



**To:** MAYOR AND CITY COUNCIL

**Agenda Item #:** IV. C.

**From:** Eric Roggeman, Finance Director

**Action**

**Discussion**

**Date:** March 17, 2015

**Information**

**Subject:** Resolution 2015-12 Amending the 2014 budget

### **Action Requested:**

Staff recommends that Council adopt Resolution 2015-12 amending the 2014 budget to cancel a planned transfer of cash from the Liquor Fund to the General Fund in the amount of \$765,100. According to State Statute 412.73 this resolution requires a four-fifths vote of all the members of the Council to pass.

### **Information / Background:**

Staff and Council spent much of 2013 preparing the 2014-2015 City Budgets. The 2014 Budget was officially adopted when Council adopted Resolution No. 2013-135 on December 17, 2013. The 2014 Budget originally planned for \$1,800,100 of transfers of cash profits out of the Liquor Fund and into other City funds. The total amount of planned transfers was based on the Liquor Fund earning approximately the same amount of operating income during 2014.

Although 2014 numbers are preliminary and our auditing firm is still in the middle of their review, it is evident that the Liquor Fund operating income will be less than originally planned. Staff is currently estimating annual revenues at about 96% of budget (4% under) and operating expenses at about 101% of budget (1% over).

The attached resolution would cancel a budgeted transfer from the Liquor Fund to the General Fund in the amount of \$765,100 and maintain the financial reserves of both the Liquor Fund and the General Fund. The attached resolution will not affect the remaining transfers of operating income from the Liquor Fund to other City funds, which will be as follows:

Budgeted cash transfers from the Liquor Fund to other funds after adoption of Resolution 2015-12.

Construction Fund	\$150,000
Golf Fund	\$485,000
Arena Fund	\$200,000
Art Center Fund	<u>\$200,000</u>
	<u>\$1,035,000</u>

### **Attachments:**

Resolution 2015-12 Amending the 2014 budget.

RESOLUTION NO. 2015-12  
RESOLUTION AMENDING THE BUDGET FOR  
THE CITY OF EDINA FOR THE YEAR 2014

**Whereas**, the City Council adopted Resolution No. 2013-135 Setting the 2014 Budget on December 17, 2013.

**Whereas**, the actual Liquor Fund operating income for 2014, while positive, is less than originally budgeted and planned for by Resolution No. 2013-135.

**Whereas**, the City's goal is to maintain appropriate financial reserves in the Liquor Fund and the General Fund.

**NOW THEREFORE BE IT RESOLVED** by the City Council of the City of Edina, Minnesota, as follows:

The 2014 budget is amended to cancel the transfer from the Liquor Fund to the General Fund in the amount of \$765,100.

Passed and adopted by the City Council on March 17, 2015.

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 March 17, 2015, and as recorded in the Minutes of said Regular Meeting.

WITNESS my hand and seal of said City this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
City Clerk