

# REPORT / RECOMMENDATION



**To:** MAYOR AND COUNCIL

**Agenda Item #:** VIII. A.

**From:** John Wallin, Finance Director

**Action**

**Discussion**

**Date:** December 17, 2013

**Information**

**Subject:** Resolution No. 2013-135 Setting 2014 Tax Levy And Adopting 2014 Operating Budget

**Action Requested:**

Approve Resolution No. 2013-135 Setting 2014 Tax Levy And Adopting 2014 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 2014 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 3 Truth in Taxation hearing.

**Attachment:**

Resolution No. 2013-135 Setting 2014 Tax Levy And Adopting 2014 Operating Budget

RESOLUTION NO. 2013-135  
 RESOLUTION ADOPTING THE BUDGET FOR  
 THE CITY OF EDINA FOR THE YEAR 2014, AND  
 ESTABLISHING TAX LEVY FOR YEAR 2014, PAYABLE IN 2014

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 2014  
 is hereby adopted as after this set forth, and funds are hereby appropriated therefore:

2014 GOVERNMENTAL FUND BUDGETS									
	General Fund	HRA Fund	PACS Fund	CDBG Fund	Police SR Fund	Braemar Memorial Fund	Debt Service Fund	Construction Fund	Total
<b>REVENUES AND OTHER FINANCING SOURCES</b>									
Property tax levy	\$ 22,509,403	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,953,397	\$ 992,072	\$ 27,454,872
Reductions	(119,000)	-	-	-	-	-	-	-	(119,000)
Net tax revenue	22,390,403	-	-	-	-	-	3,953,397	992,072	27,335,872
Tax increments	-	3,900,000	-	-	-	-	-	-	3,900,000
Franchise fees	770,000	-	1,200,000	-	-	-	-	100,000	2,070,000
Special assessments	-	-	-	-	-	-	2,083,699	1,237,872	3,321,571
Licenses and permits	3,277,865	-	-	-	-	-	-	25,000	3,302,865
Intergovernmental	1,093,500	-	-	105,000	153,689	-	-	2,680,000	4,032,189
Charges for services	4,132,766	-	-	-	-	-	-	50,000	4,182,766
Fines and forfeitures	950,000	-	-	-	-	-	-	-	950,000
Investment income	100,000	118,000	-	-	900	200	20,000	88,300	327,400
Other revenue	451,100	-	-	-	57,821	5,000	-	-	513,921
Transfers	765,100	-	-	-	-	-	-	250,000	1,015,100
Debt issued	-	-	-	-	-	-	-	2,917,200	2,917,200
Other financing sources	-	-	-	-	-	-	-	-	-
<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	<b>\$ 33,930,734</b>	<b>\$ 4,018,000</b>	<b>\$ 1,200,000</b>	<b>\$ 105,000</b>	<b>\$ 212,410</b>	<b>\$ 5,200</b>	<b>\$ 6,057,096</b>	<b>\$ 8,340,444</b>	<b>\$ 53,868,884</b>
<b>EXPENDITURES AND OTHER FINANCING USES - BY DEPARTMENT</b>									
Administration	\$ 1,680,069	\$ 6,371,489	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 65,000	\$ 8,116,558
Communication & tech.	998,357	-	-	-	-	-	-	211,900	1,210,257
Human resources	677,487	-	-	-	-	-	-	150,000	827,487
Finance	884,509	-	-	-	-	-	-	25,000	909,509
Public works	8,266,220	-	-	-	-	-	-	1,226,395	9,492,615
Engineering	1,607,798	-	1,226,752	-	-	-	-	6,320,000	9,154,550
Police	10,166,166	-	-	-	59,000	-	-	1,038,845	11,264,011
Fire	6,697,458	-	-	-	-	-	-	422,000	7,119,458
Parks & recreation	1,357,639	-	-	-	-	-	-	333,000	1,690,639
Community development	1,595,031	-	-	105,000	-	-	-	-	1,700,031
Debt service	-	-	-	-	-	-	6,008,988	-	6,008,988
Transfers	-	-	-	-	-	-	-	620,600	620,600
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>	<b>\$ 33,930,734</b>	<b>\$ 6,371,489</b>	<b>\$ 1,226,752</b>	<b>\$ 105,000</b>	<b>\$ 59,000</b>	<b>\$ -</b>	<b>\$ 6,008,988</b>	<b>\$ 10,412,740</b>	<b>\$ 58,114,703</b>
<b>EXPENDITURES AND OTHER FINANCING USES - BY TYPE</b>									
Personal services	\$ 24,085,051	\$ 115,219	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 102,956	\$ 24,303,226
Contractual services	4,404,931	656,070	22,000	105,000	54,000	-	-	148,522	5,390,523
Commodities	1,740,792	200	25,000	-	5,000	-	-	73,522	1,844,514
Central services	3,699,960	-	79,752	-	-	-	-	-	3,779,712
Equipment	-	-	-	-	-	-	-	2,138,140	2,138,140
Capital outlay	-	5,600,000	1,100,000	-	-	-	-	7,329,000	14,029,000
Debt service	-	-	-	-	-	-	6,008,988	-	6,008,988
Transfers	-	-	-	-	-	-	-	620,600	620,600
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>	<b>\$ 33,930,734</b>	<b>\$ 6,371,489</b>	<b>\$ 1,226,752</b>	<b>\$ 105,000</b>	<b>\$ 59,000</b>	<b>\$ -</b>	<b>\$ 6,008,988</b>	<b>\$ 10,412,740</b>	<b>\$ 58,114,703</b>
<b>CHANGE IN FUND BALANCE</b>	<b>\$ -</b>	<b>\$ (2,353,489)</b>	<b>\$ (26,752)</b>	<b>\$ -</b>	<b>\$ 153,410</b>	<b>\$ 5,200</b>	<b>\$ 48,108</b>	<b>\$ (2,072,296)</b>	<b>\$ (4,245,819)</b>

Section 2: The Budgets for all Enterprise Funds for the City of Edina for the calendar year 2014 is hereby adopted as after this set forth, and funds are hereby appropriated therefore:

2014 ENTERPRISE FUND BUDGETS									
	Utilities Fund	Liquor Fund	Aquatic Center Fund	Golf Course Fund	Arena Fund	Art Center Fund	Edinborough Fund	Centennial Fund	Total
<b>REVENUES AND TRANSFERS IN</b>									
Operating revenues	\$ 18,542,999	\$ 14,058,841	\$ 966,500	\$ 3,729,750	\$ 1,941,164	\$ 439,550	\$ 1,311,800	\$ 771,000	\$ 41,761,604
Intergovernmental	542,000	-	-	-	-	-	-	-	542,000
Investment income	67,631	-	-	-	-	-	25,000	27,500	120,131
Other revenue	51,356	-	-	-	-	3,000	-	-	54,356
Transfers	-	-	-	795,000	365,000	200,000	120,600	25,000	1,505,600
<b>TOTAL REVENUES AND TRANSFERS IN</b>	<b>\$ 19,203,986</b>	<b>\$ 14,058,841</b>	<b>\$ 966,500</b>	<b>\$ 4,524,750</b>	<b>\$ 2,306,164</b>	<b>\$ 642,550</b>	<b>\$ 1,457,400</b>	<b>\$ 823,500</b>	<b>\$ 43,983,691</b>
<b>EXPENSES AND TRANSFERS OUT - BY DEPARTMENT</b>									
Administration	\$ -	\$ 12,263,854	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,263,854
Finance	278,110	-	-	-	-	-	-	-	278,110
Public works	13,075,282	-	-	-	-	-	-	-	13,075,282
Engineering	176,000	-	-	-	-	-	-	-	176,000
Police	429,702	-	-	-	-	-	-	-	429,702
Parks and recreation	-	-	891,349	3,935,124	2,385,165	663,538	1,575,683	992,638	10,443,497
Transfers	100,000	1,800,100	-	-	-	-	-	-	1,900,100
<b>TOTAL EXPENSES AND TRANSFERS OUT</b>	<b>\$ 14,059,094</b>	<b>\$ 14,063,954</b>	<b>\$ 891,349</b>	<b>\$ 3,935,124</b>	<b>\$ 2,385,165</b>	<b>\$ 663,538</b>	<b>\$ 1,575,683</b>	<b>\$ 992,638</b>	<b>\$ 38,566,545</b>
<b>EXPENSES AND TRANSFERS OUT - BY TYPE</b>									
COGS	\$ -	\$ 10,013,099	\$ 43,500	\$ 366,540	\$ 80,000	\$ 23,000	\$ 95,000	\$ 14,000	\$ 10,635,139
Personal services	1,683,310	1,378,442	362,211	1,828,701	861,659	437,753	725,075	606,641	7,883,792
Contractual services	6,573,063	513,592	159,225	633,455	612,400	95,367	358,000	166,885	9,111,987
Commodities	974,500	61,725	60,850	412,800	95,750	47,050	184,150	117,800	1,954,625
Central services	692,088	220,896	26,340	128,628	57,048	34,368	51,708	49,812	1,260,888
Depreciation	3,305,000	76,100	231,500	565,000	535,000	26,000	161,750	37,500	4,937,850
Interest	731,133	-	7,723	-	143,308	-	-	-	882,164
Transfers	100,000	1,800,100	-	-	-	-	-	-	1,900,100
<b>TOTAL EXPENSES AND TRANSFERS OUT</b>	<b>\$ 14,059,094</b>	<b>\$ 14,063,954</b>	<b>\$ 891,349</b>	<b>\$ 3,935,124</b>	<b>\$ 2,385,165</b>	<b>\$ 663,538</b>	<b>\$ 1,575,683</b>	<b>\$ 992,638</b>	<b>\$ 38,566,545</b>
<b>CHANGE IN NET POSITION</b>									
<b>POSITION</b>	<b>\$ 5,144,892</b>	<b>\$ (5,113)</b>	<b>\$ 75,151</b>	<b>\$ 589,626</b>	<b>\$ (79,001)</b>	<b>\$ (20,988)</b>	<b>\$ (118,283)</b>	<b>\$ (169,138)</b>	<b>\$ 5,417,146</b>

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	\$ 22,509,403
CONSTRUCTION FUND –EQUIPMENT LEVY	\$ 992,072
LEVY FOR PAYMENT OF CIP PLAN BONDS – SERIES 2010A	\$ 947,600
LEVY FOR PAYMENT OF HRA PUBLIC PROJECT BONDS - SERIES 2005A	\$ 409,244
LEVY FOR PAYMENT OF CIP PLAN BONDS - SERIES 2007A	\$ 441,944
LEVY FOR PAYMENT OF PUBLIC WORKS FACILITY DEBT	\$ 1,526,809
<b>TOTAL LEVY</b>	<b>\$ 26,827,072</b>

