McCleary Regular City Council Meeting

Wednesday, November 18, 2026 – 6:30 PM

City of McCleary Community Center and Zoom Virtual Meeting

Agenda

Join Zoom Meeting

https://us06web.zoom.us/j/8475654151?pwd=sHgAXVySaVP3FGMUah3jOb9CY97MJC.1&omn=84431703636

Meeting ID: 847 565 4151

Passcode: 547687

(253) 215-8782

Call to Order/Flag Salute/Roll Call

Mayor Andrea Dahl, Councilmember Jacob Simmons, Mayor Pro Tem, Councilmember Don Kuismi, Councilmember Brent Schiller, Councilmember Mark Vessey, Councilmember Keith Klimek

Approval of Agenda

Announcements

1. Civil Service Commission Application

Public Comment - Agenda Items Only

2. Public comment is limited to a maximum of three minutes per person.

Consent Agenda

3. Claims Agenda

   i. Approval of checks/vouchers/disbursements numbers 56483 to 56534 including EFT's dated 10/24/26 - 11/13/26 in the amount of $200,473.22

   ii. Approval of payroll disbursement for the period of 10/16/26 - 10/31/26 in the amount of $172,844.05

Updates

4. City Administrator Report

New Business

5. Light & Power Breaker 2 Report
6. Property Tax Refund Levy

Old Business

Public Hearing

7. 2027 Revenue Budget

Public Hearing

8. 2027 Property Tax

Ordinances and Resolutions

9. Ordinance 902 - 2027 Property Tax

Please turn off Cell Phones- Thank you

Americans with Disabilities Act (ADA) Accommodation is Provided Upon Request.
The City of McCleary is an equal opportunity provider and employer.
La ciudad de McCleary as un proveedor de igualdad de oportunidades y el empleador.

Council Comments

Mayor Comments

Public Comment - City Business Only

10. Public comment is limited to a maximum of three minutes per person.

Adjourn

Please turn off Cell Phones- Thank you

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Daane Martin

(509) 679-2270 | daanedunlap@gmail.com

November 3, 2026

Julie Pope, City Treasurer
City of McCleary
100 S. 3rd St.
McCleary, WA 98557

Subject: Letter of Interest — Civil Service Commission

Dear Ms. Pope,

I am pleased to express my interest in serving the City of McCleary as a volunteer member of the Civil Service Commission. I care about the strength and well-being of the community, and I would welcome the opportunity to contribute to fair, impartial, and responsible public service. I am drawn to the commission's important role in supporting a process residents can trust.

From October 2013 to August 2023, I served as a Deputy with the Chelan County Sheriff's Office. Since September 2023, I have worked as a Family Director. These roles have reinforced the importance of sound judgment, integrity, discretion, accountability, and clear communication. They have also strengthened my appreciation for dependable, respectful public service and the trust residents place in local institutions. I would bring an impartial approach to commission service, carefully considering matters with fairness and respect for those involved.

I am committed to the McCleary community and would approach the commission's responsibilities thoughtfully, independently, and respectfully. I understand that volunteer service calls for care, preparation, and a willingness to consider different perspectives. I would be honored to contribute my time and experience in service of the City and its residents.

I meet all eligibility criteria listed in the City's vacancy notice and would be grateful for the opportunity to serve.

Thank you for considering my application. My resume is enclosed, and I appreciate your time and consideration.

Sincerely,

Daane Martin

Daane Martin

Phone: (509) 679-2270 **Email:** daanedunlap@gmail.com

Professional Summary

Law-enforcement professional and current operations leader with a decade of public-safety experience. Brings sound judgment, integrity, impartiality, and a strong commitment to community service, with experience working professionally with people and sensitive matters —qualities well suited to thoughtful, fair, and responsible service on a civil service commission.

Relevant Qualifications

- **Public safety experience** — A decade of experience in law enforcement and public safety.
- **Professionalism** — Consistent professional conduct in public-facing and operational settings.
- **Ethical judgment** — Integrity and sound judgment when handling important matters.
- **Impartial decision-making** — Commitment to fair, objective, and even-handed consideration.
- **Confidentiality** — Experience working with sensitive matters with discretion.
- **Communication** — Experience working effectively with people across varied situations.
- **Accountability** — Current operations leadership experience grounded in responsibility and follow-through.
- **Community service** — Strong commitment to serving and supporting the community.

Professional Experience

Family Director | Parent and Home Educator

September 2023–Present

Deputy | Chelan County Sheriff's Office

October 2013–August 2023

Education

Bachelor of Arts in Criminal Justice | Eastern Washington University

Civic Service Eligibility

Eligibility: All eligibility criteria listed in the City of McCleary notice for the Civil Service Commission are met.

WARRANT/CHECK REGISTER

City Of McCleary Time: 14:24:16 Date: 11/13

10/24/2026 To: 11/13/2026 Page: 1

Trans	Date	Type	Acct #	War #	Claimant	Amount	Memo
4768	10/26/2026	Claims	1	EFT	Department of Revenue	16,691.71	Sept 2026 Excise Tax
4769	10/26/2026	Claims	1	EFT	Wex Bank	4,010.69	Sep 2026 fuel
4770	10/26/2026	Claims	1	EFT	Assured Data Protection, Inc.	2,100.00	SEP 2026 data protection
4771	10/26/2026	Claims	1	EFT	Comcast	221.56	ACCT: 8498 37 009 0136911; ACCT: 8498 37 009 0035840
4778	10/27/2026	Claims	1	EFT	Ck 51369 reported to UCP	-110.20	Ck 51369 reported to UCP
4779	10/27/2026	Claims	1	EFT	Ck 52042 reported to UCP	-195.00	Ck 52042 reported to UCP
4781	10/27/2026	Claims	1	EFT	Ck 52565 sent to UCP	-42.53	Ck 52565 sent to UCP
4782	10/27/2026	Claims	1	EFT	Ck 52750 reported to UCP	-78.50	Ck 52750 reported to UCP
4783	10/27/2026	Claims	1	EFT	Ck 52994 reported to UCP	-8.33	Ck 52994 reported to UCP
4784	10/27/2026	Claims	1	EFT	Ck 53956 reported to UCP	-44.56	Ck 53956 reported to UCP
4785	10/27/2026	Claims	1	EFT	Ck 54080 reported to UCP	-369.96	Ck 54080 reported to UCP
4786	10/27/2026	Claims	1	EFT	Ck 54657 reported to UCP	-117.34	Ck 54657 reported to UCP
4787	10/27/2026	Claims	1	EFT	Ck 54658 reported to UCP	-48.44	Ck 54658 reported to UCP
4873	11/02/2026	Claims	1	EFT	Bonneville Power Administration	110,714.00	SEP 2026 power; SEP 2026 transmission
4874	11/02/2026	Claims	1	EFT	Comcast	1,156.04	Phone/internet Sep 2026
4875	11/03/2026	Claims	1	EFT	Assured Data Protection, Inc.	2,100.00	OCT 2026 data protection
4876	11/06/2026	Claims	1	EFT	Comcast	244.22	ACCT: 8498 37 009 0142901
4877	11/06/2026	Claims	1	EFT	Comcast	315.71	ACCT: 8498 37 009 0142893
4964	10/28/2026	Claims	1	EFT	Unclaimed Property Department of Revenue	1,014.86	Annual Unclaimed Property Reporting
5021	11/13/2026	Claims	1	56483	Amazon Capital Svcs.	307.09	3 yr protection plan; 3 yr protection plan; 4 yr protection plan; File folders; Toilet paper; Computer speaker; Clothes hangers
5022	11/13/2026	Claims	1	56484	Bayview Building Material	535.11	Keys; Exhaust fan; Concrete jet set; Wall texture, sealant; Axis star, alum rafter, stud; Glue, drain chrome, inlet tube; Plumbers putty, coupling; Sink drain; Pvc, hdmi cable, wiremold
5023	11/13/2026	Claims	1	56485	Capital Industrial Inc	102.58	Steel rod, grinding wheel
5024	11/13/2026	Claims	1	56486	Cascade Natural Gas	98.00	ACCT: 114 241 0000 3; ACCT: 334 241 0000 7; ACCT: 748 575 0898 5
5025	11/13/2026	Claims	1	56487	Charter Machine Company	2,779.64	Pillow block
5026	11/13/2026	Claims	1	56488	Cintas Corporation #2	967.41	Med cab service fee; Eyewash station; AED agreement
5027	11/13/2026	Claims	1	56489	Coast Controls & Automation Inc	2,368.93	PO# 26106 replace defective transducer
5028	11/13/2026	Claims	1	56490	Coastal Business Services Group, Inc.	1,635.00	OCT 2026 janitorial services
5029	11/13/2026	Claims	1	56491	Comcast	364.33	ACCT: 8498 37 009 0143370
5030	11/13/2026	Claims	1	56492	Comcast	10.48	ACCT: 8498 37 009 0008664
5031	11/13/2026	Claims	1	56493	Comcast	74.08	ACCT: 8498 37 009 0145854; ACCT: 8498 37 009 0145854
5032	11/13/2026	Claims	1	56494	Courtesy Auto Service & Tire Inc	1,482.77	2023 Durango - Tires; 2017 Tahoe - Tires
5033	11/13/2026	Claims	1	56495	Criminal Justice Training Commission	436.80	FTO Academy
5034	11/13/2026	Claims	1	56496	Ernest M Ingram et al Ptr	700.00	Public Defender contract - OCT2026
5035	11/13/2026	Claims	1	56497	Evergreen Consulting Group, LLC	1,146.00	T&M Support Oct 2026
5036	11/13/2026	Claims	1	56498	Gordon's Select Market	118.89	Bottled water; Bottled water; Bottled water, soap; Pad lock; Bottled water; Bottled water; Brakeleen, sandpaper, distilled water

Trans	Date	Type	Acct #	War #	Claimant	Amount	Memo
5037	11/13/2026	Claims	1	56499	Grainger, Inc.	264.13	Toilet paper
5038	11/13/2026	Claims	1	56500	Gray & Osborne Inc	1,913.15	Ranch Creek, Sepa culvert, WWTP chiller
5039	11/13/2026	Claims	1	56501	Grays Harbor Council of Governments	4,149.00	2026 semi-annual membership dues
5040	11/13/2026	Claims	1	56502	Grays Harbor District Court #1	3,725.00	2026 Q3 contract fees; 2026 Q2 contract fees
5041	11/13/2026	Claims	1	56503	Harbor Disposal Co.	1,447.53	Treatment plant; City of McCleary; Community Center; Treatment plant; City of McCleary
5042	11/13/2026	Claims	1	56504	Inner-Tite Corp.	647.57	PO# 26089 clearseal, green meter seal
5043	11/13/2026	Claims	1	56505	Kelley Create	957.47	Scanners and copiers
5044	11/13/2026	Claims	1	56506	LeMay Mobile Shredding	57.97	Shredding services
5045	11/13/2026	Claims	1	56507	Loomis Armored US, LLC	188.10	Armored services
5046	11/13/2026	Claims	1	56508	MES Service Company LLC	272.52	Turnout cleaner, fire wipes
5047	11/13/2026	Claims	1	56509	Minuteman Press	81.96	Business cards C. Cook
5048	11/13/2026	Claims	1	56510	Motors & Controls Corp.	10.30	Bayonet lamp
5049	11/13/2026	Claims	1	56511	NCL of Wisconsin	642.72	Lab supplies
5050	11/13/2026	Claims	1	56512	Northstar Chemical, Inc	728.54	Sodium Hypochlorite
5051	11/13/2026	Claims	1	56513	O'REILLY AUTOMOTIVE, INC.	827.68	Ford oil changes; Wiper blade, led capsule
5052	11/13/2026	Claims	1	56514	Petro Card	2,349.37	OCT 26 Fuel L&P
5053	11/13/2026	Claims	1	56515	Primo Brands	191.94	Water and cooling rental
5054	11/13/2026	Claims	1	56516	Nakisha Harris Pryor	26.10	Mileage reimbursement - bank in Monte
5055	11/13/2026	Claims	1	56517	Quality Quick Lube Tune LLC	94.80	2023 Durango PD oil change - 51,845
5056	11/13/2026	Claims	1	56518	RJJ ENTERPRISE, LLC dba Outifi	800.00	Response management OCT 2026
5057	11/13/2026	Claims	1	56519	Right! Systems, Inc.	6,053.75	IT services
5058	11/13/2026	Claims	1	56520	Rohlinger Enterprises Inc	456.56	Clean & test gloves, blanket, line hose
5059	11/13/2026	Claims	1	56521	Shield Assessments	465.00	Psych eval C. Cook
5060	11/13/2026	Claims	1	56522	Sound Defenders, PLLC	1,100.00	Public defender - possess, use, deliver; Public defender - DWLS, 3rd
5061	11/13/2026	Claims	1	56523	Sound Publishing, Inc.	159.09	RFQ engineering for sewer; Public hearing notice
5062	11/13/2026	Claims	1	56524	Sunset Air, Inc.	6,876.70	Retention fee
5063	11/13/2026	Claims	1	56525	Tech Products, Inc	2,933.08	PO# 26131 tags and holders
5064	11/13/2026	Claims	1	56526	Utilities Underground Location Cntr.	20.85	Excavation notifications
5065	11/13/2026	Claims	1	56527	Vestis	58.02	Rug services - 10/29/26; Rug services - 11/05/26
5066	11/13/2026	Claims	1	56528	Wendi Warren	386.17	011910.5 - 220 EBECK ST
5067	11/13/2026	Claims	1	56529	Washington Cities Insurance Authority	50.00	No show fee Jon. M
5068	11/13/2026	Claims	1	56530	Water Management Labs Inc	264.00	Water testing; Water testing; Water testing; Water testing
5069	11/13/2026	Claims	1	56531	Westlake Hardware	78.44	Lithuim batteries
5070	11/13/2026	Claims	1	56532	Gil Yoder	41.38	015563.0 - 1522 N4TH ST
5071	11/13/2026	Claims	1	56533	Younglove & Coker PLLC	10,126.00	OCT 2026 legal services; OCT 2026 prosecution; PRR case
5073	11/13/2026	Claims	1	56534	Verizon Bellevue	1,347.29	Cell phones, jet packs & routers

001 Current Expense	45,142.94
102 Street Fund	362.02
401 Light And Power Fund	129,270.83
405 Water Fund	9,056.59

Trans	Date	Type	Acct #	War #	Claimant	Amount	Memo	
		407 Sewer Fund				7,542.76		
		409 Storm Water Fund				1,992.34		
		413 Ambulance Fund				229.04		
		423 Sewer Reserve Fund				6,876.70		
							Claims:	200,473.22
		* Transaction Has Mixed Revenue And Expense Accounts				200,473.22		

WE, the members of the City Council of the City of McCleary Washington, DO HEREBY certify that the merchandise or services listed above have been received and that the above listed vouchers and the related checks have been reviewed and approved for the payment by the City of McCleary City Council.

DATED this _____ day of _____ 2026.

ATTEST:

X_____

Mayor Andrea Dahl

X_____

Councilmember Jacob Simmons

X_____

Councilmember Don Kuismi

X_____

Councilmember Brent Schiller

X_____

Councilmember Mark Vessey

X_____

Councilmember Keith Klimek

WARRANT/CHECK REGISTER

City Of McCleary Time: 14:22:31 Date: 11/13

10/24/2026 To: 11/13/2026 Page: 1

Trans	Date	Type	Acct #	War #	Claimant	Amount	Memo
4755	10/26/2026	Payroll	1	EFT	Dept of Labor & Industries	21,303.93	3RD Quarter L&I: 07/01/2026 - 09/30/2026
4756	10/26/2026	Payroll	1	EFT	Employment Security, Dept of	1,159.59	3rd Quarter Unemployment: 07/01/2026 - 09/30/2026
4766	10/26/2026	Payroll	1	EFT	Employment Security, Dept. of PFML	4,643.04	Pay Cycle(s) 07/01/2026 To 09/30/2026 - PFML - Employment Security
4767	10/26/2026	Payroll	1	0	ESD WA Cares Fund	1,327.30	Pay Cycle(s) 07/01/2026 To 09/30/2026 - WA St. LTC
4834	11/03/2026	Payroll	1	EFT		8,693.32	Oct 16-31, 2026
4835	11/03/2026	Payroll	1	EFT		2,210.76	Oct 16-31, 2026
4836	11/03/2026	Payroll	1	EFT		3,152.20	Oct 16-31, 2026
4837	11/03/2026	Payroll	1	EFT		1,412.52	Oct 16-31, 2026
4838	11/03/2026	Payroll	1	EFT		274.63	Oct 16-31, 2026
4839	11/03/2026	Payroll	1	EFT		1,803.60	Oct 16-31, 2026
4840	11/03/2026	Payroll	1	EFT		53.55	Oct 16-31, 2026
4841	11/03/2026	Payroll	1	EFT		427.56	Oct 16-31, 2026
4842	11/03/2026	Payroll	1	EFT		2,309.78	Oct 16-31, 2026
4843	11/03/2026	Payroll	1	EFT		1,682.13	Oct 16-31, 2026
4844	11/03/2026	Payroll	1	EFT		1,455.61	Oct 16-31, 2026
4845	11/03/2026	Payroll	1	EFT		45.48	Oct 16-31, 2026
4846	11/03/2026	Payroll	1	EFT		45.48	Oct 16-31, 2026
4847	11/03/2026	Payroll	1	EFT		2,143.57	Oct 16-31, 2026
4848	11/03/2026	Payroll	1	EFT		4,146.91	Oct 16-31, 2026
4849	11/03/2026	Payroll	1	EFT		1,917.66	Oct 16-31, 2026
4850	11/03/2026	Payroll	1	EFT		2,948.55	Oct 16-31, 2026
4851	11/03/2026	Payroll	1	EFT		2,933.80	Oct 16-31, 2026
4852	11/03/2026	Payroll	1	EFT		3,402.42	Oct 16-31, 2026
4853	11/03/2026	Payroll	1	EFT		3,637.25	Oct 16-31, 2026
4854	11/03/2026	Payroll	1	EFT			Oct 16-31, 2026
4855	11/03/2026	Payroll	1	EFT		88.70	Oct 16-31, 2026
4856	11/03/2026	Payroll	1	EFT		2,497.30	Oct 16-31, 2026
4857	11/03/2026	Payroll	1	EFT		2,968.35	Oct 16-31, 2026
4858	11/03/2026	Payroll	1	EFT		2,242.41	Oct 16-31, 2026
4859	11/03/2026	Payroll	1	EFT		4,728.62	Oct 16-31, 2026
4860	11/03/2026	Payroll	1	EFT		1,283.59	Oct 16-31, 2026
4861	11/03/2026	Payroll	1	EFT		3,127.09	Oct 16-31, 2026
4862	11/03/2026	Payroll	1	EFT		45.48	Oct 16-31, 2026
4863	11/03/2026	Payroll	1	EFT		45.48	Oct 16-31, 2026
4864	11/03/2026	Payroll	1	EFT		350.10	Oct 16-31, 2026
4865	11/03/2026	Payroll	1	EFT		111.78	Oct 16-31, 2026
4866	11/03/2026	Payroll	1	EFT		296.85	Oct 16-31, 2026
4879	11/03/2026	Payroll	1	EFT	EFTPS	26,323.79	941 Deposit for Pay Cycle(s) 11/03/2026 - 11/03/2026
4880	11/05/2026	Payroll	1	EFT	Department of Retirement - Def Comp	1,901.92	Pay Cycle(s) 11/03/2026 To 11/03/2026 - DRS Def Comp; Pay Cycle(s) 11/03/2026 To 11/03/2026 - DRS Def. Comp. ROTH
4881	11/05/2026	Payroll	1	EFT	Department of Retirement Systems	9,223.82	Pay Cycle(s) 11/03/2026 To 11/03/2026 - PERS 2; Pay Cycle(s) 11/03/2026 To 11/03/2026 - PERS 3; Pay Cycle(s) 11/03/2026 To 11/03/2026 - LEOFF II

Trans	Date	Type	Acct #	War #	Claimant	Amount	Memo
4897	11/03/2026	Payroll	1	EFT	AFLAC Remittance Processing	1,051.39	Pay Cycle(s) 10/06/2026 To 11/03/2026 - AFLAC - 125 (Pre-tax); Pay Cycle(s) 10/06/2026 To 11/03/2026 - AFLAC - (After Tax)
4898	11/03/2026	Payroll	1	EFT	AWC Employee Benefit Trust	37,599.79	Pay Cycle(s) 10/06/2026 To 11/03/2026 - AWC-Medical; Pay Cycle(s) 10/06/2026 To 11/03/2026 - AWC - Basic Life; Pay Cycle(s) 10/06/2026 To 11/03/2026 - AWC - LTD; Pay Cycle(s) 10/06/2026 To 11/03/2026
4899	11/04/2026	Payroll	1	EFT	Washington Teamsters Welfare Trust	2,614.40	Pay Cycle(s) 10/06/2026 To 11/03/2026 - Teamsters Vision Plan; Pay Cycle(s) 10/06/2026 To 11/03/2026 - Teamsters Dental Plan A
4900	11/04/2026	Payroll	1	56473	Columbia Bank	80.00	Pay Cycle(s) 10/06/2026 To 11/03/2026 - Sunshine Fund
4901	11/04/2026	Payroll	1	56474	IBEW Local #77 (PAC Dues)	21.34	Pay Cycle(s) 10/06/2026 To 11/03/2026 - IBEW Local # 77 - PAC
4902	11/04/2026	Payroll	1	56475	IBEW Local #77	1,159.62	Pay Cycle(s) 10/06/2026 To 11/03/2026 - IBEW Local # 77
4903	11/04/2026	Payroll	1	56476	LEOFF Health and Welfare Trust	64.67	Pay Cycle(s) 10/06/2026 To 11/03/2026 - LEOFF Health Trust - Dental
4904	11/04/2026	Payroll	1	56477	LEOFF Health and Welfare Trust	386.85	Pay Cycle(s) 10/06/2026 To 11/03/2026 - LEOFF Health Trust - Medical
4905	11/04/2026	Payroll	1	56478	Life Secure LTC	669.07	Pay Cycle(s) 10/06/2026 To 11/03/2026 - Life Secure LTC
4906	11/04/2026	Payroll	1	56479	NFOP Labor Services Division	163.00	Pay Cycle(s) 10/06/2026 To 11/03/2026 - FOP - Police Labor Services
4907	11/04/2026	Payroll	1	56480	Olympic Mountain Lodge #23	40.50	Pay Cycle(s) 10/06/2026 To 11/03/2026 - Olympic Mountain Lodge Dues
4908	11/04/2026	Payroll	1	56481	Teamsters Local 252	539.00	Pay Cycle(s) 10/06/2026 To 11/03/2026 - Teamsters Union Local 252
4909	11/04/2026	Payroll	1	56482	UNUM Life Insurance Co	88.50	Pay Cycle(s) 10/06/2026 To 11/03/2026 - UNUM

001 Current Expense	85,980.28
102 Street Fund	2,579.52
401 Light And Power Fund	51,311.55
405 Water Fund	9,341.59
407 Sewer Fund	19,027.72
409 Storm Water Fund	4,603.39
	172,844.05

Payroll: 172,844.05

Trans	Date	Type	Acct #	War #	Claimant	Amount	Memo

WE, the members of the City Council of the City of McCleary Washington, DO HEREBY certify that the merchandise or services listed above have been received and that the above listed vouchers and the related checks have been reviewed and approved for the payment by the City of McCleary City Council.

DATED this _____ day of _____ 2026.

ATTEST:

X_____

Mayor Andrea Dahl

X_____

Councilmember Jacob Simmons

X_____

Councilmember Don Kuismi

X_____

Councilmember Brent Schiller

X_____

Councilmember Mark Vessey

X_____

Councilmember Keith Klimek

City of McCleary
STAFF REPORT

To:	Mayor Andrea Dahl and City Councilmembers
From:	Darrin C. Raines, City Administrator
Date:	November 18, 2026
Department:	City Hall

Action Items

Item 1) **Sewer Effluent Pump Rebuild:** As I mentioned in my last Council Report, we recently had a service call to remove a sewer effluent pump with a delivery to Utilities Service Co., Inc. for a rebuild inspection. Once in the shop, they disassembled the motor, checked all bearing housing and shaft fitment. The dissembled pump has a broken seal. They also removed impellers from bowl assembly and found severe wear in the bowl castings.

They determined the pump needs to be cleaned and revarnish stator windings, supply and install new bearings, with assembly and testing.

Findings: Pump cannot be repaired, they would supply a new bowl assembly and reassemble unit, deliver to site, install and connect electrically, set impellers to proper specs and test for proper operations. **Total materials & labor: $34,000**.

We have been in contact with Department of Ecology to see if we can use their emergency funding. DOE said they have a **0% loan option for 5 years.** If we choose to pursue this option, we will need Mayor Dahl to declare an emergency to qualify for this funding option. This is considered an emergency as this sewer effluent pump is what feeds the new Chiller System that was installed earlier this year and is an essential component to making sure our discharge effluent is within temperature parameters required by the Department of Ecology and our Wastewater Discharge Permit. We are currently in violation of our Discharge Permit and are at risk of a daily fine from the Department of Ecology if we do not replace this pump immediately as this has an adverse impact on the stream that we discharge too.

Item 2) **Sub Station Breaker:** This item will be on the agenda, and Light & Power Senior Lineman Paul Nott will discuss in both his report, and in person, the need to purchase and install a new 12kV breaker in our power substation. The failure of the breaker was caused by a downed tree during last Friday evenings storm on November 6th and created a citywide power outage. Preliminary estimates are the purchase of engineering requirements, and installation from Grays Harbor PUD will be expected to be up to **$50,000**.

It is very early in the process to see if there was enough damage done from the storm that occurred on the 6th not only in McCleary, but in Grays Harbor and Western WA to see if there is a possibility of FEMA Assistance.

I would like to thank our Light & Power Crew for the fast response, and Grays Harbor PUD Staff for their assistance. Well done!

For Information Only

Item 1) **Planning and Community Development Services:** We have advertised a Request for Qualifications (RFQ) for Planning and Community Development Services for the updates of Chapters 15 through 18, and the development of Chapter 19 of the McCleary Municipal Code (MMC). The dates for this process are:

RFQ Issued	11/9/26
Questions Due	11/16/26
Addendum Issued (If required)	11/19/26
SOQ's Due	11/24/26
Evaluation Period	November 25-30
Interviews (If necessary)	12/11/26
Consultant Selection	12/16/26
Contract Negotiation	December 17- January 8
Notice to Proceed	1/13/26

Item 2) **I&I Study:** We opened the one submitted SOQ for the Engineering Services for the I&I Study on Monday November 2nd. The firm that submitted their SOQ was Gray & Osborne. I received a phone call with questions about the size of the study from another firm in Olympia, however they decided not to submit based on the size and amount of the I&I Study. We will be starting contract negotiations with Gray & Osborne, and the plan is to have this ready for Council consideration on the agenda of the December 2nd meeting.

Item 3) **Economic Development Roundtable:** I participated in a Grays Harbor County Economic Development Roundtable with Grays Harbor County Commissioner Georgia Miller and other City Administrators from around the County on Friday November 13th, at the Greater Grays Harbor Inc., office in Aberdeen.

We discussed the need for the Grays Harbor Community to come together to create a destination facility that would attract people to Grays Harbor year-round to help fill lodging facilities, and restaurants, etc. The main driver in this is to help increase tourism and to bring more people into Grays Harbor during the times of year when we don't see as many visitors.

This was the first of several meetings in this process that will be bringing elected officials into the conversation to help find ways to improve the Grays Harbor tourism economy.

Respectfully,

Darrin C. Raines
City Administrator

City of McCleary
STAFF REPORT

To:	Mayor Dahl and Council
From:	Paul Nott
Date:	11/12/2026
Department:	Light and Power

Mayor and Council Members,

As most of you might know, last Friday 11/6/2026 at approximately 7:00PM all the city limits experienced a large power outage. This outage damaged one of the circuit breakers in our 12KV substation which is in the process and must be replaced.

At approximately 7:00 Friday night 11/6 the crew was dispatched to a significant outage affecting most of our customers. When we arrived at the substation, we found that the Circuit 2 breaker was open and circuits 1 and 3 were closed. The fault that opened circuit 2 had gone through the circuit 2 breaker and tripped the high side 69 breaker deenergizing the entire substation. The crew then patrolled circuit 2 to identify the fault. While on patrol we found that a large tree had fallen over into the lines of circuit 2 on the well road. We cleared the tree and went back to the substation to re-energize the sub and our customers. We energized the sub, circuit 1 and circuit 3 and they all closed and held correctly. Prior to re energizing circuit 2 we noticed fire dripping out of the bottom of the breaker and smoke emitting from the vents on the top of the breaker. At that point we deenergized the substation, bypassed and isolated the circuit 2 breaker combining it with the circuit 3 breaker and re-energized the substation which picked up all our customers. We were very fortunate that we noticed the fire and the smoke prior to energizing the circuit 2 breaker as this could have led to a catastrophic event. Currently circuit 3 is handling all the load that is typically split between circuit 2 and 3.

The next day (Saturday) I reached out to the substation foreman at GHPUD to schedule their crew to come and investigate what failed in the breaker. They showed up Monday morning, and it didn't take long to see that the A phase contacts and bottle had failed (please see attached photos). After speaking with the PUD foreman, he reached out to his management staff, and the PUD has a spare breaker that they are willing to provide and install for us to help expedite and facilitate the repair to get our substation back to normal. Preliminary numbers are about 50K for the repair including the breaker.

The 12 KV substation was constructed in 1998 making the age of the substation and it's components close to 30 years old. After discussions with the PUD engineers, their policy is to replace this type of equipment around 25 years depending on the

substation. On Tuesday I reached out to Myers Power Products and researched the possibility of rebuilding the breakers as all three are of the same age. My thought on this was to replace the circuit 2 breaker with the new one from the PUD, send out the damaged one for rebuild and then have that as a spare to use as we rebuilt the other two one at a time and at the end of the process we would end up with a spare breaker available at the sub for future tying ability in case we needed to take one offline. After discussions with the manufacture, they advised me that it would not be cost-effective and to go in that direction with replacement of the breakers with new ones would be our best option. I also asked for a ballpark estimate as to the cost of a new breaker and was quoted 30-35K for the breaker.

This event once again shows that the city is lacking in redundancy for its substation and with the possibility of more growth and load from that growth a secondary substation needs to be looked at. We have also informed the city that the relays in the substation need replacement as well. I believe that in 2021 and 2022 I informed management of this and it has not made it into the budget. At that time, I had discussions with our engineer at BKi and he said he could do it for about 200K. I also reached out to the PUD and without an in-depth look at costs it did seem that they could do it for less, but until the city is serious about changing the relays I don't want to waste the PUD's time creating an estimate. Currently they have numerous used relays that they are saving for us in case we need one in an emergency.

Currently, the PUD is preparing the replacement breaker for us, and we have a target date of 11/19-20 to make the repair. I'm sure that this needs council approval and I am requesting that the council support the mayor to approve this repair. I am hoping to have further discussions about the replacement of the other 2 breakers and relays soon.

As always, feel free to reach out if you have any further questions.

Paul





GRAYS HARBOR COUNTY

STATE OF WASHINGTON

Dan Lindgren
ASSESSOR

Shawn D. Hill
TREASURER

RECEIVED
NOV – 8 2026

October 14, 2026

Jamie Vinyard
100 S. 3rd St.
McCleary, WA 98557

Dear Jamie Vinyard, Levy: 699006000 City of McCleary Basic

Each year adjustments are made to the tax rolls AFTER the taxes have been calculated and billed. These changes both increase and decrease the amount of tax your district can collect. When the sum of these changes results in a net decrease to the amount of tax you can collect, the law allows you to impose a refund levy to recover those lost tax dollars.

RCW 84.69.180 authorizes taxing districts to levy a refund levy to recover taxes that were refunded and/or canceled during the last twelve months. The refunds/net cancellations for the year October 1, 2025 thru September 30, 2026 are eligible for recovery through a refund levy in 2027 for the City of McCleary Basic Fund is shown in option (a) below.

Your legislative body is responsible for determining if they wish to levy all, part or none of these lost tax revenues. Please be aware that regular (non-voted) levies may be limited or eliminated by statutory levy rate limitations.

Please select from one of the following options to (a) re-levy ALL of your net lost revenue, (b) re-levy PART of your net lost revenue or (c) re-levy NONE of your net lost revenue.

(a) ☐ GH County hereby certifies a refund levy in its General Fund for collection in 2027 in the amount of **$4,914.08** to recover net refunds/cancellations. If this number is NEGATIVE, there is nothing eligible for the refund levy.

(b) ☐ GH County hereby certifies a refund levy in its General Fund for collection in 2027 in the amount of $_____ to recover a portion of the net refunds/cancellations reflected in (a) above.

(c) ☐ GH County does NOT WISH TO RE-LEVY ANY of its General Fund net refunds/cancellations during the 2026 tax year.

_____ _____
District Representative Signature Date

_____
District Representative Name & Title (Please Print)

Sincerely,
Shawn D. Hill
Grays Harbor County Treasurer

Please choose (a); (b), including amount; or (c) then sign, date, and return on or before November 30, 2026 to:

Grays Harbor County Assessor
Attn: Brian Morrill
100 W. Broadway, Suite 21
Montesano, WA 98563

MUNICIPAL FINANCIAL REPORT • FY 2027 BUDGET CYCLE

2027 Projected Revenue Budget Analysis

Comprehensive Fund-by-Fund Revenue Comparison, Rate Adjustments, and Fiscal Variance Assessment (2026 Adopted vs. 2027 Proposed)

2027 TOTAL BUDGET	GENERAL FUND	ENTERPRISE & UTILITIES	SPECIAL REV. & CAPITAL
$12,157,970	**$2,143,030**	**$7,958,150**	**$784,115**
-4.84% (-$618.8K) vs. 2026	+7.17% (+$143.5K) vs. 2026	+3.62% (+$278.2K) vs. 2026	-56.61% (-$1.02M) vs. 2026

1. Executive Summary

Total citywide budgeted revenue and carry-forward beginning balances for FY 2027 total **$12,157,970.00**, representing a net year-over-year reduction of **-$618,842.00 (-4.84%)** compared to the FY 2026 adopted budget of **$12,776,812.00**. While the aggregate municipal budget reflects a headline contraction, core operating funds demonstrate solid organic expansion:

- **General Fund Expansion (+7.17% / +$143,460.00):** Total General Fund resources increase from $1,999,570.00 to $2,143,030.00, propelled by a surge in projected development permitting (+$192,200.00 in Licenses & Fees) and stronger investment interest yields (+$97,400.00 in Miscellaneous Revenue).
- **Enterprise & Utility Growth (+3.62% / +$278,247.00):** Utility and ambulance enterprise funds expand to $7,958,150.00 (65.46% of total city resources), supported by a scheduled 3% Light & Power rate adjustment under Resolution 791 and a $2.79/month Ambulance customer rate increase.
- **Street Fund Capital Contraction (-91.72% / -$981,414.00):** The citywide net decrease is attributable almost entirely to the Street Fund dropping from $1,070,014.00 in 2026 to $88,600.00 in 2027 due to the cancellation/removal of 6th Street and Maple Street grant assumptions and the full exhaustion of one-time ARPA transfers.

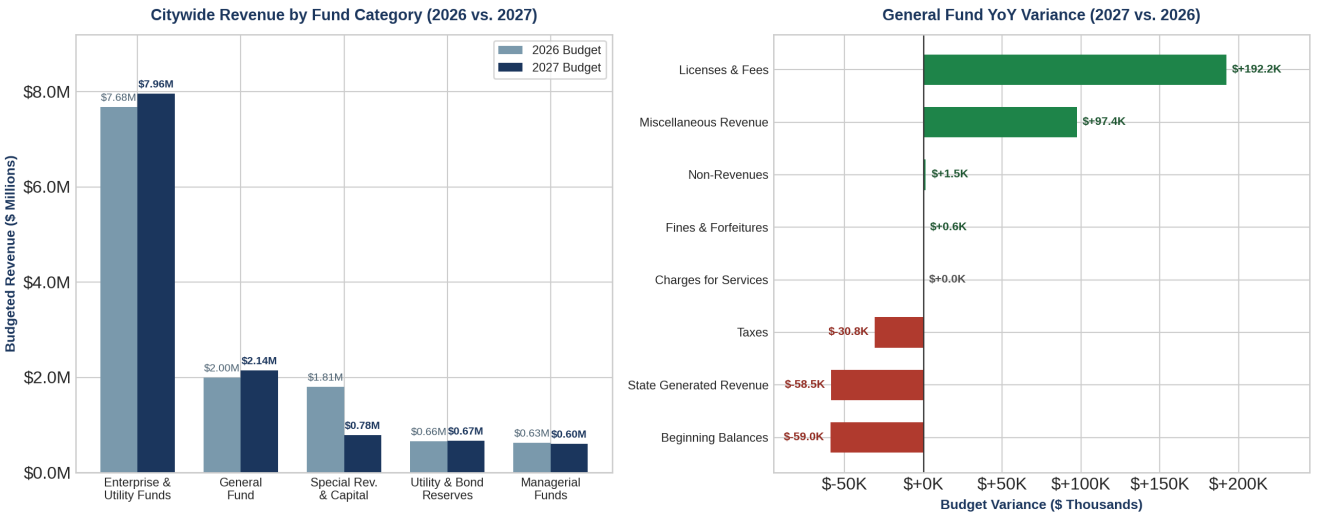


Figure 1: Citywide Budget Comparison by Fund Group (Left) and General Fund Year-over-Year Variances (Right).

2. Citywide Revenue Summary by Fund Category

Across all 22 municipal funds, revenue structure remains heavily anchored by self-sustaining enterprise utilities (65.46%) and the General Fund (17.63%). Special Revenue and Capital funds contract sharply as one-time infrastructure grants roll off.

Fund Category	2026 Budget	2027 Budget	Variance ($)	Variance (%)	2027 Share
Enterprise & Utility Funds	$7,679,903.00	$7,958,150.00	**+$278,247.00**	**+3.62%**	65.46%
General Fund	$1,999,570.00	$2,143,030.00	**+$143,460.00**	**+7.17%**	17.63%
Special Revenue & Capital Funds	$1,807,077.00	$784,115.00	**-$1,022,962.00**	**-56.61%**	6.45%
Utility & Bond Reserves	$664,371.00	$668,105.00	**+$3,734.00**	**+0.56%**	5.50%
Managerial Funds	$625,891.00	$604,570.00	**-$21,321.00**	**-3.41%**	4.97%
Total Citywide Budget	**$12,776,812.00**	**$12,157,970.00**	**-$618,842.00**	**-4.84%**	**100.00%**

3. General Fund Revenue Breakdown

The General Fund supports core municipal governance, public safety, parks, and administration. For FY 2027, total General Fund resources rise by +$143,460.00 (+7.17%) to $2,143,030.00. Staff recalibrated three overestimated 2026 baseline items—Beginning Balances, Utility Taxes, and State-Generated Fire District Collections—while capturing substantial upside from development permitting and investment interest.

Revenue Category	2026 Budget	2027 Budget	Variance ($)	Var. (%)	Budget Notes & Key Drivers
Beginning Balances	$308,970.00	$250,000.00	**-$58,970.00**	**-19.09%**	2026 was overestimated
Taxes	$1,249,300.00	$1,218,500.00	**-$30,800.00**	**-2.47%**	Moved Community Center Fees to its own fund. Lowered estimated Utility Taxes because 2026 was over estimated
Licenses & Fees	$13,000.00	$205,200.00	**+$192,200.00**	**+1478.46%**	Increase is due to projected development projects.
State Generated Revenue	$202,000.00	$143,530.00	**-$58,470.00**	**-28.95%**	Decrease is due to over projected 2026 collect from local fire districts.
Charges for Services	$8,300.00	$8,300.00	$0.00	0.00%	Standard baseline projection.
Fines & Forfeitures	$24,200.00	$24,800.00	**+$600.00**	**+2.48%**	Standard baseline projection.
Miscellaneous Revenue	$110,300.00	$207,700.00	**+$97,400.00**	**+88.30%**	Increase is due to interest revenue coming in higher than previous projections
Non-Revenues	$83,500.00	$85,000.00	**+$1,500.00**	**+1.80%**	Standard baseline projection.
Total General Fund	**$1,999,570.00**	**$2,143,030.00**	**+$143,460.00**	**+7.17%**	**Net growth driven by development projects.**

4. Detailed Analysis of Enterprise, Special, Managerial & Reserve Funds

4.1 Enterprise & Utility Operating Funds ($7,958,150.00 | +3.62%)

Enterprise funds operate on a self-supporting user-fee basis and account for nearly two-thirds of total municipal revenue:

- **Light & Power Fund ($4,120,850.00 | +$199,642.00 / +5.09%):** The largest fund in the municipal budget incorporates a scheduled 3.0% rate increase in accordance with Resolution 791.
- **Water Fund ($2,029,000.00 | +$44,676.00 / +2.25%):** No customer rate increase is proposed; the positive variance stems from a higher carry-forward beginning fund balance.
- **Sewer Fund ($1,301,000.00 | -$5,492.00 / -0.42%):** No rate increase is recommended; the slight reduction reflects a more conservative projection for new connection fees.
- **Storm Water Fund ($307,300.00 | +$28,901.00 / +10.38%):** No rate increase is proposed; growth reflects an increased beginning fund balance.
- **Ambulance Fund ($200,000.00 | +$10,520.00 / +5.55%):** Incorporates a rate adjustment of $2.79 per customer per month to cover city operational costs (excluding any separate revenue adjustments from the fire district).

4.2 Special Revenue & Capital Funds ($784,115.00 | -56.61%)

- **Street Fund ($88,600.00 | -$981,414.00 / -91.72%):** Reflects baseline ongoing street revenues only. The FY 2026 budget included grant assumptions for the 6th Street and Maple Street projects (which are not moving forward) as well as a one-time transfer from ARPA funds that are now fully exhausted.
- **Real Estate Excise Tax / REET ($302,000.00 | +$19,452.00 / +6.88%):** Ongoing REET collections are budgeted roughly flat compared to 2026 actual expectations, following a downward correction to an overestimated 2026 beginning balance.
- **Cumulative Reserve ($242,614.00 | $0.00 / 0.00%):** Represents carry-forward beginning cash balance only, with no new revenue projected.
- **Fire Levy Lid Lift ($138,901.00 | -$73,000.00 / -34.45%):** Reflects remaining carry-forward beginning balance only, with no new levy revenue expected in 2027.
- **Community Center ($12,000.00 | +$12,000.00 / New Fund):** Newly established standalone fund separated out from General Fund taxes, supported by increased facility rental rates.

4.3 Managerial & Utility Reserve Funds ($1,272,675.00 Combined)

The city maintains eight departmental Managerial Funds totaling $604,570.00 (-$21,321.00 / -3.41%) and three Utility & Bond Reserve Funds totaling $668,105.00 (+$3,734.00 / +0.56%). All eight managerial funds consist exclusively of carry-forward beginning balances with no new revenue budgeted. Six managerial funds remain completely unchanged from 2026 (Street, Sewer, Storm Water, Police, Fire, and Park & Cemetery), while Water Managerial (-$20,678.00) and Light & Power Managerial (-$643.00) reflect lower beginning balances. Within reserves, Water Reserve holds steady at $501,840.00, Sewer Bond Reserve adjusts slightly to $155,265.00 (-$402.00) for debt service transfers, and Sewer Reserve increases to $11,000.00 (+$4,136.00).

5. Master Schedule of All Municipal Funds (2026 vs. 2027)

Fund Name	2026 Budget	2027 Budget	Variance ($)	Var. (%)	Budget Notes
Total General Fund	$1,999,570.00	$2,143,030.00	**+$143,460.00**	**+7.17%**	Majority of increase is due to projected development projects.

Fund Name	2026 Budget	2027 Budget	Variance ($)	Var. (%)	Budget Notes
Cumulative Reserve	$242,614.00	$242,614.00	$0.00	0.00%	This is only a beginning cash balance. No revenue projected.
Community Center	$0.00	$12,000.00	**+$12,000.00**	New	This is a new fund. Increase in revenue is due to increased rental rate.
Street Fund	$1,070,014.00	$88,600.00	**-$981,414.00**	**-91.72%**	2026 had budgeted for grants for 6th street and maple street. These projects are not happening. 2026 had also budgeted for a transfer from ARPA funds. There are no ARPA funds available.
Fire Levy Lid Lift	$211,901.00	$138,901.00	**-$73,000.00**	**-34.45%**	These are only beginning balances. No new revenue expected
REET	$282,548.00	$302,000.00	**+$19,452.00**	**+6.88%**	2026 beginning balance was over estimated. Estimating revenue to be roughly the same
Street Managerial Fund	$17,041.00	$17,041.00	$0.00	0.00%	No new revenue expected
Light & Power Managerial Fund	$108,693.00	$108,050.00	**-$643.00**	**-0.59%**	Beginning balances only
Water Managerial Fund	$290,680.00	$270,002.00	**-$20,678.00**	**-7.11%**	Beginning balances only
Sewer Managerial Fund	$21,938.00	$21,938.00	$0.00	0.00%	Beginning balances only
Storm Water Managerial Fund	$21,292.00	$21,292.00	$0.00	0.00%	Beginning balances only
Police Managerial Fund	$4,453.00	$4,453.00	$0.00	0.00%	Beginning balances only
Fire Managerial Fund	$108,151.00	$108,151.00	$0.00	0.00%	Beginning balances only
Park & Cemetery Managerial Fund	$53,643.00	$53,643.00	$0.00	0.00%	Beginning balances only
Light & Power Fund	$3,921,208.00	$4,120,850.00	**+$199,642.00**	**+5.09%**	Estimating a 3% rate increase per resolution 791
Water Fund	$1,984,324.00	$2,029,000.00	**+$44,676.00**	**+2.25%**	difference is higher beginning balance. No rate increase
Sewer Fund	$1,306,492.00	$1,301,000.00	**-$5,492.00**	**-0.42%**	Recommending no rate increase. Diff from 26 is lower amount budgeted for new connections.
Storm Water Fund	$278,399.00	$307,300.00	**+$28,901.00**	**+10.38%**	increase in beginning fund balance. No rate increase
Ambulance Fund	$189,480.00	$200,000.00	**+$10,520.00**	**+5.55%**	Rate increase of 2.79 per customer per month to cover city costs. Doesn't include increase from fire district.
Sewer Bond Reserve	$155,667.00	$155,265.00	**-$402.00**	**-0.26%**	Beginning Balance and Debt Service Transfers
Water Reserve	$501,840.00	$501,840.00	$0.00	0.00%	Beginning Balance Only
Sewer Reserve	$6,864.00	$11,000.00	**+$4,136.00**	**+60.26%**	Beginning Balance

Fund Name	2026 Budget	2027 Budget	Variance ($)	Var. (%)	Budget Notes
Grand Total (All Funds)	**$12,776,812.00**	**$12,157,970.00**	**-$618,842.00**	**-4.84%**	**Net citywide revenue & cash balances.**

6. Fiscal Takeaways & Council Considerations

1. Monitor Development Permitting Realization: Over 100% of the General Fund's net growth (+$143,460.00) relies on the projected +$192,200.00 jump in Licenses & Fees tied to development activity. Council should treat development-driven permit revenues as one-time/cyclical and review mid-year 2027 actuals before allocating these funds to permanent recurring commitments.

2. Improved Baseline Realism: Downward recalibrations to General Fund beginning cash (-$58,970.00), Utility Taxes (-$30,800.00 net tax adjustment), and State Fire District collections (-$58,470.00) eliminate prior-year overestimations and reduce mid-year budget amendment risk.

3. Targeted Rate Adjustments Only: Water, Sewer, and Storm Water utility rates remain unchanged for 2027. Rate adjustments are limited strictly to the scheduled 3% Light & Power increase (Resolution 791) and the $2.79/month Ambulance fee adjustment.

CITY COUNCIL BUDGET BRIEFING

2027 Projected Revenue Budget

Citywide fund comparison, rate adjustments, and fiscal variance analysis

EXECUTIVE SUMMARY

2027 Citywide Budget Snapshot

$12.16M

Total All Funds

Down $618,842 (-4.84%) vs. 2026

$2.14M

General Fund

Up $143,460 (+7.17%) on development

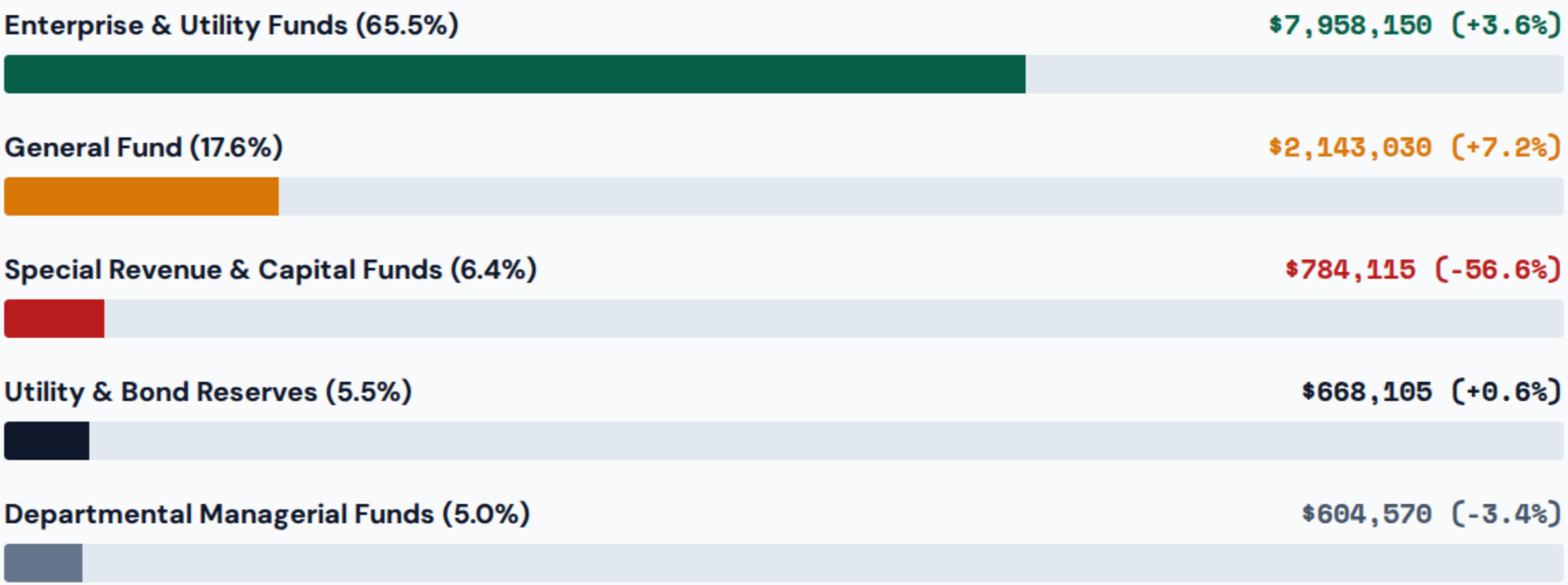
$7.96M

Enterprise & Utilities

Up $278,247 (+3.62%) across 5 funds

FUND ALLOCATION

2027 Revenue Share by Fund Category



SECTION 01

General Fund Breakdown

$2,143,030 total resources (+7.17%) anchored by development permitting and interest yields

PRIMARY REVENUE SOURCES

2027 General Fund Core Categories

Taxes

$1,218,500

56.9% of General Fund (-$30.8K).

Beginning Cash

$250,000

Recalibrated down from $308.9K.

Miscellaneous

$207,700

+$97.4K on higher interest rates.

Licenses & Fees

$205,200

+$192.2K from development projects.

LINE-ITEM COMPARISON

General Fund Schedule (2026 vs. 2027)

General Fund Line	2026 Budget	2027 Budget	Difference
Taxes	$1,249,300	$1,218,500	-$30,800
Beginning Balances	$308,970	$250,000	-$58,970
Miscellaneous Revenue	$110,300	$207,700	**+$97,400**
Licenses & Fees	$13,000	$205,200	**+$192,200**
State Generated Revenue	$202,000	$143,530	-$58,470
Non-Revenues, Fines & Services	$116,000	$118,100	**+$2,100**
Total General Fund	**$1,999,570**	**$2,143,030**	**+$143,460**

SECTION 02

Utilities, Special & Reserve Funds

$10.01M across Enterprise Utilities, Capital Funds, Reserves, and Managerial Accounts

SELF-SUPPORTING UTILITIES

2027 Enterprise & Utility Funds ($7.96M)

Light & Power — $4,120,850

+$199,642 (+5.1%); includes 3% rate increase per Resolution 791.

Water Fund — $2,029,000

+$44,676 (+2.3%) from higher beginning balance; no rate increase.

Sewer & Storm Water — $1,608,300

Sewer $1.301M (-$5.5K); Storm Water $307.3K (+$28.9K); no rate hikes.

Ambulance Fund — $200,000

+$10,520 (+5.6%); $2.79/month customer rate increase for city costs.

PRIMARY CITYWIDE VARIANCE DRIVER

Street Fund Capital Reset

-$981,414

Street Fund drops from $1,070,014 (2026) to $88,600 (2027)

Reflects removal of 6th & Maple Street project grants and expiration of ARPA transfers

DEDICATED & RESERVE ACCOUNTS

Special Capital, Reserves & Managerial Funds

Special & Capital ($784.1K)

REET ($302,000): +$19.5K adjustment; steady excise revenue

Reserves & Fire Lift ($381,515): Cumulative $242.6K + Fire $138.9K

Community Center ($12,000): New dedicated rental fund

Reserves & Managerial ($1.27M)

Utility Reserves ($668,105): Water $501.8K, Sewer Bond $155.3K, Sewer $11K

Managerial Funds ($604,570): 8 departmental carry-forward cash balances

Zero New Revenue: Managerial balances reflect cash reserves only

FISCAL STEWARDSHIP

Key Takeaways for City Council

Monitor Development Permitting: +$192.2K in Licenses & Fees drives General Fund growth; track Q1–Q2 realization before recurring commitments.

Conservative Baseline Reset: Corrected prior-year overestimations in Beginning Cash (-$59K), Utility Taxes (-$30.8K), and Fire District State collections (-$58.5K).

Targeted Utility Adjustments: Water, Sewer, and Storm Water rates remain flat; adjustments apply only to Light & Power (+3%) and Ambulance (+$2.79/mo).

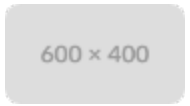
Transparent Fund Segregation: Community Center rentals ($12,000) separated into a dedicated standalone fund for clear cost tracking.

FY 2027 BUDGET DELIBERATIONS

Council Discussion & Questions

Thank you for your stewardship of our community's fiscal future

Image Sources



https://www.mhtn.com/mhtn-content/2023/05/Civic_MillcreekCityHall_1B-1500x630.jpg

Source: www.mhtn.com

FACT SHEET: 2027 PROPERTY TAX LEVY ORDINANCE

To: City Council
From: Finance Department / Administration
Date: November 2026

Action Requested: Conduct Public Hearing and Adopt Ordinance Setting the 2027 Property Tax Levy

1. Executive Summary

Under Washington State law (RCW 84.55), the City Council must annually adopt an ordinance certifying the dollar amount of property taxes to be collected in the upcoming calendar year.

- **Prior Year (2026) Actual Levy: $359,368.85**
- **Proposed Regular Levy Increase: +1.00% statutory increase ($3,593.69)** plus **New Construction ($1,756.85)** = **$364,719.39**
- **Refund Levy: $4,914.08** *(RCW 84.69 authorized adjustments)*
- **Total Certified Property Tax Levy Request: $369,633.47** (an increase of **$10,264.62** or **+2.86%** over last year's total levy)
- **Total Taxable Assessed Value (AV): $288,959,554**
- **Unused Banked Capacity Preserved: $3,364.67** *(additional 1% capacity retained)*

2. Levy Breakdown & Revenue Summary

Levy Component	2026 Actual	2027 Proposed	Dollar Change	% Change
Base Regular Levy	$359,368.85	$359,368.85	$0.00	0.00%
1% Statutory Increase *(RCW 84.55.010)*	—	$3,593.69	+$3,593.69	1.00%
New Construction & Improvements	—	$1,756.85	+$1,756.85	—
Subtotal Regular Levy	$359,368.85	$364,719.39	+$5,350.54	+1.49%
Refund Levy *(RCW 84.69)*	—	$4,914.08	+$4,914.08	—
TOTAL CITY PROPERTY TAX LEVY	**$359,368.85**	**$369,633.47**	**+$10,264.62**	**+2.86%**

3. Key Mechanics: How Washington's Property Tax System Works

- **Budget-Based, Not Rate-Based:** The Council votes on a **total dollar amount** ($369,633.47), not a tax rate. The County Assessor divides this certified amount by the City's total taxable assessed value ($288,959,554) to determine the final tax rates across individual parcels.

- **New Construction Add-On:** State law allows cities to capture property taxes generated by new construction and improvements completed over the past year ($1,756.85) *in addition* to the 1% limit.
- **Refund Levies:** State law (RCW 84.69) permits taxing districts to levy an additional amount ($4,914.08) to cover property tax refunds or abatements ordered by the County Board of Equalization or courts.
- **Banked Capacity:** The city retains **$3,364.67** in additional 1% banked capacity for future flexibility.
-

4. Where the Money Goes & Taxpayer Impact

- **General Fund Support:** Property tax revenue flows directly into the General Fund to support core municipal services, including police and fire operations, street maintenance, and parks.
- **Taxpayer Relief:** Qualifying low-income seniors and disabled veterans continue to be eligible for property tax exemptions and deferrals through the County Assessor's Office.
-

5. Required Council Actions & Timeline

1. **Public Hearing:** Hold a public hearing on revenue sources for the upcoming budget, including consideration of the property tax levy increase (RCW 84.55.120).
2. **Adopt Ordinance:** Approve the Property Tax Levy Ordinance specifying both the dollar increase and percentage increase over the prior year's levy.
3. **Certify to County:** Submit the signed ordinance and Levy Certification form to the County Assessor on or before **November 30 / December 1**.

FACT SHEET
FACT SHEET: 2027 PROPERTY TAX LEVY ORDINANCE

To: City Council
From: Finance Department / Administration
Date: November 2026

Action Requested: Conduct Public Hearing and Adopt Ordinance Setting the 2027 Property Tax Levy (Including Banked Capacity)

1. Executive Summary
Under Washington State law (RCW 84.55), the City Council must annually adopt an ordinance certifying the dollar amount of property taxes to be collected in the upcoming calendar year.

- **Prior Year (2026) Actual Levy: $359,368.85**
- **Proposed Regular Levy Increase: +1.00% statutory increase ($3,593.69)** plus **Banked Capacity ($3,364.67)** plus **New Construction ($1,756.85)** = **$368,084.06**
- **Refund Levy: $4,914.08** *(RCW 84.69 authorized adjustments)*
- **Total Certified Property Tax Levy Request: $372,998.14** (an increase of **$13,629.29** or **+3.79%** over last year's total levy)
- **Total Taxable Assessed Value (AV): $288,959,554**
- **Remaining Banked Capacity: $0.00** (all available banked capacity fully utilized)

2. Levy Breakdown & Revenue Summary

Levy Component	2026 Actual	2027 Proposed	Dollar Change	% Change
Base Regular Levy	$359,368.85	$359,368.85	$0.00	0.00%
1% Statutory Increase *(RCW 84.55.010)*	—	$3,593.69	+$3,593.69	1.00%
Banked Capacity Utilization *(RCW 84.55.092)*	—	$3,364.67	+$3,364.67	+0.94%
New Construction & Improvements	—	$1,756.85	+$1,756.85	—
Subtotal Regular Levy	$359,368.85	$368,084.06	+$8,715.21	+2.43%
Refund Levy *(RCW 84.69)*	—	$4,914.08	+$4,914.08	—
TOTAL CITY PROPERTY TAX LEVY	**$359,368.85**	**$372,998.14**	**+$13,629.29**	**+3.79%**

3. Key Mechanics: How Washington's Property Tax System Works

- **Budget-Based, Not Rate-Based:** The Council votes on a **total dollar amount** ($372,998.14), not a tax rate. The County Assessor divides this certified amount by the City's total taxable assessed value ($288,959,554) to determine the final tax rates across individual parcels.
- **Banked Capacity Utilization:** State law (RCW 84.55.092) allows cities to "bank" allowable levy increases from prior years when they increase taxes by less than 1%. Tapping this **$3,364.67** in banked capacity captures previously foregone revenue to support General Fund operations without exceeding statutory limits.
- **New Construction & Refunds:** The levy also incorporates new construction ($1,756.85) and an authorized refund levy ($4,914.08 under RCW 84.69).

4. Where the Money Goes & Taxpayer Impact

- **General Fund Support:** Property tax revenue flows directly into the General Fund to support core municipal services, including police and fire operations, street maintenance, and parks.
- **Taxpayer Relief:** Qualifying low-income seniors and disabled veterans continue to be eligible for property tax exemptions and deferrals through the County Assessor's Office.

5. Required Council Actions & Timeline

1. **Public Hearing:** Hold a public hearing on revenue sources for the upcoming budget, including consideration of the property tax levy increase (RCW 84.55.120).
2. **Adopt Ordinance:** Approve the Property Tax Levy Ordinance specifying both the dollar increase and percentage increase over the prior year's levy.
3. **Certify to County:** Submit the signed ordinance and Levy Certification form to the County Assessor on or before **November 30 / December 1**.

1. Side-by-Side Comparison: Standard 1% vs. Including Banked Capacity

Levy Component / Metric	Without Banked Capacity	With Banked Capacity	Difference
2026 Actual Base Levy	$359,368.85	$359,368.85	$0.00
1.00% Statutory Increase *(RCW 84.55.010)*	+$3,593.69	+$3,593.69	$0.00
Banked Capacity Used *(RCW 84.55.092)*	$0.00	+$3,364.67	+$3,364.67
New Construction & Improvements	+$1,756.85	+$1,756.85	$0.00
Subtotal Regular Levy	**$364,719.39**	**$368,084.06**	**+$3,364.67**
Refund Levy *(RCW 84.69)*	+$4,914.08	+$4,914.08	$0.00
TOTAL 2027 CERTIFIED LEVY	**$369,633.47**	**$372,998.14**	**+$3,364.67**
Total Increase Over 2026 Levy	+$10,264.62 (+2.86%)	+$13,629.29 (+3.79%)	+$3,364.67 (+0.94%)
Ordinance Stated Increase *(excl. add-ons)*	**$3,593.69 (1.00%)**	**$6,958.36 (1.94%)**	**+$3,364.67 (+0.94%)**
Remaining Banked Capacity	$3,364.67	$0.00	-$3,364.67
Estimated Tax on $250,000 Home	$319.80/yr ($26.65/mo)	$322.71/yr ($26.89/mo)	**+$2.91/yr (+$0.24/mo)**

ORDINANCE NO. 902

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCCLEARY RELATING TO THE ESTABLISHMENT OF THE REGULAR AD VALOREM TAX LEVY FOR THE YEAR 2027; MAKING FINDINGS; AND RESERVING RIGHTS.

RECITALS:

WHEREAS, the City Council of the City of McCleary has met and is considering its budget for the calendar year 2027; and

WHEREAS, the City of McCleary has properly given notice of a public hearing held on October 22, 2025, pursuant to RCW 84.55.120; and

WHEREAS, after such hearing and after duly considering all relevant evidence and testimony presented, the City Council has determined that in order to discharge its expected expenses and obligations the City requires an increase in property tax revenue from the previous year; and

WHEREAS, the City's actual levy amount from the previous year was $356,958; and

WHEREAS, the City has a population of less than 10,000 citizens; and

WHEREAS, RCW 84.55.120 requires that all property tax increases must be adopted by ordinance and specifically identify the dollar and percentage change from the prior year;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS BY THE CITY COUNCIL OF THE CITY OF MCCLEARY, THE MAYOR CONCURRING:

SECTION 1: Be it ordained by the governing body of the taxing district that an increase in the regular property tax levy is hereby authorized for the levy to be collected in the 2027 tax year.

The dollar amount of the increase over the actual levy amount from the previous year shall be _____, which is a percentage increase of_____ % from the previous year. This increase is exclusive of additional revenue resulting from new construction, improvements to property, newly constructed wind turbines, solar, biomass, and gcothem1al facilities, and any increase in the value of state assessed property, any annexations that have occurred and refunds made.

SECTION 2: This ordinance is based upon the information from the Office of the County Assessor as to amounts and calculations, as well as advice from County officials that this ordinance can be amended to modify the tax rate established herein by adoption of an appropriate amendatory ordinance. The City specifically reserves the right to take such amendatory action up to and including the last day allowed. Upon execution by the Mayor, a certified copy of this Ordinance shall be provided to the appropriate officials of the County so as to provide for appropriate assessment.

SECTION 3: SEVERABILITY If any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this Ordinance. The Council hereby declares that it would have passed this Ordinance and each section. subsection, sentence, clause, and phrase thereof, irrespective of the fact that any one or more sections. subsections, sentences, clauses, or phrases had been declared invalid or unconstitutional and if for any reason this Ordinance should be declared invalid or unconstitutional, then the original ordinance or ordinances shall be in full force and effect.

SECTION 4: CORRECTIONS. Upon approval of the Mayor and City Attorney, the Clerk-Controller and the Code Reviser are authorized to make necessary corrections to this

ordinance, including the correction of clerical errors. references to other local. state. or federal laws, codes, rules, or regulations, or ordinance number and section/subsection numbering.

SECTION 5: EFFECTIVE DATE. This Ordinance shall take effect upon the fifth day following date of publication.

PASSED this 18th day of November, 2026, by the City Council of the City of McCleary, and signed in authentication thereof this 18TH day of November, 2026.

CITY OF McCLEARY:

_____

Andrea Dahl, Mayor

ATTEST:

_____

Julie Pope, Clerk-Treasurer

APPROVED AS TO FORM:

_____

Madison Pleasant, City Attorney