



## CITY OF MEDINA

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**Date:** February 9<sup>th</sup>, 2026  
**To:** Honorable Mayor and City Council  
**Via:** Jeff Swanson, City Manager  
**From:** Ryan Wagner, Finance & HR Director  
**Subject:** 2025 End of Year Financials

The 2025 end of the year report includes:

- 13<sup>th</sup> Month Key Expenditure Numbers
- December Financial Summaries
- December Cash Statements
- 2025 Financials Year in Review
- 2025 Financials by Account
- December 13<sup>th</sup> Month 2025, AP Check Register Activity Detail

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This report will cover the unaudited end-of-year financials for the City of Medina. The report includes actual spend vs budget for the various city funds and give an update on end of year cash balances. Key revenue and expenditure from each department will be highlighted, and a full breakdown of spending is shown using the city's chart of accounts.

### December "13<sup>th</sup> Month" 2024 Key Expenditures

- \$38K FRN Corp – Tennis Court Rehab Project
- \$15K Inslee Best – December Attorney Services
- \$50K FCI – Buy Down PD Vehicles
- \$12K FCI – Paid Off Residual for PD Car 29
- \$11K Mahoney Planning, LLC – December Current Planning
- \$10K Westmark Construction – CH Deck Project (Retention Release)

## Updated December 2025 Financial Summary

| REVENUES:                                     | DEC ACTUAL       | YTD ACTUAL          | 2025 ANNUAL BUDGET  | % of Budget Total | REMAINING BUDGET     |
|---|------------------|---------------------|---------------------|-------------------|----------------------|
| <b>General Fund</b>                           |                  |                     |                     |                   |                      |
| Property Tax                                  | \$99,698         | \$4,585,732         | \$4,608,359         | 99.51%            | \$22,627             |
| Sales Tax                                     | \$144,347        | \$2,059,543         | \$1,964,450         | 104.84%           | (\$95,093)           |
| Affordable & Sup. Housing                     | \$1,041          | \$9,874             | \$0                 | —                 | (\$9,874)            |
| Criminal Justice                              | \$8,983          | \$105,120           | \$111,099           | 94.62%            | \$5,979              |
| B & O Tax: Utility & Franchise Fee            | \$1,895          | \$1,234,979         | \$978,219           | 126.25%           | (\$256,760)          |
| Leasehold Excise Tax                          | \$0              | \$1,154             | \$2,000             | 57.70%            | \$846                |
| General Government (includes Hunts Point)     | \$92,783         | \$454,873           | \$365,937           | 124.30%           | (\$88,936)           |
| Passports, General Licenses & Permits         | \$5,456          | \$119,593           | \$46,831            | 255.37%           | (\$72,762)           |
| Fines, Penalties, Traffic Infr.               | \$3,769          | \$39,466            | \$18,000            | 219.26%           | (\$21,466)           |
| Misc. Invest. Facility Leases                 | \$37,547         | \$461,719           | \$445,254           | 103.70%           | (\$16,465)           |
| Disposition of Capital Assets                 | \$0              | \$982               | \$0                 | —                 | (\$982)              |
| <b>General Fund Total</b>                     | <b>\$395,519</b> | <b>\$9,073,036</b>  | <b>\$8,540,149</b>  | <b>106.24%</b>    | <b>(\$532,887)</b>   |
| <b>Development Services Fund Total</b>        | <b>\$69,991</b>  | <b>\$881,100</b>    | <b>\$915,500</b>    | <b>96.24%</b>     | <b>\$34,400.48</b>   |
| Development Services Fund Transfers In from G | \$1,648          | \$1,648             | \$1,648             | 100.00%           | \$0.00               |
| <b>Street Fund Total</b>                      | <b>\$5,046</b>   | <b>\$183,198</b>    | <b>\$118,085</b>    | <b>155.14%</b>    | <b>\$90,446</b>      |
| Street Fund Transfers In                      | \$49,856         | \$544,856           | \$544,856           | 100.00%           | \$0                  |
| <b>Tree Fund Total</b>                        | <b>\$0</b>       | <b>\$21,000</b>     | <b>\$3,075</b>      | <b>682.93%</b>    | <b>(\$17,925)</b>    |
| <b>Contingency Fund Total</b>                 | <b>\$0</b>       | <b>\$0</b>          | <b>\$0</b>          | <b>0.00%</b>      | <b>\$0</b>           |
| <b>Capital Fund Total</b>                     | <b>\$81,755</b>  | <b>\$2,384,427</b>  | <b>\$1,535,000</b>  | <b>155.34%</b>    | <b>(\$849,427)</b>   |
| <b>Levy Stabilization Fund Total</b>          | <b>\$0</b>       | <b>\$0</b>          | <b>\$0</b>          | <b>—</b>          | <b>\$0</b>           |
| Levy Fund Transfers In GF                     | \$23,750         | \$285,000           | \$285,000           | 100.00%           | \$0                  |
| <b>NonRevenue Trust Funds Total</b>           | <b>\$4,193</b>   | <b>\$36,670</b>     | <b>\$0</b>          | <b>—</b>          | <b>(\$36,670)</b>    |
| <b>Master Investments Total</b>               | <b>\$0</b>       | <b>\$2,000,000</b>  | <b>\$0</b>          | <b>—</b>          | <b>(\$2,000,000)</b> |
| <b>Total (All Funds)</b>                      | <b>\$556,503</b> | <b>\$12,579,430</b> | <b>\$11,111,809</b> | <b>113.21%</b>    | <b>(\$1,467,621)</b> |
| Total (All Funds) Transfers In                | \$75,254         | \$831,504           | \$831,504           | 100.00%           | \$0                  |

| EXPENDITURES:                                 | DEC ACTUAL       | YTD ACTUAL         | 2025 ANNUAL BUDGET  | % of Budget Total | REMAINING BUDGET     |
|---|------------------|--------------------|---------------------|-------------------|----------------------|
| <b>General Fund</b>                           |                  |                    |                     |                   |                      |
| Legislative                                   | \$8,299          | \$66,205           | \$83,000            | 79.77%            | \$16,795             |
| Municipal Court                               | \$3,701          | \$34,052           | \$15,000            | 227.01%           | (\$19,052)           |
| Executive                                     | \$32,448         | \$416,572          | \$441,410           | 94.37%            | \$24,838             |
| Finance                                       | \$19,667         | \$566,613          | \$614,051           | 92.27%            | \$47,438             |
| Legal   | \$57,664         | \$480,479          | \$495,658           | 96.94%            | \$15,179             |
| Central Services                              | \$62,847         | \$1,056,906        | \$1,193,851         | 88.53%            | \$136,945            |
| Police Operations                             | \$321,668        | \$2,905,008        | \$2,931,655         | 99.09%            | \$26,647             |
| Fire & Medical Aid                            | \$0              | \$980,309          | \$950,544           | 103.13%           | (\$29,765)           |
| Public Housing, Environmental & Mental Health | \$209            | \$27,349           | \$55,966            | 48.87%            | \$28,617             |
| <b>Fees</b>                                   |                  |                    |                     |                   |                      |
| Recreational Services                         | \$0              | \$38,949           | \$48,500            | 80.31%            | \$9,551              |
| Long Range Planning                           | \$0              | \$28,708           | \$35,000            | 82.02%            | \$6,292              |
| Parks   | \$75,766         | \$659,488          | \$639,034           | 103.20%           | (\$20,454)           |
| <b>General Fund Subtotal</b>                  | <b>\$582,269</b> | <b>\$7,260,638</b> | <b>\$7,503,669</b>  | <b>96.76%</b>     | <b>\$243,031</b>     |
| General Fund Transfers Out                    | \$66,921         | \$731,504          | \$731,504           | 100.00%           | (\$0)                |
| <b>General Fund Total</b>                     | <b>\$649,190</b> | <b>\$7,992,142</b> | <b>\$8,235,173</b>  | <b>97.05%</b>     | <b>\$243,030</b>     |
| <b>Development Services Fund Total</b>        | <b>\$154,739</b> | <b>\$1,185,397</b> | <b>\$1,209,711</b>  | <b>97.99%</b>     | <b>\$24,314</b>      |
| <b>City Street Fund Total</b>                 | <b>\$74,485</b>  | <b>\$561,323</b>   | <b>\$652,552</b>    | <b>86.02%</b>     | <b>\$91,229</b>      |
| <b>Tree Fund Total</b>                        | <b>\$0</b>       | <b>\$320</b>       | <b>\$30,000</b>     | <b>1.07%</b>      | <b>\$29,680</b>      |
| <b>Capital Fund Total</b>                     | <b>\$121,418</b> | <b>\$702,513</b>   | <b>\$750,000</b>    | <b>93.67%</b>     | <b>\$47,487</b>      |
| Capital Fund Transfers Out                    | \$8,333          | \$100,000          | \$100,000           | 100.00%           | \$0                  |
| <b>NonRevenue Trust Funds Total</b>           | <b>\$0</b>       | <b>\$32,431</b>    | <b>\$0</b>          | <b>0.00%</b>      | <b>(\$32,431)</b>    |
| <b>Master Investments Total</b>               | <b>\$0</b>       | <b>\$1,978,518</b> | <b>\$0</b>          | <b>0.00%</b>      | <b>(\$1,978,518)</b> |
| <b>Total (All Funds)</b>                      | <b>\$932,911</b> | <b>\$9,742,622</b> | <b>\$10,145,932</b> | <b>96.02%</b>     | <b>\$403,310</b>     |
| Total (All Funds) Transfers Out               | \$75,254         | \$831,504          | \$831,504           | 100.00%           | \$0                  |

## 2025 Year in Review Cash Balances by Fund

| Fund                        | Beginning             | Beginning              | Receipts               | Investment            | Transfers           | Other               | Disbursements          | Ending                | Ending                 | Ending                 |
|-----------------------------|-----------------------|------------------------|------------------------|-----------------------|---------------------|---------------------|------------------------|-----------------------|------------------------|------------------------|
|                             | Cash                  | Investments            |                        | Liquidated            | In                  | Transfers           |                        | Cash                  | Investments            | Balance                |
| 001 General Fund            | \$3,647,239.68        | (\$5,260.75)           | \$9,199,204.81         | \$600.00              | \$0.00              | \$731,504.37        | \$7,583,654.32         | \$4,531,885.80        | (\$5,860.75)           | \$4,526,025.05         |
| 101 City Street Fund        | \$106,103.70          | \$0.00                 | \$189,688.88           | \$0.00                | \$544,856.37        | \$0.00              | \$567,814.35           | \$272,834.60          | \$0.00                 | \$272,834.60           |
| 103 Tree Fund               | \$23,492.02           | \$0.00                 | \$21,000.00            | \$0.00                | \$0.00              | \$0.00              | \$3,945.75             | \$40,546.27           | \$0.00                 | \$40,546.27            |
| 302 Contingency Fund        | \$1,750,000.00        | \$0.00                 | \$0.00                 | \$0.00                | \$0.00              | \$0.00              | \$0.00                 | \$1,750,000.00        | \$0.00                 | \$1,750,000.00         |
| 303 Levy Stabilization Fund | \$2,399,999.99        | \$0.00                 | \$0.00                 | \$0.00                | \$285,000.00        | \$0.00              | \$0.00                 | \$2,684,999.99        | \$0.00                 | \$2,684,999.99         |
| 307 Capital Projects Fund   | \$7,051,176.69        | (\$5,260.75)           | \$2,374,528.40         | \$600.00              | \$0.00              | \$100,000.00        | \$693,214.23           | \$8,633,090.86        | (\$5,860.75)           | \$8,627,230.11         |
| 401 Development Services    | \$716,488.82          | \$0.00                 | \$1,070,059.79         | \$0.00                | \$1,648.00          | \$0.00              | \$1,271,481.44         | \$516,715.17          | \$0.00                 | \$516,715.17           |
| 631 NonRevenue Trust Funds  | \$21.92               | \$0.00                 | \$38,243.31            | \$0.00                | \$0.00              | \$0.00              | \$38,243.31            | \$0.00                | \$0.00                 | \$0.00                 |
| 999 Master Investments      | (\$13,537,086.10)     | \$13,537,086.10        | \$0.00                 | \$2,000,000.00        | \$0.00              | \$0.00              | \$0.00                 | (\$13,515,604.35)     | \$13,515,604.35        | \$0.00                 |
|                             | <b>\$2,157,436.72</b> | <b>\$13,526,564.60</b> | <b>\$12,892,725.19</b> | <b>\$2,001,200.00</b> | <b>\$831,504.37</b> | <b>\$831,504.37</b> | <b>\$10,158,353.40</b> | <b>\$4,914,468.34</b> | <b>\$13,503,882.85</b> | <b>\$18,418,351.19</b> |

### 2025 Cash Balance Summary

The year in review below will cover some of the highlights by department and funds, however the overall cash balance for Medina increased by over \$2,000,000 in 2025. This was driven by surpluses both within the General and Capital Funds, which allowed 2026 to start with a cash reserve over the minimum General Fund balance required by state law.

### 2025 General Fund, Year in Review

#### General Fund Revenue Highlights

2025 General Fund revenue came in at \$9.07M, which is 6.24% higher than what was budgeted.

Utility and franchise fee revenue was 26% over budget for 2025, which led to over \$256K in additional revenue. With rising costs associated with utilities, the city has adjusted the 2026 budget to better reflect expected actuals in this category.

For the third year in a row, investment interest earnings have outperformed expectations. With high rates, the city recognized \$320K in funds. This surplus was used to cover the city's budget amendments for City Manager recruitment, employee cashouts and CBA negotiations.

In 2025, Medina received \$72K in grants from the Department of Commerce. Also, please note the Q4 payments for the Post Office lease and the Hunts Point Police contract both were received in January 2025, and were recognized this past year.

### General Fund Expenditure Highlights

#### **Legal**

After budget amendments were added, the City Attorney costs exceeded budget by almost \$73K. Public Defender services also exceeded what was allocated, and with rising monthly retainer costs and an increase in Medina cases, this should continue going forward.

In 2025 Medina only spent 5.36% of the allocation for “Special Counsel”, which covers the overages in the other areas of the legal budget.

#### **Central Services**

City Hall building maintenance was 34% over budget in 2025, this was due to the HVAC repairs and extended availability of porta potties for the Medina Beach Park.

The Public Storage costs increased in 2025 and came in \$1684 over budget. Staff uses this unit to store public records, specifically permit related files.

With savings in other areas, the Central Services Department still came in 13.4% under budget from what was allocated in 2025. The main savings came from the hold placed on the Records Management Portal project. The department gave back over \$153K.

#### **Police**

In 2025, the Police Department ended the year with a surplus of \$26K. This is less than 2024, however with full staff costs and the need to overspend in a few areas, the PD was still able to give money back.

Police supplies came in over \$12K over budget, The main areas include uniforms and bullet proof vests. With the need to outfit 3 new officers, along with annual gear for remaining staff, this led to going over budget. Recruitment going over budget by nearly \$6K also aligns with the need to hire multiple officers during the calendar year.

Jail costs also were higher than expected in 2025. The city is responsible for any costs associated with jailing or boarding a defendant who is charged with any crime that is less than a felony (DUI for example).

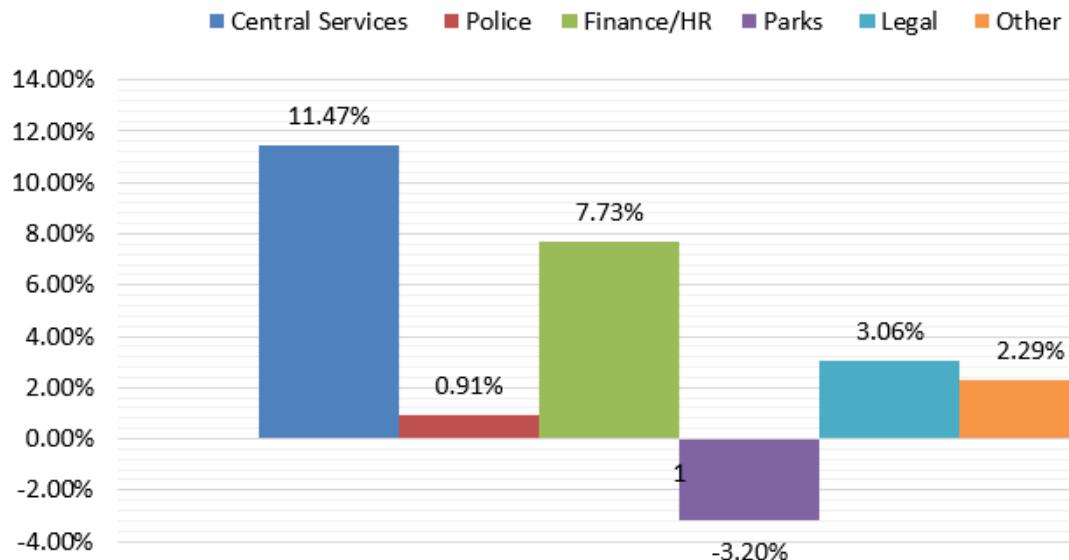
Police department capital expenditures came in over 20K over budget for 2025. With rising lease costs as vehicles are replaced, staff worked with FCI to buy out the remaining residual balance to own a vehicle at year end to help mitigate rising costs for future years. This will hopefully allow for our PD vehicle costs to stay flat in 2026.

## Parks/Streets

Utilities are shown at 74% over budget, however this does not show the full picture. Some of the cost is recouped through our interlocal agreement with Clyde Hill, with reimbursement expected for Q4 costs in Q1 2026. However, rising costs and increased water usage should be monitored going forward. Staff were also directed to start watering on 12<sup>th</sup> this past year as well.

Vehicle and equipment maintenance also came in 74% over expected, driven by high costs to repair the city's aging backhoe. With a new backhoe coming in 2026, expect repairs to decrease on that specific asset.

## General Fund Budget Variances by Department (Surplus \$243,031)



## Capital Fund Highlights

### Revenue

Real Estate Excise Tax (REET) of \$2.02M in 2025, which was 49% over what was budgeted. Please note that the entire surplus came from one major sale within the city and is not an expected trend.

Capital investment interest earnings came in at over \$282K, which was used to fund the deck replacement project at city hall and other internal work. As this is considered non-restricted capital, these funds can also be used for maintenance and street cleaning projects in the future.

### Expenditure

The Capital Budget came in at 5% under budget for 2025. With a higher allocation than expected from the KC Park Levy, the city was required to spend these funds.

## Development Services Highlights

### Revenue

After a promising year in 2023 for permit work within Medina, 2024 and now 2025 saw decreases in fund balance. Even with conservative revenue projections, total revenue came in 9.1% below what was expected. Permit fees decreased for the second year in a row.

This will be a Finance Committee topic in 2026, as rising consultant costs are outpacing the revenue that this fund is bringing in. A transfer of \$100K from the General Fund has been budgeted for 2026 to help cover deficit spending.

### Expenditure

Even with lower-than-expected revenue numbers in 2025, fixed costs and consultant expenses led to the department only spending \$24K less than the 2025 budget.

Consulting budget overages,

- Arborist Consultant \$4.8K over budget
- Planning Consultant \$71K over budget
- Engineering Consultant \$65K over budget

With Medina without a Planning Manager, consultants are being utilized to do all the current planning work within the city.

#### Revenue

| Fund                      | 2024 Actuals    | 2025 Actuals   | Variance        | % Change |
|---------------------------|-----------------|----------------|-----------------|----------|
| General Fund              | \$ 8,610,541.00 | \$9,073,035.84 | \$ 462,494.84   | 5%       |
| Street Fund               | \$ 88,421.00    | \$183,197.96   | \$ 94,776.96    | 107%     |
| Tree Fund                 | \$ 888.00       | \$21,000.00    | \$ 20,112.00    | 2265%    |
| Development Services Fund | \$ 971,665.00   | \$964,002.78   | \$ (7,662.22)   | -1%      |
| Capital Fund              | \$ 2,626,107.00 | \$2,384,427.02 | \$ (241,679.98) | -9%      |

#### Expenditures

| Fund                      | 2024 Actuals    | 2025 Actuals   | Variance          | % Change |
|---------------------------|-----------------|----------------|-------------------|----------|
| General Fund              | \$ 6,932,780.00 | \$7,260,638.01 | \$ 327,858.01     | 5%       |
| Street Fund               | \$ 609,909.00   | \$561,323.43   | \$ (48,585.57)    | -8%      |
| Tree Fund                 | \$ 25,853.00    | \$319.58       | \$ (25,533.42)    | -99%     |
| Development Services Fund | \$ 1,202,751.00 | \$1,185,397.03 | \$ (17,353.97)    | -1%      |
| Capital Fund              | \$ 2,508,802.00 | \$702,512.86   | \$ (1,806,289.14) | -72%     |

#### 2025 Variance by Fund in %

