplies	-	-	-	-	-
Services	4,835	6,337	5,221	5,692	6,000
Total	4,835	6,337	5,221	5,692	6,000

576 - Park Facilities

Description	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Budget
Salaries & Benefits	14,971	16,768	13,120	11,906	44,767
Supplies	3,931	5,994	6,254	3,654	5,500
Services	28,485	32,310	33,716	23,410	28,250
Total	47,386	55,072	53,090	38,970	78,517

Current Expense Reserve

<u>Description</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Actual</u>	<u>2025 Projected</u>	<u>2026 Budget</u>
Beginning Fund Balance	217,547	229,294	235,018	242,614	242,614
Misc Revenues	1,747	5,724	7,596	-	-
Transfers In	10,000	-	-	-	-
Total Revenues	11,747	5,724	7,596	-	-
Total Expenditures	-	-	-	-	-
Revenues less expenditures	11,747	5,724	7,596	-	-
Ending Fund Balance	229,294	235,018	242,614	242,614	242,614

Street Fund

<u>Description</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Actual</u>	<u>2025 Projected</u>	<u>2026 Budget</u>
Beginning Fund Balance	35,701	45,135	12,110	44,562	2,515
Taxes	39,866	39,390	-	-	-
Licenses & Permits	284	820	406	-	-
Intergovernmental Revenues	70,548	127,846	69,697	511,750	773,900
Misc Revenues	291	303	933	-	-
Non Revenues	72	-	-	-	-
Loan Proceeds	517	1,457	-	-	-
Interfund Transfers	55,000	2,750	100,000	-	293,599
Total Revenues	166,579	172,566	171,036	511,750	1,067,499
Salaries & Benefits	37,208	43,021	37,975	36,272	39,869
Supplies	10,882	10,921	8,033	6,637	9,250
Services	69,227	76,908	86,878	30,109	35,800
Debt Service	5,691	5,137	5,698	5,836	5,280
Capital Outlay	28,136	69,604	-	474,942	977,300
Interfund Transfers	6,000	-	-	-	-
Total Expenditures	157,144	205,592	138,584	553,797	1,067,499
Revenues less expenditures	9,434	(33,026)	32,452	(42,047)	0
Ending Fund Balance	45,135	12,110	44,562	2,515	2,515

Street Reserve

<u>Description</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Actual</u>	<u>2025 Projected</u>	<u>2026 Budget</u>
Beginning Fund Balance	53,902	54,324	55,680	57,480	57,480
Misc Revenues	422	1,356	1,800	-	-
Total Revenues	422	1,356	1,800	-	-
Interfund Transfers	-	-	-	-	22,300
Total Expenditures	-	-	-	-	22,300
Revenues less expenditures	422	1,356	1,800	-	(22,300)
Ending Fund Balance	54,324	55,680	57,480	57,480	35,180

Proposed transfers out of \$22,300 cover the City's match on the TIB 6th Ave Sidewalk project.

Fire Levy LID Lift

<u>Description</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Actual</u>	<u>2025 Projected</u>	<u>2026 Budget</u>
Beginning Fund Balance	155,742	224,742	211,901	211,901	211,901
Interfund Transfers	69,000	-	-	-	-
Total Revenues	69,000	-	-	-	-
Capital Expenditures	-	12,841	-	-	-
Interfund Transfers	-	-	-	-	211,901
Total Expenditures	-	12,841	-	-	211,901
Revenues less expenditures	69,000	(12,841)	-	-	(211,901)
Ending Fund Balance	224,742	211,901	211,901	211,901	0

Real Estate Excise Tax

<u>Description</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Actual</u>	<u>2025 Projected</u>	<u>2026 Budget</u>
Beginning Fund Balance	182,207	235,145	275,017	212,533	247,548
Taxes	51,253	33,533	29,554	35,015	35,000
Misc Revenues	1,685	6,339	7,962	-	-
Total Revenues	52,938	39,872	37,516	35,015	35,000
Interfund Transfers	-	-	100,000	-	-
Total Expenditures	-	-	100,000	-	-
Revenues less expenditures	52,938	39,872	(62,484)	35,015	35,000
Ending Fund Balance	235,145	275,017	212,533	247,548	282,548

Street Managerial Equipment Replacement

<u>Description</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Actual</u>	<u>2025 Projected</u>	<u>2026 Budget</u>
Beginning Fund Balance	10,000	16,105	16,507	17,041	17,041
Misc Revenues	105	402	533	-	-
Interfund Transfers	6,000	-	-	-	-
Total Revenues	6,105	402	533	-	-
Total Expenditures	-	-	-	-	-
Revenues less expenditures	6,105	402	533	-	-
Ending Fund Balance	16,105	16,507	17,041	17,041	17,041

Light & Power Equipment Replacement

<u>Description</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Actual</u>	<u>2025 Projected</u>	<u>2026 Budget</u>
Beginning Fund Balance	119,881	178,574	240,907	228,693	108,693
Misc Revenues	1,193	4,833	7,786	-	-
Interfund Transfers	57,500	57,500	-	-	-
Total Revenues	58,693	62,333	7,786	-	-
Capital Expenditures	-	-	20,000	120,000	-
Total Expenditures	-	-	20,000	120,000	-
Revenues less expenditures	58,693	62,333	(12,214)	(120,000)	-
Ending Fund Balance	178,574	240,907	228,693	108,693	108,693

Water Equipment Replacement

Beginning Fund Balance	242,545	264,532	291,266	290,680	290,680
Misc Revenues	1,987	6,734	9,414	-	-
Interfund Transfers	20,000	20,000	-	-	-
Total Revenues	21,987	26,734	9,414	-	-
Capital Expenditures	-	-	10,000	-	-
Total Expenditures	-	-	10,000	-	-
Revenues less expenditures	21,987	26,734	(586)	-	-
Ending Fund Balance	264,532	291,266	290,680	290,680	290,680

Sewer Equipment Replacement

<u>Description</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Actual</u>	<u>2025 Projected</u>	<u>2026 Budget</u>
Beginning Fund Balance	15,000	30,184	30,938	21,938	21,938
Misc Revenues	184	754	1,000	-	-
Interfund Transfers	15,000	-	-	-	-
Total Revenues	15,184	754	1,000	-	-
Capital Expenditures	-	-	10,000	-	-
Total Expenditures	-	-	10,000	-	-
Revenues less expenditures	15,184	754	(9,000)	-	-
Ending Fund Balance	30,184	30,938	21,938	21,938	21,938

Storm Equipment Replacement

<u>Description</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Actual</u>	<u>2025 Projected</u>	<u>2026 Budget</u>
Beginning Fund Balance	10,000	20,123	20,625	21,292	21,292
Misc Revenues	123	502	667	-	-
Interfund Transfers	10,000	-	-	-	-
Total Revenues	10,123	502	667	-	-
Total Expenditures	-	-	-	-	-
Revenues less expenditures	10,123	502	667	-	-
Ending Fund Balance	20,123	20,625	21,292	21,292	21,292

Police Equipment Replacement

<u>Description</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Actual</u>	<u>2025 Projected</u>	<u>2026 Budget</u>
Beginning Fund Balance	99,603	100,822	4,313	4,453	4,453
Misc Revenues	29,827	1,070	139	-	-
Interfund Transfers	25,000	25,000	-	-	-
Total Revenues	54,827	26,070	139	-	-
Capital Expenditures	53,608	122,579	-	-	4,453
Total Expenditures	53,608	122,579	-	-	4,453
Revenues less expenditures	1,219	(96,509)	139	-	(4,453)
Ending Fund Balance	100,822	4,313	4,453	4,453	(0)

The requested capital budget is for gun replacement, totaling \$10,000. Remainder funded from Current Expense.

Fire Equipment Replacement

<u>Description</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Actual</u>	<u>2025 Projected</u>	<u>2026 Budget</u>
Beginning Fund Balance	86,550	97,272	104,765	108,151	108,151
Misc Revenues	722	2,494	3,386	-	-
Interfund Transfers	10,000	5,000	-	-	-
Total Revenues	10,722	7,494	3,386	-	-
Capital Expenditures	-	-	-	-	10,000
Total Expenditures	-	-	-	-	10,000
Revenues less expenditures	10,722	7,494	3,386	-	(10,000)
Ending Fund Balance	97,272	104,765	108,151	108,151	98,151

\$10,000 in requested capital is for purchase of forcible entry door.

Park & Cemetery Equipment Replacement

<u>Description</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Actual</u>	<u>2025 Projected</u>	<u>2026 Budget</u>
Beginning Fund Balance	41,616	56,145	61,650	53,643	53,643
Misc Revenues	429	1,505	1,993	-	-
Interfund Transfers	14,100	4,000	-	-	-
Total Revenues	14,529	5,505	1,993	-	-
Capital Expenditures	-	-	10,000	-	-
Total Expenditures	-	-	10,000	-	-
Revenues less expenditures	14,529	5,505	(8,007)	-	-
Ending Fund Balance	56,145	61,650	53,643	53,643	53,643

Light and Power

<u>Description</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Actual</u>	<u>2025 Projected</u>	<u>2026 Budget</u>
Beginning Fund Balance	249,542	442,885	552,644	487,560	249,808
Charges for Services	3,276,076	3,251,264	3,299,049	3,544,661	3,663,000
Misc Revenues	26,072	38,565	44,141	13,062	8,400
Total Revenues	3,308,679	3,309,223	3,425,818	3,557,798	3,671,400
Salaries & Benefits	1,070,515	1,136,485	1,350,617	1,383,067	1,128,046
Supplies	331,647	376,182	311,047	232,877	377,100
Power - purchased for resale	1,240,316	1,012,464	1,063,874	1,292,912	1,202,407
Services	317,746	453,188	639,038	638,773	626,500
Allocated Expenses	-	-	-	-	274,640
Debt Service	70,744	70,065	56,953	72,548	63,800
Capital Expenditures	26,867	93,580	69,373	175,375	100,000
Interfund Transfers	57,500	57,500	-	-	-
Total Expenditures	3,115,336	3,199,464	3,490,902	3,795,550	3,772,493
Revenues less expenditures	193,343	109,759	(65,084)	(237,753)	(101,093)
Ending Fund Balance	442,885	552,644	487,560	249,808	148,715
Ending Fund Balance as % of Expenditures	14%	17%	14%	7%	4%

Water

<u>Description</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Actual</u>	<u>2025 Projected</u>	<u>2026 Budget</u>
Beginning Fund Balance	456,776	399,788	478,325	703,565	957,724
Charges for Services	903,926	1,016,378	1,033,464	1,025,325	1,026,600
Misc Revenues	2,731	10,118	15,983	-	-
Non Revenues	-	-	-	-	-
Loan Proceeds	1,424	4,371	-	-	-
Total Revenues	908,081	1,030,868	1,049,447	1,025,325	1,026,600
Salaries & Benefits	366,184	375,693	400,396	366,604	349,574
Supplies	53,438	71,387	58,035	36,205	36,000
Services	169,196	300,936	240,463	246,003	281,900
Allocated Expenses	-	-	-	-	69,205
Debt Service	122,475	122,864	121,762	121,679	113,471
Capital Expenditures	233,776	61,451	3,551	676	130,000
Interfund Transfers	20,000	20,000	-	-	-
Total Expenditures	965,069	952,330	824,207	771,166	980,150
Revenues less expenditures	(56,988)	78,537	225,240	254,159	46,450
Ending Fund Balance	399,788	478,325	703,565	957,724	1,004,174

Sewer

<u>Description</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Actual</u>	<u>2025 Projected</u>	<u>2026 Budget</u>
Beginning Fund Balance	107,670	71,641	90,800	78,165	114,492
Intergovernmental Revenues	-	-	-	-	130,000
Charges for Services	954,130	1,043,846	1,065,751	1,061,999	1,062,000
Misc Revenues	997	2,430	2,451	55	-
Loan Proceeds	874	2,623	-	-	-
Total Revenues	956,001	1,048,899	1,068,201	1,062,054	1,192,000
Salaries & Benefits	432,943	438,441	352,501	318,675	152,908
Supplies	64,635	90,780	122,969	72,561	80,100
Services	308,716	334,403	377,313	471,509	466,400
Allocated Expenses	-	-	-	-	86,353
Debt Service	7,670	8,140	8,512	8,938	11,000
Capital Expenditures	16,665	11,577	73,141	7,644	210,000
Interfund Transfers	161,400	146,400	146,400	146,400	143,000
Total Expenditures	992,030	1,029,740	1,080,837	1,025,727	1,149,761
Revenues less expenditures	(36,029)	19,159	(12,635)	36,327	42,239
Ending Fund Balance	71,641	90,800	78,165	114,492	156,730

Stormwater

<u>Description</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Actual</u>	<u>2025 Projected</u>	<u>2026 Budget</u>
Beginning Fund Balance	39,201	29,255	9,299	38,274	91,099
Intergovernmental Revenues	2,493	6,755	-	-	-
Charges for Services	168,495	181,187	185,634	187,386	187,300
Misc Revenues	374	527	403	-	-
Loan Proceeds	647	1,749	-	-	-
Total Revenues	172,008	190,217	186,037	187,386	187,300
Salaries & Benefits	99,393	102,902	102,101	88,734	52,420
Supplies	14,539	19,461	13,125	10,317	15,200
Services	38,876	69,207	31,558	27,805	32,580
Allocated Expenses	-	-	-	-	14,475
Debt Service	7,117	7,026	7,165	7,298	7,920
Capital Expenditures	12,031	11,577	3,113	406	-
Interfund Transfers	10,000	-	-	-	-
Total Expenditures	181,955	210,173	157,062	134,561	122,595
Revenues less expenditures	(9,947)	(19,956)	28,975	52,825	64,705
Ending Fund Balance	29,255	9,299	38,274	91,099	155,804

Light and Power Reserve

<u>Description</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Actual</u>	<u>2025 Projected</u>	<u>2026 Budget</u>
Beginning Fund Balance	337,278	339,917	348,402	359,663	359,663
Misc Revenues	2,639	8,485	11,260	-	-
Total Revenues	2,639	8,485	11,260	-	-
Capital Expenditures	-	-	-	-	113,000
Total Expenditures	-	-	-	-	113,000
Revenues less expenditures	2,639	8,485	11,260	-	(113,000)
Ending Fund Balance	339,917	348,402	359,663	359,663	246,663

Requested capital expenditures include \$50,000 for a vactor trailer and \$63,000 for replacement of underground (Luscombe).

Ambulance

<u>Description</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Actual</u>	<u>2025 Projected</u>	<u>2026 Budget</u>
Beginning Fund Balance	35,735	41,748	43,458	49,339	49,480
Charges for Services	123,146	130,020	135,339	140,936	140,000
Misc Revenues	334	1,076	1,431	-	-
Total Revenues	123,480	131,095	136,770	140,936	140,000
Salaries & Benefits	9,775	11,286	4,235	3,238	-
Supplies	(49)	15	25	-	-
Services	107,698	118,084	126,629	137,558	151,150
Allocated Expenses	-	-	-	-	9,985
Capital Expenditures	44	-	-	-	-
Total Expenditures	117,467	129,385	130,888	140,796	161,135
Revenues less expenditures	6,013	1,711	5,881	140	(21,135)
Ending Fund Balance	41,748	43,458	49,339	49,480	28,345

Sewer Bond Reserve

<u>Description</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Actual</u>	<u>2025 Projected</u>	<u>2026 Budget</u>
Beginning Fund Balance	1,629	3,888	6,453	9,557	12,667
Misc Revenues	172	113	216	-	-
Interfund Transfers	146,400	146,400	146,400	146,400	143,000
Total Revenues	146,572	146,513	146,616	146,400	143,000
Debt Service	144,313	143,949	143,512	143,291	142,375
Total Expenditures	144,313	143,949	143,512	143,291	142,375
Revenues less expenditures	2,259	2,565	3,104	3,110	625
Ending Fund Balance	3,888	6,453	9,557	12,667	13,292

Water Reserve

<u>Description</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Actual</u>	<u>2025 Projected</u>	<u>2026 Budget</u>
Beginning Fund Balance	470,605	474,288	486,128	501,840	501,840
Misc Revenues	3,683	11,840	15,712	-	-
Interfund Transfers	-	-	-	-	-
Total Revenues	3,683	11,840	15,712	-	-
Capital Expenditures	-	-	-	-	104,000
Total Expenditures	-	-	-	-	104,000
Revenues less expenditures	3,683	11,840	15,712	-	(104,000)
Ending Fund Balance	474,288	486,128	501,840	501,840	397,840

Budgeted capital includes \$8,000 for a lift station generator, \$65,000 for upgrade of Cedar Heights Lift station, \$3,000 for chlorine holding tank, \$25,000 for a truck for well operator, and \$3,000 for wax-tape anticorrosion wrap.

Sewer Reserve

<u>Description</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Actual</u>	<u>2025 Projected</u>	<u>2026 Budget</u>
Beginning Fund Balance	144,292	145,419	149,047	153,864	6,864
Misc Revenues	1,128	3,628	4,817	-	-
Interfund Transfers	-	-	-	-	-
Total Revenues	1,128	3,628	4,817	-	-
Capital Expenditures	-	-	-	147,000	-
Total Expenditures	-	-	-	147,000	-
Revenues less expenditures	1,128	3,628	4,817	(147,000)	-
Ending Fund Balance	145,419	149,047	153,864	6,864	6,864