

REPORT / RECOMMENDATION



To: MAYOR AND COUNCIL

Agenda Item #: VIII. A.

From: John Wallin, Finance Director

Action

Discussion

Date: December 18, 2012

Information

Subject: Resolution No. 2012-177 Setting 2013 Tax Levy And Adopting 2013 Operating Budget

Action Requested:

Approve Resolution No. 2012-177 Setting 2013 Tax Levy And Adopting 2013 Operating Budget

Information / Background:

The attached resolution approves the budget and the levies for governmental and enterprise budgets.

The 20 years of referendum levy were set in 1996 when the GO Park and Recreation Bonds Series 1996B were issued and reset when those bonds were refunded by GO Park and Recreation Bonds Series 2005A. For both issues all levies were set by law at 105% of the corresponding annual debt service payments. The debt service fund is now sufficient to cover any foreseeable tax shortages and I would recommend canceling the portion of the 2013 levy in excess of the annual debt service payment. Future referendum levies remain at the 105% level and would require canceling a portion of the levy on an annual basis depending on the amount needed to maintain a sufficient debt service fund.

The attached resolution reflects the budget as presented for the December 4 Truth in Taxation hearing.

Attachment:

Resolution No. 2012-177 Setting 2013 Tax Levy And Adopting 2013 Operating Budget

RESOLUTION NO. 2012-177
 RESOLUTION ADOPTING THE BUDGET FOR
 THE CITY OF EDINA FOR THE YEAR 2013, AND
 ESTABLISHING TAX LEVY FOR YEAR 2013, PAYABLE IN 2013

THE CITY COUNCIL OF THE CITY OF EDINA MINNESOTA DOES RESOLVE AS FOLLOWS:
 Section 1: The Budgets for all Governmental Funds for the City of Edina for the calendar year 2013
 is hereby adopted as after this set forth, and funds are hereby appropriated therefore:

2013 Governmental Fund Budgets

	General Fund	HRA Fund	CDBG Fund	Police SR Fund	Braemar Memorial Fund	Ped & Cycle Safety Fund	Debt Service Fund	Construction Fund	Total
REVENUES AND OTHER FINANCING SOURCES									
Property tax levy	\$21,989,994	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,930,418	\$ 992,072	\$ 26,912,484
Reductions	(113,000)	-	-	-	-	-	-	-	(113,000)
Net tax revenue	<u>21,876,994</u>	-	-	-	-	-	<u>3,930,418</u>	<u>992,072</u>	<u>26,799,484</u>
Tax increments	-	3,990,000	-	-	-	-	-	-	3,990,000
Special assessments	-	-	-	-	-	-	2,072,269	1,652,039	3,724,308
Franchise fees	730,000	-	-	-	-	800,000	-	-	1,530,000
Licenses and permits	2,866,814	-	-	-	-	-	-	25,000	2,891,814
Intergovernmental	760,000	-	145,365	104,760	-	-	-	1,090,000	2,100,125
Charges for services	3,277,248	-	-	-	-	-	-	50,000	3,327,248
Fines and forfeitures	1,034,000	-	-	57,821	-	-	-	-	1,091,821
Investment income	-	169,000	-	600	300	-	30,000	110,700	310,600
Other revenue	655,000	-	-	-	-	-	-	-	655,000
Transfers	600,000	-	-	-	-	-	559,350	3,415,100	4,574,450
Debt issued	-	-	-	-	-	-	-	4,251,000	4,251,000
Other financing sources	-	-	-	-	3,000	-	-	200,000	203,000
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>\$31,800,056</u>	<u>\$ 4,159,000</u>	<u>\$ 145,365</u>	<u>\$ 163,181</u>	<u>\$ 3,300</u>	<u>\$ 800,000</u>	<u>\$ 6,592,037</u>	<u>\$ 11,785,911</u>	<u>\$ 55,448,850</u>
EXPENDITURES AND OTHER FINANCING USES - BY FUNCTION									
General government	\$ 5,703,900	\$ 820,256	\$ 145,365	\$ -	\$ -	\$ -	\$ -	\$ 381,000	\$ 7,050,521
Public works	6,753,475	200,000	-	-	-	800,000	-	10,645,254	18,398,729
Public safety	15,361,169	-	-	243,654	-	-	-	906,916	16,511,739
Parks & recreation	3,981,512	-	-	-	100,000	-	-	700,000	4,781,512
Debt service	-	-	-	-	-	-	6,670,685	-	6,670,685
Transfers	-	3,559,350	-	-	-	-	-	644,400	4,203,750
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>\$31,800,056</u>	<u>\$ 4,579,606</u>	<u>\$ 145,365</u>	<u>\$ 243,654</u>	<u>\$ 100,000</u>	<u>\$ 800,000</u>	<u>\$ 6,670,685</u>	<u>\$ 13,277,570</u>	<u>\$ 57,616,936</u>
EXPENDITURES AND OTHER FINANCING USES - BY TYPE									
Personal services	\$22,427,600	\$ 109,256	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 90,315	\$ 22,627,171
Contractual services	4,346,367	711,000	145,365	85,574	25,000	-	-	208,281	5,521,587
Commodities	1,682,529	-	-	18,655	-	-	-	25,000	1,726,184
Central services	3,343,560	-	-	-	-	80,004	-	1,404	3,424,968
Equipment	-	-	-	-	-	-	-	1,409,170	1,409,170
Capital outlay	-	200,000	-	139,425	75,000	719,996	-	10,899,000	12,033,421
Debt service	-	-	-	-	-	-	6,670,685	-	6,670,685
Transfers	-	3,559,350	-	-	-	-	-	644,400	4,203,750
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>\$31,800,056</u>	<u>\$ 4,579,606</u>	<u>\$ 145,365</u>	<u>\$ 243,654</u>	<u>\$ 100,000</u>	<u>\$ 800,000</u>	<u>\$ 6,670,685</u>	<u>\$ 13,277,570</u>	<u>\$ 57,616,936</u>
CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ (420,606)</u>	<u>\$ -</u>	<u>\$ (80,473)</u>	<u>\$ (96,700)</u>	<u>\$ -</u>	<u>\$ (78,648)</u>	<u>\$ (1,491,659)</u>	<u>\$ (2,168,086)</u>

Section 2: The Budgets for all Enterprise Funds for the City of Edina for the calendar year 2013 is hereby adopted as after this set forth, and funds are hereby appropriated therefore:

2013 Enterprise Fund Budgets									
	Utilities Fund	Liquor Fund	Aquatic Center Fund	Golf Course Fund	Arena Fund	Art Center Fund	Edinborough Fund	Centennial Fund	Total
REVENUES AND TRANSFERS IN									
Operating revenues	\$ 16,819,093	\$ 13,600,099	\$ 944,000	\$ 3,745,050	\$ 1,630,400	\$ 454,500	\$ 1,239,700	\$ 758,000	\$39,190,842
Intergovernmental	110,000	-	-	-	-	-	-	-	110,000
Investment income	98,000	-	-	-	-	-	33,250	38,500	169,750
Other revenue	-	-	-	-	-	15,000	-	-	15,000
Transfers	-	-	-	270,000	330,000	202,800	266,600	-	1,069,400
TOTAL REVENUES AND TRANSFERS IN	\$ 17,027,093	\$ 13,600,099	\$ 944,000	\$ 4,015,050	\$ 1,960,400	\$ 672,300	\$ 1,539,550	\$ 796,500	\$40,554,992
EXPENSES AND TRANSFERS OUT - BY FUNCTION									
Utilities	\$ 13,804,880	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$13,804,880
Liquor	-	12,139,472	-	-	-	-	-	-	12,139,472
Aquatic center	-	-	930,209	-	-	-	-	-	930,209
Golf course	-	-	-	3,726,719	-	-	-	-	3,726,719
Community activity centers	-	-	-	-	2,102,277	709,888	1,557,280	957,319	5,326,764
Transfers	100,000	1,340,100	-	-	-	-	-	-	1,440,100
TOTAL EXPENSES AND TRANSFERS OUT	\$ 13,904,880	\$ 13,479,572	\$ 930,209	\$ 3,726,719	\$ 2,102,277	\$ 709,888	\$ 1,557,280	\$ 957,319	\$37,368,144
EXPENSES AND TRANSFERS OUT - BY TYPE									
COGS	\$ -	\$ 9,836,831	\$ 39,200	\$ 356,800	\$ 76,500	\$ 22,000	\$ 105,000	\$ 17,000	\$10,453,331
Personal services	1,631,949	1,407,064	359,223	1,838,829	814,397	431,070	713,484	588,069	7,784,085
Contractual services	7,092,708	494,108	138,400	597,750	579,650	136,750	319,000	140,650	9,499,016
Commodities	1,056,250	65,525	113,050	383,900	87,750	57,000	187,700	102,400	2,053,575
Central services	630,348	215,484	19,236	141,840	42,660	40,068	57,096	52,200	1,198,932
Depreciation	2,600,000	120,460	250,000	404,500	420,000	23,000	175,000	57,000	4,049,960
Interest	793,625	-	11,100	3,100	81,320	-	-	-	889,145
Transfers	100,000	1,340,100	-	-	-	-	-	-	1,440,100
TOTAL EXPENSES AND TRANSFERS OUT	\$ 13,904,880	\$ 13,479,572	\$ 930,209	\$ 3,726,719	\$ 2,102,277	\$ 709,888	\$ 1,557,280	\$ 957,319	\$37,368,144
CHANGE IN NET ASSETS	\$ 3,122,213	\$ 120,527	\$ 13,791	\$ 288,331	\$ (141,877)	\$ (37,588)	\$ (17,730)	\$ (160,819)	\$ 3,186,848

Section 3. That there is proposed to be levied upon all taxable real and personal property in the City of Edina a tax rate sufficient to produce the amounts hereinafter set forth:

GENERAL FUND	\$ 21,989,994
CONSTRUCTION FUND –EQUIPMENT LEVY	\$ 992,072
LEVY FOR PAYMENT OF CIP PLAN BONDS – SERIES 2010A	\$ 939,850
LEVY FOR PAYMENT OF HRA PUBLIC PROJECT BONDS - SERIES 2005A	\$ 406,444
LEVY FOR PAYMENT OF CIP PLAN BONDS - SERIES 2007A	\$ 431,544
LEVY FOR PAYMENT OF PUBLIC WORKS FACILITY DEBT	\$ <u>1,536,743</u>
TOTAL LEVY	\$ 26,296,647

Section 6. That there is proposed to be levied upon all taxable real and personal property in the City of Edina, a tax rate sufficient to produce the amount below for the debt levy of the market value based referendum levy and canceling the portion of the levy not required to produce the following amount:

GO PARK AND RECREATION BONDS SERIES 1996B/2005A \$ 615,837.00

Passed and adopted by the City Council on December 18, 2012.

ATTEST: _____
Debra A. Mangen, City Clerk

James B. Hovland, Mayor

STATE OF MINNESOTA)
COUNTY OF HENNEPIN)SS
CITY OF EDINA)

CERTIFICATE OF CITY CLERK

I, the undersigned duly appointed and acting City Clerk for the City of Edina do hereby certify that the attached and foregoing Resolution was duly adopted by the Edina City Council at its Regular Meeting of December 18, 2012, and as recorded in the Minutes of said Regular Meeting.

WITNESS my hand and seal of said City this ____ day of _____, 20__.

City Clerk