



# MEDINA, WASHINGTON

## AGENDA BILL

Tuesday November 12, 2024

**Subject:** 2024 Budget Amendments

**Category:** City Council Business

**Staff Contact:** Ryan Wagner, Director of Finance & HR

**Purpose:** Provide Recap, and Lead Discussion on Potential Amendments

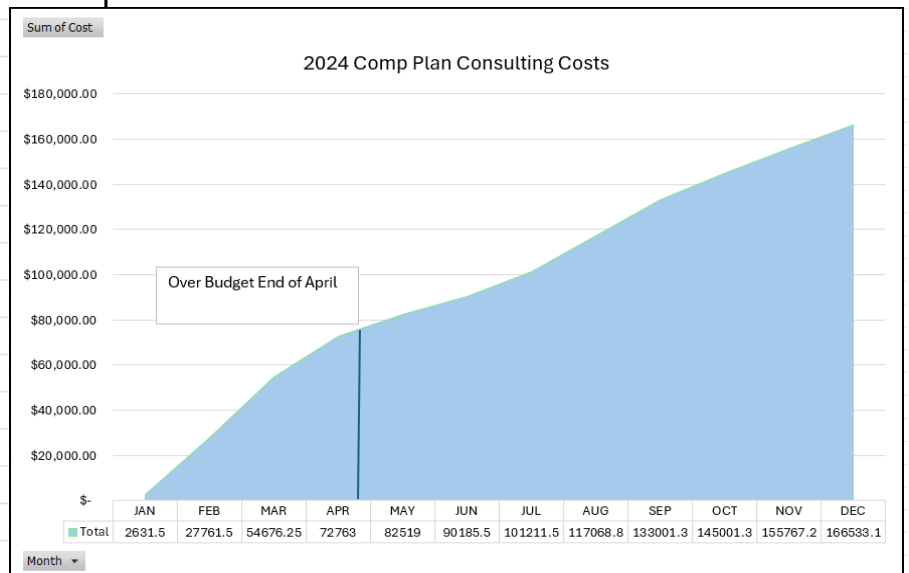
### Summary

The purpose for recommending 2024 Budget Amendments is to document budget changes that occurred after the 2024 Budget was adopted on November 13, 2023. Except items of an accounting “housekeeping” nature, some of these have been noted in Council’s monthly financial reports throughout the year as they occurred. As per our practice, these changes are gathered under one ordinance for passage towards the end of the budget year. These recommended changes are as follows:

#### 1) Comprehensive Plan Consulting Overages

The adopted budgeted amount for the 2024 comp plan was set at \$70,000. With the departure of our previous Planning Manager, Medina was put in a position where a lot of staff, volunteer, and consulting time was needed to get back on track. As of the current billing through September of 2024, staff estimates that the total overage for the year will be just short of \$100,000. Within the budget, this item falls within the professional services portion of Central Services (General Fund).

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	\$ 12,000.00	Estimate
NOV	\$ 10,765.90	Estimate
DEC	\$ 10,765.90	Estimate
Total Annual Cost: \$ 166,533.05		
Total 2024 Budget: \$ 70,000.00		
Projected Overage: \$ 96,533.05		



## **Clean up Items Already Approved by Council**

### **2) Middle Housing Consultant**

During the July 22<sup>nd</sup> meeting, Council approved \$50,000 for consulting costs for Middle Housing. While the entire approved amount will not be spent in 2024, staff is recommending \$25,000 be amended into the 2024 budget to cover the work done. This item falls within professional services under the Central Services department. Please note that 2025 costs have been budgeted conservatively for Middle Housing, which will now fall under Long Range Planning in the General Fund.

### **3) WSDOT 520 Mediation**

During the October 14<sup>th</sup> Council meeting, Council approved an additional \$10,000 spend on legal costs associated with mediation over the 520 lid. The billing from the Points Communities representation, McCullough Hill PLCC, is handled by Medina and reimbursed by the other communities. This item falls within Special Counsel, which is located under Legal.

### **4) City Hall Deck/Porch Repairs**

In 2023, the Council approved the contract to begin work repairing the deck on the west side of City Hall. In Q4 of 2023, the project start date was moved to spring of 2024. Due to a breach of contract from the contractor, the City had to restart the bid process. At the July 22<sup>nd</sup> meeting, Council approved on consent the new contract for the deck. As it was not originally in the 2024 budget, staff recommend allocating \$135,000 to the building improvements section of the Capital Budget to cover the costs.

## **Staff Recommendations/Discussion Item**

### **Contingency Fund Transfer**

As of 2024, the Cities current balance within the Contingency Fund is only \$250,000. Based on preliminary discussions with the Finance Committee in 2024, staff recommend that Medina transfers a sizable amount from the General Fund to the Contingency Fund. Per the state, Medina must have at least 25% of the following years operating budget available within the fund to cover costs during Q1. The recommended transfer of \$1,750,000 would still allow the city to comfortably meet that requirement, while strengthening the Cities primary reserve fund.

## **How the City Plans to Cover These Costs**

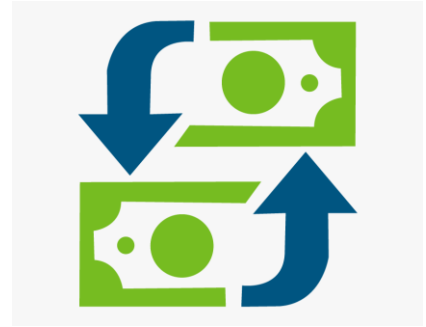
### **Approved Items**

To cover these budget amendments within the General and Capital Funds, the City will amend investment earnings on the revenue side that exceeded what was planned for 2024.

- For the General Fund, the amount will be increased by \$135,000 to match actuals and offset the proposed amendments.
- For the Capital Fund, the amount will be increased by \$135,000 to match actuals and to offset the proposed amendment.

## Contingency Fund Transfer

As of end of month October, the City of Medina has a current General Fund balance of \$5,336,823. This heavily exceeds the required amount needed to start 2025, which is \$2,083,077. While the anticipated costs remaining in 2024 will lower the fund balance, Medina will still have the ability to make a sizable transfer to strengthen the Contingency Fund if the Council chooses.



This meets and supports Council's priorities 1 and 3.

Council Priorities:

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

### Attachment(s)

None.

**Budget/Fiscal Impact:** Various

**Recommendation:** Discussion and feedback, to be brought back in December for approval.

**City Manager Approval:** 

**Proposed Council Motion:** N/A

Time Estimate: 15 minutes