CITY OF MEDINA

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Date: September 14th, 2026

To: Honorable Mayor and City Council

Via: Jeff Swanson, City Manager

From: Ryan Wagner, Finance & HR Director

Subject: August 2026 Financials

The August 2026 report includes:

<u>Executive Summary</u>

Year-to-day expenditure continues to remain under or at the expected budget allocation through August for all funds except the Equipment Replacement Fund. Year to date general fund revenue is outpacing expectations by 15.89% through August, driven by a one-time sales tax allocation of $1.7M from the State of Washington for work done on the 520 project in the mid 2010's that was accounted for in July.

The City's cash position sits at over $21M at the end of August, with the Capital Fund ($9M) and the General Fund ($6.5M) carrying the largest balances.

Revenue:

- General Fund revenue is up almost $1.7M from this time last year. This is driven by the one-time allocation of sales tax from the State of Washington for the work done on 520 from the mid 2010's that was received in July.

- Development Services Revenue is up $42K from this time last year. This is driven by a slight increase in permit fee collection over 2025.

- Capital Fund Revenue is down $730K from August of last year. A one-time major property sale generated a significant amount of REET in July of last year, and that transaction is driving this variance. Overall, the revenue is staying consistent to 2025.

August 2026 Key Revenue

- $164K Local Sales and Use Tax
- $133K Utility Tax
- $107K Investment Earnings
- $69K July REET Revenue
- $64K Permit Fees
- 23K Criminal Justice Training Grant

Expenditures:

- General Fund expenditures are up $150K over August of last year. The equipment replacement fund is the biggest increase over 2025, with the purchase of the new backhoe and Skidsteer.

- Development Services expenditures are down $67K when compared to August of 2025. This is driven by code enforcement being moved from the Development Services Fund to the General Fund.

- The Capital Fund spend is up $130K when compared to August of 2025. This represents about 45% of the budget allocation in 2026, so expect costs to increase as projects continue through Q3.

August 2026 Key Expenditures

- $109K Gray and Osborne – 78th Place Improvements
- $64K Inslee Best – July City Attorney Services
- $22K FCI – Purchased Out the Remainder of the Lease for Car 31 (PD)
- $18K Mahoney Planning – Current and Long-Range Planning for July
- $14K Peterson Brothers – Overlake Drive Guardrail

Summer Lifeguard Program Final Cost Summary

City Budgeted $45,000

Lifeguard Salaries and Benefits - $36,714.00

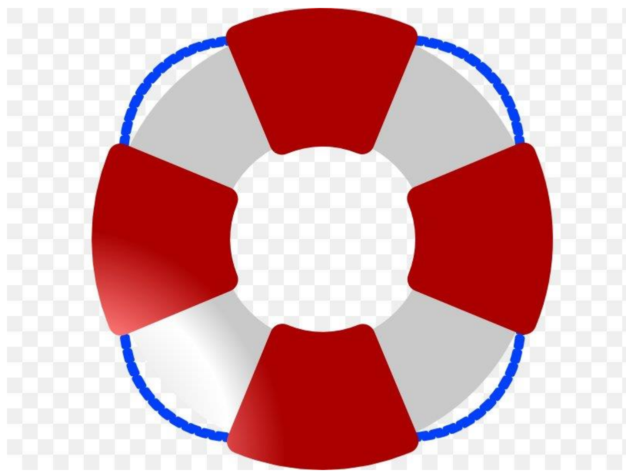
The summer lifeguards are managed by the Police Office Manager and consist of 12 part-time positions. They operate from the end of June through the end of August.

Operating Supplies - $3,630.59

This budget item includes funds for important operating items for our lifeguards, including new gear, emergency devices and onsite certification.

Uniforms - $1,357.08
Training - $1,324.25

The City pays for the uniforms and reimburses for training for our seasonal staff.



Total City cost: $43,025.92

Surplus of budgeted amount $2,574.08

2026 Budget Amendments

1. Street Capital - Skidsteer, Sidewalk Cleaner and multi-purpose PW Vehicle (45K)

2. Capital Fund, Building Improvements – Medina Park Bathroom Locks and PW Storage Project (45K)

3. General Fund - 7th Patrol Officer and Associated Grant and Sales Tax Increase (Expected 100K increase to Revenue Offset by Cost of New Officer)

August 2026 Financial Summary

REVENUES:	AUGUST ACTUAL	YTD ACTUAL	2026 ANNUAL BUDGET	% of Budget Total	EXPECTED TOTAL %	DELTA	REMAINING BUDGET
General Fund							
Property Tax	$20,434	$2,710,584	$4,741,397	57.17%	58.00%	-0.83%	$2,030,813
Sales Tax	$164,038	$2,923,449	$2,023,000	144.51%	60.00%	84.51%	($900,449)
Affordable & Sup. Housing	$1,424	$2,806	$0	--			($2,806)
Criminal Justice	$11,930	$77,982	$108,150	72.11%	66.67%	5.44%	$30,168
B & O Tax: Utility & Franchise Fee	$133,315	$970,810	$1,218,000	79.71%	66.67%	13.04%	$247,190
Leasehold Excise Tax	$1,191	$1,191	$0	0.00%		0.00%	($1,191)
General Government (includes Hunts Point)	$0	$92,427	$378,984	24.39%	50.00%	-25.61%	$286,557
Passports, General Licenses & Permits	$24,891	$62,261	$78,036	79.78%	66.67%	13.11%	$15,775
Fines, Penalties, Traffic Infr.	$2,141	$26,725	$30,000	89.08%	66.67%	22.41%	$3,275
Misc. Invest. Facility Leases	$126,176	$386,271	$278,820	138.54%	68.00%	70.54%	($107,451)
Disposition of Capital Assets	$0	$57,509	$0	--			($57,509)
General Fund Total	**$485,540**	**$7,312,015**	**$8,856,387**	82.56%	66.67%	15.89%	**$1,544,372**
Development Services Fund Total	**$71,558**	**$503,985**	**$805,000**	62.61%	58.00%	4.61%	**$301,014.67**
Development Services Fund Transfers In from GF	*$8,333*	*$66,667*	*$100,000*	66.67%	66.67%	0.00%	$0.00
Street Fund Total	**$4,512**	**$36,648**	**$119,219**	30.74%	58.00%	-27.26%	**$82,571**
Street Fund Transfers In	*$46,250*	*$370,000*	*$555,000*	66.67%	66.67%	0.00%	*$0*
Tree Fund Total	**$0**	**$0**	**$3,075**	0.00%	66.67%	-66.67%	**$3,075**
Contingency Fund Total	**$0**	**$0**	**$0**	0.00%		0.00%	**$0**
Capital Fund Total	**$170,263**	**$1,031,936**	**$1,395,000**	73.97%	66.67%	7.30%	**$363,064**
Levy Stabilization Fund Total	**$0**	**$0**	**$0**	--			**$0**
Levy Fund Transfers In GF	*$0*	*$0*	*$0*	--			$0
NonRevenue Trust Funds Total	**$3,169**	**$26,724**	**$0**	--			**($26,724)**
Master Investments Total	**$0**	**$0**	**$0**	--			**$0**
Total (All Funds)	**$735,043**	**$8,911,309**	**$11,178,681**	79.72%	66.67%	13.05%	**$2,267,372**
Total (All Funds) Transfers In	*$54,583*	*$436,667*	*$655,000*	66.67%	66.67%	0.00%	*$218,333*

EXPENDITURES:	AUGUST ACTUAL	YTD ACTUAL	2026 ANNUAL BUDGET	% of Budget Total	EXPECTED TOTAL %	DELTA	REMAINING BUDGET
General Fund							
Legislative	$38,918	$63,683	$80,000	79.60%	80.00%	0.40%	$16,317
Municipal Court	$6,543	$24,884	$35,000	71.10%	66.67%	-4.43%	$10,116
Executive	$31,044	$219,049	$325,603	67.27%	66.67%	-0.60%	$106,554
Finance	$30,556	$476,179	$632,123	75.33%	80.00%	4.67%	$155,944
Legal	$76,442	$314,739	$527,000	59.72%	66.67%	6.95%	$212,261
Central Services	$69,558	$521,841	$1,026,030	50.86%	66.67%	15.81%	$504,189
Police Operations	$222,962	$1,794,157	$2,887,218	62.14%	68.00%	5.86%	$1,093,061
Fire & Medical Aid	$0	$522,142	$1,060,791	49.22%	50.00%	0.78%	$538,650
Public Housing, Environmental & Mental Health Fees	$0	$54,227	$56,143	96.59%	94.00%	-2.59%	$1,916
Recreational Services	$19,702	$43,026	$45,600	94.36%	95.00%	0.64%	$2,574
Long Range Planning	$25,974	$119,307	$281,745	42.35%	66.67%	24.32%	$162,438
Parks	$52,134	$420,302	$639,065	65.77%	66.67%	0.90%	$218,763
Equipment Replacement	$31,778	$451,761	$479,995	94.12%	88.00%	-6.12%	$28,234
General Fund Subtotal	**$605,611**	**$5,025,297**	**$8,076,313**	**62.22%**	**66.67%**	4.45%	**$3,051,016**
General Fund Transfers Out	$46,250	$370,000	$555,000	*66.67%*	*66.67%*	0.00%	*$185,000*
General Fund Total	**$651,861**	**$5,395,297**	**$8,631,313**	**62.51%**	**66.67%**	4.16%	***$3,236,016***
Development Services Fund Total	**$97,076**	**$678,735**	**$1,004,807**	**67.55%**	**66.67%**	-0.88%	**$326,072**
City Street Fund Total	**$85,723**	**$455,155**	**$657,099**	**69.27%**	**66.67%**	-2.60%	**$201,944**
Tree Fund Total	**$0**	**$3,184**	**$30,000**	**10.61%**	**58.33%**	47.72%	**$26,816**
Capital Fund Total	**$175,239**	**$506,105**	**$1,120,000**	**45.19%**	**50.00%**	4.81%	**$613,895**
Capital Fund Transfers Out	$8,333	$66,667	$100,000	66.67%	66.67%	0.00%	$33,333
NonRevenue Trust Funds Total	**$98**	**$27,992**	**$0**	**0.00%**			**($27,992)**
Master Investments Total	**$0**	**$503,610**	**$0**	**0.00%**			**($503,610)**
Total (All Funds)	**$963,747**	**$6,696,469**	**$10,888,219**	**61.50%**	**66.67%**	5.17%	**$4,191,750**
Total (All Funds) Transfers Out	*$54,583*	*$436,667*	*$655,000*	*66.67%*	*66.67%*	0.00%	*$218,333*

2026 August Cash Balance

2026 Cash Balance, 07/31/2026		2026 Cash Balance, 08/31/2026	
TOTAL CASH & INVESTMENTS		TOTAL CASH & INVESTMENTS	
Period Ending: 07/31/2026		Period Ending: 08/31/2026	
WA ST INV POOL	$ 15,858,740	WA ST INV POOL	$ 16,098,267
OTHER INVESTMENTS*	4,985,284	OTHER INVESTMENTS*	4,985,284
CHECKING	639,376	CHECKING	198,169
	$ 21,483,400		$ 21,281,720
		Outstanding Checks	$118,717
		Total:	$ 21,163,003

$1M bond (Dec 2024)
5/15/2028
$1.M bond (Jul 2026)
11/15/2028
$500K bond (May 2025)
3/1/2029
$1M bond (Aug 2024)
7/8/2027
$1M bond (Nov 2024)
11/15/2027
$500K bond (Mar 2026)
9/30/2029

Cash Balance by Fund

Fund	Beginning Cash	Receipts	Transfers In	Other Transfers	Disbursements	Ending Cash
General Fund	$4,555,259.14	$7,395,430.50	$0.00	$370,000.00	$5,037,047.77	$6,534,499.87
City Street Fund	$271,425.42	$46,978.55	$370,000.00	$0.00	$465,484.78	$222,919.19
Tree Fund	$40,546.27	$0.00	$0.00	$0.00	$3,184.37	$37,361.90
Contingency Fund	$1,750,000.00	$0.00	$0.00	$0.00	$0.00	$1,750,000.00
Levy Stabilization Fund	$2,684,999.99	$0.00	$0.00	$0.00	$0.00	$2,684,999.99
Capital Projects Fund	$8,636,372.11	$1,045,856.17	$0.00	$66,666.64	$520,025.25	$9,086,394.39
Development Services Fund	$513,881.80	$709,163.19	$66,666.64	$0.00	$728,471.28	$561,240.35
NonRevenue Trust	$4,260.65	$30,021.22	$0.00	$0.00	$31,289.28	$2,992.59
	$18,456,745.38	**$9,227,449.63**	**$436,666.64**	**$436,666.64**	**$6,785,502.73**	**$20,880,408.28**

The variance between the two graphics above is due to how the City accounts for Bonds within the Financial System. As a cash basis entity, the bonds are recorded at both their purchase and sale price, as well as their PAR value. When Bonds are purchased at either a discount or a premium, the difference is shown above.