

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2014
CITY OF EDEN PRAIRIE, MINNESOTA

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

For The Year Ended December 31, 2014

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, 2014

Table of Contents

	<u>Page</u>
Introductory Section	
Letter of Transmittal	6
GFOA Certificate of Achievement.....	14
Organizational Chart	15
List of Principal Officials	16
Financial Section	
Independent Auditors' Report	18
Management's Discussion and Analysis	21
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position.....	37
Statement of Activities	39
Fund Financial Statements	
Balance Sheet-Governmental Funds	42
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position.....	45
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds.....	46
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	49
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund	50
Statement of Net Position – Proprietary Funds.....	53
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds.....	54
Statement of Cash Flows – Proprietary Funds.....	55
Statement of Fiduciary Net Position – Agency Funds.....	57
Notes to Financial Statements	58

City of Eden Prairie, Minnesota

For the Year Ended December 31, 2014

Page

Required Supplemental Information

Modified Approach for Infrastructure Assets.....	96
Other Post-Employment Benefits Plan-Schedule of Funding Progress	97

Combining Fund Statements

Combining Balance Sheet – Nonmajor Governmental Funds	104
Combining Statement of Revenues, Expenditures and Changes in Fund Balance – Nonmajor Governmental Funds	114
Combining Statement of Net Position – Internal Service Funds	125
Combining Statement of Revenues, Expenses and Changes in Net Position – Internal Service Funds	127
Combining Statement of Cash Flows – Internal Service Funds	129
Combining Statement of Fiduciary Net Position – Agency Funds	134
Combining Statement of Changes in Assets and Liabilities – Agency Funds.....	135

Statistical Section

Government-wide Net Position by Category.....	138
Changes in Net Position - Total.....	139
Changes in Net Position – Governmental Activities.....	140
Changes in Net Position – Business-type Activities.....	141
Fund Balances – Governmental Funds	142
Changes in Fund Balances – Governmental Funds.....	143
Assessed/Tax Capacity Value and Estimated Market Value of Property	144
Direct and Overlapping Property Tax Rates	145
Principal Property Taxpayers.....	146
Property Tax Levies and Collections.....	147
Legal Debt Margin	148
Ratios of Outstanding Debt by Type.....	149
Ratios of Total Debt Outstanding by Type.....	150
Computation of Direct and Overlapping Bonded Debt	151
Demographic and Economic Statistics	152
Principal Employers	153
Employees by Function.....	154
Operating Indicators	161
Capital Assets Statistics by Function.....	162

Introductory



May 11, 2015

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, 2014, 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 CliftonLarsonAllen LLP, 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, 2014, 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, 2014, 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 62,729 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 30th 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 84,800 by 2040.

<u>Year</u>	<u>Population Increase</u>	
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%
2014 Estimate	62,729	3%

Below summarizes City market value since 2006.



The City’s tax base increased from \$8.5 billion to \$8.6 billion from 2013 to 2014. In 2015, the market value increased to \$9.1 billion.

The business environment in Eden Prairie is good. Eden Prairie's unemployment rate is 2.4% which is less than the State rate of 3.6% and the US rate of 5.6%. Business continues to invest in Eden Prairie including the following new development this past year:

- Stratasys Inc. interior remodel - \$2,628,524 valuation
- UHG 15 story building and parking ramp HVAC and plumbing - \$2,843,066 valuation
- People's Organic Coffee/Wine new building - \$1,000,026 valuation
- Oneneck IT Solutions interior remodel - \$7,000,000 valuation
- New Horizon Academy new building - \$1,700,000 valuation
- Mitchell Crossing apartment building - \$19,500,000
- Eden Prairie Nissan interior building finish - \$1,026,485
- Supervalu interior finish - \$2,600,000
- EMC Corp interior finish - \$1,000,000
- Twin City Orthopedics - \$1,100,000
- Margaret A Cargill - \$39,083,000
- Also, 61 new single value home were built.

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

Light Rail Transit (LRT)

The Southwest Light Rail Transit (LRT) line is a high-frequency train that will serve Eden Prairie, Minnetonka, Hopkins, St. Louis Park, and Minneapolis. It is part of the Green Line which includes the Central Corridor LRT. 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 2019, though final project schedule depends on securing federal and local funds.

There are five Light Rail stations planned for 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 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 first phase of the UHG project included the construction of two eight story buildings and a parking ramp in 2013. The second phase was completed in January 2015 with the completion of the third building and the third phase is expected to be completed in 2016 or some time thereafter with the completion of the fourth building. UHG expects about 6,700 workers to occupy the campus.

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.

Adherence to these polices has helped the City maintain a stable financial operations and also to maintain our Aaa and AAA bond rating from Moody's Investors Services and Standard and Poors, respectively.

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 constructing improvements of Shady Oak Road (County Road 61) between and including the interchanges of Highway 62 and Highway 212. The project is being 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 currently under construction and will be substantially complete in 2015. The project will cost approximately \$30 million dollars. This phase of the project is funded by State grant funds, municipal state aid, Hennepin County, and special assessment.

Aquatics & Fitness Expansion

In 2014, the Eden Prairie City Council approved a \$20M Aquatics & Fitness Expansion at the Community Center after a long review process. Initially a feasibility study identified facility deficiencies, challenges in programming and user group access, and changing demographic trends.

Based on the study and a series of interactive workshops with various stakeholders conducted by a consultant, a project proposal was made to address the pool inadequacies. Beginning in March 2013, the public was invited to provide feedback and ideas for the project using CITY CONNECT, an online engagement tool. A public input meeting took place Aug. 5, 2013, for residents to provide feedback on the layout and preliminary designs.

In 2014, the City Council approved the construction contract. The construction process will occur in two continuous phases. Phase I started in June 2014 with an anticipated completion date of June 2015.

Phase I will include the following additions:

- Two 8-lane pools: Competition Pool A will have water depths from 4.5 to 7 feet. Competition Pool B will have water depths of 3.5 to 12 feet. This pool will also have two diving boards and a climbing wall.
- Men's and women's wet locker rooms
- Spectator seating for 300
- Multipurpose room
- Dry land training room
- Expansion of the fitness floor and cardiovascular equipment
- Group fitness Studio C
- Expansion of group fitness Studio A
- Accessible fitness area restrooms

Phase II will begin in June 2015 and will be completed in December 2015. It includes the following updates:

- Zero-depth leisure pool
- Recreational pool
- Hot tub
- Water slide with plunge pool
- Expanded family locker rooms
- Multipurpose room

The expansion is expected to address the challenges identified in the feasibility study and provide improved aquatic service to the community.

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, 2013.

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, 2014 and 2015. 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, 2013. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a 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 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. We would also like to express our appreciation to the employees of the Finance Division for their contribution to the preparation of this report.

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

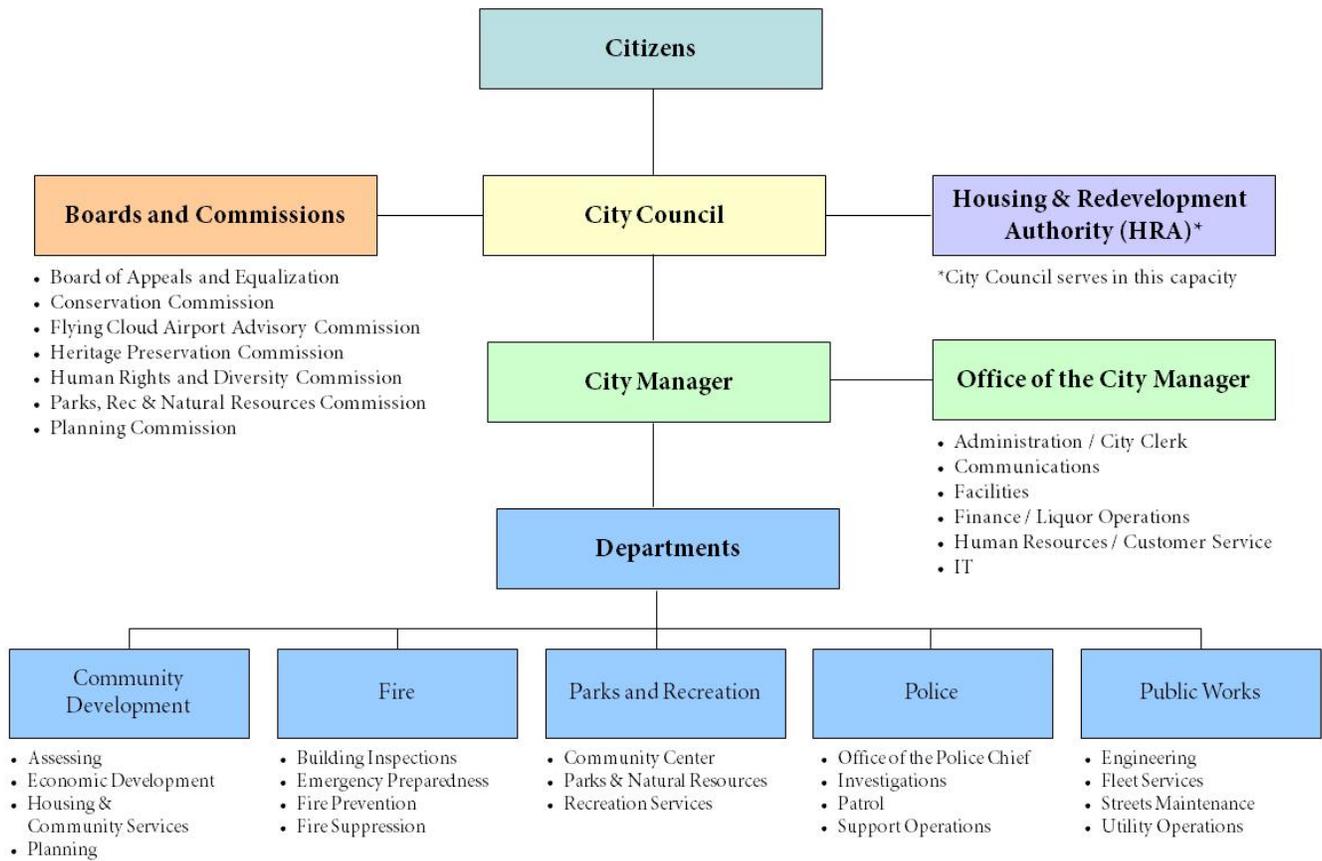
December 31, 2013

A handwritten signature in black ink, reading "Jeffrey R. Emer". The signature is written in a cursive, flowing style.

Executive Director/CEO

City of Eden Prairie, Minnesota

For the Year Ended December 31, 2014



City of Eden Prairie, Minnesota

For the Year Ended December 31, 2014

Principal Officials

Elected Officials:

Mayor	(Term expiration 12/31/18)	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 12/31/18)	Sherry Butcher Wickstrom
Council Member	(Term expiration 12/31/18)	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

INDEPENDENT AUDITORS' 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 (the City), as of and for the year ended December 31, 2014, 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.

Auditors' 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 auditors' 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 entity'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 entity'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.

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

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

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 as of December 31, 2014, and the respective changes in financial position, the budgetary comparison for the general fund, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Summarized Prior Year Comparative Information

The City of Eden Prairie's 2013 comparative information was derived from the financial statements of the governmental activities, the business-type activities, each major fund, and aggregate remaining fund information. Those 2013 financial statements were audited by other auditors who expressed an unmodified opinion on those financial statements in a report dated April 25, 2014.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, modified approach for infrastructure assets, and the other post-employment benefits plan – schedule of funding progress as listed on 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, the combining and individual nonmajor fund financial statements, and statistical information are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Matters (Continued)

Other Information (Continued)

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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 11, 2015, 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 result 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 City of Eden Prairie's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Minneapolis, Minnesota
May 11, 2015

City of Eden Prairie, Minnesota

Management's Discussion and Analysis

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, 2014. 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 \$402 million. Of this amount, \$75 million (*unrestricted net position*) may be used to meet the City's ongoing obligations to citizens and creditors, \$313 million is invested in capital assets, and \$14 million is restricted.
- The City's total net position increased by \$11,804,642 or 3%. The key factors in this increase were the construction projects at Shady Oak Road North and South and the Aquatics & Fitness Expansion. The City also levied \$11M in assessments for the Shady Oak Road North project.
- The City's total long-term liabilities increased by \$4,916,998 or 9% in comparison with the prior year. Contributing to the increase was the issuance of \$17M in Tax Abatement bonds for the Aquatics & Fitness Expansion. Offsetting the increase was a decrease of \$9.2M in bonds due to the crossover of the G.O. Bonds of 2006A and the G.O. bonds of 2005C. These bonds were paid off in January of 2014.

Fund Financial Statements

- The City's governmental funds reported combined ending fund balances of \$68 million, an increase of \$788,763 or 1% 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 \$797,788 in the General fund. The increase is needed to maintain the City's fund balance policy.
 - Decrease in fund balance of \$407,430 in the General Obligation Improvement Revolving 2005B fund due to these bonds being paid off.
 - Decrease in fund balance of \$2,335,270 in the Capital Improvement Maintenance fund, of which details can be found in the "Other Major Funds" section.
 - Increase in fund balance of \$464,668 in the Public Improvement Construction fund due mainly to the collection of special assessment debt for prior construction costs.
 - Decrease in fund balance of \$1,553,062 in the Shady Oak Road North fund due to planned construction costs.

City of Eden Prairie, Minnesota

Management's Discussion and Analysis

- Increase in fund balance of \$1,728,235 in the Shady Oak Road South fund due mainly to the collection of MSA and a state grant. These funds will be spent in the future on construction costs.
- Increase in fund balance of \$13,089,870 in the Aquatics & Fitness Expansion fund due mainly to the issuance of \$17M in tax abatement bonds. These funds will be spent on the construction of the new aquatics facility at the community center.
- Other governmental funds had an overall decrease in fund balance of \$10,996,036 due mainly to the following increases and decreases:
 - Decrease in fund balance of \$5,231,751 in the General Obligation Bonds 2005C fund due to the bonds reaching the crossover date and being paid off.
 - Decrease in fund balance of \$5,255,565 in the General Obligation Bonds 2006A fund due to the bonds reaching the crossover date and being paid off.
 - Increase in fund balance of \$943,727 in the General Obligation Refunding Bonds 2011C due mainly to the closing of the G.O. Improvement Bonds 2006A and transferring the remaining money to this fund.
 - Increase in fund balance of \$847,349 in the Project fund due to future planned project expenditures.
 - Decrease in fund balance of \$2,203,510 in the Eden Prairie Road Fund. This fund will be funded with the issuance of debt.
- Approximately 65% 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

City of Eden Prairie, Minnesota

Management's Discussion and Analysis

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, deferred outflows of resources 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.

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 Funds) 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

City of Eden Prairie, Minnesota

Management's Discussion and Analysis

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.

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 increased from \$390 million to \$402 million and maintained its financial position. By far the largest portion of the City of Eden Prairie's net position, \$313 million (approximately 78%) 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

City of Eden Prairie, Minnesota

Management's Discussion and Analysis

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 \$14 million (approximately 3%), represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$75 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.

The following schedule provides a summary of the City's net position as of December 31, 2014 (in thousands):

	Governmental Activities		Business-Type activities		Total	
	2014	2013	2014	2013	2014	2013
Current and Other Assets	\$ 100,202	\$ 84,074	\$ 16,720	\$ 17,448	\$ 116,922	\$ 101,522
Capital Assets	220,826	211,788	134,072	136,185	354,898	347,973
Total Assets	321,028	295,862	150,792	153,633	471,820	449,495
Deferred Outflows	231	-	-	-	231	-
Total Assets and Deferred Outflows	321,259	295,862	150,792	153,633	472,051	449,495
Long-Term Liabilities Outstanding	54,772	49,457	3,382	3,781	58,154	53,238
Other Liabilities	10,397	4,972	1,827	1,416	12,224	6,388
Total Liabilities	65,169	54,429	5,209	5,197	70,378	59,626
Deferred Inflows	-	-	-	-	-	-
Invested in Capital Assets	181,976	177,981	131,144	132,802	313,120	310,783
Restricted	13,773	6,176	-	-	13,773	6,176
Unrestricted	60,341	57,276	14,439	15,634	74,780	72,910
Total Net Position	\$ 256,090	\$ 241,433	\$ 145,583	\$ 148,436	\$ 401,673	\$ 389,869

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

City of Eden Prairie, Minnesota

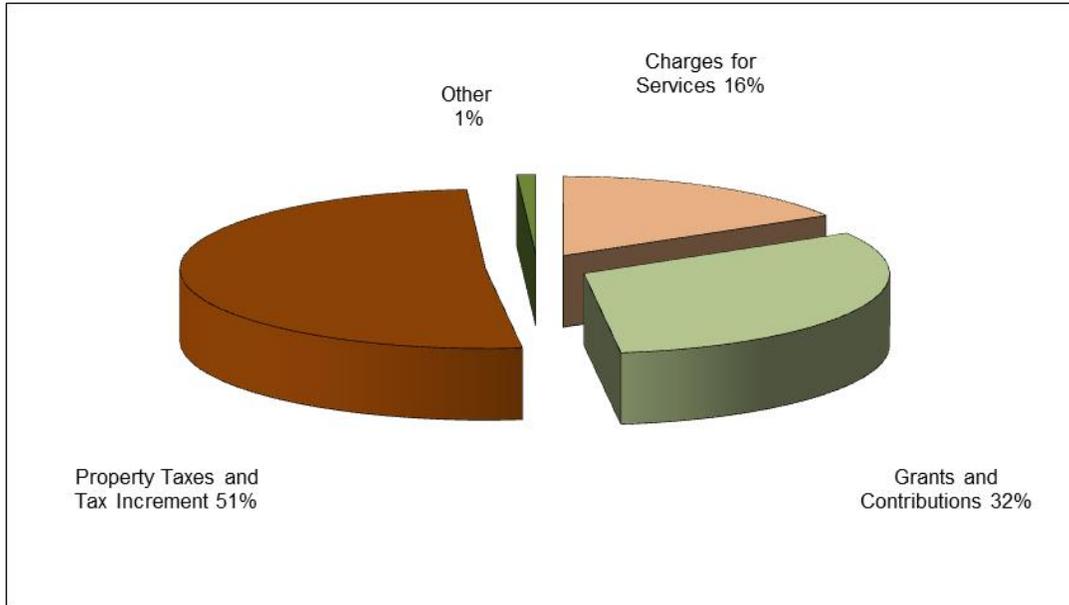
Management's Discussion and Analysis

	Governmental Activities		Business-Type		Total	
	2014	2013	2014	2013	2014	2013
Revenues:						
Program Revenues						
Charges for Services	\$ 11,620	\$ 12,263	\$ 26,756	\$ 29,829	\$ 38,376	\$ 42,092
Operating Grants and Contributions	1,742	1,460	131	-	1,873	1,460
Capital Grants and Contributions	20,504	2,900	1,448	3,070	21,952	5,970
General Revenues						
Property Taxes	32,781	32,674	-	-	32,781	32,674
Tax Increment	3,071	3,535	-	-	3,071	3,535
Grants and Contributions	484	862	-	-	484	862
Investment Income	210	138	47	16	257	154
Gain on sale of Capital Assets	-	-	-	-	-	-
Total Revenues	70,412	53,832	28,382	32,915	98,794	86,747
Expenses:						
Administration	4,921	5,855	-	-	4,921	5,855
Community Development	5,369	5,679	-	-	5,369	5,679
Police	13,534	12,846	-	-	13,534	12,846
Fire	6,094	5,724	-	-	6,094	5,724
Public Works	13,321	16,289	-	-	13,321	16,289
Parks and Recreation	12,947	11,114	-	-	12,947	11,114
Interest on Long Term Debt	984	1,337	-	-	984	1,337
Water	-	-	9,856	9,565	9,856	9,565
Sewer	-	-	6,403	6,561	6,403	6,561
Storm	-	-	2,546	2,420	2,546	2,420
Liquor	-	-	11,015	11,174	11,015	11,174
Total Expenses	57,170	58,844	29,820	29,720	86,990	88,564
Changes in Net Position						
Before Transfers	13,242	(5,012)	(1,438)	3,195	11,804	(1,817)
Internal Transfers	1,415	1,258	(1,415)	(1,258)	-	-
Change in Net Position	14,657	(3,754)	(2,853)	1,937	11,804	(1,817)
Net Position, January 1	241,433	245,187	148,436	146,499	389,869	391,686
Net Position, December 31	\$ 256,090	\$ 241,433	\$ 145,583	\$ 148,436	\$ 401,673	\$ 389,869

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

Governmental Activities

Revenue by Source

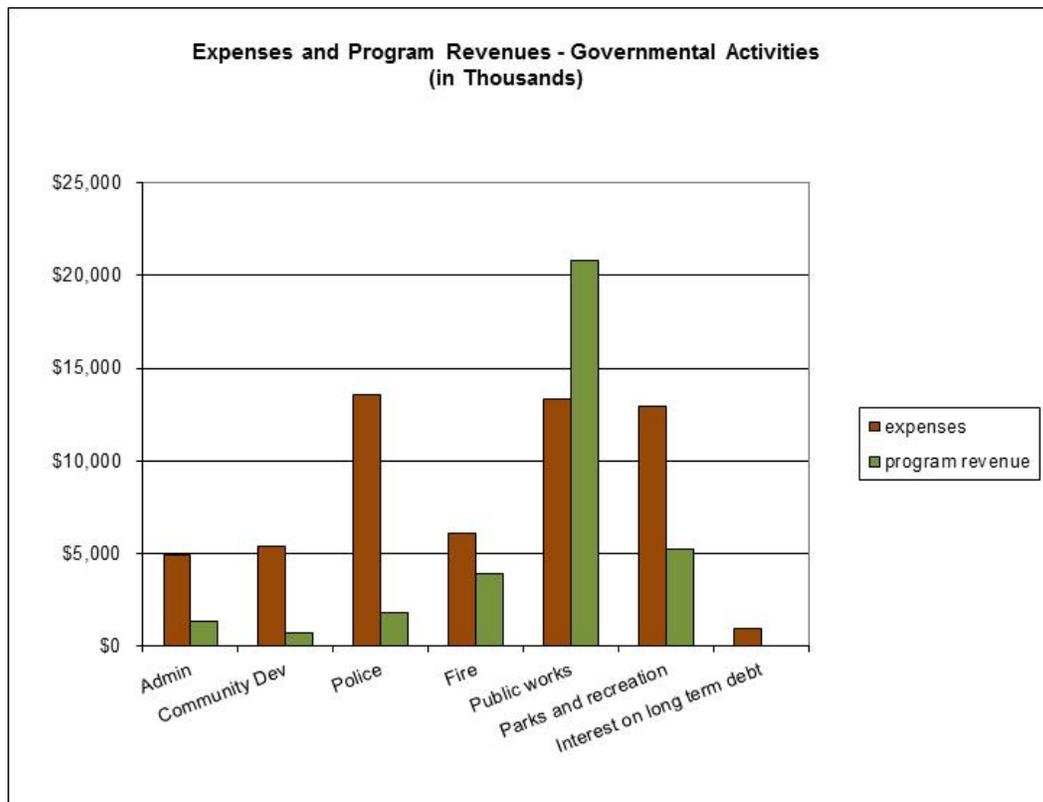
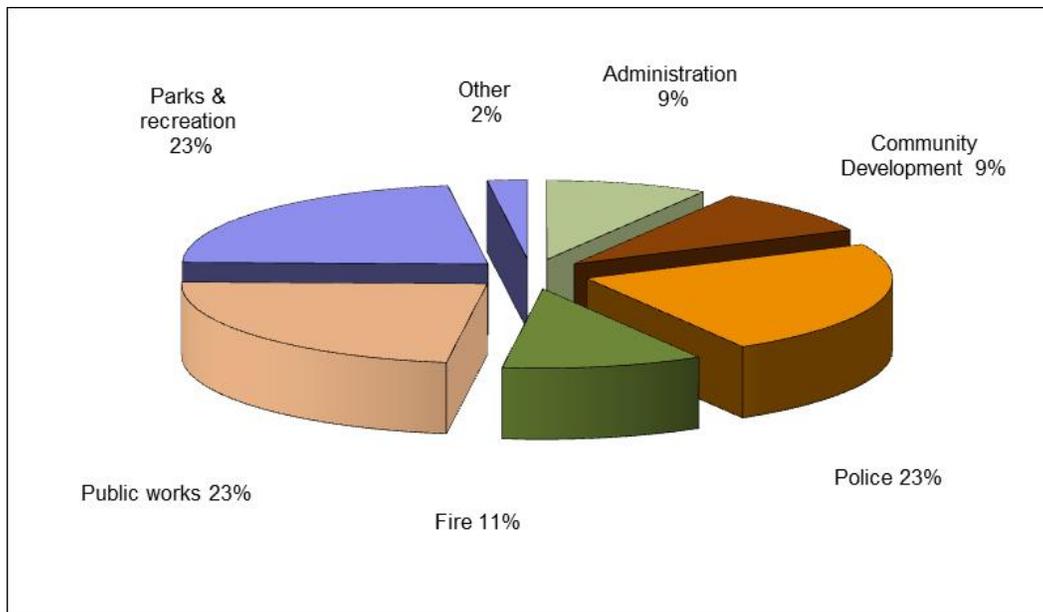


- For the year, property taxes totaled \$32,781,740 which is an increase of \$107,730 or .3% from 2013. For 2014, the City budgeted for a 2% increase in property taxes. The difference between budget and actual is due to less money collected in 2014 for delinquent taxes. The 2014 increase allows the City to keep staffing and service levels the same as last year.
- Charges for services decreased by \$643,258 or 5% from 2013. This was due mainly to decreased building permits and fees. Offsetting the decrease is an increase in revenue at the community center for memberships and facilities rentals.
- Operating grants and contributions increased by \$282,086 or 19% from 2013. This was mainly due to an increase in the Community Development Block Grant.
- Capital grants and contributions increased by \$17,604,761 which is over a 100% increase from 2013. This was due mainly to the issuance of special assessments for the Shady Oak Road North project. The City also received a TED grant and MSA money for the Shady Oak Road South project.

City of Eden Prairie, Minnesota

Management's Discussion and Analysis

Expenses by Program

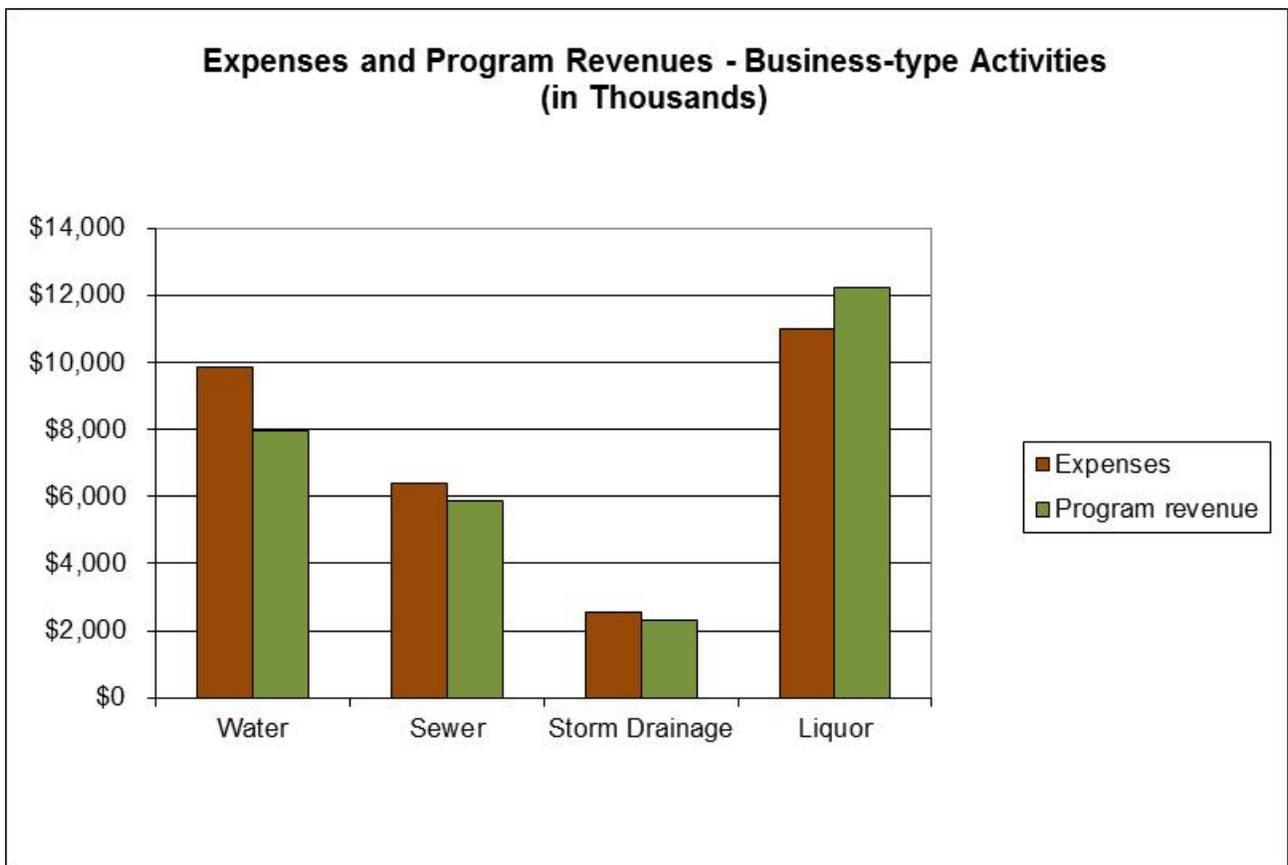


City of Eden Prairie, Minnesota

Management's Discussion and Analysis

Business-type Activities

For the business-type activities, charges for services accounts for 94% of revenues. The Water Fund, Sewer Fund and Storm Drainage Fund had a negative change to net position of \$2,137,789, \$543,163 and \$377,455 respectively. The negative changes were primarily due to depreciation. The Liquor operations had a positive change in net position of \$205,494.



City of Eden Prairie, Minnesota

Management's Discussion and Analysis

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 \$797,788. The table below reflects the changes to the City's General fund balance.

	2014	2013	Difference
Fund Balance:			
Nonspendable	\$ 39,844	\$ 24,702	\$ 15,142
Unassigned			
Budget Stabilization	6,239,620	6,093,689	145,931
Working Capital	15,854,695	15,370,852	483,843
Unassigned	197,872	45,000	152,872
Total Fund Balance	<u>\$ 22,332,031</u>	<u>\$ 21,534,243</u>	<u>\$ 797,788</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, \$4,159,747 or 10% of the 2015 budget was maintained for budget stabilization to be used for emergencies and maintenance of the City's Aaa bond rating. Also, \$2,079,873 or 5% of the 2015 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 \$15,525,921 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 \$328,774 was assigned to cover the planned 2015 budget deficit.

City of Eden Prairie, Minnesota

Management's Discussion and Analysis

Other Major Funds

The General Obligation Improvement Revolving 2005B fund decreased by \$407,430 in 2014 due to the refunding of the G.O. Bonds of 2005B. These bonds were paid off in 2014.

The Capital Improvement Maintenance fund decreased by \$2,335,270 in 2014. Revenue of \$582,504 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 front end loader/snow blower, fiber to Logis and remote sites, computers for police squads, and renovations to the CMS tennis courts. Transfers In includes \$573,435, and \$1,000,000 from the General fund and Liquor funds respectively, due to positive operating results, and \$32,946 to close out the CIP Refunding Bonds 2009C fund. Transfers Out includes \$250,000 to the CIP Trails fund for various trail improvement projects and \$3,500,000 to the Aquatics & Fitness Expansion fund for its share of the Aquatics & Fitness Expansion project.

The Public Improvement Construction fund increased by \$464,668 in 2014. Special Assessments of \$286,041 were collected. As of December 31, 2014, the fund had a negative fund balance of \$2,306,137. The deficit will be reduced with the collection of special assessments and state aid.

The Shady Oak Road North fund decreased by \$1,553,062 in 2014. 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 2015. The negative fund balance will be repaid by additional special assessments.

The Shady Oak Road South fund increased by \$1,728,235 in 2014. The Shady Oak Road South project will reconstruct Shady Oak Road from Flying Cloud Drive to Rowland Road. This project will be completed in 2015.

The Aquatics & Fitness Expansion fund increased by \$13,089,870 . In 2014, the City issued \$17M of tax abatement bonds. The fund also received a transfer of \$3,500,000 from the Capital Improvement fund for its share of the project. The Pool project will upgrade the existing pool and also add a pool to the Community Center. This project will be completed in 2015.

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

Water fund sales through December 31, 2014 totaled \$7,306,073 which is a decrease of \$415,786 or 5% from 2013 due to the following:

City of Eden Prairie, Minnesota

Management's Discussion and Analysis

- Increase in sales by approximately \$70,000 due to increased tier rates
- Increase in sales by approximately \$88,000 due to the increase in the fixed charge
- Decrease in sales by approximately \$574,000 due to the decrease in water use.

Access charges decreased by \$1,073,750 due to two large projects in 2013, the United Health Group development and the new Martin Blu apartment complex.

Sewer fund sales through December 31, 2014 totaled \$5,566,951 which is an increase of \$131,066 or 2% from 2013 due to the following:

- Increase in sales by approximately \$118,000 due to the rate increase.
- Increase in sales by approximately \$88,000 due to the increase in the fixed charge.
- Decrease in sales by approximately \$75,000 due to decrease in sewer use.

Access charges decreased by \$290,040 due mainly to the United Health development and the new Martin Blu apartment complex.

Storm Drainage fund sales through December 31, 2014 totaled \$1,656,817 which is an increase of \$225,552 or 16% from 2013. The increase is due to the rate increase.

The liquor operations had a successful year and the operations transferred \$1,000,000 to the Capital Improvement Maintenance Fund. Sales totaled \$11,929,793 which is a decrease of \$215,100 or 2% over 2013. Gross margins are at 26.2% which compares to 26.9% last year.

Budgetary Highlights

The General fund had positive operating results. Total revenues equaled \$41,933,808 or 105% of the amount budgeted. The positive performance is due to conservative budgeting including a 2% allowance for uncollectible taxes, positive development revenue, grants, and revenues collected from the Community Center. Other items had positive and negative variances. Total expenditures equaled \$40,696,904 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 102% of their budget but they have collected 104% of the amount budget for revenue.

City of Eden Prairie, Minnesota

Management's Discussion and Analysis

Capital Assets and Debt Administration

Capital Assets

At the end of 2014, the city had \$355 million invested in capital assets. Major capital assets added during the current fiscal year by fund include the following:

Significant Projects	Amount
Parks Improvement	
Miller Park Athletic Field Improvements	\$ 499,248
Capital Maintenance & Reinvestment Fund	
CMS Tennis Court Renovation	224,051
Front End Loader/Snow Blower	170,390
CIP - Bonds	
Fiber to LOGIS and Remote Sites	202,666
Police Mobile Comp System Replacement	138,720
Water Capital	
Water Tower Recoating - Market Center	812,179
Well #3	322,459
Well #4	181,788
Storm Capital	
Burr Ridge Storm Sewer Repair	1,603,094
Facilities Capital Internal Service Fund	
Building Restorations	137,299

City of Eden Prairie, Minnesota

Management's Discussion and Analysis

Capital Assets (net of depreciation, in thousands)

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Land & Land Improv.	\$ 32,469	\$ 33,269	\$ 890	\$ 741	\$ 33,359	\$ 34,010
Infrastructure	126,445	125,957	-	-	126,445	125,957
Work in Progress	16,310	5,427	1,494	5	17,804	5,432
Distribution System	-	-	97,324	99,337	97,324	99,337
Buildings	36,999	38,016	29,807	31,140	66,806	69,156
Leasehold Improvements	25	30	490	574	515	604
Machinery & Equipment	1,197	1,309	3,803	4,011	5,000	5,320
Autos	3,291	3,379	248	348	3,539	3,727
Other Assets	4,090	4,401	16	29	4,106	4,430
Total	\$ 220,826	\$ 211,788	\$ 134,072	\$ 136,185	\$ 354,898	\$ 347,973

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.

The City’s policy is to achieve an average rating of 60 (good condition) 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, 2014, 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 \$2,234,331 on infrastructure maintenance for the year ending December 31, 2014. 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.

City of Eden Prairie, Minnesota

Management's Discussion and Analysis

Debt

At year-end, the City had approximately \$58 million in bonds and other long-term liabilities outstanding versus \$53 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 2015 general fund budgeted appropriations are \$41,437,466 which is an increase of \$927,872 or 2% from the 2014 budget. Budgeted revenues less expenditures total (\$328,774). 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, 2014

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 76,061,707	\$ 12,174,063	\$ 88,235,770
Receivables			
Accounts	1,022,742	2,648,914	3,671,656
Interest	108,498	19,995	128,493
Due From Other Governments	347,470	331,277	678,747
Unremitted Taxes	248,235	-	248,235
Delinquent Taxes	30,757	-	30,757
Unremitted Special Assessments	2,919	7,359	10,278
Delinquent Special Assessments	4,896	319,347	324,243
Special Assessments	16,068,081	798,951	16,867,032
Unavailable Special Assessments	424,109	293,200	717,309
Internal Balances	1,571,704	(1,571,704)	-
Inventories	109,160	1,380,597	1,489,757
Prepaid Items	538,570	318,515	857,085
Land Held for Resale	537,000	-	537,000
Restricted Cash and Cash Equivalents	3,126,067	-	3,126,067
Capital Assets			
Nondepreciable			
Land	22,006,728	809,333	22,816,061
Infrastructure	126,444,316	-	126,444,316
Work in Progress	16,310,180	1,494,394	17,804,574
Depreciable Buildings, Property and Equipment, Net	56,064,809	131,768,054	187,832,863
Total Assets	321,027,948	150,792,295	471,820,243
DEFERRED OUTFLOWS OF RESOURCES			
Loss on Refunding of Debt	231,402	-	231,402
Total Deferred Outflows of Resources	231,402	-	231,402
Total Assets and Deferred Outflows of Resources	321,259,350	150,792,295	472,051,645

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

City of Eden Prairie, Minnesota
Statement of Net Position
December 31, 2014

Continued

	Primary Government		Total
	Governmental Activities	Business-type Activities	
LIABILITIES			
Accounts and Contracts Payable	7,143,201	1,529,521	8,672,722
Salaries Payable	981,779	161,057	1,142,836
Investment Interest Payable	6,447	-	6,447
Interest Payable	621,037	7,066	628,103
Due to Other Governments	475,131	124,405	599,536
Unearned Revenue	1,169,136	4,680	1,173,816
Net OPEB			
Due in More Than One Year	1,171,954	198,178	1,370,132
Bonds Payable			
Due Within One Year	6,930,000	445,000	7,375,000
Due in More Than One Year	44,699,624	2,482,476	47,182,100
Capital lease payable			
Due Within One Year	44,224	-	44,224
Due in More Than One Year	45,369	-	45,369
Compensated Absences			
Due Within One Year	929,703	125,970	1,055,673
Due in More Than One Year	951,044	131,112	1,082,156
Total Liabilities	65,168,649	5,209,465	70,378,114
NET POSITION			
Net Investment in Capital Assets	181,975,764	131,144,305	313,120,069
Restricted for Perpetual Care, Nonexpendable	138,169	-	138,169
Restricted for Debt Service	4,923,354	-	4,923,354
Restricted for Special Assessments	1,407,443	-	1,407,443
Restricted for Tax Increment	4,779,336	-	4,779,336
Restricted for Police	312,005	-	312,005
Restricted for Public Works	2,105,725	-	2,105,725
Restricted for Parks and Recreation	107,522	-	107,522
Unrestricted	60,341,383	14,438,525	74,779,908
Total Net Position	\$ 256,090,701	\$ 145,582,830	\$ 401,673,531

City of Eden Prairie, Minnesota
Statement of Activities
For the Year Ended December 31, 2014

	Expenses	Program Revenue		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
FUNCTIONS/PROGRAMS				
Primary Government				
Governmental Activities				
Administration	\$ 4,921,044	\$ 1,314,271	\$ 346	\$ -
Community Development	5,368,762	73,929	615,524	-
Police	13,534,150	1,130,020	583,941	91,917
Fire	6,093,772	3,502,952	437,342	-
Public Works	13,321,459	411,144	68,865	20,379,302
Parks and Recreation	12,947,006	5,187,195	35,927	32,979
Interest on Long Term Debt	983,669	-	-	-
Total Governmental Activities	57,169,862	11,619,511	1,741,945	20,504,198
Business-Type Activities				
Water	9,856,001	7,315,328	-	631,875
Sewer	6,403,264	5,566,951	-	281,095
Storm	2,545,818	1,656,817	131,600	535,074
Liquor	11,015,340	12,216,404	-	-
Total Business-Type Activities	29,820,423	26,755,500	131,600	1,448,044
Total Primary Government	\$ 86,990,285	\$ 38,375,011	\$ 1,873,545	\$ 21,952,242

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
\$ (3,606,427)	\$ -	\$ (3,606,427)
(4,679,309)	-	(4,679,309)
(11,728,272)	-	(11,728,272)
(2,153,478)	-	(2,153,478)
7,537,852	-	7,537,852
(7,690,905)	-	(7,690,905)
(983,669)	-	(983,669)
(23,304,208)	-	(23,304,208)
-	(1,908,798)	(1,908,798)
-	(555,218)	(555,218)
-	(222,327)	(222,327)
-	1,201,064	1,201,064
-	(1,485,279)	(1,485,279)
(23,304,208)	(1,485,279)	(24,789,487)
30,024,864	-	30,024,864
2,756,876	-	2,756,876
3,070,936	-	3,070,936
483,914	-	483,914
210,373	47,166	257,539
1,414,800	(1,414,800)	-
37,961,763	(1,367,634)	36,594,129
14,657,555	(2,852,913)	11,804,642
241,433,146	148,435,743	389,868,889
\$ 256,090,701	\$ 145,582,830	\$ 401,673,531

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, 2014

Page 1 of 3

	General	Debt Service General Obligation Improv. Revolving 2005B	Capital Projects Capital Improvement Maintenance
ASSETS			
Cash and Investments	\$ 23,371,957	\$ -	\$ 9,571,522
Receivables			
Accounts	412,003	-	19,673
Interest	25,530	-	24,462
Due From Other Governments	159,923	-	-
Unremitted Taxes	227,968	-	2,045
Delinquent Taxes	30,648	-	109
Unremitted Special Assessments	-	-	-
Delinquent Special Assessments	-	-	933
Deferred Special Assessments	-	-	4,354
Special Deferred Special Assessments	-	-	97,093
Due From Other Funds	-	-	3,018,747
Advances to Other Funds	-	-	1,414,534
Prepaid Items	39,844	-	-
Land Held for Resale	-	-	-
Cash and Investments With Escrow Agent	-	-	-
Total Assets	<u>\$ 24,267,873</u>	<u>\$ -</u>	<u>\$ 14,153,472</u>
LIABILITIES			
Accounts and Contracts Payable	\$ 688,146	\$ -	\$ 247,050
Salaries Payable	883,730	-	-
Investment Interest Payable	-	-	-
Due to Other Governments	158,111	-	-
Due to Other Funds	-	-	-
Unearned Revenue	154,432	-	42,238
Total Liabilities	<u>1,884,419</u>	<u>-</u>	<u>289,288</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue-Grants	20,775	-	-
Unavailable Revenue-Property Taxes	30,648	-	109
Unavailable Revenue-Special Assessments	-	-	102,380
Total Deferred Inflows of Resources	<u>51,423</u>	<u>-</u>	<u>102,489</u>
FUND BALANCES			
Nonspendable	39,844	-	-
Restricted	-	-	-
Assigned	-	-	13,761,695
Unassigned	22,292,187	-	-
Total Fund Balance	<u>22,332,031</u>	<u>-</u>	<u>13,761,695</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 24,267,873</u>	<u>\$ -</u>	<u>\$ 14,153,472</u>

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

**CITY OF EDEN PRAIRIE, MINNESOTA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2014**

Page 2 of 3

	Capital Projects		
	Public Improvement Construction	Shady Oak Road North	Shady Oak Road South
ASSETS			
Cash and Investments	\$ -	\$ -	\$ 5,740,624
Receivables			
Accounts	-	-	-
Interest	-	912	4,821
Due From Other Governments	-	-	-
Unremitted Taxes	-	-	-
Delinquent Taxes	-	-	-
Unremitted Special Assessments	2,919	-	-
Delinquent Special Assessments	3,899	-	-
Deferred Special Assessments	729,387	11,273,715	-
Special Deferred Special Assessments	206,254	-	-
Due From Other Funds	-	-	-
Advances to Other Funds	-	-	-
Prepaid Items	-	-	-
Land Held for Resale	-	-	-
Cash and Investments With Escrow Agent	-	-	-
Total Assets	<u>\$ 942,459</u>	<u>\$ 11,274,627</u>	<u>\$ 5,745,445</u>
LIABILITIES			
Accounts and Contracts Payable	\$ -	\$ 256,607	\$ 1,303,545
Salaries Payable	-	-	-
Investment Interest Payable	4,185	-	-
Due to Other Governments	-	-	1,533
Due to Other Funds	2,304,871	556,706	-
Unearned Revenue	-	-	694,483
Total Liabilities	<u>2,309,056</u>	<u>813,313</u>	<u>1,999,561</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue-Grants	-	-	-
Unavailable Revenue-Property Taxes	-	-	-
Unavailable Revenue-Special Assessments	939,540	11,273,715	-
Total Deferred Inflows of Resources	<u>939,540</u>	<u>11,273,715</u>	<u>-</u>
FUND BALANCES			
Nonspendable	-	-	-
Restricted	-	-	1,718,066
Assigned	-	-	2,027,818
Unassigned	(2,306,137)	(812,401)	-
Total Fund Balance	<u>(2,306,137)</u>	<u>(812,401)</u>	<u>3,745,884</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 942,459</u>	<u>\$ 11,274,627</u>	<u>\$ 5,745,445</u>

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

**CITY OF EDEN PRAIRIE, MINNESOTA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2014**

Page 3 of 3

	<u>Capital Projects</u>		
	Aquatics & Fitness Expansion	Other Governmental Funds	Total Governmental Funds
ASSETS			
Cash and Investments	\$ 16,260,453	\$ 14,823,100	\$ 69,767,656
Receivables			
Accounts	-	580,925	1,012,601
Interest	9,566	32,937	98,228
Due From Other Governments	-	162,432	322,355
Unremitted Taxes	-	18,222	248,235
Delinquent Taxes	-	-	30,757
Unremitted Special Assessments	-	-	2,919
Delinquent Special Assessments	-	64	4,896
Deferred Special Assessments	-	4,060,625	16,068,081
Special Deferred Special Assessments	-	120,762	424,109
Due From Other Funds	-	3,071,025	6,089,772
Advances to Other Funds	-	-	1,414,534
Prepaid Items	-	5,619	45,463
Land Held for Resale	-	537,000	537,000
Cash and Investments With Escrow Agent	-	3,126,067	3,126,067
Total Assets	<u>\$ 16,270,019</u>	<u>\$ 26,538,778</u>	<u>\$ 99,192,673</u>
LIABILITIES			
Accounts and Contracts Payable	\$ 3,438,808	\$ 392,612	\$ 6,326,768
Salaries Payable	-	11,732	895,462
Investment Interest Payable	-	2,228	6,413
Due to Other Governments	-	12,751	172,395
Due to Other Funds	-	3,071,025	5,932,602
Unearned Revenue	-	264,657	1,155,810
Total Liabilities	<u>3,438,808</u>	<u>3,755,005</u>	<u>14,489,450</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue-Grants	-	-	20,775
Unavailable Revenue-Property Taxes	-	-	30,757
Unavailable Revenue-Special Assessments	-	4,181,451	16,497,086
Total Deferred Inflows of Resources	<u>-</u>	<u>4,181,451</u>	<u>16,548,618</u>
FUND BALANCES			
Nonspendable	-	680,788	720,632
Restricted	9,559,060	11,770,804	23,047,930
Assigned	3,272,151	9,328,107	28,389,771
Unassigned	-	(3,177,377)	15,996,272
Total Fund Balance	<u>12,831,211</u>	<u>18,602,322</u>	<u>68,154,605</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 16,270,019</u>	<u>\$ 26,538,778</u>	<u>\$ 99,192,673</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, 2014

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

Total Fund Balance - Governmental Funds	\$ 68,154,605
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	247,890,344
Less Accumulated Depreciation	(32,298,799)
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 Net	(51,629,624)
Capital Lease	(89,593)
Deferred Loss on Refunding	231,402
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.	16,527,843
4. Grants 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.	20,775
5. Governmental funds do not report a liability for accrued interest on long-term debt until due and payable.	(621,037)
6. 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.	7,904,785
	<hr/>
Net Position - Governmental Activities	\$ 256,090,701
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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, 2014

	General	Debt Service General Obligation Improv. Revolving 2005B	Capital Projects Capital Improvement Maintenance
REVENUES			
General Property Taxes	\$ 29,847,039	\$ -	\$ 92,000
Special Assessments	29,414	223,940	8,674
Penalties and Interest	36,416	-	-
Licenses and Permits	4,893,715	-	-
Intergovernmental Revenue	1,341,289	-	-
Charges for Services	4,841,857	-	-
Fines and Forfeits	391,010	-	-
Investment Income	52,185	1,515	54,159
Interest on Escrow Fund	-	-	-
Rental	-	-	417,421
Other	500,883	-	10,250
Total Revenues	41,933,808	225,455	582,504
EXPENDITURES			
Current			
Administration	3,946,531	-	-
Community Development	2,203,967	-	-
Police	12,833,058	-	-
Fire	5,664,111	-	-
Public Works	5,677,946	-	-
Parks and Recreation	10,239,926	-	-
Interest on Interfund Borrowing	-	-	-
Capital Outlay			
Administration	-	-	553,216
Community Development	-	-	-
Police	-	-	202,665
Fire	33,324	-	-
Public Works	-	-	170,985
Parks and Recreation	51,497	-	380,783
Debt Service			
Principal	43,107	125,000	-
Interest	3,437	4,500	-
Bond Interest Costs	-	-	-
Fiscal Agent Fees	-	450	-
Total Expenditures	40,696,904	129,950	1,307,649
Excess of Revenues Over (Under) Expenditures	1,236,904	95,505	(725,145)
OTHER FINANCING SOURCES (USES)			
Issuance of Debt	-	-	-
Premium	-	-	-
Payment to Refunded Bond Escrow	-	-	-
Sale of Capital Assets	14,024	-	533,494
Transfers In	271,295	-	1,606,381
Transfers Out	(724,435)	(502,935)	(3,750,000)
Total Other Financing Sources (Uses)	(439,116)	(502,935)	(1,610,125)
Net Change in Fund Balances	797,788	(407,430)	(2,335,270)
Fund Balance (Deficit) - Beginning	21,534,243	407,430	16,096,965
Fund Balance (Deficit) - Ending	\$ 22,332,031	\$ -	\$ 13,761,695

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, 2014

	Capital Projects		
	Public Improvement Construction	Shady Oak Road North	Shady Oak Road South
REVENUES			
General Property Taxes	\$ -	\$ -	\$ -
Special Assessments	286,041	-	-
Penalties and Interest	-	-	-
Licenses and Permits	-	-	-
Intergovernmental Revenue	35,828	-	6,430,774
Charges for Services	-	-	-
Fines and Forfeits	-	-	-
Investment Income	-	-	10,169
Interest on Escrow Fund	-	-	-
Rental	-	-	-
Other	5,979	-	-
Total Revenues	327,848	-	6,440,943
EXPENDITURES			
Current			
Administration	-	-	-
Community Development	-	-	-
Police	-	-	-
Fire	-	-	-
Public Works	-	-	-
Parks and Recreation	-	-	-
Interest on Interfund Borrowing	7,980	10,604	-
Capital Outlay			
Administration	-	-	-
Community Development	-	-	-
Police	-	-	-
Fire	-	-	-
Public Works	-	1,542,458	4,712,708
Parks and Recreation	-	-	-
Debt Service			
Principal	-	-	-
Interest	-	-	-
Bond Interest Costs	-	-	-
Fiscal Agent Fees	-	-	-
Total Expenditures	7,980	1,553,062	4,712,708
Excess of Revenues Over (Under) Expenditures	319,868	(1,553,062)	1,728,235
OTHER FINANCING SOURCES (USES)			
Issuance of Debt	-	-	-
Premium	-	-	-
Payment to Refunded Bond Escrow	-	-	-
Sale of Capital Assets	-	-	-
Transfers In	144,800	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	144,800	-	-
Net Change in Fund Balances	464,668	(1,553,062)	1,728,235
Fund Balance (Deficit) - Beginning	(2,770,805)	740,661	2,017,649
Fund Balance (Deficit) - Ending	\$ (2,306,137)	\$ (812,401)	\$ 3,745,884

City of Eden Prairie, Minnesota
Statement of Revenues, Expenditures
and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2014

	<u>Capital Projects</u>		
	Aquatics & Fitness Expansion	Other Governmental Funds	Total Governmental Funds
REVENUES			
General Property Taxes	\$ -	\$ 6,025,986	\$ 35,965,025
Special Assessments	-	640,336	1,188,405
Penalties and Interest	-	-	36,416
Licenses and Permits	-	2,191,260	7,084,975
Intergovernmental Revenue	-	775,102	8,582,993
Charges for Services	-	-	4,841,857
Fines and Forfeits	-	15,200	406,210
Investment Income	30,810	56,204	205,042
Interest on Escrow Fund	-	11,853	11,853
Rental	-	66,493	483,914
Other	5,203	641,305	1,163,620
Total Revenues	<u>36,013</u>	<u>10,423,739</u>	<u>59,970,310</u>
EXPENDITURES			
Current			
Administration	-	-	3,946,531
Community Development	-	3,020,067	5,224,034
Police	-	246,245	13,079,303
Fire	-	-	5,664,111
Public Works	-	237,903	5,915,849
Parks and Recreation	-	15,694	10,255,620
Interest on Interfund Borrowing	-	6,963	25,547
Capital Outlay			
Administration	-	142,338	695,554
Community Development	-	119,879	119,879
Police	-	-	202,665
Fire	-	-	33,324
Public Works	-	4,703,274	11,129,425
Parks and Recreation	7,812,189	575,358	8,819,827
Debt Service			
Principal	-	3,010,000	3,178,107
Interest	-	1,119,925	1,127,862
Bond Interest Costs	124,955	-	124,955
Fiscal Agent Fees	-	19,125	19,575
Total Expenditures	<u>7,937,144</u>	<u>13,216,771</u>	<u>69,562,168</u>
Excess of Revenues Over (Under) Expenditures	(7,901,131)	(2,793,032)	(9,591,858)
OTHER FINANCING SOURCES (USES)			
Issuance of Debt	17,036,650	118,350	17,155,000
Premium	454,351	-	454,351
Payment to Refunded Bond Escrow	-	(9,215,000)	(9,215,000)
Sale of Capital Assets	-	23,952	571,470
Transfers In	3,500,000	2,269,941	7,792,417
Transfers Out	-	(1,400,247)	(6,377,617)
Total Other Financing Sources (Uses)	<u>20,991,001</u>	<u>(8,203,004)</u>	<u>10,380,621</u>
Net Change in Fund Balances	13,089,870	(10,996,036)	788,763
Fund Balance (Deficit) - Beginning	(258,659)	29,598,358	67,365,842
Fund Balance (Deficit) - Ending	<u>\$ 12,831,211</u>	<u>\$ 18,602,322</u>	<u>\$ 68,154,605</u>

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, 2014

Total net change in fund balances - governmental funds \$ 788,763

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	11,886,380
Depreciation Expense	(3,198,562)
The net effect of the disposal of capital assets	
Disposals	(2,381,818)
Accumulated Depreciation on Disposals	2,093,003
2. Principal payments of long-term debt consumes the current financial resources of Governmental Funds, However they have no effect on Net Position.	3,178,107
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.	(55,257)
4. The issuance of long-term debt provides current financial resources to Governmental Funds and has no effect on Net Position. These amounts are reported in the Governmental Funds as a source of financing. These amounts are not shown as revenue in the Statement of Activities, but rather constitute long-term liabilities in the Statement of Net Position.	(17,155,000)
5. Governmental Funds report debt issuance premiums and discounts 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	(454,351)
Amortization of Premiums/Discounts	112,578
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.	9,215,000
7. Refunding losses are recognized when paid in the governmental funds but amortized over the life of the debt in the Statement of Activities.	231,402
8. 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.	10,427,219
9. Grants 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.	20,775
10. 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.	(50,684)
Change in Net Position - Governmental Activities	\$ 14,657,555

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, 2014
With Comparative Actual Amounts For the Year Ended December 31, 2013

	2014				2013
	Budget Original	Budget Final	Actual	Variance Over/(Under)	Actual
REVENUES					
Taxes and Special Assessments					
General Property Taxes	\$ 29,633,842	\$ 29,633,842	\$ 29,876,453	\$ 242,611	\$ 29,344,424
Penalty and Interest	50,000	50,000	36,416	(13,584)	26,145
Total Taxes and Special Assessments	29,683,842	29,683,842	29,912,869	229,027	29,370,569
Licenses and Permits					
Liquor, Beer and Wine Licenses	322,400	322,400	329,388	6,988	326,923
Business Licenses	38,025	38,025	38,060	35	48,070
Dog Registration Licenses	20,020	20,020	19,433	(587)	16,691
Building Permits and Fees	2,000,000	2,000,000	3,496,417	1,496,417	4,410,616
Cable TV	813,000	813,000	820,975	7,975	820,175
Other Permits	293,940	293,940	189,442	(104,498)	179,333
Total Licenses and Permits	3,487,385	3,487,385	4,893,715	1,406,330	5,801,808
Intergovernmental Revenue					
Police Pension Aid	415,000	415,000	500,116	85,116	466,879
Fire Relief Association Aid	381,000	381,000	414,343	33,343	416,299
State Street Aid	68,866	68,866	68,865	(1)	68,865
Police Training	20,000	20,000	19,952	(48)	22,214
Grants	-	-	169,831	169,831	154,264
PERA Aid	52,384	52,384	52,384	-	52,384
School Liaison	115,798	115,798	115,798	-	115,798
Total Intergovernmental Revenue	1,053,048	1,053,048	1,341,289	288,241	1,296,703
Charges for Services					
Public Safety	83,500	83,500	97,369	13,869	97,380
Recreation					
Community Center	3,551,200	3,551,200	3,661,991	110,791	3,400,130
Organized Athletics	297,100	297,100	245,536	(51,564)	282,965
Youth Programs	300,700	300,700	329,246	28,546	305,174
Oak Point Pool	105,006	105,006	124,284	19,278	113,636
Outdoor Center	57,300	57,300	69,544	12,244	68,980
Park Facilities	74,400	74,400	93,718	19,318	92,558
Arts Center	67,500	67,500	70,129	2,629	64,963
Senior Center	55,500	55,500	103,752	48,252	59,622
Arts	24,300	24,300	22,715	(1,585)	24,405
Special Events	1,000	1,000	532	(468)	466
Therapeutic Recreation	20,010	20,010	23,041	3,031	21,990
Total Recreation	4,554,016	4,554,016	4,744,488	190,472	4,434,889
Total Charges for Services	4,637,516	4,637,516	4,841,857	204,341	4,532,269
Fines and Forfeits	566,000	566,000	391,010	(174,990)	419,427
Investment Income	100,000	100,000	52,185	(47,815)	10,414
Other Revenue	248,713	248,713	500,883	252,170	364,659
Total Revenues	\$ 39,776,504	\$ 39,776,504	\$ 41,933,808	\$ 2,157,304	\$ 41,795,849

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, 2014
 With Comparative Actual Amounts For year Ended December 31, 2013

Continued

	2014				2013
	Budget Original	Budget Final	Actual	Variance Over/(Under)	Actual
EXPENDITURES					
Current					
Administration					
Legislative	\$ 271,967	\$ 271,967	\$ 276,361	\$ 4,394	\$ 255,631
Office of the City Manager	411,048	411,048	372,488	(38,560)	354,281
Legal Counsel	491,963	491,963	502,727	10,764	465,240
City Clerk	294,355	324,355	264,366	(59,989)	143,457
Communications	498,429	513,429	504,809	(8,620)	513,643
Finance	810,455	810,455	821,564	11,109	780,346
Customer Service	374,885	374,885	365,134	(9,751)	367,665
Human Resources	834,307	834,307	839,082	4,775	753,741
Total Administration	3,987,409	4,032,409	3,946,531	(85,878)	3,634,004
Community Development					
Assessing	988,348	988,348	958,214	(30,134)	957,512
Planning	623,038	623,038	600,890	(22,148)	529,521
Community Development Administration	233,996	233,996	219,114	(14,882)	227,616
Economic Development	129,851	129,851	113,084	(16,767)	116,891
Housing & Community Services	331,626	331,626	312,665	(18,961)	314,161
Total Community Development	2,306,859	2,306,859	2,203,967	(102,892)	2,145,701
Police	12,837,437	12,837,437	12,833,058	(4,379)	12,593,178
Fire					
Fire	4,041,678	4,041,678	4,362,512	320,834	4,086,270
Emergency Preparedness	37,011	37,011	32,563	(4,448)	44,182
Inspections	1,190,985	1,190,985	1,123,776	(67,209)	1,091,627
Public Safety Communications	181,952	181,952	178,584	(3,368)	78,457
Total Fire	5,451,626	5,451,626	5,697,435	245,809	5,300,536
Public Works					
Engineering	1,223,979	1,223,979	1,233,749	9,770	1,177,359
Street Maintenance	3,572,621	3,572,621	3,530,194	(42,427)	3,481,704
Street Lighting	942,310	942,310	914,003	(28,307)	901,104
Total Public Works	5,738,910	5,738,910	5,677,946	(60,964)	5,560,167

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, 2014
 With Comparative Actual Amounts For year Ended December 31, 2013

Continued

	2014			Variance Over/(Under)	2013
	Budget Original	Budget Final	Actual		Actual
EXPENDITURES (Continued)					
Current (Continued)					
Parks and Recreation					
Park Maintenance	3,661,794	3,661,794	3,703,370	41,576	3,763,245
Community Center	3,659,698	3,659,698	3,778,909	119,211	3,689,070
Youth Programs	427,574	427,574	439,943	12,369	401,742
Senior Center	375,041	375,041	371,060	(3,981)	366,686
Park Administration	375,287	375,287	378,652	3,365	358,085
Organized Athletics	268,000	268,000	260,451	(7,549)	257,725
Recreation Administration	301,185	301,185	259,945	(41,240)	276,171
Arts Center	243,922	243,922	262,634	18,712	246,558
Therapeutic Recreation	170,489	170,489	175,989	5,500	164,404
Outdoor Center	172,411	172,411	202,467	30,056	141,371
Oak Point Pool	128,823	128,823	144,852	16,029	138,525
Arts	111,832	111,832	105,358	(6,474)	101,992
Special Events	83,204	83,204	96,193	12,989	88,516
Park Facilities	51,336	51,336	53,425	2,089	52,602
Beaches	65,213	65,213	58,175	(7,038)	36,462
Total Parks and Recreation	10,095,809	10,095,809	10,291,423	195,614	10,083,154
Debt Service					
Principal	43,107	43,107	43,107	-	42,019
Interest	3,437	3,437	3,437	-	4,525
Total Debt Service	46,544	46,544	46,544	-	46,544
Total Expenditures	40,464,594	40,509,594	40,696,904	187,310	39,363,284
Excess (Deficiency) of Revenues Over Expenditures	(688,090)	(733,090)	1,236,904	1,969,994	2,432,565
OTHER FINANCING SOURCES / (USES)					
Transfers In	550,947	550,947	271,295	(279,652)	272,100
Transfers Out	(160,000)	(160,000)	(724,435)	(564,435)	(2,291,662)
Proceeds from Disposition of Capital Assets	-	-	14,024	14,024	-
Total Other Financing Sources / (Uses)	390,947	390,947	(439,116)	(830,063)	(2,019,562)
Net Change in Fund Balance	\$ (297,143)	\$ (342,143)	797,788	\$ 1,139,931	413,003
Fund Balance, January 1			21,534,243		21,121,240
Fund Balance, December 31			\$ 22,332,031		\$ 21,534,243

CITY OF EDEN PRAIRIE, MINNESOTA
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 DECEMBER 31, 2014

	Water Fund	Sewer Fund	Storm Drainage Fund	Liquor Fund	Totals	Governmental Activities Internal Service Fund
ASSETS						
Current Assets:						
Cash and Investments	\$ 7,728,956	\$ 3,222,697	\$ -	\$ 1,222,410	\$ 12,174,063	\$ 6,294,051
Receivables:						
Accounts	1,139,811	1,149,633	358,636	834	2,648,914	10,141
Interest	12,505	5,355	134	2,001	19,995	10,270
Due From Other Governments	10,000	-	321,277	-	331,277	25,115
Unremitted Special Assessments	6,057	1,302	-	-	7,359	-
Delinquent Special Assessments	313,201	6,146	-	-	319,347	-
Deferred Special Assessments	240,780	361,171	197,000	-	798,951	-
Special Deferred Special Assessments	117,280	175,920	-	-	293,200	-
Due From Other Funds	881,791	-	-	-	881,791	-
Inventory	29,224	-	-	1,351,373	1,380,597	109,160
Prepaid Items	1,675	285,393	130	31,317	318,515	493,107
Total Current Assets	10,481,280	5,207,617	877,177	2,607,935	19,174,009	6,941,844
Noncurrent Assets:						
Capital Assets:						
Property, Plant and Equipment	130,993,240	80,728,877	46,216,217	3,310,168	261,248,502	6,722,756
Less Accumulated Depreciation	(64,798,744)	(40,900,046)	(20,526,038)	(951,893)	(127,176,721)	(1,488,268)
Total Noncurrent Assets	66,194,496	39,828,831	25,690,179	2,358,275	134,071,781	5,234,488
Total Assets	\$ 76,675,776	\$ 45,036,448	\$ 26,567,356	\$ 4,966,210	\$ 153,245,790	\$ 12,176,332
LIABILITIES						
Current Liabilities:						
Accounts Payable	\$ 471,957	\$ 28,953	\$ 262,349	\$ 766,262	\$ 1,529,521	\$ 816,433
Salaries Payable	87,720	27,362	5,939	40,036	161,057	86,317
Interest Payable	5,728	1,338	-	-	7,066	34
Due to Other Governments	3,124	-	-	121,281	124,405	302,736
Due to Other Funds	-	-	1,038,961	-	1,038,961	-
Unearned Revenue	-	-	-	4,680	4,680	13,326
Current Portion of Bonds Payable	360,000	85,000	-	-	445,000	-
Current Portion of Compensated Absences	83,994	16,779	12,787	12,410	125,970	929,703
Total Current Liabilities	1,012,523	159,432	1,320,036	944,669	3,436,660	2,148,549
Noncurrent Liabilities:						
Net OPEB	101,164	61,278	9,970	25,766	198,178	1,171,954
Bonds Payable	2,007,030	475,446	-	-	2,482,476	-
Advances from Other Funds	-	-	1,414,534	-	1,414,534	-
Compensated Absences	87,422	17,464	13,309	12,917	131,112	951,044
Total Noncurrent Liabilities	2,195,616	554,188	1,437,813	38,683	4,226,300	2,122,998
Total Liabilities	3,208,139	713,620	2,757,849	983,352	7,662,960	4,271,547
NET POSITION						
Net Investment in Capital Assets	63,827,466	39,268,385	25,690,179	2,358,275	131,144,305	5,234,488
Unrestricted	9,640,171	5,054,443	(1,880,672)	1,624,583	14,438,525	2,670,297
Total Net Position	73,467,637	44,322,828	23,809,507	3,982,858	145,582,830	7,904,785
Total Liabilities and Net Position	\$ 76,675,776	\$ 45,036,448	\$ 26,567,356	\$ 4,966,210	\$ 153,245,790	\$ 12,176,332

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, 2014**

	Water Fund	Sewer Fund	Storm Drainage Fund	Liquor Fund	Total	Governmental Activities - Internal Service Fund
SALES AND COST OF SALES						
Sales	\$ -	\$ -	\$ -	\$ 11,929,793	\$ 11,929,793	\$ -
Cost of Sales	-	-	-	(8,805,885)	(8,805,885)	-
Gross Profit	-	-	-	3,123,908	3,123,908	-
OPERATING REVENUE						
Sales	7,306,073	5,566,951	1,656,817	-	14,529,841	-
Charges for Services	-	-	-	-	-	15,220,932
Rental	-	-	-	217,411	217,411	354,097
Other	9,255	-	-	51,466	60,721	-
Total Operating Revenues	7,315,328	5,566,951	1,656,817	268,877	14,807,973	15,575,029
OPERATING EXPENSE						
Personal Services	2,300,302	617,687	254,034	946,693	4,118,716	5,227,485
Supplies						
Supplies	117,747	27,670	22,653	39,118	207,188	476,312
Motor Fuel	-	-	-	-	-	571,985
Tires	-	-	-	-	-	61,874
Chemicals	598,068	-	-	-	598,068	-
Merchandise For Sale	52,344	-	-	-	52,344	-
Contractual Services						
Contractual Services	1,309,408	103,731	737,319	160,770	2,311,228	1,693,408
Lime Residual Removal	229,867	-	-	-	229,867	-
Insurance	-	-	-	10,973	10,973	3,583,031
Janitorial Services / Cleaning Supplies	58,467	-	-	48,783	107,250	801,474
LOGIS	49,890	49,890	-	-	99,780	418,106
Process Control Services	37,335	26,020	-	-	63,355	-
Building Rent	-	-	-	318,786	318,786	-
Licenses, Permits, Taxes	160,489	336	25,152	80,970	266,947	204,630
Bank and Credit Card Fees	41,109	1,998	-	220,465	263,572	-
Repairs and Maintenance	675,274	176,705	204,019	34,722	1,090,720	980,565
Utilities	719,787	3,492,971	1,567	86,581	4,300,906	1,197,855
User Charges	519,437	142,221	98,916	139,259	899,833	-
Total Operating Expenses	6,869,524	4,639,229	1,343,660	2,087,120	14,939,533	15,216,725
Operating Income (Loss) Before Depreciation	445,804	927,722	313,157	1,305,665	2,992,348	358,304
Depreciation	2,921,758	1,750,083	887,065	122,335	5,681,241	719,143
Operating Income (Loss) Before Nonoperating Revenue / Expense	(2,475,954)	(822,361)	(573,908)	1,183,330	(2,688,893)	(360,839)
NONOPERATING REVENUE (EXPENSE)						
Grants	10,000	9,850	338,074	-	357,924	-
Investment Income	31,009	12,055	(328)	4,430	47,166	19,860
Access Charges	478,980	136,570	-	-	615,550	-
Special Assessments	137,631	127,220	197,000	-	461,851	-
Interest	(76,199)	(18,193)	-	-	(94,392)	-
Bond Issuance Cost	12,005	4,241	-	-	16,246	-
Fiscal Agent Fees	(525)	-	-	-	(525)	-
Gain/Loss on Disposition of Capital Assets	5,264	-	(315,093)	-	(309,829)	120,660
Miscellaneous	-	7,455	131,600	17,734	156,789	169,635
Total Nonoperating Revenues (Expenses)	598,165	279,198	351,253	22,164	1,250,780	310,155
Income (Loss) Before Contributions and Transfers	(1,877,789)	(543,163)	(222,655)	1,205,494	(1,438,113)	(50,684)
Transfers Out	(260,000)	-	(154,800)	(1,000,000)	(1,414,800)	-
Change in Net Position	(2,137,789)	(543,163)	(377,455)	205,494	(2,852,913)	(50,684)
Net Position - Beginning	75,605,426	44,865,991	24,186,962	3,777,364	148,435,743	7,955,469
Net Position - Ending	\$ 73,467,637	\$ 44,322,828	\$ 23,809,507	\$ 3,982,858	\$ 145,582,830	\$ 7,904,785

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, 2014

	Water Fund	Sewer Fund	Storm Drainage Fund	Liquor Fund	Totals	Governmental Activities - Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts From Customers	\$ 7,484,129	\$ 5,646,205	\$ 1,388,976	\$ 12,199,494	\$ 26,718,804	\$ 15,236,791
Payments to Vendors	(4,336,869)	(4,294,518)	(1,060,224)	(10,075,905)	(19,767,516)	(9,996,211)
Payments to Employees	(2,246,635)	(605,271)	(248,930)	(943,564)	(4,044,400)	(5,005,419)
Other Receipts	9,255	-	-	-	9,255	478,332
Net Cash Provided (Used) By Operating Activities	909,880	746,416	79,822	1,180,025	2,916,143	713,493
CASH FLOWS FROM INVESTING ACTIVITIES						
Investment Income	27,642	10,092	201	4,179	42,114	21,015
Net Cash Provided (Used) By Investing Activities	27,642	10,092	201	4,179	42,114	21,015
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Grants	10,000	9,850	338,074	-	357,924	-
Payments From Other Funds	-	-	2,453,495	-	2,453,495	47,081
Payments to Other Funds	(881,791)	-	-	-	(881,791)	(47,081)
Transfers (Out)	(260,000)	-	(154,800)	(1,000,000)	(1,414,800)	-
Net Cash Provided (Used) By Noncapital Financing Activities	(1,131,791)	9,850	2,636,769	(1,000,000)	514,828	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition and Construction of Capital Assets	(522,180)	(359,337)	(3,001,449)	-	(3,882,966)	(1,357,804)
Proceeds From Sale of Equipment	5,264	-	-	-	5,264	120,660
Access Charges	478,980	136,570	-	-	615,550	-
Special Assessments	137,631	127,220	197,000	-	461,851	-
Principal Paid on Debt	(355,000)	(85,000)	-	-	(440,000)	-
Interest and Fiscal Agent Paid on Debt	(77,401)	(18,389)	-	-	(95,790)	-
Net Cash Provided (Used) By Capital and Related Financing Activities	(332,706)	(198,936)	(2,804,449)	-	(3,336,091)	(1,237,144)
Net Increase (Decrease) in Cash and Cash Equivalents	(526,975)	567,422	(87,657)	184,204	136,994	(502,636)
Cash and Cash Equivalents, January 1	8,255,931	2,655,275	87,657	1,038,206	12,037,069	6,796,687
Cash and Cash Equivalents, December 31	\$ 7,728,956	\$ 3,222,697	\$ -	\$ 1,222,410	\$ 12,174,063	\$ 6,294,051

	Water Fund	Sewer Fund	Storm Drainage Fund	Liquor Fund	Totals	Governmental Activities - Internal Service Fund
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:						
Operating Income (Loss)	\$ (2,475,954)	\$ (822,361)	\$ (573,908)	\$ 1,183,330	\$ (2,688,893)	\$ (360,839)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:						
Depreciation	2,921,758	1,750,083	887,065	122,335	5,681,241	719,143
Miscellaneous	-	7,455	131,600	17,734	156,789	169,635
(Increase) Decrease in Assets:						
Accounts Receivable	135,609	4,853	(65,252)	758	75,968	7,733
Special Assessments Receivable	42,447	74,401	(197,000)	-	(80,152)	-
Due From Other Governments	-	-	(262,184)	-	(262,184)	(25,115)
Inventory	(9,756)	-	-	(139,067)	(148,823)	(1,994)
Prepaid Items	(805)	(285,293)	(130)	(1,039)	(287,267)	(61,645)
Increase (Decrease) in Liabilities:						
Accounts Payable	243,035	4,862	161,216	5,820	414,933	33,169
Salaries Payable	12,527	4,794	(1,369)	543	16,495	10,309
Unearned Revenue	-	-	(5,589)	65	(5,524)	8,126
Due to Other Governments	(121)	-	(1,100)	(13,040)	(14,261)	3,214
Net Other Post Employment Benefits	16,715	4,543	1,577	3,181	26,016	177,705
Compensated Absences	24,425	3,079	4,896	(595)	31,805	34,052
Net Cash Provided (Used) by Operating Activities	\$ 909,880	\$ 746,416	\$ 79,822	\$ 1,180,025	\$ 2,916,143	\$ 713,493
Noncash Investing, Capital and Financing Activities:						
Purchase of Equipment on Account	\$ 23,938	\$ 9,490	\$ 74,176	\$ -	\$ 107,604	\$ 267,636
Amortization of Bond Premium	(12,005)	(4,241)	-	-	(16,246)	-

City of Eden Prairie, Minnesota
Agency Funds
Statement of Fiduciary Net Position
December 31, 2014

	<u>Total</u>
ASSETS	
Cash and Investments	\$ 1,319,723
Accounts Receivable	7,549
Total Assets	<u>\$ 1,327,272</u>
LIABILITIES	
Accounts Payable	\$ 1,159,089
Due to Other Governments	168,183
Total Liabilities	<u>\$ 1,327,272</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

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., 3rd 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. 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

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 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 payment is received by the City.

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.

City of Eden Prairie, Minnesota

Notes to Financial Statements

Note 1—Summary of Significant Accounting Policies (Continued)

- 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 Shady Oak Road South fund accounts for the accumulation of resources to be used for the reconstruction of Shady Oak Road from Flying Cloud Drive to Rowland Road.
- The Aquatics & Fitness Expansion fund accounts for the accumulation of resources to be used for an upgrade to the Community Center pool.

The City reports the following major proprietary funds:

- The Water fund accounts for the operations of the City 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.
- 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.

City of Eden Prairie, Minnesota

Notes to Financial Statements

Note 1—Summary of Significant Accounting Policies (Continued)

- 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 Metropolitan Council Environmental Services 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

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

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

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 City has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. 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

City of Eden Prairie, Minnesota

Notes to Financial Statements

Note 1—Summary of Significant Accounting Policies (Continued)

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, special assessments and grants. 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.

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.

City of Eden Prairie, Minnesota

Notes to Financial Statements

Note 1—Summary of Significant Accounting Policies (Continued)

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 deferred inflows of resources 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 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.

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 and assets that are legally or contractually required to be maintained intact.
- *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.

City of Eden Prairie, Minnesota

Notes to Financial Statements

Note 1—Summary of Significant Accounting Policies (Continued)

- *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, 2013, 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.

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.

City of Eden Prairie, Minnesota

Notes to Financial Statements

Note 2—Stewardship, Compliance and Accountability (Continued)

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 resulted in an increase of \$45,000. Following are changes made to the original budget during the year:

Communications	Contracted services	\$	15,000
Records Management	Document scanning		30,000
			45,000
		\$	45,000

General fund expenditures equal \$40,696,904 or 100.5% of the annual amount budgeted of \$40,509,594. All departments except Fire and Park and Recreation have spent less than 100% of the amounts budgeted. Fire has spent 104.5% of their budget due primarily to the fire division spending 107.9% of their budget. Fire had additional costs in 2014 for fire engine repair and an additional firefighter relief pension payment of \$81,893. This payment was due to increased fire relief pension aid received from the State. Parks and Recreation has spent 101.9% of their budget but they have collected 104.2% of the amount budget for revenue.

Deficit Fund Equity

The following governmental funds had deficit net position at December 31, 2014:

Major Funds:	
Public Improvement Construction	\$ 2,306,137
Shady Oak Road North	812,401
Non-Major Governmental Funds:	
General Obligation Improv. Bonds 2012C	91,104
CIP Trails	247,918
Eden Prairie Road	2,610,356
Eden Prairie Rd Connect to Flying Cloud	46,455
Homeowners Improvements Area	89,069
West 70th Street Extension	92,345
Internal Service Funds:	
Health and Benefits	559,873
Severance	443,711

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:

Investments	\$ 92,670,083
Cash on hand	11,477
Total	\$ 92,681,560

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

Statement of Net Position	
Cash and cash equivalents	\$ 88,235,770
Restricted cash and cash equivalents	3,126,067
Statement of Fiduciary Net Position	
Cash and investments	1,319,723
	\$ 92,681,560

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:

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.

City of Eden Prairie, Minnesota

Notes to Financial Statements

Note 3—Cash and Investments (Continued)

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, 2014, 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, 2014, 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	\$ 41,750,013	\$ 14,882,975	\$ 26,867,038
Municipal Bonds	1,423,860	1,202,554	221,306
Commercial Paper	1,004,683	1,004,683	-
Negotiable Certificate of Deposit	9,100,054	4,473,081	4,626,973
Mutual Funds	39,391,473	39,391,473	-
Total	<u>\$ 92,670,083</u>	<u>\$ 60,954,766</u>	<u>\$ 31,715,317</u>

City of Eden Prairie, Minnesota

Notes to Financial Statements

Note 3—Cash and Investments (Continued)

	US Agencies	Municipal Bonds	Commercial Paper	Negotiable Certificate of Deposit	Mutual Funds
Moody's					
AAA	\$ 27,115,649	\$ 1,024,570	\$ -	\$ -	\$ -
AA	-	269,158	-	-	-
N/A	2,349,324	-	1,004,683	8,595,419	-
N/R	-	-	-	-	39,391,473
S&P					
A	-	120,103	-	504,635	-
AA	12,285,040	10,029	-	-	-
	<u>\$ 41,750,013</u>	<u>\$ 1,423,860</u>	<u>\$ 1,004,683</u>	<u>\$ 9,100,054</u>	<u>\$ 39,391,473</u>

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 a 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.

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.

City of Eden Prairie, Minnesota

Notes to Financial Statements

Note 3—Cash and Investments (Continued)

- 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, 2014. 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.

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%.

Issuer	Percentage
Federal Home Loan Bank	8.4%

City of Eden Prairie, Minnesota

Notes to Financial Statements

Note 4—Capital Assets

Capital asset activity for the year ended December 31, 2014 was as follows:

	2014 Beginning Balance	Transfers	Increases	Decreases	2014 Ending Balance
GOVERNMENTAL ACTIVITIES					
Capital Assets, Not Being Depreciated:					
Land	\$ 22,006,728	\$ -	\$ -	\$ -	\$ 22,006,728
Infrastructure	125,957,394	-	486,922	-	126,444,316
Work in Progress	5,427,223	-	10,882,957	-	16,310,180
Total Capital Assets, Not Being Depreciated	153,391,345	-	11,369,879	-	164,761,224
Capital Assets, Being Depreciated:					
Buildings	51,189,214	-	105,950	2,000	51,293,164
Land Improvements	16,300,952	-	62,730	66,362	16,297,320
Leasehold Improvements	77,318	-	-	-	77,318
Machinery and Equipment	4,321,105	-	262,836	232,567	4,351,374
Autos	9,696,144	-	1,089,018	970,756	9,814,406
Other Assets	8,774,658	-	353,770	1,110,133	8,018,295
Total Capital Assets, Being Depreciated	90,359,391	-	1,874,304	2,381,818	89,851,877
Total Capital Assets, Cost	243,750,736	-	13,244,183	2,381,818	254,613,101
Less Accumulated Depreciation for:					
Buildings	13,173,289	-	1,122,505	1,248	14,294,546
Land Improvements	5,038,444	-	861,402	65,145	5,834,701
Leasehold Improvements	47,633	-	5,054	-	52,687
Machinery and Equipment	3,011,879	-	374,699	232,567	3,154,011
Autos	6,317,297	-	889,530	683,910	6,522,917
Other Assets	4,373,824	-	664,515	1,110,133	3,928,206
Total Accumulated Depreciation	31,962,366	-	3,917,705	2,093,003	33,787,068
Total Capital Assets, Being Depreciated, Net	58,397,025	-	(2,043,401)	288,815	56,064,809
Governmental Activities Capital Assets, Net	\$ 211,788,370	\$ -	\$ 9,326,478	\$ 288,815	\$ 220,826,033

City of Eden Prairie, Minnesota

Notes to Financial Statements

Note 4—Capital Assets (Continued)

	2014 Beginning Balance	Transfers	Increases	Decreases	2014 Ending Balance
BUSINESS-TYPE ACTIVITIES					
Capital Assets, Not Being Depreciated:					
Land	\$ 656,356	\$ -	\$ 152,977	\$ -	\$ 809,333
Work in Progress	4,791	-	1,463,442	-	1,468,233
Total Capital Assets, Not Being Depreciated	661,147	-	1,616,419	-	2,277,566
Capital Assets, Being Depreciated:					
Land Improvements	107,304	-	-	-	107,304
Buildings	58,989,884	-	-	-	58,989,884
Distribution System	190,250,602	-	1,840,481	-	192,091,083
Leasehold Improvements	847,866	-	-	-	847,866
Machinery and Equipment	5,454,684	-	110,973	10,440	5,555,217
Autos	1,142,082	-	-	-	1,142,082
Other Assets	237,500	-	-	-	237,500
Total Capital Assets, Being Depreciated	257,029,922	-	1,951,454	10,440	258,970,936
Total Capital Assets, Cost	257,691,069	-	3,567,873	10,440	261,248,502
Less Accumulated Depreciation for:					
Land Improvements	22,168	-	4,950	-	27,118
Buildings	27,849,632	-	1,333,097	-	29,182,729
Distribution System	90,913,690	-	3,827,605	-	94,741,295
Leasehold Improvements	273,733	-	84,398	-	358,131
Machinery and Equipment	1,443,969	-	318,273	10,440	1,751,802
Autos	794,572	-	99,168	-	893,740
Other Assets	208,156	-	13,750	-	221,906
Total Accumulated Depreciation	121,505,920	-	5,681,241	10,440	127,176,721
Total Capital Assets, Being Depreciated, Net	135,524,002	-	(3,729,787)	-	131,794,215
Business-Type Activities Capital Assets, Net	\$ 136,185,149	\$ -	\$ (2,113,368)	\$ -	\$ 134,071,781

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	\$ 401,351
Community Development	26,080
Police	250,267
Fire	416,331
Public Works	343,573
Parks and Recreation	1,760,960
Capital Assets Held by the Government's Internal Service Funds are Charged to the Various Functions Based on their Usage of the Assets	719,143
Total Depreciation Expense - Governmental Activities	<u><u>\$ 3,917,705</u></u>

Business-Type Activities:

Water	\$ 2,921,758
Sewer	1,750,083
Storm	887,065
Liquor	122,335
Total Depreciation Expense - Business-Type Activities	<u><u>\$ 5,681,241</u></u>

Note 5—Interfund Receivables and Payables

The composition of due to/from balances as of December 31, 2014, is as follows:

	Due From Other Funds	Due To Other Funds	Advances From Other Funds	Advances To Other Funds
Capital Improvement Maintenance	\$ 3,018,747	\$ -	\$ 1,414,534	\$ -
Public Improvements Construction	-	2,304,871	-	-
Shady Oak Road North	-	556,706	-	-
Non-Major Governmental Funds	3,071,025	3,071,025	-	-
Water Fund	881,791	-	-	-
Storm Drainage Fund	-	1,038,961	-	1,414,534
Total	<u><u>\$ 6,971,563</u></u>	<u><u>\$ 6,971,563</u></u>	<u><u>\$ 1,414,534</u></u>	<u><u>\$ 1,414,534</u></u>

City of Eden Prairie, Minnesota

Notes to Financial Statements

Note 6—Interfund Transfers

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

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

The composition of interfund transfers as of December 31, 2014, is as follows:

Transfers In	Transfers Out	Amount
General	Water Fund	\$ 260,000
	Storm Drainage Fund	10,000
	Non-Major Governmental Funds	1,295
Capital Improvement Maintenance	General	573,435
	Liquor Fund	1,000,000
	Non-Major Governmental Funds	32,946
Public Improvement Construction	Storm Drainage Fund	144,800
Aquatics & Fitness Expansion	Capital Improvement Maintenance	3,500,000
Non-Major Governmental Funds	General	151,000
	General Obligation Improv Revolving 2005B	502,935
	Capital Improvement Maintenance	250,000
	Non-Major Governmental Funds	1,366,006
Total of transfers		<u>\$ 7,792,417</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 2014 transfers are considered routine and consistent with previous practices.

City of Eden Prairie, Minnesota

Notes to Financial Statements

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

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, 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 2014. PEPFF members were required to contribute 10.2% of their annual covered salary in 2014. In 2014, 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 15.3% for PEPFF members. The City's contributions to the Public Employees Retirement Fund for the years ending December 31, 2014, 2013 and 2012 were \$1,063,291, \$1,037,886, and \$1,000,726, respectively. The City's contributions to the Public Employees Police & Fire Fund for the years ending December 31, 2014, 2013, and 2012 were \$1,072,590, \$979,454, and \$951,751, respectively. The City's contributions were equal to the contractually required contributions for each year as set by state statute. Contribution rates will increase on January 1, 2015 in the Coordinated Plan (6.5% for members and 7.5% for employers) and the Police and Fire Fund (10.8% for members and 16.2% for employers).

City of Eden Prairie, Minnesota

Notes to Financial Statements

Note 7—Pension Plan (Continued)

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.

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, 2014 were:

Amount		% of Covered Payroll		Required Rates
Employee	Employer	Employee	Employer	
\$ 2,823	\$ 2,823	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.

City of Eden Prairie, Minnesota

Notes to Financial Statements

Note 7—Pension Plan (Continued)

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.

Funding Policy

Minnesota Statutes Chapter 424A.092 (previously 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 \$414,343 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 - \$910,906	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

(most recent available information for fire relief footnote)

Three Year Trend Information

Year Ended Dec 31,	Actual Contribution			Required Contribution	Percentage Contributed
	City	State	Total		
2012	\$ 625,910	\$ 291,468	\$ 917,378	\$ 917,378	100%
2013	501,079	416,299	917,378	917,378	100%
2014	496,563	414,343	910,906	910,906	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). (Most recent available information for fire relief footnote)

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, 2014, membership included 15 retirees and others currently receiving benefits, 5 spouses receiving payments and 263 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	\$ 347,967
Interest on net OPEB obligation	46,656
Adjustment to annual required contribution	<u>(69,280)</u>
Annual OPEB cost expense	325,343
Contributions made	<u>121,621</u>
Increase in net OPEB obligation	203,722
Net OPEB obligation-beginning of year	<u>1,166,410</u>
Net OPEB obligation-end of year	<u><u>\$ 1,370,132</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
12/31/12	\$ 314,750	\$ 95,306	30.3%	\$ 988,897
12/31/13	314,750	137,237	43.6%	1,166,410
12/31/14	325,343	121,621	37.4%	1,370,132

City of Eden Prairie, Minnesota

Notes to Financial Statements

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

Funded Status and Funding Progress

As of January 1, 2014, the plan was zero percent funded. The actuarial accrued liability for benefits was \$3,121,974, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$3,121,974. The covered payroll (annual payroll of active employees covered by the plan) was \$18,585,719, and the ratio of the UAAL to the covered payroll was 16.8%.

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, 2014 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included: a 4% percent investment rate of return (net of investment expenses) based on the City's own investments; an annual healthcare cost trend rate of 7.5% initially, reduced by decrements to an ultimate rate of 5% after ten 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, 2014 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, 2014, was approximately \$223,000.

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

Year Ended December 31,	Prairie Village	Prairie View
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, 2014, was \$3,939. 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 the Metropolitan Airports Commission for use of community garden plots. Rental expense for the year ended December 31, 2014, was \$433. The lease term is always one year and the lease is renewed annually during the following summer.

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, 2014 was \$4,667. The City will continue to pay \$4,667 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 were leased to the Eden Prairie Independent School District and C.H. Robinson Company during 2014. C.H. Robinson's lease expired 2/28/14 and they did not renew. The City recorded 2014 rental revenue of \$79,157 from these two tenants. The City also receives the lessee's portion of maintenance, insurance and taxes.

City of Eden Prairie, Minnesota

Notes to Financial Statements

Note 9—Leases (Continued)

Beginning March 1, 2015, SuperValu will lease a portion of the space previously leased by C.H. Robinson. The City will receive gross rent payments from SuperValu of \$508,704 in 2015. The City will receive rent annually through 2020. Annual rent will be \$864,521 in 2016, \$886,006 in 2017, \$908,297 in 2018, \$931,102 in 2019, and \$155,819 in 2020.

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, 2014 was \$44,505. This lease will expire on December 31, 2021. The City will receive \$34,000 annually through 2021. The City will also receive additional rent if sales exceed \$450,000.

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, 2014 was \$66,500. This lease with Lighthouse Daycare will expire on September 30, 2015. The City will receive \$49,869 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. This lease ended 3/17/14. Rental income for the year ended December 31, 2014 was \$7,410. A new tenant, Lotus Nails Spa, began occupancy of this space on November 14, 2014.

The City has entered into a lease agreement with Nguyen Family Inc d/b/a Lotus Nails Spa for 1,402 square feet of rental of space located in the Den Road Liquor store building. Rental income for the year ended December 31, 2014 was \$4,673. The City will receive rent annually through 2024. Annual rent will be \$28,274 in 2015, \$29,676 in 2016, \$30,844 in 2017 and 2018, \$31,078 in 2019, \$32,246 from 2020 to 2023, and \$26,872 in 2024.

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. This lease was amended on 9/1/14 with adjusted square feet of 3,379. Rental income for the year ended December 31, 2014 was \$89,192. The City will receive rent annually through 2018. Annual rent will be \$84,480 in 2015 and 2016, and \$91,236 in 2017 and 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, 2014 was \$6,600. This lease expires on June 30, 2015. The City will receive \$3,300 through June 2015.

City of Eden Prairie, Minnesota

Notes to Financial Statements

Note 9—Leases (Continued)

The assets acquired for these lease agreements is as follows:

	2014 Governmental Activities	2014 Liquor Fund
Asset:		
Land	\$ 2,628,813	\$ 536,659
Building	13,005,368	1,900,408
Less: Accumulated depreciation	(4,998,036)	(568,527)
Total	<u>\$ 10,636,145</u>	<u>\$ 1,868,540</u>
Depreciation Expense	\$ 296,967	\$ 37,936

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 issues lease revenue bonds where the government pledges income derived from lease agreements to pay debt service.

The City also issues tax abatement bonds. These bonds and interest thereon are payable from abatements collected from certain property in the City. If abatement revenues are insufficient to meet principal and interest due, the City is required to levy ad valorem taxes without limit as to rate or amount on all taxable property in the City to make up the deficiency.

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	2014 Amount Outstanding
Governmental Activity				
General Obligation Bonds				
G.O. Bonds of 2006B	2015	4.25%	\$ 4,290	\$ 3,200
G.O. Equip Notes of 2008A	2018	3.00-4.00%	3,120	1,345
G.O. Equip Notes of 2009B	2018	3.00%	2,455	245
G.O. Bonds 2011B	2016	2.50-3.00%	415	170
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
Lease Revenue Bonds				
Public Facility Bonds of 2007A	2028	3.60-4.50%	1,630	1,290
Assess Debt With Govt Commit				
G.O. Revolving Bonds of 2005A	2015	3.25-3.55%	2,390	280
G.O. Revolving Bonds of 2008B	2023	3.50-4.50%	1,845	1,225
G.O. Revolving Bonds of 2010A	2025	2.00-4.00%	1,190	915
G.O. Revolving Bonds of 2011D	2025	2.00-2.63%	1,805	1,790
G.O. Revolving Bonds of 2012C	2021	2.00%	10,250	10,250
Tax Abatement Bonds				
G.O. Tax Abatement Bonds 2014A	2035	2.00-3.75%	17,155	17,155
Total Governmental Activity			59,280	50,600
Business Type Activity				
G.O. Water & Sewer Bonds 2011A	2020	.50-3.80%	1,260	785
G.O. Bonds 2011B	2020	2.50-3.00%	3,320	2,045
Total Business Type Activity			4,580	2,830
Capital Lease	2016	2.56%	220	90
Total			\$ 64,080	\$ 53,520

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	G.O. Bonds		Lease Revenue Bonds		Assessment Debt with Govt Commitment Improv Bonds		Tax Abatement Bonds		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2015	\$ 4,375	\$ 378	\$ 70	\$ 56	\$ 2,485	\$ 320	\$ -	\$ 549	\$ 6,930	\$ 1,303
2016	1,430	279	75	53	1,865	267	-	549	3,370	1,148
2017	1,360	248	80	50	1,845	226	350	545	3,635	1,069
2018	1,410	217	80	46	1,820	187	460	537	3,770	987
2019	1,005	191	85	42	1,805	146	445	526	3,340	905
2020	1,030	172	85	39	1,630	108	900	506	3,645	825
2021	1,050	152	90	35	1,615	71	910	479	3,665	737
2022	1,100	129	95	31	415	46	925	451	2,535	657
2023	1,135	106	100	26	425	32	920	423	2,580	587
2024	1,150	80	100	22	275	17	930	396	2,455	515
2025	1,165	52	100	17	280	9	815	369	2,360	447
2026	1,205	22	110	12	-	-	850	344	2,165	378
2027	280	4	110	7	-	-	865	319	1,255	330
2028	-	-	110	3	-	-	885	292	995	295
2029	-	-	-	-	-	-	1,210	261	1,210	261
2030	-	-	-	-	-	-	1,025	225	1,025	225
2031	-	-	-	-	-	-	1,060	188	1,060	188
2032	-	-	-	-	-	-	1,100	151	1,100	151
2033	-	-	-	-	-	-	1,130	110	1,130	110
2034	-	-	-	-	-	-	1,165	67	1,165	67
2035	-	-	-	-	-	-	1,210	23	1,210	23
Total	\$ 17,695	\$ 2,030	\$ 1,290	\$ 439	\$ 14,460	\$ 1,429	\$ 17,155	\$ 7,310	\$ 50,600	\$ 11,208

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	
2015	\$ 445	\$ 85	\$ 530
2016	455	73	528
2017	465	60	525
2018	475	46	521
2019	485	32	517
2020	505	16	521
Total	\$ 2,830	\$ 312	\$ 3,142

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, 2014, were as follows:

Year Ended <u>December 31,</u>	
2015	\$ 46,545
2016	<u>46,544</u>
Net Minimum Lease Payments	93,089
Less Amount Representing Interest	<u>3,496</u>
Present Value of Net Minimum Lease Payments	<u>\$ 89,593</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, 2014, (in thousands of dollars) was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activity					
G.O. Bonds	\$ 29,210	\$ -	\$ 11,515	\$ 17,695	\$ 4,375
Lease Revenue Bonds	1,360	-	70	1,290	70
Assess. Debt With Govt Commit					
Improvement Bonds	15,225	-	765	14,460	2,485
Tax Abatement Bonds	-	17,155	-	17,155	-
Issuance Premium/Discount	688	454	112	1,030	-
Total Bonds	46,483	17,609	12,462	51,630	6,930
Compensated Absences	1,847	1,727	1,693	1,881	930
Capital Lease	133	-	43	90	44
Total	\$ 48,463	\$ 19,336	\$ 14,198	\$ 53,601	\$ 7,904
Business Type Activity					
Revenue Bonds	\$ 3,270	\$ -	\$ 440	\$ 2,830	\$ 445
Issuance Premium/Discount	114	-	16	98	-
Total Bonds	3,384	-	456	2,928	445
Compensated Absences	225	238	206	257	126
Total	\$ 3,609	\$ 238	\$ 662	\$ 3,185	\$ 571

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.

\$4,295,000 of principal was refunded in 2014.

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.

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.

\$4,920,000 of principal was refunded in 2014.

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.

City of Eden Prairie, Minnesota

Notes to Financial Statements

Note 10—Long Term Debt (Continued)

<u>Issue to be Refunded</u>	<u>Crossover Date</u>	<u>Principal to be Refunded</u>	<u>Escrow Deposit at 12/31/14</u>
G.O. Bonds 2006B	1/1/2015	\$ 3,000,000	\$ 2,994,096

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, 2014, 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.

City of Eden Prairie, Minnesota

Notes to Financial Statements

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, 2014, the City had commitments on various construction projects. These commitments totaled approximately \$25,648,797.

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, 2014, there were 11 series of Industrial Revenue Bonds outstanding, with outstanding balances of \$77,003,025.

City of Eden Prairie, Minnesota

Notes to Financial Statements

Note 15—Fund Balance Classification

At December 31, 2014, a summary of the governmental fund balance classifications are as follows:

	General	Capital Improvement Maintenance	Public Improvement Construction	Shady Oak Road North	Shady Oak Road South	Aquatics & Fitness Expansion	Other Govt Funds	Total
Nonspendable:								
Prepaid Items	\$ 39,844	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,619	\$ 45,463
Cemetery Perpetual Care	-	-	-	-	-	-	138,169	138,169
Land Held for Resale	-	-	-	-	-	-	537,000	537,000
Total Nonspendable	39,844	-	-	-	-	-	680,788	720,632
Restricted for:								
Debt Service	-	-	-	-	-	9,553,857	5,651,219	15,205,076
Special Assessments	-	-	-	-	-	-	417,443	417,443
Grants	-	-	-	-	1,718,066	-	-	1,718,066
Franchise Fee	-	-	-	-	-	-	375,689	375,689
Cemetery	-	-	-	-	-	-	129,139	129,139
Recycling	-	-	-	-	-	-	11,970	11,970
Law Enforcement	-	-	-	-	-	-	102,047	102,047
E-911	-	-	-	-	-	-	209,958	209,958
Parks and Recreation	-	-	-	-	-	5,203	-	5,203
Park Dedication Fees	-	-	-	-	-	-	94,003	94,003
Tax Increment	-	-	-	-	-	-	4,779,336	4,779,336
	-	-	-	-	1,718,066	9,559,060	11,770,804	23,047,930
Assigned to:								
Capital Projects	-	13,761,695	-	-	-	-	460,936	14,222,631
Improvement Projects	-	-	-	-	2,027,818	3,272,151	8,867,171	14,167,140
Total Assigned	-	13,761,695	-	-	2,027,818	3,272,151	9,328,107	28,389,771
Unassigned:								
Budget Stabilization	6,239,620	-	-	-	-	-	-	6,239,620
Working Capital	15,854,695	-	-	-	-	-	-	15,854,695
Unassigned	197,872	-	(2,306,137)	(812,401)	-	-	(3,177,377)	(6,098,043)
Total Unassigned	22,292,187	-	(2,306,137)	(812,401)	-	-	(3,177,377)	15,996,272
Total Fund Balance	\$ 22,332,031	\$ 13,761,695	\$ (2,306,137)	\$ (812,401)	\$ 3,745,884	\$ 12,831,211	\$ 18,602,322	\$ 68,154,605

Required Supplementary Section

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:

	2014	2013	2012	2011	2010
Budget	\$ 2,769,586	\$ 2,767,000	\$ 2,397,000	\$ 2,304,079	\$ 2,280,000
Actual	2,234,331	2,263,758	2,172,757	1,711,894	1,960,670
Difference	\$ (535,255)	\$ (503,242)	\$ (224,243)	\$ (592,185)	\$ (319,330)

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%
12/31/14	1/1/14	3,121,974	-	3,121,974	0.0%	18,585,719	16.8%

Combining Fund Statements

City of Eden Prairie, Minnesota

Nonmajor Governmental Funds

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

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 3rd 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

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

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.

General Obligation Tax Abatement 2014A – This fund accounts for the accumulation of tax revenues needed to repay bonds issued to finance construction of the Aquatics & Fitness Expansion.

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.

City of Eden Prairie, Minnesota

Nonmajor Governmental Funds

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.

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.

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.

Homeowners Improvements Area – This fund accounts for the accumulation of resources to be used for Housing Improvements to the Fairway Woods II Condominiums.

West 70th Street Extension – This fund accounts for the accumulation of resources to be used for the extension of West 70th from its existing cul-de-sac to Flying Cloud Drive.

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.

	Special Revenue			
	HRA Grant	Pleasant Hills Cemetery	Recycling	Total
ASSETS				
Cash and Investments	\$ -	\$ 10,425	\$ 13,651	\$ 24,076
Receivables				
Accounts	-	-	-	-
Interest	-	15	-	15
Due from Other Governments	149,640	-	-	149,640
Unremitted Taxes	-	-	-	-
Delinquent Special Assessments	-	-	-	-
Deferred Special Assessments	-	-	-	-
Special Deferred Special Assessments	-	-	-	-
Due from Other Funds	-	-	-	-
Prepaid Items	130	-	-	130
Land Held for Resale	-	-	-	-
Cash and Investments with Escrow Agent	-	-	-	-
Total Assets	<u>\$ 149,770</u>	<u>\$ 10,440</u>	<u>\$ 13,651</u>	<u>\$ 173,861</u>
LIABILITIES				
Accounts and Contracts Payable	\$ 92,331	\$ 1,922	\$ 1,604	\$ 95,857
Salaries Payable	1,452	202	77	1,731
Investment Interest Payable	-	-	-	-
Due to Other Governments	2,250	-	-	2,250
Due to Other Funds	53,737	-	-	53,737
Unearned Revenue	-	-	-	-
Total Liabilities	<u>149,770</u>	<u>2,124</u>	<u>1,681</u>	<u>153,575</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue-Special Assessments	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Nonspendable	130	-	-	130
Restricted	-	8,316	11,970	20,286
Assigned	-	-	-	-
Unassigned	(130)	-	-	(130)
Total Fund Balance	<u>-</u>	<u>8,316</u>	<u>11,970</u>	<u>20,286</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 149,770</u>	<u>\$ 10,440</u>	<u>\$ 13,651</u>	<u>\$ 173,861</u>

City of Eden Prairie, Minnesota
 Combining Balance Sheet
 Nonmajor Governmental Funds
 December 31, 2014

	Debt Service				
	Open Space Refunding 2003	General Obligation Improv. Bonds 2003D	General Obligation Improv. Revolving 2005A	General Obligation Bonds 2005C	General Obligation Bonds 2006A
ASSETS					
Cash and Investments	\$ -	\$ -	\$ 26,696	\$ -	\$ -
Receivables					
Accounts	-	-	-	-	-
Interest	-	-	150	-	-
Due from Other Governments	-	-	-	-	-
Unremitted Taxes	-	-	789	-	-
Delinquent Special Assessments	-	-	-	-	-
Deferred Special Assessments	-	-	169,036	-	-
Special Deferred Special Assessments	-	-	-	-	-
Due from Other Funds	-	-	-	-	-
Prepaid Items	-	-	-	-	-
Land Held for Resale	-	-	-	-	-
Cash and Investments with Escrow Agent	-	-	-	-	-
Total Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 196,671</u>	<u>\$ -</u>	<u>\$ -</u>
LIABILITIES					
Accounts and Contracts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Salaries Payable	-	-	-	-	-
Investment Interest Payable	-	-	-	-	-
Due to Other Governments	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
Unearned Revenue	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue-Special Assessments	-	-	169,036	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>169,036</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	-	-	27,635	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total Fund Balance	<u>-</u>	<u>-</u>	<u>27,635</u>	<u>-</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 196,671</u>	<u>\$ -</u>	<u>\$ -</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
ASSETS					
Cash and Investments	\$ 424,025	\$ 705	\$ 134,584	\$ 1,883	\$ 77,446
Receivables					
Accounts	-	-	-	-	-
Interest	6,267	-	34	-	535
Due from Other Governments	-	-	-	-	-
Unremitted Taxes	2,569	-	3,075	-	3,980
Delinquent 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	2,994,096	98,518	-	-	-
Total Assets	<u>\$ 3,426,957</u>	<u>\$ 99,223</u>	<u>\$ 137,693</u>	<u>\$ 1,883</u>	<u>\$ 81,961</u>
LIABILITIES					
Accounts and Contracts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Salaries Payable	-	-	-	-	-
Investment Interest Payable	-	21	-	21	-
Due to Other Governments	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
Unearned Revenue	-	-	-	-	-
Total Liabilities	-	21	-	21	-
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue-Special Assessments	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	3,426,957	99,202	137,693	1,862	81,961
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total Fund Balance	<u>3,426,957</u>	<u>99,202</u>	<u>137,693</u>	<u>1,862</u>	<u>81,961</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 3,426,957</u>	<u>\$ 99,223</u>	<u>\$ 137,693</u>	<u>\$ 1,883</u>	<u>\$ 81,961</u>

	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
ASSETS					
Cash and Investments	\$ -	\$ 99,333	\$ 32,681	\$ 971,405	\$ 202,647
Receivables					
Accounts	-	-	-	-	-
Interest	-	161	84	794	285
Due from Other Governments	-	-	-	-	-
Unremitted Taxes	-	-	695	4,119	-
Delinquent Special Assessments	-	-	-	-	64
Deferred Special Assessments	-	830,199	-	-	1,765,757
Special Deferred Special Assessments	-	-	-	-	120,762
Due from Other Funds	-	-	-	-	-
Prepaid Items	-	400	-	525	525
Land Held for Resale	-	-	-	-	-
Cash and Investments with Escrow Agent	-	-	-	-	-
Total Assets	<u>\$ -</u>	<u>\$ 930,093</u>	<u>\$ 33,460</u>	<u>\$ 976,843</u>	<u>\$ 2,090,040</u>
LIABILITIES					
Accounts and Contracts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Salaries Payable	-	-	-	-	-
Investment Interest Payable	-	-	-	-	-
Due to Other Governments	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
Unearned Revenue	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue-Special Assessments	-	830,199	-	-	1,886,583
Total Deferred Inflows of Resources	<u>-</u>	<u>830,199</u>	<u>-</u>	<u>-</u>	<u>1,886,583</u>
FUND BALANCES					
Nonspendable	-	400	-	525	525
Restricted	-	99,494	33,460	976,318	202,932
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total Fund Balance	<u>-</u>	<u>99,894</u>	<u>33,460</u>	<u>976,843</u>	<u>203,457</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ -</u>	<u>\$ 930,093</u>	<u>\$ 33,460</u>	<u>\$ 976,843</u>	<u>\$ 2,090,040</u>

	Debt Service				Total
	General Obligation Refunding Bonds 2012A	General Obligation Refunding Bonds 2012B	General Obligation Improvement Bonds 2012C	General Obligation Tax Abatement Bonds 2014A	
ASSETS					
Cash and Investments	\$ 319,451	\$ -	\$ -	\$ 117,770	\$ 2,408,626
Receivables					
Accounts	-	-	-	-	-
Interest	409	-	-	79	8,798
Due from Other Governments	-	-	-	-	-
Unremitted Taxes	1,475	-	-	-	16,702
Delinquent Special Assessments	-	-	-	-	64
Deferred Special Assessments	-	-	-	-	2,764,992
Special Deferred Special Assessments	-	-	-	-	120,762
Due from Other Funds	92,093	-	-	-	92,093
Prepaid Items	-	-	-	-	1,450
Land Held for Resale	-	-	-	-	-
Cash and Investments with Escrow Agent	-	33,453	-	-	3,126,067
Total Assets	\$ 413,428	\$ 33,453	\$ -	\$ 117,849	\$ 8,539,554
LIABILITIES					
Accounts and Contracts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Salaries Payable	-	-	-	-	-
Investment Interest Payable	-	1	35	-	78
Due to Other Governments	-	-	-	-	-
Due to Other Funds	-	1,024	91,069	-	92,093
Unearned Revenue	-	-	-	-	-
Total Liabilities	-	1,025	91,104	-	92,171
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue-Special Assessments	-	-	-	-	2,885,818
Total Deferred Inflows of Resources	-	-	-	-	2,885,818
FUND BALANCES					
Nonspendable	-	-	-	-	1,450
Restricted	413,428	32,428	-	117,849	5,651,219
Assigned	-	-	-	-	-
Unassigned	-	-	(91,104)	-	(91,104)
Total Fund Balance	413,428	32,428	(91,104)	117,849	5,561,565
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 413,428	\$ 33,453	\$ -	\$ 117,849	\$ 8,539,554

	Capital Projects				
	Police	E-911	Senior Board	Park Improvement	CIP Trails
ASSETS					
Cash and Investments	\$ 251,395	\$ 279,637	\$ 16,301	\$ 2,362,820	\$ -
Receivables					
Accounts	401	-	-	-	-
Interest	372	439	20	4,068	-
Due from Other Governments	-	6,826	-	-	-
Unremitted Taxes	-	-	-	223	-
Delinquent Special Assessments	-	-	-	-	-
Deferred Special Assessments	-	-	-	-	180,000
Special Deferred Special Assessments	-	-	-	-	-
Due from Other Funds	-	-	-	-	-
Prepaid Items	-	-	-	-	-
Land Held for Resale	-	-	-	-	-
Cash and Investments with Escrow Agent	-	-	-	-	-
Total Assets	<u>\$ 252,168</u>	<u>\$ 286,902</u>	<u>\$ 16,321</u>	<u>\$ 2,367,111</u>	<u>\$ 180,000</u>
LIABILITIES					
Accounts and Contracts Payable	\$ 85,620	\$ 67	\$ -	\$ 32,333	\$ -
Salaries Payable	2,840	-	-	-	-
Investment Interest Payable	-	-	-	-	532
Due to Other Governments	-	-	-	-	-
Due to Other Funds	-	-	-	-	247,386
Unearned Revenue	-	-	-	264,657	-
Total Liabilities	<u>88,460</u>	<u>67</u>	<u>-</u>	<u>296,990</u>	<u>247,918</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue-Special Assessments	-	-	-	-	180,000
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>180,000</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	102,047	209,958	-	94,003	-
Assigned	61,661	76,877	16,321	1,976,118	-
Unassigned	-	-	-	-	(247,918)
Total Fund Balance	<u>163,708</u>	<u>286,835</u>	<u>16,321</u>	<u>2,070,121</u>	<u>(247,918)</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 252,168</u>	<u>\$ 286,902</u>	<u>\$ 16,321</u>	<u>\$ 2,367,111</u>	<u>\$ 180,000</u>

	Capital Projects				
	CIP Pavement Management	Economic Development Fund	Project Fund	HRA	Flying Cloud Drive
ASSETS					
Cash and Investments	\$ 93,057	\$ 4,521,942	\$ 3,336,232	\$ 260,878	\$ 452,482
Receivables					
Accounts	554,513	-	-	-	-
Interest	956	7,027	8,711	334	764
Due from Other Governments	-	-	-	-	-
Unremitted Taxes	-	-	-	1,297	-
Delinquent Special Assessments	-	-	-	-	-
Deferred Special Assessments	-	-	-	-	990,000
Special Deferred Special Assessments	-	-	-	-	-
Due from Other Funds	-	-	2,978,932	-	-
Prepaid Items	-	-	-	-	-
Land Held for Resale	-	537,000	-	-	-
Cash and Investments with Escrow Agent	-	-	-	-	-
Total Assets	<u>\$ 648,526</u>	<u>\$ 5,065,969</u>	<u>\$ 6,323,875</u>	<u>\$ 262,509</u>	<u>\$ 1,443,246</u>
LIABILITIES					
Accounts and Contracts Payable	\$ -	\$ 9,000	\$ 2,569	\$ -	\$ -
Salaries Payable	-	-	-	6,320	-
Investment Interest Payable	-	-	-	-	-
Due to Other Governments	-	-	10,501	-	-
Due to Other Funds	-	-	-	-	-
Unearned Revenue	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>9,000</u>	<u>13,070</u>	<u>6,320</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue-Special Assessments	-	-	-	-	990,000
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>990,000</u>
FUND BALANCES					
Nonspendable	-	537,000	-	-	-
Restricted	348,279	-	4,779,336	-	417,443
Assigned	300,247	4,519,969	1,531,469	256,189	35,803
Unassigned	-	-	-	-	-
Total Fund Balance	<u>648,526</u>	<u>5,056,969</u>	<u>6,310,805</u>	<u>256,189</u>	<u>453,246</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 648,526</u>	<u>\$ 5,065,969</u>	<u>\$ 6,323,875</u>	<u>\$ 262,509</u>	<u>\$ 1,443,246</u>

	Capital Projects				
	Transportation	Cable PEG	Eden Prairie Road	Eden Prairie Rd Connect to Flying Cloud	Homeowners Improvements Area
ASSETS					
Cash and Investments	\$ 547,096	\$ 1,682	\$ -	\$ -	\$ -
Receivables					
Accounts	-	26,011	-	-	-
Interest	954	61	-	-	-
Due from Other Governments	5,966	-	-	-	-
Unremitted Taxes	-	-	-	-	-
Delinquent Special Assessments	-	-	-	-	-
Deferred Special Assessments	35,724	-	-	-	89,909
Special Deferred Special Assessments	-	-	-	-	-
Due from Other Funds	-	-	-	-	-
Prepaid Items	-	4,039	-	-	-
Land Held for Resale	-	-	-	-	-
Cash and Investments with Escrow Agent	-	-	-	-	-
Total Assets	<u>\$ 589,740</u>	<u>\$ 31,793</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 89,909</u>
LIABILITIES					
Accounts and Contracts Payable	\$ 8,368	\$ -	\$ 138,383	\$ 1,682	\$ -
Salaries Payable	841	-	-	-	-
Investment Interest Payable	-	-	1,489	57	66
Due to Other Governments	-	-	-	-	-
Due to Other Funds	-	-	2,470,484	44,716	89,003
Unearned Revenue	-	-	-	-	-
Total Liabilities	<u>9,209</u>	<u>-</u>	<u>2,610,356</u>	<u>46,455</u>	<u>89,069</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue-Special Assessments	35,724	-	-	-	89,909
Total Deferred Inflows of Resources	<u>35,724</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>89,909</u>
FUND BALANCES					
Nonspendable	-	4,039	-	-	-
Restricted	-	27,410	-	-	-
Assigned	544,807	344	-	-	-
Unassigned	-	-	(2,610,356)	(46,455)	(89,069)
Total Fund Balance	<u>544,807</u>	<u>31,793</u>	<u>(2,610,356)</u>	<u>(46,455)</u>	<u>(89,069)</u>
 Total Liabilities, Deferred Inflows of Resources, and Fund Balances	 <u>\$ 589,740</u>	 <u>\$ 31,793</u>	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ 89,909</u>

	<u>Capital Projects</u>	
	West 70th Street Extension	Total
	<u> </u>	<u> </u>
ASSETS		
Cash and Investments	\$ -	\$ 12,123,522
Receivables		
Accounts	-	580,925
Interest	-	23,706
Due from Other Governments	-	12,792
Unremitted Taxes	-	1,520
Delinquent Special Assessments	-	-
Deferred Special Assessments	-	1,295,633
Special Deferred Special Assessments	-	-
Due from Other Funds	-	2,978,932
Prepaid Items	-	4,039
Land Held for Resale	-	537,000
Cash and Investments with Escrow Agent	-	-
Total Assets	<u>\$ -</u>	<u>\$ 17,558,069</u>
LIABILITIES		
Accounts and Contracts Payable	\$ 18,733	\$ 296,755
Salaries Payable	-	10,001
Investment Interest Payable	6	2,150
Due to Other Governments	-	10,501
Due to Other Funds	73,606	2,925,195
Unearned Revenue	-	264,657
Total Liabilities	<u>92,345</u>	<u>3,509,259</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenue-Special Assessments	-	1,295,633
Total Deferred Inflows of Resources	<u>-</u>	<u>1,295,633</u>
FUND BALANCES		
Nonspendable	-	541,039
Restricted	-	5,978,476
Assigned	-	9,319,805
Unassigned	(92,345)	(3,086,143)
Total Fund Balance	<u>(92,345)</u>	<u>12,753,177</u>
 Total Liabilities, Deferred Inflows of Resources, and Fund Balances	 <u>\$ -</u>	 <u>\$ 17,558,069</u>

City of Eden Prairie, Minnesota
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2014

	Permanent Fund			
	Historical and Cultural	Cemetery Perpetual Care Fund	Total	Total Nonmajor Governmental Funds
ASSETS				
Cash and Investments	\$ 8,289	\$ 258,587	\$ 266,876	\$ 14,823,100
Receivables				
Accounts	-	-	-	580,925
Interest	13	405	418	32,937
Due from Other Governments	-	-	-	162,432
Unremitted Taxes	-	-	-	18,222
Delinquent Special Assessments	-	-	-	64
Deferred Special Assessments	-	-	-	4,060,625
Special Deferred Special Assessments	-	-	-	120,762
Due from Other Funds	-	-	-	3,071,025
Prepaid Items	-	-	-	5,619
Land Held for Resale	-	-	-	537,000
Cash and Investments with Escrow Agent	-	-	-	3,126,067
Total Assets	<u>\$ 8,302</u>	<u>\$ 258,992</u>	<u>\$ 267,294</u>	<u>\$ 26,538,778</u>
LIABILITIES				
Accounts and Contracts Payable	\$ -	\$ -	\$ -	\$ 392,612
Salaries Payable	-	-	-	11,732
Investment Interest Payable	-	-	-	2,228
Due to Other Governments	-	-	-	12,751
Due to Other Funds	-	-	-	3,071,025
Unearned Revenue	-	-	-	264,657
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,755,005</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue-Special Assessments	-	-	-	4,181,451
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,181,451</u>
FUND BALANCES				
Nonspendable	-	138,169	138,169	680,788
Restricted	-	120,823	120,823	11,770,804
Assigned	8,302	-	8,302	9,328,107
Unassigned	-	-	-	(3,177,377)
Total Fund Balance	<u>8,302</u>	<u>258,992</u>	<u>267,294</u>	<u>18,602,322</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 8,302</u>	<u>\$ 258,992</u>	<u>\$ 267,294</u>	<u>\$ 26,538,778</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, 2014**

	Special Revenue			
	HRA Grant	Pleasant Hills Cemetery	Recycling	Total
REVENUES				
General Property Taxes	\$ -	\$ -	\$ -	\$ -
Special Assessments	-	-	-	-
Licenses and Permits	-	-	-	-
Intergovernmental Revenue	538,549	-	154,636	693,185
Fines and Forfeits	-	-	-	-
Investment Income (Loss)	-	34	-	34
Interest on Escrow Fund	-	-	-	-
Rental	-	-	-	-
Other				
Fees	-	10,550	-	10,550
Contributions and Donations	-	500	-	500
Miscellaneous	-	-	-	-
Total Revenues	538,549	11,084	154,636	704,269
EXPENDITURES				
Current				
Community Development	535,681	-	-	535,681
Police	-	-	-	-
Public Works	-	-	187,856	187,856
Parks and Recreation	-	11,855	-	11,855
Interest on Interfund Borrowing	-	-	-	-
Capital Outlay				
Administration	-	-	-	-
Community Development	-	-	-	-
Public Works	-	-	-	-
Parks and Recreation	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Fiscal Agent Fees	-	-	-	-
Total Expenditures	535,681	11,855	187,856	735,392
Excess of Revenues Over (Under) Expenditures	2,868	(771)	(33,220)	(31,123)
OTHER FINANCING SOURCES (USES)				
Issuance of Debt	-	-	-	-
Payment to Refunded Bond Escrow	-	-	-	-
Sale of Capital Assets	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	2,868	(771)	(33,220)	(31,123)
Fund Balances (Deficit) - Beginning	(2,868)	9,087	45,190	51,409
Fund Balances (Deficit) - Ending	\$ -	\$ 8,316	\$ 11,970	\$ 20,286

City of Eden Prairie, Minnesota
**Combining Statement of Revenues,
Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2014**

	Debt Service				
	Open Space Refunding 2003	General Obligation Improv. Bonds 2003D	General Obligation Improv. Revolving 2005A	General Obligation Bonds 2005C	General Obligation Bonds 2006A
REVENUES					
General Property Taxes	\$ 39,724	\$ -	\$ 107,994	\$ 101,201	\$ 354,205
Special Assessments	-	57,017	181,715	-	-
Licenses and Permits	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-
Fines and Forfeits	-	-	-	-	-
Investment Income (Loss)	-	-	323	(405)	(921)
Interest on Escrow Fund	-	-	-	-	-
Rental	-	-	-	-	-
Other	-	-	-	-	-
Fees	-	-	-	-	-
Contributions and Donations	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Revenues	<u>39,724</u>	<u>57,017</u>	<u>290,032</u>	<u>100,796</u>	<u>353,284</u>
EXPENDITURES					
Current					
Community Development	-	-	-	-	-
Police	-	-	-	-	-
Public Works	-	-	-	-	-
Parks and Recreation	-	-	-	-	-
Interest on Interfund Borrowing	15	338	-	-	-
Capital Outlay					
Administration	-	-	-	-	-
Community Development	-	-	-	-	-
Public Works	-	-	-	-	-
Parks and Recreation	-	-	-	-	-
Debt Service					
Principal	195,000	175,000	270,000	-	585,000
Interest	3,803	3,500	19,390	101,573	99,731
Fiscal Agent Fees	-	-	350	400	400
Total Expenditures	<u>198,818</u>	<u>178,838</u>	<u>289,740</u>	<u>101,973</u>	<u>685,131</u>
Excess of Revenues Over (Under) Expenditures	(159,094)	(121,821)	292	(1,177)	(331,847)
OTHER FINANCING SOURCES (USES)					
Issuance of Debt	-	-	-	-	-
Payment to Refunded Bond Escrow	-	-	-	(4,920,000)	(4,295,000)
Sale of Capital Assets	-	-	-	-	-
Transfers In	-	243,391	-	-	-
Transfers Out	(15,323)	-	-	(310,574)	(628,718)
Total Other Financing Sources (Uses)	<u>(15,323)</u>	<u>243,391</u>	<u>-</u>	<u>(5,230,574)</u>	<u>(4,923,718)</u>
Net Change in Fund Balances	(174,417)	121,570	292	(5,231,751)	(5,255,565)
Fund Balances (Deficit) - Beginning	174,417	(121,570)	27,343	5,231,751	5,255,565
Fund Balances (Deficit) - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,635</u>	<u>\$ -</u>	<u>\$ -</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, 2014**

	Debt Service				
	General Obligation Bonds 2006B	3rd Rink Lease Revenue Bonds 2007A	Capital Equip Notes 2008A	General Obligation Bonds 2008B	Capital Equip Notes 2009B
REVENUES					
General Property Taxes	\$ 351,723	\$ -	\$ 421,077	\$ -	\$ 544,923
Special Assessments	-	-	-	-	-
Licenses and Permits	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-
Fines and Forfeits	-	-	-	-	-
Investment Income (Loss)	775	-	153	-	895
Interest on Escrow Fund	11,853	-	-	-	-
Rental	-	-	-	-	-
Other					
Fees	-	-	-	-	-
Contributions and Donations	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Revenues	<u>364,351</u>	<u>-</u>	<u>421,230</u>	<u>-</u>	<u>545,818</u>
EXPENDITURES					
Current					
Community Development	-	-	-	-	-
Police	-	-	-	-	-
Public Works	-	-	-	-	-
Parks and Recreation	-	-	-	-	-
Interest on Interfund Borrowing	-	44	-	40	-
Capital Outlay					
Administration	-	-	-	-	-
Community Development	-	-	-	-	-
Public Works	-	-	-	-	-
Parks and Recreation	-	-	-	-	-
Debt Service					
Principal	190,000	70,000	305,000	110,000	645,000
Interest	145,658	58,330	57,549	57,035	26,700
Fiscal Agent Fees	3,500	2,150	3,900	400	400
Total Expenditures	<u>339,158</u>	<u>130,524</u>	<u>366,449</u>	<u>167,475</u>	<u>672,100</u>
Excess of Revenues Over (Under) Expenditures	25,193	(130,524)	54,781	(167,475)	(126,282)
OTHER FINANCING SOURCES (USES)					
Issuance of Debt	-	-	-	-	-
Payment to Refunded Bond Escrow	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-
Transfers In	-	130,000	-	168,000	-
Transfers Out	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>130,000</u>	<u>-</u>	<u>168,000</u>	<u>-</u>
Net Change in Fund Balances	25,193	(524)	54,781	525	(126,282)
Fund Balances (Deficit) - Beginning	3,401,764	99,726	82,912	1,337	208,243
Fund Balances (Deficit) - Ending	<u>\$ 3,426,957</u>	<u>\$ 99,202</u>	<u>\$ 137,693</u>	<u>\$ 1,862</u>	<u>\$ 81,961</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, 2014

	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
REVENUES					
General Property Taxes	\$ 198,154	\$ -	\$ 95,213	\$ 380,691	\$ -
Special Assessments	-	123,028	-	-	-
Licenses and Permits	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-
Fines and Forfeits	-	-	-	-	-
Investment Income (Loss)	566	359	184	2,626	17
Interest on Escrow Fund	-	-	-	-	-
Rental	-	-	-	-	-
Other	-	-	-	-	-
Fees	-	-	-	-	-
Contributions and Donations	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Revenues	<u>198,720</u>	<u>123,387</u>	<u>95,397</u>	<u>383,317</u>	<u>17</u>
EXPENDITURES					
Current					
Community Development	-	-	-	-	-
Police	-	-	-	-	-
Public Works	-	-	-	-	-
Parks and Recreation	-	-	-	-	-
Interest on Interfund Borrowing	-	-	-	-	-
Capital Outlay					
Administration	-	-	-	-	-
Community Development	-	-	-	-	-
Public Works	-	-	-	-	-
Parks and Recreation	-	-	-	-	-
Debt Service					
Principal	295,000	70,000	85,000	-	15,000
Interest	7,375	33,460	7,438	67,783	39,838
Fiscal Agent Fees	400	400	525	525	525
Total Expenditures	<u>302,775</u>	<u>103,860</u>	<u>92,963</u>	<u>68,308</u>	<u>55,363</u>
Excess of Revenues Over (Under) Expenditures	(104,055)	19,527	2,434	315,009	(55,346)
OTHER FINANCING SOURCES (USES)					
Issuance of Debt	-	-	-	-	-
Payment to Refunded Bond Escrow	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-
Transfers In	-	-	-	628,718	502,935
Transfers Out	(32,946)	-	-	-	(243,391)
Total Other Financing Sources (Uses)	<u>(32,946)</u>	<u>-</u>	<u>-</u>	<u>628,718</u>	<u>259,544</u>
Net Change in Fund Balances	(137,001)	19,527	2,434	943,727	204,198
Fund Balances (Deficit) - Beginning	137,001	80,367	31,026	33,116	(741)
Fund Balances (Deficit) - Ending	<u>\$ -</u>	<u>\$ 99,894</u>	<u>\$ 33,460</u>	<u>\$ 976,843</u>	<u>\$ 203,457</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, 2014**

	Debt Service				Total
	General Obligation Refunding Bonds 2012A	General Obligation Refunding Bonds 2012B	General Obligation Improvement Bonds 2012C	General Obligation Tax Abatement Bonds 2014A	
REVENUES					
General Property Taxes	\$ 161,971	\$ -	\$ -	\$ -	\$ 2,756,876
Special Assessments	-	-	-	-	361,760
Licenses and Permits	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-
Fines and Forfeits	-	-	-	-	-
Investment Income (Loss)	1,315	-	-	249	6,136
Interest on Escrow Fund	-	-	-	-	11,853
Rental	-	-	-	-	-
Other	-	-	-	-	-
Fees	-	-	-	-	-
Contributions and Donations	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Revenues	<u>163,286</u>	<u>-</u>	<u>-</u>	<u>249</u>	<u>3,136,625</u>
EXPENDITURES					
Current					
Community Development	-	-	-	-	-
Police	-	-	-	-	-
Public Works	-	-	-	-	-
Parks and Recreation	-	-	-	-	-
Interest on Interfund Borrowing	-	4	461	-	902
Capital Outlay					
Administration	-	-	-	-	-
Community Development	-	-	-	-	-
Public Works	-	-	-	-	-
Parks and Recreation	-	-	-	-	-
Debt Service					
Principal	-	-	-	-	3,010,000
Interest	118,856	66,906	205,000	-	1,119,925
Fiscal Agent Fees	525	525	750	750	16,425
Total Expenditures	<u>119,381</u>	<u>67,435</u>	<u>206,211</u>	<u>750</u>	<u>4,147,252</u>
Excess of Revenues Over (Under) Expenditures	43,905	(67,435)	(206,211)	(501)	(1,010,627)
OTHER FINANCING SOURCES (USES)					
Issuance of Debt	-	-	-	118,350	118,350
Payment to Refunded Bond Escrow	-	-	-	-	(9,215,000)
Sale of Capital Assets	-	-	-	-	-
Transfers In	310,574	-	-	-	1,983,618
Transfers Out	-	-	-	-	(1,230,952)
Total Other Financing Sources (Uses)	<u>310,574</u>	<u>-</u>	<u>-</u>	<u>118,350</u>	<u>(8,343,984)</u>
Net Change in Fund Balances	354,479	(67,435)	(206,211)	117,849	(9,354,611)
Fund Balances (Deficit) - Beginning	58,949	99,863	115,107	-	14,916,176
Fund Balances (Deficit) - Ending	<u>\$ 413,428</u>	<u>\$ 32,428</u>	<u>\$ (91,104)</u>	<u>\$ 117,849</u>	<u>\$ 5,561,565</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, 2014**

	Capital Projects				
	Police	E-911	Senior Board	Park Improvement	CIP Trails
REVENUES					
General Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments	-	-	-	-	27,218
Licenses and Permits	-	-	-	-	-
Intergovernmental Revenue	-	81,917	-	-	-
Fines and Forfeits	15,200	-	-	-	-
Investment Income (Loss)	781	882	45	7,907	-
Interest on Escrow Fund	-	-	-	-	-
Rental	-	-	-	-	-
Other					
Fees	-	-	-	403,476	-
Contributions and Donations	-	-	9,898	23,415	-
Miscellaneous	73,894	-	1,657	-	-
Total Revenues	<u>89,875</u>	<u>82,799</u>	<u>11,600</u>	<u>434,798</u>	<u>27,218</u>
EXPENDITURES					
Current					
Community Development	-	-	-	-	-
Police	144,022	102,223	-	-	-
Public Works	-	-	-	-	-
Parks and Recreation	-	-	3,839	-	-
Interest on Interfund Borrowing	-	-	-	-	1,471
Capital Outlay					
Administration	-	-	-	-	-
Community Development	-	-	-	-	-
Public Works	-	-	-	-	246,977
Parks and Recreation	-	-	-	575,358	-
Debt Service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Fiscal Agent Fees	-	-	-	2,700	-
Total Expenditures	<u>144,022</u>	<u>102,223</u>	<u>3,839</u>	<u>578,058</u>	<u>248,448</u>
Excess of Revenues Over (Under) Expenditures	(54,147)	(19,424)	7,761	(143,260)	(221,230)
OTHER FINANCING SOURCES (USES)					
Issuance of Debt	-	-	-	-	-
Payment to Refunded Bond Escrow	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-
Transfers In	-	-	-	36,323	250,000
Transfers Out	-	-	(1,295)	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(1,295)</u>	<u>36,323</u>	<u>250,000</u>
Net Change in Fund Balances	(54,147)	(19,424)	6,466	(106,937)	28,770
Fund Balances (Deficit) - Beginning	217,855	306,259	9,855	2,177,058	(276,688)
Fund Balances (Deficit) - Ending	<u>\$ 163,708</u>	<u>\$ 286,835</u>	<u>\$ 16,321</u>	<u>\$ 2,070,121</u>	<u>\$ (247,918)</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, 2014**

	Capital Projects				
	CIP Pavement Mgmt	Economic Development Fund	Project Fund	HRA	Flying Cloud Drive
REVENUES					
General Property Taxes	\$ -	\$ -	\$ 3,070,936	\$ 198,174	\$ -
Special Assessments	-	-	-	-	178,753
Licenses and Permits	2,086,476	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-
Fines and Forfeits	-	-	-	-	-
Investment Income (Loss)	2,287	14,510	18,894	704	1,592
Interest on Escrow Fund	-	-	-	-	-
Rental	-	66,493	-	-	-
Other	-	-	-	-	-
Fees	-	-	-	-	-
Contributions and Donations	-	-	-	-	-
Miscellaneous	24,000	-	-	-	-
Total Revenues	<u>2,112,763</u>	<u>81,003</u>	<u>3,089,830</u>	<u>198,878</u>	<u>180,345</u>
EXPENDITURES					
Current					
Community Development	-	54,182	2,242,481	187,723	-
Police	-	-	-	-	-
Public Works	-	-	-	-	-
Parks and Recreation	-	-	-	-	-
Interest on Interfund Borrowing	-	-	-	-	-
Capital Outlay					
Administration	-	-	-	-	-
Community Development	-	-	-	-	-
Public Works	1,929,156	-	-	-	-
Parks and Recreation	-	-	-	-	-
Debt Service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Fiscal Agent Fees	-	-	-	-	-
Total Expenditures	<u>1,929,156</u>	<u>54,182</u>	<u>2,242,481</u>	<u>187,723</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	183,607	26,821	847,349	11,155	180,345
OTHER FINANCING SOURCES (USES)					
Issuance of Debt	-	-	-	-	-
Payment to Refunded Bond Escrow	-	-	-	-	-
Sale of Capital Assets	-	23,952	-	-	-
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	(168,000)
Total Other Financing Sources (Uses)	<u>-</u>	<u>23,952</u>	<u>-</u>	<u>-</u>	<u>(168,000)</u>
Net Change in Fund Balances	183,607	50,773	847,349	11,155	12,345
Fund Balances (Deficit) - Beginning	464,919	5,006,196	5,463,456	245,034	440,901
Fund Balances (Deficit) - Ending	<u>\$ 648,526</u>	<u>\$ 5,056,969</u>	<u>\$ 6,310,805</u>	<u>\$ 256,189</u>	<u>\$ 453,246</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, 2014

	Capital Projects				
	Transportation	Cable PEG	Eden Prairie Road	Eden Prairie Rd Connect to Flying Cloud	Homeowners Improvements Area
REVENUES					
General Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments	41,586	-	-	-	31,019
Licenses and Permits	-	104,784	-	-	-
Intergovernmental Revenue	-	-	-	-	-
Fines and Forfeits	-	-	-	-	-
Investment Income (Loss)	1,485	86	-	-	-
Interest on Escrow Fund	-	-	-	-	-
Rental	-	-	-	-	-
Other	-	-	-	-	-
Fees	-	-	-	-	-
Contributions and Donations	-	-	-	-	-
Miscellaneous	92,016	-	-	-	-
Total Revenues	135,087	104,870	-	-	31,019
EXPENDITURES					
Current					
Community Development	-	-	-	-	-
Police	-	-	-	-	-
Public Works	50,047	-	-	-	-
Parks and Recreation	-	-	-	-	-
Interest on Interfund Borrowing	-	-	4,180	182	209
Capital Outlay					
Administration	-	142,338	-	-	-
Community Development	-	-	-	-	119,879
Public Works	210,227	-	2,199,330	25,258	-
Parks and Recreation	-	-	-	-	-
Debt Service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Fiscal Agent Fees	-	-	-	-	-
Total Expenditures	260,274	142,338	2,203,510	25,440	120,088
Excess of Revenues Over (Under) Expenditures	(125,187)	(37,468)	(2,203,510)	(25,440)	(89,069)
OTHER FINANCING SOURCES (USES)					
Issuance of Debt	-	-	-	-	-
Payment to Refunded Bond Escrow	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
Net Change in Fund Balances	(125,187)	(37,468)	(2,203,510)	(25,440)	(89,069)
Fund Balances (Deficit) - Beginning	669,994	69,261	(406,846)	(21,015)	-
Fund Balances (Deficit) - Ending	\$ 544,807	\$ 31,793	\$ (2,610,356)	\$ (46,455)	\$ (89,069)

City of Eden Prairie, Minnesota
**Combining Statement of Revenues,
 Expenditures, and Changes in Fund Balances
 Nonmajor Governmental Funds
 For the Year Ended December 31, 2014**

	<u>Capital Projects</u>	
	West 70th Street Extension	Total
REVENUES		
General Property Taxes	\$ -	\$ 3,269,110
Special Assessments	-	278,576
Licenses and Permits	-	2,191,260
Intergovernmental Revenue	-	81,917
Fines and Forfeits	-	15,200
Investment Income (Loss)	-	49,173
Interest on Escrow Fund	-	-
Rental	-	66,493
Other		
Fees	-	403,476
Contributions and Donations	-	33,313
Miscellaneous	-	191,567
Total Revenues	<u>-</u>	<u>6,580,085</u>
EXPENDITURES		
Current		
Community Development	-	2,484,386
Police	-	246,245
Public Works	-	50,047
Parks and Recreation	-	3,839
Interest on Interfund Borrowing	19	6,061
Capital Outlay		
Administration	-	142,338
Community Development	-	119,879
Public Works	92,326	4,703,274
Parks and Recreation	-	575,358
Debt Service		
Principal	-	-
Interest	-	-
Fiscal Agent Fees	-	2,700
Total Expenditures	<u>92,345</u>	<u>8,334,127</u>
Excess of Revenues Over (Under) Expenditures	(92,345)	(1,754,042)
OTHER FINANCING SOURCES (USES)		
Issuance of Debt	-	-
Payment to Refunded Bond Escrow	-	-
Sale of Capital Assets	-	23,952
Transfers In	-	286,323
Transfers Out	-	(169,295)
Total Other Financing Sources (Uses)	<u>-</u>	<u>140,980</u>
Net Change in Fund Balances	(92,345)	(1,613,062)
Fund Balances (Deficit) - Beginning	-	14,366,239
Fund Balances (Deficit) - Ending	<u>\$ (92,345)</u>	<u>\$ 12,753,177</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, 2014

	Permanent Fund			
	Historical and Cultural	Cemetery Perpetual Care Fund	Total	Total Nonmajor Governmental Funds
REVENUES				
General Property Taxes	\$ -	\$ -	\$ -	\$ 6,025,986
Special Assessments	-	-	-	640,336
Licenses and Permits	-	-	-	2,191,260
Intergovernmental Revenue	-	-	-	775,102
Fines and Forfeits	-	-	-	15,200
Investment Income (Loss)	26	835	861	56,204
Interest on Escrow Fund	-	-	-	11,853
Rental	-	-	-	66,493
Other				
Fees	499	1,400	1,899	415,925
Contributions and Donations	-	-	-	33,813
Miscellaneous	-	-	-	191,567
Total Revenues	525	2,235	2,760	10,423,739
EXPENDITURES				
Current				
Community Development	-	-	-	3,020,067
Police	-	-	-	246,245
Public Works	-	-	-	237,903
Parks and Recreation	-	-	-	15,694
Interest on Interfund Borrowing	-	-	-	6,963
Capital Outlay				
Administration	-	-	-	142,338
Community Development	-	-	-	119,879
Public Works	-	-	-	4,703,274
Parks and Recreation	-	-	-	575,358
Debt Service				
Principal	-	-	-	3,010,000
Interest	-	-	-	1,119,925
Fiscal Agent Fees	-	-	-	19,125
Total Expenditures	-	-	-	13,216,771
Excess of Revenues Over (Under) Expenditures	525	2,235	2,760	(2,793,032)
OTHER FINANCING SOURCES (USES)				
Issuance of Debt	-	-	-	118,350
Payment to Refunded Bond Escrow	-	-	-	(9,215,000)
Sale of Capital Assets	-	-	-	23,952
Transfers In	-	-	-	2,269,941
Transfers Out	-	-	-	(1,400,247)
Total Other Financing Sources (Uses)	-	-	-	(8,203,004)
Net Change in Fund Balances	525	2,235	2,760	(10,996,036)
Fund Balances (Deficit) - Beginning	7,777	256,757	264,534	29,598,358
Fund Balances (Deficit) - Ending	\$ 8,302	\$ 258,992	\$ 267,294	\$ 18,602,322

City of Eden Prairie, Minnesota

Internal Service Funds

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, 2014

	Health & Benefits	Severance	Workers Compensation	Property Insurance
ASSETS				
Current Assets				
Cash and Investments	\$ 615,338	\$ 1,436,714	\$ 83,689	\$ 30,087
Receivables				
Accounts	1,743	-	-	2,689
Interest	779	2,476	226	-
Due From Other Governments	2,389	-	-	-
Inventory	-	-	-	-
Prepaid Items	259,432	-	116,896	85,720
Total Current Assets	<u>879,681</u>	<u>1,439,190</u>	<u>200,811</u>	<u>118,496</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>\$ 879,681</u>	<u>\$ 1,439,190</u>	<u>\$ 200,811</u>	<u>\$ 118,496</u>
LIABILITIES				
Current Liabilities:				
Accounts Payable	\$ 77,561	\$ -	\$ 5,815	\$ 4,684
Salaries Payable	-	2,154	1,786	1,786
Investment Interest Payable	-	-	-	34
Due to Other Governments	299,134	-	-	-
Unearned Revenue	-	-	-	-
Current Portion of Compensated Absences	-	929,703	-	-
Total Current Liabilities	<u>376,695</u>	<u>931,857</u>	<u>7,601</u>	<u>6,504</u>
Noncurrent Liabilities:				
Net OPEB	1,062,859	-	3,328	3,328
Compensated Absences	-	951,044	-	-
Total Noncurrent Liabilities	<u>1,062,859</u>	<u>951,044</u>	<u>3,328</u>	<u>3,328</u>
Total Liabilities	1,439,554	1,882,901	10,929	9,832
Net Position				
Net Investment in Capital Assets	-	-	-	-
Unrestricted	(559,873)	(443,711)	189,882	108,664
Total Net Position	<u>(559,873)</u>	<u>(443,711)</u>	<u>189,882</u>	<u>108,664</u>
Total Liabilities and Net Position	<u>\$ 879,681</u>	<u>\$ 1,439,190</u>	<u>\$ 200,811</u>	<u>\$ 118,496</u>

City of Eden Prairie, Minnesota
Internal Service Funds
Combining Statement of Net Position
December 31, 2014

	Facilities	Fleet	Information Technology	Total
ASSETS				
Current Assets				
Cash and Investments	\$ 1,560,648	\$ 1,924,112	\$ 643,463	\$ 6,294,051
Receivables				
Accounts	4,789	920	-	10,141
Interest	2,639	2,994	1,156	10,270
Due From Other Governments	22,726	-	-	25,115
Inventory	-	109,160	-	109,160
Prepaid Items	1,325	1,500	28,234	493,107
Total Current Assets	<u>1,592,127</u>	<u>2,038,686</u>	<u>672,853</u>	<u>6,941,844</u>
Noncurrent Assets:				
Capital Assets				
Property, Plant and Equipment	3,152,414	3,234,011	336,331	6,722,756
Less Accumulated Depreciation	<u>(417,556)</u>	<u>(1,011,758)</u>	<u>(58,954)</u>	<u>(1,488,268)</u>
Total Noncurrent Assets	<u>2,734,858</u>	<u>2,222,253</u>	<u>277,377</u>	<u>5,234,488</u>
Total Assets	<u>\$ 4,326,985</u>	<u>\$ 4,260,939</u>	<u>\$ 950,230</u>	<u>\$ 12,176,332</u>
LIABILITIES				
Current Liabilities:				
Accounts Payable	\$ 266,468	\$ 311,881	\$ 150,024	\$ 816,433
Salaries Payable	39,023	18,962	22,606	86,317
Investment Interest Payable	-	-	-	34
Due to Other Governments	-	1,259	2,343	302,736
Unearned Revenue	13,326	-	-	13,326
Current Portion of Compensated Absences	-	-	-	929,703
Total Current Liabilities	<u>318,817</u>	<u>332,102</u>	<u>174,973</u>	<u>2,148,549</u>
Noncurrent Liabilities:				
Net OPEB	48,779	27,900	25,760	1,171,954
Compensated Absences	-	-	-	951,044
Total Noncurrent Liabilities	<u>48,779</u>	<u>27,900</u>	<u>25,760</u>	<u>2,122,998</u>
Total Liabilities	367,596	360,002	200,733	4,271,547
Net Position				
Net Investment in Capital Assets	2,734,858	2,222,253	277,377	5,234,488
Unrestricted	<u>1,224,531</u>	<u>1,678,684</u>	<u>472,120</u>	<u>2,670,297</u>
Total Net Position	<u>3,959,389</u>	<u>3,900,937</u>	<u>749,497</u>	<u>7,904,785</u>
Total Liabilities and Net Position	<u>\$ 4,326,985</u>	<u>\$ 4,260,939</u>	<u>\$ 950,230</u>	<u>\$ 12,176,332</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, 2014

	Health & Benefits	Severance	Workers Compensation	Property Insurance
OPERATING REVENUE				
Charges for Services	\$ 5,078,909	\$ 7,507	\$ 629,564	\$ 622,853
Rental	-	-	-	-
Total Operating Revenues	5,078,909	7,507	629,564	622,853
OPERATING EXPENSE				
Personal Services	2,919,217	195,000	36,017	36,017
Supplies				
Supplies	-	-	-	-
Motor Fuel	-	-	-	-
Tires	-	-	-	-
Contractual Services				
Contractual Services	28,347	-	2,024	1,347
Insurance	2,321,648	-	658,485	602,898
Janitorial Services / Cleaning Supplies	-	-	-	-
LOGIS	-	-	-	-
Licenses, Permits, Taxes	-	-	-	-
Repairs and Maintenance	-	-	-	-
Utilities	-	-	-	-
Total Operating Expenses	5,269,212	195,000	696,526	640,262
Operating Income (Loss) Before Depreciation	(190,303)	(187,493)	(66,962)	(17,409)
Depreciation	-	-	-	-
Operating Income (Loss) Before Nonoperating Revenue / Expense	(190,303)	(187,493)	(66,962)	(17,409)
NONOPERATING REVENUE (EXPENSE)				
Investment Income	1,455	4,810	452	(156)
Gain/Loss on Disposition of Capital Assets	-	-	-	-
Miscellaneous	6,649	-	13,544	104,042
Total Nonoperating Revenues (Expenses)	8,104	4,810	13,996	103,886
Change in Net Position	(182,199)	(182,683)	(52,966)	86,477
Net Position - Beginning	(377,674)	(261,028)	242,848	22,187
Net Position - Ending	\$ (559,873)	\$ (443,711)	\$ 189,882	\$ 108,664

City of Eden Prairie, Minnesota
Internal Service Funds
Combining Statement of Revenues
Expenses and Changes in Net Position
For the Year Ended December 31, 2014

	Facilities	Fleet	Information Technology	Total
OPERATING REVENUE				
Charges for Services	\$ 4,343,081	\$ 2,516,156	\$ 2,022,862	\$ 15,220,932
Rental	354,097	-	-	354,097
Total Operating Revenues	4,697,178	2,516,156	2,022,862	15,575,029
OPERATING EXPENSE				
Personal Services	942,695	518,871	579,668	5,227,485
Supplies				
Supplies	43,013	87,246	346,053	476,312
Motor Fuel	8,997	562,988	-	571,985
Tires	-	61,874	-	61,874
Contractual Services				
Contractual Services	1,427,147	6,897	227,646	1,693,408
Insurance	-	-	-	3,583,031
Janitorial Services / Cleaning Supplies	801,474	-	-	801,474
LOGIS	-	-	418,106	418,106
Licenses, Permits, Taxes	201,678	2,952	-	204,630
Repairs and Maintenance	185,877	395,440	399,248	980,565
Utilities	1,171,540	2,829	23,486	1,197,855
Total Operating Expenses	4,782,421	1,639,097	1,994,207	15,216,725
Operating Income (Loss) Before Depreciation	(85,243)	877,059	28,655	358,304
Depreciation	132,359	548,672	38,112	719,143
Operating Income (Loss) Before Nonoperating Revenue / Expense	(217,602)	328,387	(9,457)	(360,839)
NONOPERATING REVENUE (EXPENSE)				
Investment Income	4,329	6,484	2,486	19,860
Gain/Loss on Disposition of Capital Assets	10,000	110,660	-	120,660
Miscellaneous	3,234	29,913	12,253	169,635
Total Nonoperating Revenues (Expenses)	17,563	147,057	14,739	310,155
Change in Net Position	(200,039)	475,444	5,282	(50,684)
Net Position - Beginning	4,159,428	3,425,493	744,215	7,955,469
Net Position - Ending	\$ 3,959,389	\$ 3,900,937	\$ 749,497	\$ 7,904,785

City of Eden Prairie, Minnesota
Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended December 31, 2014

	Health & Benefits	Severance	Workers Compensation	Property Insurance
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts From Customers	\$ 5,088,998	\$ 7,507	\$ 629,564	\$ 620,164
Payments to Vendors	(2,372,707)	-	(678,136)	(611,904)
Payments to Employees	(2,744,691)	(158,794)	(35,052)	(35,052)
Other Receipts	6,649	-	13,544	104,042
Net Cash Provided (Used) By Operating Activities	(21,751)	(151,287)	(70,080)	77,250
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment Income	1,594	5,083	466	(82)
Net Cash Provided (Used) By Investing Activities	1,594	5,083	466	(82)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Payments From Other Funds	-	-	47,081	-
Payments to Other Funds	-	-	-	(47,081)
Transfers In	-	-	-	-
Transfers (Out)	-	-	-	-
Net Cash Provided (Used) By Noncapital Financing Activities	-	-	47,081	(47,081)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and Construction of Capital Assets	-	-	-	-
Proceeds From Sale of Equipment	-	-	-	-
Net Cash Provided (Used) By Capital and Related Financing Activities	-	-	-	-
Net Increase (Decrease) in Cash and Cash Equivalents	(20,157)	(146,204)	(22,533)	30,087
Cash and Cash Equivalents, January 1	635,495	1,582,918	106,222	-
Cash and Cash Equivalents, December 31	<u>\$ 615,338</u>	<u>\$ 1,436,714</u>	<u>\$ 83,689</u>	<u>\$ 30,087</u>

City of Eden Prairie, Minnesota
Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended December 31, 2014

	Facilities	Fleet	Information Technology	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts From Customers	\$ 4,351,532	\$ 2,516,164	\$ 2,022,862	\$ 15,236,791
Payments to Vendors	(4,096,815)	(905,078)	(1,331,571)	(9,996,211)
Payments to Employees	(936,657)	(522,205)	(572,968)	(5,005,419)
Other Receipts	354,097	-	-	478,332
Net Cash Provided (Used) By Operating Activities	(327,843)	1,088,881	118,323	713,493
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment Income	5,319	6,232	2,403	21,015
Net Cash Provided (Used) By Investing Activities	5,319	6,232	2,403	21,015
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Payments From Other Funds	-	-	-	47,081
Payments to Other Funds	-	-	-	(47,081)
Transfers In	-	-	-	-
Transfers (Out)	-	-	-	-
Net Cash Provided (Used) By Noncapital Financing Activities	-	-	-	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and Construction of Capital Assets	(47,244)	(1,129,567)	(180,993)	(1,357,804)
Proceeds From Sale of Equipment	10,000	110,660	-	120,660
Net Cash Provided (Used) By Capital and Related Financing Activities	(37,244)	(1,018,907)	(180,993)	(1,237,144)
Net Increase (Decrease) in Cash and Cash Equivalents	(359,768)	76,206	(60,267)	(502,636)
Cash and Cash Equivalents, January 1	1,920,416	1,847,906	703,730	6,796,687
Cash and Cash Equivalents, December 31	\$ 1,560,648	\$ 1,924,112	\$ 643,463	\$ 6,294,051

City of Eden Prairie, Minnesota
Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended December 31, 2014

	Health & Benefits	Severance	Workers Compensation	Property Insurance
RECONCILIATION OF OPERATING INCOME				
(LOSS) TO NET CASH PROVIDED (USED)				
BY OPERATING ACTIVITIES:				
Operating Income (Loss)	\$ (190,303)	\$ (187,493)	\$ (66,962)	\$ (17,409)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	-	-	-	-
Miscellaneous	6,649	-	13,544	104,042
(Increase) Decrease in Assets:				
Accounts Receivable	10,089	-	-	(2,689)
Due From Other Funds	-	-	47,081	-
Due From Other Governments	(2,389)	-	-	-
Inventory	-	-	-	-
Prepaid Items	(16,473)	-	(23,132)	(11,087)
Increase (Decrease) in Liabilities:				
Accounts Payable	(9,149)	-	5,505	3,428
Salaries Payable	-	2,154	449	449
Due to Other Governments	5,299	-	-	-
Due to Other Funds	-	-	-	(47,081)
Unearned Revenue	-	-	-	-
Net Other Post Employment Benefits	174,526	-	516	516
Compensated Absences	-	34,052	-	-
 Net Cash Provided (Used) by Operating Activities	 <u>\$ (21,751)</u>	 <u>\$ (151,287)</u>	 <u>\$ (22,999)</u>	 <u>\$ 30,169</u>

City of Eden Prairie, Minnesota
Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended December 31, 2014

	Facilities	Fleet	Information Technology	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating Income (Loss)	\$ (217,602)	\$ 328,387	\$ (9,457)	\$ (360,839)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	132,359	548,672	38,112	719,143
Miscellaneous	3,234	29,913	12,253	169,635
(Increase) Decrease in Assets:				
Accounts Receivable	325	8	-	7,733
Due From Other Funds	-	-	-	47,081
Due From Other Governments	(22,726)	-	-	(25,115)
Inventory	-	(1,994)	-	(1,994)
Prepaid Items	(1,325)	-	(9,628)	(61,645)
Increase (Decrease) in Liabilities:				
Accounts Payable	(236,024)	188,879	80,530	33,169
Salaries Payable	5,660	(3,333)	4,930	10,309
Due to Other Governments	(248)	(1,650)	(187)	3,214
Due to Other Funds	-	-	-	(47,081)
Unearned Revenue	8,126	-	-	8,126
Net Other Post Employment Benefits	378	(1)	1,770	177,705
Compensated Absences	-	-	-	34,052
Net Cash Provided (Used) by Operating Activities	<u>\$ (327,843)</u>	<u>\$ 1,088,881</u>	<u>\$ 118,323</u>	<u>\$ 713,493</u>

City of Eden Prairie, Minnesota

Agency Funds

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, 2014

	Escrow Fund	WAFTA	MCES	2014 Total
ASSETS				
Cash and Investments	\$ 1,151,603	\$ 150,725	\$ 17,395	\$ 1,319,723
Accounts Receivable	7,549	-	-	7,549
Total Assets	<u>\$ 1,159,152</u>	<u>\$ 150,725</u>	<u>\$ 17,395</u>	<u>\$ 1,327,272</u>
LIABILITIES				
Accounts Payable	\$ 1,159,089	-	-	\$ 1,159,089
Due to Other Governments	63	150,725	17,395	168,183
Total Liabilities	<u>\$ 1,159,152</u>	<u>\$ 150,725</u>	<u>\$ 17,395</u>	<u>\$ 1,327,272</u>

City of Eden Prairie, Minnesota
Agency Funds
Combining Statement of Changes in
Assets and Liabilities
For the Year Ended December 31, 2014

	Balance January 1 2014	Additions	Deductions	Balance December 31 2014
Escrow				
Assets				
Cash and Investments	\$ 1,179,045	\$ 2,276,356	\$ 2,303,798	\$ 1,151,603
Accounts Receivable	11,445	4,584	8,480	7,549
Due from Other Governments	1,284	-	1,284	-
Total Assets	<u>\$ 1,191,774</u>	<u>\$ 2,280,940</u>	<u>\$ 2,313,562</u>	<u>\$ 1,159,152</u>
Liabilities				
Accounts Payable	\$ 1,191,774	\$ 748,227	\$ 780,912	\$ 1,159,089
Due to Other Governments	-	63	-	63
Total Liabilities	<u>\$ 1,191,774</u>	<u>\$ 748,290</u>	<u>\$ 780,912</u>	<u>\$ 1,159,152</u>
WAFTA				
Assets				
Cash and Investments	\$ 130,585	\$ 175,533	\$ 155,393	\$ 150,725
Accounts Receivable	-	22,000	22,000	-
Total Assets	<u>\$ 130,585</u>	<u>\$ 197,533</u>	<u>\$ 177,393</u>	<u>\$ 150,725</u>
Liabilities				
Accounts Payable	\$ -	\$ 2,512	\$ 2,512	\$ -
Due to Other Governments	130,585	22,652	2,512	150,725
Total Liabilities	<u>\$ 130,585</u>	<u>\$ 25,164</u>	<u>\$ 5,024</u>	<u>\$ 150,725</u>
MCES				
Assets				
Cash and Investments	\$ 77,920	\$ 557,011	\$ 617,536	\$ 17,395
Total Assets	<u>\$ 77,920</u>	<u>\$ 557,011</u>	<u>\$ 617,536</u>	<u>\$ 17,395</u>
Liabilities				
Due to Other Governments	\$ 77,920	\$ 970,035	\$ 1,030,560	\$ 17,395
Total Liabilities	<u>\$ 77,920</u>	<u>\$ 970,035</u>	<u>\$ 1,030,560</u>	<u>\$ 17,395</u>
Totals-All Agency Funds				
Assets				
Cash and Investments	\$ 1,387,550	\$ 3,008,900	\$ 3,076,727	\$ 1,319,723
Accounts Receivable	11,445	4,584	8,480	7,549
Due from Other Funds	1,284	-	1,284	-
Total Assets	<u>\$ 1,400,279</u>	<u>\$ 3,013,484</u>	<u>\$ 3,086,491</u>	<u>\$ 1,327,272</u>
Liabilities				
Accounts Payable	\$ 1,191,774	\$ 750,739	\$ 783,424	\$ 1,159,089
Due to Other Governments	208,505	992,750	1,033,072	168,183
Total Liabilities	<u>\$ 1,400,279</u>	<u>\$ 1,743,489</u>	<u>\$ 1,816,496</u>	<u>\$ 1,327,272</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.

Contents	<u>Page</u>
Financial Trends	138-143
These tables contain trend information that may assist the reader in assessing the City’s current financial performance by placing it in historical perspective.	
Revenue Capacity	144-147
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.	
Debt Capacity	148-151
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.	
Demographic and Economic Information	152-160
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.	
Operating Information	161-162
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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
GOVERNMENTAL ACTIVITIES										
Net Investment in Capital Assets	\$ 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	\$ 181,975,764
Restricted	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	13,773,554
Unrestricted	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	60,320,608
Governmental Activities Net Position	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	256,069,926
BUSINESS-TYPE ACTIVITIES										
Net Investment in Capital Assets	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	131,144,305
Unrestricted	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	14,438,525
Business-Type Activities Net Position	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	145,582,830
PRIMARY GOVERNMENT										
Net Investment in Capital Assets	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	313,120,069
Restricted	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	13,773,554
Unrestricted	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	74,759,133
Primary Government Net Position	\$ 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	\$ 401,652,756

City of Eden Prairie, Minnesota

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

Last Ten Years

Source	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
EXPENSES										
Governmental Activities	\$ 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	\$ 57,169,862
Business-type Activities	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	29,820,423
Total Expenses	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	86,990,285
PROGRAM REVENUES										
Governmental Activities	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	33,844,879
Business-type Activities	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	28,335,144
Total Program Revenues	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	62,180,023
Net (Expense) Revenue	(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)	(24,810,262)
GENERAL REVENUES AND TRANSFERS										
Governmental Activities	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	37,961,763
Business-type Activities	(620,361)	(405,749)	(474,614)	52,414	(676,914)	(1,777,490)	(1,230,687)	(1,134,606)	(1,241,335)	(1,367,634)
Total General Revenues and Transfers	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	36,594,129
Change in Net Position	\$ 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)	\$ 11,783,867

City of Eden Prairie, Minnesota

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

Last Ten Years

SOURCES	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
EXPENSES										
General Government	\$ 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	4,921,044
Community Development	-	-	-	-	-	-	-	6,251,288	5,678,694	5,368,762
Public Safety	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	13,534,150
Fire	-	-	-	-	-	-	-	5,646,926	5,724,342	6,093,772
Public Works	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	13,321,459
Parks and Recreation	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	12,947,006
Interest on Long Term Debt	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	983,669
Total Expenses	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	57,169,862
PROGRAM REVENUES										
Charges for Services										
General Government	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	1,314,271
Community Development	-	-	-	-	-	-	-	154,858	122,263	73,929
Public Safety	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	1,130,020
Fire	-	-	-	-	-	-	-	3,450,431	4,236,114	3,502,952
Public Works	567,233	403,363	390,731	443,640	210,606	230,390	322,561	518,365	497,720	411,144
Parks and Recreation	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	5,187,195
Interest on Long Term Debt	-	-	-	-	-	-	-	-	-	-
Operating Grants and Contributions	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	1,741,945
Capital Grants and Contributions	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	20,483,423
Total Program Revenues	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	33,844,879
Net (Expense) Revenue	(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)	(23,324,983)
GENERAL REVENUES AND TRANSFERS										
Taxes										
Property Taxes	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	32,781,740
Tax Increment	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	3,070,936
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	298,506	190,446	225,295	195,478	206,907	229,510	752,907	836,646	862,288	483,914
Investment Income	1,046,852	2,574,984	3,049,185	1,751,418	672,822	427,377	259,808	186,676	137,890	210,373
Transfers	803,494	817,328	883,021	190,817	690,226	1,789,869	1,270,000	1,170,364	1,257,645	1,414,800
Total General Revenues and Transfers	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	37,961,763
Change in Net Position	\$ 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)	\$ 14,636,780

City of Eden Prairie, Minnesota

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

Last Ten Years

SOURCE	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
EXPENSES										
Water / Sewer	\$ 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	9,856,001
Sewer	-	-	-	-	-	-	6,671,324	6,685,442	6,532,297	6,403,264
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	2,545,818
Liquor	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	11,015,340
Total Expenses	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	29,820,423
PROGRAM REVENUES										
Charges for Services										
Water / Sewer	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	7,937,203
Sewer	-	-	-	-	-	-	4,926,624	5,654,186	6,265,514	5,838,196
Storm	600,237	644,131	614,590	818,987	910,568	831,731	1,054,077	1,327,159	1,499,405	1,985,417
Liquor	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	12,216,404
Operating Grants and Contributions	-	-	-	-	-	31,498	-	-	-	-
Capital Grants and Contributions	2,034,495	-	2,984,671	-	-	-	415,000	53,404	3,041,141	357,924
Total Program Revenues	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	28,335,144
Net (Expense) Revenue	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	(1,485,279)
GENERAL REVENUES AND TRANSFERS										
Grants and Contributions Not Restricted to Specific Programs	-	-	-	-	-	-	4,016	-	-	-
Investment Income	183,133	411,579	408,407	243,231	13,312	12,379	35,297	35,758	16,310	47,166
Transfers	(803,494)	(817,328)	(883,021)	(190,817)	(690,226)	(1,789,869)	(1,270,000)	(1,170,364)	(1,257,645)	(1,414,800)
Total General Revenues and Transfers	(620,361)	(405,749)	(474,614)	52,414	(676,914)	(1,777,490)	(1,230,687)	(1,134,606)	(1,241,335)	(1,367,634)
Change in Net Position	\$ (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	\$ (2,852,913)

Prior to 2011, Water and Sewer were combined.

City of Eden Prairie, Minnesota

Fund Balances-Governmental Funds

Last Ten Years

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
GENERAL FUND										
Reserved	\$ 4,198,756	\$ 1,145,293	\$ 253,954	\$ 138,507	\$ 55,864	\$ 66,238	\$ -	\$ -	\$ -	\$ -
Unreserved	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	39,844
Unassigned	-	-	-	-	-	-	21,162,123	21,069,050	21,509,541	22,292,187
Subtotal General Fund	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	22,332,031
General Fund % Change	4.4%	(10.1%)	2.4%	4.0%	0.8%	1.7%	1.1%	(0.3%)	2.0%	3.7%
ALL OTHER GOV'T FUNDS										
Reserved	4,816,402	6,299,082	6,314,553	159,698	141,011	118,186	-	-	-	-
Unreserved										
Special Revenue	517,164	579,738	587,431	516,296	556,462	548,831	-	-	-	-
Debt Service	(43,896)	(223)	(1,162)	6,352,188	5,084,425	4,383,750	-	-	-	-
Capital Projects	19,196,836	31,749,345	18,556,887	18,912,365	18,890,716	19,775,005	-	-	-	-
Permanent	138,518	139,106	139,965	142,094	143,045	140,584	-	-	-	-
Nonspendable	-	-	-	-	-	-	812,151	537,530	538,620	542,619
Restricted	-	-	-	-	-	-	15,261,699	22,281,089	20,876,780	23,065,276
Assigned	-	-	-	-	-	-	17,951,086	34,326,050	28,275,391	28,510,594
Unassigned	-	-	-	-	-	-	(3,687,585)	(4,308,281)	(3,859,192)	(6,295,915)
Subtotal All Other Gov't Funds	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	45,822,574
TOTAL GOV'T FUNDS										
Reserved	9,015,158	7,444,375	6,568,507	298,205	196,875	184,424	-	-	-	-
Unreserved	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	582,463
Restricted	-	-	-	-	-	-	15,261,699	22,281,089	20,876,780	23,065,276
Assigned	-	-	-	-	-	-	17,951,086	34,326,050	28,275,391	28,510,594
Unassigned	-	-	-	-	-	-	17,474,538	16,760,769	17,650,349	15,996,272
Total Gov't Funds	\$ 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	\$ 68,154,605
All Gov't Funds % Change	(2.4%)	26.1%	(21.9%)	2.8%	(2.4%)	1.1%	12.2%	43.6%	(8.9%)	1.2%

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	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
REVENUES										
Taxes and Special Assessments \$	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	\$ 37,189,846
Licenses and Permits	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	7,084,975
Intergovernmental Revenue	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	8,582,993
Charges for Services	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	4,841,857
Fines and Forfeits	476,520	419,745	433,369	384,509	444,979	496,449	557,512	603,126	420,552	406,210
Investment Income	1,152,288	2,807,250	3,101,558	1,811,199	638,483	406,281	224,379	195,657	140,303	216,895
Miscellaneous Revenue	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	1,647,534
Total Revenues	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	59,970,310
EXPENDITURES										
General Government	13,297,706	14,420,850	13,579,878	14,236,199	9,152,896	8,726,894	8,768,528	-	-	-
Administration	-	-	-	-	-	-	-	3,634,743	3,634,004	3,946,531
Community Development	-	-	-	-	-	-	-	6,228,446	5,661,300	5,224,034
Public Safety	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	13,079,303
Fire	-	-	-	-	-	-	-	5,190,539	5,300,536	5,664,111
Public Works	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	5,915,849
Parks and Recreation	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	10,255,620
Capital Outlay	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	21,000,674
Miscellaneous	120,672	242,555	275,397	210,039	130,251	42,967	17,256	29,641	7,996	25,547
Debt Service										
Principal	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	3,178,107
Interest	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	1,127,862
Other	73,162	154,805	38,908	55,872	118,782	44,075	96,169	249,671	8,937	144,530
Total Expenditures	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	69,562,168
Excess of Revenues Over (Under) Expenditures	(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)	(9,591,858)
Other Financing Sources (Uses)	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)	10,380,621
Net Change in Fund Balance	\$ (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)	\$ 788,763
Debt Service as a % of Noncapital Expenditures	13.6%	10.9%	11.6%	11.2%	12.3%	11.1%	11.5%	11.0%	8.0%	7.5%

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 Capacity													Annual % Change
Tax Payable Dec. 31	Personal Property	Residential	Apartments	Commercial & Industrial	Farm & Other	Tax Capacity Before Deductions	Less: Fiscal Disparities	Less: Tax Increment	Total Assessed Value	Total Direct Tax Rate	Estimated Market Value		
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	34.617	8,483,358,400	(1.9%)	
2014	1,536,795	59,699,056	6,723,391	37,928,219	75,620	105,963,081	14,732,733	3,137,785	88,092,563	34.709	8,627,122,700	1.7%	
Percentages													
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%					
2014	1.5%	56.3%	6.3%	35.8%	0.1%		16.7%	3.6%					

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		Total City Rate	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
2005	30.601	-	30.601	44.172	7.382	19.176	21.855	21.989	1.165	0.354	1.375
2006	28.561	0.221	28.782	41.016	6.998	21.565	23.187	22.952	1.106	0.315	0.787
2007	27.861	0.189	28.050	39.110	7.480	19.019	23.727	24.793	1.107	0.291	0.743
2008	26.998	0.179	27.177	38.571	7.397	19.218	23.425	17.980	1.149	0.432	1.302
2009	27.092	0.179	27.271	40.413	7.154	20.080	24.691	17.186	1.246	0.936	1.246
2010	28.553	0.189	28.742	42.640	8.138	23.050	25.959	18.657	1.293	0.520	1.279
2011	31.034	0.205	31.239	45.840	9.172	26.456	28.420	21.274	1.317	0.264	1.352
2012	33.036	0.214	33.250	48.231	9.523	29.270	29.292	23.015	1.388	0.445	1.387
2013	34.397	0.220	34.617	49.461	10.089	29.730	29.067	24.487	1.394	0.634	1.561
2014	34.493	0.216	34.709	49.959	10.561	32.358	27.817	24.374	1.490	0.759	1.880

Market Value Rates

Year Ended Dec. 31	City Direct Rate	Overlapping Rates		
		School District #270	School District #272	School District #276
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
2014	0.0122	0.197	0.167	0.270

(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, 2014 and 2005

Taxpayer	2014		Taxpayer	2005	
	Tax Capacity	Percentage of Total Tax Capacity		Tax Capacity	Percentage of Total Tax Capacity
CAPREF Eden Prairie, LLC (Eden Prairie Mall)	\$ 2,509,100	2.8%	CAPREF Eden Prairie, LLC (Eden Prairie Mall)	1,828,760	2.2%
Liberty Property Limited Partnership	2,503,440	2.8%	Liberty Property Limited Partnership	1,814,360	2.2%
United Healthcare Serv Inc	1,394,430	1.6%	First Industrial LTD Partnership	892,936	1.1%
AGNL Health	815,130	0.9%	ADC Telecommunications	869,250	1.1%
PRIT Core Realty Holdings LLC	747,088	0.8%	Gelco Corp.	504,010	0.6%
CPE Holding 32607 LLC, Etal	629,250	0.7%	Well-Prop (Multi) LLC	496,660	0.6%
Lifetouch Inc.	594,962	0.7%	Lifetouch Inc.	451,040	0.6%
Gelco Corp.	559,740	0.6%	Kraus-Anderson, Inc.	417,120	0.5%
Windsor Plaza LLC	536,298	0.6%	IRET Properties	411,696	0.5%
IRET Properties	472,660	0.5%	Flagship Building, LLC	394,910	0.5%
Total Principal Taxpayers	10,762,098	12.2%		8,080,742	9.9%
All Other Taxpayers	77,330,465	87.8%		73,783,780	90.1%
Total	\$ 88,092,563	100.0%		\$ 81,864,522	100.0%

Source: City of Eden Prairie Assessing Department

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

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
2005	\$ 26,132,057	\$ 26,072,924	99.77%	\$ 59,133	\$ 26,132,057	100.00%
2006	28,468,831	28,242,002	99.20%	226,829	28,468,831	100.00%
2007	30,657,304	30,422,094	99.23%	235,210	30,657,304	100.00%
2008	31,514,657	31,263,472	99.20%	251,185	31,514,657	100.00%
2009	31,773,143	31,278,850	98.44%	461,803	31,740,653	99.90%
2010	31,719,631	31,299,275	98.67%	(94,140)	31,205,135	98.38%
2011	31,719,631	31,355,647	98.85%	(14,651)	31,340,996	98.81%
2012	32,458,990	32,193,272	99.18%	17,749	32,211,021	99.24%
2013	32,749,320	32,519,542	99.30%	94,077	32,613,619	99.59%
2014	33,220,111	32,881,280	98.98%	-	32,881,280	98.98%

Source: Hennepin County

City of Eden Prairie, Minnesota

Legal Debt Margin

Last Ten Years

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
estimated Market Value	\$ 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	\$ 8,627,122,700
Legal Debt Margin:										
Debt Limit: 3% of Market Value (1)	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	258,813,681
Amount of Debt Applicable to Debt Limit:										
General Obligation Bonds	10,888,649	23,412,349	21,880,492	23,362,852	25,475,910	23,222,670	25,866,940	31,874,239	29,464,744	17,906,759
Tax Abatement Bonds	-	-	-	-	-	-	-	-	-	17,598,269
Deductions:										
Amt Available for Repayment of Bonds	350,814	1,145,695	1,585,677	1,825,816	4,998,653	4,819,457	6,013,879	4,207,601	2,650,363	1,715,750
Total Debt Applicable to Limit	10,537,835	22,266,654	20,294,815	21,537,036	20,477,257	18,403,213	19,853,061	27,666,638	26,814,381	33,789,278
Legal Debt Margin	\$ 144,575,217	\$ 149,602,235	\$ 168,485,927	\$ 277,320,336	\$ 280,110,017	\$ 268,918,862	\$ 247,125,564	\$ 231,755,518	\$ 227,686,371	\$ 225,024,403
As a % of Debt Limit	93.2%	87.0%	89.2%	92.8%	93.2%	93.6%	92.6%	89.3%	89.5%	86.9%

- 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		Percentage of Personal Income (1)	Per Capita (2)
	General Obligation Bonds	Lease Revenue Bonds	Special Assessments Improvement Bonds	Tax Abatement Bonds	Contract for Deed	Capital Lease	Loans Payable	Revenue Bonds	Total		
2005	\$ 10,888,649	\$ 9,170,000	\$ 8,745,893	\$ -	\$ 100,000	\$ -	\$ 6,779	\$ 8,199,348	\$ 37,110,669	*	\$ 580
2006	23,412,349	8,195,000	7,842,178	-	-	142,773	968	5,642,841	45,236,109	*	706
2007	21,880,492	8,790,000	6,722,485	-	-	115,918	-	2,880,400	40,389,295	*	619
2008	23,362,852	7,695,000	7,528,073	-	-	123,076	-	-	38,709,001	*	618
2009	25,475,910	4,885,162	6,362,675	-	-	83,500	-	-	36,807,247	*	581
2010	23,222,670	3,815,884	6,981,020	-	-	42,751	-	-	34,062,325	*	543
2011	25,866,940	2,686,606	8,143,367	-	-	-	-	4,271,215	40,968,128	*	670
2012	31,874,239	1,425,000	18,137,531	-	-	174,719	-	3,829,969	55,441,458	*	894
2013	29,464,744	1,360,000	15,658,107	-	-	132,700	-	3,383,723	49,999,274	*	806
2014	17,906,759	1,290,000	14,834,596	17,598,269	-	89,593	-	2,927,476	54,646,693	*	871

(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

Year Ended Dec. 31	General Obligation Debt (1)	Tax Abatement Bonds	Less Amounts Available in Debt Service Fund	Total	Ratio of Net Bonded Debt to Estimated Market Value (2)	Per Capita (3)
2005	\$ 10,888,649	\$ -	\$ 350,814	\$ 10,537,835	0.14%	\$ 165
2006	23,412,349 (4)	-	1,145,695	22,266,654	0.26%	343
2007	21,880,492	-	1,585,677	20,294,815	0.22%	311
2008	23,362,852	-	1,825,816	21,537,036	0.23%	344
2009	25,475,910	-	4,998,653	20,477,257	0.20%	323
2010	23,222,670	-	4,819,457	18,403,213	0.19%	294
2011	25,866,940	-	6,013,879	19,853,061	0.22%	325
2012	31,874,239	-	4,207,601	27,666,638	0.32%	446
2013	29,464,744	-	2,650,363	26,814,381	0.32%	432
2014	17,906,759	17,598,269	1,715,750	16,191,009	0.19%	258

(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, 2014

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	\$ 51,719,217	\$ 4,923,354	\$ 46,795,863	100.00%	\$ 46,795,863
Overlapping Debt:					
Hopkins ISD 270	\$ 163,030,000	2,040,717	\$ 160,989,283	5.04%	\$ 8,113,860
Eden Prairie ISD 272	65,610,000	12,630,480	52,979,520	87.54%	46,378,272
Minnetonka ISD 276	108,717,548	13,298,201	95,419,347	2.70%	2,576,322
Hennepin County	766,200,000	12,933,120	753,266,880	6.84%	51,523,455
Henn Suburban Park District	64,495,000	12,285,951	52,209,049	9.33%	4,871,104
Henn Regional RR Authority	36,205,000	1,004,843	35,200,157	9.33%	3,284,175
Metropolitan Council	220,775,000	126,821,261	93,953,739	3.51%	3,297,776
Total Overlapping Debt	<u>1,425,032,548</u>	<u>181,014,573</u>	<u>1,244,017,975</u>		<u>120,044,964</u>
Total Direct and Overlapping Debt	<u>\$ 1,476,751,765</u>	<u>\$ 185,937,927</u>	<u>\$ 1,290,813,838</u>		<u>\$ 166,840,827</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

Governmental Activities

Year	Population	Household Median Income	Per Capita Income	Median Age	School Enrollment	Unemployment Rate
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%
2014	62,729 (1)	*	*	*	9,017	2.4%

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, 2014 and 2006

Employer	2014		Employer	2006	
	Employees	Percentage of Total City Employment		Employees	Percentage of Total City Employment
Optum	4,400	8.7%	EP School District #272	1,400	2.5%
Starkey Labs	2,000	4.0%	GE Capital	1,200	2.2%
EP School District #272	1,583	3.1%	Rosemount	1,200	2.2%
CH Robinson	1,536	3.0%	CH Robinson	1,076	2.0%
Rosemount - Emerson	1,500	3.0%	Super Valu Stores Inc.	900	1.6%
Super Valu Stores Inc.	1,100	2.2%	Deli Express	842	1.5%
Cigna	950	1.9%	MTS Systems Corp.	791	1.4%
Eaton Corp.	850	1.7%	Life Touch	558	1.0%
MTS Systems Corp.	833	1.6%	Eaton Corp.	500	0.9%
Kroll On-Track	808	1.6%	Digital River	500	0.9%
Total Principal Employer	15,560	30.8%		8,967	16.3%
Other Employers	35,034	69.2%		46,033	83.7%
Total Employers	50,594	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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental Funds:										
Administration										
City Manager										
City Manager	1	1	1	1	1	1	1	1	1	1
Assistant to the City Manager	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>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
City Clerk										
City Clerk	1	1	1	1	1	1	1	1	1	1
	<u>1</u>									
Communication Services										
Communications Manager	1	1	1	1	1	1	1	1	1	1
Sr. Communications Coordinator			1	1	1	1	1	1	1	1
Communications Coordinator	1	1	1	1	1	1	1	1	1	1
Technician II	1	1								
Assistant Communications Coordinator									0.50	0.50
	<u>3</u>	<u>3.50</u>	<u>3.50</u>							
Finance										
Finance Manager	1	1	1	1	1	1	1	1	1	1
Finance Supervisor		1	1	1	1	1	1	1	1	1
Senior Accountant	1									
Accountant	1.50	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						
Payroll Technician III	1	1	1	1	1					
Technician I	1	1	1	1	1	1	1	1	1	1
	<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>	<u>5.50</u>

Source: Human Resource department

City of Eden Prairie, Minnesota

Employees by Function

Last Ten Years

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental Funds:										
Administration										
Customer Service										
Customer Service / Office	4	3.80	4.05	4.05	4.05	4.05	3.55	3	3	3
	4	3.80	4.05	4.05	4.05	4.05	3.55	3	3	3
Human Resources										
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	0.60	0.75	0.75	0.75	0.75	1	1.70
Organization Development Specialist		0.50	0.50	0.60	1					
Human Resources Tech II	1	0.75	0.75	1	1	1	1	1	1	1
Payroll Technician III						1	1	1	1	1
	4	4.25	4.25	4.20	4.75	4.75	4.75	4.75	5	5.70
Community Development										
Assessing										
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
Planning										
Planning										
City Planner	1	1	1	1	1	1	1	1	1	1
Senior Planner	1	1	1	1	1	1	1	1	2	1
Planner	1.65	1.65	1.65	2.15	1.50	1.50	1.50	1.50	0.60	1.60
Heritage Preservation Specialist	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	4.50	4.50	4.50	4.50	4.60	4.60
Community Development										
Community Development Director	1	1	1	1	0.90	0.90	1	1	1	1
Administrative Assistant I	1	1	1	1				0.50	1	1
	2	2	2	2	0.90	0.90	1	1.50	2	2
Economic Development										
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

City of Eden Prairie, Minnesota

Employees by Function

Last Ten Years

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental Funds:										
Housing and Community Services										
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	0.50	0.50	0.50	0.75	0.75	0.75
	<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>	<u>1.75</u>
Parks and Recreation										
Park Administration										
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>									
Park & Natural Resources										
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	16	16	16	16	16	16	16	16	16	16
	<u>20</u>									
Recreation Programming										
Recreation Manager	1	1	1	1	1	1	1	1	1	1
Recreation Supervisor	4	4	4	4	3.50	3.50	3.50	3.25	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>5.10</u>	<u>5.10</u>	<u>5.10</u>	<u>4.85</u>	<u>4.85</u>	<u>4.85</u>
Community Center										
Recreation Supervisor	2	2	2	2	2	2	2	2	2	2
Office Supervisor	1									
Community Center Manager		1	1	1	1	1	1	1	1	1
Customer Support/Accounting Tech	2	2	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50
	<u>5</u>	<u>5</u>	<u>5.50</u>							
Art Center										
Manager - Art Center				0.50	0.50	0.50	0.50	0.75	0.75	0.75
	<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>	<u>0.75</u>

Source: Human Resource department

City of Eden Prairie, Minnesota

Employees by Function

Last Ten Years

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental Funds:										
Senior Center										
Recreation Supervisor										
Recreation Coordinator	1	1	1	1	1	1	1	1	1	1
Administrative Assistant I	1	1	1	1	1	1	1	1	1	1
	<u>2</u>	<u>2</u>	<u>2</u>							
Police										
Police										
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
Lieutenants	4	4	3	3	3	3	3	3	3	3
Sergeants	12	12	12	12	12	12	12	12	12	12
Police Officers	46	47	48	49	48	48	48	49	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	10	10	10	10	10.50	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	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			
Law Enforcement Analyst			1	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	0.50	0.50
Zoning Administrator	0.80	0.80	1	1	1	1	1	1	1	1
	<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>	<u>91</u>
Fire										
Fire										
Fire Chief	1	1	1	1	1	1	1	1	1	1
Assistant Fire Chief		0.50	1	1	1	1	2	2	2	2
Fire Marshal	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	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>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>	<u>9</u>

Source: Human Resource department

City of Eden Prairie, Minnesota

Employees by Function

Last Ten Years

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental Funds:										
Inspections										
Manager of Building Inspections	1	1	1	1	1	1	1	1	1	1
Building Inspectors II	7	7	7	7	6	6	6	6	6	6
Technician I	2	2	2	2	2	2	2	2	2	2
Technician II	1	1	1	1						
	<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>	<u>9</u>
Public Works										
Engineering										
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						
Senior Project Engineer	1	1	1	1	1	1	1	1	1	1
Senior Traffic Engineer	1	1	1	1						
Engineering Project Coordinator	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						
	<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>	<u>8.30</u>
Streets & Traffic										
Manager of Street Maintenance	1	1	1	1	1	1	1	1	1	1
Maintenance Workers	14	14	14	14	13	13	13	13	13	13
Administrative Assistant I	1	1	1	1	1	1	1	1	1	0.50
	<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>	<u>14.50</u>
Total Governmental Funds										
Administration	22.50	22.55	22.80	22.75	21.30	20.30	19.80	19.25	20.00	20.70
Community Development	17.65	18.65	18.65	18.15	15.40	15.40	15.50	16.00	16.60	16.35
Parks & Recreation	34.60	34.60	35.10	35.60	35.10	35.10	35.10	35.10	35.10	35.10
Police	88.65	89.65	90.85	92.35	91.35	91.35	91.35	91.10	91.00	91.00
Fire	18.00	19.50	20.00	20.00	17.80	17.80	18.00	18.00	18.00	18.00
Public Works	<u>28.30</u>	<u>28.30</u>	<u>28.30</u>	<u>28.30</u>	<u>24.30</u>	<u>23.30</u>	<u>23.30</u>	<u>23.30</u>	<u>23.30</u>	<u>22.80</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>	<u>203.95</u>

Source: Human Resource department

City of Eden Prairie, Minnesota

Employees by Function

Last Ten Years

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Enterprise Funds:										
Liquor										
Liquor Operations Manager	1	1	1	1	1	1	1	1	1	1
Purchasing / Event Manager									1	1
Managers	3	3	3	3	3	3	3	3	3	3
Assistant Manager	2	2	2	2	2	2	2	3	3	3
Leads									1	1
Senior Assistant Manager	1	1	1	1	1	1	1			
Inventory Control Clerk	1	1	1	1	1	1	1	1		
	<u>8</u>	<u>9</u>	<u>9</u>							
Utilities										
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	1
Water Treatment Lead				1	1	1	1	1	1	1
Water Treatment Maintenance Lead		1	1	1	1	1	1	1	1	1
Water Treatment Operators	11	8	8	8	8	8	9	9	9	9
Utility Field Operations Supervisor	1	1	1	1	1	1	1	1	1	1
Utility Field Operations Lead	2	1	1	1	1	1	1	1	1	1
Water Treatment Maintenance Technician	2	2	2	2	2	2	2	2	2	1
Utility Field Operators	8	11	11	11	11	11	11	11	11	11
Utility Meter Lead										1
Utility Operations Project Manager	1	1	1	1						
Project Coordinator						1	1	1	1	1
Storm Utility Maintenance Operator			1	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>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>	<u>34.70</u>

Source: Human Resource department

City of Eden Prairie, Minnesota

Employees by Function

Last Ten Years

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Internal Service Funds:										
Workers Compensation										
Human Resources Generalist	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	0.50
Property Insurance										
Human Resources Generalist	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	0.50
Fleet Services										
Public Works Superintendent	1	1	1	1	1	1	1	1	1	1
Fleet Services Supervisor									1	1
Administrative Assistant I										0.50
Maintenance Worker	6	6	6	5	5	5	5	5	4	4
	7	7	7	6	6	6	6	6	6	6.50
Facilities										
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	3	3	3	3	3	3	4
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	0.88
	7.50	7.50	7.50	8.50	8.50	8.50	8.50	8.50	8.50	9.88
Information Technology										
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	2	2	2	2	2	2	2
GIS Specialist				1	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			
	5.50	5.50	5.50	7.50	7.50	7.50	7.50	7	7	7
Grand Total	269.40	273.95	277.40	281.85	268.95	267.95	268.75	267.95	270.00	272.03

Source: Human Resource department

City of Eden Prairie, Minnesota

Operating Indicators

Last Ten Years

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Government										
Bond Rating - Moody's Investor Service	Aaa									
Bond Rating - Standard & Pools	n/a	AAA								
Housing and Human Services										
Number of Residents Served	2,500	2,500	2,500	3,000	3,000	3,100	3,000	3,300	3,300	3,500
Assessing:										
Number of Appraisals Completed	5,300	5,300	5,300	5,643	5,276	5,517	4,827	4,871	5,002	5,291
Parks and Recreation										
Avg Monthly Community Center Memberships	n/a	n/a	n/a	843	1,751	2,100	2,300	2,573	n/a	n/a
Program Registrations	12,751	14,027	15,281	15,844	15,689	16,213	15,010	15,403	17,783	18,269
Public Safety										
Fire										
Number of Calls	975	888	1,011	1,233	1,247	1,633	1,143	1,169	1,601	1,614
Inspection Permits Issued	7,090	6,590	7,042	6,157	5,225	6,446	6,531	6,043	9,500	7,469
Building permit revenue	\$2,582,627	\$2,472,948	\$2,583,884	\$2,132,716	\$1,287,258	\$1,936,566	\$2,094,901	\$3,786,592	\$4,410,616	\$3,496,417
Police										
Number of Calls	54,622	47,190	52,543	54,483	59,470	52,041	59,544	60,632	53,746	50,380
Public Works:										
Patching Materials (Tons)	2,300	2,500	2,500	1,900	2,500	2,800	2,700	2,000	2,500	2,400
Overlays (Tons)	18,140	26,027	19,900	24,600	31,800	26,300	22,400	23,200	24,000	26,488
Crack Filling Materials (Lbs)	140,000	200,000	200,000	112,000	200,000	200,000	200,000	328,000	200,000	154,944
Seal Coating (Sq Yards)	520,000	402,258	360,535	324,000	427,000	392,000	475,300	389,698	400,000	375,500
Water System:										
Number of Connections	18,271	18,607	18,745	18,794	18,800	18,948	18,971	19,076	19,195	19,269
Water Main Repairs	n/a	15	153	35	28	41	56	23	15	9
Number of Hydrant Flushed	3,960	4,062	3,998	4,122	4,234	4,224	4,158	4,267	4,217	4,326
Average Daily Usage	8.0 MGD	8.0 MGD	8.0 MGD	8.0 MGD	9.0 MGD	7.7 MGD	8.1 MGD	8.5 MGD	7.9 MGD	7.25 MGD
Sewer System:										
Number of Connections	17,971	18,307	18,445	18,557	18,600	18,355	18,416	18,474	18,525	18,578
Miles of Sanitary Sewer Cleaned	94	60	65	50	75	80	94	85	65	75
Storm System:										
Number of Storm Sumps Maintained	154	138	63	157	101	93	61	70	61	103

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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Public Safety										
Fire Protection										
Number of Stations	3	4	4	4	4	4	4	4	4	4
Number of Volunteer Firefighters	72	79	95	95	95	96	93	89	95	90
Police Protection										
Number of Stations	1	1	1	1	1	1	1	1	1	1
Public Works										
Miles of City Streets	224	225	225	232	231	229	230	231	232	233
Parks and Recreation										
City Parks	43	43	43	43	43	43	43	43	43	43
Conservation Areas	15	5	15	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	110	112	112	114	114	120	122	122	128
Water System										
Number of Wells	14	14	14	14	15	15	15	15	15	15
Total Pumping Capacity	22 MGD	24 MGD	24 MGD	26 MGD	28 MGD	28 MGD				
Total Storage Capacity	8.5M gals	8.5 MG								
Miles of Water Mains	261	264	265	265	268	269	317	321	323	326
Sewer System										
Miles of Sanitary Sewer	237	241	242	242	244	244	256	258	258	262
Miles of Storm Sewer	162	166	168	168	171	172	174	179	180	186

Sources: Various City Departments

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

MGD - Million Gallons Daily