

City of McCleary

2027 General Fund Draft Budget



Prepared By
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Budget Overview

The City of McCleary's draft 2027 General Fund Budget reflects a balanced financial plan that continues funding core municipal services while supporting community growth and maintaining fiscal stability. The budget projects total revenues of \$1,893,030 and total expenditures of \$1,798,897, resulting in a projected positive fund balance of \$94,133 at year-end.

Public safety remains the City's highest operational priority, with Law Enforcement and Fire Protection continuing to represent the largest expenditure categories within the General Fund. At the same time, the City is making targeted investments in planning, code enforcement, permitting, and community development activities to support anticipated growth and future economic development opportunities. Development-related revenues, including building permits, platting fees, and review fees, are expected to increase substantially during 2027 and provide important support for these initiatives.

Property taxes, retail sales taxes, utility taxes, state shared revenues, permit activity, and investment earnings continue to provide the primary funding sources for City operations. Significant increases in development-related revenues and investment earnings help offset reductions in select utility taxes and state-generated revenues.

On the expenditure side, the budget emphasizes responsible stewardship of public resources while maintaining essential services. Notable investments include municipal code updates, expanded code enforcement services, permitting software implementation, public safety training, and facility and equipment maintenance. These initiatives are intended to position the City to effectively manage future development and service demands while preserving current service levels.

A significant accomplishment reflected in the 2027 budget is the elimination of General Fund debt service obligations. Several long-term debt obligations have been fully retired, reducing annual debt service expenditures to zero and improving future financial flexibility. Additionally, Interfund Transfers have been significantly reduced compared to prior years, allowing more resources to remain available for ongoing operations and capital needs.

Overall, the draft 2027 General Fund Budget maintains a conservative financial approach, supports current service levels and preserves the City's fiscal health.

2027 Draft

Revenue Summary

Revenue Category	2026 Budget	2027 Budget	Change	% Change
Taxes	\$1,249,300	\$1,218,500	(\$30,800)	-2.5%
Licenses & Fees	\$13,000	\$205,200	\$192,200	1,478.5%
State Generated Revenues	\$202,000	\$143,530	(\$58,470)	-28.9%
Charges for Services	\$8,300	\$8,300	\$0	0.0%
Fines & Forfeitures	\$24,200	\$24,800	\$600	2.5%
Miscellaneous Revenues	\$110,300	\$207,700	\$97,400	88.3%
Non-Revenues	\$83,500	\$85,000	\$1,500	1.8%
Total Revenues	\$1,690,600	\$1,893,030	\$202,430	12.0%

Revenue Summary

The City of McCleary's 2027 General Fund budget projects total revenues of **\$1,893,030**, compared with **\$1,999,570** in the 2026 budget. The decrease of approximately **\$106,540 (5.3%)** is primarily attributable to reductions in utility tax revenues and state-shared revenues. Offsetting these declines are significant increases in development-related revenues, investment earnings, and permit activity.

Taxes

Taxes remain the City's largest revenue source, accounting for approximately **64.4% of total General Fund revenues**. Tax revenues are budgeted at **\$1,218,500** for 2027. Property tax revenues are expected to increase modestly from **\$342,000** to **\$345,500**, while retail sales tax revenues are projected to increase from **\$224,600** to **\$235,000**. Public Safety Tax revenues are expected to remain stable at **\$93,000**. Utility tax revenues, however, are anticipated to decline from **\$480,700** to **\$450,000**, reflecting conservative revenue projections.

Licenses and Permits

Licenses and permit revenues are projected to increase substantially, from **\$13,000** in 2026 to **\$205,200** in 2027. The increase is primarily driven by anticipated development activity

throughout the city. Platting fees are budgeted at **\$100,000**, review fees increase from **\$1,300** to **\$80,000**, and building permit revenues increase from **\$11,400** to **\$25,000**. These revenues reflect expected residential and commercial development projects anticipated during the fiscal year.

State Shared Revenues

State-generated revenues are budgeted at **\$143,530**, a decrease from **\$202,000** in 2026. The largest reduction occurs in payments from the Mason County Rural Fire District, which decrease from **\$80,700** to **\$16,000**. Other state-shared revenues, including liquor excise taxes, liquor profits, criminal justice distributions, and city assistance funding, remain relatively stable.

Charges for Services

Charges for services are expected to remain unchanged at **\$8,300**. These revenues consist primarily of cemetery-related fees and printing services. While representing a small portion of total revenues, these fees help offset the operating costs associated with providing these services.

Fines and Forfeitures

Court-related revenues and fines are projected to generate **\$24,800** in 2027, a slight increase from **\$24,200** in 2026. Municipal court revenues remain stable and continue to provide a modest source of General Fund support.

Miscellaneous Revenues

Miscellaneous revenues are projected to increase significantly from **\$110,300** to **\$207,700**. This increase is driven largely by investment earnings, which are budgeted to rise from **\$62,400** to **\$108,000**. Revenue from cell tower leases and the sale of surplus items also contribute to this category. The City continues to benefit from higher interest earnings on invested funds while maintaining conservative assumptions for other miscellaneous revenue sources.

Non-Revenues

Non-revenue sources are budgeted at **\$85,000**, compared with **\$83,500** in 2026. The largest component is the transfer from Fund 122, budgeted at **\$80,000**. These resources support General Fund operations but are not considered recurring operating revenues.

Revenue Outlook

Overall, the 2027 revenue budget reflects a conservative approach to forecasting while recognizing opportunities associated with anticipated development activity. Although some traditional revenue sources are projected to decline, strong growth in permitting, platting, review fees, and investment earnings is expected to offset those reductions. The proposed revenue budget supports continued delivery of essential services while maintaining a balanced General Fund budget.

DEPARTMENT BUDGETS

Legislative (511)

Account Number	Description	2026 Budget	2027 Budget
511 60 10 000	Salaries & Wages	\$6,000	\$6,000
511 60 20 000	Personnel Benefits	\$459	\$350
511 60 31 000	Office & Operating Supplies	\$250	\$250
511 60 43 000	Travel	\$0	\$0
511 60 44 000	Advertising	\$0	\$0
511 60 49 010	Training	\$0	\$0
511 70 40 999	Allocated Costs	(\$1,401)	(\$1,452)
Department Total		\$5,308	\$5,148

Judicial (512)

Account Number	Description	2026 Budget	2027 Budget
512 52 41 020	GH County Court Contract	\$21,000	\$10,000
Department Total		\$21,000	\$10,000

Executive (513)

Account Number	Description	2026 Budget	2027 Budget
513 10 10 000	Salaries & Wages	\$129,507	\$7,200
513 10 20 000	Personnel Benefits	\$17,696	\$1,000
513 10 42 000	Communications	\$0	\$1,000
513 10 40 999	Allocated Costs	(\$112,639)	(\$7,524)
513 10 49 013	Misc. Training	\$2,500	\$0
Department		\$37,064	\$1,676

Administration (514)

Account Number	Description	2026 Budget	2027 Budget
514 20 00 000	Miscellaneous Expense	\$0.00	\$0.00
514 20 10 000	Salaries & Wages	\$239,896.00	\$434,248.60
514 20 20 000	Personnel Benefits	\$93,944.00	\$137,378.75
514 20 31 010	Supplies - Finance & Administration	\$2,500.00	\$10,000.00
514 20 40 999	Administration Allocated Costs	(\$340,616.00)	(\$420,976.41)
514 20 41 000	Professional Services	\$60,000.00	\$60,000.00
514 20 41 005	Professional Services - Citywide Clean-Up	\$20,000.00	\$3,500.00
514 20 42 000	Communications	\$10,000.00	\$15,000.00
514 20 43 000	Travel	\$2,000.00	\$2,000.00
514 20 44 000	Miscellaneous Fees & Charges (Bank/CC Fees)	\$0.00	\$15,000.00
514 20 44 020	Miscellaneous Dues	\$0.00	\$0.00
514 20 44 030	Training	\$0.00	\$1,500.00
514 20 45 000	Rental/Lease Equipment	\$0.00	\$0.00
514 20 46 000	Advertising / Legal Notices	\$1,000.00	\$3,000.00
514 20 48 000	Finance Repair & Maintenance	\$0.00	\$0.00
514 20 49 000	External Taxes	\$3,000.00	\$0.00
514 20 49 050	IT Licensing Fees	\$0.00	\$0.00
514 20 53 000	External Taxes	\$0.00	\$0.00
514 23 49 000	GHCOC / AWC Dues	\$11,000.00	\$11,000.00
514 30 49 050	Software & Licensing (CivicPlus)	\$6,000.00	\$10,000.00

514 40 41 010	Professional Services - Elections	\$0.00	\$4,500.00
518 40 31 000	General Supplies	\$0.00	\$0.00
594 14 64 001	Capital Outlay Equipment - Admin	\$0.00	\$0.00
594 14 64 002	Capital Outlay Equipment	\$0.00	\$0.00
Administration Total		\$108,724.00	\$286,150.94

Legal Services (515)

Account Number	Description	2026 Budget	2027 Budget
515 30 41 010	Legal Issues Other	\$4,000	\$0
515 31 41 002	Codification	\$3,000	\$0
515 31 41 003	Prosecution	\$25,000	\$25,000
515 41 41 001	Professional Legal Services	\$15,000	\$15,000
515 91 41 001	Indigent Defense	\$10,000	\$11,000
Department Total		\$57,000	\$51,000

Central Services (518)

Account Number	Description	2026 Budget	2027 Budget
518 20 41 000	ORCA Services	\$3,000	\$2,200
518 30 41 000	Professional Services/Cleaning	\$7,000	\$0
518 30 46 000	Insurance	\$82,000	\$94,300
Department Total		\$92,000	\$96,500

Law Enforcement (521)

Account Number	Description	2026 Budget	2027 Budget
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521 20 10 000	Salaries & Wages	\$488,071	\$450,000
521 20 10 001	Overtime Wages	\$10,000	\$25,000
521 20 20 000	Personnel Benefits	\$205,668	\$190,000
521 20 21 000	Uniform Allowance	\$6,000	\$8,000
521 20 23 000	LEOFF I Retiree Benefits	\$10,000	\$10,000
521 20 31 000	Operating Supplies	\$4,000	\$4,000
521 20 31 001	Office Supplies	\$3,000	\$3,000
521 20 31 010	Fuel	\$45,000	\$45,000
521 20 31 060	Small Tools & Equipment	\$2,000	\$2,000
521 20 41 000	Professional Services	\$20,000	\$20,000
521 20 41 010	Computer Services	\$80,000	\$10,000
521 20 42 000	Communications	\$10,000	\$10,000
521 20 43 000	Travel	\$2,500	\$2,500
521 20 44 000	Advertising	\$250	\$300
521 20 45 000	Rental/Lease Equipment	\$2,500	\$2,500
521 20 47 000	Public Utilities	\$8,000	\$8,000
521 20 48 000	Repair & Maintenance	\$12,000	\$12,000
521 20 49 000	Miscellaneous	\$2,500	\$2,500
521 30 49 050	Software & Licensing	\$500	\$500
521 40 49 010	Training	\$10,000	\$10,000
Department Total		\$921,989	\$815,300

Fire Protection (522)

Account Number	Description	2026 Budget	2027 Budget
522 20 10 000	Salaries & Wages	\$26,702	\$30,000
522 20 20 000	Personnel Benefits	\$2,314	\$5,000
522 20 31 000	Operating Supplies	\$7,000	\$8,000
522 20 31 010	Fuel	\$3,000	\$6,000
522 20 41 000	Professional Services	\$15,000	\$15,000
522 20 41 010	Computer Services	\$2,000	\$2,000
522 20 42 000	Communications	\$1,000	\$3,000
522 20 47 000	Utilities	\$3,000	\$4,000
522 20 48 000	Repair & Maintenance	\$10,000	\$40,000
522 20 49 000	Miscellaneous	\$15,000	\$15,000
522 20 49 009	External Taxes	\$0	\$1,000
522 20 49 010	Training	\$0	\$15,000
522 30 49 050	Software & Licensing	\$0	\$7,000
Department Total		\$85,016	\$151,000

Corrections (523)

Account Number	Description	2026 Budget	2027 Budget
523 60 51 000	Jail Services	\$7,000	\$5,000
Department Total		\$7,000	\$5,000

Protective Inspections (524)

Account Number	Description	2026 Budget	2027 Budget
524 20 10 000	Building Salaries	\$3,132	\$3,342

524 20 20 000	Building Benefits	\$1,713	\$1,590
Code Enforcement	Salaries	\$0	\$10,000
Code Enforcement	Benefits	\$0	\$3,500
Code Enforcement	Abatement	\$0	\$10,000
524 20 31 000	Operating Supplies	\$1,000	\$1,000
524 20 31 010	Fuel	\$0	\$1,000
524 20 41 000	Professional Services	\$28,000	\$50,000
524 20 41 001	Engineering	\$0	\$10,000
524 20 41 020	Computer Services	\$0	\$1,000
524 20 42 000	Communications	\$1,000	\$500
524 20 43 000	Dues & Certifications	\$0	\$1,000
524 20 44 000	Training	\$0	\$2,000
524 20 45 000	Travel	\$0	\$2,000
524 20 49 000	Public Notices	\$0	\$500
524 30 49 050	iWorQ Software	\$0	\$20,000
Department Total		\$34,845	\$97,432.41

Communications & Dispatch (528)

Account Number	Description	2026 Budget	2027 Budget
528 60 41 000	Dispatch Services	\$15,283	\$16,000
528 60 51 000	E911 Dispatch	\$0	\$0
Department Total		\$15,283	\$16,000

Cemetery (536)

Account Number	Description	2026 Budget	2027 Budget
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536 20 10 000	Salaries	\$14,645	\$6,500
536 20 20 000	Benefits	\$6,370	\$3,225
536 20 31 000	Office Supplies	\$100	\$1,000
536 20 31 020	Operating Supplies	\$1,000	\$1,000
536 20 32 000	Fuel	\$400	\$400
536 20 41 000	Professional Services	\$5,000	\$5,000
536 20 42 000	Communications	\$0	\$200
536 20 43 000	Travel	\$100	\$100
536 20 48 000	Repair & Maintenance	\$0	\$500
536 20 48 001	Vehicle Repair & Maintenance	\$0	\$500
Department Total		\$28,215	\$18,425

Planning & Community Development (558)

Account Number	Description	2026 Budget	2027 Budget
558 50 10 000	Salaries	\$6,265	\$6,685
558 50 20 000	Benefits	\$3,426	\$3,180
558 50 41 001	Zoning / Municipal Code Update	\$0	\$95,000
Department Total		\$9,691	\$104,865

Libraries (572)

Account Number	Description	2026 Budget	2027 Budget
572 50 40 000	Utilities & Services	\$6,000	\$6,000
572 50 48 000	Repairs & Maintenance	\$0	\$500
Department Total		\$6,000	\$6,500

Parks (576)

Account Number	Description	2026 Budget	2027 Budget
576 80 10 000	Salaries	\$30,707	\$10,000
576 80 20 000	Benefits	\$14,059	\$5,000
576 80 31 000	Office Supplies	\$100	\$2,000
576 80 31 001	Fuel	\$400	\$500
576 80 31 020	Operating Supplies	\$5,000	\$5,000
576 80 40 000	Taxes & Assessments	\$150	\$300
576 80 41 000	Professional Services	\$10,000	\$20,000
576 80 42 000	Communications	\$4,000	\$4,500
576 80 43 000	Travel	\$100	\$100
576 80 47 000	Utilities	\$12,000	\$12,500
576 80 48 000	Repairs & Maintenance	\$1,000	\$1,000
576 80 48 001	Vehicle Repair & Maintenance	\$1,000	\$1,000
Department Total		\$78,516	\$61,900

Debt Service

Account Number	Description	2026 Budget	2027 Budget
591 22 76 001	Banner Property Principal	\$3,794	\$0
591 36 78 011	Cemetery Loan Principal	\$6,875	\$0
591 76 78 001	Parks Loan Principal	\$6,875	\$0
592 22 83 001	Banner Property Interest	\$63	\$0
Department Total		\$17,607	\$0

Capital Expenditures

Account Number	Description	2026 Budget	2027 Budget
594 21 64 521	Police Equipment	\$5,547	\$0
Department Total		\$5,547	\$0

Interfund Transfers

Account Number	Description	2026 Budget	2027 Budget
597 42 48 002	Street Maintenance & Repairs	\$271,299	\$50,000
Department Total		\$271,299	\$50,000

Department Budget Summary

Department	2026 Budget	2027 Budget	Change	% Change
Legislative	\$5,308	\$5,148	(\$160)	-3.0%
Judicial	\$21,000	\$10,000	(\$11,000)	-52.4%
Executive	\$37,064	\$1,676	(\$35,388)	-95.5%
Administration	\$108,724	\$286,150.94	\$177,426.94	163.2%
Legal Services	\$57,000	\$51,000	(\$6,000)	-10.5%
Central Services	\$92,000	\$96,500	\$4,500	4.9%
Law Enforcement	\$921,989	\$815,300	(\$106,689)	-11.6%
Fire Protection	\$85,016	\$151,000	\$65,984	77.6%
Corrections	\$7,000	\$5,000	(\$2,000)	-28.6%
Protective Inspections	\$34,845	\$97,432.41	\$62,587.41	179.6%
Communications & Dispatch	\$15,283	\$16,000	\$717	4.7%
Cemetery	\$28,215	\$18,425	(\$9,790)	-34.7%
Planning & Community Development	\$9,691	\$104,865	\$95,174	982.1%
Libraries	\$6,000	\$6,500	\$500	8.3%

Parks	\$78,516	\$61,900	(\$16,616)	-21.2%
Non-Expenditures	\$0	\$22,000	\$22,000	N/A
Debt Service	\$17,607	\$0	(\$17,607)	-100.0%
Capital Expenditures	\$5,547	\$0	(\$5,547)	-100.0%
Interfund Transfers	\$271,299	\$50,000	(\$221,299)	-81.6%
Total Expenditures	\$1,802,104	\$1,798,897	(\$3,207)	-.01%

Expenditure Summary

The City of McCleary's 2027 General Fund expenditure budget totals **\$1,798,897**, an decrease of approximately **\$3,207** over the 2026 budget of **\$1,802,104.00**, representing a .01 percent decrease overall. The 2027 budget continues to prioritize public safety, core municipal services, planning initiatives, and infrastructure maintenance.

Public Safety

Public safety remains the City's largest expenditure category. Combined appropriations for Law Enforcement and Fire Protection total **\$966,300**, representing more than half of all General Fund expenditures. Law Enforcement remains the largest departmental budget at **\$815,300**, funding personnel, employee benefits, fuel, training, communications, professional services, and vehicle operations. Fire Protection expenditures increase to **\$151,000**, reflecting planned investments in equipment maintenance, training, software licensing, and operational readiness.

General Government

General government functions, including Administration, Legislative, Executive, Judicial, Legal Services, and Central Services, continue to provide the operational framework necessary to support City services. Administration is budgeted at **\$286,150.94**, reflecting increased personnel costs, professional services, software licensing, communications, banking and credit card processing fees, elections administration, and other operational support functions. Legal Services are budgeted at **\$51,000**, while Central Services are budgeted at **\$96,500**, driven primarily by insurance costs and regional service agreements.

Planning and Development

The most significant departmental increase occurs within Planning and Community Development, which increases from **\$9,691** in 2026 to **\$104,865** in 2027. This increase is primarily attributable to the City's planned Municipal Code Update project, budgeted at **\$95,000**. The project represents a significant investment in updating development regulations and preparing the City for future growth and development activity.

Protective Inspections increase from **\$34,845** to **\$97,432.41** in 2027. The increase reflects expanded code enforcement activities, additional professional and engineering services, adoption of permitting and code enforcement software, training, and operational support necessary to manage anticipated development activity. The implementation of iWorQ software improves permitting, inspection tracking, and code enforcement administration.

Parks expenditures decrease from **\$78,516** to **\$61,900**. Funding supports park maintenance, utilities, communications, operating supplies, and professional services. Cemetery operations are budgeted at **\$18,425**, while Library expenditures remain relatively stable at **\$6,500**. These services continue to contribute to the quality of life provided to residents while maintaining fiscally responsible operating budgets.

Communications and Corrections

Communications and Dispatch expenditures are budgeted at **\$16,000**, providing regional emergency dispatch services. Corrections expenditures total **\$5,000** and support contracted jail and incarceration services.

Debt Service and Capital Expenditures

A significant accomplishment reflected in the 2027 budget is the elimination of Debt Service expenditures. Debt service declines from **\$17,607** in 2026 to **\$0** in 2027 as outstanding obligations have been fully paid. Similarly, Capital Expenditures decrease from **\$5,547** to **\$0**, reflecting the completion of prior capital purchases and the absence of major capital acquisitions planned within the General Fund during 2027.

Interfund Transfers

Interfund Transfers decrease significantly from **\$271,299** in 2026 to **\$50,000** in 2027. The reduction is primarily related to lower planned transfers for street maintenance and related operational support. This decrease contributes substantially to the City's ability to maintain a balanced budget while funding operational priorities.

Expenditure Outlook

The 2027 expenditure budget reflects the City's continued emphasis on public safety, responsible fiscal management, regulatory compliance, and preparation for future growth. Strategic investments in planning, permitting, and code enforcement support anticipated development activity, while the retirement of debt obligations improves long-term financial flexibility. The proposed expenditures support delivery of essential municipal services while maintaining a projected General Fund surplus of approximately **\$94,133**.