

Revenue Breakdown – For More Information Please Follow the below Links to the MRSC website

Property Taxes

- The primary source of revenue for the City of Medina comes from property taxes. This makes up approximately 54% of all funds collected annually to be used within our General Fund. With the 2019 Levy lid lift increase ending in 2025, the total allowable levy increase will return to 1% for 2026. If you would like to learn more about how Washington State Property Taxes are calculated, please follow this link.

[MRSC - Property Tax Basics](#)

Local Retail and Use Tax

- The second largest source of revenue for Medina comes from local retail and use tax. This makes up approximately 23% of our annual budget. Medina's tax rate is 3.7% and includes online orders along with the purchase of physical goods within city limits. If you would like to learn more about how sales and use tax impacts our local government and our residents, please follow this link.

<https://mrsc.org/explore-topics/finance/revenues/sales-taxes>

Utility and Franchise Fees

- Making up around 13% of Medina's General Fund revenue, utility and franchise fees allow the city to collect a six percent fee on the following utilities.
 - Electricity, Gas, Water and Sewer, Garbage and Solid Waste, Cable, Telephone
- An additional 4% through a "Franchise Fee" can be collected from the following,
 - Water and Sewer, Cable
- To learn more about utility taxes, please follow the link below.

<https://mrsc.org/explore-topics/finance/revenues/utility-tax>

Investment Income

- The city receives investment income from two sources, the LGIP Investment Pool and through Medina's bond portfolio. Investment income is split between the General Fund and the Capital Fund, which allows for less restrictive spend on certain projects when compared to the next revenue source.

REET 1 and REET 2

- The City's various capital infrastructure projects are primarily funded through Real Estate Excise Tax or REET. Medina collects a quarter percent for REET 1 and a quarter percent for REET 2 for a total of a half percent per property sale. REET however is a restricted use form of revenue, and in most cases can only be used for major capital projects. REET 1 and REET 2 also have slightly different rules for use, more information on REET can be found below.

<https://mrsc.org/explore-topics/finance/revenues/real-estate-excise-tax>

- If you have more questions on what these funds can be used for, maybe the article below can help.

<https://mrsc.org/stay-informed/mrsc-insight/june-2024/reet-funds>

Capital infrastructure Grants

- While not usually a budgeted form of revenue, Grant funding can help Medina pay for projects that might exceed Medina's current financial ability or supplement current CIP projects to reduce city costs.
- Most of the grants awarded to the city come at the state or county level, and in the past few years have helped pay for park improvements, street overlays, and sidewalk installation.