



CITY OF MEDINA

501 EVERGREEN POINT ROAD | PO BOX 144 | MEDINA WA 98039-0144
TELEPHONE 425-233-6400 | www.medina-wa.gov

Date: July 10, 2023
To: Honorable Mayor and City Council
Via: Stephen R. Burns, City Manager
From: Ryan Wagner, Finance & HR Director
Subject: June 2023 Financial Report

The June 2023 Reporting includes:

- June AP Check Register Activity Detail
- Key Revenue and Expenditures in June 2023
- Potential Budget Amendment Items for 2023
- June 2023 Cash Position Report
- June 2023 Financial Report with Mid-Year Update
- June 2023 REET Report

Key Revenue from June of 2023

- \$70K in property tax revenue
- \$164K in retail sales and use tax.
- \$46K in investment earnings
- \$34K in Grant Funding
- \$52K in June REET (paid out in July) please see attached report

Key Expenditures from June of 2023

- \$24K Ogden Murphy Wallace – May legal services
- \$11K CREA – Comprehensive Plan
- \$14K TIG – IT managed services

New Payroll and Human Resources Platform

I am excited to announce the city now uses ADP's workforce now platform for payroll and human resources.

The first month with the new system was in May, getting rid of paper timecards and manual calculations by staff. This allows for more transparency and accuracy for our employees, while increasing the efficiency of the payroll process.

On the human resources side, the comprehensive services package will assist staff in keeping compliant with the latest workplace legislation at both the state and federal level. An updated employee handbook and lifeguard manual are in the works as well.

Lastly, open enrollment and benefits for employees will be handled through the new platform, cutting down on paper and providing our staff with an easy to access system for all their payroll/HR needs.

Budget Amendment Items

- 20K for WCIA 2023 bill, good faith estimate was understated by Finance Director

Potential Amendment Items

- \$10K for outgoing Council celebration and end of year banquet
- \$25K for potential arborist fee study (already presented to council in Jan 23)
- \$40K for Body Cameras for our PD, potential Q4 expense
- \$30K for a Development Services fee study, (Feb second meeting discussion)
- \$50K for potential Overlay projects (high estimate per PW Director)

June 2023 Cash Position Report

<u>2023 Cash Balance, 5/31/2023</u>		<u>2023 Cash Balance, 6/30/2023</u>	
<u>TOTAL CASH & INVESTMENTS</u>		<u>TOTAL CASH & INVESTMENTS</u>	
<u>Period Ending: 05/31/2023</u>		<u>Period Ending: 06/30/2023</u>	
WA ST INV POOL	\$ 7,977,599	WA ST INV POOL	\$ 8,199,208
OTHER INVESTMENTS*	3,150,000	OTHER INVESTMENTS*	4,602,933
CHECKING	3,140,664	CHECKING	1,524,623
	<u>\$ 14,268,263</u>		<u>\$ 14,326,764</u>
		Outstanding Checks	<u>\$163,292.64</u>
			<u>\$ 14,163,471</u>

*Bond maturity dates:

New Bond 19 Month
4.75% annual yield



\$1M bond (Aug 2020)	8/5/2024
\$1M bond (June 2023)	12/31/2024
\$500K bond (Mar 2020)	3/25/2025
\$500K bond (June 2022)	12/31/2025
\$1.15M bond (Jan 2023)	6/30/2026
\$500K bond (June 2023)	12/31/2027

New Bond 4 Year
5% annual yield



June 2023 Financial Summary

	JUNE ACTUAL	JUNE YTD ACTUAL	2023 ANNUAL BUDGET	% of Budget Total	REMAINING BUDGET
General Fund					
Property Tax	\$69,691	\$2,563,376	\$4,318,656	59.36%	\$1,755,280
Sales Tax	\$164,222	\$916,418	\$1,870,785	48.99%	\$954,367
Affordable & Sup. Housing	\$0	\$1,281	\$0	--	(\$1,281)
Criminal Justice	\$8,492	\$51,630	\$98,782	52.27%	\$47,152
B & O Tax: Utility & Franchise Fee	\$1,170	\$560,149	\$897,637	62.40%	\$337,488
Leasehold Excise Tax	\$0	\$0	\$6,589	0.00%	\$6,589
General Government (includes Hunts Point)	\$90,160	\$193,247	\$441,401	43.78%	\$248,154
Passports, General Licenses & Permits	\$244	\$2,165	\$6,050	35.79%	\$3,885
Fines, Penalties, Traffic Infr.	\$0	\$6,384	\$18,000	35.47%	\$11,616
Misc. Invest. Facility Leases	\$33,962	\$198,498	\$160,869	123.39%	(\$37,629)
Disposition of Capital Assets	\$0	\$18,288	\$0	--	(\$18,288)
General Fund Total	\$367,941	\$4,511,435	\$7,818,769	57.70%	\$3,307,334
Development Services Fund Total	\$113,358	\$691,439	\$1,007,538	68.63%	\$316,098.60
Development Services Fund Transfers In from GF	\$0	\$0	\$0	--	\$0.00
Street Fund Total	\$5,898	\$27,233	\$135,166	20.15%	\$90,446
Street Fund Transfers In	\$42,917	\$257,517	\$515,000	50.00%	\$200,764
Tree Fund Total	\$0	\$950	\$3,075	30.89%	\$2,125
Capital Fund Total	\$52,419	\$822,361	\$1,253,264	65.62%	\$430,903
Levy Stabilization Fund Total	\$0	\$0	\$0	--	\$0
Levy Fund Transfers In GF	\$41,667	\$250,000	\$500,000	50.00%	\$250,000
NonRevenue Trust Funds Total	\$70	\$6,344	\$0	--	(\$6,344)
Master Investments Total	\$0	\$3,000,000	\$0	--	(\$3,000,000)
Total (All Funds)	\$539,686	\$9,059,762	\$10,217,812	88.67%	\$1,158,050
Total (All Funds) Transfers In	\$84,583	\$507,517	\$1,015,000	50.00%	\$507,483

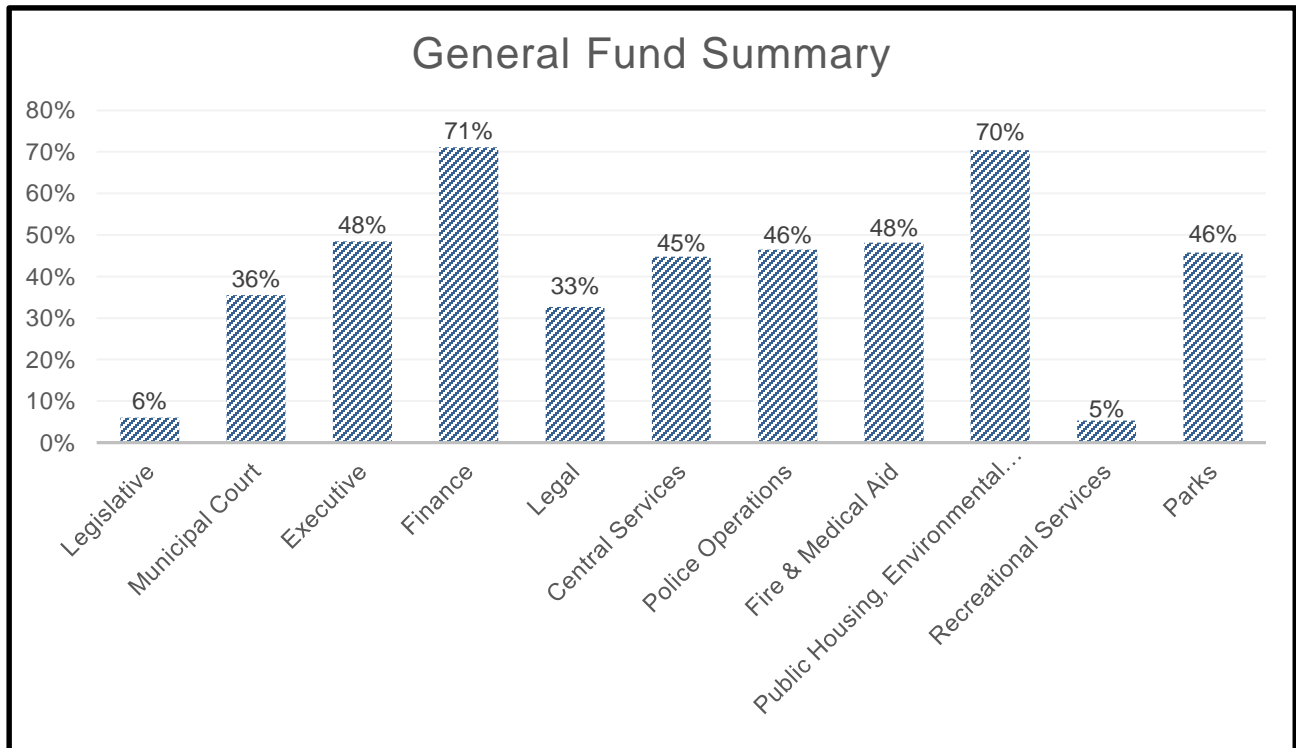
EXPENDITURES:	JUNE ACTUAL	JUNE YTD ACTUAL	2023 ANNUAL BUDGET	% of Budget Total	REMAINING BUDGET
General Fund					
Legislative	\$100	\$4,241	\$70,500	6.02%	\$66,259
Municipal Court	\$4,000	\$22,032	\$62,000	35.53%	\$39,968
Executive	\$23,215	\$136,181	\$281,185	48.43%	\$145,004
Finance	\$26,096	\$404,542	\$568,879	71.11%	\$164,337
Legal	\$24,430	\$106,919	\$327,200	32.68%	\$220,281
Central Services	\$75,786	\$564,401	\$1,261,218	44.75%	\$696,817
Police Operations	\$175,018	\$1,241,085	\$2,669,889	46.48%	\$1,428,804
Fire & Medical Aid	\$0	\$398,894	\$827,788	48.19%	\$428,894
Public Housing, Environmental & Mental Health Fees	\$0	\$29,611	\$42,058	70.41%	\$12,447
Recreational Services	\$2,436	\$2,584	\$48,500	5.33%	\$45,916
Parks	\$45,402	\$277,327	\$605,610	45.79%	\$328,283
General Fund Subtotal	\$376,482	\$3,187,818	\$6,764,827	47.12%	\$3,577,009
General Fund Transfers Out	\$78,333	\$470,017	\$940,000	50.00%	\$469,983
General Fund Total	\$454,815	\$3,657,835	\$7,704,827	47.47%	\$4,046,992
Development Services Fund Total	\$72,047	\$571,432	\$1,013,297	56.39%	\$441,865
City Street Fund Total	\$33,969	\$241,444	\$629,167	38.38%	\$387,723
Tree Fund Total	\$6,276	\$9,026	\$40,000	22.56%	\$30,974
Capital Fund Total	\$0	\$49,551	\$1,090,000	4.55%	\$1,040,449
Capital Fund Transfers Out	\$6,250	\$37,500	\$75,000	50.00%	\$37,500
NonRevenue Trust Funds Total	\$129	\$23,049	\$0	0.00%	(\$23,049)
Master Investments Total	\$1,674,542	\$3,705,673	\$0	0.00%	(\$3,705,673)
Total (All Funds)	\$2,163,444	\$7,787,992	\$9,537,291	81.66%	\$1,749,299
Total (All Funds) Transfers Out	\$84,583	\$507,517	\$1,015,000	50.00%	\$507,483

2023 Mid-Year Highlights

General Fund Revenue

- Property Taxes are at 59% of annual total, the majority of the remaining deposits are expected in Q4 2023.
- Sales Tax revenue at 49% of budgeted annual total, compared to 46% at this time last year.
- Investment interest revenue is at 197% of what was budgeted, with more than \$92K going to the general fund. At the same time in 2022, we had \$14K in investment revenue making up 69% of what was budgeted in 2022.

General Fund Expenditures



Finance

- WCIA Insurance payment made in January, makes up 42% of total budget for 2023.

Public Housing, and Environmental Services

- ARCH payment of \$29K in Q2, makes up 70% of total budget for 2023.

Overall, the general fund revenue is up 7.5% from last year. This can be attributed to the increase in property taxes aligned with the levy lift, along with the increase in Investment earnings in 2023.

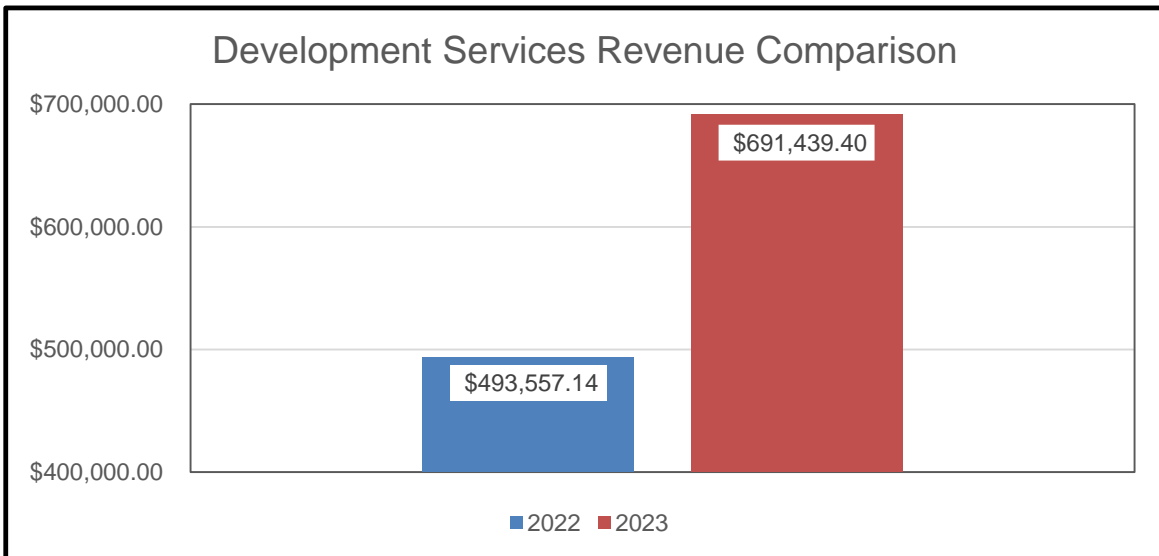
On the expenditures side, halfway through the fiscal year, the city is at 47% of the general fund budget. Compared to 49.82% at midyear 2022, staff is working hard to keep within budget.

Capital Fund

- Revenue is currently at over \$822K for 2023, which is 65.62% of the annual budget. This includes \$684K in REET, and \$138K in investment earnings.
- REET is up from \$632K from 2022 through June, while investment earning this time last year sat at \$20K.
- The city also expects additional unbudgeted grant funding, awarded to the city through applications from Public Works Director Ryan Osada.
- With most capital projects breaking ground in Q3, most of the expenditures come in the second half of the year.

Development Services

- Through June of 2023, building permits have generated \$492K for the DS Fund. This is up from \$345K from this time last year.
- Overall, Development Services is at 68.63% of their expected annual revenue for 2023, putting the fund in a good position entering the second half.



- With an increase in permitting, expenditures rise as well. Currently, the city is at 56.39% of what was budgeted for the year.
- We see this particularly within consulting, as professional services, the arborist, and the shoreline consultant are on pace to exceed what was budgeted this year.
- Lastly, the planning consultant line item includes comp plan work. Additional dollars were allocated in Central Services, and a portion will be covered by a grant. However, the consulting work is expected to be heavier than anticipated in 2023, not evenly spread out through 2024 as what was budgeted for.