



CITY OF MEDINA

501 EVERGREEN POINT ROAD | PO BOX 144 | MEDINA WA 98039-0144

TELEPHONE 425-233-6400 | www.medina-wa.gov

Date: February 10, 2025
To: Honorable Mayor and City Council
Via: Stephen R. Burns, City Manager
From: Ryan Wagner, Finance & HR Director
Subject: 2024 End of Year Financials

The 2024 end of the year report includes:

- 13th Month Key Expenditure Numbers
 - Planning Consultant Overages
 - December Financial Summaries
 - December Cash Statements
 - 2024 Financials Year in Review
 - 2024 Financials by Account
 - December 13th Month 2024, and January 2025 AP Check Register Activity Details
-

This report will cover the unaudited end-of-year financials for the City of Medina. This will cover 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.

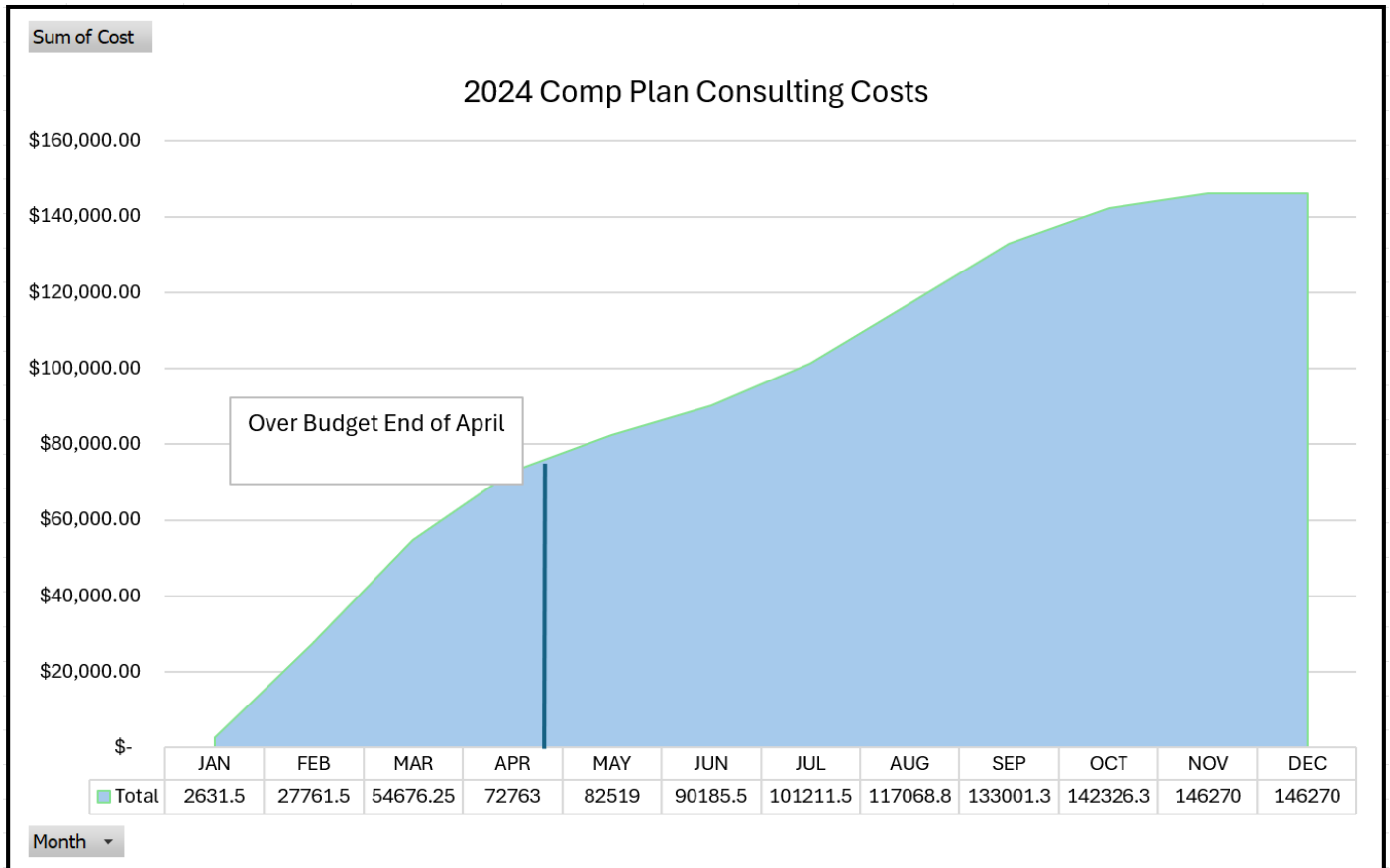
December "13th Month" 2024 Key Expenditures

- \$128K Kamins Construction – 2024 ADA Imp Project
- \$66K CH Deck Project
- \$50K FCI – Buy Down PD Vehicles
- \$16K LDC – Long Range Planning
- \$14K Inslee Best – November Attorney Services
- \$13K Pro-Vac – Stormwater Vectoring

Planning Consultant Overages

The city budgeted \$70,000 in 2024 to finalize the comprehensive plan, which aligns with what was determined in 2022 to be the three-year cost of the project. Based on actuals through April of this year, plus estimates from staff and our consultants, the city is over budget as of April of this year. With this process running through the end of the year, we went over budget by \$76,270. This overage will be discussed with the Finance Committee in February, to understand the reason, and to Help better plan for future projects.

2024 Consulting Costs Comp Plan		
Month	Cost	Actual V Estimate
JAN	\$ 2,631.50	Actual
FEB	\$ 25,130.00	Actual
MAR	\$ 26,914.75	Actual
APR	\$ 18,086.75	Actual
MAY	\$ 9,756.00	Actual
JUN	\$ 7,666.50	Actual
JUL	\$ 11,026.00	Actual
AUG	\$ 15,857.25	Actual
SEP	\$ 15,932.50	Actual
OCT	\$ 9,325.00	Actual
NOV	\$ 3,943.75	Actual
DEC	\$ -	N/A
Total Annual Cost:	\$ 146,270.00	
Total 2024 Budget:	\$ 70,000.00	
Projected Overage:	\$ 76,270.00	



Updated December 2024 Financial Summary

REVENUES:	DEC ACTUAL	YTD ACTUAL	2024 ANNUAL BUDGET	% of Budget Total	REMAINING BUDGET
General Fund					
Property Tax	\$57,851	\$4,460,475	\$4,461,393	99.98%	\$918
Sales Tax	\$257,525	\$2,042,597	\$1,904,941	107.23%	(\$137,656)
Affordable & Sup. Housing	\$2,234	\$11,289	\$0	--	(\$11,289)
Criminal Justice	\$8,762	\$104,614	\$107,863	96.99%	\$3,249
B & O Tax: Utility & Franchise Fee	\$169,475	\$1,125,159	\$938,400	119.90%	(\$186,759)
Leasehold Excise Tax	\$0	(\$3,093)	\$6,589	-46.94%	\$9,682
General Government (includes Hunts Point)	\$5,520	\$421,673	\$433,520	97.27%	\$11,847
Passports, General Licenses & Permits	\$205	\$2,292	\$6,000	38.20%	\$3,708
Fines, Penalties, Traffic Infr.	\$2,650	\$24,006	\$18,000	133.37%	(\$6,006)
Misc. Invest. Facility Leases	\$35,312	\$420,875	\$379,496	110.90%	(\$41,379)
Disposition of Capital Assets	\$0	\$655	\$0	--	(\$655)
General Fund Total	\$539,534	\$8,610,541	\$8,256,202	104.29%	(\$354,339)
Development Services Fund Total	\$57,152	\$971,665	\$1,222,500	79.48%	\$250,834.77
Development Services Fund Transfers In from GF	\$0	\$0	\$0	--	\$0.00
Street Fund Total	\$38,594	\$88,421	\$122,096	72.42%	\$90,446
Street Fund Transfers In	\$44,583	\$535,000	\$535,000	100.00%	\$200,764
Tree Fund Total	\$0	\$888	\$3,075	28.88%	\$2,187
Contingency Fund Total	\$1,500,000	\$1,500,000	\$1,500,000	100.00%	\$0
Capital Fund Total	\$84,425	\$2,626,107	\$2,039,090	128.79%	(\$587,017)
Levy Stabilization Fund Total	\$0	\$0	\$0	--	\$0
Levy Fund Transfers In GF	\$33,333	\$400,000	\$400,000	100.00%	\$0
NonRevenue Trust Funds Total	\$6,163	\$27,315	\$0	--	(\$27,315)
Master Investments Total	\$1,000,000	\$3,750,000	\$0	--	(\$3,750,000)
Total (All Funds)	\$2,225,868	\$13,824,936	\$13,142,963	105.19%	(\$681,973)
Total (All Funds) Transfers In	\$77,917	\$935,000	\$935,000	100.00%	\$0

EXPENDITURES:	DEC ACTUAL	YTD ACTUAL	2024 ANNUAL BUDGET	% of Budget Total	REMAINING BUDGET
General Fund					
Legislative	\$6,007	\$51,674	\$70,500	73.30%	\$18,826
Municipal Court	\$9,974	\$37,229	\$15,000	248.19%	(\$22,229)
Executive	\$29,661	\$297,790	\$292,970	101.65%	(\$4,820)
Finance	\$36,462	\$676,311	\$683,422	98.96%	\$7,111
Legal	\$53,614	\$327,970	\$405,200	80.94%	\$77,230
Central Services	\$155,696	\$1,254,248	\$1,324,644	94.69%	\$70,396
Police Operations	\$397,770	\$2,668,863	\$2,803,273	95.21%	\$134,410
Fire & Medical Aid	\$469,302	\$921,444	\$934,285	98.63%	\$12,841
Public Housing, Environmental & Mental Health	\$215	\$65,242	\$52,648	123.92%	(\$12,594)
Fees					
Recreational Services	\$0	\$41,898	\$48,500	86.39%	\$6,602
Parks	\$72,557	\$590,112	\$608,415	96.99%	\$18,303
General Fund Subtotal	\$1,231,257	\$6,932,780	\$7,238,857	95.77%	\$306,077
General Fund Transfers Out	\$1,571,667	\$2,360,000	\$2,360,000	100.00%	\$0
General Fund Total	\$2,802,923	\$9,292,780	\$9,598,857	96.81%	\$306,078
Development Services Fund Total	\$148,298	\$1,202,751	\$1,199,937	100.23%	(\$2,814)
City Street Fund Total	\$83,664	\$609,909	\$645,427	94.50%	\$35,518
Tree Fund Total	\$4,959	\$25,853	\$30,000	86.18%	\$4,147
Capital Fund Total	\$241,155	\$2,508,802	\$2,234,090	112.30%	(\$274,712)
Capital Fund Transfers Out	\$6,250	\$75,000	\$75,000	100.00%	\$0
NonRevenue Trust Funds Total	\$9,448	\$27,423	\$0	0.00%	(\$27,423)
Master Investments Total	\$864,070	\$3,246,564	\$0	0.00%	(\$3,246,564)
Total (All Funds)	\$1,718,781	\$11,307,517	\$11,348,311	99.64%	\$40,794
Total (All Funds) Transfers Out	\$1,577,917	\$2,435,000	\$2,435,000	100.00%	\$0

2024 Year in Review Cash Balances by Fund

Fund	Beginning Cash	Beginning Investments	Activity In	Activity Out	Ending Cash	Ending Investments	Ending Balance
001 General Fund	\$4,299,448.06	\$0.00	\$8,809,769.78	\$9,452,008.77	\$3,657,209.07	(\$5,260.75)	\$3,651,948.32
101 City Street Fund	\$92,592.08	\$0.00	\$629,584.91	\$616,073.29	\$106,103.70	\$0.00	\$106,103.70
103 Tree Fund	\$48,456.58	\$0.00	\$888.00	\$25,852.56	\$23,492.02	\$0.00	\$23,492.02
302 Contingency Fund	\$250,000.00	\$0.00	\$1,500,000.00	\$0.00	\$1,750,000.00	\$0.00	\$1,750,000.00
303 Levy Stabilization Fund	\$2,000,000.03	\$0.00	\$399,999.96	\$0.00	\$2,399,999.99	\$0.00	\$2,399,999.99
307 Capital Projects Fund	\$7,000,335.76	\$0.00	\$2,606,497.54	\$2,564,192.65	\$7,042,640.65	(\$5,260.75)	\$7,037,379.90
401 Development Services Fund	\$950,690.92	\$0.00	\$1,035,491.01	\$1,279,693.11	\$706,488.82	\$0.00	\$706,488.82
631 NonRevenue Trust Funds	\$124.01	\$0.00	\$27,466.25	\$27,568.34	\$21.92	\$0.00	\$21.92
999 Master Investments	(\$14,040,522.10)	\$14,040,522.10	\$3,750,000.00	\$3,246,564.00	(\$13,537,086.10)	\$13,537,086.10	\$0.00
	\$601,125.34	\$14,040,522.10	\$18,759,697.45	\$17,211,952.72	\$2,148,870.07	\$13,526,564.60	\$15,675,434.67

2024 Cash Balance Summary

The year in review below will cover some of the highlights by department and fund, however the overall cash balance for Medina increased by over \$1,000,000 in 2024. This was driven by surpluses both within the General and Capital Funds, which allowed for a transfer to be made by amendment to replenish the Contingency Fund.

2024 General Fund, Year in Review

General Fund Revenue Highlights

2024 General Fund revenue came in at \$8.61M, which is 4.29% higher than what was budgeted.

Utility and franchise fee revenue was almost 20% over what was planned for 2024, which led to over \$187K in additional revenue. With rising costs associated with utilities, the city should expect an increase in overall funds from these sources going forward.

For the third year in a row, investment interest earnings have outperformed expectations. With high rates, the city recognized \$290K in funds, double the conservative estimate for 2024. This surplus was used to cover the city's budget amendments for middle housing, and the comprehensive plan.

In 2024, Medina received \$80K in grants from the Department of Commerce. These grants were used to cover costs for middle housing and the comprehensive plan.

General Fund Expenditure Highlights

Finance

Auditor costs were 44% over budget. With the 2022 audit being carried into 2024, we see costs for both audit years paid out in 2024. Of note, 2023 costs came in at 71% under budget.

Central Services

Advertising costs were 31% over budget in 2024, with rising costs and an emphasis on pushing more notices out to the community being the main cause. With this being the second year in a row over budget, staff has increased the budget for 2025.

City hall building maintenance was 44% over budget in 2024, this was due to the high costs associated with repairing and renovating the public washrooms for the Medina Beach Park.

With savings in other areas, the Central Services Department still came in 5.3% under budget from what was allocated in 2024. The department gave back over \$70K.

Police

In 2024, the Police Department ended the year with a surplus of \$134K. With an open position for the first 10 months of 2024, the savings came from the unspent salary/benefits.

Police supplies came in at 27% over budget, with outfitting a new officer with gear and uniforms being the main reason for the increase.

Police department capital expenditures came in at \$50K over budget for 2024. With the addition of a new vehicle to the fleet for the promoted Sargeant Glenn, staff worked with FCI to buy down the principals on the leased fleet to mitigate rising costs for future years. This will allow for our PD vehicle costs to stay flat over the next couple of budget cycles.

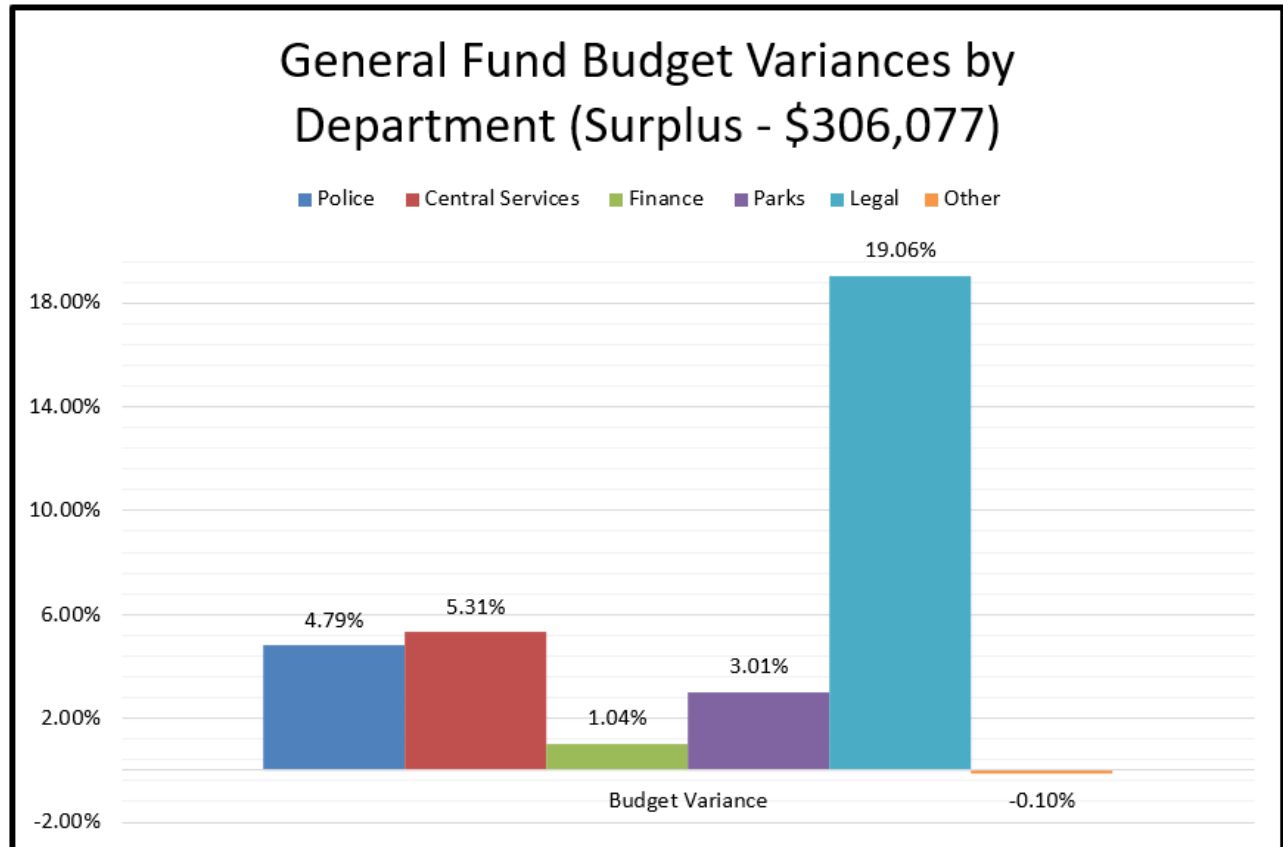
Parks/Streets

Overtime exceeded 2024's budget by 23%, this was driven by plowing during the winter, weekend trash collection in the summer, and trap removal. The city will continue to monitor overtime costs to make sure the appropriate amount is budgeted going forward to meet service needs.

Utilities are shown at 69% over budget, however this does not show the full picture. Some of the cost is recouped through our interlocal agreement with Clyde Hill, which will be reflected in 2025.

Street Capital is \$34K over budget. With the purchase of the replacement plow truck late in 2023, some of the costs carried over into 2024 and were not budgeted for in the correct year. This includes the sprayer, sander, rubber plow blades, and safety lights.

Storm drain maintenance was 34% over budget for 2024. With heavy winds during the winter months, additional work was needed to keep drains clear and prevent flooding in the city.



Capital Fund Highlights

Revenue

The city received \$672K in grant funding in 2024, associated with KC Parks Levy and sidewalk and storm water grants.

Real Estate Excise Tax (REET) funding of \$1.63M in 2024, which was 45% over what was expected in 2024. Home sales in both number and total value were high in 2024, which gave the city a surplus in tax revenue to utilize in future years on capital projects.

Capital investment interest earnings came in at over \$290K, which was used to fund the deck replacement project at city hall. As this is considered non-restricted capital, these funds can also be used for maintenance and street cleaning projects in the future.

Expenditures

The Capital Budget came in at 12% over budget for 2024. With rising material and project costs, and a record number of projects, the city's total capital reserves still increased in 2024.

Out of the \$2.58M in total spent last year within this fund, \$672K was paid for with state level grant funding.

Development Services Highlights

Revenue

After a promising year in 2023 for permit work within Medina, 2024 saw a return to 2022 levels. Even with conservative revenue projections, total revenue came in 20% below what was expected. Permit fees were down from 2023, and the fee revenue shown under the "planning" code section came in significantly under what was budgeted also.

This will be a Finance Committee topic in 2025, as rising consultant costs are outpacing the revenue that this fund is bringing in.

Expenditures

Even with lower-than-expected revenue numbers in 2024, fixed costs and consultant expenses led to 100% of the Development Services budget being spent. The reasons for this are below,

Consulting budget overages,

- Shoreline Consultant \$51K over budget
- Planning Consultant \$70K over budget
- Engineering Consultant \$16K over budget

Due to new contracts for consultants in 2024, rates increased in comparison to 2023 rates. Staff have made it a priority to research and look for ways to allocate staff time in order to limit consulting hours going forward.

With the Planning Manager focusing on long range planning with key agenda items like the comprehensive plan and middle housing, the planning consultant has been utilized more to handle day-to-day permit reviews.

2024 Expenditures Fund Variances in %

