MEDINA, WASHINGTON

AGENDA BILL

Monday, November 9th, 2026

Subject/Topic: 2027 Final Budget and Salary Schedule **Dept. Origin:** Finance/HR **Category:** Public Hearing, Ordinance **Prepared by:** Ryan Wagner – Finance Director **Attachments:** Attachment A – 2027 Budget Ordinance Attachment B – 2027 Proposed Salary Schedule Attachment C – 2027 Proposed Budget Memo Attachment D – 2027 Proposed Budget Workbook	**Proposed Council Action/Motion:** ☐Information Only ☐Receive and File ☐Discuss ☐Provide Direction ☒**Public Hearing** ☒**Adopt/Approve** ☐Other:

Introduction by the City Manager

This is the second of three budget-related public hearings on the agenda for the November 9th, 2026 City Council meeting with each building upon the preceding item. Having now approved the 2027 property tax levy, the revenue assumptions for the 2027 proposed budget are validated and the 2027 budget is ready for adoption. Changes to the 2027 proposed budget as presented would require adjustments to the 2026 budget amendment assumptions, which is the next public hearing. Approval of the 2026 budget amendments is scheduled for the December 14, 2026 City Council meeting after conducting tonight's public hearing on that matter.

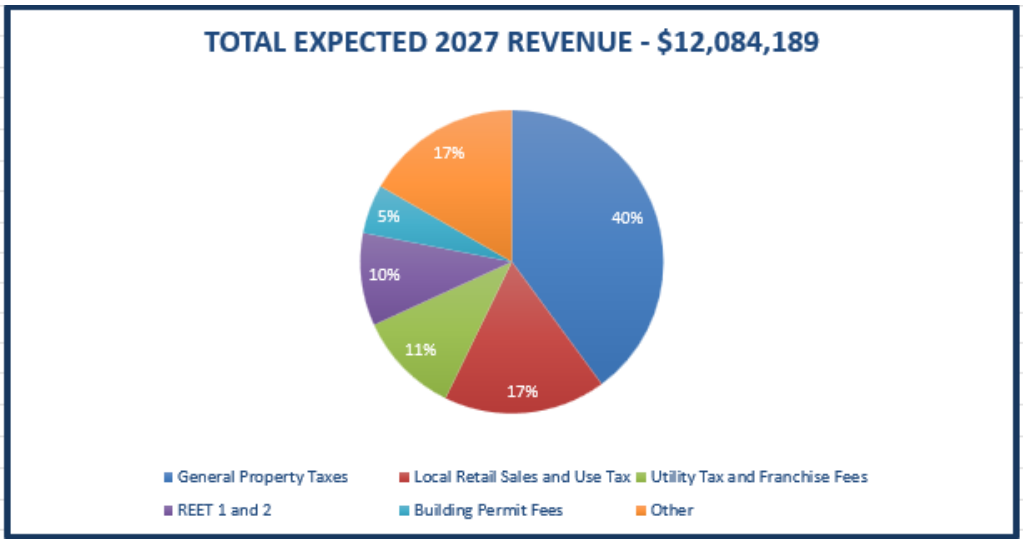
Summary

July 13, 2026 Regular Meeting: Public Hearing to consider the 2027-2032 Six Year Capital Improvement and Transportation Plan (CIP/TIB/Non-TIB).
September 14, 2026 Regular Meeting: The City Council held its first public hearing on the 2027 Budget.
October 12, 2026 Regular Meeting: The City Council held its second public hearing on the 2027 Budget.
October 14, 2026 Open House: Council and staff were available to interact and answer any questions the community had on the 2027 budget, and long term fiscal sustainability of the General Fund.
November 9, 2026 Regular Meeting: The City Council holds its third public hearing on the 2026 Budget, with the goal of adoption.

Budget, At a Glance

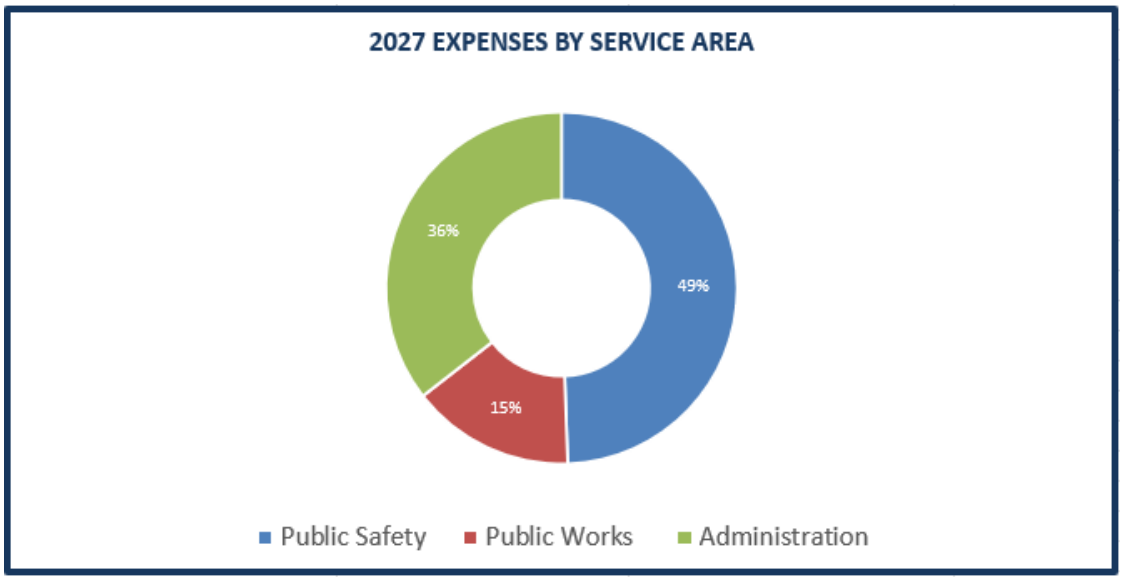
- Total Budget: $12.12 Million
- General & Street Fund: $9.18M (76%)
- Development Services Fund: $928K (7%)
- Capital & Tree Funds: $1.70M (14%)
- Equipment Replacement Fund: $307K (3%)

Where the Money Comes From (Revenues), and Goes (Expenditures)



Highlights for 2027

- Balanced budget is presented even as costs increase.
- Police Department: Added additional Officer, offset by increase in Sales Tax and Grant Funding
- Contracted Fire and Emergency Services: A 13.22% increase over 2026, driven by a growing budget from Bellevue Fire, an increase in service calls, and increased total assessed values of Medina real estate.
- Capital Projects: $1.57M for road, sidewalk, stormwater, and park improvements.
- Development Services: Revenues projected to remain neutral relative to 2026; long-term sustainability planning underway with an increased transfer from the General fund to maintain service levels for 2027.



Council Priorities

This proposal furthers Council Priorities 1 - 5.

1. **Financial Stability and Accountability**
2. **Quality Infrastructure**
3. **Efficient and Effective Government**
4. **Public Safety and Health**
5. **Neighborhood Character and Community Building**

Budget/Fiscal Impact: 2027 Budget Impacts as presented.

Recommendation: To approve the 2027 Budget Ordinance and the 2027 Salary Schedule.

City Manager Approval:

Proposed Council Motion: "I move to approve Ordinance 1063, adopting the 2027 Annual Budget and Salary Schedule."