

# COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2013  
CITY OF EDEN PRAIRIE, MINNESOTA

**COMPREHENSIVE  
ANNUAL  
FINANCIAL REPORT  
of the  
CITY OF EDEN PRAIRIE  
MINNESOTA**

**For The Year Ended December 31, 2013**

**Rick Getschow, City Manager**

**Prepared by  
THE FINANCE DIVISION**

**Sue Kotchevar, Chief Financial Officer**

# City of Eden Prairie, Minnesota

## For the Year Ended December 31, 2013

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### Table of Contents

Page

#### Introductory Section

Letter of Transmittal .....	6
GFOA Certificate of Achievement.....	14
Organizational Chart .....	15
List of Principal Officials .....	16

#### Financial Section

<b>Independent Auditor's Report</b> .....	18
<b>Management's Discussion and Analysis</b> .....	21
<b>Basic Financial Statements</b>	
<b>Government-wide Financial Statements</b>	
Statement of Net Position.....	36
Statement of Activities .....	37
<b>Fund Financial Statements</b>	
Balance Sheet-Governmental Funds.....	40
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position.....	42
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds.....	43
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities .....	45
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund .....	46
Statement of Net Position – Proprietary Funds.....	49
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds.....	50
Statement of Cash Flows – Proprietary Funds.....	51
Statement of Fiduciary Net Position – Agency Funds.....	53
<b>Notes to Financial Statements</b> .....	54

# City of Eden Prairie, Minnesota

## For the Year Ended December 31, 2013

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Page

### **Required Supplemental Information**

Modified Approach for Infrastructure Assets.....	92
Other Post-Employment Benefits Plan-Schedule of Funding Progress .....	93

### **Combining Fund Statements**

Combining Balance Sheet – Nonmajor Governmental Funds .....	101
Combining Statement of Revenues, Expenditures and Changes in Fund Balance – Nonmajor Governmental Funds .....	111
Combining Statement of Net Position – Internal Service Funds .....	122
Combining Statement of Revenues, Expenses and Changes in Net Position – Internal Service Funds .....	124
Combining Statement of Cash Flows – Internal Service Funds .....	126
Combining Statement of Fiduciary Net Position – Agency Funds .....	131
Combining Statement of Changes in Assets and Liabilities – Agency Funds.....	132

### **Statistical Section**

Government-wide Net Position by Category.....	135
Changes in Net Position - Total.....	136
Changes in Net Position – Governmental Activities.....	137
Changes in Net Position – Business-type Activities.....	138
Fund Balances – Governmental Funds .....	139
Changes in Fund Balances – Governmental Funds.....	140
Assessed/Tax Capacity Value and Estimated Market Value of Property .....	141
Direct and Overlapping Property Tax Rates .....	142
Principal Property Taxpayers.....	143
Property Tax Levies and Collections.....	144
Legal Debt Margin .....	145
Ratios of Outstanding Debt by Type.....	146
Ratios of Total Debt Outstanding by Type.....	147
Computation of Direct and Overlapping Bonded Debt .....	148
Demographic and Economic Statistics .....	149
Principal Employers .....	150
Employees by Function.....	151
Operating Indicators .....	158
Capital Assets Statistics by Function.....	159

# Introductory



April 25, 2014

To the Honorable Mayor, Members of the City Council and the Citizens of the City of Eden Prairie:

The comprehensive annual financial report of the City of Eden Prairie, Minnesota, for the year ended December 31, 2013, is hereby submitted. The report was prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as established by the Governmental Accounting Standards Board and meets the requirements of the State Auditor's Office.

The report consists of management's representations concerning the finances of the City. Consequently management assumes full responsibility for the completeness and reliability of all information presented within this report. To provide a reasonable basis for making these representations, management of the City has established internal controls designed to protect the City's assets from loss, theft or misuse and to provide sufficient information for the preparation of these financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh the benefits, the City's internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatements. As management, we assert that to the best of our knowledge and belief this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by Kern, DeWenter, Viere, Ltd. Certified Public Accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the year ended December 31, 2013, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates used by management; and evaluating the overall financial statement presentation. Based upon the audit, the independent auditor concluded that there was reasonable basis for rendering an unmodified opinion that the City's financial statements, for the year ended December 31, 2013, are fairly presented in conformity with GAAP. The independent auditors report is present in the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in

conjunction with it. The City's MD&A can be found in the financial section of this report immediately following the report of the independent auditors.

## **City Profile**

Eden Prairie is a suburban community of 62,004 people located in the southwest corner of Hennepin County in a setting of rolling hills and picturesque lakes and creeks. Eden Prairie has a convenient location, a comprehensive system of highways, and is a short distance from downtown Minneapolis and St. Paul and the Minneapolis-St. Paul International Airport.

Incorporated in 1974 as a City, the City of Eden Prairie operates under a Statutory Plan B form of government. Policymaking and legislative authorities are vested in the governing council, which consists of a mayor and a four-member council. The governing council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees and hiring the government's manager and attorney. The council is elected on a nonpartisan basis. The mayor and council members are elected to four-year staggered terms. The City Manager is responsible for carrying out the policies and ordinances of the governing council, for overseeing the day-to-day operations of the government, and to assign appropriate responsibility and authority to City staff for the efficient and effective delivery of City services.

The City provides its residents and businesses with a full range of municipal services consisting of police and fire protection, street maintenance, recreation programs, park maintenance, community and economic development, building inspections, and a water and sewer utility.

The City is also financially accountable for the Housing and Redevelopment Authority (HRA), which is included in the City's financial statements as a blended component unit. Additional information on the HRA can be found in Note 1 in the notes to the financial statements.

The biennial budget serves as the foundation for the City's financial planning and control. Departments submit budget requests to Finance in May and the City Manager presents the proposed budget to the City Council for review prior to September 15<sup>th</sup> of each year. Budget workshops are usually held with the City Council in June or July and in August. The City Council holds a public meeting on the proposed budget and adopts the final budget in December each year.

During the first year of the two year budget process, both years' budgets are developed and the first year's budget is adopted by the council. During the second year of the two year budget process, budget work is minimized. Staff updates the budget for any significant budget developments and the council then reviews and adopts the second year budget.

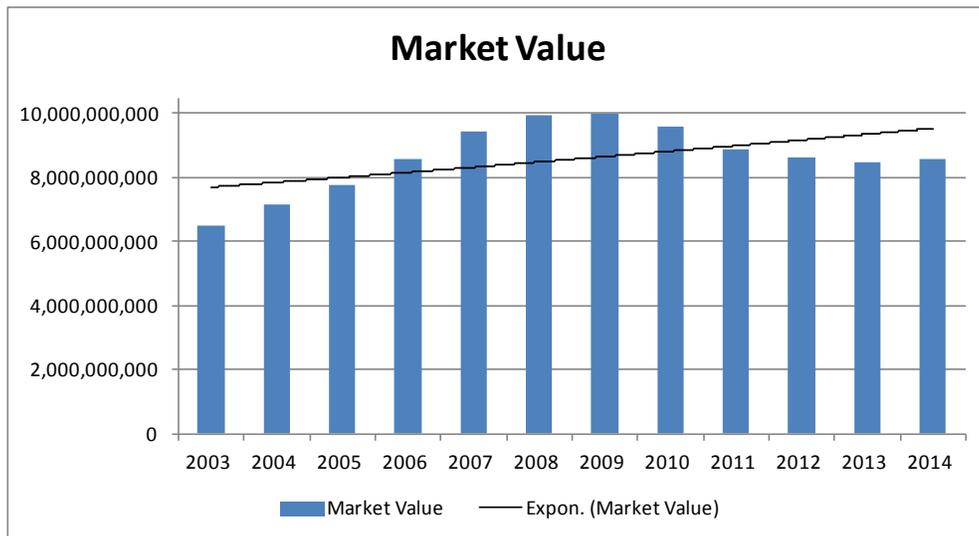
The budget is prepared by department and division. The City’s directors and division managers may make transfers of appropriations within a division. Transfers of appropriations between departments require the approval of the City Manager. Any changes in the total budget must be approved by the City Council.

**Economic Conditions and Outlook**

The City of Eden Prairie is located in the southwest corner of the Minneapolis/St. Paul Metropolitan area. With the last update of the comprehensive plan and the trend towards condensed multi-family housing in the downtown area, it is expected that Eden Prairie’s population will grow to 77,100.

Year	Population	Increase
1960 Census	3,233	134%
1970 Census	6,938	115%
1980 Census	16,263	134%
1990 Census	39,311	142%
2000 Census	54,901	40%
2010 Census	60,797	11%
2013 City Estimate	62,004	2%

Below summarizes City market value since 2003.



The City’s tax base declined from \$8.6 billion to \$8.5 billion from 2012 to 2013. In 2014, the market value increased back to \$8.6 billion. An even larger increase of over 4% is currently projected for 2015.

The business environment in Eden Prairie is good. Eden Prairie's unemployment rate is 3.5% which is less than the State rate of 4.7% and the US rate of 6.5%. Business continues to invest in Eden Prairie including the following new development this past year:

- Help Systems interior remodel - \$1,048,650 valuation
- JC Penney interior remodel - \$1,300,000 valuation
- Champions Hall turf field addition - \$1,800,000 valuation
- Eden Prairie Central Middle School reroof - \$1,029,000 valuation
- Stratasys interior remodel - \$2,100,000 valuation
- Optum interior building remodel - \$1,855,000 valuation
- New retail building on Martin Drive - \$1,150,000 valuation
- United Health new parking ramp - \$23,150,000 valuation
- International School new residence hall - \$3,250,400 valuation
- United Health 15 story office building - \$95,500,000 valuation

Also, 114 units of single family were added including 104 homes for the Reeder Ridge development.

We expect businesses to continue to invest in Eden Prairie and to remain a favorable location to conduct business.

### *Light Rail Transit (LRT)*

The proposed Southwest Light Rail Transit (LRT) line is a high-frequency train serving Eden Prairie, Minnetonka, Hopkins, St. Louis Park, and Minneapolis. It is part of the Green Line which includes the Central Corridor LRT currently under construction. Therefore, riders of Southwest LRT will be able to continue into St. Paul via the Central Corridor without changing trains.

The Southwest LRT line will also connect to other rail lines (Hiawatha, Northstar, and the future Bottineau) and high-frequency bus routes in downtown Minneapolis, providing access to the University of Minnesota, Minneapolis-St. Paul Airport, Mall of America, the State Capitol, downtown St. Paul, Big Lake, and eventually the northern Twin Cities suburbs. Connections to other rail lines will occur at the Intermodal Station in downtown Minneapolis. At this time, the Southwest LRT is projected to open in 2018, though project schedule depends on securing federal and local funds.

There are five proposed Light Rail stations in Eden Prairie. Eden Prairie's LRT projects include planning and development of the stations, park-and-ride facilities, local roadway improvements,

sidewalks, trails, streetscape and other infrastructure. The station areas also have great potential for additional housing, employment and shopping opportunities via infill or redevelopment.

### *United Health Group*

The northeast corner of Eden Prairie is being transformed as reconstruction projects along Shady Oak Road and The United Health Group (UHG) campus have started. The first phase of the UHG project included the construction of two eight story buildings and a parking ramp in 2013. The total project includes four new buildings totaling almost 1.5 million square feet of office space on 71 acres. The \$240 M redevelopment project is transforming the wooded area just bordering Eden Prairie into a state-of-the-art walkable corporate campus with space for a light rail transit station. The second phase is expected to be completed in 2014 with the completion of the third building and the third phase is expected to be completed in 2015 or 2016 with the completion of the fourth building.

Eden Prairie serves as the corporate headquarters location for many national and international businesses including CH Robinson World Wide, GE Capital, United Healthcare Services, numerous multi-tenant office building partnerships, Lifetouch Inc., SuperValu Inc, American Family Mutual Insurance, MTS systems Corporation, and others.

Eden Prairie also has key locations for retailing including the City's mall which has approximately 1.5 million square feet of shopping. The mall is part of the City's "Major Center Area" or downtown. Stores include a 160,000 square foot Von Maur Department Store, a Barnes and Noble Bookstore, an 18-screen AMC movie theater, numerous restaurants including Wildfire, Biaggi's, and other national retailers.

The Southwest Station is also part of the City's downtown and includes the Southwest metro transit hub and offices, 900 car parking structure, multiple restaurants and a luxury 236 unit condominium complex.

### **Long-term Financial Planning**

The City has implemented various financial/budget policies to guide the Council and staff when making financial decisions to ensure the long-term stability and flexibility of City finances and operations. These policies include the following:

- The original budget should be balanced with revenues equal to expenditures,
- One-time revenues will be used for one-time expenditures,
- The City will maintain fund balance for working capital in the general fund 50% of the next year's tax levy,
- The City will also maintain 10% of the next year's budget in fund balance for budget stabilization and 5% of the next year's budget for budget balancing,

- The City will confine long-term debt to capital improvements or projects that cannot be financed from current revenues, and
- The City will maintain a ten-year capital improvement plan to provide for capital asset acquisition, maintenance, replacement, and retirement.

As part of the budget process, the council reviews and updates the City's financial policies.

## **Major Initiatives**

### *Shady Oak Road*

In conjunction with United Health Group's business expansion in Eden Prairie, the City in coordination with Hennepin County, MnDOT, and the City of Minnetonka is in the process of developing plans and construction for the improvement of Shady Oak Road (County Road 61) between and including the interchanges of Highway 62 and Highway 212. The proposed project will be constructed in two phases called North and South.

The northern phase of the project which starts approximately 800 feet north of Rowland Road and extends northerly through the Highway 62 interchange was completed in 2013. The project cost approximately \$10 million dollars and was 100% assessed. The southern phase of the project, which includes the full reconstruction of Shady Oak Road from the intersection of Flying Cloud Drive to the limits of the north phase (800 feet north of Rowland Road), is expected to be constructed in 2014 and 2015. The project will cost approximately \$30 million dollars. This phase of the project will be funded by State grant funds, municipal state aid, Hennepin County, and special assessment.

### *Energy Initiative*

The City of Eden Prairie has been implementing an energy initiative called 20-40-15 that is aimed at increasing the overall efficiency of the City's use of electricity, fuel and other energy resources. The plan calls for increased energy efficiency in City-owned facilities by 20 percent; increased fuel efficiency in the City's fleet of vehicles by 40 percent; and accomplishing these goals by the year 2015.

To date the City has accomplished the following:

- Reduced total energy consumption by almost 12 billion British Thermal Units (BTU's)
- Increased overall energy efficiency by 15 percent
- Reduced annual carbon dioxide emissions by 2,000 metric tons

- Achieved nearly \$200,000 in annual energy cost savings

Recent projects completed include the following:

- Advanced energy recovery strategies for the Community Center ice rink cooling system, including recovery of waste heat from compressors, variable speed drives for pumps and fans;
- The installation of energy-saving ceilings in the the ice rinks;
- The addition of electric vehicles to the City's fleet, as well as an electric vehicle charging station at City Center, and
- The retrofit of several 250-watt high pressure sodium street lights with more energy efficient 100-watt LED street lights.

### **Certificate of Achievement**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Eden Prairie for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2012.

The Certificate of Achievement is a prestigious national award-recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report whose contents conform to program standards. Such comprehensive annual financial report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year. The City of Eden Prairie has received a Certificate of Achievement every year since 1990. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

In addition, the Government Finance Officers Association of the United States and Canada (GFOA) presented the Distinguished Budget Presentation award to the City of Eden Prairie for its Two Year Budget for the fiscal years beginning January 1, 2012 and 2013. In order to receive this award, a government unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and a communications device. The award is valid for a period of two years only. The City of Eden Prairie has received a Distinguished Budget Presentation award for every budget since 1998.

Also, the Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to the City of Eden Prairie for its Popular Annual Financial Report for the fiscal year ended December 31, 2012. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation

of state and local government financial reports. In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability, and reader appeal. An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. The City of Eden Prairie has received the award annually since 1998. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to GFOA.

### **Acknowledgements**

We would like to express our appreciation to the employees of the Finance Division for their contribution to the preparation of this report. We would also like to thank the Mayor and Council Members for their continued support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,



Rick Getschow  
City Manager



Sue Kotchevar  
Chief Financial Officer



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**City of Eden Prairie  
Minnesota**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

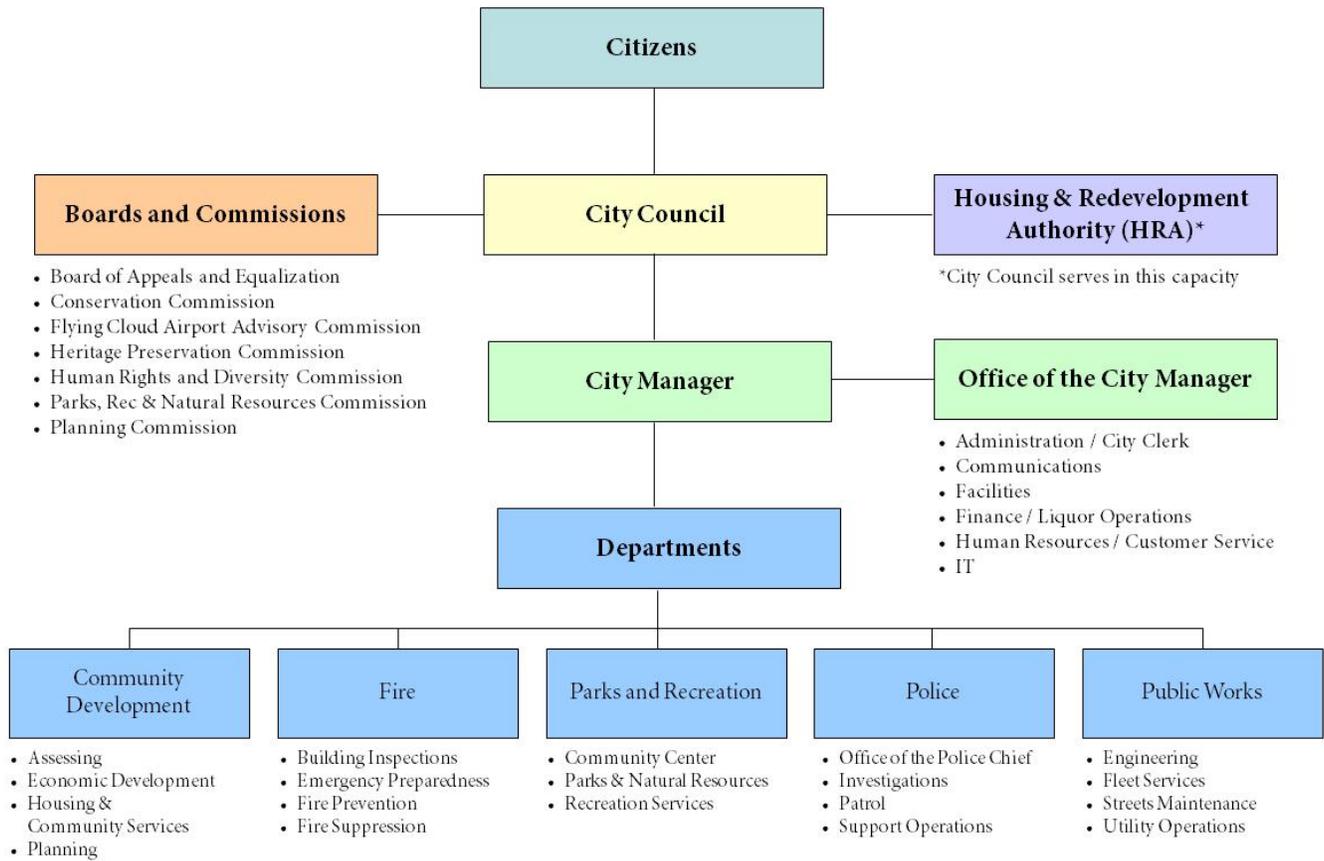
**December 31, 2012**

Executive Director/CEO

# City of Eden Prairie, Minnesota

## For the Year Ended December 31, 2013

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# City of Eden Prairie, Minnesota

## For the Year Ended December 31, 2013

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### Principal Officials

#### Elected Officials:

Mayor	(Term expiration 12/31/14)	Nancy Tyra-Lukens
Council Member	(Term expiration 12/31/16)	Ron Case
Council Member	(Term expiration 12/31/16)	Brad Aho
Council Member	(Term expiration 12/31/14)	Sherry Butcher Wickstrom
Council Member	(Term expiration 12/31/14)	Kathy Nelson

#### Appointed Officials:

City Manager	Rick Getschow
City Attorney	Richard Rosow

#### Departments:

Chief of Police	Rob Reynolds
Community Development Director	Janet Jeremiah
Fire Chief	George Esbensen
Parks and Recreation Director	Jay Lotthammer
Public Works Director	Robert Ellis

# Financial



Expert advice. When you need it.<sup>SM</sup>

## INDEPENDENT AUDITOR’S REPORT

Honorable Mayor and Members  
of the City Council  
City of Eden Prairie  
Eden Prairie, Minnesota

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Eden Prairie, Minnesota, as of and for the year ended December 31, 2013, and the related Notes to the Financial Statements, which collectively comprise the City’s basic financial statements as listed in the Table of Contents.

### Management’s Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor’s Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City’s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Eden Prairie, Minnesota, as of December 31, 2013, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, which follows this report letter, and the information on the City's modified approach to infrastructure reporting as well as the Schedule of Funding Progress – Other Post Employment Benefit Plan as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Eden Prairie's basic financial statements. The Introductory Section, combining and individual fund financial statements and Statistical Section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.



*Report on Summarized Comparative Information*

We have previously audited the City's 2012 financial statements, and our report, dated May 6, 2013, expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2012, is consistent, in all material respects, with the audited financial statements from which it has been derived.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated April 25, 2014 on our consideration of the City of Eden Prairie's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Eden Prairie's internal control over financial reporting and compliance.

*Kern, DeWenter, Viere, Ltd.*  
KERN, DEWENTER, VIERE, LTD.  
St. Cloud, Minnesota  
April 25, 2014

# City of Eden Prairie, Minnesota

## Management's Discussion and Analysis

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As management of the City of Eden Prairie, this section of the City's comprehensive annual financial report presents a discussion and analysis of the City's financial activities during the fiscal year ended December 31, 2013. This discussion and analysis should be read in conjunction with the transmittal letter in the introductory section of this report.

### Financial Highlights

#### The City as a Whole

- The assets of the City exceeded liabilities by \$390 million. Of this amount, \$73 million (*unrestricted net position*) may be used to meet the City's ongoing obligations to citizens and creditors, \$311 million is invested in capital assets, and \$6 million is restricted.
- The City's total net position decreased by \$1,816,947 or .5%. The key factors in this decrease were the construction projects at Shady Oak Road North and South. Offsetting the construction costs were additional revenues received in 2013 for building permit revenue and sales exceeding expenses for the Water and Sewer funds.
- The City's total long-term liabilities decreased by \$5,324,254 or 9% in comparison with the prior year. Contributing to the decrease was the payment \$1,730,000 for the 2005B General Obligation Improvement Revolving crossover bonds and the current year retirements of outstanding bonds.

#### Fund Financial Statements

- The City's governmental funds reported combined ending fund balances of \$67 million, a decrease of \$6,591,786 or 9% in comparison with the prior year. The changes in fund balance can be contributed to changes to various funds including the following:
  - Increase in fund balance of \$413,003 in the General fund due to maintaining the City's fund balance policy of maintaining adequate working capital for the first six months of next year and providing for budget stabilization.
  - Decrease in fund balance of \$1,691,599 in the General Obligation Improvement Revolving 2005B fund due to the payment of the crossover debt.
  - Increase in fund balance of \$3,103,044 in the Capital Improvement Maintenance fund, of which details can be found in the "Other Major Funds" section.
  - Increase in fund balance of \$686,714 in the Public Improvement Construction fund due mainly to the collection of special assessment debt for prior construction costs.
  - Decrease in fund balance of \$7,888,781 in the Shady Oak Road North fund due to planned construction costs.
  - Other governmental funds had an overall decrease in fund balance of \$1,214,167 due mainly to the following increases and decreases:

# City of Eden Prairie, Minnesota

## Management's Discussion and Analysis

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- Increase in fund balance of \$576,454 in the Project fund due to future planned project expenditures.
- Decrease in fund balance of \$1,288,761 in the Shady Oak Road South fund due to planned project expenditures.
- Decrease in fund balance of \$406,846 in the Eden Prairie Road Fund. This fund will be funded with the issuance of debt.
- Approximately 68% of the combined fund balances in the governmental funds is unrestricted and therefore available to meet the City's current and future needs.

### Using This Annual Report

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the City as a whole and present a longer-term view of the City's finances. For governmental activities, the fund financial statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds. The remaining statements provide financial information about activities for which the City acts solely as a trustee or agent for the benefit of those outside of the government.

### Reporting the City as a Whole

The Statement of Net Position and the Statement of Activities

One of the most important questions asked about the City's finances is "Is the City as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City's net position and changes in them. You can think of the City's net position – the difference between assets and liabilities – as one way to measure the City's financial health, or financial position. Over time, increases or decreases in the City's net position is one indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the City's property tax base and the condition of the City's roads, to assess the overall health of the City.

# City of Eden Prairie, Minnesota

## Management's Discussion and Analysis

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In the Statement of Net Position and the Statement of Activities, we divide the City into two kinds of activities:

- **Governmental Activities** – Most of the City's basic services are reported here, including general government, public safety, public works, and parks and recreation. Property taxes, charges for services, and capital grants and contributions finance most of these activities.
- **Business-type Activities** – The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's utility system (Water, Sewer and Storm Drainage Fund) and liquor operations are reported here.

### **Reporting the City's Most Significant Funds**

#### Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds – not the City as a whole. Some funds are required to be established by State law and by bond covenants. However, the City Council establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain grants and other money. The City's two kinds of funds – governmental and proprietary – use different accounting approaches.

- **Governmental funds** – Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in a reconciliation provided after the fund financial statements.
- **Proprietary funds** – When the City charges customers for the services it provides – these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities.

# City of Eden Prairie, Minnesota

## Management's Discussion and Analysis

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The City of Eden Prairie maintains two different types of proprietary funds.

- Enterprise funds are the same as the business-type activities reported in the government-wide statements but provide more detail and additional information, such as cash flows.
- Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for activities pertaining to employee benefits, workers compensation, personal time off accruals, property insurance, facilities, fleet services, and information technology.

### **The City as Trustee**

#### Reporting the City's Fiduciary Responsibilities

All of the City's fiduciary activities are reported in a separate Statement of Fiduciary Net Position. The City is fiduciary for resources collected and owed to others including developers and governmental agencies. We exclude these activities from the City's other financial statements because the City cannot use these assets to finance operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. The accounting used for fiduciary funds is much like that used for proprietary funds.

### **The City as a Whole**

The City's combined net position decreased from \$392 million to \$390 million and maintained its financial position. By far the largest portion of the City of Eden Prairie's net position, \$311 million (approximately 80%) reflects its investment in capital assets (e.g. land, buildings, machinery, and equipment) less any related debt used to acquire those assets that is still outstanding. The City of Eden Prairie uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position \$6 million (approximately 1%), represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$73 million (approximately 19%), may be used to meet the City's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City is able to report positive balances in all of the categories of net position reported for the government as a whole.

## City of Eden Prairie, Minnesota

### Management's Discussion and Analysis

The following schedule provides a summary of the City's net position for the year ended December 31, 2013 (in thousands):

	Governmental Activities		Business-Type activities		Total	
	2013	2012	2013	2012	2013	2012
Current and Other	\$ 84,074	\$ 93,282	\$ 17,448	\$ 14,159	\$ 101,522	\$ 107,441
Capital Assets	211,788	211,352	136,185	137,971	347,973	349,323
Total Assets	295,862	304,634	153,633	152,130	449,495	456,764
Long-Term Liabilities	49,457	54,346	3,781	4,216	53,238	58,562
Other Liabilities	4,972	5,044	1,416	1,415	6,388	6,459
Total Liabilities	54,429	59,390	5,197	5,631	59,626	65,021
Deferred Inflows	-	57	-	-	-	57
Invested in Capital	177,981	182,116	132,802	134,141	310,783	316,257
Restricted	6,176	7,325	-	-	6,176	7,325
Unrestricted	57,276	55,746	15,634	12,358	72,910	68,104
Total Net Position	\$ 241,433	\$ 245,187	\$ 148,436	\$ 146,499	\$ 389,869	\$ 391,686

Key elements of these changes are shown on the following page.

# City of Eden Prairie, Minnesota

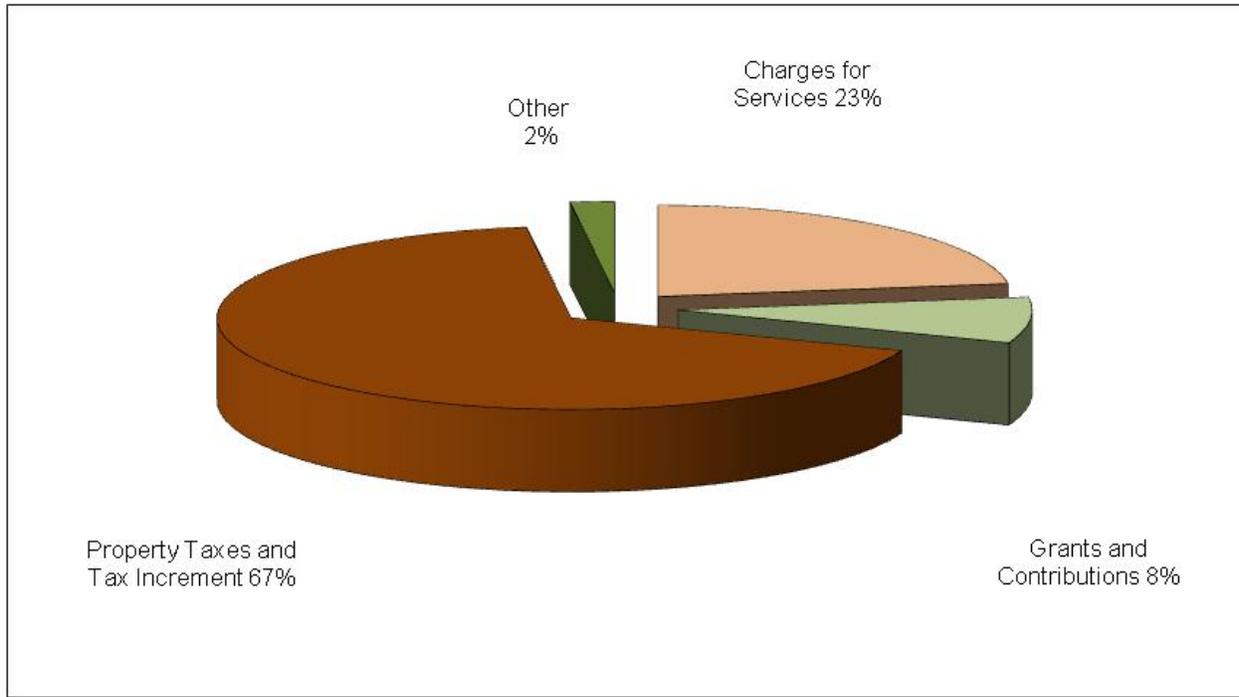
## Management's Discussion and Analysis

	Governmental Activities		Business-Type		Total	
	2013	2012	2013	2012	2013	2012
Revenues:						
Program Revenues						
Charges for Services	\$ 12,263	\$ 11,917	\$ 29,829	\$ 29,283	\$ 42,092	\$ 41,200
Operating Grants and Contributions	1,460	1,567	-	-	1,460	1,567
Capital Grants and Contributions	2,900	7,127	3,070	53	5,970	7,180
General Revenues						
Property Taxes	32,674	32,144	-	-	32,674	32,144
Tax Increment	3,535	3,353	-	-	3,535	3,353
Grants and Contributions	862	837	-	-	862	837
Investment Income	138	187	16	36	154	223
Gain on sale of Capital Assets	-	34	-	-	-	34
Total Revenues	53,832	57,166	32,915	29,372	86,747	86,538
Expenses:						
Administration	5,855	4,008	-	-	5,855	4,008
Community Development	5,679	6,251	-	-	5,679	6,251
Police	12,846	12,414	-	-	12,846	12,414
Fire	5,724	5,647	-	-	5,724	5,647
Public Works	16,289	8,226	-	-	16,289	8,226
Parks and Recreation	11,114	10,815	-	-	11,114	10,815
Interest on Long Term Debt	1,337	1,845	-	-	1,337	1,845
Water	-	-	9,565	9,571	9,565	9,571
Sewer	-	-	6,561	6,685	6,561	6,685
Storm	-	-	2,420	2,051	2,420	2,051
Liquor	-	-	11,174	11,247	11,174	11,247
Total Expenses	58,844	49,206	29,720	29,554	88,564	78,760
Changes in Net Position						
Before Transfers	(5,012)	7,960	3,195	(182)	(1,817)	7,778
Internal Transfers	1,258	1,170	(1,258)	(1,170)	-	-
Change in Net Position	(3,754)	9,130	1,937	(1,352)	(1,817)	7,778
Net Position, January 1	245,187	236,057	146,499	147,851	391,686	383,908
						-
Net Position, December 31	\$ 241,433	\$ 245,187	\$ 148,436	\$ 146,499	\$ 389,869	\$ 391,686

# City of Eden Prairie, Minnesota Management's Discussion and Analysis

## Governmental Activities

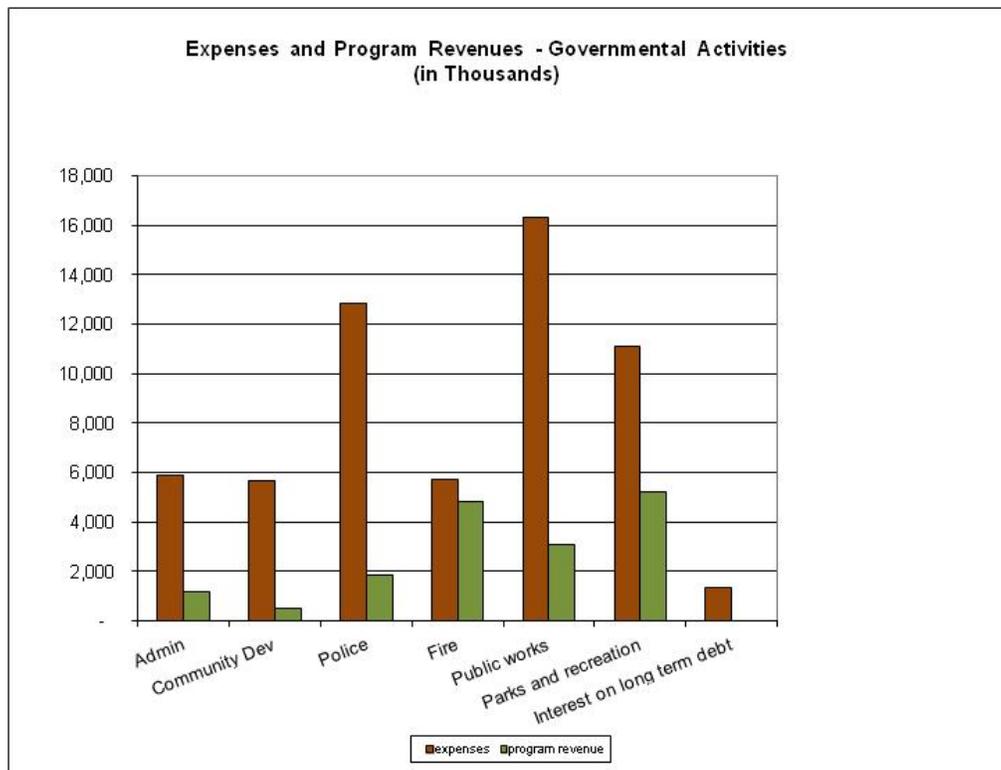
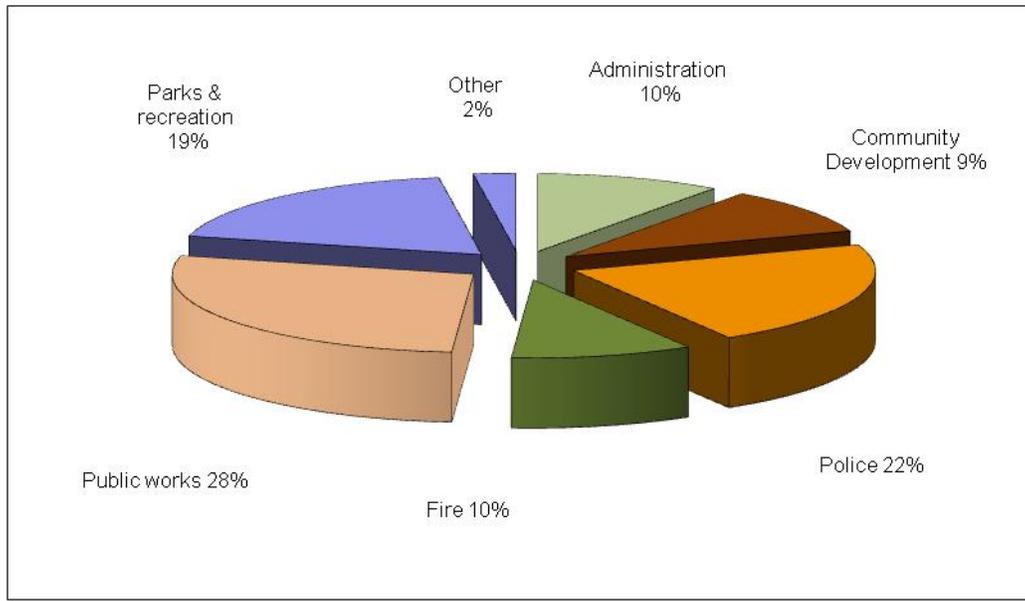
### Revenue by Source



- For the year, property taxes totaled \$32,674,010 which is an increase of \$529,567 or 2% from 2012. The 2013 increase allows the City to keep staffing and service levels the same as last year.
- Charges for services increased by \$346,082 or 3% from 2012. This was due mainly to increased building permits and fees and increased revenue at the community center for memberships and facilities rentals. Offsetting the increase is a decrease in court fines and revenue bond fees. In 2012 the City received delinquent payments for revenue bond fees.
- Operating grants and contributions decreased by \$107,406 or 7% from 2012. This was mainly due to a decrease in the Community Development Block Grant. Offsetting the decrease was an increase in Police and Fire State Aid.
- Capital grants and contributions decreased by \$4,227,589 or 59% from 2012. This was due mainly to the DEED grant and state street aid received for the Shady Oak Road North construction project in 2012. Offsetting the decrease was an increase in franchise fees due to 2013 being the first full year of the new fees.

# City of Eden Prairie, Minnesota Management's Discussion and Analysis

## Expenses by Program



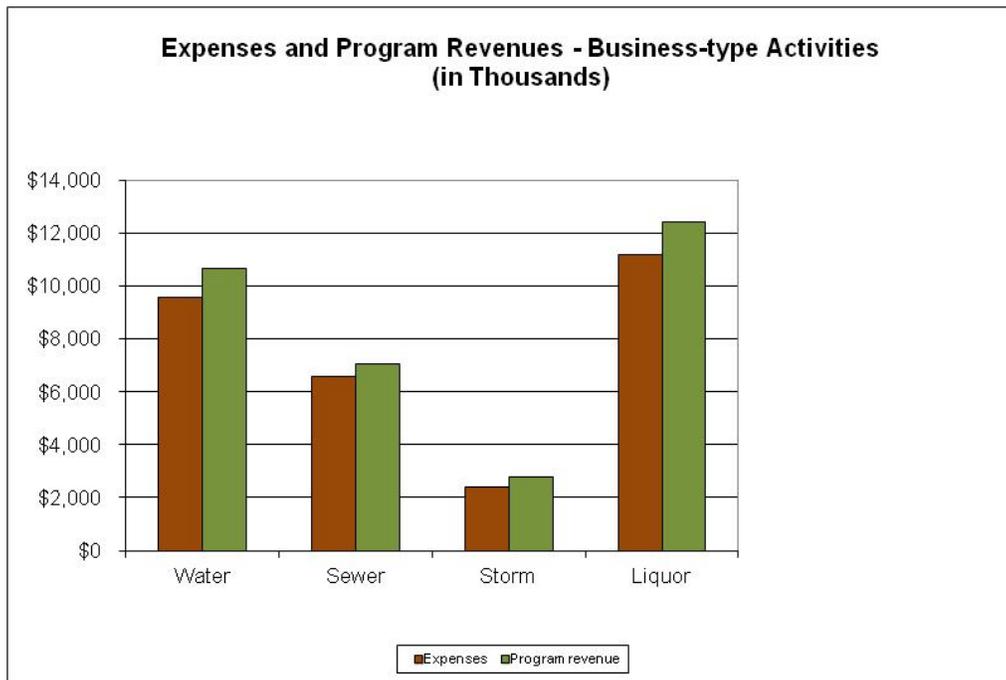
# City of Eden Prairie, Minnesota

## Management's Discussion and Analysis

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### Business-type Activities

For the business-type activities, charges for services accounts for 91% of revenues. The Water Fund, Sewer Fund and Storm Drainage Fund had a positive change to net position of \$902,337, \$510,167 and \$392,067 respectively. The positive changes were primarily due to access charges that were collected and capital contributions. Without these one-time items, operating income after depreciation for the Water Fund, Sewer Fund and Storm Drainage Fund would have been (\$1,762,162), (\$1,080,432) and (\$989,270) respectively. All three operations are expected to continue to make progress toward the financial goals as shown in the 2013 utility rate study. The Liquor operations had a positive change in net position of \$132,335.



# City of Eden Prairie, Minnesota

## Management's Discussion and Analysis

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### The City's Funds

The General fund is the chief operating fund of the City of Eden Prairie. The General fund had positive financial performance and the fund balance increased by \$413,003. The table below reflects the changes to the City's General fund balance.

	2013	2012	Difference
Fund Balance:			
Nonspendable	\$ 24,702	\$ 52,190	\$ (27,488)
Unassigned			
Budget Stabilization	6,093,689	5,893,437	200,252
Working Capital	15,370,852	15,104,613	266,239
Unassigned	45,000	71,000	(26,000)
Total Fund Balance	<u>\$ 21,534,243</u>	<u>\$ 21,121,240</u>	<u>\$ 413,003</u>

### Nonspendable Balances

The amounts classified as nonspendable consist of amounts that are not in spendable form, such as prepaid assets.

### Unassigned Balances

The unassigned fund balance consists of the budget stabilization balance and the working capital balance.

### Budget Stabilization

In compliance with City policy, \$4,062,459 or 10% of the 2014 budget was maintained for budget stabilization to be used for emergencies and maintenance of the City's Aaa bond rating. Also, \$2,031,230 or 5% of the 2014 budget was maintained for budget balancing to be used for short term volatility in the City's finances.

### Working Capital

In compliance with City policy, 50% of the next year's tax levy or \$15,073,710 is maintained for working capital. This amount represents the amount needed to fund operations for the first six months of the year. The City receives a tax settlement in December that funds operations until the next settlement in June of the next year. An additional \$297,142 was assigned to cover the planned 2014 budget deficit.

# City of Eden Prairie, Minnesota

## Management's Discussion and Analysis

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### Other Major Funds

The General Obligation Improvement Revolving 2005B fund decreased by \$1,691,599 in 2013 due to the refunding of the G.O. Bonds of 2005B. These bonds had a crossover date of 12/1/13.

The Capital Improvement Maintenance fund increased by \$3,103,044 in 2013. Revenue of \$1,108,989 was collected which includes the tax levy, special assessments, building rental income, contributions, property insurance and workers comp dividends and investment income. The costs for the year pertained to the purchase of a fire ramp vehicle and parks turf mower, Round Lake Play Area renovation, various parking lot maintenance projects, and the Rice Marsh Lake Trail extension. During the year, \$240,000 was transferred to the CIP Trails fund for various trail improvement projects and \$375,000 was transferred to the 2008A Capital Equipment fund and 2009B G.O. Equip Certificate fund to reduce the 2013 debt levy. The fund received \$2,136,662 and \$1,100,000 from the General fund and Liquor funds respectively, due to positive operating results. The fund also received \$17,026 to close out the Sprint/Nextel fund.

The Public Improvement Construction fund increased by \$686,714 in 2013. Special Assessments of \$524,815 was collected. The costs for the year pertain to the Bluestein Lane Geotechnical Evaluation and Pioneer Trail Landscape projects. As of December 31, 2013, the fund had a negative fund balance of \$2,770,805. The deficit will be reduced with the collection of special assessments and state aid.

The Shady Oak Road North fund decreased by \$7,888,781 in 2013. The Shady Oak Road North project will reconstruct Shady Oak Road from Rowland Road through the Highway 62 interchange. This project will be completed in 2014.

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Water revenue through December 31, 2013 totaled \$7,721,859 which is a decrease of \$889,095 or 12% from 2012 due to the following:

- Increase in sales by approximately \$56,000 due to increased tier rates
- Increase in sales by approximately \$249,000 due to the increase in the fixed charge
- Decrease in sales by approximately \$1,200,000 due to the decrease in water use.

Access charges increased by \$491,190 due mainly to the United Health Group development.

# City of Eden Prairie, Minnesota

## Management's Discussion and Analysis

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Sewer revenue through December 31, 2013 totaled \$5,435,885 which is an increase of \$345,285 or 7% from 2012 due to the following:

- Increase in sales by approximately \$159,000 due to the rate increase.
- Increase in sales by approximately \$249,000 due to the increase in the fixed charge.
- Decrease in sales by approximately \$62,000 due to decrease in sewer use.

Access charges increased by \$103,590 due mainly to the United Health development.

Storm Drainage revenue through December 31, 2013 totaled \$1,431,265 which is an increase of \$171,941 or 14% from 2012. The increase is due to the rate increase.

The liquor operations had a successful year and the operations transferred \$1,100,000 to the Capital Improvement Maintenance Fund. Sales totaled \$12,144,893 which is an increase of \$43,423 or .4% over 2012. Gross margins are at 26.9% which compares to 25.5% last year.

### **Budgetary Highlights**

The General fund had positive operating results. Total revenues equaled \$41,795,849 or 110% of the amount budgeted. The positive performance is due to conservative budgeting including a 2% allowance for uncollectible taxes, positive development revenue, and revenues collected from the Community Center. Other items had positive and negative variances. Total expenditures equaled \$39,363,284 or 100% of the budget. All departments except Fire and Parks and Recreation have spent less than 100% of the amounts budgeted. Parks and Recreation has spent 105% of their budget but they have collected 111% of the amount budget for revenue.

### **Capital Assets and Debt Administration**

#### **Capital Assets**

At the end of 2013, the city had \$348 million invested in capital assets. Major capital assets added during the current fiscal year by fund include the following:

# City of Eden Prairie, Minnesota

## Management's Discussion and Analysis

<b>Significant Projects</b>	<b>Amount</b>
5010 Park Improvement	
Riley Lake Park Softball Field Extension	\$ 786,143
5046/5140 Improvement Projects	
Bluestem Ln Geotechnical Eval	146,470
5060 Capital Maintenance & Investment	
Round Lake Play Area Renovation	197,891
Rice Marsh Lake Trail Extension	129,737
5165 Transportation	
Baker/Mitchell Sidewalk	263,689
7050 - Water Capital	
Clarifier Recoating (Basins - Side 3)	495,955
Chemical Fee Systems Controls	133,403
8526 - IT Capital Internal Service	
Internal/External Network	309,457
8540 - Facilities Capital Internal Service Fund	
New Floor for Ice Rink #2	1,455,608

Capital Assets (net of depreciation, in thousands)

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Land & Land Improv.	\$ 33,269	\$ 32,434	\$ 741	\$ 746	\$ 34,010	\$ 33,180
Infrastructure	125,957	120,196	-	-	125,957	120,196
Work in Progress	5,427	12,731	5	1,743	5,432	14,474
Distribution System	-	-	99,337	99,355	99,337	99,355
Buildings	38,016	37,565	31,140	32,474	69,156	70,039
Leasehold Improvements	30	34	574	659	604	693
Machinery & Equipment	1,309	925	4,011	2,670	5,320	3,595
Autos	3,379	3,785	348	277	3,727	4,062
Other Assets	4,401	3,682	29	47	4,430	3,729
<b>Total</b>	<b>\$ 211,788</b>	<b>\$ 211,352</b>	<b>\$ 136,185</b>	<b>\$ 137,971</b>	<b>\$ 347,973</b>	<b>\$ 349,323</b>

The City has chosen to maintain infrastructure using the modified approach. This means the City does not depreciate the cost of infrastructure but maintains the system at a “good condition” level or higher. Additional information on the modified approach can be found in Note 1 of this report and additional information on the City’s capital assets can be found in Note 4 of this report.

# City of Eden Prairie, Minnesota

## Management's Discussion and Analysis

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The City's policy is to achieve an average rating of good (55-69) for all streets and trails. In the summer of 2013, the City conducted a physical condition assessment. This assessment will be performed every three years. As of December 31, 2013, the City's infrastructure system was rated at a Pavement Condition Index (PCI) of 78.8%, which is higher than the City's policy level. The City's infrastructure are constantly deteriorating resulting from the following factors: (1) traffic using the system; (2) the sun's ultra-violet rays drying out and breaking down the top layer of pavement; (3) utility company/private development trenching operations; (4) water damage from natural precipitation; and (5) frost heave. The City is continuously taking actions to prolong the life of the system through short-term maintenance activities such as pothole patching, crack sealing, seal coating, and overlaying. The City expended \$2,263,758 on infrastructure maintenance for the year ending December 31, 2013. These expenditures delayed deterioration; however, the overall condition of the system was not improved through these maintenance expenditures. The City has estimated that the amount of annual expenditures required maintaining the City's infrastructure at the average PCI rating of good is approximately \$1,661,000.

### **Debt**

At year-end, the City had approximately \$53 million in bonds and other long-term liabilities outstanding versus \$59 million last year. Refer to Note 10 in the Notes to Financial Statements for a detailed schedule showing the City's long-term debt activity.

### **Economic Factors and Next Year's Budgets**

The City's elected officials consider many factors when adopting the budget and determining fees for service and fees that will be charged for the business-type activities. These factors include service levels, the tax impact on the median value home, commercial/industrial and household growth, and inflation.

Currently, the 2014 general fund budgeted appropriations are \$40,624,594 which is an increase of \$1,335,009 or 3% from the 2013 budget. Budgeted revenues less expenditures total (\$297,142). The City plans to use fund balance for the difference.

### **Contacting the City's Financial Management**

This financial report is designed to provide a general overview of the City's finances for those interested in the government's finances. If you have questions about this report or need additional financial information, contact the Finance Division at City of Eden Prairie, 8080 Mitchell Road, Eden Prairie, MN 55344.

# Government-wide Financial Statements

**City of Eden Prairie, Minnesota**  
**Statement of Net Position**  
**December 31, 2013**

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 62,949,337	\$ 12,037,069	\$ 74,986,406
Receivables			
Accounts	941,881	2,724,883	3,666,764
Interest	119,181	14,942	134,123
Due From Other Governments	201,494	69,093	270,587
Unremitted Taxes	179,390	-	179,390
Delinquent Taxes	179,522	-	179,522
Unremitted Special Assessments	10	10,378	10,388
Delinquent Special Assessments	7,752	310,695	318,447
Special Assessments	5,406,111	724,432	6,130,543
Unavailable Special Assessments	507,239	293,200	800,439
Inventories	107,166	1,231,774	1,338,940
Prepaid Items	458,309	31,248	489,557
Land Held for Resale	537,000	-	537,000
Restricted Cash and Cash Equivalents	12,479,217	-	12,479,217
Capital Assets			
Nondepreciable			
Land	22,006,728	656,356	22,663,084
Infrastructure	125,957,394	-	125,957,394
Work in Progress	5,427,223	4,791	5,432,014
Depreciable Buildings, Property and Equipment, Net	58,397,025	135,524,002	193,921,027
Total Assets	295,861,979	153,632,863	449,494,842
<b>LIABILITIES</b>			
Accounts and Contracts Payable	2,661,564	1,114,589	3,776,153
Salaries Payable	914,438	144,562	1,059,000
Interest Payable	572,450	7,938	580,388
Due to Other Governments	376,418	138,666	515,084
Unearned Revenue	447,468	10,204	457,672
Net OPEB			
Due in More Than One Year	994,249	172,161	1,166,410
Bonds Payable			
Due Within One Year	12,350,000	440,000	12,790,000
Due in More Than One Year	34,132,851	2,943,723	37,076,574
Capital lease payable			
Due Within One Year	43,107	-	43,107
Due in More Than One Year	89,593	-	89,593
Compensated Absences			
Due Within One Year	886,414	108,133	994,547
Due in More Than One Year	960,281	117,144	1,077,425
Total Liabilities	54,428,833	5,197,120	59,625,953
<b>NET POSITION</b>			
Net Investment in Capital Assets	177,981,232	132,801,426	310,782,658
Restricted for Perpetual Care, Nonexpendable	136,769	-	136,769
Restricted for Debt Service	6,039,005	-	6,039,005
Unrestricted	57,276,140	15,634,317	72,910,457
Total Net Position	\$ 241,433,146	\$ 148,435,743	\$ 389,868,889

*The notes to financial statements are an integral part of this statement*

**City of Eden Prairie, Minnesota**  
**Statement of Activities**  
**For the Year Ended December 31, 2013**

	Expenses	Program Revenue		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>FUNCTIONS/PROGRAMS</b>				
Primary Government				
Governmental Activities				
Administration	\$ 5,854,425	\$ 1,176,919	\$ -	\$ -
Community Development	5,678,694	122,263	356,011	-
Police	12,846,206	1,223,836	558,394	81,917
Fire	5,724,342	4,236,114	447,204	108,629
Public Works	16,288,862	497,720	68,865	2,529,156
Parks and Recreation	11,113,811	5,005,917	29,385	179,735
Interest on Long Term Debt	1,336,870	-	-	-
Total Governmental Activities	58,843,210	12,262,769	1,459,859	2,899,437
Business-Type Activities				
Water	9,564,793	9,659,385	-	1,006,719
Sewer	6,532,297	6,265,514	-	769,945
Storm	2,420,535	1,499,405	-	1,264,477
Liquor	11,174,499	12,404,920	-	-
Total Business-Type Activities	29,692,124	29,829,224	-	3,041,141
Total Primary Government	\$ 88,535,334	\$ 42,091,993	\$ 1,459,859	\$ 5,940,578

General Revenues

Taxes

Property Taxes, Levied for General Purposes

Property Taxes, Levied for Debt Service

Tax Increment

Grants and Contributions Not Restricted to Specific Programs

Investment Income

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position - Beginning

Net Position - Ending

*The notes to financial statements are an integral part of this statement*

Net (Expense) Revenue  
and Changes in Net Position

Governmental Activities	Business-type Activities	Total
\$ (4,677,506)	\$ -	\$ (4,677,506)
(5,200,420)	-	(5,200,420)
(10,982,059)	-	(10,982,059)
(932,395)	-	(932,395)
(13,193,121)	-	(13,193,121)
(5,898,774)	-	(5,898,774)
(1,336,870)	-	(1,336,870)
(42,221,145)	-	(42,221,145)
-	1,101,311	1,101,311
-	503,162	503,162
-	343,347	343,347
-	1,230,421	1,230,421
-	3,178,241	3,178,241
(42,221,145)	3,178,241	(39,042,904)
29,659,204	-	29,659,204
3,014,806	-	3,014,806
3,535,459	-	3,535,459
862,288	-	862,288
137,890	16,310	154,200
1,257,645	(1,257,645)	-
38,467,292	(1,241,335)	37,225,957
(3,753,853)	1,936,906	(1,816,947)
245,186,999	146,498,837	391,685,836
\$ 241,433,146	\$ 148,435,743	\$ 389,868,889

The notes to financial statements are an integral part of this statement

# Fund Financial Statements

**CITY OF EDEN PRAIRIE, MINNESOTA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2013**

Page 1 of 2

	General	Debt Service General Obligation Improv. Revolving 2005B	Capital Projects  Capital Improvement Maintenance
<b>ASSETS</b>			
Cash and Investments	\$ 22,274,000	\$ 406,710	\$ 13,439,237
Receivables			
Accounts	332,672	-	15,909
Interest	25,378	720	20,562
Due From Other Governments	129,357	-	-
Unremitted Taxes	162,690	-	487
Delinquent Taxes	178,961	-	561
Unremitted Special Assessments	-	-	-
Delinquent Special Assessments	-	-	3,734
Deferred Special Assessments	-	1,636,531	9,394
Special Deferred Special Assessments	-	-	123,155
Due From Other Funds	-	-	2,689,268
Prepaid Items	24,702	-	-
Land Held for Resale	-	-	-
Cash and Investments With Escrow Agent	-	-	-
Total Assets	<u>\$ 23,127,760</u>	<u>\$ 2,043,961</u>	<u>\$ 16,302,307</u>
<b>LIABILITIES</b>			
Accounts and Contracts Payable	\$ 425,260	\$ -	\$ 27,884
Salaries Payable	825,981	-	-
Interest Payable	-	-	-
Due to Other Governments	48,111	-	-
Due to Other Funds	-	-	-
Unearned Revenue	115,204	-	40,614
Total Liabilities	<u>1,414,556</u>	<u>-</u>	<u>68,498</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable Revenue-Property Taxes	178,961	-	561
Unavailable Revenue-Special Assessments	-	1,636,531	136,283
Total Deferred Inflows of Resources	<u>178,961</u>	<u>1,636,531</u>	<u>136,844</u>
<b>FUND BALANCES</b>			
Nonspendable	24,702	-	-
Restricted	-	407,430	-
Assigned	-	-	16,096,965
Unassigned	21,509,541	-	-
Total Fund Balance	<u>21,534,243</u>	<u>407,430</u>	<u>16,096,965</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 23,127,760</u>	<u>\$ 2,043,961</u>	<u>\$ 16,302,307</u>

*The notes to financial statements are an integral part of this statement*

**CITY OF EDEN PRAIRIE, MINNESOTA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2013**

Page 2 of 2

	<u>Capital Projects</u>			
	Public Improvement Construction	Shady Oak Road North	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash and Investments	\$ -	\$ 1,847,625	\$ 18,185,078	\$ 56,152,650
Receivables				
Accounts	-	-	575,427	924,008
Interest	-	11,810	49,320	107,790
Due From Other Governments	-	-	72,137	201,494
Unremitted Taxes	-	-	16,213	179,390
Delinquent Taxes	-	-	-	179,522
Unremitted Special Assessments	-	-	10	10
Delinquent Special Assessments	4,018	-	-	7,752
Deferred Special Assessments	845,976	-	2,914,210	5,406,111
Special Deferred Special Assessments	263,322	-	120,762	507,239
Due From Other Funds	-	-	1,153,592	3,842,860
Prepaid Items	-	-	2,145	26,847
Land Held for Resale	-	-	537,000	537,000
Cash and Investments With Escrow Agent	-	-	12,479,217	12,479,217
Total Assets	<u>\$ 1,113,316</u>	<u>\$ 1,859,435</u>	<u>\$ 36,105,111</u>	<u>\$ 80,551,890</u>
<b>LIABILITIES</b>				
Accounts and Contracts Payable	\$ 54,140	\$ 1,115,685	\$ 255,331	\$ 1,878,300
Salaries Payable	-	-	12,449	838,430
Interest Payable	4,781	-	1,889	6,670
Due to Other Governments	22,616	3,089	3,080	76,896
Due to Other Funds	2,689,268	-	1,153,592	3,842,860
Unearned Revenue	-	-	286,450	442,268
Total Liabilities	<u>2,770,805</u>	<u>1,118,774</u>	<u>1,712,791</u>	<u>7,085,424</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable Revenue-Property Taxes	-	-	-	179,522
Unavailable Revenue-Special Assessments	1,113,316	-	3,034,972	5,921,102
Total Deferred Inflows of Resources	<u>1,113,316</u>	<u>-</u>	<u>3,034,972</u>	<u>6,100,624</u>
<b>FUND BALANCES</b>				
Nonspendable	-	-	538,620	563,322
Restricted	-	-	20,469,350	20,876,780
Assigned	-	740,661	11,437,765	28,275,391
Unassigned	(2,770,805)	-	(1,088,387)	17,650,349
Total Fund Balance	<u>(2,770,805)</u>	<u>740,661</u>	<u>31,357,348</u>	<u>67,365,842</u>
 Total Liabilities, Deferred Inflows of Resources, and Fund Balance	 <u>\$ 1,113,316</u>	 <u>\$ 1,859,435</u>	 <u>\$ 36,105,111</u>	 <u>\$ 80,551,890</u>

The notes to financial statements are an integral part of this statement

**City of Eden Prairie, Minnesota**  
**Governmental Funds**  
**Reconciliation of the Balance Sheet of Governmental Funds**  
**to the Statement of Net Position**  
**December 31, 2013**

Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:

<b>Total Fund Balance - Governmental Funds</b>	\$ 67,365,842
1. Capital assets used in Governmental Activities are not financial resources and therefore are not reported as assets in governmental funds.	
Cost of Capital Assets	238,385,782
Less Accumulated Depreciation	(31,193,240)
2. Long term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	
Long-term liabilities at year end consist of:	
Bond Principal Payable	(46,482,851)
Capital lease	(132,700)
3. Taxes and special assessment receivable will be collected in future years, but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds.	6,100,624
4. Governmental funds do not report a liability for accrued interest on long-term debt until due and payable.	(565,780)
5. Internal Service Funds are used by management to charge the costs of employee benefits to individual funds. The assets and liabilities of the Internal Service Fund are included in Governmental Activities in the Statement of Net Position.	7,955,469
	<hr/>
<b>Net Position - Governmental Activities</b>	<b>\$ 241,433,146</b>
	<hr/> <hr/>

*The notes to financial statements are an integral part of this statement*

**City of Eden Prairie, Minnesota**  
**Statement of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended December 31, 2013**

	General	Debt Service General Obligation Improv. Revolving 2005B	Capital Projects Capital Improvement Maintenance
<b>REVENUES</b>			
General Property Taxes	\$ 29,337,463	\$ -	\$ 89,824
Special Assessments	6,961	231,236	18,003
Penalties and Interest	26,145	-	-
Licenses and Permits	5,801,808	-	-
Intergovernmental Revenue	1,296,703	-	-
Charges for Services	4,532,269	-	-
Fines and Forfeits	419,427	-	-
Investment Income	10,414	640	23,778
Interest on Escrow Fund	-	3,048	-
Rental	-	-	795,789
Other	364,659	-	181,595
Total Revenues	41,795,849	234,924	1,108,989
<b>EXPENDITURES</b>			
Current			
Administration	3,634,004	-	-
Community Development	2,145,701	-	-
Police	12,593,178	-	-
Fire	5,300,536	-	-
Public Works	5,501,914	-	-
Parks and Recreation	9,937,988	-	-
Interest on Interfund Borrowing	-	-	-
Capital Outlay			
Administration	-	-	39,987
Police	-	-	15,666
Fire	-	-	86,003
Public Works	58,253	-	3,136
Parks and Recreation	145,166	-	499,841
Debt Service			
Principal	42,019	120,000	-
Interest	4,525	76,073	-
Fiscal Agent Fees	-	450	-
Total Expenditures	39,363,284	196,523	644,633
Excess of Revenues Over (Under) Expenditures	2,432,565	38,401	464,356
<b>OTHER FINANCING SOURCES (USES)</b>			
Payment to Refunded Bond Escrow	-	(1,730,000)	-
Transfers In	272,100	-	3,253,688
Transfers Out	(2,291,662)	-	(615,000)
Total Other Financing Sources (Uses)	(2,019,562)	(1,730,000)	2,638,688
Net Change in Fund Balances	413,003	(1,691,599)	3,103,044
Fund Balance (Deficit) - Beginning	21,121,240	2,099,029	12,993,921
Fund Balance (Deficit) - Ending	\$ 21,534,243	\$ 407,430	\$ 16,096,965

**City of Eden Prairie, Minnesota**  
**Statement of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended December 31, 2013**

Page 2 of 2

	Capital Projects			
	Public Improvement Construction	Shady Oak Road North	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>				
General Property Taxes	\$ -	\$ -	\$ 6,749,739	\$ 36,177,026
Special Assessments	524,815	-	1,135,311	1,916,326
Penalties and Interest	-	-	-	26,145
Licenses and Permits	-	-	2,154,306	7,956,114
Intergovernmental Revenue	-	-	590,251	1,886,954
Charges for Services	-	-	-	4,532,269
Fines and Forfeits	-	-	1,125	420,552
Investment Income	-	32,282	35,048	102,162
Interest on Escrow Fund	-	-	35,093	38,141
Rental	-	-	66,499	862,288
Other	20,000	-	837,003	1,403,257
Total Revenues	544,815	32,282	11,604,375	55,321,234
<b>EXPENDITURES</b>				
Current				
Administration	-	-	-	3,634,004
Community Development	-	-	3,515,599	5,661,300
Police	-	-	103,500	12,696,678
Fire	-	-	-	5,300,536
Public Works	-	-	183,381	5,685,295
Parks and Recreation	-	-	11,413	9,949,401
Interest on Interfund Borrowing	2,520	-	5,476	7,996
Capital Outlay				
Administration	-	-	59,279	99,266
Police	-	-	13,747	29,413
Fire	-	-	37,443	123,446
Public Works	147,473	7,921,063	3,862,715	11,992,640
Parks and Recreation	-	-	1,056,888	1,701,895
Debt Service				
Principal	-	-	3,020,000	3,182,019
Interest	-	-	1,399,596	1,480,194
Fiscal Agent Fees	-	-	8,487	8,937
Total Expenditures	149,993	7,921,063	13,277,524	61,553,020
Excess of Revenues Over (Under) Expenditures	394,822	(7,888,781)	(1,673,149)	(6,231,786)
<b>OTHER FINANCING SOURCES (USES)</b>				
Payment to Refunded Bond Escrow	-	-	-	(1,730,000)
Transfers In	291,892	-	942,000	4,759,680
Transfers Out	-	-	(483,018)	(3,389,680)
Total Other Financing Sources (Uses)	291,892	-	458,982	(360,000)
Net Change in Fund Balances	686,714	(7,888,781)	(1,214,167)	(6,591,786)
Fund Balance (Deficit) - Beginning	(3,457,519)	8,629,442	32,571,515	73,957,628
Fund Balance (Deficit) - Ending	\$ (2,770,805)	\$ 740,661	\$ 31,357,348	\$ 67,365,842

The notes to financial statements are an integral part of this statement

**City of Eden Prairie, Minnesota**  
**Reconciliation of the Statement of Revenues and Expenditures, and Changes in Fund**  
**Balances of Governmental Funds to the Statement of Activities**  
**For the Year Ended December 31, 2013**

**Total net change in fund balances - governmental funds** \$ (6,591,786)

Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:

1. Capital outlays are reported in Governmental Funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over the estimated useful life's as depreciation expense.	
Capital Outlays	3,525,294
Depreciation Expense	(3,188,539)
The net effect of the disposal of capital assets	
Contributed to Enterprise funds	(140,924)
Disposals	(2,839,860)
Depreciation on Disposals	772,391
2. Principal payments of long-term debt consumes the current financial resources of Governmental Funds, However they have no effect on Net Position.	3,182,019
3. Interest on long-term debt in the statement of activities differs from the amount reported in the Governmental Funds because interest is recognized as an expenditure in the funds when it is due thus requires use of current financial resources. In the Statement of Activities, however interest expense is recognized as the interest accrues, regardless of when it is due.	11,160
4. Governmental Funds report debt issuance premiums, discounts and issuance costs as another financing source or use at the time of issuance. Premiums and discounts are reported as an unamortized asset or liability in the Government-wide financial statements.	
Premiums	-
Amortization of Premiums/Discounts	83,919
5. Deferred gain or loss on refunded bonds are amortized on the Statement of Activities, whereas Governmental Funds do not recognize these costs.	
Amortization of Deferred Gain	57,182
6. Debt service bonds were refunded during the year. The amount paid off with the new funding is reported in the governmental funds as a use of financing. However, the payments are not expenditures in the statement of activities, but rather a reduction on long-term liabilities in the statement of net assets.	1,730,000
7. Taxes and special assessments receivable will be collected in future years, but are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the funds.	(1,487,347)
8. Internal Service Funds are used by management to charge the costs of employee benefits to individual funds. The net revenue of these activities is reported in Governmental Activities.	1,132,638
<b>Change in Net Position - Governmental Activities</b>	<b>\$ (3,753,853)</b>

*The notes to financial statements are an integral part of this statement*

**City of Eden Prairie, Minnesota**  
**General Fund**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**  
**For the Year Ended December 31, 2013**  
**With Comparative Actual Amounts For the Year Ended December 31, 2012**

	2013				2012
	Budget Original	Budget Final	Actual	Variance Over/(Under)	Actual
<b>REVENUES</b>					
Taxes and Special Assessments					
General Property Taxes	\$ 28,989,759	\$ 28,989,759	\$ 29,344,424	\$ 354,665	\$ 28,927,115
Penalty and Interest	50,000	50,000	26,145	(23,855)	51,858
Total Taxes and Special Assessments	29,039,759	29,039,759	29,370,569	330,810	28,978,973
Licenses and Permits					
Liquor, Beer and Wine Licenses	321,000	321,000	326,923	5,923	304,229
Business Licenses	28,695	28,695	48,070	19,375	36,127
Dog Registration Licenses	19,900	19,900	16,691	(3,209)	20,265
Building Permits and Fees	1,598,400	1,598,400	4,410,616	2,812,216	3,786,592
Cable TV	754,000	754,000	820,175	66,175	812,372
Other Permits	152,250	152,250	179,333	27,083	167,592
Total Licenses and Permits	2,874,245	2,874,245	5,801,808	2,927,563	5,127,177
Intergovernmental Revenue					
Police Pension Aid	431,000	431,000	466,879	35,879	415,320
Fire Relief Association Aid	300,000	300,000	416,299	116,299	291,468
State Street Aid	70,620	70,620	68,865	(1,755)	68,865
Police Training	20,000	20,000	22,214	2,214	21,254
Grants	-	-	154,264	154,264	140,668
PERA Aid	52,384	52,384	52,384	-	52,384
School Liaison	114,298	114,298	115,798	1,500	114,298
Total Intergovernmental Revenue	988,302	988,302	1,296,703	308,401	1,104,257
Charges for Services					
Public Safety	117,600	117,600	97,380	(20,220)	83,890
Recreation					
Community Center	2,961,329	2,961,329	3,400,130	438,801	3,309,449
Organized Athletics	321,845	321,845	282,965	(38,880)	291,421
Youth Programs	290,450	290,450	305,174	14,724	284,843
Oak Point Pool	102,044	102,044	113,636	11,592	113,978
Outdoor Center	92,300	92,300	68,980	(23,320)	55,271
Park Facilities	72,450	72,450	92,558	20,108	86,560
Arts Center	61,500	61,500	64,963	3,463	66,041
Senior Center	55,000	55,000	59,622	4,622	56,010
Arts	25,400	25,400	24,405	(995)	21,808
Special Events	16,500	16,500	466	(16,034)	1,641
Therapeutic Recreation	8,300	8,300	21,990	13,690	23,632
Total Recreation	4,007,118	4,007,118	4,434,889	427,771	4,310,654
Total Charges for Services	4,124,718	4,124,718	4,532,269	407,551	4,394,544
Fines and Forfeits	455,000	455,000	419,427	(35,573)	600,076
Investment Income	200,000	200,000	10,414	(189,586)	60,142
Other Revenue	220,000	220,000	364,659	144,659	796,626
Total Revenues	\$ 37,902,024	\$ 37,902,024	\$ 41,795,849	\$ 3,893,825	\$ 41,061,795

The notes to financial statements are an integral part of this statement

City of Eden Prairie, Minnesota  
 General Fund  
 Statement of Revenues, Expenditures and  
 Changed in Fund Balance - Budget and Actual  
 For the Year Ended December 31, 2013  
 With Comparative Actual Amounts For year Ended December 31, 2012

Continued

	2013				2012
	Budget Original	Budget Final	Actual	Variance Over/(Under)	Actual
<b>EXPENDITURES</b>					
Current					
Administration					
Legislative	\$ 270,614	\$ 270,614	\$ 255,631	\$ (14,983)	\$ 260,410
Office of the City Manager	344,644	344,644	344,100	(544)	330,865
Legal Counsel	450,000	450,000	465,240	15,240	443,046
City Clerk	171,601	191,601	143,457	(48,144)	242,595
Communications	531,619	531,619	513,643	(17,976)	528,118
Finance	784,577	784,577	780,346	(4,231)	732,719
Customer Service	411,856	411,856	367,665	(44,191)	369,917
Human Resources	775,723	775,723	753,741	(21,982)	708,480
Contingency	50,000	50,000	10,181	(39,819)	18,593
Total Administration	3,790,634	3,810,634	3,634,004	(176,630)	3,634,743
Community Development					
Assessing	971,395	971,395	957,512	(13,883)	924,059
Planning	543,080	543,080	529,521	(13,559)	526,400
Community Development Administration	231,863	231,863	227,616	(4,247)	181,669
Economic Development	113,599	118,599	116,891	(1,708)	104,451
Housing & Community Services	326,662	326,662	314,161	(12,501)	318,407
Total Community Development	2,186,599	2,191,599	2,145,701	(45,898)	2,054,986
Police	12,665,119	12,665,119	12,593,178	(71,941)	12,287,340
Fire					
Fire	3,956,051	3,956,051	4,086,270	130,219	3,946,683
Emergency Preparedness	36,919	36,919	44,182	7,263	30,156
Inspections	1,063,945	1,063,945	1,091,627	27,682	1,036,249
Public Safety Communications	178,741	178,741	78,457	(100,284)	177,451
Total Fire	5,235,656	5,235,656	5,300,536	64,880	5,190,539
Public Works					
Engineering	1,141,442	1,141,442	1,177,359	35,917	1,111,258
Street Maintenance	3,484,652	3,530,652	3,481,704	(48,948)	3,358,513
Street Lighting	937,823	937,823	901,104	(36,719)	823,516
Total Public Works	5,563,917	5,609,917	5,560,167	(49,750)	5,293,287

City of Eden Prairie, Minnesota  
General Fund  
Statement of Revenues, Expenditures and  
Changed in Fund Balance - Budget and Actual  
For the Year Ended December 31, 2013  
With Comparative Actual Amounts For year Ended December 31, 2012

Continued

	2013			Variance Over/(Under)	2012
	Budget Original	Budget Final	Actual		Actual
<b>EXPENDITURES (Continued)</b>					
Current (Continued)					
Parks and Recreation					
Park Maintenance	3,633,311	3,633,311	3,726,001	92,690	3,566,576
Community Center	3,390,411	3,390,411	3,689,070	298,659	3,416,721
Youth Programs	400,496	400,496	401,742	1,246	377,832
Senior Center	366,338	366,338	366,686	348	382,268
Park Administration	356,575	356,575	358,085	1,510	372,043
Organized Athletics	270,044	270,044	257,725	(12,319)	246,008
Recreation Administration	276,662	276,662	276,171	(491)	278,915
Arts Center	224,959	224,959	246,558	21,599	226,793
Therapeutic Recreation	149,935	149,935	164,404	14,469	150,554
Outdoor Center	142,232	142,232	141,371	(861)	102,402
Oak Point Pool	134,163	134,163	138,525	4,362	121,139
Arts	102,829	102,829	101,992	(837)	109,615
Special Events	71,544	71,544	88,516	16,972	67,918
Parks Capital Outlay	56,000	56,000	37,244	(18,756)	82,532
Park Facilities	37,151	37,151	52,602	15,451	48,269
Beaches	34,970	34,970	36,462	1,492	28,049
Total Parks and Recreation	9,647,620	9,647,620	10,083,154	435,534	9,577,634
Debt Service					
Principal	35,920	35,920	42,019	6,099	45,603
Interest	4,120	4,120	4,525	405	941
Total Debt Service	40,040	40,040	46,544	6,504	46,544
Total Expenditures	39,129,585	39,200,585	39,363,284	162,699	38,085,073
Excess (Deficiency) of Revenues Over Expenditures	(1,227,561)	(1,298,561)	2,432,565	3,731,126	2,976,722
<b>OTHER FINANCING SOURCES / (USES)</b>					
Issuance of Debt	-	-	-	-	220,322
Transfers In	997,110	997,110	272,100	(725,010)	283,108
Transfers Out	(160,000)	(160,000)	(2,291,662)	(2,131,662)	(3,539,301)
Total Other Financing Sources / (Uses)	837,110	837,110	(2,019,562)	(2,856,672)	(3,035,871)
Net change in Fund Balance	\$ (390,451)	\$ (461,451)	\$ 413,003	\$ 874,454	\$ (59,149)
Fund Balance, January 1			21,121,240		21,180,389
Fund Balance, December 31			<u>\$ 21,534,243</u>		<u>\$ 21,121,240</u>

**CITY OF EDEN PRAIRIE, MINNESOTA  
 PROPRIETARY FUNDS  
 STATEMENT OF NET POSITION  
 DECEMBER 31, 2013**

	Water Fund	Sewer Fund	Storm Drainage Fund	Liquor Fund	Totals	Governmental Activities Internal Service Fund
<b>ASSETS</b>						
Current Assets:						
Cash and Investments	\$ 8,255,931	\$ 2,655,275	\$ 87,657	\$ 1,038,206	\$ 12,037,069	\$ 6,796,687
Receivables:						
Accounts	1,275,420	1,154,486	293,384	1,593	2,724,883	17,873
Interest	9,140	3,391	662	1,749	14,942	11,391
Due From Other Governments	10,000	-	59,093	-	69,093	-
Unremitted Special Assessments	8,936	1,442	-	-	10,378	-
Delinquent Special Assessments	303,776	6,919	-	-	310,695	-
Deferred Special Assessments	289,773	434,659	-	-	724,432	-
Special Deferred Special Assessments	117,280	175,920	-	-	293,200	-
Due From Other Funds	-	-	-	-	-	47,081
Inventory	19,468	-	-	1,212,306	1,231,774	107,166
Prepaid Items	870	100	-	30,278	31,248	431,462
Total Current Assets	10,290,594	4,432,192	440,796	2,284,132	17,447,714	7,411,660
Noncurrent Assets						
Capital Assets:						
Property, Plant and Equipment	130,471,060	80,379,980	43,529,861	3,310,168	257,691,069	5,364,954
Less Accumulated Depreciation	(61,876,986)	(39,160,404)	(19,638,972)	(829,558)	(121,505,920)	(769,126)
Total Noncurrent Assets	68,594,074	41,219,576	23,890,889	2,480,610	136,185,149	4,595,828
Total Assets	\$ 78,884,668	\$ 45,651,768	\$ 24,331,685	\$ 4,764,742	\$ 153,632,863	\$ 12,007,488
<b>LIABILITIES</b>						
Current Liabilities:						
Accounts Payable	\$ 228,922	\$ 24,091	\$ 101,133	\$ 760,443	\$ 1,114,589	\$ 783,264
Salaries Payable	75,193	22,568	7,308	39,493	144,562	76,008
Interest Payable	6,406	1,532	-	-	7,938	-
Due to Other Governments	3,245	-	1,100	134,321	138,666	299,522
Unearned Revenue	-	-	5,589	4,615	10,204	5,200
Due to other funds	-	-	-	-	-	47,081
Current Portion of Bonds Payable	355,000	85,000	-	-	440,000	-
Current Portion of Compensated Absences	70,556	14,959	10,176	12,442	108,133	886,414
Total Current Liabilities	739,322	148,150	125,306	951,314	1,964,092	2,097,489
Noncurrent Liabilities:						
Net OPEB	84,449	56,735	8,393	22,584	172,161	994,249
Bonds Payable	2,379,036	564,687	-	-	2,943,723	-
Compensated Absences	76,435	16,205	11,024	13,480	117,144	960,281
Total Noncurrent Liabilities	2,539,920	637,627	19,417	36,064	3,233,028	1,954,530
Total Liabilities	3,279,242	785,777	144,723	987,378	5,197,120	4,052,019
<b>NET POSITION</b>						
Net Investment in Capital Assets	65,860,038	40,569,889	23,890,889	2,480,610	132,801,426	4,595,828
Unrestricted	9,745,388	4,296,102	296,073	1,296,754	15,634,317	3,359,641
Total Net Position	75,605,426	44,865,991	24,186,962	3,777,364	148,435,743	7,955,469
Total Liabilities and Net Position	\$ 78,884,668	\$ 45,651,768	\$ 24,331,685	\$ 4,764,742	\$ 153,632,863	\$ 12,007,488

*The notes to financial statements are an integral part of this statement*

**CITY OF EDEN PRAIRIE, MINNESOTA  
 PROPRIETARY FUNDS  
 STATEMENT OF REVENUES, EXPENSES AND  
 CHANGES IN NET POSITION  
 FOR THE YEAR ENDED DECEMBER 31, 2013**

	Water Fund	Sewer Fund	Storm Drainage Fund	Liquor Fund	Total	Governmental Activities - Internal Service Fund
<b>SALES AND COST OF SALES</b>						
Sales	\$ -	\$ -	\$ -	\$ 12,144,893	\$ 12,144,893	\$ -
Cost of Sales	-	-	-	(8,881,325)	(8,881,325)	-
Gross Profit	-	-	-	3,263,568	3,263,568	-
<b>OPERATING REVENUE</b>						
Sales	7,721,859	5,435,885	1,431,265	-	14,589,009	-
Charges for Services	-	-	-	-	-	14,868,836
Rental	-	-	-	231,788	231,788	1,059,107
Other	8,410	-	-	19,465	27,875	-
Total Operating Revenues	7,730,269	5,435,885	1,431,265	251,253	14,848,672	15,927,943
<b>OPERATING EXPENSE</b>						
Personal Services	2,265,623	679,040	213,918	1,056,168	4,214,749	4,948,283
Supplies						
Supplies	137,230	16,479	24,602	111,191	289,502	738,973
Motor Fuel	-	-	-	-	-	551,582
Tires	-	-	-	-	-	58,135
Chemicals	598,143	-	-	-	598,143	-
Merchandise For Sale	46,595	-	-	-	46,595	-
Contractual Services						
Contractual Services	1,082,182	187,283	1,078,585	105,156	2,453,206	1,564,009
Lime Residual Removal	242,603	-	-	-	242,603	-
Insurance	-	-	-	10,098	10,098	3,351,949
Janitorial Services / Cleaning Supplies	64,313	-	-	30,978	95,291	934,284
LOGIS	39,666	39,666	-	-	79,332	394,731
Process Control Services	70,477	5,344	-	-	75,821	-
Building Rent	-	-	-	310,930	310,930	-
Licenses, Permits, Taxes	174,156	249	842	77,057	252,304	200,134
Bank and Credit Card Fees	33,954	1,823	-	232,541	268,318	-
Repairs and Maintenance	820,352	233,571	169,540	27,884	1,251,347	683,332
Utilities	705,936	3,484,889	1,439	86,350	4,278,614	1,198,391
User Charges	376,981	137,517	89,887	122,487	726,872	30,661
Total Operating Expenses	6,658,211	4,785,861	1,578,813	2,170,840	15,193,725	14,654,464
Operating Income (Loss) Before Depreciation	1,072,058	650,024	(147,548)	1,343,981	2,918,515	1,273,479
Depreciation	2,834,220	1,730,456	841,722	122,334	5,528,732	481,840
Operating Income (Loss) Before Nonoperating Revenue / Expense	(1,762,162)	(1,080,432)	(989,270)	1,221,647	(2,610,217)	791,639
<b>NONOPERATING REVENUE (EXPENSE)</b>						
Grants	10,000	-	97,067	-	107,067	-
Investment Income	11,070	3,651	(325)	1,914	16,310	5,821
Access Charges	1,552,730	426,610	-	-	1,979,340	-
Special Assessments	283,856	351,018	-	-	634,874	-
Interest	(83,317)	(20,221)	-	-	(103,538)	-
Bond Issuance Cost	12,005	4,241	-	-	16,246	-
Fiscal Agent Fees	(1,050)	-	-	-	(1,050)	-
Gain/Loss on Disposition of Capital Assets	-	30,374	-	-	30,374	254,817
Miscellaneous	92,530	21,627	68,140	8,774	191,071	51,792
Total Nonoperating Revenues (Expenses)	1,877,824	817,300	164,882	10,688	2,870,694	312,430
Income (Loss) Before Contributions and Transfers	115,662	(263,132)	(824,388)	1,232,335	260,477	1,104,069
Contributions - from Governmental Activities	49,956	31,923	59,045	-	140,924	-
Contributions - from Developers	996,719	769,945	1,167,410	-	2,934,074	-
Transfers In	-	-	-	-	-	28,569
Transfers (Out)	(260,000)	(28,569)	(10,000)	(1,100,000)	(1,398,569)	-
Change in Net Position	902,337	510,167	392,067	132,335	1,936,906	1,132,638
Net Position - Beginning	74,703,089	44,355,824	23,794,895	3,645,029	146,498,837	6,822,831
Net Position - Ending	\$ 75,605,426	\$ 44,865,991	\$ 24,186,962	\$ 3,777,364	\$ 148,435,743	\$ 7,955,469
Net Changes in Net Position Reported Above					1,936,906	1,132,638
Amounts Reported for Business Type Activities in the Statement of Activities are Different Because:						
Transfers In of Capital Assets from Governmental Activities					140,924	-
Governmental Activities Contribution Revenue Reported Above					(140,924)	-
Change in Net Position of Business-Type Activities					\$ 1,936,906	\$ 1,132,638

The notes to financial statements are an integral part of this statement

City of Eden Prairie, Minnesota  
Proprietary Funds  
Statement of Cash Flows  
For the Year Ended December 31, 2013

	Water Fund	Sewer Fund	Storm Drainage Fund	Liquor Fund	Totals	Governmental Activities - Internal Service Fund
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Receipts From Customers	\$ 7,700,890	\$ 5,214,425	\$ 1,455,381	\$ 12,397,300	\$ 26,767,996	\$ 14,802,848
Payments to Vendors	(4,337,823)	(3,791,033)	(1,295,556)	(10,092,745)	(19,517,157)	(9,744,607)
Payments to Employees	(2,233,184)	(670,627)	(208,733)	(1,088,174)	(4,200,718)	(4,837,653)
Other Receipts	8,410	-	-	-	8,410	1,074,760
Net Cash Provided (Used) By Operating Activities	1,138,293	752,765	(48,908)	1,216,381	3,058,531	1,295,348
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Investment Income	7,696	2,452	(48)	1,343	11,443	5,222
Net Cash Provided (Used) By Investing Activities	7,696	2,452	(48)	1,343	11,443	5,222
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>						
Grants	10,000	-	97,067	-	107,067	-
Transfers in	-	-	-	-	-	28,569
Transfers (Out)	(260,000)	(28,569)	(10,000)	(1,100,000)	(1,398,569)	-
Net Cash Provided (Used) By Noncapital Financing Activities	(250,000)	(28,569)	87,067	(1,100,000)	(1,291,502)	28,569
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES</b>						
Contributions	-	-	-	-	-	-
Acquisition and Construction of Capital Assets	(79,518)	(87,086)	(501,447)	-	(668,051)	(2,712,484)
Proceeds From Sale of Equipment	-	30,374	-	-	30,374	177,817
Access Charges	1,552,730	426,610	-	-	1,979,340	-
Special Assessments	283,856	351,018	-	-	634,874	-
Principal Paid on Debt	(350,000)	(80,000)	-	-	(430,000)	-
Interest and Fiscal Agent Paid on Debt	(84,953)	(20,388)	-	-	(105,341)	-
Net Cash Provided (Used) By Capital Financing Activities	1,322,115	620,528	(501,447)	-	1,441,196	(2,534,667)
Net Increase (Decrease) in Cash and Cash Equivalents	2,218,104	1,347,176	(463,336)	117,724	3,219,668	(1,205,528)
Cash and Cash Equivalents, January 1	6,037,827	1,308,099	550,993	920,482	8,817,401	8,002,215
Cash and Cash Equivalents, December 31	\$ 8,255,931	\$ 2,655,275	\$ 87,657	\$ 1,038,206	\$ 12,037,069	\$ 6,796,687

	Water Fund	Sewer Fund	Storm Drainage Fund	Liquor Fund	Totals	Governmental Activities - Internal Service Fund
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>						
Operating Income (Loss)	\$ (1,762,162)	\$ (1,080,432)	\$ (989,270)	\$ 1,221,647	\$ (2,610,217)	\$ 791,639
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:						
Depreciation	2,834,220	1,730,456	841,722	122,334	5,528,732	481,840
Miscellaneous	92,530	21,627	68,140	8,774	191,071	51,792
(Increase) Decrease in Assets:						
Accounts Receivable	79,039	(56,023)	18,527	(143)	41,400	5,106
Special Assessments Receivable	(100,008)	(165,437)	-	-	(265,445)	-
Due From Other Governments	(10,000)	-	(59,093)	-	(69,093)	1,250
Inventory	630	-	-	(67,050)	(66,420)	19,387
Prepaid Items	8,317	287,947	125	(942)	295,447	(251,475)
Increase (Decrease) in Liabilities:						
Accounts Payable	(38,657)	6,214	59,067	(31,264)	(4,640)	142,949
Salaries Payable	3,156	1,965	(1,172)	(1,504)	2,445	4,286
Unearned Revenue	-	-	5,589	1,297	6,886	(71,094)
Due to Other Governments	1,945	-	1,100	(6,266)	(3,221)	13,324
Net Other Post Employment Benefits	18,863	5,495	1,743	5,043	31,144	146,369
Compensated Absences	10,420	953	4,614	(35,545)	(19,558)	(40,025)
Net Cash Provided (Used) by Operating Activities	\$ 1,138,293	\$ 752,765	\$ (48,908)	\$ 1,216,381	\$ 3,058,531	\$ 1,295,348
Noncash Investing, Capital and Financing Activities:						
Contributions of Capital Assets from Governmental Activities	\$ 49,956	\$ 31,923	\$ 59,045	\$ -	\$ 140,924	\$ -
Contributions of Capital Assets from Developers	996,719	769,945	1,167,410	-	2,934,074	-
Capital Assets Trade-Ins	-	-	-	-	-	77,000

**City of Eden Prairie, Minnesota**  
**Agency Funds**  
**Statement of Fiduciary Net Position**  
**December 31, 2013**

	<u>Total</u>
<b>ASSETS</b>	
Cash and Investments	\$ 1,387,550
Accounts Receivable	11,445
Due from Other Governments	<u>1,284</u>
Total Assets	<u>\$ 1,400,279</u>
 <b>LIABILITIES</b>	
Accounts Payable	\$ 1,191,774
Due to Other Governments	<u>208,505</u>
Total Liabilities	<u>\$ 1,400,279</u>

*The notes to financial statements are an integral part of this statement*

# Notes to Financial Statements

# City of Eden Prairie, Minnesota

## Notes to Financial Statements

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### **Note 1—Summary of Significant Accounting Policies**

#### **Reporting Entity**

The City of Eden Prairie is a municipal corporation governed by an elected mayor and four-member council. The accompanying financial statements consist of the primary government and organizations for which the primary government is financially accountable. In addition, the primary government may determine through exercise of management's professional judgment that the inclusion of an organization that does not meet the financial accountability criteria is necessary in order to prevent the financial statements from being misleading. The criteria used to determine if the primary government is financially accountable for a potential component unit include whether or not the primary government appoints the voting majority of the potential component unit's board, is able to impose its will on the potential component unit, is in a relationship of financial benefit or burden with the potential component unit, or is fiscally depended upon by the potential component unit.

#### **Blended Component Unit**

The Housing and Redevelopment Authority (H.R.A.) is a body organized and existing under the laws of the State of Minnesota. The Authority was established in 1980 by the City to carry out certain redevelopment projects within the City and is governed by the City Council and the Mayor. The H.R.A. has a December 31 year-end and does not issue financial statements. This unit is included within the H.R.A., 3<sup>rd</sup> Rink Lease Revenue Bonds 2007A and Economic Development funds.

#### **Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, service or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

# City of Eden Prairie, Minnesota

## Notes to Financial Statements

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### **Note 1—Summary of Significant Accounting Policies (Continued)**

#### **Measurement Focus, Basis of Accounting and Statement Presentation**

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual proprietary funds are reported as separate columns in the fund financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. The fiduciary fund financial statements include Agency funds, which utilize the accrual basis of accounting, but do not have a measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, licenses, interest and special assessments are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

# City of Eden Prairie, Minnesota

## Notes to Financial Statements

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### **Note 1—Summary of Significant Accounting Policies (Continued)**

The City reports the following major governmental funds:

- The General fund is the City's primary operating fund. It accounts for the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service and capital projects.
- The General Obligation Improvement Revolving 2005B fund accounts for the accumulation of tax revenues needed to repay bonds issued to pay for the construction at 212 and Charleson Road.
- The Capital Improvement Maintenance fund accounts for the accumulation of resources to be used for capital improvements and maintenance of City property.
- The Public Improvement Construction fund accounts for proceeds of bonds sold and special assessments collected to finance street, drainage, and lateral utility construction within the City.
- The Shady Oak Road North fund accounts for the accumulation of resources to be used for the reconstruction of Shady Oak Road from Rowland Road through the Highway 62 interchange.

The City reports the following major proprietary funds:

- The Water fund accounts for the operations of the City-owned water system.
- The Sewer fund accounts for the operations of the City sewer service.
- The Storm Drainage fund accounts for the operations of the City's storm drainage system.
- The Liquor fund accounts for the operations of the City's three retail liquor stores and the operations of the City-owned Den Road building which is leased to City liquor operations and other tenants.

Additionally, the city reports the following fund types:

Internal Service funds:

- The Health & Benefits fund accounts for the activities pertaining to health, dental, life and disability insurance. This fund also accounts for the employer's portion of pension, FICA and medicare contributions.
- The Severance fund accounts for unused vacation and sick leave for governmental fund employees.
- The Workers Compensation fund accounts for insurance payments and cost reimbursement from other departments.

# City of Eden Prairie, Minnesota

## Notes to Financial Statements

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### **Note 1—Summary of Significant Accounting Policies (Continued)**

- The Property Insurance fund accounts for insurance payments and cost reimbursement from other departments.
- The Facilities fund accounts for the accumulation of resources to be used for the maintenance of the city's buildings.
- The Fleet fund accounts for the accumulation of resources to be used for the purchase and maintenance of machinery and equipment for the City.
- The Information Technology funds accounts for planning, designing and implementing information systems and cost reimbursement from other departments.

#### Fiduciary funds:

- Agency funds account for various deposits, collections and remittances of expenses for accumulating donations and contributions in the Escrow fund, WAFTA and MCES funds.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this rule are payments in-lieu of taxes and other charges between the City's water and sewer function and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported from the various functions concerned.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the City's proprietary funds are charges to customers for sales and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

#### **Cash and Investments**

Cash and investments, except for small amounts of cash on hand, are deposited in pooled accounts of the City. The City invests cash surpluses in these accounts; and investment earnings, as well as gains and losses on sales of securities, are allocated to the various funds on the basis of average cash balances. Funds with deficit cash balance averages (interfund payable) are charged interest equivalent to the average investment earnings lost if financing the deficits. For purposes of the statement of cash flows, the Proprietary funds consider all unrestricted investments held in the pooled accounts of the City to be cash equivalents because this pool is used essentially as a demand deposit account. The pooled investments are recorded at fair value in accordance with GASB 31, and are based on quoted market prices at year end.

# City of Eden Prairie, Minnesota

## Notes to Financial Statements

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### **Note 1—Summary of Significant Accounting Policies (Continued)**

#### **Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance**

##### **Cash and Investments with Escrow Agent**

Certain resources set aside for repayment of lease revenue bond proceeds and crossover refunding bond payments are classified as cash and investments with escrow agent on the balance sheet because their use is limited by applicable bond covenants.

##### **Interfund Receivables/Payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as “due to/from other funds” (i.e., the current portion of interfund loans) or advances to/from other funds. All other outstanding balances between funds are reported as “due to/from other funds.” Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

##### **Inventories and Prepaid Items**

Liquor fund inventories are valued at average cost. The Water/Sewer and Fleet fund’s inventories are valued at cost. All inventories use the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

##### **Capital Assets**

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$25,000 and an estimated useful life in excess of 1 year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

# City of Eden Prairie, Minnesota

## Notes to Financial Statements

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### **Note 1—Summary of Significant Accounting Policies (Continued)**

The City has chosen to use the modified approach for its infrastructure assets, which means the following criteria will take place:

- The City will preserve and maintain infrastructure assets at a condition level of 60.
- The Engineering department will be in charge of determining the appropriate condition level at which these assets are to be maintained.
- The City will maintain an inventory of these assets and perform a condition assessment every 3 years to establish that the condition level of 60 is being maintained.
- The City will make annual estimates of the amounts that must be expended to preserve and maintain these assets at the condition level of 60.

Property, plant, and equipment, except for infrastructure, of the City are depreciated using the straight line method over the following estimated useful lives:

Buildings	5-50 years
Land improvements	10-50 years
Leasehold improvements	10-25 years
Equipment	5-30 years
Autos	5-20 years
Other assets	5-30 years
Distribution system	50 years
Intangible assets	3 years

# City of Eden Prairie, Minnesota

## Notes to Financial Statements

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### **Note 1—Summary of Significant Accounting Policies (Continued)**

#### **Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The government does not have any items that qualify for reporting in this category. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

#### **Compensated Absences**

The City compensates employees upon termination for unused PTO. Such pay will be reflected as a liability in the government-wide financial statement and accrued as an expense as it is earned in an internal service fund.

#### **General Property Taxes**

Property tax levies are set by the City Council in December each year and are certified to Hennepin County for collection in the following year. In Minnesota, counties act as collection agents for all property taxes.

The County spreads all levies over taxable property. Such taxes become a lien on January 1 and are recorded as receivables by the City at that date. Revenues are accrued and recognized in the year collectible, net of delinquencies.

Real property taxes may be paid by taxpayers in two equal installments on May 15 and October 15. Personal property taxes may be paid on February 28 and June 30. The County provides tax settlements to taxing districts in February, June, and December.

# City of Eden Prairie, Minnesota

## Notes to Financial Statements

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### **Note 1—Summary of Significant Accounting Policies (Continued)**

In the governmental fund financial statements, taxes that remain unpaid at December 31 are classified as delinquent taxes receivable and are fully offset by unavailable revenue because they are not available to finance current expenditures.

#### **Special Assessment Levies**

Special assessments represent the financing for public improvements paid for by the benefiting property owner. In the fund financial statements, special assessment revenue and related interest income is generally recognized in the year collected. Hennepin County acts as the billing and collection agent. Amounts collected by the County during the year that have not yet been remitted to the City are considered collections for purposes of revenue recognition.

Deferred special assessments receivable represents principal amounts due in future years. Special deferred assessments receivable includes Green Acres, disability, senior citizen owned property or other qualified hardship properties. These special assessments are deferred until such time the property loses its exempt status. While these taxes remain a valid receivable, the timing of their collection is uncertain. Interest accrues from the year of the deferment.

Delinquent special assessments receivable represents special assessments principal and interest that are past due. In the governmental fund financial statements, deferred and delinquent special assessments receivable are fully offset by unavailable revenue because such assessment revenue is not available currently.

#### **Long-term Obligations**

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums and discounts on debt issuances are reported as other financing sources/uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

# City of Eden Prairie, Minnesota

## Notes to Financial Statements

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### **Note 1—Summary of Significant Accounting Policies (Continued)**

#### **Fund Balance Classifications**

In the fund financial statements, governmental funds report fund balance in classifications that disclose constraints for which amounts in those funds can be spent. These classifications are as follows:

- *Nonspendable*-consists of amounts that are not in spendable form, such as prepaid assets.
- *Restricted*-consists of amounts related to externally imposed constraints established by creditors, grantors or contributors; or constraints imposed by state statutory provisions.
- *Committed*-consists of internally imposed constraints. These constraints are established by Resolution of the City Council.
- *Assigned*-consists of internally imposed constraints. These constraints reflect the specific purpose for which it is the City's intended use. These constraints are established by the City council and/or management. Pursuant to City Council Resolution, the City's City Manager or Finance Manager is authorized to establish assignments of fund balance.
- *Unassigned*-is the residual classification for the general fund and also reflects negative residual amounts in other funds.

When both restricted and unrestricted resources are available for use, it is the City's policy to first use restricted resources, and then use unrestricted resources as they are needed.

When unrestricted resources are available for use, it is the City's policy to use resources in the following order; 1)committed 2)assigned 3)unassigned.

The City's fund balance policy requires the unassigned for working capital fund balance component to equal 50% of the next year's budgeted tax revenue. In recognition that the amount for working capital only covers operating costs for the first six months of the year, the City will maintain an unassigned fund balance component for budget stabilization which is 15% of the next year's budget. If the balance falls below 15%, a plan would be developed and implemented to replenish the fund.

#### **Prior Period Comparative Financial Information/Reclassification**

The financial statements include certain prior year partial comparative information but not at the level of detail required for a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the City's financial statements for the year ended December 31, 2012, from which the summarized information was derived. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

# City of Eden Prairie, Minnesota

## Notes to Financial Statements

### Note 2—Stewardship, Compliance and Accountability

#### Budgetary Information

An annual budget is adopted on a basis consistent with generally accepted accounting principles for the General fund. The City does not budget for its Special Revenue funds. All annual appropriations lapse at fiscal year end.

The proposed budget is presented to the City Council for review. The Council then holds truth-in-taxation hearings after which a final General Fund annual budget is legally adopted by no later than December 31.

The appropriated budget is prepared by department and division. The City’s directors and division managers may make transfers of appropriations within a division. Transfers of appropriations between departments require the approval of the City Manager. The legal level of budgetary control is the fund level. Any changes in the total budget of each fund must be approved by a majority vote of the City Council. During the year, adjustments between the original and final General fund amended budget totaled \$71,000. Following are changes made to the original budget during the year:

Economic Development	Open to Business Program	\$	5,000
Elections	Wages		20,000
Snow and Ice	Salt		46,000
			46,000
		\$	71,000

#### Deficit Fund Equity

The following governmental funds had deficit net position at December 31, 2013:

Major Funds:	
Public Improvement Construction	\$ 2,770,805
Non-Major Governmental Funds:	
HRA Grant	2,868
General Obligation Improv. Bonds 2003D	121,570
General Obligation Refunding Bonds 2011D	741
CIP Trails	276,688
Pool Upgrade/Expansion	258,659
Eden Prairie Road	406,846
Eden Prairie Rd Connect to Flying Cloud	21,015
Internal Service Funds:	
Health and Benefits	377,674
Severance	261,028

# City of Eden Prairie, Minnesota

## Notes to Financial Statements

### Note 2—Stewardship, Compliance and Accountability (Continued)

The fund balance deficits of these individual Debt Service and Capital Project funds will be financed by property tax levies and special assessments. The fund balance deficit of the Severance Internal Service fund will be financed by user charges. The fund balance deficit of the Health and Benefits fund is due to the OPEB liability which the City will not fund since it pertains only to the Implicit Rate.

### Note 3—Cash and Investments

#### Components of Cash and Investments

Cash and investments at year-end consist of the following:

Deposits	\$ -
Investments	88,841,688
Cash on hand	11,485
Total	<u>\$ 88,853,173</u>

Cash and investments are presented in the financial statements as follows:

Statement of Net Position	
Cash and cash equivalents	\$ 74,986,406
Restricted cash and cash equivalents	12,479,217
Statement of Fiduciary Net Position	
Cash and investments	1,387,550
	<u>\$ 88,853,173</u>

#### Deposits

In accordance with Minnesota Statutes, the City maintains deposits at those depository banks authorized by the City Council, including checking accounts and certificates of deposits.

The following is considered the most significant risk associated with deposits:

# City of Eden Prairie, Minnesota

## Notes to Financial Statements

### Note 3—Cash and Investments (Continued)

#### Custodial Credit Risk:

In the case of deposits, this is the risk that in the event of a bank failure, the City’s deposits may be lost.

Minnesota Statutes require that all deposits be protected by federal deposit insurance, corporate surety bond, or collateral. The market value of collateral pledged must equal 110% of the deposits not covered by federal deposit insurance or corporate surety bonds. Authorized collateral includes treasury bills, notes, and bonds; issues of U.S. government agencies; general obligation rate “A” or better; revenue obligations rate “AA” or better; irrevocable standard letters of credit issued by the Federal Home Loan Bank; and certificated of deposit. Minnesota Statues require that securities pledged as collateral be held in safekeeping in a restricted account at the Federal Reserve Bank or in an account at a trust department of a commercial bank or other financial institution that is not owned or controlled by the financial institution furnishing the collateral. It is the City’s policy to limit collateral to what is authorized by Minnesota Statutes.

At year-end, the carrying amount of the City’s deposits was \$0 while the balance on the bank records was \$0. At December 31, 2013, all deposits were fully covered by federal depository insurance, surety bonds, or by collateral held by the City’s agent in the City’s name.

#### Investments

As of December 31, 2013, the city had the following investments and maturities:

	Investment Maturities (in Years)		
	Fair Value	Less Than 1 Year	1 to 5 Years
U.S. Agencies	\$ 31,122,367	\$ 14,640,076	\$ 16,482,291
Municipal Bonds	2,964,457	2,047,047	917,410
Commercial Paper	2,094,829	2,094,829	-
Negotiable Certificate of Deposit	9,105,568	6,452,818	2,652,750
Mutual Funds	43,554,467	43,554,467	-
Total	\$ 88,841,688	\$ 68,789,237	\$ 20,052,451

# City of Eden Prairie, Minnesota

## Notes to Financial Statements

### Note 3—Cash and Investments (Continued)

Moody's	US Agencies	Municipal Bonds	Commercial Paper	Negotiable Certificate of Deposit	Mutual Funds
AAA	\$ 17,738,914	\$ 500,855	\$ -	\$ 504,685	\$ -
Aa1	-	350,747	-	-	-
Aa2	-	586,427	-	-	-
Aa3	-	120,050	-	-	-
A1	-	206,074	-	-	-
A2	-	257,025	-	-	-
N/A	1,004,050	-	-	8,600,883	-
N/R	12,379,403	-	2,094,829	-	43,554,467
<b>S&amp;P</b>					
AA+	-	301,389	-	-	-
AA	-	254,430	-	-	-
AA-	-	248,051	-	-	-
A+	-	139,409	-	-	-
	<b>\$ 31,122,367</b>	<b>\$ 2,964,457</b>	<b>\$ 2,094,829</b>	<b>\$ 9,105,568</b>	<b>\$ 43,554,467</b>

Moody's Investors Service was used as the primary agency for the municipal bond ratings, in the case that Moody's did not provide a rating Standard & Poor's was used.

Investments are subject to various risks, the following of which are considered the most significant.

#### Interest Rate Risk

Per City policy, the City will match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than five (5) years from the date of purchase. Reserve funds and other funds with longer-term investment horizons may be invested in securities exceeding five (5) years if the maturities of such investments are made to coincide as nearly as practicable with the expected use of funds. The intent to invest in securities with longer maturities will be disclosed to the City Council. Currently, the City does not have any investments maturing more than five years from the date of purchase.

# City of Eden Prairie, Minnesota

## Notes to Financial Statements

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### Note 3—Cash and Investments (Continued)

#### Credit Risk

It is the City's policy to limit its investments to the following types as authorized by Minnesota Statutes:

- Direct obligations or obligations guaranteed by the United States or its agencies, its instrumentalities or organizations created by an act of congress, excluding mortgage-backed securities defined as high risk.
- Shares of investment companies registered under the Federal Investment Company Act of 1940 and whose only investments are in securities described above or in general obligation tax exempt securities, or repurchase or reverse repurchase agreements.
- Repurchase or reverse repurchase agreements with banks that are members of the Federal Reserve System with capitalization exceeding \$10,000,000: a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York; certain Minnesota securities broker-dealers, or, a bank qualified as a depositor.
- Commercial paper issued by United States corporations or their Canadian subsidiaries, of the higher quality, and maturing in 270 days or less.
- Banker's acceptance of U.S. banks eligible for purchase by the Federal Reserve System.
- General obligations of a state or local government.
- Money market mutual funds meeting the conditions of rule 2a-7 of the Securities and Exchange Commission. The fair value of the position in the pool is the net asset value per share provided by the pool.

#### Custodial Credit Risk

For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the city will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investments held by the broker-dealer were insured by Securities Investor Protection Corporation (SIPC) or other supplemental insurance as of December 31, 2013. The City's investment policy does not further address this risk, but the City typically limits its exposure by purchasing insured or registered investments, or by the control of who holds the securities.

# City of Eden Prairie, Minnesota

## Notes to Financial Statements

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### Note 3—Cash and Investments (Continued)

#### Concentration Risk

This is the risk associated with investing a significant portion of the City's investment (considered 5 percent or more) in the securities of a single issuer, excluding U.S. guaranteed investments (such as Treasuries), investment pools, and mutual funds. The City's investment policy does not limit the concentration of investments. At year end, the City held the following investments in securities of a single issuer which exceeded 5%.

<u>Issuer</u>	<u>Percentage</u>
Federal Home Loan Bank	6.7%

# City of Eden Prairie, Minnesota

## Notes to Financial Statements

### Note 4—Capital Assets

Capital asset activity for the year ended December 31, 2013 was as follows:

	2013 Beginning Balance	Transfers	Increases	Decreases	2013 Ending Balance
<b>GOVERNMENTAL ACTIVITIES</b>					
Capital Assets, Not Being Depreciated:					
Land	\$ 22,006,728	\$ -	\$ -	\$ -	\$ 22,006,728
Infrastructure	120,196,112	4,310,486	1,450,796	-	125,957,394
Work in Progress	12,730,556	(6,986,215)	1,724,813	2,041,931	5,427,223
<b>Total Capital Assets, Not Being Depreciated</b>	<b>154,933,396</b>	<b>(2,675,729)</b>	<b>3,175,609</b>	<b>2,041,931</b>	<b>153,391,345</b>
Capital Assets, Being Depreciated:					
Buildings	49,614,848	118,758	1,455,608	-	51,189,214
Land Improvements	14,705,380	1,473,127	160,924	38,479	16,300,952
Leasehold Improvements	77,318	-	-	-	77,318
Machinery and Equipment	3,789,786	-	752,167	220,848	4,321,105
Autos	9,620,530	30,614	495,099	450,099	9,696,144
Other Assets	7,673,439	942,920	246,802	88,503	8,774,658
<b>Total Capital Assets, Being Depreciated</b>	<b>85,481,301</b>	<b>2,565,419</b>	<b>3,110,600</b>	<b>797,929</b>	<b>90,359,391</b>
<b>Total Capital Assets, Cost</b>	<b>240,414,697</b>	<b>(110,310)</b>	<b>6,286,209</b>	<b>2,839,860</b>	<b>243,750,736</b>
Less Accumulated Depreciation for:					
Buildings	12,050,384	-	1,122,905	-	13,173,289
Land Improvements	4,278,082	-	798,841	38,479	5,038,444
Leasehold Improvements	42,579	-	5,054	-	47,633
Machinery and Equipment	2,865,188	-	367,539	220,848	3,011,879
Autos	5,834,705	2,045	905,108	424,561	6,317,297
Other Assets	3,991,395	-	470,932	88,503	4,373,824
<b>Total Accumulated Depreciation</b>	<b>29,062,333</b>	<b>2,045</b>	<b>3,670,379</b>	<b>772,391</b>	<b>31,962,366</b>
<b>Total Capital Assets, Being Depreciated, Net</b>	<b>56,418,968</b>	<b>2,563,374</b>	<b>(559,779)</b>	<b>25,538</b>	<b>58,397,025</b>
<b>Governmental Activities Capital Assets, Net</b>	<b>\$ 211,352,364</b>	<b>(112,355)</b>	<b>\$ 2,615,830</b>	<b>\$ 2,067,469</b>	<b>\$ 211,788,370</b>

The decrease of \$2,041,931 in Work in Progress pertains to the trails portion of the Shady Oak Road North project which will not be capitalized.

# City of Eden Prairie, Minnesota

## Notes to Financial Statements

### Note 4—Capital Assets (Continued)

	2013 Beginning Balance	Transfers	Increases	Decreases	2013 Ending Balance
<b>BUSINESS-TYPE ACTIVITIES</b>					
Capital Assets, Not Being Depreciated:					
Land	656,356	-	-	-	656,356
Work in Progress	1,743,400	(1,742,738)	4,129	-	4,791
<b>Total Capital Assets, Not Being Depreciated</b>	<b>2,399,756</b>	<b>(1,742,738)</b>	<b>4,129</b>	<b>-</b>	<b>661,147</b>
Capital Assets, Being Depreciated:					
Land Improvements	107,304	-	-	-	107,304
Buildings	58,989,884	-	-	-	58,989,884
Distribution System	186,521,846	298,864	3,429,892	-	190,250,602
Leasehold Improvements	847,866	-	-	-	847,866
Machinery and Equipment	3,933,209	1,584,798	-	63,323	5,454,684
Autos	1,133,425	(30,614)	196,673	157,402	1,142,082
Other Assets	237,500	-	-	-	237,500
<b>Total Capital Assets, Being Depreciated</b>	<b>251,771,034</b>	<b>1,853,048</b>	<b>3,626,565</b>	<b>220,725</b>	<b>257,029,922</b>
<b>Total Capital Assets, Cost</b>	<b>254,170,790</b>	<b>110,310</b>	<b>3,630,694</b>	<b>220,725</b>	<b>257,691,069</b>
Less Accumulated Depreciation for:					
Land Improvements	17,218	-	4,950	-	22,168
Buildings	26,516,537	-	1,333,095	-	27,849,632
Distribution System	87,166,660	-	3,747,030	-	90,913,690
Leasehold Improvements	189,335	-	84,398	-	273,733
Machinery and Equipment	1,262,600	-	244,692	63,323	1,443,969
Autos	856,903	(2,045)	97,116	157,402	794,572
Other Assets	190,705	-	17,451	-	208,156
<b>Total Accumulated Depreciation</b>	<b>116,199,958</b>	<b>(2,045)</b>	<b>5,528,732</b>	<b>220,725</b>	<b>121,505,920</b>
<b>Total Capital Assets, Being Depreciated, Net</b>	<b>135,571,076</b>	<b>1,855,093</b>	<b>(1,902,167)</b>	<b>-</b>	<b>135,524,002</b>
<b>Business-Type Activities Capital Assets, Net</b>	<b>\$ 137,970,832</b>	<b>\$ 112,355</b>	<b>\$ (1,898,038)</b>	<b>\$ -</b>	<b>\$ 136,185,149</b>

# City of Eden Prairie, Minnesota

## Notes to Financial Statements

### Note 4—Capital Assets (Continued)

Depreciation expense was charged to functions/programs of the City as follows:

**Governmental Activities:**

General Government	\$	380,638
Community Development		26,080
Police		273,366
Fire		503,704
Public Works		390,155
Parks and Recreation		1,614,596
Capital Assets Held by the Government's Internal Service Funds are Charged to the Various Functions Based on their Usage of the Assets		481,840
Total Depreciation Expense - Governmental Activities	\$	<u>3,670,379</u>

**Business-Type Activities:**

Water	\$	2,834,220
Sewer		1,730,456
Storm		841,722
Liquor		122,334
Total Depreciation Expense - Business-Type Activities	\$	<u>5,528,732</u>

### Note 5—Interfund Receivables and Payables

The composition of due to/from balances as of December 31, 2013, is as follows:

	Due From Other Funds	Due To Other Funds
Capital Improvement Maintenance	\$2,689,268	\$ -
Public Improvements Construction	-	2,689,268
Non-Major Governmental Funds	1,153,592	1,153,592
Internal Service Funds	47,081	47,081
Total	<u>\$3,889,941</u>	<u>\$3,889,941</u>

The funds will be repaid as special assessment revenue, taxes and user charges are received.

Interfund payables and receivables are representative of lending/borrowing arrangements to cover deficit cash balances.

# City of Eden Prairie, Minnesota

## Notes to Financial Statements

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### Note 6—Interfund Transfers

The composition of interfund transfers as of December 31, 2013, is as follows:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
General	Water Fund	\$ 260,000
	Storm Drainage Fund	10,000
	Non-Major Governmental Funds	2,100
Capital Improvement Maintenance	General	2,136,662
	Liquor Fund	1,100,000
	Non-Major Governmental Funds	17,026
Public Improvement Construction	Non-Major Governmental Funds	291,892
Non-Major Governmental Funds	General	155,000
	Capital Improvement Maintenance	615,000
	Non-Major Governmental Funds	172,000
Internal Service Funds	Sewer Fund	28,569
Total of transfers		<u>\$ 4,788,249</u>

Interfund transfers allow the City to allocate financial resources to the funds that receive benefit from services provided by another fund. All of the City's interfund transfers fall under that category. All of the 2013 transfers are considered routine and consistent with previous practices.

# City of Eden Prairie, Minnesota

## Notes to Financial Statements

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### Note 7—Pension Plan

#### Defined Benefit Pension Plans – Statewide

##### Plan Description

All full-time and certain part-time employees of the City of Eden Prairie are covered by defined benefit plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA administers the General Employees Retirement Fund (GERF) and the Public Employees Police and Fire Fund (PEPFF), which are cost-sharing, multiple-employer retirement plans. These plans are established and administered in accordance with Minnesota Statutes, Chapters 353 and 356.

GERF members belong to either the Coordinated Plan or the Basic Plan. Coordinated Plan members are covered by Social Security and Basic Plan members are not. All new members must participate in the Coordinated Plan. All police officers and fire-fighters who qualify for membership by statute are covered by the PEPFF.

PERA provides retirement benefits as well as disability benefits to members, and benefits to survivors upon death of eligible members. Benefits are established by state statute, and vest after five years of credited service. The defined retirement benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service.

Two methods are used to compute benefits for PERA's Coordinated and Basic Plan members. The retiring member receives the higher of a step-rate benefit accrual formula (Method 1) or a level accrual formula (Method 2). Under Method 1, the annuity accrual rate for a Basic Plan member is 2.2 percent of average salary for each of the first 10 years of service and 2.7 percent for each remaining year. The annuity accrual rate for a Coordinated Plan member is 1.2 percent of average salary for each of the first 10 years and 1.7 percent for each remaining year. Under Method 2, the annuity accrual rate is 2.7 percent of average salary for Basic Plan members and 1.7 percent for Coordinated Plan members for each year of service. For PEPFF members, the annuity accrual rate is 3.0 percent for each year of service. For all PEPFF members and GERF members hired prior to July 1, 1989 whose annuity is calculated using Method 1, a full annuity is available when age plus years of service equal 90. Normal retirement age is 55 for PEPFF members and 65 for Basic and Coordinated members hired prior to July 1, 1989. Normal retirement age is the age for unreduced Social Security benefits capped at 66 for Coordinated members hired on or after July 1, 1989. A reduced retirement annuity is also available to eligible members seeking early retirement.

# City of Eden Prairie, Minnesota

## Notes to Financial Statements

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### **Note 7—Pension Plan (Continued)**

There are different types of annuities available to members upon retirement. A single-life annuity is a lifetime annuity that ceases upon the death of the retiree—no survivor annuity is payable. There are also various types of joint and survivor annuity options available which will be payable over joint lives. Members may also leave their contributions in the fund upon termination of public service in order to qualify for a deferred annuity at retirement age. Refunds of contributions are available at any time to members who leave public service, but before retirement benefits begin.

The benefit provisions stated in the previous paragraphs of this section are current provisions and apply to active plan participants. Vested, terminated employees who are entitled to benefits but are not receiving them yet are bound by the provisions in effect at the time they last terminated their public service.

PERA issues a publicly available financial report that includes financial statements and required supplementary information for GERF and PEPFF. That report may be obtained on the Internet at [www.mnpera.org](http://www.mnpera.org), by writing to PERA at 60 Empire Drive #200, St. Paul, Minnesota, 55103-2088 or by calling (651) 296-7460 or 1-800-652-9026.

### **Funding Policy**

Minnesota Statutes Chapter 353 sets the rates for employer and employee contributions. These statutes are established and amended by the state legislature. The City makes annual contributions to the pension plans equal to the amount required by state statutes. GERF Basic Plan members and Coordinated Plan members were required to contribute 9.1% and 6.25%, respectively, of their annual covered salary in 2013. PEPFF members were required to contribute 9.6% of their annual covered salary in 2013. In 2013, the City of Eden Prairie was required to contribute the following percentages of annual covered payroll: 11.78% for Basic Plan members, 7.25% for Coordinated Plan members, and 14.4% for PEPFF members. The City's contributions to the Public Employees Retirement Fund for the years ending December 31, 2013, 2012 and 2011 were \$1,037,886, \$1,000,726, and \$962,681, respectively. The City's contributions to the Public Employees Police & Fire Fund for the years ending December 31, 2013, 2012, and 2011 were \$979,454, \$951,751, and \$909,622, respectively. The City's contributions were equal to the contractually required contributions for each year as set by state statute.

### **Defined Contribution Plan**

Council members of the City of Eden Prairie are covered by the Public Employees Defined Contribution Plan (PEDCP), a multiple-employer deferred compensation plan administered by the Public Employees Retirement Association of Minnesota (PERA). The PEDCP is a tax qualified plan under Section 401(a) of the Internal Revenue Code and all contributions by or on behalf of employees are tax deferred until time of withdrawal.

# City of Eden Prairie, Minnesota

## Notes to Financial Statements

### Note 7—Pension Plan (Continued)

Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses. Minnesota Statutes, Chapter 353D.03, specifies plan provisions, including the employee and employer contribution rates for those qualified personnel who elect to participate. An eligible elected official who decides to participate contributes 5 percent of salary which is matched by the elected official’s employer. Employer and employee contributions are combined and used to purchase shares in one or more of the seven accounts of the Minnesota Supplemental Investment Fund. For administering the plan, PERA receives 2 percent of employer contributions and twenty-five hundredths of one percent of the assets in each member’s account annually.

Total contributions made by the City of Eden Prairie during the year ending December 31, 2013 were:

Amount		% of Covered Payroll		Required Rates
Employee	Employer	Employee	Employer	
\$ 2,798	\$ 2,798	5.00%	5.00%	5.00%

### Defined Benefit Pension Plans – Volunteer Fire Fighter’s Relief Association

#### Plan Description

The Eden Prairie Firefighter’s Relief Association is the administrator of a single employer defined benefit pension plan established to provide benefits for members of the Eden Prairie Fire Department.

Volunteer firefighters of the City are members of the Eden Prairie Fire Fighter’s Relief Association. Full retirement benefits are payable to members who have reached age 50 and have completed 15 years of service for monthly service pension, or 10 years of service for lump sum service pension. Partial benefits are payable to members who have reached 50 and have completed 10 years of service. Disability benefits and widow and children’s survivor benefits are also payable to members or their beneficiaries based upon requirements set forth in the bylaws. These benefit provisions and all other requirements are consistent with enabling state statutes.

The Association issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Eden Prairie Firefighter’s Association, 14800 Scenic Heights Rd., Eden Prairie, MN 55344 or by calling (952) 949-8367.

# City of Eden Prairie, Minnesota

## Notes to Financial Statements

### Note 7—Pension Plan (Continued)

#### Funding Policy

Minnesota Statutes Chapter 69.772 specifies minimum support rates required on an annual basis. The minimum support rates from the municipality and from State aid are determined as the amount required to meet the normal cost plus amortizing any existing prior service costs over a ten year period. The City’s obligation is the financial requirement for the year less state aids. Any additional payments by the City shall be used to amortize the unfunded liability of the relief association. The Association is comprised of volunteers; therefore, there are no payroll expenditures (i.e., there are no covered payroll percentage calculations). During the year, the City recognized as revenue and as an expenditure an on-behalf payment of \$416,299 made by the State of Minnesota for the Relief Association.

The City’s annual pension cost for the current year and related information is as follows:

Annual pension cost - \$917,378	Asset valuation method-Market
Valuation date-December 31, 2012	Actuarial assumptions:
Actuarial cost method-Entry age normal cost	Investment return-5% per year
Amortization method-Level dollar open	Assumed inflation rate-N/A
Remaining amortization period	Cost of living adjustment-N/A
Normal cost-20	
Prior service cost-10	

#### Three Year Trend Information

Year Ended Dec 31,	Actual Contribution			Required Contribution	Percentage Contributed
	City	State	Total		
2011	\$ 830,077	\$ 286,728	\$ 1,116,805	\$ 1,116,805	100%
2012	625,910	291,468	917,378	917,378	100%
2013	501,079	416,299	917,378	917,378	100%

# City of Eden Prairie, Minnesota

## Notes to Financial Statements

### Note 7—Pension Plan (Continued)

#### Required Supplementary Information

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	(Unfunded) Overfunded AAL	Funded Ratio
12/31/2011	\$ 16,838,952	\$ 19,282,133	\$ (2,443,181)	87.33%
12/31/2012	18,404,639	20,089,266	(1,684,627)	91.61%
12/31/2013	19,834,707	20,089,266	(254,559)	98.73%

The Association is comprised of volunteers; therefore, there are no payroll expenditures (i.e., there are no covered payroll percentage calculations).

### Note 8—Other Post-Employment Benefits Plan

#### Plan Description

The City provides post-employment insurance benefits to certain eligible employees through the City's Other Post-Employment Benefits Plan, a single-employer defined benefit plan administered by the City. All post-employment benefits are based on contractual agreements with employee groups. These contractual agreements do not include any specific contribution or funding requirements. The Plan does not issue a separate report. As of December 31, 2013, membership included 18 retirees and others currently receiving benefits, 1 spouse receiving payments and 246 active plan members. These benefits are summarized as follows:

#### Post-Employment Insurance Benefits

All retirees of the City have the option under state law to continue their medical insurance coverage through the City from the time of retirement until the employee reaches the age of eligibility for Medicare. For members of all employee groups, the retiree must pay the full premium to continue coverage for medical and dental insurance.

The City is legally required to include any retirees for whom it provides health insurance coverage in the same insurance pool as its active employees, whether the premiums are paid by the City or the retiree. Consequently, participating retirees are considered to receive a secondary benefit known as an "implicit rate subsidy." This benefit relates to the assumption that the retiree is receiving a more favorable premium rate than they would otherwise be able to obtain if purchasing insurance on their own, due to being included in the same pool with the City's younger and statistically healthier active employees.

# City of Eden Prairie, Minnesota

## Notes to Financial Statements

### Note 8—Other Post-Employment Benefits Plan (Continued)

#### Funding Policy

The required contribution is based on projected pay-as-you-go financing requirements, with additional amounts to pre-fund benefits as determined annually by the City.

#### Annual OPEB Cost and Net OPEB Obligation

The City’s annual OPEB cost (expense) is calculated based on annual required contributions (ARC) of the City, an amount determined on an actuarially determined basis in accordance with the parameters of GASB Statement Nos. 43 and 45. The City prospectively implemented these statements during 2008. The ARC represents a level funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the City’s annual OPEB cost for the year, the amount actually contributed to the plan, and the changes in the City’s net OPEB obligation to the plan:

Annual required contribution	\$ 327,468
Interest on net OPEB obligation	34,626
Adjustment to annual required contribution	<u>(47,344)</u>
Annual OPEB cost expense	314,750
Contributions made	<u>137,237</u>
Increase in net OPEB obligation	177,513
Net OPEB obligation-beginning of year	<u>988,897</u>
Net OPEB obligation-end of year	<u><u>\$ 1,166,410</u></u>

Other post employment benefits are generally liquidated through the Health and Benefits Internal Service funds. The City’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the year are as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contribution	% of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/11	\$ 279,201	\$ 81,899	29.3%	\$ 769,453
12/31/12	314,750	95,306	30.3%	988,897
12/31/13	314,750	137,237	43.6%	1,166,410

# City of Eden Prairie, Minnesota

## Notes to Financial Statements

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### **Note 8—Other Post-Employment Benefits Plan (Continued)**

#### **Funded Status and Funding Progress**

As of January 1, 2012, the plan was zero percent funded. The actuarial accrued liability for benefits was \$2,814,481, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$2,814,481. The covered payroll (annual payroll of active employees covered by the plan) was \$17,746,102, and the ratio of the UAAL to the covered payroll was 15.9%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and ARCs of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Schedule of Funding Progress immediately following the notes to the basic financial statements presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

#### **Actuarial Methods and Assumptions**

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the January 1, 2012 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included: a 4.5% percent investment rate of return (net of investment expenses) based on the City's own investments; an annual healthcare cost trend rate of 8.0% initially, reduced by decrements to an ultimate rate of 5% after six years for medical insurance. Both rates included a 2.5% inflation assumption. The UAAL is being amortized on a level dollar basis over a closed period. The remaining period at January 1, 2012 is 30 years or less.

# City of Eden Prairie, Minnesota

## Notes to Financial Statements

### Note 9—Leases

#### As Lessee

The City has entered into lease agreements for two space leases in connection with its liquor store operations. Rental expense, excluding a prorated share of real estate taxes and common area operating costs, for the year ended December 31, 2013, was approximately \$216,875.

The following is an annual schedule of future minimum lease payments under these leases:

Year Ended December 31,	Prairie Village	Prairie View
2014	\$ 130,494	\$ 92,172
2015	134,430	92,172
2016	138,454	94,176
2017	142,630	94,176
2018	121,800	96,180
2019	-	96,180
	<u>\$ 667,808</u>	<u>\$ 565,056</u>

The City has entered into a lease agreement with the Metropolitan Airports Commission for expanded athletic fields. Rental expense for the year ended December 31, 2013, was \$3,825. The City will continue to pay this amount, escalating 3% per year for the remaining lease term, which expires September 1, 2016.

The City has entered into a lease agreement with CAPREF Eden Prairie LLC for office space used on the lower level of Eden Prairie Center. Rental expense for the year ended December 31, 2013 was \$4,666.50. The City will continue to pay \$4,666.50 per year for the remaining lease term, which expires March 31, 2019.

#### As Lessor

The City occupies approximately one-third of the City Center building. The remaining two-thirds are primarily leased to the Eden Prairie Independent School District and C.H. Robinson Company. The City recorded 2013 rental revenue of approximately \$473,012 from these two tenants. The City also receives the lessee's portion of maintenance, insurance and taxes. C.H. Robinson's lease expired 2/28/14 and they did not renew. The City will receive rental revenue of \$79,157 in 2014 before the lease expires. Rental revenue will resume after the City secures a new tenant for the C.H. Robinson space.

The City has entered into a lease agreement with Riley Purgatory Bluff Creek Watershed District for the rental of an office space located in City Center. Rental income for the year ended December 31, 2013 was \$2,400. The City will receive \$1,400 in 2014 before the lease expires on July 31, 2014. The Watershed District will then leave the building.

# City of Eden Prairie, Minnesota

## Notes to Financial Statements

### Note 9—Leases (Continued)

The City has entered into a lease agreement with Pure Grace for the rental of space located at the Smith Douglas More House. Rental income for the year ended December 31, 2013 was \$34,000. This lease will expire on December 31, 2021. The City will receive \$34,000 annually through 2021.

The City has entered into a lease agreement with Ace Daycare -- which was then transferred to Lighthouse Daycare on November 1, 2013 -- for the rental of space located at 8098 Glen Lane. Rental income for the year ended December 31, 2013 was \$66,500. This lease with Lighthouse Daycare will expire on September 30, 2015. The City will receive \$66,500 annually through 2015.

The City has entered into a lease agreement with BE Ventures I, Inc. d/b/a Complete Nutrition for 1,517 square feet of rental of space located in the Den Road Liquor store building. Rental income for the year ended December 31, 2013 was \$34,891. The City will receive \$7,414 in 2014 until the lease expires on March 17, 2014. Rental income will resume when a new tenant for the space is secured.

The City has entered into a lease agreement with Jeneka LLC d/b/a Encore Consignment Boutique 3,662 square feet of rental of space located in the Den Road Liquor store building. Rental income for the year ended December 31, 2013 was \$78,861. The City will receive rent annually through 2018. Annual rent will be \$91,550 in 2014-2016, and \$98,875 in 2017-2018.

The City has entered into a lease agreement with a tenant for the rental of space located at 9100 Riley Lake Road (the “Riley House”). Rental income for the year ended December 31, 2013 was \$6,600. This lease expires on June 30, 2014. The City will receive \$3,300 through June 2014.

The assets acquired for these lease agreements is as follows:

	2013 Governmental Activities	2013 Liquor Fund
Asset:		
Land	\$ 2,628,813	\$ 536,659
Building	13,005,368	1,900,408
Less: Accumulated depreciation	(4,701,414)	(530,590)
Total	<u>\$ 10,932,767</u>	<u>\$ 1,906,477</u>
Depreciation Expense	\$ 296,967	\$ 37,936

# City of Eden Prairie, Minnesota

## Notes to Financial Statements

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### **Note 10—Long Term Debt**

#### **Bonds**

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities. General obligation bonds are direct obligations and pledge the full faith and credit of the City.

The City also issues assessment debt with governmental commitment to provide funds for the construction of streets and utilities. These bonds will be repaid from amounts levied against the property owners benefited by this construction. In the event that a deficiency exists because of unpaid or delinquent assessments at the time a debt service payment is due, the City must provide resources to cover the deficiency until other resources are received. Assessment debt with governmental commitment has been issued for governmental activities.

The City also issued lease revenue bonds where the government pledges income derived from lease agreements to pay debt service.

# City of Eden Prairie, Minnesota

## Notes to Financial Statements

### Note 10—Long Term Debt (Continued)

Bonds currently outstanding (in thousands of dollars) are as follows:

	Maturities	Interest Rates	Original Issue	2013 Amount Outstanding
<b>Governmental Activity</b>				
<b>General obligation bonds</b>				
G.O. Refunding Bonds of 2003C	2014	2.00-3.90%	\$ 1,445	\$ 195
G.O. Bonds of 2005C	2014	4.10%	4,920	4,920
G.O. Bonds of 2006A	2014	3.50-4.00%	8,425	4,880
G.O. Bonds of 2006B	2015	4.25%	4,290	3,390
G.O. Equip Notes of 2008A	2018	3.00-4.00%	3,120	1,650
G.O. Equip Notes of 2009B	2018	3.00%	2,455	890
G.O. CIP Refunding Bonds 2009C	2014	2.50-3.00%	1,395	295
G.O. Bonds 2011B	2016	2.50-3.00%	415	255
G.O. Refunding Bonds 2011C	2021	1.25-2.10%	4,455	4,455
G.O. Refunding Bonds 2012A	2026	2.00-2.63%	5,110	5,110
G.O. Refunding Bonds 2012B	2027	2.00-2.50%	3,170	3,170
<b>Lease revenue bonds</b>				
Public Facility Bonds of 2007A	2028	3.60-4.50%	1,630	1,360
<b>Assess debt with govt commit</b>				
G.O. Bonds of 2003D	2014	1.75-4.00%	4,305	175
G.O. Revolving Bonds of 2005A	2015	3.25-3.55%	2,390	550
G.O. Revolving Bonds of 2005B	2014	3.50-3.60%	2,690	125
G.O. Revolving Bonds of 2008B	2023	3.50-4.50%	1,845	1,335
G.O. Revolving Bonds of 2010A	2025	2.00-4.00%	1,190	985
G.O. Revolving Bonds of 2011D	2025	2.00-2.63%	1,805	1,805
G.O. Revolving Bonds of 2012C	2021	2.00%	10,250	10,250
<b>Total Governmental Activity</b>			<b>65,305</b>	<b>45,795</b>
<b>Business Type Activity</b>				
G.O. Water & Sewer Bonds 2011A	2020	.50-3.80%	1,260	905
G.O. Bonds 2011B	2020	2.50-3.00%	3,320	2,365
<b>Total Business Type Activity</b>			<b>4,580</b>	<b>3,270</b>
<b>Capital Lease</b>	2016	2.56%	<b>220</b>	<b>133</b>
<b>Total</b>			<b>\$ 70,105</b>	<b>\$ 49,198</b>

# City of Eden Prairie, Minnesota

## Notes to Financial Statements

### Note 10—Long Term Debt (Continued)

Annual debt service requirements to maturity for governmental activity bonds (in thousands of dollars) are as follows:

Years Ending 12/31	G.O.Bonds		Lease Revenue Bonds		Assessment Debt with Govt Commitment Improv Bonds		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
	2014	\$ 11,515	\$ 703	\$ 70	\$ 58	\$ 765	\$ 363	\$ 12,350
2015	4,375	378	70	56	2,485	320	6,930	754
2016	1,430	279	75	53	1,865	267	3,370	599
2017	1,360	248	80	50	1,845	226	3,285	524
2018	1,410	217	80	46	1,820	187	3,310	450
2019	1,005	191	85	42	1,805	146	2,895	379
2020	1,030	172	85	39	1,630	108	2,745	319
2021	1,050	152	90	35	1,615	71	2,755	258
2022	1,100	129	95	31	415	46	1,610	206
2023	1,135	106	100	26	425	32	1,660	164
2024	1,150	80	100	22	275	17	1,525	119
2025	1,165	52	100	17	280	9	1,545	78
2026	1,205	22	110	12	-	-	1,315	34
2027	280	4	110	7	-	-	390	11
2028	-	-	110	3	-	-	110	3
<b>Total</b>	<b>\$ 29,210</b>	<b>\$ 2,733</b>	<b>\$ 1,360</b>	<b>\$ 497</b>	<b>\$ 15,225</b>	<b>\$ 1,792</b>	<b>\$ 45,795</b>	<b>\$ 5,022</b>

# City of Eden Prairie, Minnesota

## Notes to Financial Statements

### Note 10—Long Term Debt (Continued)

Annual debt service requirements to maturity for business-type activity bonds (in thousands of dollars) are as follows:

Years Ending 12/31	Revenue Bonds		Total
	Principal	Interest	
2014	\$ 440	\$ 95	\$ 535
2015	445	85	530
2016	455	73	528
2017	465	60	525
2018	475	46	521
2019	485	32	517
2020	505	16	521
<b>Total</b>	<b>\$ 3,270</b>	<b>\$ 407</b>	<b>\$ 3,677</b>

### Capital Lease

In 2012, the City entered into a new lease for financing the purchase of turn out gear for the Fire department. The lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of their future minimum lease payments as of the inception date. This equipment was not capitalized by the City.

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2013, were as follows:

Year Ended	
<u>December 31,</u>	
2014	\$ 46,544
2015	46,545
2016	<u>46,544</u>
Net Minimum Lease Payments	139,633
Less Amount Representing Interest	<u>6,933</u>
Present Value of Net Minimum Lease Payments	<u>\$ 132,700</u>

# City of Eden Prairie, Minnesota

## Notes to Financial Statements

### Note 10—Long Term Debt (Continued)

#### Changes in Long Term Debt

Long-term debt activity for the year ended December 31, 2013, (in thousands of dollars) was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental Activity</b>					
G.O. bonds	\$ 31,570	\$ -	\$ 2,360	\$ 29,210	\$ 11,515
Lease revenue bonds	1,425	-	65	1,360	70
Assess. debt with govt commit					
Improvement bonds	17,670	-	2,445	15,225	765
Issuance premium/discount	772	-	84	688	-
Deferred gain	57	-	57	-	-
Total bonds	<u>51,494</u>	<u>-</u>	<u>5,011</u>	<u>46,483</u>	<u>12,350</u>
Compensated absences	1,887	1,657	1,697	1,847	886
Capital lease	175	-	42	133	43
Total	<u>\$ 53,556</u>	<u>\$ 1,657</u>	<u>\$ 6,750</u>	<u>\$ 48,463</u>	<u>\$ 13,279</u>
<b>Business Type Activity</b>					
Revenue bonds	\$ 3,700	\$ -	\$ 430	\$ 3,270	\$ 440
Issuance premium/discount	130	-	16	114	-
Total bonds	<u>3,830</u>	<u>-</u>	<u>446</u>	<u>3,384</u>	<u>440</u>
Compensated absences	245	229	249	225	108
Total	<u>\$ 4,075</u>	<u>\$ 229</u>	<u>\$ 695</u>	<u>\$ 3,609</u>	<u>\$ 548</u>

For the governmental activities, the capital lease is generally paid with unassigned fund balances within the General fund. Compensated absences will be paid out of the Internal Service fund.

There are a number of limitations and restrictions contained in the various bond indentures. The City is in compliance with all significant limitations and restrictions. Call provisions are applicable to certain general obligation and special assessment bond issues.

# City of Eden Prairie, Minnesota

## Notes to Financial Statements

### Note 10—Long Term Debt (Continued)

#### Changes in Long Term Debt

During 2011 the City issued \$4,455,000 G.O. Refunding Bonds 2011C to provide for the redemption of the G.O. Bonds 2006A. The refunding reduced total debt payment by \$250,586 and resulted in an economic gain of \$230,849.

The proceeds of the crossover refunding were placed in an irrevocable escrow account and were used to purchase U.S. government securities. The escrow account investments will provide the resources to cover principal and interest payments on the refunding bonds until the crossover date. The refunding bonds cross over on the dates the refunded bonds are callable. Until the crossover dates, both the refunded and refunding bonds will be reported in the financial statements.

<u>Issue to be Refunded</u>	<u>Crossover Date</u>	<u>Principal to be Refunded</u>	<u>Escrow Deposit at 12/31/13</u>
G.O. Bonds 2006A	01/01/2014	\$ 4,295,000	\$ 4,323,919

The City also issued \$1,805,000 G.O. Refunding Bonds 2011D to provide for the redemption of the G.O. Bonds 2005B. The refunding reduced total debt payment by \$134,855 and resulted in an economic gain of \$114,830.

The proceeds of the crossover refunding were placed in an irrevocable escrow account and were used to purchase U.S. government securities. The escrow account investments will provide the resources to cover principal and interest payments on the refunding bonds until the crossover date. The refunding bonds cross over on the dates the refunded bonds are callable. Until the crossover dates, both the refunded and refunding bonds will be reported in the financial statements.

On 12/1/13 \$1,730,000 of principal was refunded.

During 2012 the City issued \$5,110,000 G.O. Refunding Bonds 2012A to provide for the redemption of the G.O. Bonds 2005C. The refunding reduced total debt payment by \$651,406 and resulted in an economic gain of \$551,320.

# City of Eden Prairie, Minnesota

## Notes to Financial Statements

### Note 10—Long Term Debt (Continued)

#### Changes in Long Term Debt

The proceeds of the crossover refunding were placed in an irrevocable escrow account and were used to purchase U.S. government securities. The escrow account investments will provide the resources to cover principal and interest payments on the refunding bonds until the crossover date. The refunding bonds cross over on the dates the refunded bonds are callable. Until the crossover dates, both the refunded and refunding bonds will be reported in the financial statements.

<u>Issue to be Refunded</u>	<u>Crossover Date</u>	<u>Principal to be Refunded</u>	<u>Escrow Deposit at 12/31/13</u>
G.O. Bonds 2005C	1/1/2014	\$ 4,920,000	\$ 4,972,965

During 2012 the City issued \$3,170,000 G.O. Refunding Bonds 2012B to provide for the redemption of the G.O. Bonds 2006B. The refunding reduced total debt payment by \$304,967 and resulted in an economic gain of \$257,382.

The proceeds of the crossover refunding were placed in an irrevocable escrow account and were used to purchase U.S. government securities. The escrow account investments will provide the resources to cover principal and interest payments on the refunding bonds until the crossover date. The refunding bonds cross over on the dates the refunded bonds are callable. Until the crossover dates, both the refunded and refunding bonds will be reported in the financial statements.

<u>Issue to be Refunded</u>	<u>Crossover Date</u>	<u>Principal to be Refunded</u>	<u>Escrow Deposit at 12/31/13</u>
G.O. Bonds 2006B	1/1/2015	\$ 3,000,000	\$ 3,082,521

# City of Eden Prairie, Minnesota

## Notes to Financial Statements

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### **Note 11—Risk Financing and Related Insurance Issues**

The City is exposed to various risk of loss related to torts; thefts of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. In order to protect against these risks of loss, the City purchases commercial insurance through the League of Minnesota Cities Insurance Trust, a public entity risk pool, for property insurance and workers compensation. This pool currently operates as a common risk management and insurance program for municipal entities. The City pays an annual premium to the League for its insurance coverage. The League of Minnesota Cities Insurance Trust is self-sustaining through commercial companies for excess claims. The City is covered through the pool for any claims incurred but unreported, however, retains risk for the deductible portion of its insurance policies. The amount of these deductibles is considered immaterial to the financial statements.

During the year ended December 31, 2013, there were no significant reductions in insurance coverage from the prior year. Settled claims have not exceeded the City's commercial coverage in any of the past three years.

### **Note 12—Contingencies**

The City has been named in various legal actions. At the present time, there is no significant litigation pending that would cause a material effect on the financial statements if unfavorable rulings would result. While it is not possible to provide any probability of success or estimate of potential loss in defending any of these legal actions, the City expects to contest the allegations vigorously and does not believe these actions will have a material effect on the financial statements.

A potential claim may be asserted against the City arising out of its membership in the Western Area Firing Training Academy (WAFTA). WAFTA is a joint powers entity consisting of 11 member cities that was formed in 1974 to purchase property to be used and operated as a fire training facility. In the late 1980's, WAFTA became aware that the site was contaminated. Since that time, WAFTA has been working with the Minnesota Pollution Control Agency (MPCA) and other responsible parties to address the contamination issues on the site. At this time, there is not an estimated dollar amount of the cost to remediate the site nor has a claim been asserted against WAFTA or the City.

### **Note 13—Contract Commitments**

At December 31, 2013, the City had commitments on various construction projects. These commitments totaled approximately \$683,464.

# City of Eden Prairie, Minnesota

## Notes to Financial Statements

### Note 14—Conduit Debt Obligations

From time to time, the City has issued Industrial Revenue and Housing bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of December 31, 2013, there were 21 series of Industrial Revenue Bonds outstanding, with outstanding balances of \$103,539,724.

### Note 15—Fund Balance Classification

At December 31, 2013, a summary of the governmental fund balance classifications are as follows:

	General	General Obligation Improv. Revolving 2005B	Capital Improvement Maintenance	Public Improvement Construction	Shady Oak Road North	Other Govt Funds	Total
<b>Nonspendable:</b>							
Prepaid Items	\$ 24,702	\$ -	\$ -	\$ -	\$ -	\$ 1,620	\$ 26,322
Land Held for Resale	-	-	-	-	-	537,000	537,000
Total Nonspendable	24,702	-	-	-	-	538,620	563,322
<b>Restricted for:</b>							
Debt Service	-	407,430	-	-	-	15,037,162	15,444,592
Special Assessments	-	-	-	-	-	406,690	406,690
Franchise Fee	-	-	-	-	-	235,962	235,962
Cemetery	-	-	-	-	-	145,856	145,856
Recycling	-	-	-	-	-	45,190	45,190
Law Enforcement	-	-	-	-	-	172,175	172,175
E-911	-	-	-	-	-	230,264	230,264
Park Dedication Fees	-	-	-	-	-	245,170	245,170
Tax Increment	-	-	-	-	-	3,950,881	3,950,881
	-	407,430	-	-	-	20,469,350	20,876,780
<b>Assigned to:</b>							
Capital Projects	-	-	16,096,965	-	-	504,587	16,601,552
Improvement Projects	-	-	-	-	740,661	10,933,178	11,673,839
Total Assigned	-	-	16,096,965	-	740,661	11,437,765	28,275,391
<b>Unassigned:</b>							
Budget Stabilization	6,093,689	-	-	-	-	-	6,093,689
Working Capital	15,370,852	-	-	-	-	-	15,370,852
Unassigned	45,000	-	-	(2,770,805)	-	(1,088,387)	(3,814,192)
Total Unassigned	21,509,541	-	-	(2,770,805)	-	(1,088,387)	17,650,349
<b>Total Fund Balance</b>	<b>\$ 21,534,243</b>	<b>\$ 407,430</b>	<b>\$ 16,096,965</b>	<b>\$ (2,770,805)</b>	<b>\$ 740,661</b>	<b>\$ 31,357,348</b>	<b>\$ 67,365,842</b>

# City of Eden Prairie, Minnesota

## Required Supplemental Information

### Modified Approach for Infrastructure Assets

Condition Rating of the City's Street System:

	Average PCI
2013	78.80%
2010	81.10%
2007	81.30%
2004	80.40%
2001	80.50%

Comparison of Needed-to-Actual Maintenance/Preservation:

	2013	2012	2011	2010	2009
Budget	\$ 2,767,000	\$ 2,397,000	\$ 2,304,079	\$ 2,280,000	\$ 2,190,000
Actual	2,263,758	2,172,757	1,711,894	1,960,670	2,187,455
Difference	<u>\$ (503,242)</u>	<u>\$ (224,243)</u>	<u>\$ (592,185)</u>	<u>\$ (319,330)</u>	<u>\$ (2,545)</u>

The condition of road pavement is measured using Good Pointe's Icon pavement management system. Each of the pavements in the City of Eden Prairie was visually inspected using the Paver-based Pavement Condition Index (PCI) methodology. The methodology is based on a numeric rating system ranging from 100 for a newly surfaced pavement to 0 for a failed pavement. The condition index is used to classify roads in excellent condition (85-100), very good condition (70-84), good condition (55-69), fair condition (40-54), poor condition (25-39), very poor condition (10-24) and failed condition (0-9). It is the City's policy to maintain an average PCI of 60 percent.

# City of Eden Prairie, Minnesota

## Required Supplemental Information

### Other Post-Employment Benefits Plan

#### Schedule of Funding Progress

Fiscal Year Ended	Actuarial Valuation Date	Actuarial Accrued Liability	Actuarial Value of Plan Assets	Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Unfunded Liability as a % of Payroll
12/31/08	1/1/08	\$ 1,781,809	\$ -	\$ 1,781,809	0.0%	\$ 16,945,552	10.5%
12/31/09	1/1/08	1,781,809	-	1,781,809	0.0%	16,945,552	10.5%
12/31/10	1/1/10	2,438,910	-	2,438,910	0.0%	17,127,274	14.2%
12/31/11	1/1/10	2,438,910	-	2,438,910	0.0%	17,127,274	14.2%
12/31/12	1/1/12	2,814,481	-	2,814,481	0.0%	17,746,102	15.9%
12/31/13	1/1/12	2,814,481	-	2,814,481	0.0%	17,746,102	15.9%

# Combining Fund Statements

# City of Eden Prairie, Minnesota

## Nonmajor Governmental Funds

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### **Special Revenue Funds**

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

**Housing Redevelopment Authority (HRA Grant)** - This fund accounts for monies received under Title I of the Housing and Community Development Act of 1974 and other related housing activities.

**Pleasant Hills Cemetery** - This fund accounts for the current operations of the City cemetery including maintenance costs and lot sales.

**Recycling** - This fund accounts for monies received from Hennepin County's household waste rebate programs. All dollars received are to be refunded to eligible households within Eden Prairie.

# City of Eden Prairie, Minnesota

## Nonmajor Governmental Funds

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### **Debt Service Funds**

Debt service funds are used to account for all financial resources that are restricted, committed, or assigned to expenditures for principal and interest.

**Open Space Refunding 2003** – This fund accounts for the refunding of the 1994 G.O. Open Space Bonds which accounted for the accumulation of tax revenues needed to repay bonds issued to finance the acquisition of land for the City’s preservation program.

**General Obligation Improvement 2003D** – This fund accounts for the accumulation of resources needed to repay bonds issued to finance the construction of streets, lateral utilities, and drainage for the Charlson and Hillcrest Construction Projects. The primary sources of repayment on these bonds are special assessments levied on benefited properties.

**General Obligation Improvement Revolving 2005A** – This fund is used to account for the accumulation of tax revenues needed to repay bonds issued to pay the construction projects for the ADC project.

**General Obligation Bonds 2005C** – This fund is used to account for the accumulation of tax revenues needed to repay bonds issued to pay the construction projects for various trails, park improvements and the community center.

**General Obligation Bonds 2006A** – This fund is used to account for the accumulation of tax revenues needed to repay bonds issued to pay the construction projects for various trails, park improvements and the community center.

**General Obligation Bonds 2006B** – This fund is used to account for the accumulation of tax revenues needed to repay bonds issued to pay the construction projects for the new Fire station.

**3rd Rink Lease Revenue Bonds 2007A** – This fund is used to account for the accumulation of tax revenues needed to repay bonds issued to pay the construction projects for the 3<sup>rd</sup> Sheet of Ice at the community center.

**Capital Equipment Notes 2008A** – This fund is used to account for the accumulation of tax revenues needed to repay certificates issued to finance the 20/40/15 project, regional radio conversion project and two fire trucks.

# City of Eden Prairie, Minnesota

## Nonmajor Governmental Funds

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### **Debt Service Funds (Continued)**

**General Obligation Bonds 2008B** – This fund is used to account for the accumulation of resources needed to repay bonds issued to finance the construction of streets, lateral utilities, and drainage for the Flying Cloud Drive construction project. The primary sources of repayment on these bonds are special assessments levied on benefited properties.

**Capital Equipment Notes 2009B** – This fund is used to account for the accumulation of tax revenues needed to repay certificates issued to finance the 20/40/15 project and the regional radio conversion project.

**CIP Refunding Bonds 2009C** – This fund accounts for the refunding of the HRA Lease Revenue Facility Bonds for the Fire Station.

**General Obligation Improvement Bonds 2010A** – This fund is used to account for the accumulation of tax revenues needed to repay bonds issued to pay the construction costs for the Singletree Lane project.

**General Obligation Improvement Bonds 2011B** – This fund is used to account for the accumulation of tax revenues needed to repay bonds issued to finance the Self Contained Breathing Apparatus Gear for the fire department.

**General Obligation Refunding 2011C** – This fund accounts for the refunding of the G.O. Park Referendum Bonds which accounted for the accumulation of tax revenues needed to repay bonds issued to finance construction projects for various trails, park improvements and the community center.

**General Obligation Refunding 2011D** – This fund accounts for the refunding of the G.O. Improvement Revolving Bonds which accounted for the accumulation of tax revenues needed to repay bonds issued to finance the construction at 212 and Charleston Road.

**General Obligation Refunding 2012A** – This fund accounts for the refunding of the G.O. Bonds 2005C which accounted for the accumulation of tax revenues needed to repay bonds issued to finance construction projects for various trails, park improvements and the community center.

**General Obligation Refunding 2012B** – This fund accounts for the refunding of the G.O. Bonds 2006B which accounted for the accumulation of tax revenues needed to repay bonds issued to finance construction projects for the new fire station.

# City of Eden Prairie, Minnesota

## Nonmajor Governmental Funds

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### **Debt Service Funds (Continued)**

**General Obligation Improvement Bonds 2012C**– This fund is used to account for the accumulation of special assessments needed to repay bonds issued to finance the Shady Oak Road North project.

### **Capital Projects Funds**

Capital projects funds are used to account for all financial resources that are restricted, committed, or assigned to expenditures for capital outlay.

**Police** - This fund accounts for all confiscated money, and / or property obtained through drug-related criminal arrests and compliance fines. The funds are earmarked for expenditures on law enforcement operations.

**E-911** - This fund accounts for monies received from the State of Minnesota to be used for the E-911 emergency system.

**Senior Board** - This fund was established to account for monies received for Senior Awareness Week.

**Park Improvement** - This fund accounts for the park dedication fees, grants, and other contributions earmarked for expenditure on park acquisition and development.

**CIP Trails** - This fund accounts for the accumulation of resources to be used for capital improvements and maintenance of City trails.

**CIP Pavement Management** - This fund accounts for the accumulation of resources to be used for capital improvements and maintenance of City streets.

**Economic Development** – This fund accounts for money set aside to assist in the redevelopment of the City.

**Project** – This fund accounts for tax increment revenue set aside to assist in the redevelopment of the City.

**Sprint / Nextel** – This fund accounts for contributions from Sprint for the transition of the City’s radio system.

# City of Eden Prairie, Minnesota

## Nonmajor Governmental Funds

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### **Capital Projects Funds (Continued)**

**HRA** – This fund accounts for the accumulation of resources to be used for economic development projects.

**Flying Cloud Drive** - This fund accounts for proceeds of bonds sold to finance the construction of a three lane road from south of Shady Oak Road to the south end of the Liberty Plaza campus.

**Transportation** - This fund accounts for proceeds of state aid. This revenue is used to finance street improvements.

**Shady Oak Road South** - This fund accounts for the accumulation of resources to be used for the reconstruction of Shady Oak Road from Flying Cloud Drive to Rowland Road.

**Cable PEG (Public, Educational, and Government)**– This fund accounts for the revenues collected from Comcast. These funds will be used for the production of PEG Access programming.

**Pool Upgrade / Expansion** – This fund accounts for the accumulation of resources to be used for a potential upgrade to the Community Center pool.

**Eden Prairie Road** – This fund accounts for proceeds of bonds sold to finance the construction of Eden Prairie Road.

**Eden Prairie Rd Connect to Flying Cloud** – This fund accounts for the accumulation of resources to be used for the construction of road from Frederick Place to north of Riley Creek.

# City of Eden Prairie, Minnesota

## Nonmajor Governmental Funds

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### **Permanent Funds**

Permanent funds are used to account for resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the City's programs that is, for the benefit of the City or its citizens.

**Historical and Cultural** - This fund accumulates revenue from the sale of a book on Eden Prairie's 100-year history. The book was donated to the City by the Eden Prairie Historical Society, with revenues earmarked for expenditure on the preservation of the history of Eden Prairie.

**Cemetery Perpetual Care** - This fund was established to account for funds dedicated for cemetery maintenance in accordance with state statutes.

City of Eden Prairie, Minnesota  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2013

	Special Revenue			
	HRA Grant	Pleasant Hills Cemetery	Recycling	Total
<b>ASSETS</b>				
Cash and Investments	\$ 4,708	\$ 9,076	\$ 49,696	\$ 63,480
Receivables				
Accounts	-	-	-	-
Interest	-	11	-	11
Due from Other Governments	38,015	-	-	38,015
Unremitted Taxes	-	-	-	-
Unremitted Special Assessments	-	-	-	-
Deferred Special Assessments	-	-	-	-
Special Deferred Special Assessments	-	-	-	-
Due from Other Funds	-	-	-	-
Prepaid Items	-	-	-	-
Land Held for Resale	-	-	-	-
Cash and Investments with Escrow Agent	-	-	-	-
Total Assets	<u>\$ 42,723</u>	<u>\$ 9,087</u>	<u>\$ 49,696</u>	<u>\$ 101,506</u>
<b>LIABILITIES</b>				
Accounts and Contracts Payable	\$ 41,713	\$ -	\$ 4,506	\$ 46,219
Salaries Payable	1,348	-	-	1,348
Interest Payable	-	-	-	-
Due to Other Governments	2,530	-	-	2,530
Due to Other Funds	-	-	-	-
Unearned Revenue	-	-	-	-
Total Liabilities	<u>45,591</u>	<u>-</u>	<u>4,506</u>	<u>50,097</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable Revenue-Special Assessments	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	-
Restricted	-	9,087	45,190	54,277
Assigned	-	-	-	-
Unassigned	(2,868)	-	-	(2,868)
Total Fund Balance	<u>(2,868)</u>	<u>9,087</u>	<u>45,190</u>	<u>51,409</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 42,723</u>	<u>\$ 9,087</u>	<u>\$ 49,696</u>	<u>\$ 101,506</u>

City of Eden Prairie, Minnesota  
 Combining Balance Sheet  
 Nonmajor Governmental Funds  
 December 31, 2013

	Debt Service				
	Open Space Refunding 2003	General Obligation Improv. Bonds 2003D	General Obligation Improv. Revolving 2005A	General Obligation Bonds 2005C	General Obligation Bonds 2006A
<b>ASSETS</b>					
Cash and Investments	\$ 173,421	\$ -	\$ 26,623	\$ 310,037	\$ 831,900
Receivables					
Accounts	-	-	-	-	-
Interest	96	-	139	6,817	5,776
Due from Other Governments	-	-	-	-	-
Unremitted Taxes	900	-	581	960	3,696
Unremitted Special Assessments	-	10	-	-	-
Deferred Special Assessments	-	304,020	338,072	-	-
Special Deferred Special Assessments	-	120,762	-	-	-
Due from Other Funds	-	-	-	-	163,705
Prepaid Items	-	-	-	400	-
Land Held for Resale	-	-	-	-	-
Cash and Investments with Escrow Agent	-	-	-	4,913,537	4,250,488
Total Assets	<u>\$ 174,417</u>	<u>\$ 424,792</u>	<u>\$ 365,415</u>	<u>\$ 5,231,751</u>	<u>\$ 5,255,565</u>
<b>LIABILITIES</b>					
Accounts and Contracts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Salaries Payable	-	-	-	-	-
Interest Payable	-	896	-	-	-
Due to Other Governments	-	-	-	-	-
Due to Other Funds	-	120,684	-	-	-
Unearned Revenue	-	-	-	-	-
Total Liabilities	-	121,580	-	-	-
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable Revenue-Special Assessments	-	424,782	338,072	-	-
Total Deferred Inflows of Resources	-	424,782	338,072	-	-
<b>FUND BALANCES</b>					
Nonspendable	-	-	-	400	-
Restricted	174,417	-	27,343	5,231,351	5,255,565
Assigned	-	-	-	-	-
Unassigned	-	(121,570)	-	-	-
Total Fund Balance	<u>174,417</u>	<u>(121,570)</u>	<u>27,343</u>	<u>5,231,751</u>	<u>5,255,565</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 174,417</u>	<u>\$ 424,792</u>	<u>\$ 365,415</u>	<u>\$ 5,231,751</u>	<u>\$ 5,255,565</u>

	Debt Service				
	General Obligation Bonds 2006B	3rd Rink Lease Revenue Bonds 2007A	Capital Equip Notes 2008A	General Obligation Bonds 2008B	Capital Equip Notes 2009B
<b>ASSETS</b>					
Cash and Investments	\$ 411,382	\$ -	\$ 80,871	\$ 1,360	\$ 204,697
Receivables					
Accounts	-	-	-	-	-
Interest	6,327	-	-	-	721
Due from Other Governments	-	-	-	-	-
Unremitted Taxes	1,893	-	2,079	-	2,825
Unremitted Special Assessments	-	-	-	-	-
Deferred Special Assessments	-	-	-	-	-
Special Deferred Special Assessments	-	-	-	-	-
Due from Other Funds	-	-	-	-	-
Prepaid Items	-	-	-	-	-
Land Held for Resale	-	-	-	-	-
Cash and Investments with Escrow Agent	2,982,162	99,812	-	-	-
Total Assets	<u>\$ 3,401,764</u>	<u>\$ 99,812</u>	<u>\$ 82,950</u>	<u>\$ 1,360</u>	<u>\$ 208,243</u>
<b>LIABILITIES</b>					
Accounts and Contracts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Salaries Payable	-	-	-	-	-
Interest Payable	-	18	38	23	-
Due to Other Governments	-	-	-	-	-
Due to Other Funds	-	68	-	-	-
Unearned Revenue	-	-	-	-	-
Total Liabilities	-	86	38	23	-
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable Revenue-Special Assessments	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-
<b>FUND BALANCES</b>					
Nonspendable	-	-	-	-	-
Restricted	3,401,764	99,726	82,912	1,337	208,243
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total Fund Balance	3,401,764	99,726	82,912	1,337	208,243
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 3,401,764</u>	<u>\$ 99,812</u>	<u>\$ 82,950</u>	<u>\$ 1,360</u>	<u>\$ 208,243</u>

City of Eden Prairie, Minnesota  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2013

	Debt Service				
	CIP Refunding Bonds 2009C	General Obligation Improvement Bonds 2010A	General Obligation Bonds 2011B	General Obligation Refunding Bonds 2011C	General Obligation Refunding Bonds 2011D
<b>ASSETS</b>					
Cash and Investments	\$ 134,992	\$ 79,829	\$ 30,439	\$ -	\$ -
Receivables					
Accounts	-	-	-	-	-
Interest	324	138	74	-	-
Due from Other Governments	-	-	-	-	-
Unremitted Taxes	1,685	-	513	-	-
Unremitted Special Assessments	-	-	-	-	-
Deferred Special Assessments	-	905,671	-	-	-
Special Deferred Special Assessments	-	-	-	-	-
Due from Other Funds	-	-	-	-	-
Prepaid Items	-	400	-	525	525
Land Held for Resale	-	-	-	-	-
Cash and Investments with Escrow Agent	-	-	-	73,431	-
Total Assets	<u>\$ 137,001</u>	<u>\$ 986,038</u>	<u>\$ 31,026</u>	<u>\$ 73,956</u>	<u>\$ 525</u>
<b>LIABILITIES</b>					
Accounts and Contracts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Salaries Payable	-	-	-	-	-
Interest Payable	-	-	-	64	64
Due to Other Governments	-	-	-	-	-
Due to Other Funds	-	-	-	40,776	1,202
Unearned Revenue	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>40,840</u>	<u>1,266</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable Revenue-Special Assessments	-	905,671	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>905,671</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>					
Nonspendable	-	400	-	525	-
Restricted	137,001	79,967	31,026	32,591	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	(741)
Total Fund Balance	<u>137,001</u>	<u>80,367</u>	<u>31,026</u>	<u>33,116</u>	<u>(741)</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 137,001</u>	<u>\$ 986,038</u>	<u>\$ 31,026</u>	<u>\$ 73,956</u>	<u>\$ 525</u>

City of Eden Prairie, Minnesota  
 Combining Balance Sheet  
 Nonmajor Governmental Funds  
 December 31, 2013

	Debt Service			
	General Obligation Refunding Bonds 2012A	General Obligation Refunding Bonds 2012B	General Obligation Improvement Bonds 2012C	Total
<b>ASSETS</b>				
Cash and Investments	\$ -	\$ -	\$ 114,805	\$ 2,400,356
Receivables				
Accounts	-	-	-	-
Interest	-	-	302	20,714
Due from Other Governments	-	-	-	-
Unremitted Taxes	-	-	-	15,132
Unremitted Special Assessments	-	-	-	10
Deferred Special Assessments	-	-	-	1,547,763
Special Deferred Special Assessments	-	-	-	120,762
Due from Other Funds	-	-	-	163,705
Prepaid Items	-	-	-	1,850
Land Held for Resale	-	-	-	-
Cash and Investments with Escrow Agent	59,428	100,359	-	12,479,217
Total Assets	<u>\$ 59,428</u>	<u>\$ 100,359</u>	<u>\$ 115,107</u>	<u>\$ 16,749,509</u>
<b>LIABILITIES</b>				
Accounts and Contracts Payable	\$ -	\$ -	\$ -	\$ -
Salaries Payable	-	-	-	-
Interest Payable	-	-	-	1,103
Due to Other Governments	-	-	-	-
Due to Other Funds	479	496	-	163,705
Unearned Revenue	-	-	-	-
Total Liabilities	<u>479</u>	<u>496</u>	<u>-</u>	<u>164,808</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable Revenue-Special Assessments	-	-	-	1,668,525
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,668,525</u>
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	1,325
Restricted	58,949	99,863	115,107	15,037,162
Assigned	-	-	-	-
Unassigned	-	-	-	(122,311)
Total Fund Balance	<u>58,949</u>	<u>99,863</u>	<u>115,107</u>	<u>14,916,176</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 59,428</u>	<u>\$ 100,359</u>	<u>\$ 115,107</u>	<u>\$ 16,749,509</u>

	Capital Projects				
	Police	E-911	Senior Board	Park Improvement	CIP Trails
<b>ASSETS</b>					
Cash and Investments	\$ 228,463	\$ 292,216	\$ 9,838	\$ 2,495,414	\$ -
Receivables					
Accounts	895	-	-	-	-
Interest	361	462	17	4,431	-
Due from Other Governments	-	13,653	-	-	-
Unremitted Taxes	-	-	-	-	-
Unremitted Special Assessments	-	-	-	-	-
Deferred Special Assessments	-	-	-	-	195,000
Special Deferred Special Assessments	-	-	-	-	-
Due from Other Funds	-	-	-	-	-
Prepaid Items	-	-	-	-	-
Land Held for Resale	-	-	-	-	-
Cash and Investments with Escrow Agent	-	-	-	-	-
Total Assets	<u>\$ 229,719</u>	<u>\$ 306,331</u>	<u>\$ 9,855</u>	<u>\$ 2,499,845</u>	<u>\$ 195,000</u>
<b>LIABILITIES</b>					
Accounts and Contracts Payable	\$ 8,876	\$ 72	\$ -	\$ 36,337	\$ 5,863
Salaries Payable	2,988	-	-	-	-
Interest Payable	-	-	-	-	211
Due to Other Governments	-	-	-	-	-
Due to Other Funds	-	-	-	-	270,614
Unearned Revenue	-	-	-	286,450	-
Total Liabilities	<u>11,864</u>	<u>72</u>	<u>-</u>	<u>322,787</u>	<u>276,688</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable Revenue-Special Assessments	-	-	-	-	195,000
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>195,000</u>
<b>FUND BALANCES</b>					
Nonspendable	-	-	-	-	-
Restricted	172,175	230,264	-	245,170	-
Assigned	45,680	75,995	9,855	1,931,888	-
Unassigned	-	-	-	-	(276,688)
Total Fund Balance	<u>217,855</u>	<u>306,259</u>	<u>9,855</u>	<u>2,177,058</u>	<u>(276,688)</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 229,719</u>	<u>\$ 306,331</u>	<u>\$ 9,855</u>	<u>\$ 2,499,845</u>	<u>\$ 195,000</u>

	Capital Projects				
	CIP Pavement Management	Economic Development Fund	Project Fund	Sprint / Nextel	HRA
<b>ASSETS</b>					
Cash and Investments	\$ -	\$ 4,462,140	\$ 4,471,893	\$ -	\$ 249,690
Receivables					
Accounts	548,121	-	-	-	-
Interest	686	7,056	7,956	-	321
Due from Other Governments	-	-	-	-	-
Unremitted Taxes	-	-	-	-	1,081
Unremitted Special Assessments	-	-	-	-	-
Deferred Special Assessments	-	-	-	-	-
Special Deferred Special Assessments	-	-	-	-	-
Due from Other Funds	-	-	989,887	-	-
Prepaid Items	-	-	-	-	-
Land Held for Resale	-	537,000	-	-	-
Cash and Investments with Escrow Agent	-	-	-	-	-
Total Assets	<u>\$ 548,807</u>	<u>\$ 5,006,196</u>	<u>\$ 5,469,736</u>	<u>\$ -</u>	<u>\$ 251,092</u>
<b>LIABILITIES</b>					
Accounts and Contracts Payable	\$ 3,276	\$ -	\$ 5,730	\$ -	\$ -
Salaries Payable	-	-	-	-	6,058
Interest Payable	-	-	-	-	-
Due to Other Governments	-	-	550	-	-
Due to Other Funds	80,612	-	-	-	-
Unearned Revenue	-	-	-	-	-
Total Liabilities	<u>83,888</u>	<u>-</u>	<u>6,280</u>	<u>-</u>	<u>6,058</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable Revenue-Special Assessments	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>					
Nonspendable	-	537,000	-	-	-
Restricted	166,959	-	3,950,881	-	-
Assigned	297,960	4,469,196	1,512,575	-	245,034
Unassigned	-	-	-	-	-
Total Fund Balance	<u>464,919</u>	<u>5,006,196</u>	<u>5,463,456</u>	<u>-</u>	<u>245,034</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 548,807</u>	<u>\$ 5,006,196</u>	<u>\$ 5,469,736</u>	<u>\$ -</u>	<u>\$ 251,092</u>

	Capital Projects				
	Flying Cloud Drive	Transportation	Shady Oak Road South	Cable PEG	Pool Upgrade / Expansion
<b>ASSETS</b>					
Cash and Investments	\$ 440,145	\$ 660,660	\$ 2,102,982	\$ 43,686	\$ -
Receivables					
Accounts	-	-	-	26,411	-
Interest	756	1,380	4,654	96	-
Due from Other Governments	-	20,469	-	-	-
Unremitted Taxes	-	-	-	-	-
Unremitted Special Assessments	-	-	-	-	-
Deferred Special Assessments	1,100,000	71,447	-	-	-
Special Deferred Special Assessments	-	-	-	-	-
Due from Other Funds	-	-	-	-	-
Prepaid Items	-	295	-	-	-
Land Held for Resale	-	-	-	-	-
Cash and Investments with Escrow Agent	-	-	-	-	-
Total Assets	<u>\$ 1,540,901</u>	<u>\$ 754,251</u>	<u>\$ 2,107,636</u>	<u>\$ 70,193</u>	<u>\$ -</u>
<b>LIABILITIES</b>					
Accounts and Contracts Payable	\$ -	\$ 10,755	\$ 89,987	\$ 932	\$ 39,363
Salaries Payable	-	2,055	-	-	-
Interest Payable	-	-	-	-	44
Due to Other Governments	-	-	-	-	-
Due to Other Funds	-	-	-	-	219,252
Unearned Revenue	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>12,810</u>	<u>89,987</u>	<u>932</u>	<u>258,659</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable Revenue-Special Assessments	1,100,000	71,447	-	-	-
Total Deferred Inflows of Resources	<u>1,100,000</u>	<u>71,447</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>					
Nonspendable	-	295	-	-	-
Restricted	406,690	-	-	69,003	-
Assigned	34,211	669,699	2,017,649	258	-
Unassigned	-	-	-	-	(258,659)
Total Fund Balance	<u>440,901</u>	<u>669,994</u>	<u>2,017,649</u>	<u>69,261</u>	<u>(258,659)</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,540,901</u>	<u>\$ 754,251</u>	<u>\$ 2,107,636</u>	<u>\$ 70,193</u>	<u>\$ -</u>

City of Eden Prairie, Minnesota  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2013

	Capital Projects		
	Eden Prairie Road	Eden Prairie Rd Connect to Flying Cloud	Total
<b>ASSETS</b>			
Cash and Investments	\$ -	\$ -	\$ 15,457,127
Receivables			
Accounts	-	-	575,427
Interest	-	-	28,176
Due from Other Governments	-	-	34,122
Unremitted Taxes	-	-	1,081
Unremitted Special Assessments	-	-	-
Deferred Special Assessments	-	-	1,366,447
Special Deferred Special Assessments	-	-	-
Due from Other Funds	-	-	989,887
Prepaid Items	-	-	295
Land Held for Resale	-	-	537,000
Cash and Investments with Escrow Agent	-	-	-
Total Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,989,562</u>
<b>LIABILITIES</b>			
Accounts and Contracts Payable	\$ 3,819	\$ 4,102	\$ 209,112
Salaries Payable	-	-	11,101
Interest Payable	529	2	786
Due to Other Governments	-	-	550
Due to Other Funds	402,498	16,911	989,887
Unearned Revenue	-	-	286,450
Total Liabilities	<u>406,846</u>	<u>21,015</u>	<u>1,497,886</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable Revenue-Special Assessments	-	-	1,366,447
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>1,366,447</u>
<b>FUND BALANCES</b>			
Nonspendable	-	-	537,295
Restricted	-	-	5,241,142
Assigned	-	-	11,310,000
Unassigned	(406,846)	(21,015)	(963,208)
Total Fund Balance	<u>(406,846)</u>	<u>(21,015)</u>	<u>16,125,229</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,989,562</u>

City of Eden Prairie, Minnesota  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2013

	Permanent Fund			
	Historical and Cultural	Cemetery Perpetual Care Fund	Total	Total Nonmajor Governmental Funds
<b>ASSETS</b>				
Cash and Investments	\$ 7,765	\$ 256,350	\$ 264,115	\$ 18,185,078
Receivables				
Accounts	-	-	-	575,427
Interest	12	407	419	49,320
Due from Other Governments	-	-	-	72,137
Unremitted Taxes	-	-	-	16,213
Unremitted Special Assessments	-	-	-	10
Deferred Special Assessments	-	-	-	2,914,210
Special Deferred Special Assessments	-	-	-	120,762
Due from Other Funds	-	-	-	1,153,592
Prepaid Items	-	-	-	2,145
Land Held for Resale	-	-	-	537,000
Cash and Investments with Escrow Agent	-	-	-	12,479,217
Total Assets	<u>\$ 7,777</u>	<u>\$ 256,757</u>	<u>\$ 264,534</u>	<u>\$ 36,105,111</u>
<b>LIABILITIES</b>				
Accounts and Contracts Payable	\$ -	\$ -	\$ -	\$ 255,331
Salaries Payable	-	-	-	12,449
Interest Payable	-	-	-	1,889
Due to Other Governments	-	-	-	3,080
Due to Other Funds	-	-	-	1,153,592
Unearned Revenue	-	-	-	286,450
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,712,791</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable Revenue-Special Assessments	-	-	-	3,034,972
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,034,972</u>
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	538,620
Restricted	-	136,769	136,769	20,469,350
Assigned	7,777	119,988	127,765	11,437,765
Unassigned	-	-	-	(1,088,387)
Total Fund Balance	<u>7,777</u>	<u>256,757</u>	<u>264,534</u>	<u>31,357,348</u>
 Total Liabilities, Deferred Inflows of Resources, and Fund Balances	 <u>\$ 7,777</u>	 <u>\$ 256,757</u>	 <u>\$ 264,534</u>	 <u>\$ 36,105,111</u>

City of Eden Prairie, Minnesota  
 Combining Statement of Revenues,  
 Expenditures, and Changes in Fund Balances  
 Nonmajor Governmental Funds  
 For the Year Ended December 31, 2013

	Special Revenue			
	HRA Grant	Pleasant Hills Cemetery	Recycling	Total
<b>REVENUES</b>				
General Property Taxes	\$ -	\$ -	\$ -	\$ -
Special Assessments	-	-	-	-
Licenses and Permits	-	-	-	-
Intergovernmental Revenue	355,011	-	152,938	507,949
Fines and Forfeits	-	-	-	-
Investment Income	-	8	-	8
Interest on Escrow Fund	-	-	-	-
Rental	-	-	-	-
Other				
Fees	-	9,560	-	9,560
Contributions and Donations	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	355,011	9,568	152,938	517,517
<b>EXPENDITURES</b>				
Current				
Community Development	356,920	-	-	356,920
Police	-	-	-	-
Public Works	-	-	118,141	118,141
Parks and Recreation	-	6,443	-	6,443
Interest on Interfund Borrowing	-	-	-	-
Capital Outlay				
Administration	-	-	-	-
Police	-	-	-	-
Fire	-	-	-	-
Public Works	-	-	-	-
Parks and Recreation	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Fiscal Agent Fees	-	-	-	-
Total Expenditures	356,920	6,443	118,141	481,504
Excess of Revenues Over (Under) Expenditures	(1,909)	3,125	34,797	36,013
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(1,909)	3,125	34,797	36,013
Fund Balances (Deficit) - Beginning	(959)	5,962	10,393	15,396
Fund Balances (Deficit) - Ending	\$ (2,868)	\$ 9,087	\$ 45,190	\$ 51,409

City of Eden Prairie, Minnesota  
 Combining Statement of Revenues,  
 Expenditures, and Changes in Fund Balances  
 Nonmajor Governmental Funds  
 For the Year Ended December 31, 2013

	Debt Service				
	Open Space Refunding 2003	General Obligation Improv. Bonds 2003D	General Obligation Improv. Revolving 2005A	General Obligation Bonds 2005C	General Obligation Bonds 2006A
<b>REVENUES</b>					
General Property Taxes	\$ 198,998	\$ -	\$ 108,387	\$ 212,233	\$ 817,580
Special Assessments	-	561,971	188,054	-	-
Licenses and Permits	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-
Fines and Forfeits	-	-	-	-	-
Investment Income	61	-	128	229	663
Interest on Escrow Fund	-	-	-	13,078	9,968
Rental	-	-	-	-	-
Other					
Fees	-	-	-	-	-
Contributions and Donations	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Revenues	199,059	561,971	296,569	225,540	828,211
<b>EXPENDITURES</b>					
Current					
Community Development	-	-	-	-	-
Police	-	-	-	-	-
Public Works	-	-	-	-	-
Parks and Recreation	-	-	-	-	-
Interest on Interfund Borrowing	-	366	-	-	-
Capital Outlay					
Administration	-	-	-	-	-
Police	-	-	-	-	-
Fire	-	-	-	-	-
Public Works	-	-	-	-	-
Parks and Recreation	-	-	-	-	-
Debt Service					
Principal	185,000	150,000	260,000	-	560,000
Interest	11,120	9,925	28,490	203,145	210,663
Fiscal Agent Fees	431	431	350	400	400
Total Expenditures	196,551	160,722	288,840	203,545	771,063
Excess of Revenues Over (Under) Expenditures	2,508	401,249	7,729	21,995	57,148
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
Net Change in Fund Balances	2,508	401,249	7,729	21,995	57,148
Fund Balances (Deficit) - Beginning	171,909	(522,819)	19,614	5,209,756	5,198,417
Fund Balances (Deficit) - Ending	\$ 174,417	\$ (121,570)	\$ 27,343	\$ 5,231,751	\$ 5,255,565

City of Eden Prairie, Minnesota  
 Combining Statement of Revenues,  
 Expenditures, and Changes in Fund Balances  
 Nonmajor Governmental Funds  
 For the Year Ended December 31, 2013

	Debt Service				
	General Obligation Bonds 2006B	3rd Risk Lease Revenue Bonds 2007A	Capital Equip Notes 2008A	General Obligation Bonds 2008B	Capital Equip Notes 2009B
<b>REVENUES</b>					
General Property Taxes	\$ 353,003	\$ -	\$ 387,806	\$ -	\$ 527,018
Special Assessments	-	-	-	-	-
Licenses and Permits	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-
Fines and Forfeits	-	-	-	-	-
Investment Income	267	-	164	-	1,142
Interest on Escrow Fund	12,047	-	-	-	-
Rental	-	-	-	-	-
Other					
Fees	-	-	-	-	-
Contributions and Donations	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Revenues	365,317	-	387,970	-	528,160
<b>EXPENDITURES</b>					
Current					
Community Development	-	-	-	-	-
Police	-	-	-	-	-
Public Works	-	-	-	-	-
Parks and Recreation	-	-	-	-	-
Interest on Interfund Borrowing	-	379	-	9	-
Capital Outlay					
Administration	-	-	-	-	-
Police	-	-	-	-	-
Fire	-	-	-	-	-
Public Works	-	-	-	-	-
Parks and Recreation	-	-	-	-	-
Debt Service					
Principal	175,000	65,000	300,000	110,000	770,000
Interest	153,414	60,828	68,518	61,435	49,800
Fiscal Agent Fees	400	2,150	400	400	400
Total Expenditures	328,814	128,357	368,918	171,844	820,200
Excess of Revenues Over (Under) Expenditures	36,503	(128,357)	19,052	(171,844)	(292,040)
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In	-	130,000	35,000	172,000	340,000
Transfers Out	-	-	-	-	-
Total Other Financing Sources (Uses)	-	130,000	35,000	172,000	340,000
Net Change in Fund Balances	36,503	1,643	54,052	156	47,960
Fund Balances (Deficit) - Beginning	3,365,261	98,083	28,860	1,181	160,283
Fund Balances (Deficit) - Ending	\$ 3,401,764	\$ 99,726	\$ 82,912	\$ 1,337	\$ 208,243

City of Eden Prairie, Minnesota  
 Combining Statement of Revenues,  
 Expenditures, and Changes in Fund Balances  
 Nonmajor Governmental Funds  
 For the Year Ended December 31, 2013

	Debt Service				
	CIP Refunding Bonds 2009C	General Obligation Improvement Bonds 2010A	General Obligation Bonds 2011B	General Obligation Refunding Bonds 2011C	General Obligation Refunding Bonds 2011D
<b>REVENUES</b>					
General Property Taxes	\$ 314,222	\$ -	\$ 95,559	\$ -	\$ -
Special Assessments	-	126,990	-	-	-
Licenses and Permits	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-
Fines and Forfeits	-	-	-	-	-
Investment Income	226	177	58	-	-
Interest on Escrow Fund	-	-	-	-	-
Rental	-	-	-	-	-
Other					
Fees	-	-	-	-	-
Contributions and Donations	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Revenues	314,448	127,167	95,617	-	-
<b>EXPENDITURES</b>					
Current					
Community Development	-	-	-	-	-
Police	-	-	-	-	-
Public Works	-	-	-	-	-
Parks and Recreation	-	-	-	-	-
Interest on Interfund Borrowing	-	-	-	110	131
Capital Outlay					
Administration	-	-	-	-	-
Police	-	-	-	-	-
Fire	-	-	-	-	-
Public Works	-	-	-	-	-
Parks and Recreation	-	-	-	-	-
Debt Service					
Principal	290,000	75,000	80,000	-	-
Interest	14,625	35,335	9,438	67,783	39,838
Fiscal Agent Fees	400	-	-	-	525
Total Expenditures	305,025	110,335	89,438	67,893	40,494
Excess of Revenues Over (Under) Expenditures	9,423	16,832	6,179	(67,893)	(40,494)
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
Net Change in Fund Balances	9,423	16,832	6,179	(67,893)	(40,494)
Fund Balances (Deficit) - Beginning	127,578	63,535	24,847	101,009	39,753
Fund Balances (Deficit) - Ending	\$ 137,001	\$ 80,367	\$ 31,026	\$ 33,116	\$ (741)

City of Eden Prairie, Minnesota  
 Combining Statement of Revenues,  
 Expenditures, and Changes in Fund Balances  
 Nonmajor Governmental Funds  
 For the Year Ended December 31, 2013

	Debt Service			Total
	General Obligation Refunding Bonds 2012A	General Obligation Refunding Bonds 2012B	General Obligation Improvement Bonds 2012C	
<b>REVENUES</b>				
General Property Taxes	\$ -	\$ -	\$ -	\$ 3,014,806
Special Assessments	-	-	-	877,015
Licenses and Permits	-	-	-	-
Intergovernmental Revenue	-	-	-	-
Fines and Forfeits	-	-	-	-
Investment Income	-	-	764	3,879
Interest on Escrow Fund	-	-	-	35,093
Rental	-	-	-	-
Other				
Fees	-	-	-	-
Contributions and Donations	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	-	-	764	3,930,793
<b>EXPENDITURES</b>				
Current				
Community Development	-	-	-	-
Police	-	-	-	-
Public Works	-	-	-	-
Parks and Recreation	-	-	-	-
Interest on Interfund Borrowing	28	18	-	1,041
Capital Outlay				
Administration	-	-	-	-
Police	-	-	-	-
Fire	-	-	-	-
Public Works	-	-	-	-
Parks and Recreation	-	-	-	-
Debt Service				
Principal	-	-	-	3,020,000
Interest	158,475	89,208	127,556	1,399,596
Fiscal Agent Fees	525	525	750	8,487
Total Expenditures	159,028	89,751	128,306	4,429,124
Excess of Revenues Over (Under) Expenditures	(159,028)	(89,751)	(127,542)	(498,331)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	677,000
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	677,000
Net Change in Fund Balances	(159,028)	(89,751)	(127,542)	178,669
Fund Balances (Deficit) - Beginning	217,977	189,614	242,649	14,737,507
Fund Balances (Deficit) - Ending	\$ 58,949	\$ 99,863	\$ 115,107	\$ 14,916,176

City of Eden Prairie, Minnesota  
 Combining Statement of Revenues,  
 Expenditures, and Changes in Fund Balances  
 Nonmajor Governmental Funds  
 For the Year Ended December 31, 2013

Capital Projects					
	Police	E-911	Senior Board	Park Improvement	CIP Trails
<b>REVENUES</b>					
General Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments	-	-	-	-	28,153
Licenses and Permits	-	-	-	-	-
Intergovernmental Revenue	-	82,302	-	-	-
Fines and Forfeits	1,125	-	-	-	-
Investment Income	253	265	9	3,443	-
Interest on Escrow Fund	-	-	-	-	-
Rental	-	-	-	-	-
Other					
Fees	-	-	-	533,375	-
Contributions and Donations	-	-	4,655	22,695	-
Miscellaneous	36,154	-	1,486	24,900	-
Total Revenues	37,532	82,567	6,150	584,413	28,153
<b>EXPENDITURES</b>					
Current					
Community Development	-	-	-	-	-
Police	29,894	73,606	-	-	-
Public Works	-	-	-	-	-
Parks and Recreation	-	-	4,970	-	-
Interest on Interfund Borrowing	-	-	-	-	685
Capital Outlay					
Administration	-	-	-	-	-
Police	-	13,747	-	-	-
Fire	-	-	-	-	-
Public Works	-	-	-	-	263,892
Parks and Recreation	-	-	-	798,339	-
Debt Service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Fiscal Agent Fees	-	-	-	-	-
Total Expenditures	29,894	87,353	4,970	798,339	264,577
Excess of Revenues Over (Under) Expenditures	7,638	(4,786)	1,180	(213,926)	(236,424)
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In	-	-	-	25,000	240,000
Transfers Out	-	-	(2,100)	-	-
Total Other Financing Sources (Uses)	-	-	(2,100)	25,000	240,000
Net Change in Fund Balances	7,638	(4,786)	(920)	(188,926)	3,576
Fund Balances (Deficit) - Beginning	210,217	311,045	10,775	2,365,984	(280,264)
Fund Balances (Deficit) - Ending	\$ 217,855	\$ 306,259	\$ 9,855	\$ 2,177,058	\$ (276,688)

City of Eden Prairie, Minnesota  
 Combining Statement of Revenues,  
 Expenditures, and Changes in Fund Balances  
 Nonmajor Governmental Funds  
 For the Year Ended December 31, 2013

Capital Projects					
	CIP Pavement Mgmt	Economic Development Fund	Project Fund	Sprint / Nextel	HRA
<b>REVENUES</b>					
General Property Taxes	\$ -	\$ -	\$ 3,535,459	\$ -	\$ 199,474
Special Assessments	-	-	-	-	-
Licenses and Permits	2,069,062	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-
Fines and Forfeits	-	-	-	-	-
Investment Income	-	4,837	6,574	-	224
Interest on Escrow Fund	-	-	-	-	-
Rental	-	66,499	-	-	-
Other					
Fees	-	-	-	-	-
Contributions and Donations	-	-	-	-	-
Miscellaneous	-	-	-	101,059	-
Total Revenues	2,069,062	71,336	3,542,033	101,059	199,698
<b>EXPENDITURES</b>					
Current					
Community Development	-	3,679	2,965,579	-	189,421
Police	-	-	-	-	-
Public Works	-	-	-	-	-
Parks and Recreation	-	-	-	-	-
Interest on Interfund Borrowing	2,299	-	-	-	-
Capital Outlay					
Administration	-	-	-	-	-
Police	-	-	-	-	-
Fire	-	-	-	37,443	-
Public Works	1,899,804	-	-	-	-
Parks and Recreation	-	-	-	-	-
Debt Service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Fiscal Agent Fees	-	-	-	-	-
Total Expenditures	1,902,103	3,679	2,965,579	37,443	189,421
Excess of Revenues Over (Under) Expenditures	166,959	67,657	576,454	63,616	10,277
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	(17,026)	-
Total Other Financing Sources (Uses)	-	-	-	(17,026)	-
Net Change in Fund Balances	166,959	67,657	576,454	46,590	10,277
Fund Balances (Deficit) - Beginning	297,960	4,938,539	4,887,002	(46,590)	234,757
Fund Balances (Deficit) - Ending	\$ 464,919	\$ 5,006,196	\$ 5,463,456	\$ -	\$ 245,034

City of Eden Prairie, Minnesota  
 Combining Statement of Revenues,  
 Expenditures, and Changes in Fund Balances  
 Nonmajor Governmental Funds  
 For the Year Ended December 31, 2013

Capital Projects					
	Flying Cloud Drive	Transportation	Shady Oak Road South	Cable PEG	Pool Upgrade / Expansion
<b>REVENUES</b>					
General Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments	185,628	44,515	-	-	-
Licenses and Permits	-	-	-	85,244	-
Intergovernmental Revenue	-	-	-	-	-
Fines and Forfeits	-	-	-	-	-
Investment Income	495	2,640	11,941	235	-
Interest on Escrow Fund	-	-	-	-	-
Rental	-	-	-	-	-
Other					
Fees	-	-	-	-	-
Contributions and Donations	-	-	-	-	-
Miscellaneous	-	101,486	-	-	-
Total Revenues	186,123	148,641	11,941	85,479	-
<b>EXPENDITURES</b>					
Current					
Community Development	-	-	-	-	-
Police	-	-	-	-	-
Public Works	-	65,240	-	-	-
Parks and Recreation	-	-	-	-	-
Interest on Interfund Borrowing	-	-	-	-	110
Capital Outlay					
Administration	-	-	-	59,279	-
Police	-	-	-	-	-
Fire	-	-	-	-	-
Public Works	-	263,689	1,300,702	-	-
Parks and Recreation	-	-	-	-	258,549
Debt Service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Fiscal Agent Fees	-	-	-	-	-
Total Expenditures	-	328,929	1,300,702	59,279	258,659
Excess of Revenues Over (Under) Expenditures	186,123	(180,288)	(1,288,761)	26,200	(258,659)
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In	-	-	-	-	-
Transfers Out	(172,000)	-	-	-	-
Total Other Financing Sources (Uses)	(172,000)	-	-	-	-
Net Change in Fund Balances	14,123	(180,288)	(1,288,761)	26,200	(258,659)
Fund Balances (Deficit) - Beginning	426,778	850,282	3,306,410	43,061	-
Fund Balances (Deficit) - Ending	\$ 440,901	\$ 669,994	\$ 2,017,649	\$ 69,261	\$ (258,659)

City of Eden Prairie, Minnesota  
 Combining Statement of Revenues,  
 Expenditures, and Changes in Fund Balances  
 Nonmajor Governmental Funds  
 For the Year Ended December 31, 2013

	Eden Prairie Road	Eden Prairie Rd Connect to Flying Cloud	Total
<b>REVENUES</b>			
General Property Taxes	\$ -	\$ -	\$ 3,734,933
Special Assessments	-	-	258,296
Licenses and Permits	-	-	2,154,306
Intergovernmental Revenue	-	-	82,302
Fines and Forfeits	-	-	1,125
Investment Income	-	-	30,916
Interest on Escrow Fund	-	-	-
Rental	-	-	66,499
Other			
Fees	-	-	533,375
Contributions and Donations	-	-	27,350
Miscellaneous	-	-	265,085
Total Revenues	-	-	7,154,187
<b>EXPENDITURES</b>			
Current			
Community Development	-	-	3,158,679
Police	-	-	103,500
Public Works	-	-	65,240
Parks and Recreation	-	-	4,970
Interest on Interfund Borrowing	1,336	5	4,435
Capital Outlay			
Administration	-	-	59,279
Police	-	-	13,747
Fire	-	-	37,443
Public Works	113,618	21,010	3,862,715
Parks and Recreation	-	-	1,056,888
Debt Service			
Principal	-	-	-
Interest	-	-	-
Fiscal Agent Fees	-	-	-
Total Expenditures	114,954	21,015	8,366,896
Excess of Revenues Over (Under) Expenditures	(114,954)	(21,015)	(1,212,709)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	-	-	265,000
Transfers Out	(291,892)	-	(483,018)
Total Other Financing Sources (Uses)	(291,892)	-	(218,018)
Net Change in Fund Balances	(406,846)	(21,015)	(1,430,727)
Fund Balances (Deficit) - Beginning	-	-	17,555,956
Fund Balances (Deficit) - Ending	\$ (406,846)	\$ (21,015)	\$ 16,125,229

City of Eden Prairie, Minnesota  
 Combining Statement of Revenues,  
 Expenditures, and Changes in Fund Balances  
 Nonmajor Governmental Funds  
 For the Year Ended December 31, 2013

Permanent Fund				
	Historical and Cultural	Cemetery Perpetual Care Fund	Total	Total Nonmajor Governmental Funds
<b>REVENUES</b>				
General Property Taxes	\$ -	\$ -	\$ -	\$ 6,749,739
Special Assessments	-	-	-	1,135,311
Licenses and Permits	-	-	-	2,154,306
Intergovernmental Revenue	-	-	-	590,251
Fines and Forfeits	-	-	-	1,125
Investment Income	7	238	245	35,048
Interest on Escrow Fund	-	-	-	35,093
Rental	-	-	-	66,499
Other				
Fees	43	1,590	1,633	544,568
Contributions and Donations	-	-	-	27,350
Miscellaneous	-	-	-	265,085
Total Revenues	50	1,828	1,878	11,604,375
<b>EXPENDITURES</b>				
Current				
Community Development	-	-	-	3,515,599
Police	-	-	-	103,500
Public Works	-	-	-	183,381
Parks and Recreation	-	-	-	11,413
Interest on Interfund Borrowing	-	-	-	5,476
Capital Outlay				
Administration	-	-	-	59,279
Police	-	-	-	13,747
Fire	-	-	-	37,443
Public Works	-	-	-	3,862,715
Parks and Recreation	-	-	-	1,056,888
Debt Service				
Principal	-	-	-	3,020,000
Interest	-	-	-	1,399,596
Fiscal Agent Fees	-	-	-	8,487
Total Expenditures	-	-	-	13,277,524
Excess of Revenues Over (Under) Expenditures	50	1,828	1,878	(1,673,149)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	942,000
Transfers Out	-	-	-	(483,018)
Total Other Financing Sources (Uses)	-	-	-	458,982
Net Change in Fund Balances	50	1,828	1,878	(1,214,167)
Fund Balances (Deficit) - Beginning	7,727	254,929	262,656	32,571,515
Fund Balances (Deficit) - Ending	\$ 7,777	\$ 256,757	\$ 264,534	\$ 31,357,348

# City of Eden Prairie, Minnesota

## Internal Service Funds

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### **Internal Service Funds**

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

**Health & Benefits** – This fund accounts for the activities pertaining to health, dental, life and disability insurance. This fund also accounts for the employer’s portion of pension, FICA and medicare contributions.

**Severance** – This fund accounts for the payment of unused personal time off for governmental fund employees.

**Workers Compensation** – This fund accounts for the costs associated with workers’ compensation. Revenues are primarily charges to other funds, interest earnings and insurance checks. Expenditures will consist of insurance premiums.

**Property Insurance** – This fund accounts for the costs associated with the City’s property and casualty insurance program. Revenues are primarily charges to other funds and interest earnings. Expenditures will consist of insurance premiums.

**Facilities** – This fund accounts for the costs associated with maintaining city owned buildings. Revenues are primarily charges to other funds and interest earnings.

**Fleet** – These funds account for the costs associated with maintaining machinery and equipment for the City. Revenues are primarily charges to other funds and interest earnings.

**Information Technology** – These funds account for the costs associated with maintaining and upgrading the network, computer infrastructure and communications service technologies that support the City’s mission-critical operations. Revenues are primarily charges to other funds and interest earnings.

**City of Eden Prairie, Minnesota**  
**Internal Service Funds**  
**Combining Statement of Net Position**  
**December 31, 2013**

	Health & Benefits	Severance	Workers Compensation	Property Insurance
<b>ASSETS</b>				
Current Assets				
Cash and Investments	\$ 635,495	\$ 1,582,918	\$ 106,222	\$ -
Receivables				
Accounts	11,832	-	-	-
Interest	918	2,749	240	40
Due From Other Funds	-	-	47,081	-
Inventory	-	-	-	-
Prepaid Items	242,959	-	93,764	74,633
Total Current Assets	<u>891,204</u>	<u>1,585,667</u>	<u>247,307</u>	<u>74,673</u>
Noncurrent Assets:				
Capital Assets				
Property, Plant and Equipment	-	-	-	-
Less Accumulated Depreciation	-	-	-	-
Total Noncurrent Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 891,204</u>	<u>\$ 1,585,667</u>	<u>\$ 247,307</u>	<u>\$ 74,673</u>
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts Payable	\$ 86,710	\$ -	\$ 310	\$ 1,256
Salaries Payable	-	-	1,337	1,337
Due to Other Governments	293,835	-	-	-
Due to Other Funds	-	-	-	47,081
Unearned Revenue	-	-	-	-
Current Portion of Compensated Absences	-	886,414	-	-
Total Current Liabilities	<u>380,545</u>	<u>886,414</u>	<u>1,647</u>	<u>49,674</u>
Noncurrent Liabilities:				
Net OPEB	888,333	-	2,812	2,812
Compensated Absences	-	960,281	-	-
Total Noncurrent Liabilities	<u>888,333</u>	<u>960,281</u>	<u>2,812</u>	<u>2,812</u>
Total Liabilities	1,268,878	1,846,695	4,459	52,486
Net Position				
Net Investment in Capital Assets	-	-	-	-
Unrestricted	(377,674)	(261,028)	242,848	22,187
Total Net Position	<u>(377,674)</u>	<u>(261,028)</u>	<u>242,848</u>	<u>22,187</u>
Total Liabilities and Net Position	<u>\$ 891,204</u>	<u>\$ 1,585,667</u>	<u>\$ 247,307</u>	<u>\$ 74,673</u>

**City of Eden Prairie, Minnesota**  
**Internal Service Funds**  
**Combining Statement of Net Position**  
**December 31, 2013**

	Facilities	Fleet	Information Technology	Total
<b>ASSETS</b>				
Current Assets				
Cash and Investments	\$ 1,920,416	\$ 1,847,906	\$ 703,730	\$ 6,796,687
Receivables				
Accounts	5,113	928	-	17,873
Interest	3,629	2,742	1,073	11,391
Due From Other Funds	-	-	-	47,081
Inventory	-	107,166	-	107,166
Prepaid Items	-	1,500	18,606	431,462
Total Current Assets	<u>1,929,158</u>	<u>1,960,242</u>	<u>723,409</u>	<u>7,411,660</u>
Noncurrent Assets:				
Capital Assets				
Property, Plant and Equipment	3,105,172	2,104,444	155,338	5,364,954
Less Accumulated Depreciation	<u>(285,198)</u>	<u>(463,086)</u>	<u>(20,842)</u>	<u>(769,126)</u>
Total Noncurrent Assets	<u>2,819,974</u>	<u>1,641,358</u>	<u>134,496</u>	<u>4,595,828</u>
Total Assets	<u>\$ 4,749,132</u>	<u>\$ 3,601,600</u>	<u>\$ 857,905</u>	<u>\$ 12,007,488</u>
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts Payable	\$ 502,492	\$ 123,002	\$ 69,494	\$ 783,264
Salaries Payable	33,363	22,295	17,676	76,008
Due to Other Governments	248	2,909	2,530	299,522
Due to Other Funds	-	-	-	47,081
Unearned Revenue	5,200	-	-	5,200
Current Portion of Compensated Absences	-	-	-	886,414
Total Current Liabilities	<u>541,303</u>	<u>148,206</u>	<u>89,700</u>	<u>2,097,489</u>
Noncurrent Liabilities:				
Net OPEB	48,401	27,901	23,990	994,249
Compensated Absences	-	-	-	960,281
Total Noncurrent Liabilities	<u>48,401</u>	<u>27,901</u>	<u>23,990</u>	<u>1,954,530</u>
Total Liabilities	589,704	176,107	113,690	4,052,019
Net Position				
Net Investment in Capital Assets	2,819,974	1,641,358	134,496	4,595,828
Unrestricted	<u>1,339,454</u>	<u>1,784,135</u>	<u>609,719</u>	<u>3,359,641</u>
Total Net Position	<u>4,159,428</u>	<u>3,425,493</u>	<u>744,215</u>	<u>7,955,469</u>
Total Liabilities and Net Position	<u>\$ 4,749,132</u>	<u>\$ 3,601,600</u>	<u>\$ 857,905</u>	<u>\$ 12,007,488</u>

**City of Eden Prairie, Minnesota**  
**Internal Service Funds**  
**Combining Statement of Revenues**  
**Expenses and Changes in Net Position**  
**For the Year Ended December 31, 2013**

	Health & Benefits	Severance	Workers Compensation	Property Insurance
<b>OPERATING REVENUE</b>				
Charges for Services	\$ 4,881,642	\$ 38,552	\$ 626,208	\$ 521,732
Rental	-	-	-	-
Total Operating Revenues	4,881,642	38,552	626,208	521,732
<b>OPERATING EXPENSE</b>				
Personal Services	2,763,529	134,123	54,482	54,789
Supplies				
Supplies	-	-	-	-
Motor Fuel	-	-	-	-
Tires	-	-	-	-
Contractual Services				
Contractual Services	28,049	-	1,655	815
Insurance	2,277,441	-	549,343	525,165
Janitorial Services / Cleaning Supplies	-	-	-	-
LOGIS	-	-	-	-
Licenses, Permits, Taxes	-	-	-	-
Repairs and Maintenance	-	-	-	-
Utilities	-	-	-	-
User Charges	-	-	-	-
Total Operating Expenses	5,069,019	134,123	605,480	580,769
Operating Income (Loss) Before Depreciation	(187,377)	(95,571)	20,728	(59,037)
Depreciation	-	-	-	-
Operating Income (Loss) Before Nonoperating Revenue / Expense	(187,377)	(95,571)	20,728	(59,037)
<b>NONOPERATING REVENUE (EXPENSE)</b>				
Investment Income	848	1,339	324	(277)
Gain/Loss on Disposition of Capital Assets	-	-	-	-
Miscellaneous	4,933	-	10,720	-
Total Nonoperating Revenues (Expenses)	5,781	1,339	11,044	(277)
Income (Loss) Before Contributions	(181,596)	(94,232)	31,772	(59,314)
Transfer In	-	-	-	-
Change in Net Position	(181,596)	(94,232)	31,772	(59,314)
Net Position - Beginning	(196,078)	(166,796)	211,076	81,501
Net Position - Ending	\$ (377,674)	\$ (261,028)	\$ 242,848	\$ 22,187

**City of Eden Prairie, Minnesota**  
**Internal Service Funds**  
**Combining Statement of Revenues**  
**Expenses and Changes in Net Position**  
**For the Year Ended December 31, 2013**

	Facilities	Fleet	Information Technology	Total
<b>OPERATING REVENUE</b>				
Charges for Services	\$ 4,429,194	\$ 2,438,903	\$ 1,932,605	\$ 14,868,836
Rental	1,059,107	-	-	1,059,107
Total Operating Revenues	5,488,301	2,438,903	1,932,605	15,927,943
<b>OPERATING EXPENSE</b>				
Personal Services	886,404	538,158	516,798	4,948,283
Supplies				
Supplies	168,785	320,111	250,077	738,973
Motor Fuel	7,265	544,317	-	551,582
Tires	-	58,135	-	58,135
Contractual Services				
Contractual Services	1,275,700	6,352	251,438	1,564,009
Insurance	-	-	-	3,351,949
Janitorial Services / Cleaning Supplies	934,284	-	-	934,284
LOGIS	-	-	394,731	394,731
Licenses, Permits, Taxes	198,731	1,403	-	200,134
Repairs and Maintenance	172,600	176,710	334,022	683,332
Utilities	1,170,302	3,829	24,260	1,198,391
User Charges	14,552	11,825	4,284	30,661
Total Operating Expenses	4,828,623	1,660,840	1,775,610	14,654,464
Operating Income (Loss) Before Depreciation	659,678	778,063	156,995	1,273,479
Depreciation	130,199	330,799	20,842	481,840
Operating Income (Loss) Before Nonoperating Revenue / Expense	529,479	447,264	136,153	791,639
<b>NONOPERATING REVENUE (EXPENSE)</b>				
Investment Income	1,195	1,475	917	5,821
Gain/Loss on Disposition of Capital Assets	-	254,817	-	254,817
Miscellaneous	3,755	31,554	830	51,792
Total Nonoperating Revenues (Expenses)	4,950	287,846	1,747	312,430
Income (Loss) Before Contributions	534,429	735,110	137,900	1,104,069
Transfer In	-	28,569	-	28,569
Change in Net Position	534,429	763,679	137,900	1,132,638
Net Position - Beginning	3,624,999	2,661,814	606,315	6,822,831
Net Position - Ending	\$ 4,159,428	\$ 3,425,493	\$ 744,215	\$ 7,955,469

**City of Eden Prairie, Minnesota**  
**Internal Service Funds**  
**Combining Statement of Cash Flows**  
**For the Year Ended December 31, 2013**

	Health & Benefits	Severance	Workers Compensation	Property Insurance
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts From Customers	\$ 4,874,090	\$ 38,552	\$ 641,812	\$ 521,732
Payments to Vendors	(2,530,405)	-	(561,003)	(560,256)
Payments to Employees	(2,638,679)	(174,148)	(54,826)	(55,133)
Other Receipts	4,933	-	10,720	-
Net Cash Provided (Used) By Operating Activities	(290,061)	(135,596)	(10,378)	(46,576)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Investment Income	621	1,226	217	(139)
Net Cash Provided (Used) By Investing Activities	621	1,226	217	(139)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Transfers In	-	-	-	-
Net Cash Provided (Used) By Noncapital Financing Activities	-	-	-	-
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES</b>				
Acquisition and Construction of Capital Assets	-	-	-	-
Proceeds From Sale of Equipment	-	-	-	-
Net Cash Provided (Used) By Capital Financing Activities	-	-	-	-
Net Increase (Decrease) in Cash and Cash Equivalents	(289,440)	(134,370)	(10,161)	(46,715)
Cash and Cash Equivalents, January 1	924,935	1,717,288	116,383	46,715
Cash and Cash Equivalents, December 31	<u>\$ 635,495</u>	<u>\$ 1,582,918</u>	<u>\$ 106,222</u>	<u>\$ -</u>

City of Eden Prairie, Minnesota  
Internal Service Funds  
Combining Statement of Cash Flows  
For the Year Ended December 31, 2013

	Facilities	Fleet	Information Technology	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts From Customers	\$ 4,354,080	\$ 2,439,977	\$ 1,932,605	\$ 14,802,848
Payments to Vendors	(3,759,243)	(1,048,940)	(1,284,760)	(9,744,607)
Payments to Employees	(868,894)	(528,545)	(517,428)	(4,837,653)
Other Receipts	1,059,107	-	-	1,074,760
Net Cash Provided (Used) By Operating Activities	785,050	862,492	130,417	1,295,348
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Investment Income	1,314	1,296	687	5,222
Net Cash Provided (Used) By Investing Activities	1,314	1,296	687	5,222
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Transfers In	-	28,569	-	28,569
Net Cash Provided (Used) By Noncapital Financing Activities	-	28,569	-	28,569
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES</b>				
Acquisition and Construction of Capital Assets	(1,514,315)	(1,042,831)	(155,338)	(2,712,484)
Proceeds From Sale of Equipment	-	177,817	-	177,817
Net Cash Provided (Used) By Capital Financing Activities	(1,514,315)	(865,014)	(155,338)	(2,534,667)
Net Increase (Decrease) in Cash and Cash Equivalents	(727,951)	27,343	(24,234)	(1,205,528)
Cash and Cash Equivalents, January 1	2,648,367	1,820,563	727,964	8,002,215
Cash and Cash Equivalents, December 31	\$ 1,920,416	\$ 1,847,906	\$ 703,730	\$ 6,796,687

**City of Eden Prairie, Minnesota**  
**Internal Service Funds**  
**Combining Statement of Cash Flows**  
**For the Year Ended December 31, 2013**

	Health & Benefits	Severance	Workers Compensation	Property Insurance
<b>RECONCILIATION OF OPERATING INCOME</b>				
<b>(LOSS) TO NET CASH PROVIDED (USED)</b>				
<b>BY OPERATING ACTIVITIES:</b>				
Operating Income (Loss)	\$ (187,377)	\$ (95,571)	\$ 20,728	\$ (59,037)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	-	-	-	-
Miscellaneous	4,933	-	10,720	-
(Increase) Decrease in Assets:				
Accounts Receivable	(7,552)	-	15,604	-
Due From Other Funds	-	-	(47,081)	-
Due From Other Governments	-	-	-	-
Inventory	-	-	-	-
Prepaid Items	(242,959)	-	(10,315)	(5,522)
Increase (Decrease) in Liabilities:				
Accounts Payable	(2,515)	-	310	(28,754)
Salaries Payable	-	-	(831)	(831)
Unearned Revenue	-	-	-	-
Due to Other Governments	20,559	-	-	-
Due to Other Funds	-	-	-	47,081
Net Other Post Employment Benefits	124,850	-	487	487
Compensated Absences	-	(40,025)	-	-
 Net Cash Provided (Used) by Operating Activities	 <u>\$ (290,061)</u>	 <u>\$ (135,596)</u>	 <u>\$ (10,378)</u>	 <u>\$ (46,576)</u>
 Noncash Investing, Capital and Financing Activities:				
Capital Assets Trade-Ins	-	-	-	-

City of Eden Prairie, Minnesota  
Internal Service Funds  
Combining Statement of Cash Flows  
For the Year Ended December 31, 2013

	Facilities	Fleet	Information Technology	Total
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>				
Operating Income (Loss)	\$ 529,479	\$ 447,264	\$ 136,153	\$ 791,639
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	130,199	330,799	20,842	481,840
Miscellaneous	3,755	31,554	830	51,792
(Increase) Decrease in Assets:				
Accounts Receivable	(4,020)	1,074	-	5,106
Due From Other Funds	-	-	-	(47,081)
Due From Other Governments	-	-	1,250	1,250
Inventory	-	19,387	-	19,387
Prepaid Items	-	103	7,218	(251,475)
Increase (Decrease) in Liabilities:				
Accounts Payable	178,976	21,991	(27,059)	142,949
Salaries Payable	4,966	6,648	(5,666)	4,286
Unearned Revenue	(71,094)	-	-	(71,094)
Due to Other Governments	245	707	(8,187)	13,324
Due to Other Funds	-	-	-	47,081
Net Other Post Employment Benefits	12,544	2,965	5,036	146,369
Compensated Absences	-	-	-	(40,025)
Net Cash Provided (Used) by Operating Activities	<u>\$ 785,050</u>	<u>\$ 862,492</u>	<u>\$ 130,417</u>	<u>\$ 1,295,348</u>
Noncash Investing, Capital and Financing Activities:				
Capital Assets Trade-Ins	-	77,000	-	77,000

# City of Eden Prairie, Minnesota

## Agency Funds

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### **Agency Funds**

Agency funds are used to account for assets held by the government as an agent for individuals, private organizations, other governments, or other funds.

**Escrow** - This fund is used to account for various deposits (mainly contractor's deposits to guarantee payment of special assessments for water, sewer, streets and other improvements) required by the City. This fund is also used for accumulating donations and other contributions for specific purposes.

**WAFTA** - This fund accounts for the collection and remittance of expenses pertaining to the fire training facility owned by 11 member cities.

**MCES** - This fund accounts for the collection and remittance of sewer availability charges to the Metropolitan Council Environmental Services.

**City of Eden Prairie, Minnesota**  
**Agency Funds**  
**Combining Statement of Fiduciary Net Position**  
**December 31, 2013**

	Escrow Fund	WAFTA	MCES	2013 Total
<b>ASSETS</b>				
Cash and Investments	\$ 1,179,045	\$ 130,585	\$ 77,920	\$ 1,387,550
Accounts Receivable	11,445	-	-	11,445
Due from Other Governments	1,284	-	-	1,284
Total Assets	<u>\$ 1,191,774</u>	<u>\$ 130,585</u>	<u>\$ 77,920</u>	<u>\$ 1,400,279</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ 1,191,774	\$ -	\$ -	\$ 1,191,774
Due to Other Governments	-	130,585	77,920	208,505
Total Liabilities	<u>\$ 1,191,774</u>	<u>\$ 130,585</u>	<u>\$ 77,920</u>	<u>\$ 1,400,279</u>

City of Eden Prairie, Minnesota  
Agency Funds  
Combining Statement of Changes in  
Assets and Liabilities  
For the Year Ended December 31, 2013

	Balance January 1 2013	Additions	Deductions	Balance December 31 2013
<b>Escrow</b>				
Assets				
Cash and Investments	\$ 1,359,546	\$ 1,291,410	\$ 1,471,911	\$ 1,179,045
Accounts Receivable	-	1,007,379	995,934	11,445
Due from Other Governments	-	1,284	-	1,284
Total Assets	<u>\$ 1,359,546</u>	<u>\$ 2,300,073</u>	<u>\$ 2,467,845</u>	<u>\$ 1,191,774</u>
Liabilities				
Accounts Payable	\$ 1,359,541	\$ 2,996,865	\$ 3,164,632	\$ 1,191,774
Due to Other Governments	5	-	5	-
Total Liabilities	<u>\$ 1,359,546</u>	<u>\$ 2,996,865</u>	<u>\$ 3,164,637</u>	<u>\$ 1,191,774</u>
<b>WAFTA</b>				
Assets				
Cash and Investments	\$ 110,650	\$ 22,359	\$ 2,424	\$ 130,585
Total Assets	<u>\$ 110,650</u>	<u>\$ 22,359</u>	<u>\$ 2,424</u>	<u>\$ 130,585</u>
Liabilities				
Accounts Payable	\$ 1,546	\$ 878	\$ 2,424	\$ -
Due to Other Governments	109,104	22,359	878	130,585
Total Liabilities	<u>\$ 110,650</u>	<u>\$ 23,237</u>	<u>\$ 3,302</u>	<u>\$ 130,585</u>
<b>MCES</b>				
Assets				
Cash and Investments	\$ 7,095	\$ 1,300,290	\$ 1,229,465	\$ 77,920
Total Assets	<u>\$ 7,095</u>	<u>\$ 1,300,290</u>	<u>\$ 1,229,465</u>	<u>\$ 77,920</u>
Liabilities				
Due to Other Governments	\$ 7,095	\$ 2,702,640	\$ 2,631,815	\$ 77,920
Total Liabilities	<u>\$ 7,095</u>	<u>\$ 2,702,640</u>	<u>\$ 2,631,815</u>	<u>\$ 77,920</u>
<b>Totals-All Agency Funds</b>				
Assets				
Cash and Investments	\$ 1,477,291	\$ 2,614,059	\$ 2,703,800	\$ 1,387,550
Accounts Receivable	-	1,007,379	995,934	11,445
Due from Other Funds	-	1,284	-	1,284
Total Assets	<u>\$ 1,477,291</u>	<u>\$ 3,622,722</u>	<u>\$ 3,699,734</u>	<u>\$ 1,400,279</u>
Liabilities				
Accounts Payable	\$ 1,361,087	\$ 2,997,743	\$ 3,167,056	\$ 1,191,774
Due to Other Governments	116,204	2,724,999	2,632,698	208,505
Total Liabilities	<u>\$ 1,477,291</u>	<u>\$ 5,722,742</u>	<u>\$ 5,799,754</u>	<u>\$ 1,400,279</u>

# Statistical

# City of Eden Prairie, Minnesota

## Statistical Section

(Unaudited)

This part of the City of Eden Prairie’s comprehensive annual financial report presents detailed information as a context for understanding this year’s financial statements, note disclosures, and supplementary information. This information has not been audited by the independent auditor.

<b>Contents</b>	<b><u>Page</u></b>
<b>Financial Trends</b> .....	135-140
These tables contain trend information that may assist the reader in assessing the City’s current financial performance by placing it in historical perspective.	
<b>Revenue Capacity</b> .....	141-144
These tables contain information that may assist the reader in assessing the viability of the City’s most significant “own-source” revenue, the property tax.	
<b>Debt Capacity</b> .....	145-148
These tables present information that may assist the reader in analyzing the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.	
<b>Demographic and Economic Information</b> .....	149-157
These tables offer economic and demographic indicators that are commonly used for financial analysis and that can increase one’s understanding of the City’s present and ongoing financial status.	
<b>Operating Information</b> .....	158-159
These tables contain service and infrastructure indicators that can increase one’s understanding of how the information in the City’s financial statements relates to the services the City provides and the activities it performs.	

**Source:**

Unless otherwise noted, the information in these tables is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement No. 34 in calendar year 2003; schedules presenting government-wide information include information beginning in that year.

City of Eden Prairie, Minnesota  
 Government-wide Net Position by Category (accrual basis of accounting)  
 Last Ten Years

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>GOVERNMENTAL ACTIVITIES</b>										
Net Investment in Capital Assets	\$ 128,665,664	\$ 135,346,250	\$ 133,041,891	\$ 155,494,482	\$ 162,522,110	\$ 165,578,857	\$ 169,874,219	\$ 178,022,468	\$ 182,115,707	\$ 177,981,232
Restricted	6,200,846	6,225,359	6,298,693	6,090,520	6,231,872	9,470,494	8,882,954	9,190,791	7,324,699	6,175,774
Unrestricted	45,055,078	50,144,555	64,133,581	53,052,529	56,235,986	49,907,035	50,954,497	48,843,723	55,746,593	57,276,140
Governmental Activities Net Position	179,921,588	191,716,164	203,474,165	214,637,531	224,989,968	224,956,386	229,711,670	236,056,982	245,186,999	241,433,146
<b>BUSINESS-TYPE ACTIVITIES</b>										
Net Investment in Capital Assets	143,594,356	141,987,088	140,872,743	142,849,627	143,504,412	142,093,191	138,307,152	138,397,769	134,140,863	132,801,426
Unrestricted	9,935,174	11,466,456	10,575,056	9,249,768	7,050,651	6,301,188	5,224,848	9,452,826	12,357,974	15,634,317
Business-Type Activities Net Position	153,529,530	153,453,544	151,447,799	152,099,395	150,555,063	148,394,379	143,532,000	147,850,595	146,498,837	148,435,743
<b>PRIMARY GOVERNMENT</b>										
Net Investment in Capital Assets	272,260,020	277,333,338	273,914,634	298,344,109	306,026,522	307,672,048	308,181,371	316,420,237	316,256,570	310,782,658
Restricted	6,200,846	6,225,359	6,298,693	6,090,520	6,231,872	9,470,494	8,882,954	9,190,791	7,324,699	6,175,774
Unrestricted	54,990,252	61,611,011	74,708,637	62,302,297	63,286,637	56,208,223	56,179,345	58,296,549	68,104,567	72,910,457
Primary Government Net Position	\$ 333,451,118	\$ 345,169,708	\$ 354,921,964	\$ 366,736,926	\$ 375,545,031	\$ 373,350,765	\$ 373,243,670	\$ 383,907,577	\$ 391,685,836	\$ 389,868,889

# City of Eden Prairie, Minnesota

## Changes in Net Position-Total (accrual basis of accounting)

### Last Ten Years

Source	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>EXPENSES</b>										
Governmental Activities	\$ 34,315,872	\$ 38,130,927	\$ 38,902,477	\$ 41,926,473	\$ 45,881,058	\$ 47,397,022	\$ 45,701,477	\$ 45,294,566	\$ 49,206,494	\$ 58,843,210
Business-type Activities	20,881,410	22,121,630	22,634,036	24,768,351	25,265,911	25,599,664	26,739,072	27,530,501	29,553,823	29,692,124
Total Expenses	55,197,282	60,252,557	61,536,513	66,694,824	71,146,969	72,996,686	72,440,549	72,825,067	78,760,317	88,535,334
<b>PROGRAM REVENUES</b>										
Governmental Activities	14,928,446	18,214,641	14,693,423	15,020,071	16,270,317	12,361,210	13,032,144	14,786,027	20,610,978	16,622,065
Business-type Activities	21,388,751	22,408,032	21,513,949	25,894,561	23,669,165	24,115,894	23,654,183	25,863,662	29,336,671	32,870,365
Total Program Revenues	36,317,197	40,622,673	36,207,372	40,914,632	39,939,482	36,477,104	36,686,327	40,649,689	49,947,649	49,492,430
Net (Expense) Revenue	(18,880,085)	(19,629,884)	(25,329,141)	(25,780,192)	(31,207,487)	(36,519,582)	(35,754,222)	(32,175,378)	(28,812,668)	(39,042,904)
<b>GENERAL REVENUES AND TRANSFERS</b>										
Governmental Activities	29,916,113	30,718,677	35,967,055	38,069,768	39,963,178	35,002,230	37,424,617	36,853,851	37,725,533	38,467,292
Business-type Activities	(1,965,194)	(620,361)	(405,749)	(474,614)	52,414	(676,914)	(1,777,490)	(1,230,687)	(1,134,606)	(1,241,335)
Total General Revenues and Transfers	27,950,919	30,098,316	35,561,306	37,595,154	40,015,592	34,325,316	35,647,127	35,623,164	36,590,927	37,225,957
Change in Net Position	\$ 9,070,834	\$ 10,468,432	\$ 10,232,165	\$ 11,814,962	\$ 8,808,105	\$ (2,194,266)	\$ (107,095)	\$ 3,447,786	\$ 7,778,259	\$ (1,816,947)

# City of Eden Prairie, Minnesota

## Changes in Net Position-Governmental Activities (accrual basis of accounting)

### Last Ten Years

SOURCES	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>EXPENSES</b>										
General Government	\$ 10,620,023	\$ 13,375,941	\$ 14,280,765	\$ 14,424,872	\$ 15,308,258	\$ 9,506,104	\$ 9,183,334	\$ 9,263,991	\$ -	\$ -
Administration	-	-	-	-	-	-	-	-	4,008,338	5,854,425
Community Development	-	-	-	-	-	-	-	-	6,251,288	5,678,694
Public Safety	10,910,006	12,102,614	11,713,095	13,883,325	15,808,506	19,346,668	17,985,648	17,538,536	-	-
Police	-	-	-	-	-	-	-	-	12,413,470	12,846,206
Fire	-	-	-	-	-	-	-	-	5,646,926	5,724,342
Public Works	6,473,043	6,810,846	7,313,935	5,960,154	7,048,819	8,128,507	7,522,749	7,665,875	8,226,283	16,288,862
Parks and Recreation	5,480,061	4,949,620	4,396,128	6,087,328	6,212,450	8,606,431	9,769,235	9,617,076	10,815,390	11,113,811
Interest on Long Term Debt	832,739	891,906	1,198,554	1,570,794	1,503,025	1,809,312	1,240,511	1,209,088	1,844,799	1,336,870
Total Expenses	34,315,872	38,130,927	38,902,477	41,926,473	45,881,058	47,397,022	45,701,477	45,294,566	49,206,494	58,843,210
<b>PROGRAM REVENUES</b>										
Charges for Services										
General Government	1,988,779	3,004,416	2,859,961	2,573,708	2,506,269	948,287	958,005	966,931	-	-
Administration	-	-	-	-	-	-	-	-	1,695,035	1,176,919
Community Development	-	-	-	-	-	-	-	-	154,858	122,263
Public Safety	3,483,050	3,410,157	3,425,626	3,349,520	3,005,158	2,351,256	3,135,082	3,264,191	-	-
Police	-	-	-	-	-	-	-	-	1,338,079	1,223,836
Fire	-	-	-	-	-	-	-	-	3,450,431	4,236,114
Public Works	389,225	567,233	403,363	390,731	443,640	210,606	230,390	322,561	518,365	497,720
Parks and Recreation	2,984,694	2,897,852	2,687,876	3,050,852	3,470,985	3,774,815	4,285,057	4,327,323	4,759,919	5,005,917
Interest on Long Term Debt	-	-	-	-	-	-	-	-	-	-
Operating Grants and Contributions	1,173,487	1,220,854	1,443,708	1,558,981	2,002,207	1,735,599	1,320,014	1,435,321	1,567,265	1,459,859
Capital Grants and Contributions	4,909,211	7,114,129	3,872,889	4,096,279	4,842,058	3,340,647	3,103,596	4,469,700	7,127,026	2,899,437
Total Program Revenues	14,928,446	18,214,641	14,693,423	15,020,071	16,270,317	12,361,210	13,032,144	14,786,027	20,610,978	16,622,065
Net (Expense) Revenue	(19,387,426)	(19,916,286)	(24,209,054)	(26,906,402)	(29,610,741)	(35,035,812)	(32,669,333)	(30,508,539)	(28,595,516)	(42,221,145)
<b>GENERAL REVENUES AND TRANSFERS</b>										
Taxes										
Property Taxes	25,156,515	26,280,177	28,545,219	31,222,834	31,907,308	31,687,277	31,527,570	31,310,140	32,144,443	32,674,010
Tax Increment	1,702,742	2,289,648	2,407,638	2,689,433	3,034,260	3,250,611	3,450,291	3,139,080	3,353,556	3,535,459
Gain (Loss) on Sale of Capital Assets	-	-	1,431,440	-	2,883,897	(1,505,613)	-	121,916	33,848	-
Grants and Contributions Not Restricted to Specific Programs	343,241	298,506	190,446	225,295	195,478	206,907	229,510	752,907	836,646	862,288
Investment Income	619,463	1,046,852	2,574,984	3,049,185	1,751,418	672,822	427,377	259,808	186,676	137,890
Transfers	2,094,152	803,494	817,328	883,021	190,817	690,226	1,789,869	1,270,000	1,170,364	1,257,645
Total General Revenues and Transfers	29,916,113	30,718,677	35,967,055	38,069,768	39,963,178	35,002,230	37,424,617	36,853,851	37,725,533	38,467,292
Change in Net Position	\$ 10,528,687	\$ 10,802,391	\$ 11,758,001	\$ 11,163,366	\$ 10,352,437	\$ (33,582)	\$ 4,755,284	\$ 6,345,312	\$ 9,130,017	\$ (3,753,853)

# City of Eden Prairie, Minnesota

## Changes in Net Position-Business-type Activities (accrual basis of accounting)

### Last Ten Years

SOURCE	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>EXPENSES</b>										
Water / Sewer	\$ 12,835,671	\$ 11,838,114	\$ 12,137,487	\$ 13,161,533	\$ 13,418,071	\$ 13,462,844	\$ 14,035,916	\$ -	\$ -	\$ -
Water	-	-	-	-	-	-	-	8,162,292	9,570,579	9,564,793
Sewer	-	-	-	-	-	-	-	6,671,324	6,685,442	6,532,297
Storm	-	1,329,224	1,256,092	1,986,557	1,725,629	1,523,876	1,983,337	1,915,249	2,051,178	2,420,535
Liquor	8,045,739	8,954,292	9,240,457	9,620,261	10,122,211	10,612,944	10,719,819	10,781,636	11,246,624	11,174,499
Total Expenses	20,881,410	22,121,630	22,634,036	24,768,351	25,265,911	25,599,664	26,739,072	27,530,501	29,553,823	29,692,124
<b>PROGRAM REVENUES</b>										
Charges for Services										
Water / Sewer	11,514,737	9,734,838	10,415,372	11,553,501	11,551,147	11,487,634	11,103,035	-	-	-
Water	-	-	-	-	-	-	-	7,743,061	9,920,853	9,659,385
Sewer	-	-	-	-	-	-	-	4,926,624	5,654,186	6,265,514
Storm	-	600,237	644,131	614,590	818,987	910,568	831,731	1,054,077	1,327,159	1,499,405
Liquor	8,880,874	10,038,462	10,454,446	10,741,799	11,299,031	11,717,692	11,687,919	11,724,900	12,381,069	12,404,920
Operating Grants and Contributions	-	-	-	-	-	-	31,498	-	-	-
Capital Grants and Contributions	993,140	2,034,495	-	2,984,671	-	-	-	415,000	53,404	3,041,141
Total Program Revenues	21,388,751	22,408,032	21,513,949	25,894,561	23,669,165	24,115,894	23,654,183	25,863,662	29,336,671	32,870,365
Net (Expense) Revenue	507,341	286,402	(1,120,087)	1,126,210	(1,596,746)	(1,483,770)	(3,084,889)	(1,666,839)	(217,152)	3,178,241
<b>GENERAL REVENUES AND TRANSFERS</b>										
Grants and Contributions Not Restricted to Specific Programs	-	-	-	-	-	-	-	4,016	-	-
Investment Income	128,958	183,133	411,579	408,407	243,231	13,312	12,379	35,297	35,758	16,310
Transfers	(2,094,152)	(803,494)	(817,328)	(883,021)	(190,817)	(690,226)	(1,789,869)	(1,270,000)	(1,170,364)	(1,257,645)
Total General Revenues and Transfers	(1,965,194)	(620,361)	(405,749)	(474,614)	52,414	(676,914)	(1,777,490)	(1,230,687)	(1,134,606)	(1,241,335)
Change in Net Position	\$ (1,457,853)	\$ (333,959)	\$ (1,525,836)	\$ 651,596	\$ (1,544,332)	\$ (2,160,684)	\$ (4,862,379)	\$ (2,897,526)	\$ (1,351,758)	\$ 1,936,906

Prior to 2011, Water and Sewer were combined.

Prior to 2011, Water and Sewer were combined.

# City of Eden Prairie, Minnesota

## Fund Balances-Governmental Funds

### Last Ten Years

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>GENERAL FUND</b>										
Reserved	\$ 3,906,562	\$ 4,198,756	\$ 1,145,293	\$ 253,954	\$ 138,507	\$ 55,864	\$ 66,238	\$ -	\$ -	\$ -
Unreserved	16,526,362	17,133,623	18,042,399	19,392,450	20,292,813	20,535,345	20,877,251	-	-	-
Nonspendable	-	-	-	-	-	-	-	18,266	52,190	24,702
Unassigned	-	-	-	-	-	-	-	21,162,123	21,069,050	21,509,541
Subtotal General Fund	20,432,924	21,332,379	19,187,692	19,646,404	20,431,320	20,591,209	20,943,489	21,180,389	21,121,240	21,534,243
General Fund % Change	2.9%	4.4%	(10.1%)	2.4%	4.0%	0.8%	1.7%	1.1%	(0.3%)	2.0%
<b>ALL OTHER GOV'T FUNDS</b>										
Reserved	6,200,846	4,816,402	6,299,082	6,314,553	159,698	141,011	118,186	-	-	-
Unreserved										
Special Revenue	312,197	517,164	579,738	587,431	516,296	556,462	548,831	-	-	-
Debt Service	(94,381)	(43,896)	(223)	(1,162)	6,352,188	5,084,425	4,383,750	-	-	-
Capital Projects	20,108,258	19,196,836	31,749,345	18,556,887	18,912,365	18,890,716	19,775,005	-	-	-
Trust and Agency	-	-	-	-	-	-	-	-	-	-
Permanent	136,053	138,518	139,106	139,965	142,094	143,045	140,584	-	-	-
Nonspendable	-	-	-	-	-	-	-	812,151	537,530	538,620
Restricted	-	-	-	-	-	-	-	15,261,699	22,281,089	20,876,780
Assigned - Capital Project Funds	-	-	-	-	-	-	-	17,951,086	34,326,050	28,275,391
Unassigned	-	-	-	-	-	-	-	(3,687,585)	(4,308,281)	(3,859,192)
Subtotal All Other Govt' Funds	26,662,973	24,625,024	38,767,048	25,597,674	26,082,641	24,815,659	24,966,356	30,337,351	52,836,388	45,831,599
<b>TOTAL GOVT' FUNDS</b>										
Reserved	10,107,408	9,015,158	7,444,375	6,568,507	298,205	196,875	184,424	-	-	-
Unreserved	36,988,489	36,942,245	50,510,365	38,675,571	46,215,756	45,209,993	45,725,421	-	-	-
Nonspendable	-	-	-	-	-	-	-	830,417	589,720	563,322
Restricted	-	-	-	-	-	-	-	15,261,699	22,281,089	20,876,780
Assigned - Capital Project Funds	-	-	-	-	-	-	-	17,951,086	34,326,050	28,275,391
Unassigned	-	-	-	-	-	-	-	17,474,538	16,760,769	17,650,349
Total Govt' Funds	\$ 47,095,897	\$ 45,957,403	\$ 57,954,740	\$ 45,244,078	\$ 46,513,961	\$ 45,406,868	\$ 45,909,845	\$ 51,517,740	\$ 73,957,628	\$ 67,365,842
All Govt' Funds % Change	(7.8%)	(2.4%)	26.1%	(21.9%)	2.8%	(2.4%)	1.1%	12.2%	43.6%	(8.9%)

GASB 54 was implemented in 2011

# City of Eden Prairie, Minnesota

## Changes in Fund Balances-Governmental Funds (modified accrual basis of accounting)

### Last Ten Years

SOURCE	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>REVENUES</b>										
Taxes and Special Assessments	\$ 28,643,886	\$ 30,206,322	\$ 33,053,204	\$ 35,309,781	\$ 36,036,370	\$ 36,547,460	\$ 36,494,481	\$ 35,876,027	\$ 37,518,214	\$ 38,119,497
Licenses and Permits	3,257,634	3,513,022	3,484,074	3,414,545	3,318,249	2,386,956	3,119,449	3,363,293	5,631,529	7,956,114
Intergovernmental Revenue	3,922,628	1,600,867	4,347,179	3,064,142	4,332,864	4,114,295	2,437,441	5,215,943	7,368,558	1,886,954
Charges for Services	2,179,595	2,744,535	3,011,863	2,881,485	4,106,763	3,506,697	3,919,848	4,202,734	4,394,544	4,532,269
Fines and Forfeits	439,269	476,520	419,745	433,369	384,509	444,979	496,449	557,512	603,126	420,552
Investment Income	710,752	1,152,288	2,807,250	3,101,558	1,811,199	638,483	406,281	224,379	195,657	140,303
Miscellaneous Revenue	4,936,284	3,604,124	2,950,874	4,597,037	2,386,186	1,556,312	1,609,244	1,488,991	2,469,125	2,265,545
Total Revenues	44,090,048	43,297,678	50,074,189	52,801,917	52,376,140	49,195,182	48,483,193	50,928,879	58,180,753	55,321,234
<b>EXPENDITURES</b>										
General Government Administration	10,431,323	13,297,706	14,420,850	13,579,878	14,236,199	9,152,896	8,726,894	8,768,528	-	-
Community Development	-	-	-	-	-	-	-	-	3,634,743	3,634,004
Public Safety	10,029,529	10,764,727	12,065,308	12,252,120	14,712,895	16,175,725	16,789,050	16,822,991	-	-
Police	-	-	-	-	-	-	-	-	12,362,179	12,696,678
Fire	-	-	-	-	-	-	-	-	5,190,539	5,300,536
Public Works	4,943,364	4,990,480	5,457,284	5,867,387	5,368,645	5,541,838	5,277,652	5,278,935	5,448,793	5,685,295
Parks and Recreation	5,012,804	4,318,601	4,598,217	4,969,495	6,106,885	8,671,355	8,874,758	8,790,806	9,591,618	9,949,401
Capital Outlay	11,347,805	16,999,203	10,000,224	25,478,947	13,517,922	8,188,289	5,919,859	8,696,679	8,558,743	13,946,660
Miscellaneous	87,377	120,672	242,555	275,397	210,039	130,251	42,967	17,256	29,641	7,996
Debt Service										
Principal	3,861,549	4,769,810	3,284,606	3,608,823	3,887,918	4,308,577	3,910,749	4,077,751	4,415,603	3,182,019
Interest	911,869	773,379	1,162,050	1,486,112	1,448,514	1,588,937	1,361,443	1,250,401	1,194,117	1,480,194
Other	26,151	73,162	154,805	38,908	55,872	118,782	44,075	96,169	249,671	8,937
Total Expenditures	46,651,771	56,107,740	51,385,899	67,557,067	59,544,889	53,876,650	50,947,447	53,799,516	56,904,093	61,553,020
Excess of Revenues Over (Under) Expenditures	(2,561,723)	(12,810,062)	(1,311,710)	(14,755,150)	(7,168,749)	(4,681,468)	(2,464,254)	(2,870,637)	1,276,660	(6,231,786)
Other Financing Sources (Uses)	2,776,627	11,671,568	13,309,047	2,960,721	8,438,632	3,574,375	2,967,231	8,478,532	21,163,228	(360,000)
Net Change in Fund Balance	\$ 214,904	\$ (1,138,494)	\$ 11,997,337	\$ (11,794,429)	\$ 1,269,883	\$ (1,107,093)	\$ 502,977	\$ 5,607,895	\$ 22,439,888	\$ (6,591,786)
Debt Service as a % of Noncapital Expenditures	13.1%	13.6%	10.9%	11.6%	11.2%	12.3%	11.1%	11.5%	11.0%	8.0%

Prior to 2012 General Government included Administration and Community Development; Public Safety included Police and Fire.

# City of Eden Prairie, Minnesota

## Assessed/Tax Capacity Value and Estimated Market Value of Property

### Last Ten Years

Tax Payable Dec. 31	Tax Capacity					Tax Capacity Before Deductions	Less: Fiscal Disparities	Less: Tax Increment	Total Assessed Value	Total Direct Tax Rate	Estimated Market Value	Annual % Change
	Personal Property	Residential	Apartments	Commercial & Industrial	Farm & Other							
2004	\$ 1,046,857	\$ 51,646,689	\$ 4,657,705	\$ 27,952,129	\$ 1,306,580	\$ 86,609,960	\$ 11,393,809	\$ 1,124,059	\$ 74,092,092	32.945	\$ 7,188,472,300	10.6%
2005	1,159,659	58,891,623	5,435,153	28,630,702	1,284,443	95,401,580	11,355,915	2,181,143	81,864,522	30.601	7,755,652,600	7.9%
2006	1,202,194	65,779,883	5,700,405	30,783,022	1,187,555	104,653,059	11,557,916	2,396,480	90,698,663	28.782	8,593,444,425	10.8%
2007	1,316,149	71,553,209	6,443,883	35,401,780	1,005,179	115,720,200	12,573,128	2,804,557	100,342,515	28.050	9,439,037,100	9.8%
2008	1,282,145	76,169,571	6,657,437	39,973,888	53,761	124,136,802	14,480,546	3,145,493	106,510,763	27.177	9,961,912,400	5.5%
2009	1,262,207	76,242,150	6,418,903	41,524,663	58,691	125,506,614	16,186,185	3,239,713	106,080,716	27.271	10,019,575,800	0.6%
2010	1,250,594	72,344,688	5,912,957	40,911,206	63,679	120,483,124	16,806,832	3,274,193	100,402,099	28.742	9,577,402,500	(4.4%)
2011	1,329,101	67,232,552	5,459,256	37,490,576	59,884	111,571,369	16,432,584	2,863,585	92,275,200	31.239	8,899,287,500	(7.1%)
2012	1,358,537	62,647,985	5,522,804	36,820,370	62,140	106,411,836	15,040,117	2,860,791	88,510,928	33.250	8,647,405,200	(2.8%)
2013	1,480,936	59,466,380	5,959,818	36,840,974	51,531	103,799,639	14,637,037	2,990,202	86,172,400	34.397	8,483,358,400	(1.9%)
Percentages												
2004	1.2%	59.6%	5.4%	32.3%	1.5%		15.4%	1.5%				
2005	1.2%	61.7%	5.7%	30.0%	1.3%		13.9%	2.7%				
2006	1.1%	62.9%	5.4%	29.4%	1.1%		12.7%	2.6%				
2007	1.1%	61.8%	5.6%	30.6%	0.9%		12.5%	2.8%				
2008	1.0%	61.4%	5.4%	32.2%	0.0%		13.6%	3.0%				
2009	1.0%	60.7%	5.1%	33.1%	0.0%		15.3%	3.1%				
2010	1.0%	60.0%	4.9%	34.0%	0.1%		16.7%	3.3%				
2011	1.2%	60.3%	4.9%	33.6%	0.1%		17.8%	3.1%				
2012	1.3%	58.9%	5.2%	34.6%	0.1%		17.0%	3.2%				
2013	1.4%	57.3%	5.7%	35.5%	0.0%		17.0%	3.5%				

Source: City Assessing Department and Hennepin County

# City of Eden Prairie, Minnesota

## Direct and Overlapping Property Tax Rate

### Last Ten Years

Tax Capacity Rates										
Year Ended Dec. 31	Direct Rates				Overlapping Rates					
	City Rate	HRA Rate	Hennepin County	Special Districts (1)	School District #270	School District #272	School District #276	Watershed District #1	Watershed District #2	Watershed District #4
2004	32.945	-	47.324	7.488	22.203	16.933	23.125	1.269	0.381	0.732
2005	30.601	-	44.172	7.382	19.176	21.855	21.989	1.165	0.354	1.375
2006	28.561	0.221	41.016	6.998	21.565	23.187	22.952	1.106	0.315	0.787
2007	27.861	0.189	39.110	7.480	19.019	23.727	24.793	1.107	0.291	0.743
2008	26.998	0.179	38.571	7.397	19.218	23.425	17.98	1.149	0.432	1.302
2009	27.092	0.179	40.413	7.154	20.080	24.691	17.186	1.246	0.936	1.246
2010	28.553	0.189	42.640	8.138	23.050	25.959	18.657	1.293	0.520	1.279
2011	31.034	0.205	45.840	9.172	26.456	28.420	21.274	1.317	0.264	1.352
2012	33.036	0.214	48.231	9.523	29.270	29.292	23.015	1.388	0.445	1.387
2013	32.421	0.220	49.461	10.089	29.730	29.067	24.487	1.394	0.634	1.561

Market Value Rates				
Year Ended Dec. 31	City Direct Rate	Overlapping Rates		
		School District #270	School District #272	School District #276
2004	0.0158	0.158	0.144	0.080
2005	0.0143	0.143	0.133	0.080
2006	0.0177	0.151	0.173	0.177
2007	0.0183	0.141	0.156	0.165
2008	0.0172	0.138	0.146	0.203
2009	0.0171	0.130	0.145	0.202
2010	0.0173	0.139	0.157	0.202
2011	0.0187	0.148	0.162	0.226
2012	0.0155	0.160	0.158	0.225
2013	0.0146	0.162	0.165	0.246

(1) Special Districts include Metropolitan Council, Regional Transit Board, Metropolitan Mosquito Control, County Park Museum, & Hennepin Suburban Parks

City of Eden Prairie, Minnesota  
Principal Property Taxpayers  
For the Year Ended December 31, 2013 and 2004

Taxpayer	2013		Taxpayer	2004	
	Tax Capacity	Percentage of Total Tax Capacity		Tax Capacity	Percentage of Total Tax Capacity
Liberty Property Limited Partnership	\$ 2,705,640	3.1%	Liberty Property Ltd Partnership	\$ 1,903,756	2.6%
Eden Prairie Mall LLC	2,374,250	2.8%	Eden Prairie Mall	1,521,250	2.1%
AGNL Health	797,210	0.9%	Gelco Corporation (GE Capital)	496,570	0.7%
CPE Holding 32607 LLC, Etal	692,690	0.8%	IRET Properties	418,696	0.6%
PRIT Core Realty Holdings LLC	635,001	0.7%	First Industrial Ltd Partnership	917,536	1.2%
United Healthcare Serv Inc	595,900	0.7%	Talcott IISW Crossing LLC	499,250	0.7%
Lifetouch Inc.	579,512	0.7%	Well-Prop (Multi) LLC	484,060	0.7%
Gelco Corp.	553,240	0.6%	Eaton MDH Company Inc	380,690	0.5%
Windsor Plaza LLC	536,304	0.6%	SuperValu Inc	355,131	0.5%
IRET Properties	508,990	0.6%	MSP Investors I, LLC	339,250	0.5%
Total Principal Taxpayers	9,978,737	11.6%		7,316,189	9.9%
All Other Taxpayers	76,193,663	88.4%		66,775,903	90.1%
Total	\$ 86,172,400	100.0%		\$ 74,092,092	100.0%

Source: City of Eden Prairie Assessing Department

City of Eden Prairie, Minnesota  
 Property Tax Levies and Collections  
 Last Ten Years

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Year Ended Dec. 31	Taxes Levied	Collected Within the Current Year Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	% of Levy		Amount	% of Levy
2004	\$ 25,195,881	\$ 25,008,820	99.26%	\$ 186,017	\$ 25,194,837	100.00%
2005	26,132,057	26,072,924	99.77%	58,503	26,131,427	100.00%
2006	28,468,831	28,242,002	99.20%	226,933	28,468,935	100.00%
2007	30,657,304	30,422,094	99.23%	233,779	30,655,873	100.00%
2008	31,514,657	31,263,472	99.20%	249,634	31,513,106	100.00%
2009	31,773,143	31,278,850	98.44%	391,291	31,670,141	99.68%
2010	31,719,631	31,299,275	98.67%	(50,018)	31,249,257	98.52%
2011	31,719,631	31,355,647	98.85%	74,855	31,430,502	99.09%
2012	32,458,990	32,193,272	99.18%	81,781	32,275,053	99.43%
2013	32,749,320	32,519,542	99.30%	-	32,519,542	99.30%

Source: Hennepin County

# City of Eden Prairie, Minnesota

## Legal Debt Margin

### Last Ten Years

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Estimated Market Value	\$ 7,188,472,300	\$ 7,755,652,600	\$ 8,593,444,425	\$ 9,439,037,100	\$ 9,961,912,400	\$ 10,019,575,800	\$ 9,577,402,500	\$ 8,899,287,500	\$ 8,647,405,200	\$ 8,483,358,400
Legal Debt Margin:										
Debt Limit: 3% of Market Value (1)	143,769,446	155,113,052	171,868,889	188,780,742	298,857,372	300,587,274	287,322,075	266,978,625	259,422,156	254,500,752
General Obligation Bonds	7,141,000	10,852,000	23,407,000	21,881,000	23,369,000	25,300,000	23,070,000	25,690,000	31,570,000	29,210,000
Deductions:										
Amt Available for Repayment of Bonds	282,448	350,814	1,145,695	1,585,677	1,825,816	2,288,121	2,317,257	6,917,113	14,795,511	14,714,607
Total Debt Applicable to Limit	6,858,552	10,501,186	22,261,305	20,295,323	21,543,184	23,011,879	20,752,743	18,772,887	16,774,489	14,495,393
Legal Debt Margin	\$ 136,910,894	\$ 144,611,866	\$ 149,607,584	\$ 168,485,419	\$ 277,314,188	\$ 277,575,395	\$ 266,569,332	\$ 248,205,738	\$ 242,647,667	\$ 240,005,359
As a % of Debt Limit	95.2%	93.2%	87.0%	89.2%	92.8%	92.3%	92.8%	93.0%	93.5%	94.3%

1- In 2008 Debt Limit was changed from 2% to 3%

# City of Eden Prairie, Minnesota

## Ratios of Outstanding Debt by Type

### Last Ten Years

Year Ended Dec. 31	Governmental Activities					Business-Type Activities			Total	Percentage of Personal Income ( 1)	Per Capita (2)
	General Obligation Bonds	Lease Revenue Bonds	Special Assessments Improvement Bonds	Contract for Deed	Capital Lease	Loans Payable	Revenue Bonds				
2004	\$ 7,141,000	\$ 10,085,000	\$ 6,200,000	\$ 200,000	\$ -	\$ 12,589	\$ 9,914,891	\$ 33,553,480	*	536	
2005	10,852,000	9,170,000	8,740,000	100,000	-	6,779	8,209,771	37,078,550	*	579	
2006	23,407,000	8,195,000	7,790,000	-	142,773	968	5,648,261	45,184,002	*	706	
2007	21,881,000	8,790,000	6,770,000	-	115,918	-	2,879,983	40,436,901	*	620	
2008	23,369,000	7,695,000	7,570,000	-	123,076	-	-	38,757,076	*	619	
2009	25,300,000	4,845,000	6,400,000	-	83,500	-	-	36,628,500	*	579	
2010	23,070,000	3,795,000	7,000,000	-	42,751	-	-	33,907,751	*	541	
2011	25,690,000	2,685,000	8,130,000	-	-	-	4,125,000	40,630,000	*	664	
2012	31,570,000	1,425,000	17,670,000	-	174,719	-	3,700,000	54,539,719	*	880	
2013	29,210,000	1,360,000	15,225,000	-	132,700	-	3,270,000	49,197,700	*	793	

(1) See Demographic and Economic Statistics for personal income

(2) See Demographic and Economic Statistics for population

\* Information is not available

## City of Eden Prairie, Minnesota

### Ratios of Total Debt Outstanding by Type

#### Last Ten Years

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<b>Year Ended Dec. 31</b>	<b>General Obligation Debt (1)</b>	<b>Less Amounts Available in Debt Service Fund</b>	<b>Total</b>	<b>Ratio of Net Bonded Debt to Estimated Market Value (2)</b>	<b>Per Capita (3)</b>
2004	\$ 7,141,000	\$ 282,448	\$ 6,858,552	0.10%	110
2005	10,852,000	350,814	10,501,186	0.14%	164
2006	23,407,000 (4)	1,145,695	22,261,305	0.26%	343
2007	21,881,000	1,585,677	20,295,323	0.22%	311
2008	23,369,000	1,825,816	21,543,184	0.23%	344
2009	25,300,000	2,288,121	23,011,879	0.23%	363
2010	23,070,000	2,317,257	20,752,743	0.22%	331
2011	25,690,000	6,917,113	18,772,887	0.21%	307
2012	31,570,000	14,795,511	16,774,489	0.19%	271
2013	29,210,000	14,714,607	14,495,393	0.17%	234

(1) Amount Does not Include Special Assessment Improvement or Revenue Bonds.

(2) See "Taxable Assessed Value and Estimated Actual Value of Property" for Market Value

(3) See Demographic and Economic Statistics for Population

(4) 2006 Includes \$8.4 million in Debt for the Park Referendum

# City of Eden Prairie, Minnesota

## Computation of Direct and Overlapping Bonded Debt

### December 31, 2013

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Governmental Unit	Gross Debt (1)	Debt Service Funds	Net Debt	Percent of Debt Applicable to City (2)	Net Debt Applicable to City
Direct Debt:					
City of Eden Prairie	\$ 45,927,700	\$ 15,323,606	\$ 30,604,094	100.00%	\$ 30,604,094
Overlapping Debt:					
Hopkins ISD 270	\$ 171,505,000	2,323,462	\$ 169,181,538	4.75%	\$ 8,036,123
Eden Prairie ISD 272	75,315,000	13,070,181	62,244,819	97.54%	60,713,596
Minnetonka ISD 276	101,504,548	14,210,598	87,293,950	2.71%	2,365,666
Hennepin County	735,600,000	12,335,418	723,264,582	7.14%	51,641,091
Henn Suburban Park District	74,395,000	20,228,877	54,166,123	9.70%	5,254,114
Henn Regional RR Authority	37,675,000	324,784	37,350,216	9.70%	3,622,971
Metropolitan Council	219,230,000	60,565,229	158,664,771	3.26%	5,172,472
Total Overlapping Debt	<u>1,415,224,548</u>	<u>123,058,549</u>	<u>1,292,165,999</u>		<u>136,806,033</u>
Total Direct and Overlapping Debt	<u>\$ 1,461,152,248</u>	<u>\$ 138,382,155</u>	<u>\$ 1,322,770,093</u>		<u>\$ 167,410,127</u>

Notes:

1 - Excluding general obligation bonds reported in the enterprise funds

2- The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the City's boundaries and dividing it by the county's total taxable assessed value.

# City of Eden Prairie, Minnesota

## Demographic and Economic Statistics

### Last Ten Years

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#### Governmental Activities

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Year	Population	Household Median Income	Per Capita Income	Median Age	School Enrollment	Unemployment Rate
2004	62,603	*	*	*	10,360	3.5%
2005	64,032	*	*	*	9,955	3.1%
2006	64,846	*	*	*	9,771	2.9%
2007	65,257	*	*	*	9,806	3.4%
2008	62,210 (1)	*	*	*	9,702	4.0%
2009	63,314 (1)	*	*	*	9,689	6.4%
2010	62,683 (1)	85,509	*	37.2	9,620	6.1%
2011	61,151 (1)	*	*	*	9,260	5.2%
2012	62,004 (1)	*	*	*	9,129	4.6%
2013	62,004 (1)				9,141	4.0%

Sources:

City of Eden Prairie Planning Department  
 Minnesota Department of Trade and Economic Development "Community Profile"  
 Minnesota Local Area Unemployment Statistics File  
 Minnesota Workforce Center  
 Eden Prairie School District 272 - Enrollment History Website

\* - Data is not available

1) Using Met Council numbers

City of Eden Prairie, Minnesota  
 Principal Employers  
 For the Year Ended December 31, 2013 and 2006

Employer	2013		Employer	2006	
	Employees	Percentage of Total City Employment		Employees	Percentage of Total City Employment
Optum	4,000	7.9%	EP Schools	1,400	2.8%
CH Robinson	1,517	3.0%	GE Capital	1,200	2.4%
EP Schools	1,500	3.0%	Rosemount	1,200	2.4%
Starkey Labs	1,440	2.8%	CH Robinson	1,076	2.1%
Cigna	950	1.9%	Super Valu	900	1.8%
Eaton	850	1.7%	Deli Express	842	1.7%
SuperValu Stores Inc.	850	1.7%	MTS Systems	791	1.6%
Kroll On-Track	808	1.6%	Life Touch	558	1.1%
MTS Systems Corp	808	1.6%	Eaton Corp	500	1.0%
Dell-Compellent	750	1.5%	Digital River	500	1.0%
Total Principal Employer	13,473	26.6%		8,967	16.3%
Other Employers	37,129	73.4%		46,033	83.7%
Total Employers	50,602	100.0%		55,000	100.0%

Source: City Community Development Division  
 Included 2006 Data Which is the First Year that Data was Available.

# City of Eden Prairie, Minnesota

## Employees by Function

### Last Ten Years

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Governmental Funds:</b>										
<b>Administration</b>										
<b>City Manager</b>										
City Manager	1	1	1	1	1	1	1	1	1	1
Assistant to the City Manager	1	1	1	1	1					
Administrative Assistant	1	1	1	1	1	1	1	1	1	1
	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
<b>City Clerk</b>										
City Clerk	1	1	1	1	1	1	1	1	1	1
	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
<b>Communication Services</b>										
Communications Manager	1	1	1	1	1	1	1	1	1	1
Sr. Communications Coordinator				1	1	1	1	1	1	1
Communications Coordinator	1	1	1	1	1	1	1	1	1	1
Technician II	1	1	1							
Assistant Communications Coordinator										0.50
	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3.50</u>
<b>Finance</b>										
Finance Manager	1	1	1	1	1	1	1	1	1	1
Finance Supervisor			1	1	1	1	1	1	1	1
Senior Accountant	1	1								
Accountant	1	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Accounts Payable Technician I	1	1	1	1	1	1	1	1	1	1
Senior Accounting Clerk	1	1	1	1	1					
Payroll Technician III	1	1	1	1	1	1				
Technician I	1	1	1	1	1	1	1	1	1	1
	<u>7</u>	<u>7.50</u>	<u>7.50</u>	<u>7.50</u>	<u>7.50</u>	<u>6.50</u>	<u>5.50</u>	<u>5.50</u>	<u>5.50</u>	<u>5.50</u>

Source: Human Resource department

Less than ten years is presented due to information not available.

# City of Eden Prairie, Minnesota

## Employees by Function

### Last Ten Years

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Governmental Funds:</b>										
<b>Administration</b>										
<b>Customer Service</b>										
Customer Service / Office	4	4	3.80	4.05	4.05	4.05	4.05	3.55	3	3
	4	4	3.80	4.05	4.05	4.05	4.05	3.55	3	3
<b>Human Resources</b>										
Human Resources Manager	1	1	1	1	1	1	1	1	1	1
Human Resources Supervisor	1	1	1	1	1	1	1	1	1	1
Human Resources Representative	1	1	1	1	0.60	0.75	0.75	0.75	0.75	1
Organization Development Specialist			0.50	0.50	0.60	1				
Human Resources Tech II	1	1	0.75	0.75	1	1	1	1	1	1
Payroll Technician III							1	1	1	1
	4	4	4.25	4.25	4.20	4.75	4.75	4.75	4.75	5
<b>Community Development</b>										
<b>Assessing</b>										
City Assessor	1	1	1	1	1	1	1	1	1	1
Appraiser	5	5	5	5	5	5	5	5	5	5
Technician I	1	1	1	1	1	1	1	1	1	1
	7	7	7	7	7	7	7	7	7	7
<b>Planning</b>										
<b>Planning</b>										
City Planner	1	1	1	1	1	1	1	1	1	1
Senior Planner	1	1	1	1	1	1	1	1	1	2
Planner	1.65	1.65	1.65	1.65	2.15	1.50	1.50	1.50	1.50	0.60
Heritage Preservation Specialist	1	1	1	1	0.50					
Administrative Assistant I	1	1	1	1	1	1	1	1	1	1
	5.65	5.65	5.65	5.65	5.65	4.50	4.50	4.50	4.50	4.60
<b>Community Development</b>										
Community Development Director	1	1	1	1	1	0.90	0.90	1	1	1
Administrative Assistant I	1	1	1	1	1				0.50	1
	2	2	2	2	2	0.90	0.90	1	1.50	2
<b>Economic Development</b>										
Manager of Economic Development	1	1	1	1	1	1	1	1	1	1
	1	1	1	1	1	1	1	1	1	1

Source: Human Resource department

Less than ten years is presented due to information not available.

# City of Eden Prairie, Minnesota

## Employees by Function

### Last Ten Years

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Governmental Funds:</b>										
<b>Housing and Community Services</b>										
Manager of Housing & Community Srv	1	1	1	1	1	1	1	1	1	1
Community Services Coordinator			1	1	0.50	0.50	0.50	0.50	0.25	0.25
Community Services Technician	1	1	1	1	1	0.50	0.50	0.50	0.75	0.75
	<u>2</u>	<u>2</u>	<u>3</u>	<u>3</u>	<u>2.50</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
<b>Parks and Recreation</b>										
<b>Park Administration</b>										
Park and Recreation Director	1	1	1	1	1	1	1	1	1	1
Administrative Assistant II	1	1	1	1	1	1	1	1	1	1
	<u>2</u>									
<b>Park &amp; Natural Resources</b>										
Manager of Parks and Natural Resource	1	1	1	1	1	1	1	1	1	1
Forestry Technician	1	1	1	1	1	1	1	1	1	1
Supervisor of Park Maintenance	1	1	1	1	1	1	1	1	1	1
Supervisor Park Construction/Repair	1	1	1	1	1	1	1	1	1	1
Maintenance Worker Parks	15	16	16	16	16	16	16	16	16	16
	<u>19</u>	<u>20</u>								
<b>Recreation Programming</b>										
Recreation Manager	1	1	1	1	1	1	1	1	1	1
Recreation Supervisor	4	4	4	4	4	3.50	3.50	3.50	3.25	3.25
Outdoor Center / Nature Programmer	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60
	<u>5.60</u>	<u>5.60</u>	<u>5.60</u>	<u>5.60</u>	<u>5.60</u>	<u>5.10</u>	<u>5.10</u>	<u>5.10</u>	<u>4.85</u>	<u>4.85</u>
<b>Community Center</b>										
Recreation Supervisor	1	2	2	2	2	2	2	2	2	2
Office Supervisor	1	1								
Community Center Manager			1	1	1	1	1	1	1	1
Customer Support/Accounting Tech	3	2	2	2.50	2.50	2.50	2.50	2.50	2.50	2.50
	<u>5</u>	<u>5</u>	<u>5</u>	<u>5.50</u>						
<b>Art Center</b>										
Manager - Art Center					0.50	0.50	0.50	0.50	0.75	0.75
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.50</u>	<u>0.50</u>	<u>0.50</u>	<u>0.50</u>	<u>0.75</u>	<u>0.75</u>

Source: Human Resource department

Less than ten years is presented due to information not available.

# City of Eden Prairie, Minnesota

## Employees by Function

### Last Ten Years

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Governmental Funds:</b>										
<b>Senior Center</b>										
Recreation Supervisor										
Recreation Coordinator	2	1	1	1	1	1	1	1	1	1
Administrative Assistant I	1	1	1	1	1	1	1	1	1	1
	<u>3</u>	<u>2</u>	<u>2</u>							
<b>Police</b>										
<b>Police</b>										
Police Chief	1	1	1	1	1	1	1	1	1	1
Deputy Police Chief	1	1	1	1	1	1	1	1	1	1
Lieutenant	3	4	4	3	3	3	3	3	3	3
Sergeants	12	12	12	12	12	12	12	12	12	12
Police Officers	47	46	47	48	49	48	48	48	49	49
Animal Control Officer	2	2	2	2	2	2	2	2	2	2
Telecommunications Supervisor	1	1	1	1	1	1	1	1	1	1
Telecommunicators	9.50	9.50	9.50	9.50	10	10	10	10	10.50	10.50
Records Supervisor	1	1	1	1	1	1	1	1	1	1
Records Tech	6.75	6.75	6.75	6.75	6.75	6.75	6.75	6.75	6	6
Investigative Aide	1	1	1	1	1	1	1	1	1	1
Administrative Assistant	1	1	1	1	1	1	1	1	1	1
Customer Service / Office Assistant	1	1	1	1	1	1	1	1		
Law Enforcement Analyst				1	1	1	1	1	1	1
Projects Coordinator	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.50
Zoning Administrator	0.80	0.80	0.80	1	1	1	1	1	1	1
	<u>88.65</u>	<u>88.65</u>	<u>89.65</u>	<u>90.85</u>	<u>92.35</u>	<u>91.35</u>	<u>91.35</u>	<u>91.35</u>	<u>91.10</u>	<u>91</u>
<b>Fire</b>										
<b>Fire</b>										
Fire Chief	1	1	1	1	1	1	1	1	1	1
Assistant Fire Chief			0.50	1	1	1	1	2	2	2
Fire Marshal	1	1	1	1	1	0.80	0.80			
Fire Prevention Specialist	3	3	3	3	3	3	3	3	3	3
Rental Housing Inspector			1	1	1	1	1	1	1	1
Electronic Communications Specialist	1	1	1	1	1	1	1	1	1	1
Administrative Assistant II	1	1	1	1	1	1	1	1	1	1
	<u>7</u>	<u>7</u>	<u>8.50</u>	<u>9</u>	<u>9</u>	<u>8.80</u>	<u>8.80</u>	<u>9</u>	<u>9</u>	<u>9</u>

Source: Human Resource department

Less than ten years is presented due to information not available.

# City of Eden Prairie, Minnesota

## Employees by Function

### Last Ten Years

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Governmental Funds:</b>										
<b>Inspections</b>										
Manager of Building Inspections	1	1	1	1	1	1	1	1	1	1
Building Inspectors II	7	7	7	7	7	6	6	6	6	6
Technician I	2	2	2	2	2	2	2	2	2	2
Technician II	1	1	1	1	1	1	1	1	1	1
	<u>11</u>	<u>11</u>	<u>11</u>	<u>11</u>	<u>11</u>	<u>9</u>	<u>9</u>	<u>9</u>	<u>9</u>	<u>9</u>
<b>Public Works</b>										
<b>Engineering</b>										
Public Works Director	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80
City Engineer	1	1	1	1	1	1	1	1	1	1
Assistant City Engineer	1	1	1	1	1	1	1	1	1	1
Engineering Technician I	1	1	1	1	1	1	1	1	1	1
Engineering Technician II	1	1	1	1	1	1	1	1	1	1
Senior Project Engineer	1	1	1	1	1	1	1	1	1	1
Senior Traffic Engineer	1	1	1	1	1	1	1	1	1	1
Engineering Project Coordinator	1	1	1	1	1	1	1	1	1	1
Senior Engineering Tech	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50
Administrative Assistant II	1	1	1	1	1	1	1	1	1	1
	<u>12.30</u>	<u>12.30</u>	<u>12.30</u>	<u>12.30</u>	<u>12.30</u>	<u>9.30</u>	<u>8.30</u>	<u>8.30</u>	<u>8.30</u>	<u>8.30</u>
<b>Streets &amp; Traffic</b>										
Manager of Street Maintenance	1	1	1	1	1	1	1	1	1	1
Maintenance Workers	14	14	14	14	14	13	13	13	13	13
Administrative Assistant I	1	1	1	1	1	1	1	1	1	1
	<u>16</u>	<u>16</u>	<u>16</u>	<u>16</u>	<u>16</u>	<u>15</u>	<u>15</u>	<u>15</u>	<u>15</u>	<u>15</u>
<b>Total Governmental Funds</b>										
Administration	22.00	22.50	22.55	22.80	22.75	21.30	20.30	19.80	19.25	20.00
Community Development	17.65	17.65	18.65	18.65	18.15	15.40	15.40	15.50	16.00	16.60
Parks & Recreation	34.60	34.60	34.60	35.10	35.60	35.10	35.10	35.10	35.10	35.10
Police	88.65	88.65	89.65	90.85	92.35	91.35	91.35	91.35	91.10	91.00
Fire	18.00	18.00	19.50	20.00	20.00	17.80	17.80	18.00	18.00	18.00
Public Works	28.30	28.30	28.30	28.30	28.30	24.30	23.30	23.30	23.30	23.30
	<u>209.20</u>	<u>209.70</u>	<u>213.25</u>	<u>215.70</u>	<u>217.15</u>	<u>205.25</u>	<u>203.25</u>	<u>203.05</u>	<u>202.75</u>	<u>204.00</u>

Source: Human Resource department

Less than ten years is presented due to information not available.

# City of Eden Prairie, Minnesota

## Employees by Function

### Last Ten Years

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Enterprise Funds:</b>										
<b>Liquor</b>										
Liquor Operations Manager	1	1	1	1	1	1	1	1	1	1
Managers	3	3	3	3	3	3	3	3	3	3
Assistant Manager	2	2	2	2	2	2	2	2	3	3
Buyer										1
Keyholder										1
Senior Assistant Manager	1	1	1	1	1	1	1	1		
Inventory Control Clerk	1	1	1	1	1	1	1	1	1	
	<u>8</u>	<u>9</u>								
<b>Utilities</b>										
Public Works Director	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20
Manager of Utilities	1	1	1	1	1	1	1	1	1	1
Water Treatment Supervisor			1	1	1	1	1	1	1	1
Water Treatment Lead					1	1	1	1	1	1
Water Treatment Maintenance Lead			1	1	1	1	1	1	1	1
Water Treatment Operators	11	11	8	8	8	8	8	9	9	9
Utility Field Operations Supervisor	2	1	1	1	1	1	1	1	1	1
Utility Field Operations Lead	1	2	1	1	1	1	1	1	1	1
Water Treatment Maintenance Technician	2	2	2	2	2	2	2	2	2	2
Utility Field Operators	8	8	11	11	11	11	11	11	11	11
Projects Coordinator							1	1	1	1
Utility Operations Project Manager		1	1	1	1					
Storm Utility Maintenance Operator				1	1	1	1	1	1	1
Administrative Assistant	1	1	1	1	1	1	1	1	1	1
Technician II	1	1	1	1	1	1	1	1	1	1
Customer Service / Office Assistant	1	1	1	1	1	1	1	1	1	1
Environmental Coordinator	1	1	1	1	1	1	1	1	1	1
Senior Engineering Tech	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
	<u>29.70</u>	<u>30.70</u>	<u>31.70</u>	<u>32.70</u>	<u>33.70</u>	<u>32.70</u>	<u>33.70</u>	<u>34.70</u>	<u>34.70</u>	<u>34.70</u>

Source: Human Resource department

Less than ten years is presented due to information not available.

# City of Eden Prairie, Minnesota

## Employees by Function

### Last Ten Years

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Internal Service Funds:</b>										
<b>Workers Compensation</b>										
Human Resources Generalist	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.40
	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.40
<b>Property Insurance</b>										
Human Resources Generalist	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.40
	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.40
<b>Fleet Services</b>										
Public Works Superintendent	1	1	1	1	1	1	1	1	1	1
Fleet Services Supervisor										1
Maintenance Worker	6	6	6	6	5	5	5	5	5	4
	7	7	7	7	6	6	6	6	6	6
<b>Facilities</b>										
Facilities Manager	1	1	1	1	1	1	1	1	1	1
Facilities Supervisor	2	2	2	2	2	2	2	2	2	2
Facilities Engineer	2	2	2	2	3	3	3	3	3	3
Facilities Technician	2	2	2	2	2	2	2	2	2	2
Technician I	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
	7.50	7.50	7.50	7.50	8.50	8.50	8.50	8.50	8.50	8.50
<b>Information Technology</b>										
Information Technology Manager	1	1	1	1	1	1	1	1	1	1
Technology Business Analyst	1	1	1	1	1	1	1	1	1	1
IT Systems Engineer	1	1	1	1	2	2	2	2	2	2
GIS Specialist					1	1	1	1	1	1
IT Systems Administrator	2	2	2	2	2	2	2	2	2	2
Technician I	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50		
	5.50	5.50	5.50	5.50	7.50	7.50	7.50	7.50	7	7
<b>Grand Total</b>	<b>267.90</b>	<b>269.40</b>	<b>273.95</b>	<b>277.40</b>	<b>281.85</b>	<b>268.95</b>	<b>267.95</b>	<b>268.75</b>	<b>267.95</b>	<b>270.00</b>

Source: Human Resource department

Less than ten years is presented due to information not available.

# City of Eden Prairie, Minnesota

## Operating Indicators

### Last Ten Years

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>General Government</b>										
Bond Rating	Aaa									
Housing and Human Services										
Number of Residents Served	3,000	2,500	2,500	2,500	3,000	3,000	3,100	3,000	3,300	3,300
Assessing:										
Number of Appraisals Completed	6,000	5,300	5,300	5,300	5,643	5,276	5,517	4,827	4,871	5,002
<b>Parks and Recreation</b>										
Avg Monthly Community Center Memberships	n/a	n/a	n/a	n/a	843	1,751	2,100	2,300	2,573	n/a
Program Registrations	12,173	12,751	14,027	15,281	15,844	15,689	16,213	15,010	15,403	17,783
<b>Public Safety</b>										
Fire										
Number of Calls	908	975	888	1,011	1,233	1,247	1,633	1,143	1,169	1,601
Inspection Permits Issued	7,000	7,090	6,590	7,042	6,157	5,225	6,446	6,531	6,043	9,500
Police										
Number of Calls	52,554	54,622	47,190	52,543	54,483	59,470	52,041	59,544	60,632	53,746
<b>Public Works:</b>										
Patching Materials (Tons)	2,200	2,300	2,500	2,500	1,900	2,500	2,800	2,700	2,000	2,500
Overlays (Tons)	17,640	18,140	26,027	19,900	24,600	31,800	26,300	22,400	23,200	24,000
Crack Filling Materials (Lbs)	140,000	140,000	200,000	200,000	112,000	200,000	200,000	200,000	328,000	200,000
Seal Coating (Sq Yards)	520,000	520,000	402,258	360,535	324,000	427,000	392,000	475,300	389,698	400,000
<b>Water System:</b>										
Number of Connections	17,717	18,271	18,607	18,745	18,794	18,800	18,948	18,971	19,076	19,195
Water Main Repairs	n/a	n/a	15	153	35	28	41	56	23	15
Number of Hydrant Flushed	3,980	3,960	4,062	3,998	4,122	4,234	4,224	4,158	4,267	4,217
Average Daily Usage	8.0 MGD	9.0 MGD	7.7 MGD	8.1 MGD	8.5 MGD	7.9 MGD				
<b>Sewer System:</b>										
Number of Connections	17,391	17,971	18,307	18,445	18,557	18,600	18,355	18,416	18,474	18,525
Miles of Sanitary Sewer Cleaned	94	94	60	65	50	75	80	94	85	65
<b>Storm System:</b>										
Number of Storm Sumps Maintained	188	154	138	63	157	101	93	61	70	61

Sources: Various City Departments

MGD - Million Gallons Daily

N/A - Not Available

# City of Eden Prairie, Minnesota

## Capital Assets Statistics by Function

### Last Ten Years

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Public Safety</b>										
Fire Protection										
Number of Stations	3	3	4	4	4	4	4	4	4	4
Number of Volunteer Firefighters	74	72	79	95	95	95	96	93	89	95
Police Protection										
Number of Stations	1	1	1	1	1	1	1	1	1	1
<b>Public Works</b>										
Miles of City Streets	222	224	225	225	232	231	229	230	231	232
<b>Parks and Recreation</b>										
City Parks	43	43	43	43	43	43	43	43	43	43
Conservation Areas	15	15	5	15	15	15	15	15	15	15
Historic Sites	5	5	5	5	5	5	5	5	5	5
Special Use Areas	5	5	5	5	5	5	5	5	5	5
Miles of Trails	90	90	110	112	112	114	114	120	122	122
<b>Water System</b>										
Number of Wells	13	14	14	14	14	15	15	15	15	15
Total Pumping Capacity	22 MGD	24 MGD	24 MGD	26 MGD	28 MGD					
Total Storage Capacity	8.5M gals									
Miles of Water Mains	259	261	264	265	265	268	269	317	321	323
<b>Sewer System</b>										
Miles of Sanitary Sewer	236	237	241	242	242	244	244	256	258	258
Miles of Storm Sewer	159	162	166	168	168	171	172	174	179	180

Sources: Various City Departments

Note: No Capital Asset Indicators are Available for the General Government Functions.

MGD - Million Gallons Daily

N/A - Not available