**CITY OF EDGEWOOD**
**COUNCIL STUDY SESSION AGENDA**
Tuesday, April 29, 2025 – 7:00 PM ♦ City Hall – 2224 104th Avenue East ♦ Edgewood, WA
Meeting Link: https://cityofedgewood-org.zoom.us/s/86916509308

1. **CALL TO ORDER**
   Roll Call, Pledge of Allegiance
2. **COUNCIL BUSINESS**
   - **A.** Revenue Sources
   - **B.** Expenditure Details
   - **C.** Fund Balances
   - **D.** General Fund Balance Projections
   - **E.** Discussion
3. **ADJOURN**

*Study Sessions are meetings for Council to review upcoming and pertinent business of the City, no action is taken by the City Council. Study Sessions are open to the public, but public input is reserved for the regular Council meetings*

*This meeting is accessible to persons with disabilities. For individuals who may require special accommodations, please contact City Hall at (253) 952.3299, 24 hours in advance.*

# BUDGET RETREAT

City of Edgewood – April 29, 2025

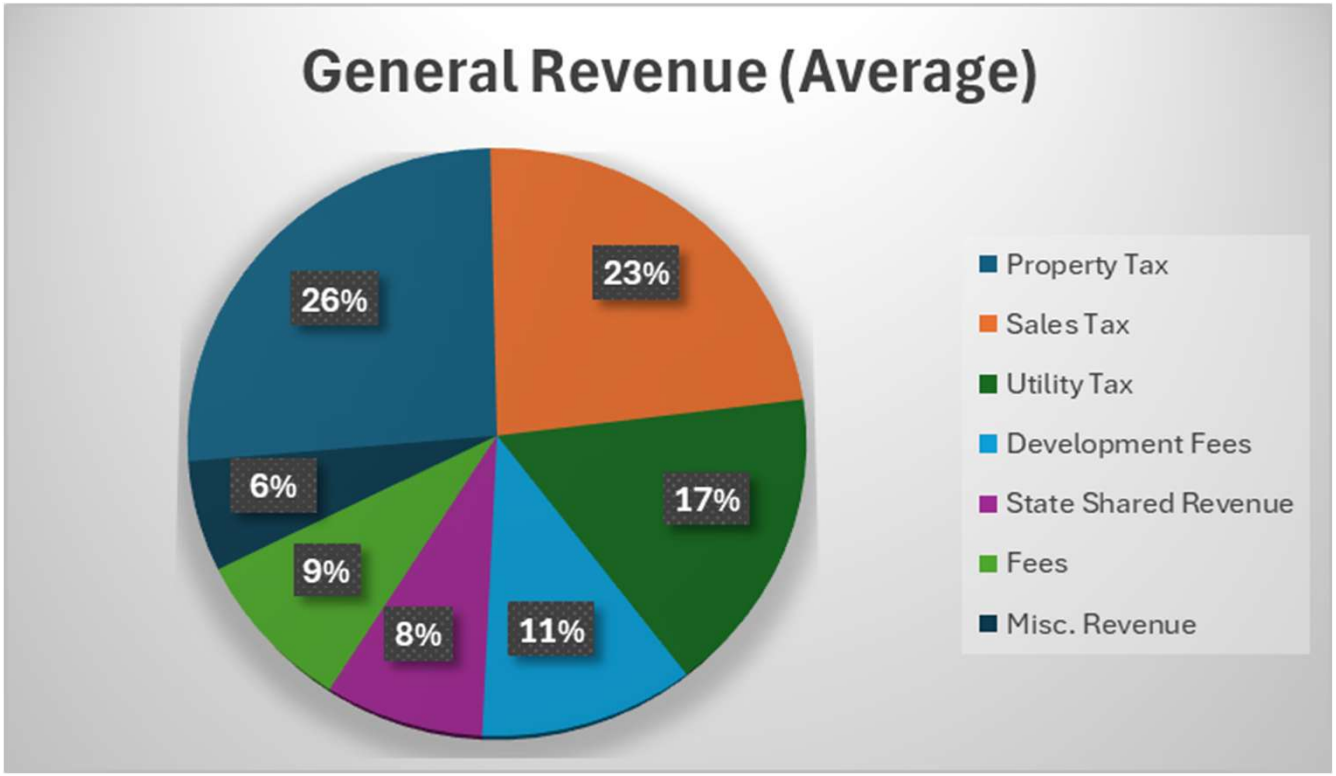
# AGENDA

- Revenues Sources
- Expenditures Details
- Fund Balances
- General Fund Balance Projections
- Questions

# GENERAL (FUND) REVENUES:

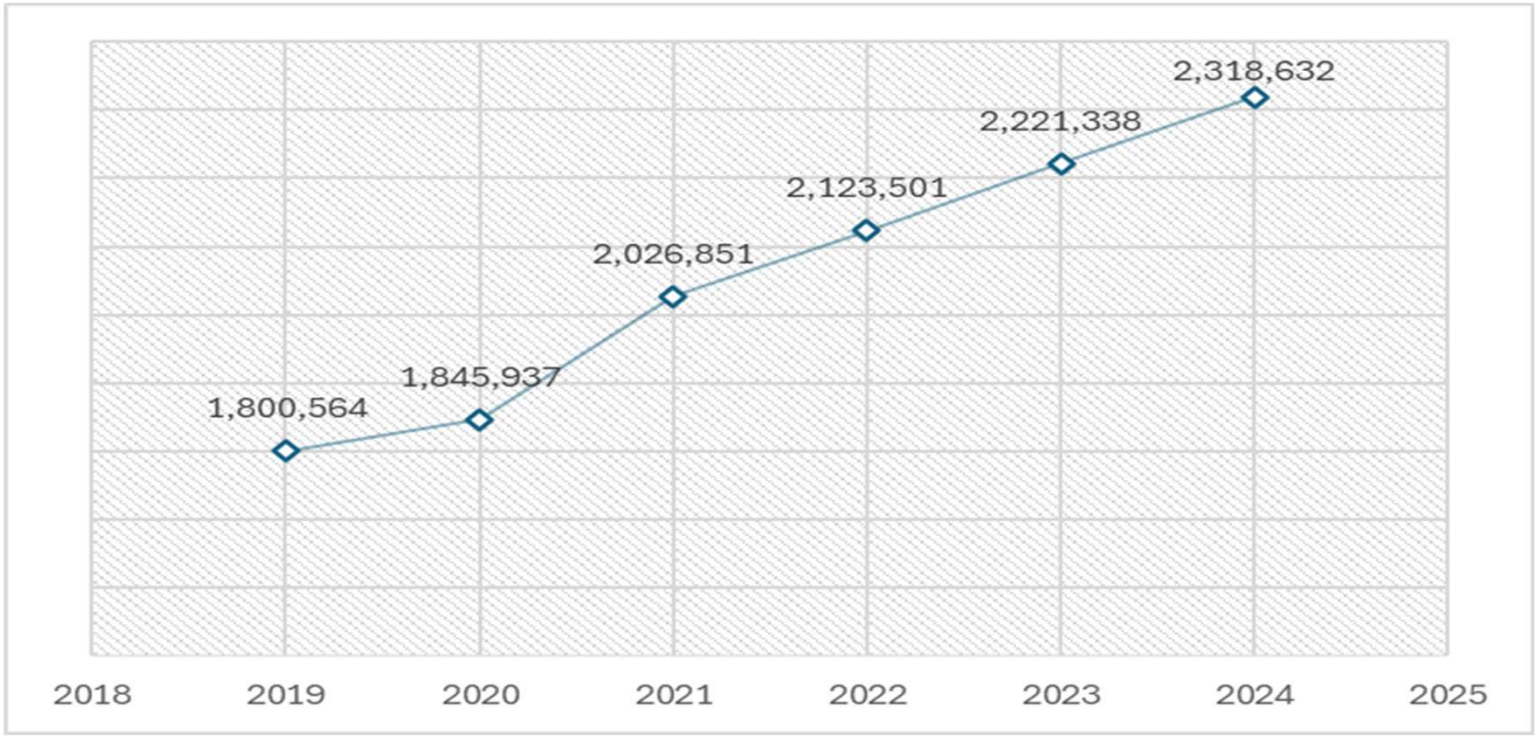
| Revenue Type | Uses |
|---|---|
| Property Tax | Any lawful governmental purpose |
| Sales tax | Any lawful governmental purpose |
| Utility Tax | Any lawful governmental purpose |
| Planning and Development Charges | Recoup Administrative Cost |
| State Shared Revenue & Grants | Public Safety, Drug Addiction etc. |
| Fees | Public Safety, Lawful Govt. purpose |
| Misc. Revenues | Public Safety, Lawful Govt. purpose |
| | |

# GENERAL REVENUES SOURCE - VISION



# GENERAL REVENUES SOURCE - VISION

## City's share of Property Tax



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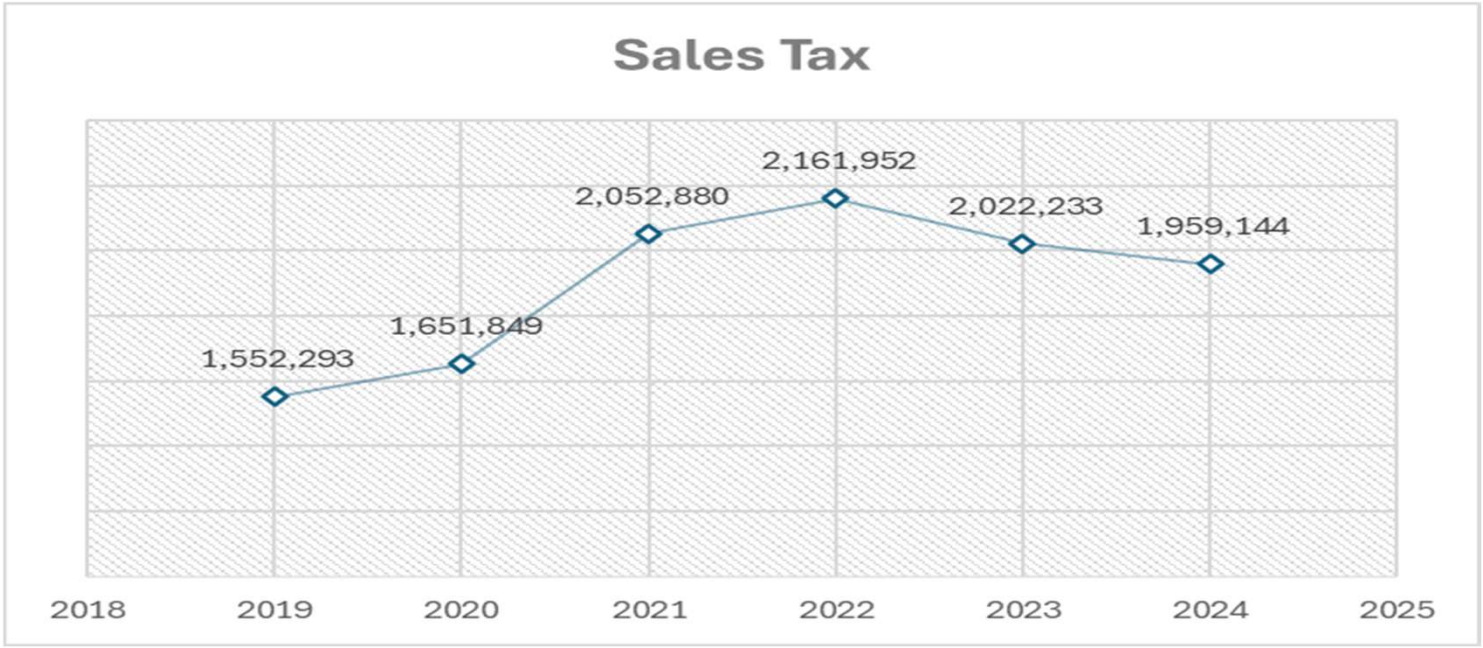
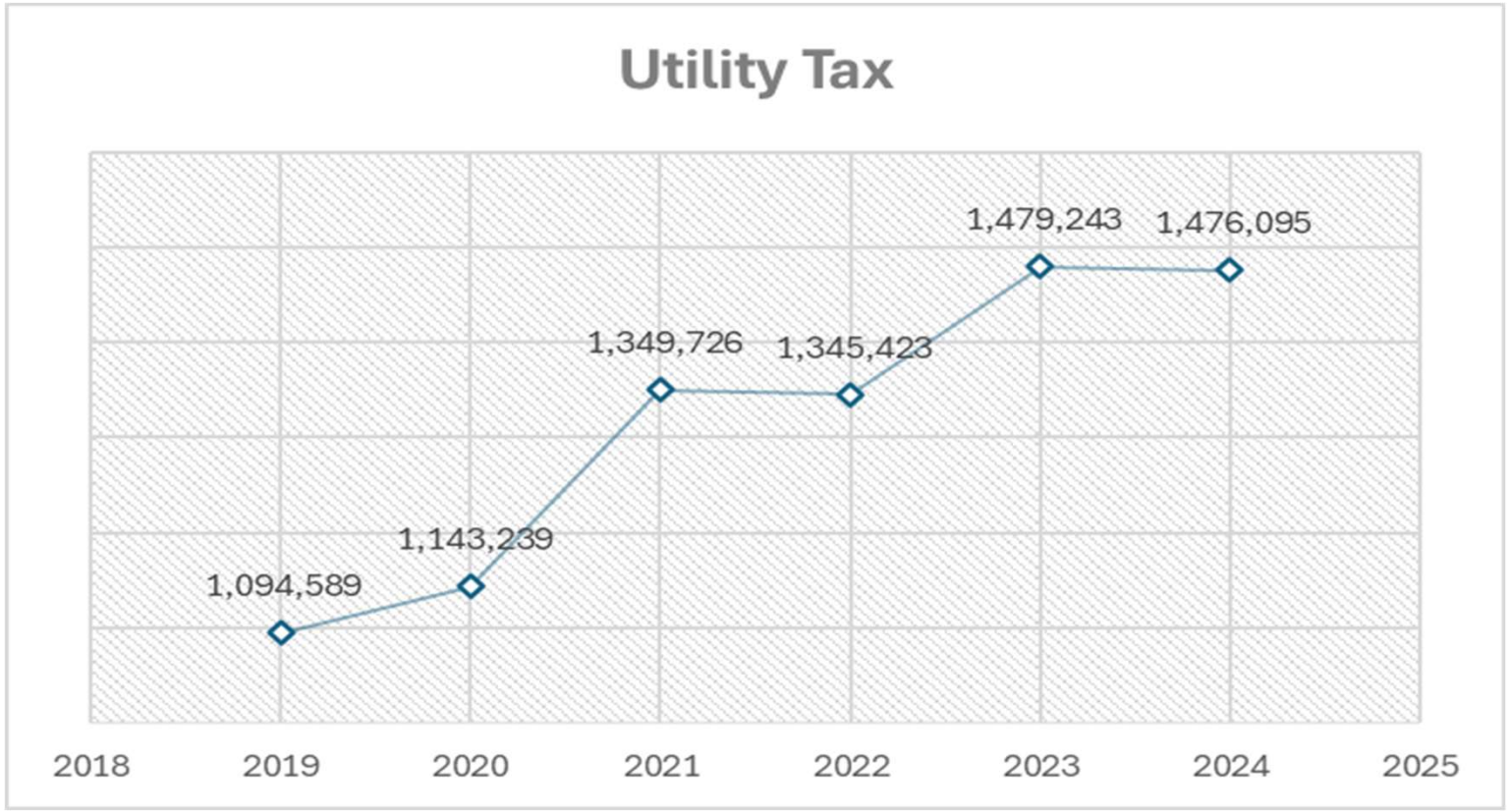


# GENERAL REVENUE – SOURCES AVERAGE



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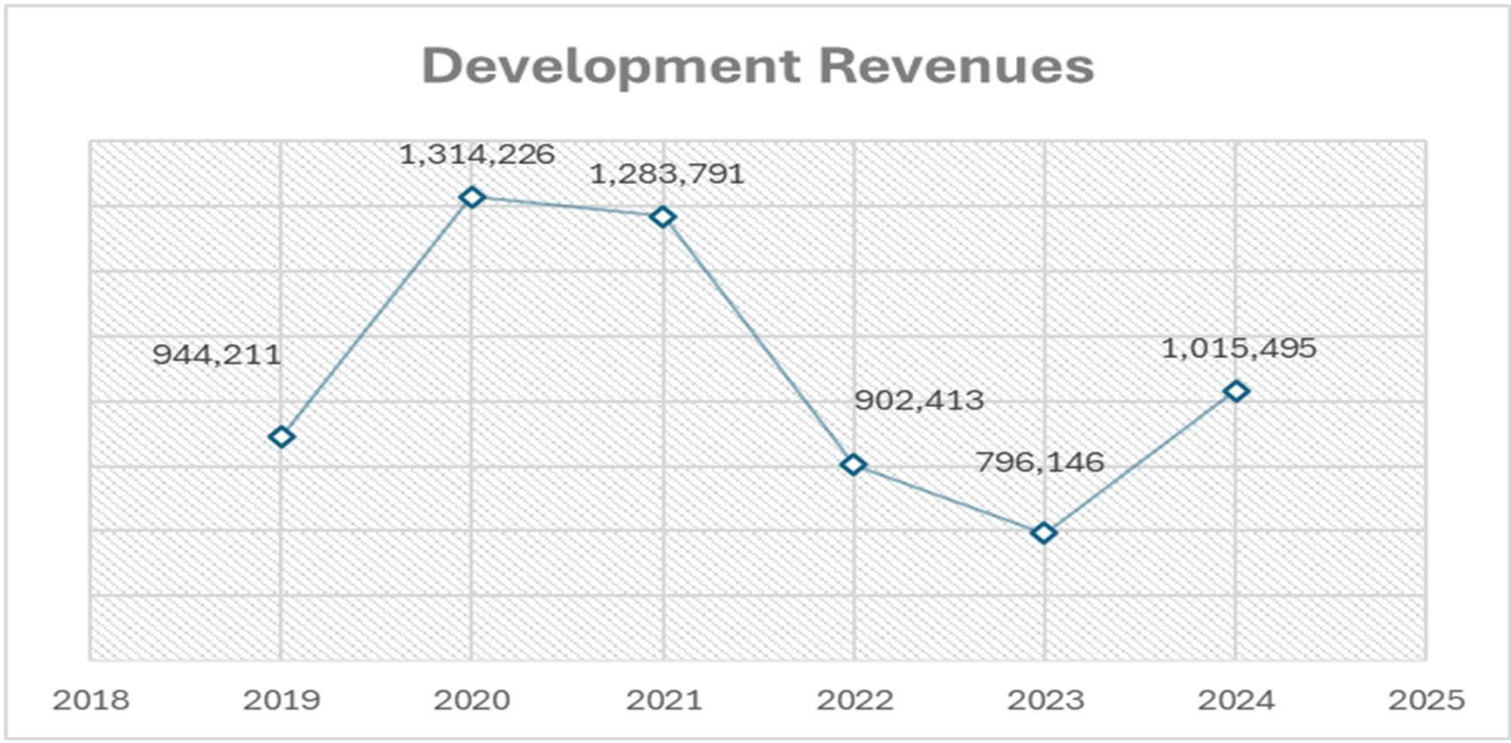


# GENERAL REVENUES SOURCE - VISION

| Revenue | 2022 | 2023 | 2024 | 2025B |
|---|---|---|---|---|
| Property Tax | 2,123,501 | 2,221,338 | 2,318,632 | 2,335,243 |
| Sales Tax | 2,161,952 | 2,022,233 | 1,959,144 | 1,972,000 |
| Utility Tax | 1,345,423 | 1,479,243 | 1,476,095 | 1,567,000 |
| Development Fees | 902,413 | 796,146 | 1,015,495 | 1,200,000 |
| State Shared Revenue | 647,690 | 715,833 | 836,435 | 748,000 |
| Fees | 272,199 | 278,370 | 259,062 | 264,000 |
| School Zone Camera Fines | 501,843 | 536,866 | 461,047 | 410,000 |
| Misc. Revenue | 165,075 | 385,476 | 1,049,257 | 385,000 |
| | 8,120,096 | 8,435,505 | 9,375,167 | 8,881,243 |
| American Rescue Plan Act (ARPA) Grant | 1,823,639 | - | - | - |
| | 9,943,735 | 8,435,505 | 9,375,167 | 8,881,243 |

# GENERAL EXPENDITURES SOURCE - VISION

| General Revenue Expenditures | 2022 | 2023 | 2024 | 2025B |
|---|---|---|---|---|
| ***Operating*** | | | | |
| Salaries & Wages | 2,491,229 | 2,742,919 | 2,617,625 | 2,569,548 |
| Benefits | 907,135 | 948,359 | 882,843 | 945,654 |
| Public Safety | 3,337,707 | 3,417,344 | 3,429,530 | 3,801,000 |
| Operating Supplies | 109,922 | 106,236 | 127,402 | 159,620 |
| Services | 1,450,677 | 2,153,043 | 2,176,990 | 2,142,769 |
| Misc. Expenditures | 89,756 | 91,143 | 80,139 | - |
| **Total Operating** | **8,386,426** | **9,459,044** | **9,314,529** | **9,618,591** |
| ***Capital*** | | | | |
| Street Repair | 450,000 | 343,662 | 285,911 | 365,000 |
| Roads | - | - | 20,350 | 24,000 |
| Equipment | 256,000 | 50,000 | 57,343 | 50,000 |
| Capital Expenditure | 140,946 | 61,122 | 68,568 | 111,500 |
| **Total Capital** | **846,946** | **454,784** | **432,172** | **550,500** |
| | | | | |
| **Total Expenditures** | **9,233,372** | **9,913,828** | **9,746,701** | **10,169,091** |

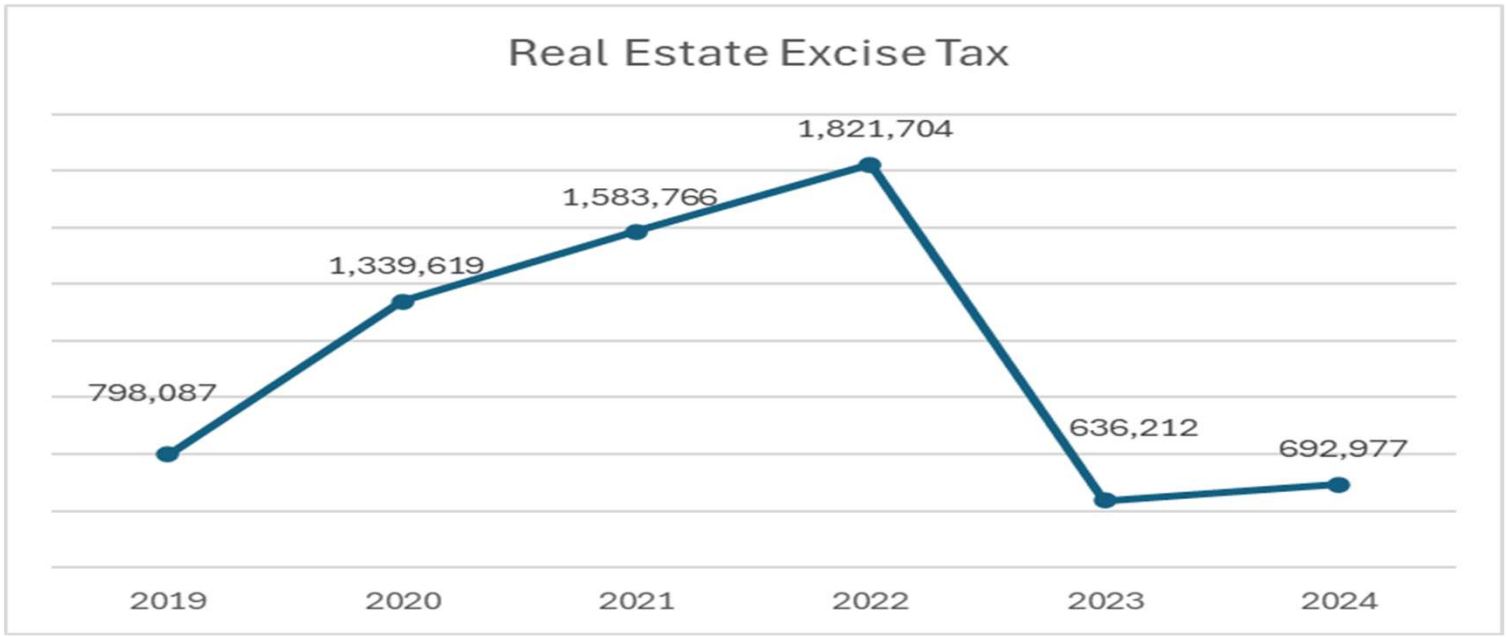
# RESTRICTED (CAPITAL)REVENUES:

| Revenue Type | Uses |
|---|---|
| Real Estate Excise Tax | Capital projects and limited maintenance |
| Park Impact Fee | Increase Parks Capacity |
| Traffic Mitigation Impact Fee | Public street and roads with restrictions |
| Fuel taxes | Street Repairs |

# RESTRICTED (ENTERPRISE) REVENUES:

| Revenue Type | Uses |
|---|---|
| Sewer Fee | Restricted for Sewer Operations and Maintenance |
| Surface Water Revenue | Restricted for Surface Water Projects |

# RESTRICTED REVENUES SOURCE - VISION



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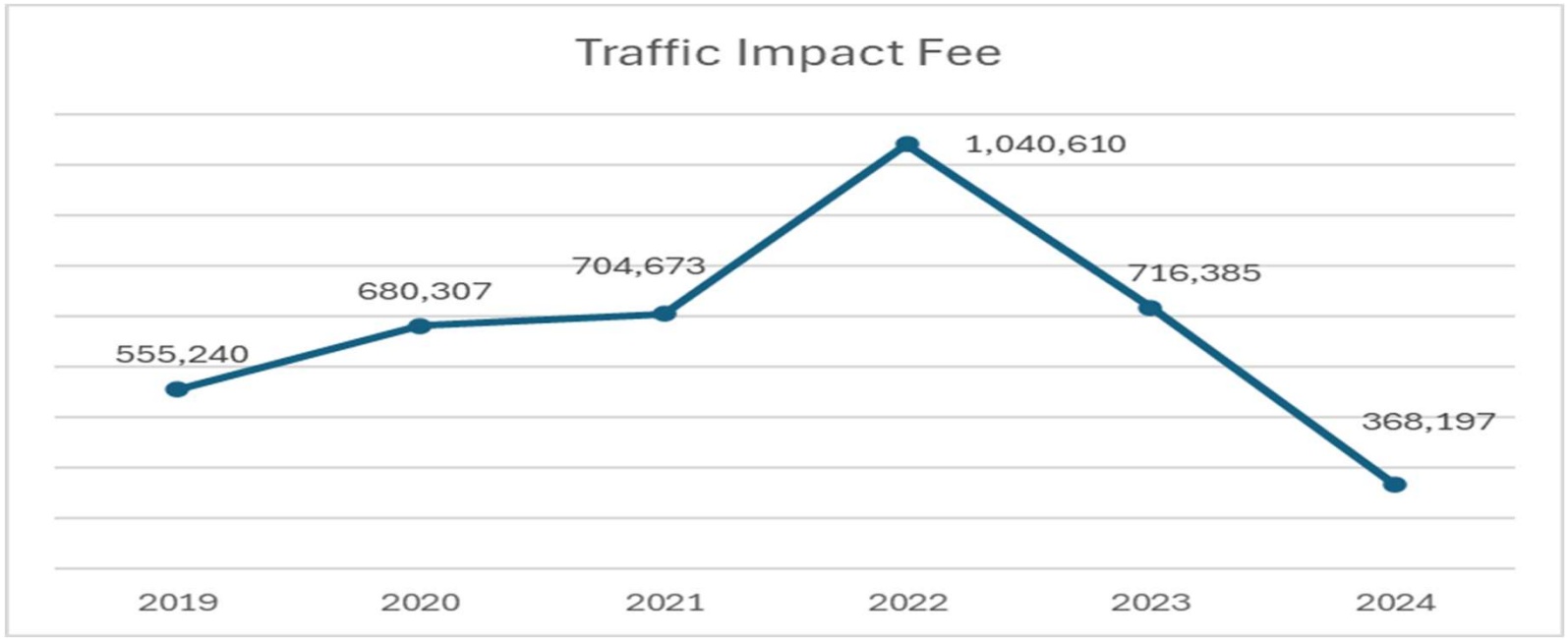

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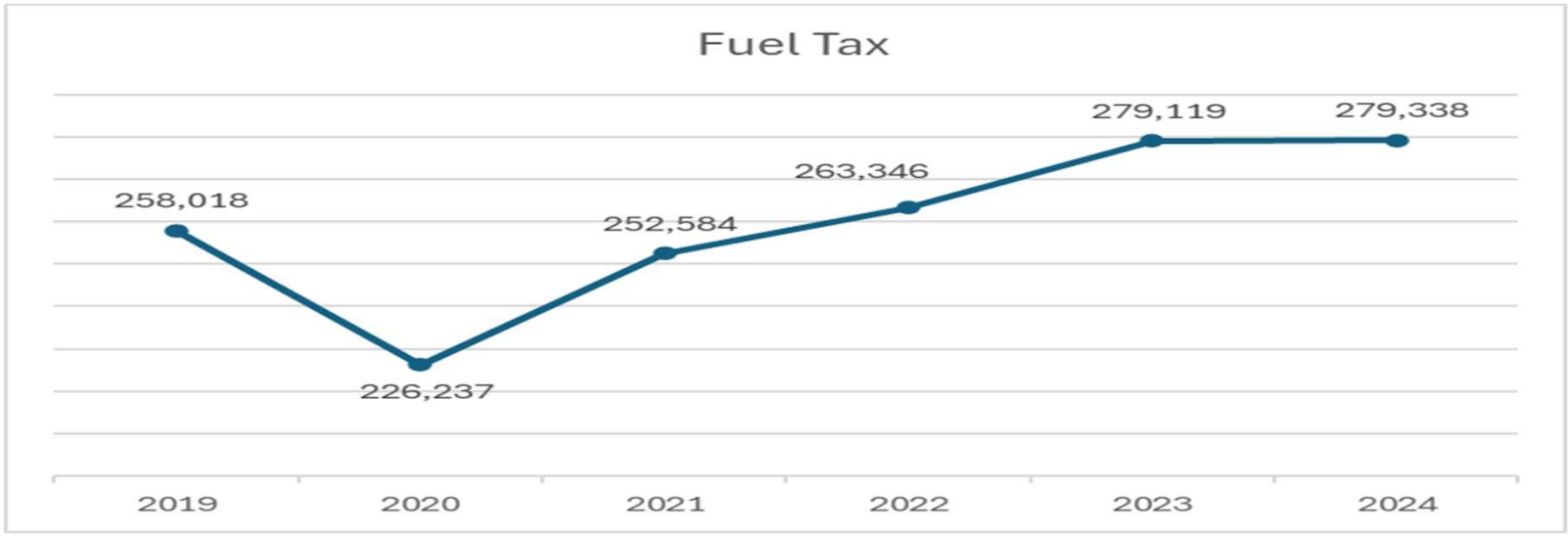

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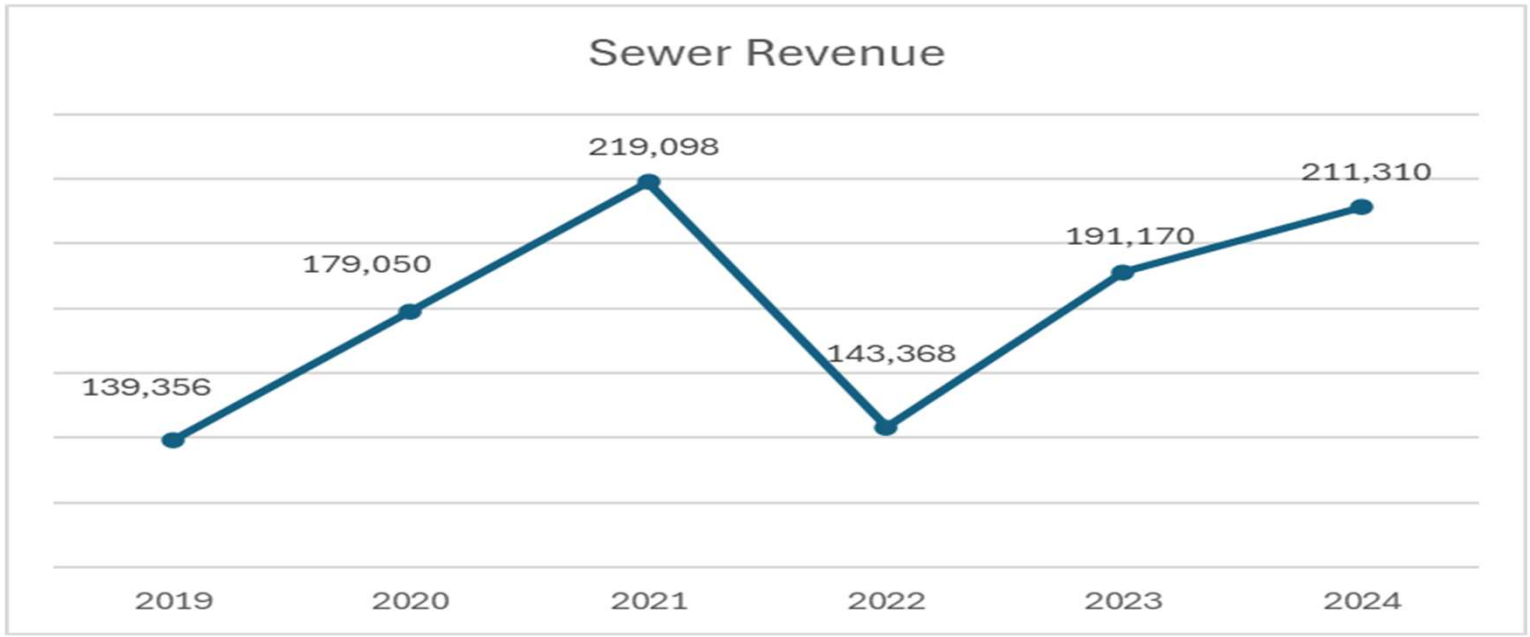

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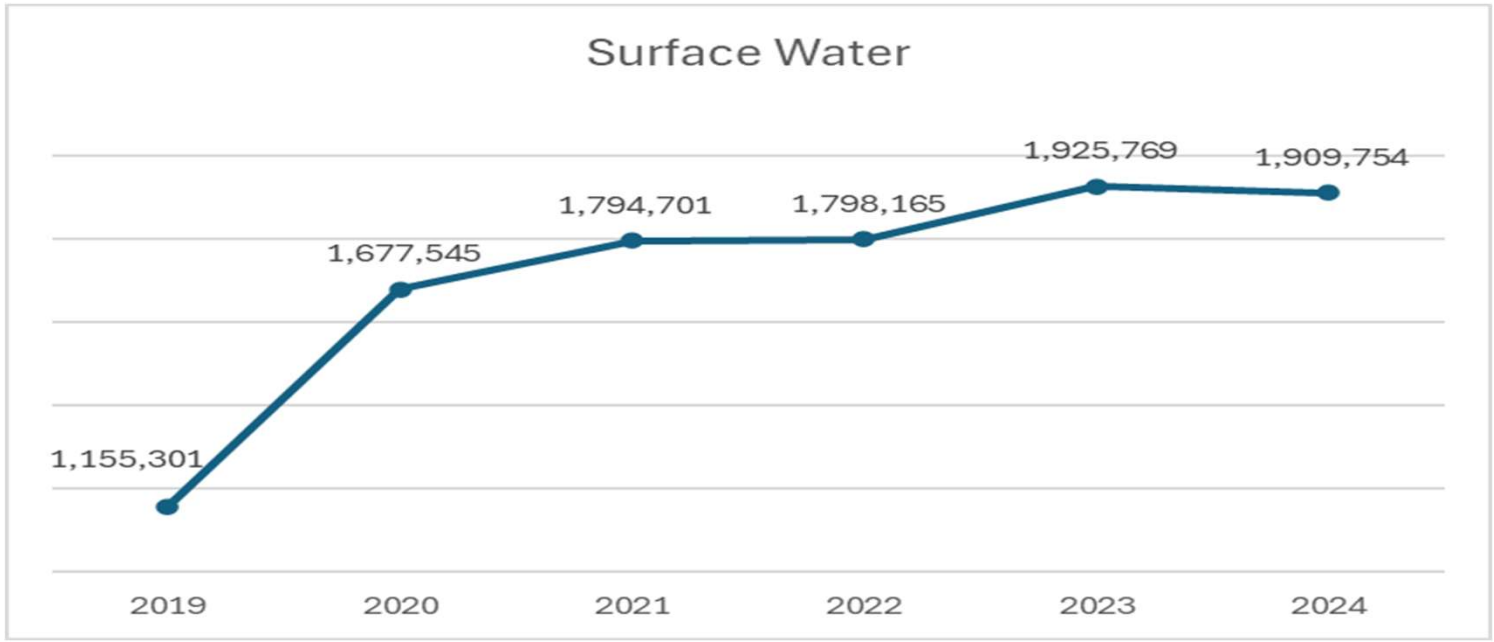

# REAL ESTATE EXCISE TAX - REVENUE & EXPENDITURES

| Real Estate Excise Tax | 2021 | 2022 | 2023 | 2024 | 2025B |
|---|---|---|---|---|---|
| Beg. Balance | 791,324 | 1,376,090 | 1,860,276 | 1,831,105 | 1,485,616 |
| Revenues | 1,583,766 | 1,821,704 | 636,212 | 692,977 | - |
| Other Adj. | - | - | 72,459 | - | - |
| Expenditures | (999,000) | (1,337,518) | (737,842) | (1,038,465) | (1,253,349) |
| Ending Balance | 1,376,090 | 1,860,276 | 1,831,105 | 1,485,616 | 232,267 |

# TRAFFIC IMPACT FEE - REVENUE & EXPENDITURES

| Traffic Impact Fee | 2021 | 2022 | 2023 | 2024 | 2025B |
|---|---|---|---|---|---|
| Beg. Balance | 4,184,549 | 3,669,222 | 3,361,872 | 4,944,279 | 5,143,810 |
| Revenues | 704,673 | 1,040,610 | 716,385 | 368,197 | |
| Other Adj. | - | - | 1,047,141 | 7,090 | - |
| Expenditures | (1,220,000) | (1,347,960) | (181,119) | (175,756) | (266,000) |
| Ending Balance | 3,669,222 | 3,361,872 | 4,944,279 | 5,143,810 | 4,877,810 |

# PARK IMPACT FEE - REVENUE & EXPENDITURES

| Park Impact Fee | 2021 | 2022 | 2023 | 2024 | 2025B |
|---|---|---|---|---|---|
| Beg. Balance | 2,992,016 | 448,248 | 229,482 | 1,325,203 | 1,072,481 |
| Revenues | 456,232 | 411,234 | 188,060 | 105,942 | |
| Other Adj. | - | - | 1,018,123 | - | - |
| Expenditures | (3,000,000) | (630,000) | (110,462) | (358,664) | (807,000) |
| Ending Balance | 448,248 | 229,482 | 1,325,203 | 1,072,481 | 265,481 |

# STREET FUND - REVENUE & EXPENDITURES

| Street Fund | 2021 | 2022 | 2023 | 2024 | 2025B |
|---|---|---|---|---|---|
| Beg. Balance | 82,486 | 58,374 | 345,105 | - | - |
| Revenues | 252,584 | 263,346 | 279,119 | 279,338 | 281,679 |
| REET - Transfer In | 555,000 | 770,000 | 330,613 | 172,042 | 245,000 |
| GF - Transfer In | - | 450,000 | 333,049 | 285,911 | 365,000 |
| Expenditures | (831,696) | (1,196,615) | (1,287,886) | (737,291) | (891,679) |
| Ending Balance | 58,374 | 345,105 | - | - | - |

# SEWER - REVENUE & EXPENDITURES

| Sewer Fund | 2021 | 2022 | 2023 | 2024 | 2025B |
|---|---|---|---|---|---|
| Beg. Balance | 420,510 | 508,398 | 539,572 | 712,515 | 878,838 |
| Revenue | 219,098 | 143,368 | 191,170 | 211,310 | 185,000 |
| Expenditures | (131,211) | (112,194) | (18,227) | (44,987) | (581,546) |
| Ending Balance | 508,398 | 539,572 | 712,515 | 878,838 | 482,292 |

# SURFACE WATER - REVENUE & EXPENDITURES

| Surface Water | 2021 | 2022 | 2023 | 2024 | 2025B |
|---|---|---|---|---|---|
| Beg. Balance | 745,151 | 696,462 | 1,458,433 | 1,749,598 | 2,035,199 |
| Revenue | 1,794,701 | 1,798,165 | 1,925,769 | 1,909,754 | 2,037,000 |
| Expenditures | (1,843,390) | (1,036,194) | (1,634,605) | (1,624,152) | (2,479,432) |
| Ending Balance | 696,462 | 1,458,433 | 1,749,598 | 2,035,199 | 1,592,767 |

# GENERAL REVENUES AND EXPENDITURES SOURCE - VISION

| General Fund Balance | 2022 | 2023 | 2024 | 2025 Budget |
|---|---|---|---|---|
| Fund Balance | 6,820,253 | 7,530,616 | 6,052,576 | 5,681,340 |
| Revenue | 9,943,735 | 8,435,788 | 9,375,465 | 8,881,493 |
| Expenditure | 9,233,372 | 9,913,828 | 9,746,701 | 10,169,091 |
| | | | | |
| Revenue less Expenditure | 710,363 | (1,478,040) | (371,236) | (1,287,598) |
| | | | | |
| Ending Fund Balance | **7,530,616** | **6,052,576** | **5,681,340** | **4,393,742** |
| *Other Adj.* | | | | |
| *PD Contract Cost to be paid in 2025* | - | - | 385,534 | - |
| Revenue less Expenditure | | | (756,770) | |

# GENERAL REVENUES AND EXPENDITURES SOURCE - VISION

| 2025 General Fund Budget Cuts & Misc. Adjustments | |
|---|---|
| **Desc.** | **Total** |
| City Hall Maintenance (Roof $115K, Painting Outside $60K and Water Filtration $20K ) | (195,000) |
| Vacancies ( MWII & Code officer) | (157,150) |
| Street Repair Reduction | (150,000) |
| Equipment & Vehicles | (50,000) |
| Landscaping Contract Cancellation | (50,000) |
| City Hall Janitorial Contract Cancellation | (36,000) |
| Edgewood Magazine Suspended | (35,000) |
| Climate Grant - Payroll Saving and Others | (25,000) |
| PD OT Reduction | (15,000) |
| IT Cost reduction | (12,000) |
| WCIA Insurance Premium and AWC Annual Dues Saving | (2,762) |
| | **(727,912)** |
| | |
| PD Contract Cost to be paid in 2025 | 385,534 |
| PD Contract Cost Adj. | 50,000 |
| Part Time Season Worker | 10,000 |
| | **445,534** |

# GENERAL REV. AND EXP. PROJECTIONS SOURCE - VISION

| Projection Factors | 2026 | 2027 | 2028 | 2029 | 2030 |
|---|---|---|---|---|---|
| Property Tax | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% |
| Sales Tax | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% |
| Utility Tax | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| Development Revenue | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Salaries & Wages | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% |
| Benefits | 7.00% | 7.00% | 7.00% | 7.00% | 7.00% |
| Public Safety | 4.00% | 4.00% | 4.00% | 4.00% | 4.00% |

# GENERAL REVENUES AND EXPENDITURES SOURCE - VISION

| General Fund | Actual | Actual | Budget | Actual | Budget | Estimated | Projection | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2022 | 2023 | 2024 | 2024 | 2025B | 2025E | 2026 | 2027 | 2028 | 2029 | 2030 |
| | | | | | | | | | | | |
| Fund Balance | 6,818,972 | 7,530,616 | 6,052,576 | 6,052,576 | 5,295,806 | 5,295,806 | 5,103,377 | 4,004,223 | 2,683,673 | 1,167,812 | (553,821) |
| Revenue | 9,943,735 | 8,435,788 | 8,662,792 | 9,375,465 | 8,881,493 | 9,258,750 | 9,129,135 | 9,138,664 | 9,302,514 | 9,470,819 | 9,643,716 |
| Expenditures | 9,233,372 | 9,913,828 | 11,139,229 | 10,132,235 | 10,169,091 | 9,451,179 | 10,228,289 | 10,459,213 | 10,818,375 | 11,192,452 | 11,582,161 |
| | | | | | | | | | | | |
| **Revenue less Expenditure** | **710,363** | **(1,478,040)** | **(2,476,437)** | **(756,770)** | **(1,287,598)** | **(192,429)** | **(1,099,154)** | **(1,320,550)** | **(1,515,861)** | **(1,721,633)** | **(1,938,445)** |
| | | | | | | | | | | | |
| **Ending Fund Balance** | **7,529,335** | **6,052,576** | **3,576,139** | **5,295,806** | **4,008,208** | **5,103,377** | **4,004,223** | **2,683,673** | **1,167,812** | **(553,821)** | **(2,492,266)** |

# QUESTIONS?

Hardeep Goraya, Finance Director

hardeep@cityofedgewood.org

253-300-5645