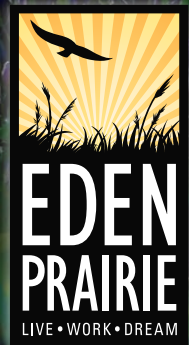


Comprehensive Annual Financial Report

For the Year Ended December 31, 2020 City of Eden Prairie, Minnesota



This page is intentionally left blank

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

For The Year Ended December 31, 2020

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, 2020

Table of Contents

	<u>Page</u>
Introductory Section	
Letter of Transmittal.....	8
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	36
Statement of Activities	38
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.....	48
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund	49
Statement of Net Position – Proprietary Funds.....	52
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds.....	53
Statement of Cash Flows – Proprietary Funds.....	54
Statement of Fiduciary Net Position	56
Statement of Changes in Fiduciary Net Position.....	57
Notes to Financial Statements	60
Required Supplemental Information	
Modified Approach for Infrastructure Assets.....	108
Schedule of Changes in the City's Total OBEB Liability and Related Ratios	109
Schedule of Proportionate Share of Net Pension Liability	
Public Employees General Employees Retirement Fund.....	110
Public Employees Police and Fire Fund	111
Eden Prairie Fire Relief.....	112
Schedule of Contributions	
Public Employees General Employees Retirement Fund.....	113
Public Employees Police and Fire Fund	114
Eden Prairie Fire Relief.....	115

City of Eden Prairie, Minnesota

For the Year Ended December 31, 2020

Notes to Required Supplemental Information

Notes to Schedule of Changes in Net Pension Liabilities and Related Ratios..... 116

Combining Fund Statements

Combining Balance Sheet – Nonmajor Governmental Funds..... 128

Combining Statement of Revenues, Expenditures and Changes in
Fund Balances – Nonmajor Governmental Funds 136

Combining Statement of Net Position – Internal Service Funds..... 144

Combining Statement of Revenues, Expenses and Changes in
Net Position – Internal Service Funds 146

Combining Statement of Cash Flows – Internal Service Funds..... 148

Combining Statement of Fiduciary Net Position 154

Combining Statement of Changes in Fiduciary Net Position 155

Statistical Section

Government-wide Net Position by Category..... 159

Changes in Net Position - Total..... 160

Changes in Net Position – Governmental Activities 161

Changes in Net Position – Business-type Activities..... 162

Fund Balances – Governmental Funds 163

Changes in Fund Balances – Governmental Funds 164

Assessed/Tax Capacity Value and Estimated Market Value of Property..... 165

Direct and Overlapping Property Tax Rates..... 166

Principal Property Taxpayers 167

Property Tax Levies and Collections 168

Legal Debt Margin..... 169

Ratios of Outstanding Debt by Type 170

Ratios of General Bonded Debt Outstanding..... 171

Computation of Direct and Overlapping Bonded Debt 172

Demographic and Economic Statistics 173

Principal Employers..... 174

Employees by Function 175

Operating Indicators..... 176

Capital Assets Statistics by Function..... 177

This page is intentionally left blank



INTRODUCTORY SECTION



April 26, 2021

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, 2020, 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 BerganKDV, Ltd, Certified Public Accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the year ended December 31, 2020, 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, 2020, 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 63,726 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.

With a staff of around 278 regular, full-time equivalent employees, 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, wastewater and storm water services.

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 is located 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. A budget workshop is usually held with the City Council in June or July. 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 City Council adopts the first year's budget. 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.

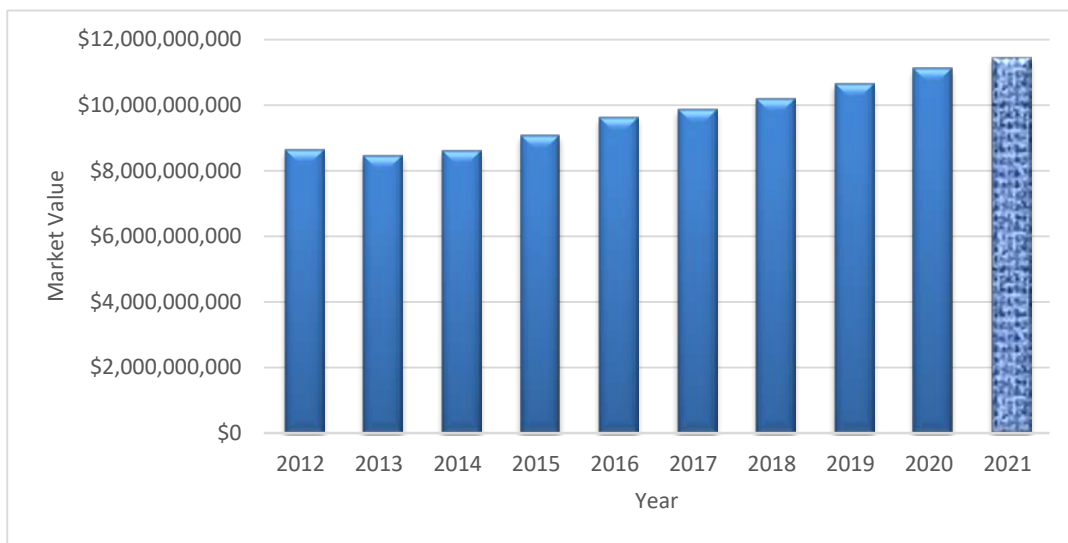
The budget is prepared by department and division. The City's directors and division managers may make transfers of appropriations within a division. Transfers of appropriations between departments require the approval of the City Manager. Any changes in the total budget must be approved by the City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

Economic Conditions and Outlook

Eden Prairie is a suburban community 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 82,400 by 2040 an increase 29% from 2020.

The City experienced significant impact from the Coronavirus Disease (COVID-19) in 2020. Similar to other cities and following the Governor's orders, work from home when you can was in place for 2020. The Council and staff worked together to continue service to citizens in a safe and effective manner. Financially, we felt the impact of increased costs and revenue reductions but we also received federal funding to cover expenditures. We finished the year with positive financial performance.

Below summarizes the City's market value since 2012.



The City's tax base increased from \$10.6 billion to \$11.1 billion from 2019 to 2020. In 2021, the market value increased to \$11.4 billion. Eden Prairie's unemployment rate is 3.4%, which is less than the State rate of 5.1% and the Federal rate of 6.8%.

We are had another strong year in licenses and permits and Inspections issued permits with a value of \$187,909,951. The largest projects were Central Middle School with a value of \$28,115,527, Applewood Pointe COOP a multi-family housing project with a value of \$26,340,648, and Opus for a new industrial/warehouse building valued at \$6,741,300. In addition there were many large remodel projects ranging from \$200,000 to \$1,000,000 in value. They issued 7,756 permits versus 6,427 last year.

Eden Prairie serves as the corporate headquarters location for many national and international businesses including CH Robinson World Wide, Tennant Company, Optum, numerous multi-tenant office building partnerships, Lifetouch/ShutterFly Inc., United

Natural Foods Inc. (UNFI), American Family Mutual Insurance, Starkey Labs, 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, Scheels, a Barnes and Noble Bookstore, an 18-screen AMC Movie Theater, and numerous restaurants.

Due to its strong and healthy local economy, Moody's Investors Service has assigned a rating of Aaa to the City of Eden Prairie's (MN) bond for every debt issue since 2003, the highest rating from Moody's. Standard & Poor's has also assigned a rating of AAA to the City of Eden Prairie's bonds outstanding, their highest rating as well. This ensures the City receives the most competitive interest rates. The City's bond ratings reflect Eden Prairie's extensive and diversified tax base, low amount of rapidly amortized debt, and capably managed operations.

Long-term Financial Planning

The City has implemented various financial policies to guide the Council and staff when making financial decisions. This helps 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 at 50% of the next year's budgeted tax revenue,
- 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 in the general fund,
- 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.

The City has consistently followed our financial policies.

Major Initiatives

Light Rail Transit (LRT)

The Southwest Light Rail Transit (LRT) line is a high-frequency train serving Eden Prairie, Minnetonka, Hopkins, St. Louis Park, and Minneapolis. It is part of the Green Line, which includes the Central Corridor LRT. 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. Construction began in 2019 with expected completion in 2023.

There are currently four Light Rail stations under construction in Eden Prairie. In 2020, about 75% of the utility and underground work and 100% of the piling on the four bridges in Eden Prairie were completed.

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.

New Water Storage Reservoir

The City identified that additional water storage was necessary to support the expansion of water service for future growth areas and maintaining adequate water supply under emergency situations. Construction of a new four million gallon 140-foot diameter prestressed concrete ground storage reservoir and associated pump station was completed in 2020. The City used \$4,920,000 in bond proceeds and \$4,500,000 in water access revenue to pay for the project.

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 for the fiscal year ended December 31, 2019.

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, 2020 and 2021. 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, 2019. 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

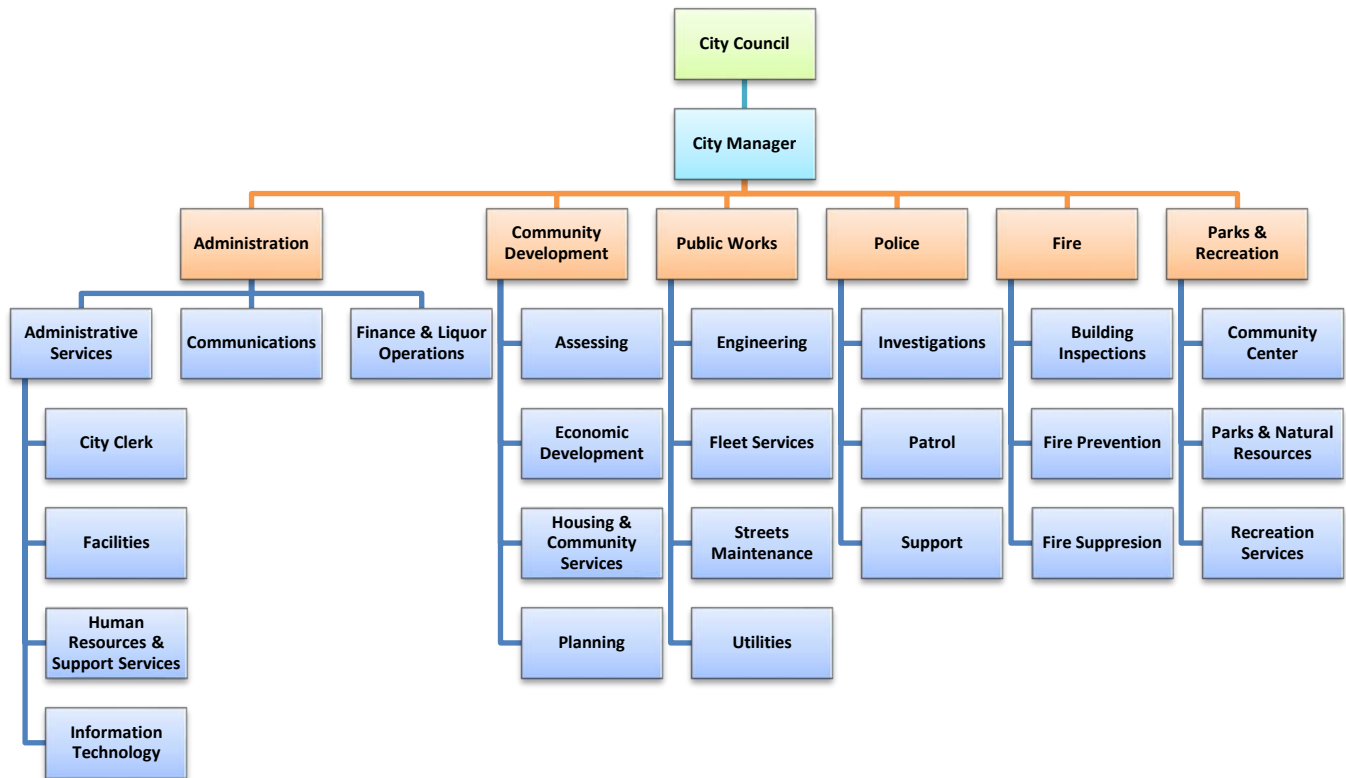
December 31, 2019

Christopher P. Morill

Executive Director/CEO

City of Eden Prairie, Minnesota

For the Year Ended December 31, 2020



City of Eden Prairie, Minnesota

For the Year Ended December 31, 2020

Principal Officials

Elected Officials:

Mayor	(Term expiration 12/31/22)	Ron Case
Council Member	(Term expiration 12/31/20)	Brad Aho
Council Member	(Term expiration 12/31/22)	Mark Freiberg
Council Member	(Term Expiration 12/31/20)	PG Narayanan
Council Member	(Term expiration 12/31/22)	Kathy Nelson

Appointed Officials:

City Manager	Rick Getschow
City Attorney	Maggie Neuville

Departments:

Chief of Police	Greg Weber
Community Development Director	Janet Jeremiah
Fire Chief	Scott Gerber
Parks and Recreation Director	Jay Lotthammer
Public Works Director	Robert Ellis



FINANCIAL SECTION

Independent Auditor's Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Eden Prairie, Minnesota, as of and for the year ended December 31, 2020, and the related notes to 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

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to on the previous page present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Eden Prairie, Minnesota, as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof, and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

The prior year partial comparative information has been derived from the City's 2019 financial statements audited by other auditors. In their report dated April 8, 2020, they expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, which follows this report letter and the Required Supplementary Information as listed in the Table of Contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB) who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the Required Supplementary Information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

The introductory section and statistical section 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 them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 26, 2021, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Eden Prairie's internal control over financial reporting and compliance.

BerganKDV, Ltd.

Minneapolis, Minnesota
April 26, 2021

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, 2020. 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 and deferred outflow of resources of the City exceeded liabilities and deferred inflows of resources by \$412,844,057. Of this amount, \$66,782,585 (*unrestricted net position*) may be used to meet the City's ongoing obligations to citizens and creditors, \$327,742,021 is invested in capital assets, and \$18,319,451 is restricted.
- The City's total net position increased by \$14,977,703 or 3.7%. The key factors in this increase were positive general fund results and bond proceeds that were received in December. The City was able to transfer positive General Fund results to the Capital Improvement and Maintenance Fund as one-time revenue to support the Capital Improvement Plan.
- The City's total long-term liabilities increased by \$4,124,933 or 6.4% in comparison with the prior year. Contributing to the increase was the refinancing of bonds in 2020 that were paid off in 2021. In addition the City's pension liability increased. Offsetting the increase was the current year retirements of outstanding debt.

Using This Annual Report

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

Reporting the City as a Whole

The Statement of Net Position and the Statement of Activities

One of the most important questions asked about the City's finances is "Is the City as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include all assets, deferred outflows of resources, liabilities and deferred inflows of resources 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.

City of Eden Prairie, Minnesota

Management's Discussion and Analysis

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, liabilities, and deferred inflows of resources – 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, Wastewater and Stormwater 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 government operations and the basic services it provides. Governmental fund information helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in a reconciliation provided after the fund financial statements.
- **Proprietary funds** – When the City charges customers for the services it provides – these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities.

City of Eden Prairie, Minnesota

Management's Discussion and Analysis

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 and Statement of Changes in 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 \$397,866,354 to \$412,844,057 and maintained its financial position. A large part of this increase was due to positive general fund performance and \$7,417,000 of bond proceeds that were received in December. The City received federal funds of \$4,821,082 as part of the CARES ACT which was used to reimburse General Fund costs related to the Coronavirus Disease (COVID-19). In addition the General Fund had positive performance in licenses and permits, property tax revenue, and interest income. By far the largest portion of the City of Eden Prairie's net position, \$327,742,021 (approximately 80%) reflects its investment in capital assets (e.g. land, buildings, machinery, and equipment) less any related debt used to acquire those assets that is still outstanding. The City of Eden Prairie uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position \$18,319,451 (approximately 5%), represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$66,782,585 (approximately 15%), may be used to meet the City's ongoing obligations to citizens and creditors.

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

City of Eden Prairie, Minnesota

Management's Discussion and Analysis

The following schedule provides a summary of the City's net position as of December 31, 2020 (in thousands):

	Governmental Activities		Business-Type activities		Total	
	2020	2019	2020	2019	2020	2019
Current and Other Assets	\$ 104,565	\$ 88,814	\$ 34,764	\$ 33,467	\$ 139,329	\$ 122,281
Capital Assets	233,922	235,088	120,560	118,722	354,482	353,810
Total Assets	338,487	323,902	155,324	152,189	493,811	476,091
Deferred Outflows	6,832	10,609	293	254	7,125	10,863
Total Assets and Deferred Outflows	345,319	334,511	155,617	152,443	500,936	486,954
Long-Term Liabilities Outstanding	58,902	54,221	9,866	10,422	68,768	64,643
Other Liabilities	5,961	7,597	2,699	1,813	8,660	9,410
Total Liabilities	64,863	61,818	12,565	12,235	77,428	74,053
Deferred Inflows	10,440	14,368	224	667	10,664	15,035
Total Liabilities and Deferred Inflows	75,303	76,186	12,789	12,902	88,092	89,088
Invested in Capital Assets	207,182	204,564	120,560	114,243	327,742	318,807
Restricted	18,319	20,532	-	-	18,319	20,532
Unrestricted	44,515	33,230	22,268	25,297	66,783	58,527
Total Net Position	\$ 270,016	\$ 258,326	\$ 142,828	\$ 139,540	\$ 412,844	\$ 397,866

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

City of Eden Prairie, Minnesota

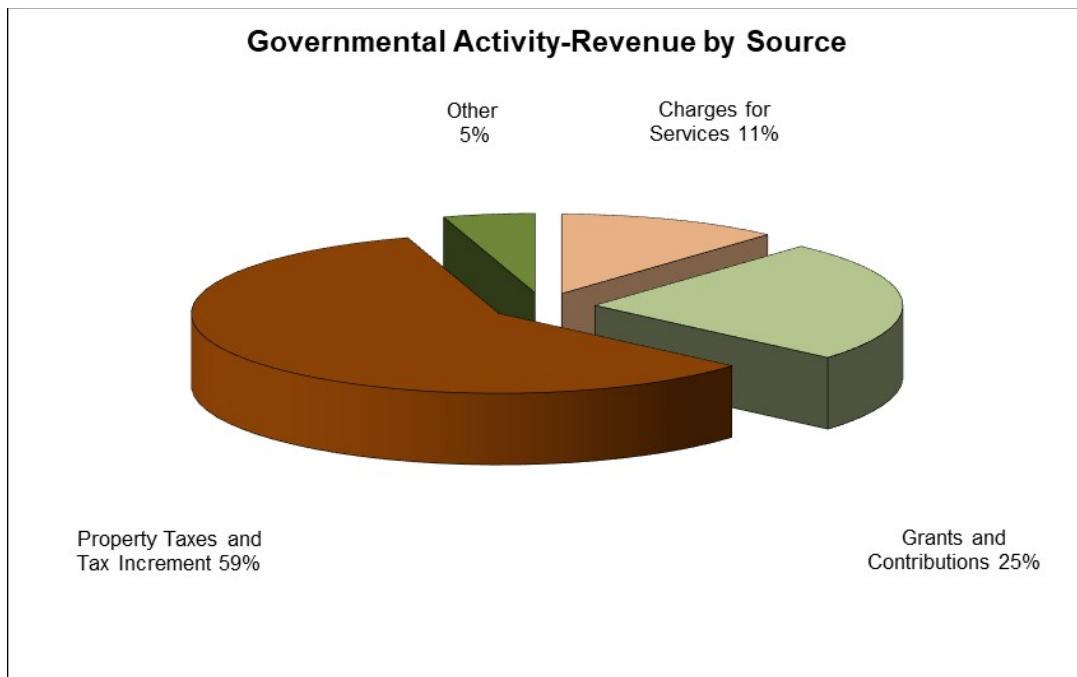
Management's Discussion and Analysis

	Governmental Activities		Business-Type		Total	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program Revenues						
Charges for Services	\$ 8,356	\$ 12,992	\$ 30,971	\$ 28,529	\$ 39,327	\$ 41,521
Operating Grants and Contributions	7,376	2,462	117	69	7,493	2,531
Capital Grants and Contributions	10,282	11,342	2,328	945	12,610	12,287
General Revenues						
Property Taxes	39,865	38,204	-	-	39,865	38,204
Tax Increment	2,194	1,936	-	-	2,194	1,936
Grants and Contributions	1,788	1,719	-	-	1,788	1,719
Investment Income	1,651	1,747	730	695	2,381	2,442
Total Revenues	71,512	70,402	34,146	30,238	105,658	100,640
Expenses:						
Administration	5,555	4,827	-	-	5,555	4,827
Community Development	4,767	4,772	-	-	4,767	4,772
Police	15,189	15,022	-	-	15,189	15,022
Fire	6,132	7,191	-	-	6,132	7,191
Public Works	14,982	19,518	-	-	14,982	19,518
Parks and Recreation	13,135	15,459	-	-	13,135	15,459
Interest on Long Term Debt	796	835	-	-	796	835
Water	-	-	9,481	9,708	9,481	9,708
Wastewater	-	-	7,496	7,679	7,496	7,679
Stormwater	-	-	2,538	2,414	2,538	2,414
Liquor	-	-	10,609	10,233	10,609	10,233
Total Expenses	60,556	67,624	30,124	30,034	90,680	97,658
Changes in Net Position						
Before Transfers	10,956	2,778	4,022	204	14,978	2,982
Internal Transfers	734	74	(734)	(74)	-	-
Change in Net Position	11,690	2,852	3,288	130	14,978	2,982
Net Position, January 1	258,326	255,474	139,540	139,410	397,866	394,884
Net Position, December 31	\$ 270,016	\$ 258,326	\$ 142,828	\$ 139,540	\$ 412,844	\$ 397,866

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

Governmental Activities

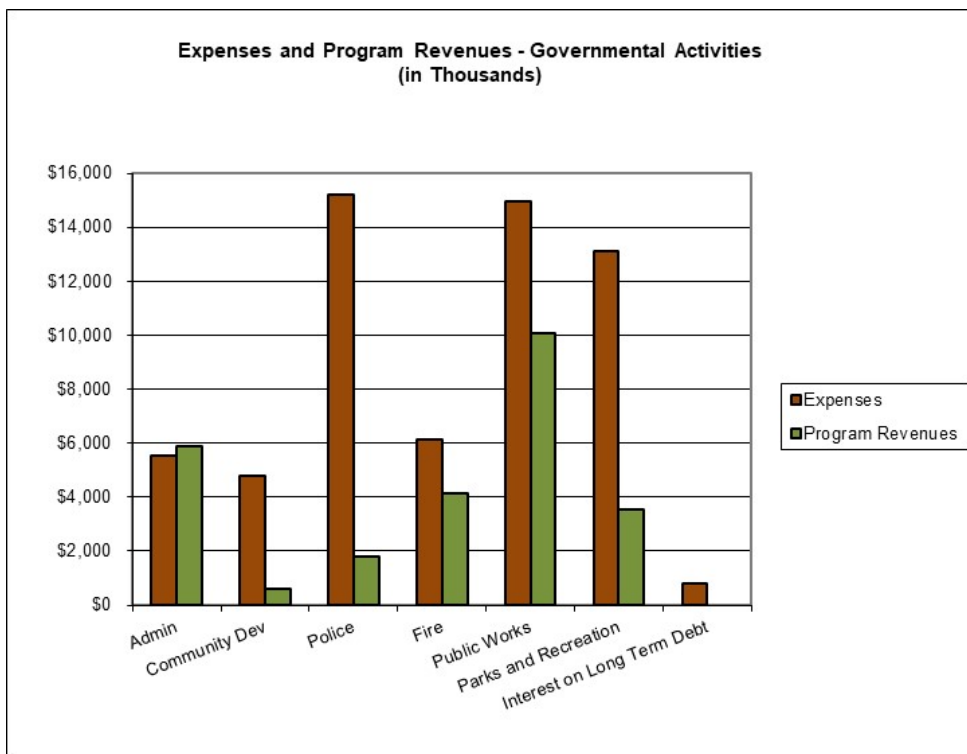
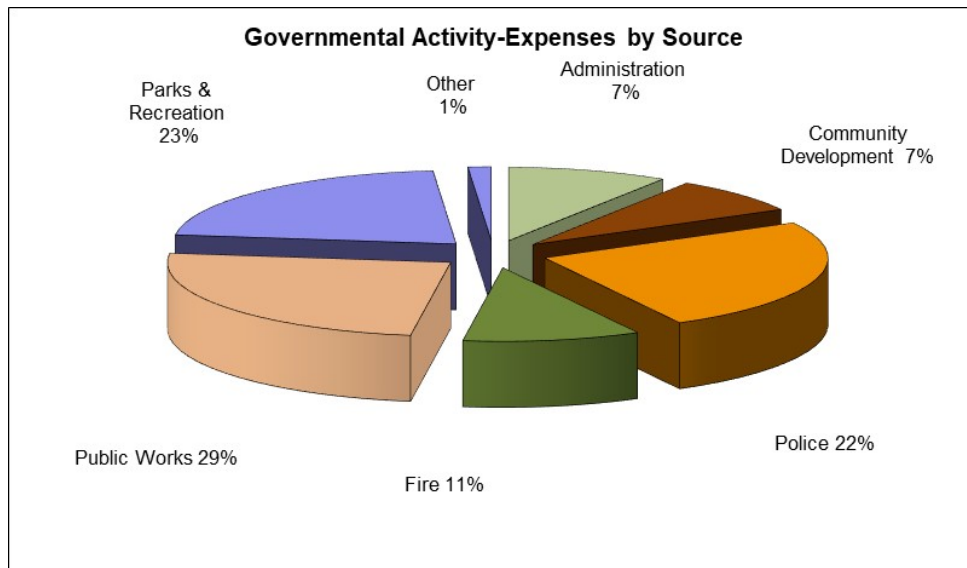
Revenue by Source



- For the year, property taxes totaled \$39,864,882 which is an increase of \$1,660,913 or 4.3% from 2019. For 2020, the City budgeted for a 3.1% increase in property taxes. The increase in taxes was more than what was budgeted due to a higher tax collection rate than anticipated.
- Charges for services decreased by \$4,635,614 or 35.6% from 2019 due mainly to decreased park and recreation fees. This was partially offset by licenses and permit revenue.
- Operating grants and contributions increased due to federal funds of \$4,821,082 received as part of the CARES ACT which was used to respond to the Coronavirus Disease (COVID-19).
- Capital grants and contributions were consistent with 2019.

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

Expenses by Program



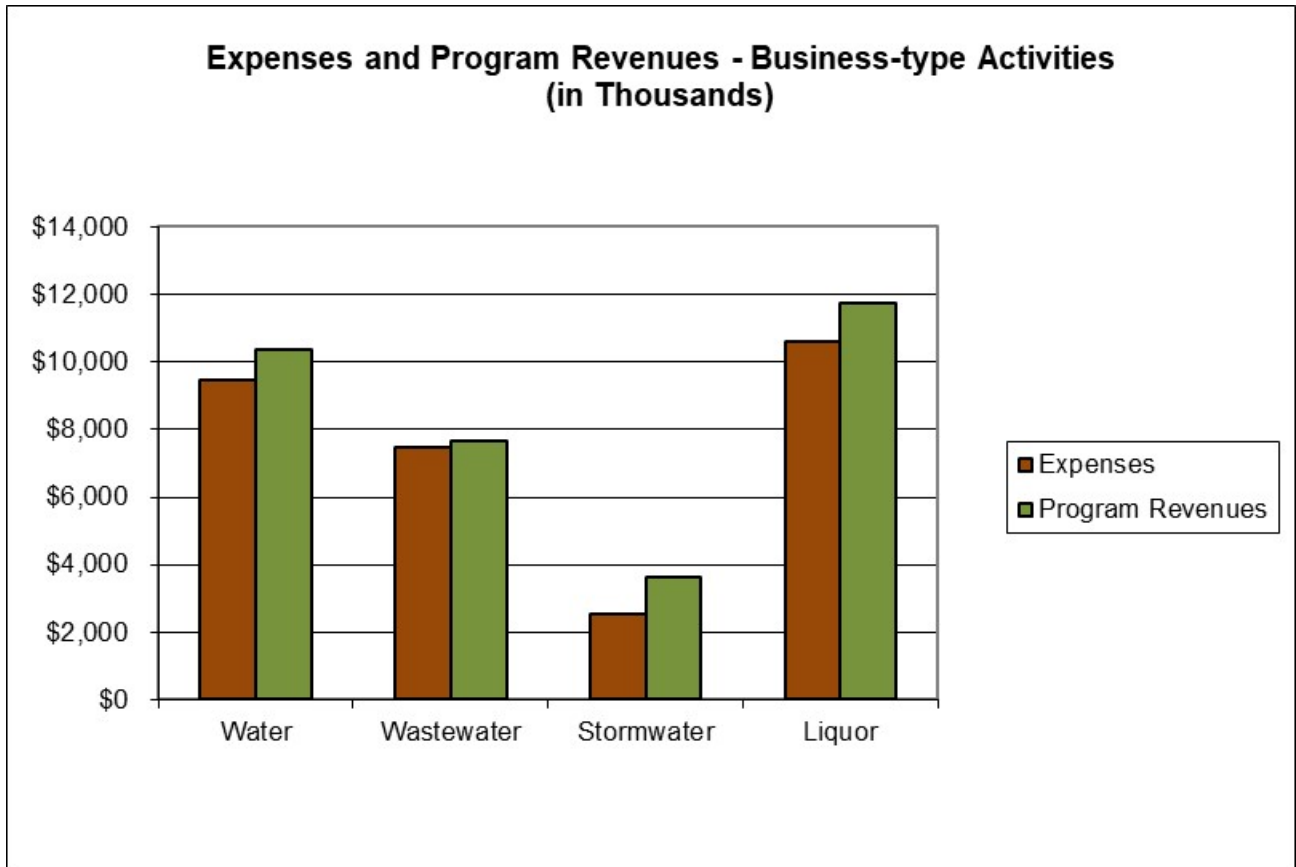
Business-type Activities

For the business-type activities, charges for services accounts for 91% of revenues. The Water Fund, Wastewater Fund and Stormwater Fund had a positive change to net position of \$1,093,153,

City of Eden Prairie, Minnesota

Management's Discussion and Analysis

\$200,726 and \$1,729,923 respectively due to increased rates. The Liquor operations had a positive change in net position of \$328,361.



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. Fund balance increased by \$867,342. The City was able to maintain balances in accordance with its fund balance policy.

	2020		2019		Difference
Fund Balance:					
Nonspendable	\$ 94,824	\$	69,611	\$	25,213
Restricted	10,572		11,148		(576)
Unassigned					
Budget Stabilization	7,515,371		7,298,618		216,753
Working Capital	18,662,630		17,979,870		682,760
Unassigned	19,428		76,236		(56,808)
Total Fund Balance	<u>\$ 26,302,825</u>	\$	<u>\$ 25,435,483</u>	\$	<u>867,342</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, \$5,010,247 or 10% of the 2021 budget was maintained for budget stabilization to be used for emergencies and maintenance of the City's Aaa bond rating. Also, \$2,505,124 or 5% of the 2021 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 budgeted tax revenues or \$18,662,630 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.

City of Eden Prairie, Minnesota

Management's Discussion and Analysis

Other Major Funds

The Public Improvement Construction fund balance increased by \$1,080,566 in 2020. Revenue of \$1,075,543 was collected which consisted of special assessments and grants. Construction costs pertain mainly to Preserve Blvd., and the Railroad Quite Zone. These projects will be repaid with future special assessments, grants and state aid.

The Capital Improvement Maintenance fund balance increased by \$5,775,759 in 2020. Revenue of \$2,540,711 was collected which includes the tax levy, building rental income, assessments and investment income. Expenditures for the year include the MOSS yard waste site, play equipment replacement, and trail maintenance. Transfers in include \$850,000 and \$4,676,486 respectively from the Liquor fund and General fund due to positive operating results. The Transfers out is for the Capital Improvement/Maintenance's Fund share of trail maintenance for the LRT project.

The Shady Oak Road North fund balance increased by \$1,380,120 in 2020. The Shady Oak Road North project reconstructed Shady Oak Road from Rowland Road through the Highway 62 interchange. Revenue of \$1,869,144 was collected from United Health Group for their portion of W 62nd. This project is substantially complete and should be closed out in 2021.

The Eden Prairie Road fund increased by \$107,452. Revenue of \$123,210 was collected which consisted of special assessments. The Eden Prairie Road project reconstructed Eden Prairie Road and also adds a new creek crossing at Riley Creek. This project will be repaid with future special assessments.

The Eden Prairie Rd Connect to Flying Cloud decreased by \$340,352. Special Assessments of \$17,465 were collected. This project is for the construction of road from Frederick Place to north of Riley Creek. This project will be repaid with future special assessments and transfers from the utility funds.

The General LRT fund decreased by \$722,114. Revenues of \$2,283,696 were collected which consisted of the City's share of a Federal Transit grant managed by the Metropolitan Council. Expenditures of the same amount recognize the expenditures related to the grant. The fund deficit will be covered by future transfers from other funds planned contribution to the project. The SWLRT should be completed in 2023.

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, 2020 totaled \$8,987,364, which is an increase of \$1,287,782 or 16.7% from 2019. Water usage increased from 2 billion gallons to 2.2 billion gallons. The change in sales can be attributed to the increase in consumption and an increase in rates.

City of Eden Prairie, Minnesota

Management's Discussion and Analysis

Wastewater fund sales through December 31, 2020 totaled \$6,895,764, which is an increase of \$169,216 or 2.5% from 2019. Sewer usage decreased from 1.4 billion gallons to 1.3 billion gallons. Offsetting the decrease in consumption was an increase in rates.

Stormwater fund sales through December 31, 2020 totaled \$3,376,785, which is an increase of \$251,534 or 8% from 2019. The increase is due to the rate increase.

Liquor operations profit of \$850,000 was transferred to the Capital Improvement Maintenance Fund. Sales totaled \$11,463,070 which is an increase of \$679,774 or 6.3% over 2019. The operation continues to provide value to customers and maintain customer loyalty.

Budgetary Highlights

The net change in fund balance to the General fund was \$867,342. Revenues of \$51,003,613 were recorded which is \$2,757,625 more than budgeted. Charges for services underperformed due to closures related to COVID-19. Property tax revenue and licenses and permits performed better than expected. Total expenditures equaled \$45,851,253 or 94.1% of the budget. All departments except Fire have spent less than 100% of the amounts budgeted. Fire is over budget by 1%. Due to funds received from the federal government to cover COVID-19 related expenditures, the General Fund had positive performance.

Capital Assets and Debt Administration

Capital Assets

At the end of 2020, the city had \$354 million invested in capital assets. Major capital assets added during the current fiscal year by fund include the following:

Fund	Project Name	2020 Additions
Water Capital	New Ground Storage Reservoir & Pump Station	\$ 6,044,810
Fleet Capital	Vehicle Replacements	1,150,430
Shady Oak North	W 62nd Street Reconstruction	993,907
Capital Improvement	Yard Waste Site	753,862
	Total	<u>\$ 8,943,009</u>

City of Eden Prairie, Minnesota

Management's Discussion and Analysis

Capital Assets (net of depreciation, in thousands)

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land & Land Improv.	\$ 34,342	\$ 34,210	\$ 1,115	\$ 1,121	\$ 35,457	\$ 35,331
Infrastructure	137,574	137,057	-	-	137,574	137,057
Work in Progress	4,175	4,449	8,508	2,463	12,683	6,912
Distribution System	-	-	85,253	87,877	85,253	87,877
Buildings	49,456	51,706	22,099	23,461	71,555	75,167
Leasehold Improvements	1	1	-	35	1	36
Machinery & Equipment	630	943	3,401	3,627	4,031	4,570
Autos	3,569	3,343	184	138	3,753	3,481
Other Assets	4,175	3,379	-	-	4,175	3,379
Total	\$ 233,922	\$ 235,088	\$ 120,560	\$ 118,722	\$ 354,482	\$ 353,810

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 “very 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 70 (very good condition) for all streets and trails. In the summer of 2019, the City conducted a physical condition assessment. This assessment will be performed every three years. As of December 31, 2019, the City’s infrastructure system was rated at a Pavement Condition Index (PCI) of 84.4%, which is higher than the City’s policy level. The City’s infrastructure is 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 \$4,154,944 on infrastructure maintenance for the year ending December 31, 2020. 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 to maintain the City’s infrastructure at the average PCI rating of very good is approximately \$3,500,000.

Debt

At year-end, the City had approximately \$69 million in bonds and other long-term liabilities outstanding versus \$65 million last year. Debt increased due to the issuance of \$7M of refunding bonds that were not paid off until 2021. Offsetting the increase was the current year retirements of outstanding bonds. (Refer to Note 11).

City of Eden Prairie, Minnesota

Management's Discussion and Analysis

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 2021 general fund budgeted appropriations are \$50,102,474 which is an increase of \$1,445,018 or 3% from the 2020 budget. The City has a balanced budget for 2021. We expect some financial challenges due to COVID-19 but we also expect to receive federal funding to help offset the impact. In addition, we expect positive license and permit revenue.

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.

This page is intentionally left blank



GOVERNMENT-WIDE
STATEMENTS

City of Eden Prairie, Minnesota
Statement of Net Position
December 31, 2020

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Investments	\$ 88,023,384	\$ 28,953,657	\$ 116,977,041
Receivables			
Accounts	2,388,827	3,577,017	5,965,844
Interest	184,309	75,758	260,067
Due From Other Governments	2,272,082	21,175	2,293,257
Unremitted Taxes	331,710	-	331,710
Delinquent Taxes	772,150	-	772,150
Unremitted Special Assessments	3,140	7,487	10,627
Delinquent Special Assessments	3,200	336,396	339,596
Special Assessments	5,173,896	680,532	5,854,428
Unavailable Special Assessments	1,338,377	289,960	1,628,337
Internal Balances	628,681	(628,681)	-
Inventories	126,775	1,055,184	1,181,959
Net Pension Asset	1,982,261	-	1,982,261
Prepaid Items	553,179	396,338	949,517
Land Held for Resale	784,000	-	784,000
Capital Assets			
Nondepreciable			
Land	22,132,497	1,065,566	23,198,063
Infrastructure	137,574,434	-	137,574,434
Work in Progress	4,175,208	8,508,300	12,683,508
Depreciable Buildings, Property and Equipment, Net	70,039,487	110,986,292	181,025,779
Total Assets	338,487,597	155,324,981	493,812,578
DEFERRED OUTFLOWS OF RESOURCES			
Loss on Refunding of Debt	93,895	-	93,895
Other Post Employment Benefits	257,154	21,942	279,096
Pensions	6,480,882	270,639	6,751,521
Total Deferred Outflows of Resources	6,831,931	292,581	7,124,512
 Total Assets and Deferred Outflows of Resources	 345,319,528	 155,617,562	 500,937,090

City of Eden Prairie, Minnesota
Statement of Net Position
December 31, 2020

	Primary Government		
	Governmental Activities	Business-type Activities	Total
LIABILITIES			
Accounts and Contracts Payable	3,581,322	2,376,088	5,957,410
Salaries Payable	855,676	149,487	1,005,163
Investment Interest Payable	8,944	-	8,944
Interest Payable	368,946	23,684	392,630
Due to Other Governments	335,125	136,126	471,251
Unearned Revenue	810,708	14,023	824,731
Total OPEB Liability	2,634,324	207,824	2,842,148
Net Pension			
Due in More Than One Year	20,784,677	3,194,619	23,979,296
Bonds Payable			
Due Within One Year	10,886,000	340,000	11,226,000
Due in More Than One Year	21,969,047	5,748,767	27,717,814
Capital lease payable			
Due Within One Year	59,611	-	59,611
Due in More Than One Year	-	-	-
Compensated Absences			
Due Within One Year	1,391,561	202,983	1,594,544
Due in More Than One Year	1,177,353	171,737	1,349,090
Total Liabilities	<u>64,863,294</u>	<u>12,565,338</u>	<u>77,428,632</u>
DEFERRED INFLOWS OF RESOURCES			
OPEB	231,939	20,655	252,594
Pensions	9,065,390	203,760	9,269,150
State Aid for Subsequent Years	1,142,657	-	1,142,657
Total Deferred Inflows of Resources	<u>10,439,986</u>	<u>224,415</u>	<u>10,664,401</u>
Total Liabilities and Deferred Inflows	<u>75,303,280</u>	<u>12,789,753</u>	<u>88,093,033</u>
NET POSITION			
Net Investment in Capital Assets	207,181,863	120,560,158	327,742,021
Restricted for Perpetual Care, Nonexpendable	169,389	-	169,389
Restricted for Debt Service	6,607,690	-	6,607,690
Restricted for Special Assessments	4,122,202	-	4,122,202
Restricted for Tax Increment	3,171,444	-	3,171,444
Restricted for Police	644	-	644
Restricted for Public Works	1,927,597	-	1,927,597
Restricted for Parks and Recreation	2,283,894	-	2,283,894
Restricted for Historical and Cultural	36,591	-	36,591
Unrestricted	44,514,934	22,267,651	66,782,585
Total Net Position	<u>\$ 270,016,248</u>	<u>\$ 142,827,809</u>	<u>\$ 412,844,057</u>

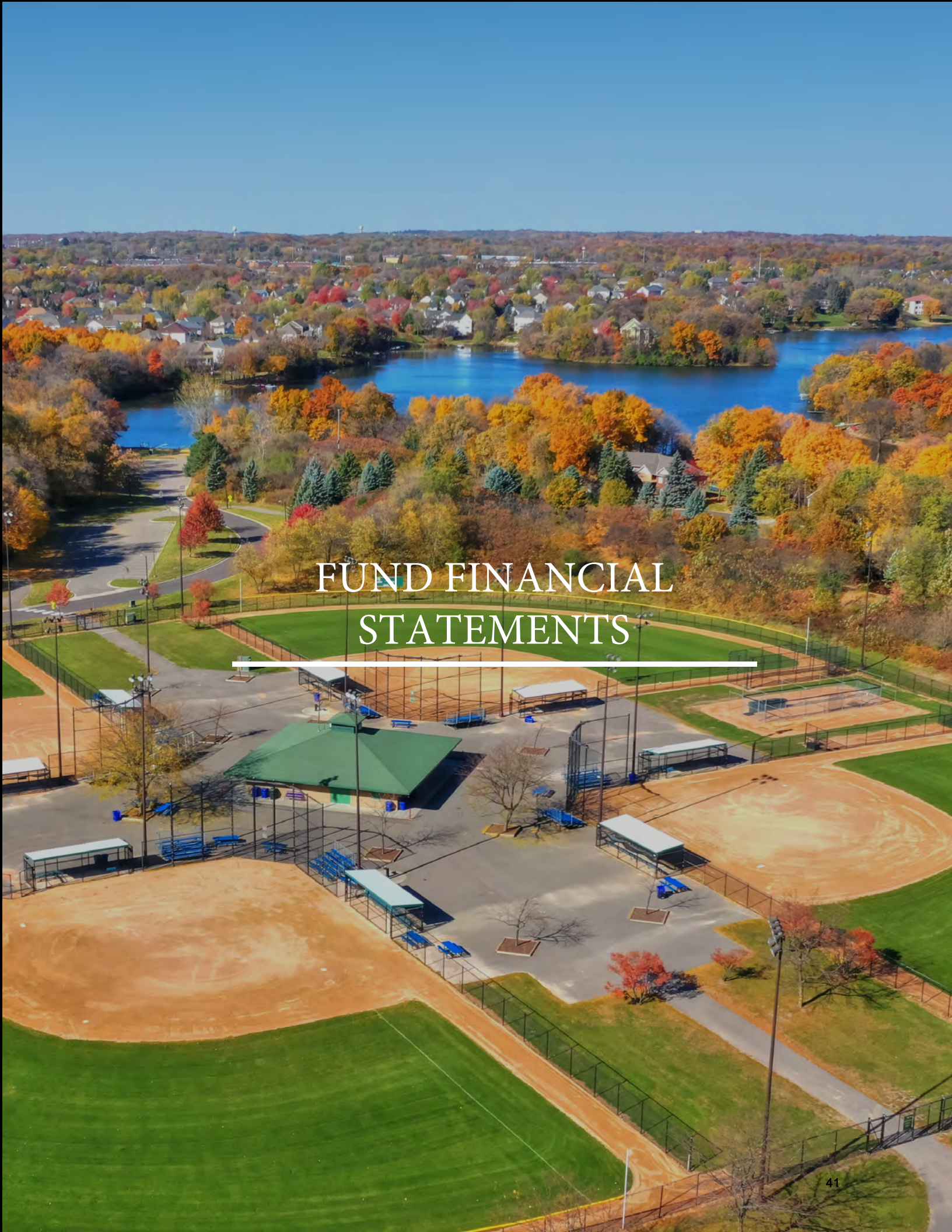
City of Eden Prairie, Minnesota
Statement of Activities
For the Year Ended December 31, 2020

FUNCTIONS/PROGRAMS	Expenses	Program Revenue		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities				
Administration	\$ 5,554,966	\$ 982,079	\$ 4,889,886	\$ -
Community Development	4,767,416	142,353	470,029	-
Police	15,189,099	847,564	847,479	81,917
Fire	6,131,926	3,609,503	538,303	-
Public Works	14,981,533	329,277	500,000	9,225,772
Parks and Recreation	13,135,532	2,445,386	130,519	973,817
Interest on Long Term Debt	795,681	-	-	-
Total Governmental Activities	60,556,153	8,356,162	7,376,216	10,281,506
Business-Type Activities				
Water	9,481,491	8,987,364	33,627	1,368,282
Wastewater	7,496,256	6,895,764	267	773,910
Stormwater	2,538,257	3,376,785	73,724	185,467
Liquor	10,608,644	11,711,560	9,505	-
Total Business-Type Activities	30,124,648	30,971,473	117,123	2,327,659
Total Primary Government	\$ 90,680,801	\$ 39,327,635	\$ 7,493,339	\$ 12,609,165
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				

Net (Expense) Revenue
and Changes in Net Position

Governmental Activities	Business-type Activities	Total
\$ 316,999	\$ -	\$ 316,999
(4,155,034)	-	(4,155,034)
(13,412,139)	-	(13,412,139)
(1,984,120)	-	(1,984,120)
(4,926,484)	-	(4,926,484)
(9,585,810)	-	(9,585,810)
(795,681)	-	(795,681)
<u>(34,542,269)</u>	<u>-</u>	<u>(34,542,269)</u>
-	907,782	907,782
-	173,685	173,685
-	1,097,719	1,097,719
-	1,112,421	1,112,421
<u>-</u>	<u>3,291,607</u>	<u>3,291,607</u>
<u>(34,542,269)</u>	<u>3,291,607</u>	<u>(31,250,662)</u>
37,334,542	-	37,334,542
2,530,340	-	2,530,340
2,193,637	-	2,193,637
1,788,293	-	1,788,293
1,651,912	729,641	2,381,553
733,918	(733,918)	-
<u>46,232,642</u>	<u>(4,277)</u>	<u>46,228,365</u>
11,690,373	3,287,330	14,977,703
258,325,875	139,540,479	397,866,354
<u>\$ 270,016,248</u>	<u>\$ 142,827,809</u>	<u>\$ 412,844,057</u>

This page is intentionally left blank



FUND FINANCIAL STATEMENTS

City of Eden Prairie, Minnesota
 Balance Sheet
 Governmental Funds
 December 31, 2020

	Capital Projects			
	General	Public Improvement Construction	Capital Improvement Maintenance	Shady Oak Road North
ASSETS				
Cash and Investments	\$ 28,053,442	\$ 2,115,470	\$ 18,038,762	\$ 2,574,538
Receivables				
Accounts	275,485	-	19,541	-
Interest	56,992	2,082	35,093	3,941
Due From Other Governments	93,207	11,398	1,142,656	-
Unremitted Taxes	306,942	-	3,335	-
Delinquent Taxes	763,818	-	8,332	-
Unremitted Special Assessments	426	639	-	-
Delinquent Special Assessments	-	119	247	-
Deferred Special Assessments	11,631	273,441	151,740	1,610,531
Special Deferred Special Assessments	-	178,495	61,583	-
Due From Other Funds	-	-	1,451,651	-
Advances to Other Funds	-	-	471,511	-
Prepaid Items	94,824	-	51,995	-
Land Held for Resale	-	-	-	-
Notes Receivable	-	-	-	-
Total Assets	<u>\$ 29,656,767</u>	<u>\$ 2,581,644</u>	<u>\$ 21,436,446</u>	<u>\$ 4,189,010</u>
LIABILITIES				
Accounts and Contracts Payable	\$ 1,607,775	\$ 297,831	\$ 113,514	\$ 66,808
Salaries Payable	776,465	-	-	-
Investment Interest Payable	-	-	-	-
Due to Other Governments	17,484	-	-	-
Due to Other Funds	-	-	-	-
Unearned Revenue	128,161	-	184,178	-
Total Liabilities	<u>2,529,885</u>	<u>297,831</u>	<u>297,692</u>	<u>66,808</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue-Loans/Grants/Revenue	48,608	11,398	6,119	-
State Aid for Subsequent Years	-	-	1,142,657	-
Unavailable Revenue-Property Taxes	763,818	-	8,332	-
Unavailable Revenue-Special Assessments	11,631	452,055	213,570	1,610,531
Total Deferred Inflows of Resources	<u>824,057</u>	<u>463,453</u>	<u>1,370,678</u>	<u>1,610,531</u>
FUND BALANCES				
Nonspendable	94,824	-	51,995	-
Restricted	10,572	-	-	2,511,671
Assigned	-	1,820,360	19,716,081	-
Unassigned	26,197,429	-	-	-
Total Fund Balance	<u>26,302,825</u>	<u>1,820,360</u>	<u>19,768,076</u>	<u>2,511,671</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 29,656,767</u>	<u>\$ 2,581,644</u>	<u>\$ 21,436,446</u>	<u>\$ 4,189,010</u>

City of Eden Prairie, Minnesota
 Balance Sheet
 Governmental Funds
 December 31, 2020

Capital Projects					
	Eden Prairie Road	Eden Prairie Rd Connect to Flying Cloud	General LRT	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and Investments	\$ -	\$ -	\$ -	\$ 23,894,818	\$ 74,677,030
Receivables					
Accounts	-	-	-	893,892	1,188,918
Interest	-	-	-	55,314	153,422
Due From Other Governments	-	-	920,774	93,410	2,261,445
Unremitted Taxes	-	-	-	21,433	331,710
Delinquent Taxes	-	-	-	-	772,150
Unremitted Special Assessments	2,075	-	-	-	3,140
Delinquent Special Assessments	2,834	-	-	-	3,200
Deferred Special Assessments	76,774	289,996	-	2,759,783	5,173,896
Special Deferred Special Assessments	820,353	157,185	-	120,761	1,338,377
Due From Other Funds	-	-	-	2,262,538	3,714,189
Advances to Other Funds	-	-	-	-	471,511
Prepaid Items	-	-	-	6,322	153,141
Land Held for Resale	-	-	-	784,000	784,000
Notes Receivable	-	-	-	1,194,613	1,194,613
Total Assets	<u>\$ 902,036</u>	<u>\$ 447,181</u>	<u>\$ 920,774</u>	<u>\$ 32,086,884</u>	<u>\$ 92,220,742</u>
LIABILITIES					
Accounts and Contracts Payable	\$ -	\$ 29,155	\$ 464,772	\$ 453,096	\$ 3,032,951
Salaries Payable	-	-	-	10,309	786,774
Investment Interest Payable	1,829	3,533	413	3,169	8,944
Due to Other Governments	-	-	118,989	8,483	144,956
Due to Other Funds	626,130	1,647,664	668,351	614,874	3,557,019
Unearned Revenue	-	-	-	435,085	747,424
Total Liabilities	<u>627,959</u>	<u>1,680,352</u>	<u>1,252,525</u>	<u>1,525,016</u>	<u>8,278,068</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue-Loans/Grants/Revenue	-	-	458,680	15,720	540,525
State Aid for Subsequent Years	-	-	-	-	1,142,657
Unavailable Revenue-Property Taxes	-	-	-	-	772,150
Unavailable Revenue-Special Assessments	899,961	447,181	-	2,880,544	6,515,473
Total Deferred Inflows of Resources	<u>899,961</u>	<u>447,181</u>	<u>458,680</u>	<u>2,896,264</u>	<u>8,970,805</u>
FUND BALANCES					
Nonspendable	-	-	-	175,711	322,530
Restricted	-	-	-	17,712,655	20,234,898
Assigned	-	-	-	10,422,534	31,958,975
Unassigned	(625,884)	(1,680,352)	(790,431)	(645,296)	22,455,466
Total Fund Balance	<u>(625,884)</u>	<u>(1,680,352)</u>	<u>(790,431)</u>	<u>27,665,604</u>	<u>74,971,869</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 902,036</u>	<u>\$ 447,181</u>	<u>\$ 920,774</u>	<u>\$ 32,086,884</u>	<u>\$ 92,220,742</u>

This page is intentionally left blank

City of Eden Prairie, Minnesota
Governmental Funds
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
December 31, 2020

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

Total Fund Balance - Governmental Funds	\$ 74,971,869
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	276,693,730
Less Accumulated Depreciation	(48,354,394)
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	(32,855,047)
Capital Lease	(59,611)
Deferred Loss on Refunding	93,895
3. The City's net pension liability, net pension asset and related deferred outflows and inflows of resources are recorded only on the Statement of Net Position	
Balances at year end are:	
Net Pension Asset	1,982,261
Deferred Outflows of Resources related to pensions	6,480,882
Net Pension Liability	(20,784,677)
Deferred Inflows of Resources related to pensions	(9,065,390)
4. 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.	
	7,287,623
5. Grants and loan 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.	
	540,525
6. Governmental funds do not report a liability for accrued interest on long-term debt until due and payable.	
	(368,946)
7. 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.	
	13,161,589
8. 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 Business-type Activities in the Statement of Net Position.	
	<u>291,939</u>
Net Position - Governmental Activities	<u>\$ 270,016,248</u>

City of Eden Prairie, Minnesota
Statement of Revenues, Expenditures
and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2020

	Capital Projects			
	General	Public Improvement Construction	Capital Improvement Maintenance	Shady Oak Road North
REVENUES				
General Property Taxes	\$ 36,263,433	\$ -	\$ 396,128	\$ -
Special Assessments	4,677	102,430	15,720	1,766,757
Penalties and Interest	15,264	-	-	-
Licenses and Permits	4,996,872	-	-	-
Intergovernmental Revenue	6,238,109	897,415	-	-
Charges for Services	2,464,886	-	-	-
Fines and Forfeits	230,341	-	-	-
Investment Income	536,716	15,989	350,289	38,126
Rental	-	-	1,712,560	-
Other	253,315	59,709	66,014	1,869,144
Total Revenues	<u>51,003,613</u>	<u>1,075,543</u>	<u>2,540,711</u>	<u>3,674,027</u>
EXPENDITURES				
Current				
Administration	4,547,110	-	-	-
Community Development	2,431,612	-	-	-
Police	15,357,194	-	-	-
Fire	6,378,338	-	-	-
Public Works	5,991,750	-	-	-
Parks and Recreation	11,084,484	-	-	-
Interest on Interfund Borrowing	-	-	-	-
Capital Outlay				
Administration	-	-	14,694	-
Police	-	-	159,061	-
Fire	-	-	267,605	-
Public Works	-	1,715,420	921,683	993,907
Parks and Recreation	-	-	628,395	-
Debt Service				
Principal	58,478	-	-	-
Interest	2,287	-	-	-
Fiscal Agent Fees	-	-	-	-
Total Expenditures	<u>45,851,253</u>	<u>1,715,420</u>	<u>1,991,438</u>	<u>993,907</u>
Excess of Revenues Over (Under) Expenditures	5,152,360	(639,877)	549,273	2,680,120
OTHER FINANCING SOURCES (USES)				
Issuance of Debt	-	-	-	-
Payment to Refunded Bond	-	-	-	-
Transfers In	411,468	1,720,443	5,526,486	-
Transfers Out	(4,696,486)	-	(300,000)	(1,300,000)
Total Other Financing Sources (Uses)	<u>(4,285,018)</u>	<u>1,720,443</u>	<u>5,226,486</u>	<u>(1,300,000)</u>
Net Change in Fund Balances	867,342	1,080,566	5,775,759	1,380,120
Fund Balance (Deficit) - Beginning	25,435,483	739,794	13,992,317	1,131,551
Fund Balance (Deficit) - Ending	<u>\$ 26,302,825</u>	<u>\$ 1,820,360</u>	<u>\$ 19,768,076</u>	<u>\$ 2,511,671</u>

City of Eden Prairie, Minnesota
Statement of Revenues, Expenditures
and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2020

	Capital Projects				
	Eden Prairie Road	Eden Prairie Rd Connect to Flying Cloud	General LRT	Other Governmental Funds	Total Governmental Funds
REVENUES					
General Property Taxes	\$ -	\$ -	\$ -	\$ 4,922,650	\$ 41,582,211
Special Assessments	123,210	17,465	-	637,160	2,667,419
Penalties and Interest	-	-	-	-	15,264
Licenses and Permits	-	-	-	3,354,385	8,351,257
Intergovernmental Revenue	-	-	2,283,696	1,256,811	10,676,031
Charges for Services	-	-	-	-	2,464,886
Fines and Forfeits	-	-	-	825	231,166
Investment Income	-	-	-	516,974	1,458,094
Rental	-	-	-	69,614	1,782,174
Other	-	-	-	1,136,429	3,384,611
Total Revenues	123,210	17,465	2,283,696	11,894,848	72,613,113
EXPENDITURES					
Current					
Administration	-	-	-	-	4,547,110
Community Development	-	-	-	2,543,573	4,975,185
Police	-	-	-	180,613	15,537,807
Fire	-	-	-	-	6,378,338
Public Works	-	-	-	98,547	6,090,297
Parks and Recreation	-	-	-	52,926	11,137,410
Interest on Interfund Borrowing	15,758	43,256	9,267	29,856	98,137
Capital Outlay					
Administration	-	-	-	101,303	115,997
Police	-	-	-	-	159,061
Fire	-	-	-	-	267,605
Public Works	-	314,561	2,996,543	5,116,076	12,058,190
Parks and Recreation	-	-	-	182,695	811,090
Debt Service					
Principal	-	-	-	3,685,315	3,743,793
Interest	-	-	-	813,064	815,351
Fiscal Agent Fees	-	-	-	64,875	64,875
Total Expenditures	15,758	357,817	3,005,810	12,868,843	66,800,246
Excess of Revenues Over (Under) Expenditures	107,452	(340,352)	(722,114)	(973,995)	5,812,867
OTHER FINANCING SOURCES (USES)					
Issuance of Debt	-	-	-	7,417,000	7,417,000
Payment to Refunded Bond	-	-	-	(1,325,000)	(1,325,000)
Transfers In	-	-	-	1,620,000	9,278,397
Transfers Out	-	-	-	(1,680,443)	(7,976,929)
Total Other Financing Sources (Uses)	-	-	-	6,031,557	7,393,468
Net Change in Fund Balances	107,452	(340,352)	(722,114)	5,057,562	13,206,335
Fund Balance (Deficit) - Beginning	(733,336)	(1,340,000)	(68,317)	22,608,042	61,765,534
Fund Balance (Deficit) - Ending	\$ (625,884)	\$ (1,680,352)	\$ (790,431)	\$ 27,665,604	\$ 74,971,869

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, 2020

Total net change in fund balances - governmental funds \$ 13,206,335

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

Capital outlays are reported in Governmental Funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over the estimated useful life's as depreciation expense.

Capital Outlays	3,391,539
Depreciation Expense	(3,973,165)
The net effect of the disposal of capital assets	
Contributed to Enterprise funds	(567,550)
Disposals	(982,295)
Accumulated Depreciation on Disposals	899,069

Principal payments of long-term debt consumes the current financial resources of Governmental Funds, However they have no effect on Net Position. 3,698,479

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. 33,253

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. (7,417,000)

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. Amortization of Premiums/Discounts 119,524

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 position. 1,325,000

Refunding losses are recognized when paid in the governmental funds but amortized over the life of the debt in the Statement of Activities. (22,918)

Taxes and special assessments receivable will be collected in future years, but are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the funds. (1,357,329)

Grants and 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. 75,165

Some pension expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore are not reported as expenditures. Change in Net Pension Asset/Liability and Related Deferred Outflows/Inflows of Resources 1,439,611

Internal Service Funds are used by management to charge the costs of employee benefits to individual funds. The net revenue of these activities is reported in Governmental Activities. 1,757,822

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 Business Type Activities. 64,833

Change in Net Position - Governmental Activities \$ 11,690,373

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, 2020
With Comparative Actual Amounts For the Year Ended December 31, 2019

	2020				2019
	Budget Original	Budget Final	Actual	Variance Over/(Under)	Actual
REVENUES					
Taxes and Special Assessments					
General Property Taxes and Assessments	\$ 35,934,740	\$ 35,934,740	\$ 36,268,110	\$ 333,370	\$ 35,010,053
Penalties and Interest	25,000	25,000	15,264	(9,736)	19,584
Total Taxes and Special Assessments	35,959,740	35,959,740	36,283,374	323,634	35,029,637
Licenses and Permits					
Liquor, Beer and Wine Licenses	316,000	316,000	285,706	(30,294)	291,731
Business Licenses	29,000	29,000	32,445	3,445	29,130
Dog Registration Licenses	20,200	20,200	24,307	4,107	17,576
Building Permits and Fees	2,381,880	2,381,880	3,578,799	1,196,919	3,646,332
Cable TV	791,000	791,000	771,194	(19,806)	807,473
Other Permits	316,700	316,700	304,421	(12,279)	318,430
Total Licenses and Permits	3,854,780	3,854,780	4,996,872	1,142,092	5,110,672
Intergovernmental Revenue					
Police Pension Aid	565,500	565,500	609,592	44,092	615,216
Fire Relief Association Aid	457,742	457,742	493,363	35,621	468,219
School Liaison	120,430	120,430	120,430	-	120,430
Police Training	65,000	65,000	61,159	(3,841)	63,627
Fire Training	22,550	22,550	22,558	8	216,024
Grants	59,000	59,000	4,921,968	4,862,968	223,680
PERA Aid	-	-	-	-	52,384
Local Performance Aid	9,000	9,000	9,039	39	8,884
Total Intergovernmental Revenue	1,299,222	1,299,222	6,238,109	4,938,887	1,768,464
Charges for Services					
Public Safety	158,208	158,208	113,511	(44,697)	195,310
Recreation					
Community Center	4,980,408	4,980,408	2,148,566	(2,831,842)	4,756,706
Youth Programs	452,500	452,500	61,792	(390,708)	474,103
Organized Athletics	233,000	233,000	64,633	(168,367)	202,187
Senior Center	88,950	88,950	6,437	(82,513)	85,341
Outdoor Center	88,090	88,090	2,207	(85,883)	73,357
Arts Center	97,300	97,300	37,485	(59,815)	111,761
Park Facilities	80,000	80,000	13,849	(66,151)	77,920
Oak Point Pool & Beaches	40,600	40,600	26	(40,574)	27,032
Park Maintenance	43,300	43,300	12,455	(30,845)	53,025
Therapeutic Recreation	38,000	38,000	986	(37,014)	40,760
Arts	25,600	25,600	1,783	(23,817)	30,721
Special Events	5,600	5,600	1,156	(4,444)	4,115
Total Recreation	6,173,348	6,173,348	2,351,375	(3,821,973)	5,937,028
Total Charges for Services	6,331,556	6,331,556	2,464,886	(3,866,670)	6,132,338
Fines and Forfeits	417,000	417,000	230,341	(186,659)	364,544
Investment Income	200,000	200,000	536,716	336,716	547,778
Other	183,690	183,690	253,315	69,625	305,907
Total Revenues	\$ 48,245,988	\$ 48,245,988	\$ 51,003,613	\$ 2,757,625	\$ 49,259,340

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, 2020
 With Comparative Actual Amounts For the Year Ended December 31, 2019

Continued

	2020				2019
	Budget Original	Budget Final	Actual	Variance Over/(Under)	Actual
EXPENDITURES					
Current					
Administration					
Legislative	\$ 353,747	\$ 353,747	\$ 334,746	\$ (19,001)	\$ 335,099
Office of the City Manager	459,814	459,814	378,287	(81,527)	384,801
Legal Counsel	528,000	528,000	531,216	3,216	681,905
City Clerk	396,518	403,668	460,278	56,610	222,020
Communications	633,047	633,047	624,254	(8,793)	621,270
Finance	902,275	902,275	896,305	(5,970)	883,861
Customer Service	401,084	401,084	356,401	(44,683)	374,664
Human Resources	1,077,613	1,086,763	965,623	(121,140)	952,004
Total Administration	4,752,098	4,768,398	4,547,110	(221,288)	4,455,624
Community Development					
Assessing	1,059,547	1,059,547	1,025,996	(33,551)	1,018,893
Planning	617,741	651,936	586,917	(65,019)	560,696
Community Development Administration	249,657	249,657	317,954	68,297	214,459
Economic Development	161,454	161,454	158,852	(2,602)	134,979
Housing & Community Services	338,781	339,358	341,893	2,535	351,364
Total Community Development	2,427,180	2,461,952	2,431,612	(30,340)	2,280,391
Police	15,686,374	15,686,374	15,357,194	(329,180)	15,204,092
Fire					
Fire	4,872,560	4,898,872	4,967,012	68,140	4,498,609
Inspections	1,264,786	1,264,786	1,254,906	(9,880)	1,196,812
Public Safety Communications	152,511	152,511	156,420	3,909	159,408
Total Fire	6,289,857	6,316,169	6,378,338	62,169	5,854,829
Public Works					
Engineering	1,337,621	1,347,621	1,186,460	(161,161)	1,202,313
Street Maintenance	4,083,660	4,083,660	3,947,464	(136,196)	3,873,034
Street Lighting	958,500	958,500	857,826	(100,674)	815,693
Total Public Works	6,379,781	6,389,781	5,991,750	(398,031)	5,891,040

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, 2020
With Comparative Actual Amounts For the Year Ended December 31, 2019

Continued

	2020			Variance Over/(Under)	2019
	Budget Original	Budget Final	Actual		Actual
EXPENDITURES (Continued)					
Current (Continued)					
Parks and Recreation					
Park Maintenance	4,257,617	4,257,617	4,097,872	(159,745)	4,146,897
Community Center	5,387,767	5,387,767	4,530,022	(857,745)	5,104,654
Youth Programs	595,966	595,966	272,241	(323,725)	562,473
Senior Center	456,886	456,886	383,652	(73,234)	413,573
Park Administration	444,165	444,165	416,111	(28,054)	412,288
Organized Athletics	264,640	264,640	173,250	(91,390)	238,158
Recreation Administration	357,389	357,389	287,331	(70,058)	368,885
Arts Center	325,217	325,217	305,016	(20,201)	346,513
Therapeutic Recreation	205,656	205,656	121,226	(84,430)	226,564
Outdoor Center	252,551	252,551	211,653	(40,898)	232,125
Oak Point Pool	41,986	41,986	1,554	(40,432)	31,862
Arts	150,425	150,425	77,296	(73,129)	150,528
Special Events	134,550	134,550	30,129	(104,421)	117,311
Park Facilities	92,680	92,680	70,725	(21,955)	82,869
Beaches	73,906	73,906	106,406	32,500	54,602
Total Parks and Recreation	13,041,401	13,041,401	11,084,484	(1,956,917)	12,489,302
Debt Service					
Principal	58,478	58,478	58,478	-	57,367
Interest	2,287	2,287	2,287	-	3,399
Total Debt Service	60,765	60,765	60,765	-	60,766
Total Expenditures	48,637,456	48,724,840	45,851,253	(2,873,587)	46,236,044
Excess of Revenues Over (Under) Expenditures	(391,468)	(478,852)	5,152,360	5,631,212	3,023,296
OTHER FINANCING SOURCES / (USES)					
Transfers In	411,468	411,468	411,468	-	405,949
Transfers Out	(20,000)	(20,000)	(4,696,486)	(4,676,486)	(2,536,296)
Proceeds from Disposition of Capital Assets	-	-	-	-	-
Total Other Financing Sources / (Uses)	391,468	391,468	(4,285,018)	(4,676,486)	(2,130,347)
Net Change in Fund Balance	\$ -	\$ (87,384)	867,342	\$ 954,726	892,949
Fund Balance, January 1			25,435,483		24,542,534
Fund Balance, December 31			\$ 26,302,825		\$ 25,435,483

City of Eden Prairie, Minnesota
Proprietary Funds
Statement of Net Position
December 31, 2020

	Water Fund	Wastewater Fund	Stormwater Fund	Liquor Fund	Totals	Governmental Activities Internal Service Fund
ASSETS						
Current Assets:						
Cash and Investments	\$ 14,469,884	\$ 7,048,754	\$ 5,396,835	\$ 2,330,123	\$ 29,245,596	\$ 13,054,415
Receivables:						
Accounts	1,468,671	1,387,515	713,732	7,099	3,577,017	5,296
Interest	41,967	16,449	11,672	5,670	75,758	30,887
Due From Other Governments	2,434	-	18,741	-	21,175	10,637
Unremitted Special Assessments	6,362	1,125	-	-	7,487	-
Delinquent Special Assessments	327,947	8,449	-	-	336,396	-
Deferred Special Assessments	205,997	308,995	165,540	-	680,532	-
Special Deferred Special Assessments	115,984	173,976	-	-	289,960	-
Inventory	-	-	-	1,055,184	1,055,184	126,775
Prepaid Items	27,948	337,628	-	30,762	396,338	400,038
Total Current Assets	16,667,194	9,282,891	6,306,520	3,428,838	35,685,443	13,628,048
Noncurrent Assets						
Capital Assets:						
Property, Plant and Equipment	141,678,042	83,960,172	52,722,348	3,189,696	281,550,258	12,919,995
Less Accumulated Depreciation	(81,950,289)	(51,141,618)	(26,348,961)	(1,549,232)	(160,990,100)	(7,337,705)
Total Noncurrent Assets	59,727,753	32,818,554	26,373,387	1,640,464	120,560,158	5,582,290
Total Assets	76,394,947	42,101,445	32,679,907	5,069,302	156,245,601	19,210,338
DEFERRED OUTFLOWS OF RESOURCES						
Other Post Employment Benefits	13,878	3,605	1,622	2,837	21,942	257,154
Pensions	147,621	36,905	24,604	61,509	270,639	-
Total Deferred Outflows of Resources	161,499	40,510	26,226	64,346	292,581	257,154
Total Assets and Deferred Outflows of Resources	76,556,446	42,141,955	32,706,133	5,133,648	156,538,182	19,467,492
LIABILITIES						
Current Liabilities:						
Accounts Payable	1,389,824	356,490	35,870	593,904	2,376,088	548,371
Salaries Payable	75,521	22,960	19,928	31,078	149,487	68,902
Bond Interest Payable	23,684	-	-	-	23,684	-
Due to Other Governments	2,794	-	2,660	130,672	136,126	190,169
Due to Other Funds	-	-	157,170	-	157,170	-
Unearned Revenue	-	-	-	14,023	14,023	63,284
Current Portion of Bonds Payable	340,000	-	-	-	340,000	-
Current Portion of Compensated Absences	126,634	20,074	23,604	32,671	202,983	1,391,561
Total Current Liabilities	1,958,457	399,524	239,232	802,348	3,399,561	2,262,287
Noncurrent Liabilities:						
Total OPEB Liability	127,496	36,455	19,474	24,399	207,824	2,634,324
Net Pension Liability	1,742,520	435,630	290,420	726,049	3,194,619	-
Bonds Payable	5,748,767	-	-	-	5,748,767	-
Advances from Other Funds	-	-	471,511	-	471,511	-
Compensated Absences	107,141	16,983	19,971	27,642	171,737	1,177,353
Total Noncurrent Liabilities	7,725,924	489,068	801,376	778,090	9,794,458	3,811,677
Total Liabilities	9,684,381	888,592	1,040,608	1,580,438	13,194,019	6,073,964
DEFERRED INFLOWS OF RESOURCES						
OPEB	13,265	3,276	1,318	2,796	20,655	231,939
Pensions	111,142	27,785	18,524	46,309	203,760	-
Total Deferred Inflows of Resources	124,407	31,061	19,842	49,105	224,415	231,939
Total Liabilities and Deferred Inflows of Resources	9,808,788	919,653	1,060,450	1,629,543	13,418,434	6,305,903
NET POSITION						
Net Investment in Capital Assets	59,727,753	32,818,554	26,373,387	1,640,464	120,560,158	5,582,290
Unrestricted	7,019,905	8,403,748	5,272,296	1,863,641	22,559,590	7,579,299
Total Net Position	\$ 66,747,658	\$ 41,222,302	\$ 31,645,683	\$ 3,504,105	143,119,748	\$ 13,161,589
Adjustment to Reflect the Consolidation of Internal Service Fund Activities Related to Enterprise Funds					(291,939)	
Total Net Position-Business-Type Activities					\$ 142,827,809	

City of Eden Prairie, Minnesota
Proprietary Funds
Statement of Revenues, Expenses and
Changes in Net Position
For the Year Ended December 31, 2020

	Water Fund	Wastewater Fund	Stormwater Fund	Liquor Fund	Total	Governmental Activities - Internal Service Fund
SALES AND COST OF SALES						
Sales	\$ -	\$ -	\$ -	\$ 11,463,070	\$ 11,463,070	\$ -
Cost of Sales	-	-	-	(8,299,999)	(8,299,999)	-
Gross Profit	-	-	-	3,163,071	3,163,071	-
OPERATING REVENUE						
Sales	8,972,024	6,895,764	3,376,785	-	19,244,573	-
Charges for Services	-	-	-	-	-	18,483,031
Rental	-	-	-	209,098	209,098	871,255
Other	15,340	-	-	39,392	54,732	-
Total Operating Revenues	8,987,364	6,895,764	3,376,785	248,490	19,508,403	19,354,286
OPERATING EXPENSE						
Personnel Services	2,853,197	803,776	559,797	1,107,572	5,324,342	8,906,096
Supplies						
Supplies	99,787	27,484	99,585	19,486	246,342	68,795
Cleaning Supplies	11,281	-	-	-	11,281	169,694
Motor Fuel	-	-	-	-	-	305,175
Tires	-	-	-	-	-	58,134
Chemicals	693,225	-	-	-	693,225	-
Repair and Maintenance Supplies	142,143	66,208	57,456	10,943	276,750	581,132
Contractual Services						
Contractual Services	305,340	95,550	315,674	141,420	857,984	2,635,043
Software	60,492	60,492	-	570	121,554	1,329,059
Janitorial Services	44,744	-	-	37,610	82,354	713,873
Lime Residual Removal	302,237	-	-	-	302,237	-
Building Rent	-	-	-	280,658	280,658	-
Licenses, Permits, Taxes	230,589	-	47	94,121	324,757	197,697
Repair and Maintenance	520,510	185,563	19,903	24,475	750,451	189,130
Utilities	696,361	28,904	18,879	77,402	821,546	1,403,045
MCES Fees	-	4,202,607	-	-	4,202,607	-
Bank and Credit Card Fees	47,805	47,805	-	253,435	349,045	-
User Charges	319,547	246,208	135,371	174,052	875,178	17,420
Capital Under \$25,000	114,928	58,806	149,151	1,927	324,812	534,370
Total Operating Expenses	6,442,186	5,823,403	1,355,863	2,223,671	15,845,123	17,108,663
Operating Income (Loss) Before Depreciation	2,545,178	1,072,361	2,020,922	1,187,890	6,826,351	2,245,623
Depreciation	2,900,056	1,677,800	1,162,430	73,389	5,813,675	1,083,905
Operating Income (Loss) Before Nonoperating Revenue / Expense	(354,878)	(605,439)	858,492	1,114,501	1,012,676	1,161,718
NONOPERATING REVENUE (EXPENSE)						
Grants	17,060	-	69,387	-	86,447	-
Investment Income	406,593	154,424	114,269	54,355	729,641	295,515
Interest	(171,919)	(2,613)	(7,859)	-	(182,391)	-
Bond Issuance Cost	27,740	4,241	-	-	31,981	-
Fiscal Agent Fees	(533)	(600)	-	-	(1,133)	-
Gain/(Loss) on Disposition of Capital Assets	29,975	20,550	-	-	50,525	194,665
Miscellaneous	16,567	267	4,337	9,505	30,676	105,924
Total Nonoperating Revenues (Expenses)	325,483	176,269	180,134	63,860	745,746	596,104
Income (Loss) Before Contributions and Transfers	(29,395)	(429,170)	1,038,626	1,178,361	1,758,422	1,757,822
Contributions - from Governmental Activities	-	-	567,550	-	567,550	-
Contributions - from Developers	97,852	166,742	184,596	-	449,190	-
Capital Access Charges	1,000,750	271,510	-	-	1,272,260	-
Capital Special Assessments	269,680	335,658	871	-	606,209	-
Transfers Out	(245,734)	(144,014)	(61,720)	(850,000)	(1,301,468)	-
Change in Net Position	1,093,153	200,726	1,729,923	328,361	3,352,163	1,757,822
Net Position - Beginning	65,654,505	41,021,576	29,915,760	3,175,744	139,767,585	11,403,767
Net Position - Ending	\$ 66,747,658	\$ 41,222,302	\$ 31,645,683	\$ 3,504,105	143,119,748	\$ 13,161,589
Adjustment to reflect the consolidation of Internal Service Funds activities related to Enterprise Funds					(64,833)	
Change in Net Position of Business-Type Activities					<u>\$ 3,287,330</u>	

City of Eden Prairie, Minnesota
Proprietary Funds
Statement of Cash Flows
For the Year Ended December 31, 2020

	Water Fund	Wastewater Fund	Stormwater Fund	Liquor Fund	Totals	Governmental Activities - Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts From Customers	\$ 8,687,080	\$ 6,664,316	\$ 3,289,878	\$ 11,712,895	\$ 30,354,169	\$ 18,550,028
Payments to Vendors	(3,039,930)	(4,544,550)	(776,844)	(9,290,839)	(17,652,163)	(8,354,067)
Payments to Employees	(2,887,817)	(839,320)	(560,668)	(1,166,392)	(5,454,197)	(8,030,831)
Other Receipts	15,340	-	-	-	15,340	977,179
Net Cash Provided (Used) By Operating Activities	2,774,673	1,280,446	1,952,366	1,255,664	7,263,149	3,142,309
CASH FLOWS FROM INVESTING ACTIVITIES						
Investment Income	406,403	156,366	113,735	54,568	731,072	296,900
Net Cash Provided (Used) By Investing Activities	406,403	156,366	113,735	54,568	731,072	296,900
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Grants	17,060	-	69,387	-	86,447	-
Payments From Other Funds	-	-	(157,171)	-	(157,171)	-
Transfers (Out)	(245,734)	(144,014)	(61,720)	(850,000)	(1,301,468)	-
Net Cash Provided (Used) By Noncapital Financing Activities	(228,674)	(144,014)	(149,504)	(850,000)	(1,372,192)	-
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES						
Acquisition and Construction of Capital Assets	(6,126,900)	(399,977)	(108,248)	-	(6,635,125)	(1,149,920)
Proceeds From Sale of Equipment	29,975	20,550	-	-	50,525	194,665
Access Charges	1,000,750	271,510	-	-	1,272,260	-
Special Assessments	269,680	335,658	871	-	606,209	-
Principal Paid on Debt	(745,000)	(95,000)	-	-	(840,000)	-
Interest and Fiscal Agent Paid on Debt	(175,623)	(3,451)	(7,859)	-	(186,933)	-
Net Cash Provided (Used) By Capital Financing Activities	(5,747,118)	129,290	(115,236)	-	(5,733,064)	(955,255)
Net Increase (Decrease) in Cash and Cash Equivalents	(2,794,716)	1,422,088	1,801,361	460,232	888,965	2,483,954
Cash and Cash Equivalents, January 1	17,264,600	5,626,666	3,595,474	1,869,891	28,356,631	10,570,461
Cash and Cash Equivalents, December 31	\$ 14,469,884	\$ 7,048,754	\$ 5,396,835	\$ 2,330,123	\$ 29,245,596	\$ 13,054,415

	Water Fund	Wastewater Fund	Stormwater 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)	\$ (354,878)	\$ (605,439)	\$ 858,492	\$ 1,114,501	\$ 1,012,676	\$ 1,161,718
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:						
Depreciation	2,900,056	1,677,800	1,162,430	73,389	5,813,675	1,083,905
Miscellaneous	16,567	267	4,337	9,505	30,676	105,924
(Increase) Decrease in Assets and Deferred Outflows:						
Accounts Receivable	(176,387)	(44,696)	(97,443)	(5,496)	(324,022)	65,111
Special Assessments Receivable	(108,557)	(186,752)	10,536	-	(284,773)	-
Due From Other Governments	(2,434)	130,452	11,797	-	139,815	(1,032)
Inventory	-	-	-	163,005	163,005	(22,094)
Prepaid Items	(23,148)	12,589	-	(2,046)	(12,605)	279,422
Other Post Employment Benefits (Deferred Outflow)	(6,866)	(1,592)	(541)	(1,499)	(10,498)	(111,636)
Pensions (Deferred Outflow)	(18,044)	(2,366)	(2,420)	(4,856)	(27,686)	-
Increase (Decrease) in Liabilities and Deferred Inflows:						
Accounts Payable	559,339	331,769	428	(54,539)	836,997	(69,489)
Salaries Payable	18,330	4,789	8,654	3,524	35,297	19,037
Unearned Revenue	-	-	-	6,831	6,831	1,886
Due to Other Governments	(1,265)	-	2,660	9,334	10,729	(29,715)
Other Post Employment Benefits	2,523	585	199	552	3,859	197,911
Net Pension Liability	186,249	20,805	23,980	45,611	276,645	-
Other Post Employment Benefits (Deferred Inflows)	9,649	2,238	760	2,106	14,753	-
Pensions (Deferred Inflow)	(241,556)	(66,226)	(41,860)	(107,901)	(457,543)	-
Compensated Absences	15,095	6,223	10,357	3,643	35,318	461,361
Net Cash Provided (Used) by Operating Activities	\$ 2,774,673	\$ 1,280,446	\$ 1,952,366	\$ 1,255,664	\$ 7,263,149	\$ 3,142,309
Noncash Investing, Capital and Financing Activities:						
Contributions of Capital Assets from Governmental Activities	\$ -	\$ -	\$ 567,550	\$ -	\$ 567,550	\$ -
Contributions of Capital Assets from Developers	97,852	166,742	184,596	-	449,190	-
Amortization of Bond Premium	(27,740)	(4,241)	-	-	(31,981)	-

City of Eden Prairie, Minnesota
Fiduciary Funds
Statement of Fiduciary Net Position
December 31, 2020

	Custodial Funds Total
	<u> </u>
ASSETS	
Cash and Investments	\$ 428,618
Due from Other Governments	101,513
Prepays	<u>7,914</u>
Total Assets	<u><u>\$ 538,045</u></u>
LIABILITIES	
Accounts Payable	\$ 6,996
Due to Other Governments	14,910
Unearned Revenue	<u>3,000</u>
Total Liabilities	<u><u>\$ 24,906</u></u>
NET POSITION	
Restricted	<u>\$ 513,139</u>
	<u><u>\$ 513,139</u></u>

City of Eden Prairie, Minnesota
Fiduciary Funds
Statement of Changes in Fiduciary Net Position
For the Year Ended December 31, 2020

	Custodial Funds Total
	<u> </u>
ADDITIONS	
Grants	\$ 320,968
Memberships	169,897
Investments Earnings	2,474
Building Permits	680,890
Customers Deposits	230
Other	1,722
Total Additions	<u>1,176,181</u>
DEDUCTIONS	
Personnel Services	338,351
Supplies	30,756
Contractual Services	827,067
Total Deductions	<u>1,196,174</u>
Net Increase (Decrease) in Fiduciary Net Position	(19,993)
Net Position - Beginning	533,132
Net Position - Ending	<u><u>\$ 513,139</u></u>

This page is intentionally left blank

A brick sign for Eden Prairie City Center. The sign features the text "EDEN PRAIRIE CITY CENTER" in white, with a stylized bird icon to the left and a grass icon to the right. Below the main text is a digital display showing "1:11 PM" and "50°F". The sign is set against a brick wall and is surrounded by greenery and a clear blue sky with white clouds. An American flag is visible in the upper right corner of the image.

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 City also has an operational responsibility for the H.R.A. 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. 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. The fiduciary funds are only reported in the statement of fiduciary net position and the statement of changes in fiduciary net position at the fund financial statement level. 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.

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.

City of Eden Prairie, Minnesota

Notes to 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 Custodial 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 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 Capital Improvement Maintenance fund accounts for the accumulation of resources to be used for capital improvements and maintenance of City property.
- 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 Eden Prairie Road fund accounts for proceeds of bonds sold to finance the construction of Eden Prairie Road.
- The Eden Prairie Rd Connect to Flying Cloud fund accounts for the accumulation of resources to be used for the construction of road from Frederick Place to north of Riley Creek.
- The General LRT fund accounts for the accumulation of resources to be used for the completion of the Town Center Station, Urban Grid roadway system, extension of Eden Road to the station and upgrade/betterments of amenities within Eden Prairie beyond the base product.

City of Eden Prairie, Minnesota

Notes to Financial Statements

The City reports the following major proprietary funds:

- The Water fund accounts for the operations of the City water system.
- The Wastewater fund accounts for the operations of the City wastewater service.
- The Stormwater fund accounts for the operations of the City's stormwater 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 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. Internal Service funds include Health & Benefits, Severance, Workers Compensation, Property Insurance, Facilities, Fleet, and Information Technology.
- Fiduciary funds include Custodial funds that account for evidence held by the Police department in the Escrow fund, WAFTA, Metropolitan Council Environmental Services funds (MCES) and the 494 Corridor Commission.

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, wastewater, and storm water 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.

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

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 in 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.

City of Eden Prairie, Minnesota

Notes to Financial Statements

Investments are stated at their fair value as determined by quoted market prices, except for money market investments and participating interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less which are recorded at amortized cost, provided that the fair value of those investments is not significantly affected by the impairment of the credit standing of the issuer or by other factors. Money market investments are short-term, highly liquid debt instruments including commercial paper, banker's acceptances, and U.S. Treasury and agency obligations. Investments in external investment pools that meet the criteria of GASB Statement No. 79 are valued at amortized costs. If an external investment pool does not meet the criteria established by this Statement, that pool should apply the provisions in paragraph 16 of Statement No. 31.

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 Fleet fund's inventories are valued at cost. All inventories use the first-in/first-out (FIFO) method. Inventories and prepaids 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 acquisition 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

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 70.
- 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 70 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 70.

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	25-50 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 will not be recognized as an outflow of resources (expense/ expenditure) until then. The City has three items that qualify for reporting in this category. It is the deferred charge on refunding reported in the government-wide statement of net position, the deferred charge for pensions (see Pension section below for explanation) and the deferred charge for OPEB (see OPEB section below for explanation). 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 will not be recognized as an inflow of resources (revenue) until that time. The City has three items that qualifies for reporting in this category. It is the deferred charge for pensions (see Pension section below for explanation), the deferred charge for OPEB (see OPEB section below for explanation) and the deferred charge for Municipal State Aid that the City is entitled to but has not requested from the State yet.

City of Eden Prairie, Minnesota

Notes to Financial Statements

The City also has one type of item, which arises 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 five sources: property taxes, special assessments, loans, grants and invoices not collected within 60 days. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Pensions

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and additions to/deductions from PERA's fiduciary net position have been determined on the same basis as they are reported by PERA except that PERA's fiscal year end is June 30. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. For the governmental activities, the net pension liability will be liquidated through the General fund.

For purposes of measuring the liability, deferred outflows of resources and deferred inflows of resources, and expense associated with the City's requirement to contribute to the Eden Prairie Firefighter Relief Association, information about the Plan's fiduciary net position and additions to/deductions from the Eden Prairie Firefighter Relief Association Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the total OPEB liability, deferred outflows/inflows of resources related to OPEB, and OPEB expense, the City recognizes benefit payments when due and payable in accordance with the benefit terms. The City's benefit payments consist of the implicit rate subsidy, and subsidized premiums for officers injured in the line of duty. Other post-employment benefits are generally liquidated through the Health and Benefits Internal Service funds.

Compensated Absences

The City compensates employees upon termination for unused paid time off (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.

City of Eden Prairie, Minnesota

Notes to Financial Statements

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.

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 position. Bond premiums and discounts are 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.

City of Eden Prairie, Minnesota

Notes to Financial Statements

- *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. Only the Council can remove or change the constraints placed on committed fund balances by resolution.
- *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 Manager or Finance Manager is authorized to establish assignments of fund balance.
- *Unassigned*-is the residual classification for the general fund and also reflects negative residual amounts in other funds.

When both restricted and unrestricted resources are available for use, it is the City's policy to first use restricted resources, and then use unrestricted resources as they are needed. When unrestricted resources are available for use, it is the City's policy to use resources in the following order: 1) committed 2) assigned 3) unassigned.

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

Prior Period Comparative Financial Information/Reclassification

The financial statements include certain prior year partial comparative information but not at the level of detail required for a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the City's financial statements for the year ended December 31, 2019, 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 meeting after which a final General Fund annual budget is legally adopted by no later than December 31.

The appropriated budget is prepared by department and division. The City's directors and division managers may make transfers of appropriations within a division. Transfers of appropriations between departments require the approval of the City Manager. The legal level of budgetary control

City of Eden Prairie, Minnesota

Notes to Financial Statements

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 \$87,384. Following are changes made to the original budget during the year:

City Clerk	Inspection Scanning & Staffing	\$	7,150
Human Resources	Job Postings		9,150
Planning	Comprehensive Plan, Preservation Plan		34,195
Housing/Community Services	Conference		577
Fire	Uniforms		26,312
Engineering	Scanning		10,000
		<u>\$</u>	<u>87,384</u>

General fund expenditures equal \$45,851,253 or 94.1% of the annual amount budgeted of \$48,724,840. All departments except Fire have spent less than 100% of the amounts budgeted.

Deficit Fund Equity

The following governmental funds had deficit fund balance/net position at December 31, 2020:

Major Funds:			
Eden Prairie Road		\$	625,884
Eden Prairie Rd Connect to Flying Cloud			1,680,352
General LRT			790,431
Non-Major Governmental Funds:			
Homeowners Improvements Area			12,540
Singletree Lane South			63,044
Duck Lake Rd. Reconstruct			569,582
Internal Service Funds:			
Health and Benefits			1,150,799
Severance			1,018,931

The fund balance deficits of these individual Capital Project funds will be financed by municipal state aid, special assessments and other future City planned funding as identified in the City's Capital Improvement Plan. 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.

City of Eden Prairie, Minnesota

Notes to Financial Statements

Note 3—Cash and Investments

Components of Cash and Investments

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

Investments	\$ 117,382,568
Cash on hand	<u>23,091</u>
Total	<u>\$ 117,405,659</u>

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

Statement of Net Position	
Cash and cash equivalents	\$ 116,977,041
Statement of Fiduciary Net Position	
Cash and investments	<u>428,618</u>
	<u>\$ 117,405,659</u>

Deposits

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

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

Custodial Credit Risk

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

Minnesota Statutes require that all deposits be protected by federal deposit insurance, corporate surety bond, or collateral. The fair 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, 2020, 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.

City of Eden Prairie, Minnesota

Notes to Financial Statements

Investments

As of December 31, 2020, the city had the following investments and maturities:

	Investment Maturities (in Years)		
	Total	Less Than 1 Year	1 to 5 Years
U.S. Agencies	\$ 44,076,332	\$ 2,863,003	\$ 41,213,329
Municipal Bonds	24,259,626	10,208,390	14,051,236
Negotiable Certificate of Deposit	1,524,248	1,524,248	-
Bankers Acceptance	7,468,015	7,468,015	-
Mutual Funds	40,054,347	40,054,347	-
Total	<u>\$ 117,382,568</u>	<u>\$ 62,118,003</u>	<u>\$ 55,264,565</u>

	US Agencies	Municipal Bonds	Negotiable Certificate of Deposit	Bankers Acceptance	Mutual Funds	Total
Moody's						
Aaa	\$ 42,360,213	\$ 2,142,912	\$ -	\$ -	\$ -	\$ 44,503,125
Aa1	-	4,577,032	-	-	-	4,577,032
Aa2	-	2,512,233	-	-	-	2,512,233
Aa3	-	2,621,516	-	-	-	2,621,516
A1	-	1,254,143	-	-	-	1,254,143
MIG 1	-	2,568,700	-	-	-	2,568,700
N/A, N/R	1,716,119	-	1,524,248	7,468,015	40,054,347	50,762,729
S&P						
AA	-	4,884,368	-	-	-	4,884,368
AA+	-	2,649,122	-	-	-	2,649,122
AA-	-	1,049,600	-	-	-	1,049,600
	<u>\$ 44,076,332</u>	<u>\$ 24,259,626</u>	<u>\$ 1,524,248</u>	<u>\$ 7,468,015</u>	<u>\$ 40,054,347</u>	<u>\$ 117,382,568</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 seven (7) years from the date of purchase or for mortgage backed securities, the weighted average life must be no more than seven (7) years from the date of purchase. The intent to invest in securities with longer maturities will be disclosed to the City Council. Currently, the City did not have any investments maturing more than seven years from the date of purchase.

City of Eden Prairie, Minnesota

Notes to Financial Statements

Credit Risk

It is the City’s policy to limit its investments to the following types, which are also authorized by Minnesota Statutes:

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

Custodial Credit Risk

For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the city will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City’s investments are held in safe keeping. The City’s investment policy specifically addresses custodial credit risk by requiring investments to be held at the Federal Reserve Bank or any bank authorized under the laws of the United States.

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 specifically addresses the City’s desire to limit risk by avoiding over concentration in securities from a specific issuer and by setting allocation guidelines to diversify the types of securities in the portfolio. At year end, the City did hold the following investments in securities with a single issuer which exceeded 5%.

<u>Issuer</u>	<u>Percentage</u>
FHLMC	5.6%

Fair Value Measurements

The City uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures. The City follows an accounting standard that defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs used to measure fair value, and requires expanded

City of Eden Prairie, Minnesota

Notes to Financial Statements

disclosures about fair value measurements. In accordance with this standard, the City has categorized its investments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy.

The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument. Financial assets and liabilities recorded on the combined statements of financial position are categorized based on the inputs to the valuation techniques as follows:

- Level 1 – Financial assets and liabilities are valued using inputs that are unadjusted quoted prices in active markets accessible at the measurement date of identical financial assets and liabilities.
- Level 2 – Financial assets and liabilities are valued based on quoted prices for similar assets, or inputs that are observable, either directly or indirectly for substantially the full term through corroboration with observable market data.
- Level 3 – Financial assets and liabilities are valued using pricing inputs which are unobservable for the asset, inputs that reflect the reporting entity’s own assumptions about the assumptions market participants and would use in pricing the asset.

Assets measured at fair value on a recurring basis:

	Level 1	Level 2	Level 3	Total
U.S. Agencies	\$ 29,829,611	\$ 14,246,721	\$ -	\$ 44,076,332
Municipal Bonds	-	24,259,626	-	24,259,626
Negotiable Certificates of Deposit	-	1,524,248	-	1,524,248
	<u>\$ 29,829,611</u>	<u>\$ 40,030,595</u>	<u>\$ -</u>	<u>69,860,206</u>

Investments measured at amortized cost	47,522,362
	<u>\$ 117,382,568</u>

City of Eden Prairie, Minnesota

Notes to Financial Statements

Note 4—Capital Assets

Capital asset activity for the year ended December 31, 2020 was as follows:

	2020 Beginning Balance	Transfers	Increases	Decreases	2020 Ending Balance
GOVERNMENTAL ACTIVITIES					
Capital Assets, Not Being Depreciated					
Land	\$ 22,132,497	\$ -	\$ -	\$ -	\$ 22,132,497
Infrastructure	137,056,914	176,451	341,069	-	137,574,434
Work in Progress	4,448,996	(3,256,006)	3,023,961	41,743	4,175,208
Total Capital Assets, Not Being Depreciated	163,638,407	(3,079,555)	3,365,030	41,743	163,882,139
Capital Assets, Being Depreciated					
Buildings	74,243,556	-	37,446	-	74,281,002
Land Improvements	22,301,426	1,126,933	115,197	-	23,543,556
Leasehold Improvements	77,318	-	-	-	77,318
Machinery and Equipment	5,072,766	-	-	98,752	4,974,014
Autos	11,909,924	257,799	751,410	460,516	12,458,617
Other Assets	9,536,056	1,106,163	272,887	518,027	10,397,079
Total Capital Assets, Being Depreciated	123,141,046	2,490,895	1,176,940	1,077,295	125,731,586
Total Capital Assets, Cost	286,779,453	(588,660)	4,541,970	1,119,038	289,613,725
Less Accumulated Depreciation for					
Buildings	22,537,725	-	2,287,618	-	24,825,343
Land Improvements	10,224,643	-	1,110,529	-	11,335,172
Leasehold Improvements	75,975	-	294	-	76,269
Machinery and Equipment	4,129,567	-	312,742	98,752	4,343,557
Autos	8,566,795	(21,110)	803,877	460,006	8,889,556
Other Assets	6,156,736	-	542,010	476,544	6,222,202
Total Accumulated Depreciation	51,691,441	(21,110)	5,057,070	1,035,302	55,692,099
Total Capital Assets, Being Depreciated, Net	71,449,605	2,512,005	(3,880,130)	41,993	70,039,487
Governmental Activities Capital Assets, Net	\$ 235,088,012	\$ (567,550)	\$ (515,100)	\$ 83,736	\$ 233,921,626

City of Eden Prairie, Minnesota

Notes to Financial Statements

	2020 Beginning Balance	Transfers	Increases	Decreases	2020 Ending Balance
BUSINESS-TYPE ACTIVITIES					
Capital Assets, Not Being Depreciated					
Land	\$ 1,065,566	\$ -	\$ -	\$ -	\$ 1,065,566
Work in Progress	2,463,490	-	6,044,810	-	8,508,300
Total Capital Assets, Not Being Depreciated	3,529,056	-	6,044,810	-	9,573,866
Capital Assets, Being Depreciated					
Land Improvements	165,679	-	-	-	165,679
Buildings	59,370,999	-	-	-	59,370,999
Distribution System	202,444,283	567,550	902,938	-	203,914,771
Leasehold Improvements	727,394	-	-	-	727,394
Machinery and Equipment	6,618,869	-	54,475	30,521	6,642,823
Autos	987,950	21,110	82,090	77,724	1,013,426
Other Assets	141,300	-	-	-	141,300
Total Capital Assets, Being Depreciated	270,456,474	588,660	1,039,503	108,245	271,976,392
Total Capital Assets, Cost	273,985,530	588,660	7,084,313	108,245	281,550,258
Less Accumulated Depreciation for					
Land Improvements	111,401	-	4,670	-	116,071
Buildings	35,909,470	-	1,362,398	-	37,271,868
Distribution System	114,566,585	-	4,095,137	-	118,661,722
Leasehold Improvements	692,130	-	35,264	-	727,394
Machinery and Equipment	2,992,403	-	280,463	30,521	3,242,345
Autos	850,271	21,110	35,743	77,724	829,400
Other Assets	141,300	-	-	-	141,300
Total Accumulated Depreciation	155,263,560	21,110	5,813,675	108,245	160,990,100
Total Capital Assets, Being Depreciated, Net	115,192,914	567,550	(4,774,172)	-	110,986,292
Business-Type Activities Capital Assets, Net	\$ 118,721,970	\$ 567,550	\$ 1,270,638	\$ -	\$ 120,560,158

City of Eden Prairie, Minnesota

Notes to Financial Statements

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

Governmental Activities

Administration	\$ 320,083
Community Development	39,360
Police	200,742
Fire	314,918
Public Works	287,384
Parks and Recreation	2,810,678
Capital Assets Held by the Government's Internal Service Funds are Charged to the Various Functions Based on their Usage of the Assets	1,083,905
Total Depreciation Expense - Governmental Activities	\$ 5,057,070

Business-Type Activities

Water	\$ 2,900,056
Wastewater	1,677,800
Stormwater	1,162,430
Liquor	73,389
Total Depreciation Expense - Business-Type Activities	\$ 5,813,675

Note 5—Notes/Loans Receivable

The City has entered into note agreements with Eden Prairie residents to either improve the quality of housing and/or to increase the availability of affordable housing. These note agreements are secured by a secured lien that is placed on the property. The Rehabilitation Assistance notes have a phased repayment plan. If the loan is within 11 years of the loan date, 100% of the principal amount is due. On the 11th anniversary of the loan origination date, 90% of the loan principle is due and declines 10% a year until it is forgiven after 20 years. The Home Buyer notes are interest free and are due either when the home sells or 30 years, whichever occurs first.

The City has also entered into a note agreement with Climatech to help fund planned renovations through DEED's Minnesota Investment Fund. The program required the City to apply for the grant on behalf of Climatech and act as a conduit between DEED and the business. If Climatech meets the job creation and wage commitments, \$100,000 of the note principal will be forgiven. The remaining \$270,000 will be repaid over 6 years at an interest rate of 2.0%.

The City has entered into a \$500,000 TIF note agreement with the developer Elevate for site improvement costs to redevelop the vacant Ruby Tuesdays and Anchor Bank. The new six-story building will include 222 apartment units over approximately 13,000 square feet of retail and restaurants. The note will bear simple interest at the rate of 1% per annum.

City of Eden Prairie, Minnesota

Notes to Financial Statements

The interest and principal shall be paid on the earlier of (a) the end of the term of the HUD Mortgage (40 years) or (b) a sale, refinancing or exchange of the Project by the Developer, at which time all principal plus accrued interest shall be paid in a lump sum.

Project	Notes Receivable
Home Buyer Assistance Program	\$ 198,252
Rehabilitation Assistance Program	397,268
Climatech DEED	99,093
Elevate	500,000
	<u>\$ 1,194,613</u>

Note 6—Interfund Receivables and Payables

The composition of due to/from balances as of December 31, 2020, is as follows:

	Due From Other Funds	Due To Other Funds	Advances To Other Funds	Advances From Other Funds
Capital Improvement Maintenance	\$1,451,651	\$ -	\$ 471,511	\$ -
Eden Prairie Road	-	626,130	-	-
Eden Prairie Rd Connect to Flying Cloud	-	1,647,664	-	-
General LRT	-	668,351	-	-
Non-Major Governmental Funds	2,262,538	614,874	-	-
Stormwater Fund	-	157,170	-	471,511
Total	<u>\$ 3,714,189</u>	<u>\$ 3,714,189</u>	<u>\$ 471,511</u>	<u>\$ 471,511</u>

The funds will be repaid as special assessment revenue, taxes, grants and other future City planned funding as identified in the City's Capital Improvement Plan are received.

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

City of Eden Prairie, Minnesota

Notes to Financial Statements

Note 7—Interfund Transfers

The composition of interfund transfers as of December 31, 2020, is as follows:

Transfers In	Transfers Out	Amount
General	Water	\$ 205,734
	Wastewater	144,014
	Stormwater	61,720
Public Improvement Construction	Water	40,000
	Non-Major Governmental Funds	1,680,443
Capital Improvement Maintenance	General	4,676,486
	Liquor Fund	850,000
Non-Major Governmental Funds	General	20,000
	Capital Improvement Maintenance	300,000
	Shady Oak Road North	1,300,000
Total of transfers		\$ 9,278,397

The transfers from the Water, Wastewater and Stormwater funds to the general fund are for general fund services provided. The transfer from the Water fund and Non-Major funds to the Public Improvement Construction was to assist with capital improvements. The transfers from the General fund and Liquor fund to the Capital Improvement fund is for positive performance. The transfer from the General fund to Non-Major funds was to assist with the organized athletics. The transfer from Capital Improvement fund and Shady Oak Road N fund was to assist with capital improvements.

Note 8—Pension Plan

Defined Benefit Pension Plans

Plan Description

The City participates in the following cost-sharing multiple-employer defined benefit pension plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA's defined benefit pension plans are established and administered in accordance with Minnesota Statutes, Chapters 353 and 356. PERA's defined benefit pension plans are tax qualified plans under Section 401 (a) of the Internal Revenue Code.

General Employees Retirement Plan

All full-time and certain part-time employees of the City of Eden Prairie are covered by the General Employees Plan. General Employees Plan members belong to the Coordinated Plan. Coordinated Plan members are covered by Social Security.

City of Eden Prairie, Minnesota

Notes to Financial Statements

Public Employees Police and Fire Plan

The Police and Fire Plan, originally established for police officers and firefighters not covered by a local relief association, now covers all police officers and firefighters hired since 1980. Effective July 1, 1999, the Police and Fire Plan also covers police officers and firefighters belonging to local relief associations that elected to merge with and transfer assets and administration to PERA.

Benefits Provided

PERA provides retirement, disability, and death benefits. Benefit provisions are established by state statute and can only be modified by the state legislature. 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.

General Employees Plan Benefits

General Employees Plan 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 Plan members. Members hired prior to July 1, 1989, receive the higher of Method 1 or Method 2 formulas. Only Method 2 is used for members hired after June 30, 1989. Under Method 1, the accrual rate for Coordinated members is 1.2% for each of the first 10 years of service and 1.7% for each additional year. Under Method 2, the accrual rate for Coordinated members is 1.7% for all years of service. For members hired prior to July 1, 1989 a full annuity is available when age plus years of service equal 90 and normal retirement age is 65. For members hired on or after July 1, 1989 normal retirement age is the age for unreduced Social Security benefits capped at 66.

Benefit increases are provided to benefit recipients each January. Beginning in 2019, the postretirement increase is equal to 50 percent of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1 percent and a maximum of 1.5 percent. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase will receive the full increase. For recipients receiving the annuity or benefit for at least one month but less than a full year as of the June 30 before the effective date of the increase will receive a reduced prorated increase. For members retiring on January 1, 2024, or later, the increase will be delayed until normal retirement age (age 65 if hired prior to July 1, 1989, or age 66 for individuals hired on or after July 1, 1989). Members retiring under Rule of 90 are exempt from the delay to normal retirement.

Police and Fire Plan Benefits

Benefits for the Police and Fire Plan members first hired after June 30, 2010, but before July 1, 2014, vest on a prorated basis from 50% after five years up to 100% after ten years of credited service. Benefits for Police and Fire Plan members first hired after June 30, 2014, vest on a prorated basis from 50% after ten years up to 100% after twenty years of credited service. The annuity accrual rate is 3% of average salary for each year of service. For Police and Fire Plan members who were first hired prior to July 1, 1989, a full annuity is available when age plus years of service equal at least 90.

City of Eden Prairie, Minnesota

Notes to Financial Statements

Benefit increases are provided to benefit recipients each January. Beginning in 2019, the postretirement increase was fixed at 1 percent. Recipients that have been receiving the annuity or benefit for at least 36 months as of the June 30 before the effective date of the increase will receive the full increase. For recipients receiving the annuity or benefit for at least 25 months but less than 36 months as of the June 30 before the effective date of the increase will receive a reduced prorated increase.

Contributions

Minnesota Statutes Chapter 353 sets the rates for employer and employee contributions. Contribution rates can only be modified by the state legislature.

General Employees Plan Contributions

Coordinated Plan members were required to contribute 6.50%, of their annual covered salary in fiscal year 2020 and the City was required to contribute 7.50% for Coordinated Plan members. The City's contributions to the General Employees Fund for the year ended December 31, 2020, were \$1,290,562. The City's contributions were equal to the required contributions as set by state statute.

Police and Fire Plan Contributions

Police and Fire member's contribution rates increased from 11.3% of pay to 11.8% and employer rates increased from 16.95% to 17.70% on January 1, 2020. The City's contributions to the Police and Fire Fund for the year ended December 31, 2020, were \$1,464,610. The City's contributions were equal to the required contributions as set by state statute.

Pension Costs

General Employees Fund Pension Costs

At December 31, 2020, the City reported a liability of \$14,520,997 for its proportionate share of the General Employees Fund's net pension liability. The City's net pension liability reflected a reduction due to the State of Minnesota's contribution of \$16 million. The State of Minnesota is considered a non-employer contributing entity and the state's contribution meets the definition of a special funding situation. The State of Minnesota's proportionate share of the net pension liability associated with the City totaled \$447,832. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportionate share of the net pension liability was based on the City's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2019, through June 30, 2020, relative to the total employer contributions received from all of PERA's participating employers. The City's proportionate share was .2422% at the end of the measurement period and .2365% for the beginning of the period.

City of Eden Prairie, Minnesota

Notes to Financial Statements

City's Proportionate Share of the Net Pension Liability	\$ 14,520,997
State of Minnesota's Proportionate Share of the Net Pension Liability Associated with the City	<u>447,832</u>
Total	<u>\$ 14,968,829</u>

For the year ended December 31, 2020, the City recognized pension expense of \$596,311 for its proportionate share of the General Employees Plan's pension expense. Included in the amount, the City recognized \$38,975 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of \$16 million to the General Employees Plan.

At December 31, 2020, the City reported its proportionate share of the General Employees Plan's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences Between Expected and Actual Economic Experience	\$ 129,399	\$ 54,941
Changes in Actuarial Assumptions	-	534,725
Net Collective Difference Between Projected and Actual Investment Earnings	219,141	-
Changes in Proportion	236,355	336,514
Contributions Paid to PERA Subsequent to the Measurement Date	645,281	-
Total	<u>\$ 1,230,176</u>	<u>\$ 926,180</u>

The \$645,281 reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2021. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended Dec 31:</u>	<u>Pension Expense Amount</u>
2021	\$ (1,036,855)
2022	(9,618)
2023	354,354
2024	350,834
	<u>\$ (341,285)</u>

Police and Fire Plan Pension Costs

At December 31, 2020, the City reported a liability of \$9,458,299 for its proportionate share of the Police and Fire Fund's net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion share of the net pension liability was based

City of Eden Prairie, Minnesota

Notes to Financial Statements

on the City's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2019, through June 30, 2020, relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2020, the City's proportionate share was .7225% at the end of the measurement period and .7299% for the beginning of the period.

The State of Minnesota also contributed \$13.5 million to the Police and Fire Fund in the plan fiscal year ended June 30, 2020. The contribution consisted of \$4.5 million in direct state aid that does meet the definition of a special funding situation and \$9 million in fire state aid that does not meet the definition of a special funding situation. The \$4.5 million direct state aid was paid on October 1, 2019. Thereafter, by October 1 of each year, the state will pay \$9 million to the Police and Fire Fund until full funding is reached or July 1, 2048, whichever is earlier. The \$9 million in fire state aid will continue until the fund is 90% funded, or until the State Patrol Plan (administered by the Minnesota State Retirement System) is 90% funded, whichever occurs later.

As a result, the State of Minnesota is included as a non-employer contributing entity in the Police and Fire Retirement Plan Schedule of Employer Allocations and Schedule of Pension Amounts by Employer, Current Reporting Period Only (pension allocation schedules) for the \$4.5 million in direct state aid. Police and Fire Plan employers need to recognize their proportionate share of the State of Minnesota's pension expense (and grant revenue) under GASB 68 special funding situation accounting and financial reporting requirements. For the year ended December 31, 2020 the City recognized pension expense of \$1,072,599 for its proportionate share of the Police and Fire Plan's pension expense. Included in this amount, the City recognized \$69,031 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of \$4.5 million to the Police and Fire Fund.

The State of Minnesota is not included as a non-employer contributing entity in the Police and Fire Pension Plan pension allocation schedules for the \$9 million in fire state aid. The City also recognized \$65,024 for the year ended December 31, 2020 as revenue and an offsetting reduction of net pension liability for its proportionate share of the State of Minnesota's on-behalf contributions to the Police and Fire Fund.

At December 31, 2020, the City reported its proportionate share of the Police and Fire Plan's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

City of Eden Prairie, Minnesota

Notes to Financial Statements

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences Between Expected and Actual Economic Experience	\$ 425,835	\$ 474,463
Changes in Actuarial Assumptions	3,348,276	6,160,365
Net Collective Difference Between Projected and Actual Investment Earnings	253,012	-
Changes in Proportion	2,132	339,733
Contributions Paid to PERA Subsequent to the Measurement Date	732,305	-
Total	\$ 4,761,560	\$ 6,974,561

The \$732,305 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2021. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended Dec 31:	Pension Expense Amount
2021	\$ (828,545)
2022	(2,862,011)
2023	351,755
2024	399,920
2025	(6,425)
	\$ (2,945,306)

Actuarial Assumptions

The total pension liability in the June 30, 2020, actuarial valuation was determined using an individual entry-age normal actuarial cost method and the following actuarial assumptions:

Inflation	2.5% per year
Active Member Payroll Growth	3.25% per year
Investment Rate of Return	7.5%

Salary increases were based on a service-related table. Mortality rates for active members, retirees, survivors, and disabilitants for all plans were based on RP 2014 tables for males or females, as appropriate, with slight adjustments to fit PERA's experience. Cost of living benefit increases after retirement for retirees are assumed to be 1.25% per year for the General Employees Plan and 1% per year for the Police and Fire Plan.

Actuarial assumptions used in the June 30, 2020 valuation were based on the results of actuarial experience studies. The most recent four-year experience study in the General Employees Plan was completed in 2019. The assumption changes were adopted by the Board and become effective with the July 1, 2020 actuarial valuation. The most recent four-year experience study for Police and Fire

City of Eden Prairie, Minnesota

Notes to Financial Statements

Plan was completed in 2020. The recommended assumptions for those plans were adopted by the Board and will be effective with the July 1, 2021 actuarial valuation if approved by the Legislature.

The following changes in actuarial assumptions and plan provisions occurred in 2020:

General Employees Fund

Changes in Actuarial Assumptions:

- The price inflation assumption was decreased from 2.50% to 2.25%.
- The payroll growth assumption was decreased from 3.25% to 3.00%.
- Assumed salary increase rates were changed as recommended in the June 30, 2019 experience study. The net effect is assumed rates that average 0.25% less than previous rates.
- Assumed rates of retirement were changed as recommended in the June 30, 2019 experience study. The changes result in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements.
- Assumed rates of termination were changed as recommended in the June 30, 2019 experience study. The new rates are based on service and are generally lower than the previous rates for years 2-5 and slightly higher thereafter.
- Assumed rates of disability were changed as recommended in the June 30, 2019 experience study. The change results in fewer predicted disability retirements for males and females.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 General Mortality table, with adjustments. The base mortality table for disabled annuitants was changed from the RP-2014 disabled annuitant mortality table to the PUB-2010 General/Teacher disabled annuitant mortality table, with adjustments.
- The mortality improvement scale was changed from Scale MP-2018 to Scale MP-2019.
- The assumed spouse age difference was changed from two years older for females to one year older.
- The assumed number of married male new retirees electing the 100% Joint & Survivor option changed from 35% to 45%. The assumed number of married female new retirees electing the 100% Joint & Survivor option changed from 15% to 30%. The corresponding number of married new retirees electing the Life annuity option was adjusted accordingly.

Changes in Plan Provisions:

- Augmentation for current privatized members was reduced to 2.0% for the period July 1, 2020 through December 31, 2023 and 0.0% after. Augmentation was eliminated for privatizations occurring after June 30, 2020.

Police and Fire Fund

Changes in Actuarial Assumptions:

- The morality projection scale was changed from MP-2018 to MP-2019.

City of Eden Prairie, Minnesota

Notes to Financial Statements

The State Board of Investment, which manages the investments of PERA, prepares an analysis of the reasonableness on a regular basis of the long-term expected rate of return using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce an expected long-term rate of return by weighting the expected future rates of return by the target asset allocation percentages. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Stocks	35.5%	5.10%
International Stocks	17.5%	5.30%
Bonds (Fixed Income)	20.0%	0.75%
Alternative Assets (Private Markets)	25.0%	5.90%
Cash	2.0%	0.00%
Total	100%	

Discount Rate

The discount rate used to measure the total pension liability in 2020 was 7.5%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates set in Minnesota Statutes. Based on these assumptions, the fiduciary net position of the General Employees Fund and the Police and Fire Fund were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Pension Liability Sensitivity

The following presents the City's proportionate share of the net pension liability for all plans it participates in, calculated using the discount rate disclosed in the preceding paragraph, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current discount rate:

Sensitivity of Net Pension Liability at Different Discount Rate (in thousands)						
	General Employees Fund			Police and Fire Fund		
1% Lower	6.5%	\$	23,272,121	6.5%	\$	18,916,330
Current discount Rate	7.5%	\$	14,520,997	7.5%	\$	9,458,299
1% Higher	8.5%	\$	7,302,022	8.5%	\$	1,633,436

City of Eden Prairie, Minnesota

Notes to Financial Statements

Pension Plan Fiduciary Net Position

Detailed information about each pension plan’s fiduciary net position is available in a separately-issued PERA financial report that includes financial statements and required supplementary information. That report may be obtained on the Internet at www.mnpera.org.

Defined Contribution Plan

Five council members of the City of Eden Prairie are covered by the Defined Contribution Plan, a multiple-employer deferred compensation plan administered by PERA. The Defined Contribution Plan 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.

The defined contribution plan consists of individual accounts paying a lump-sum benefit. Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses; therefore, there is no future liability to the City. *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 five percent of salary which is matched by the elected official's employer. Employer contributions for volunteer personnel may be a unit value for each call or period of alert duty. Employees who are paid for their services may elect to make member contributions in an amount not to exceed the employer share. 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 two percent of employer contributions and twenty-five hundredths of one percent (0.25 percent) of the assets in each member's account annually.

Pension expense for the year is equal to the contributions made. Total contributions made by the City’s during fiscal year 2020 were:

Amount		% of Covered Payroll		Required Rates
Employee	Employer	Employee	Employer	
\$ 2,998	\$ 2,998	5.00%	5.00%	5.00%

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

Plan Description

Firefighters of the City of Eden Prairie are members of the Eden Prairie Firefighter Relief Association. The Association is the administrator of the single-employer defined benefit pension plan available to firefighters. The plan is administered pursuant to Minnesota Statutes Chapter 69, Chapter 424A, and the Association’s by-laws. As of December 31, 2019, membership includes 94 active participants, 106 retirees and beneficiaries currently receiving benefits, and 20 terminated employees entitled to benefit but not yet receiving them. The plan issues a stand-alone financial statement.

City of Eden Prairie, Minnesota

Notes to Financial Statements

Benefits Provided

Authority for payment of pension benefits is established in Minnesota Statutes §69.77 and may be amended only by the Minnesota State Legislature. Each member who is at least 50 years of age, has retired from the Eden Prairie Fire Department, has served at least 10 years of active service with such department before retirement, and, has been a member of the Association in good standing for at least 10 years prior to such retirement, shall be entitled to receive a service pension based on the vested amount of service time accrued. Full vesting occurs at 10 years of service, with no provision for partial vesting. Upon retirement, an irrevocable election for one of the following two plan options must be made.

- Monthly Service Pension – Each eligible member electing this plan is entitled to receive a monthly service pension calculated by multiplying \$56 times each year that member has been an active firefighter in the Fire Department and member in good standing of the Relief Association, up to a maximum monthly pension of \$1,792.
- Lump Sum Service Pension – each eligible member electing this plan is entitled to receive a one-time lump sum service pension calculated by multiplying \$12,400 times the years of service which the member would be entitled.

A member of the Association who has completed 10 or more years of active service with the Fire Department and has been an active member in the Association for at least 10 years, but has not reached age 50, shall have the right to retire from the Fire Department without forfeiting the right to a service pension. The member shall be entitled to a deferred service pension, and upon attaining the age of 50, the Association shall, upon application thereof, pay the member's pension from the date the application is approved.

A member, who is disabled with a fire service related disability, shall be eligible to collect a disability benefit. The member shall be eligible to receive the disability benefit immediately upon approval of the Board of Trustees. The disability benefit amount shall be equal to the service pension amount in effect on the date of the disability for each year of active service. A member must apply for and meet all the requirements for disability as defined in the bylaws in order to receive such benefits. A member currently receiving a disability benefit shall receive all approved increases in the monthly service pension applicable to that member's number of years of active firefighting service.

In the event of the death of an active or deferred member of the Association, the surviving spouse, if any, shall be paid 100% of the lump sum benefit for each year of service. If such member who has no surviving spouse leaves a surviving child or children, such child or children as a group shall be paid 100% of the lump sum benefit for each year of active service. If such member has no spouse and no surviving children but has a designated beneficiary on file, such beneficiary shall be paid 100% of the lump sum benefit for each year of active service. If such member has no spouse, no surviving children, and no designated beneficiary, the member's estate shall be paid 100% of the lump sum benefit. Such death benefits are payable without regard to minimum or partial vesting requirements. If an active member dies before completing one year of active service, the Association shall pay a death benefit to his or her surviving spouse, surviving children or designated beneficiary on file in the same order and procedure as describe above of \$10,000.

City of Eden Prairie, Minnesota

Notes to Financial Statements

In the event of the death of a retired member of the Association, the surviving spouse, if any, shall be paid until death or remarriage of the surviving spouse, monthly, two-thirds of the monthly service pension for each year of active service. If such member leave a surviving child or children in the addition to a spouse, such child or children, in the aggregate, shall be paid, monthly, the sum of one-third of the monthly service pension. If such member is survived only by a child or children, such child or children, in the aggregate, shall be paid, monthly, the sum of 100% of the monthly service pension for each year of active service.

Minnesota Statutes Section 424A.10 provides for the payment of a supplemental benefit equal to 10% of a regular lump sum distribution up to a maximum of \$1,000. The supplemental benefit is in lieu of state income tax exclusion for lump sum distributions and will no longer be available if state tax law is modified to exclude lump sum distributions from state income tax. The Association qualifies for these benefits.

Contributions

Minnesota Statutes Chapter 424A.093 specifies minimum support rates required on an annual basis. The significant actuarial assumptions used to compute the municipal support are the same as those used to compute the accrued pension liability. The minimum contribution from the City of Eden Prairie and state aid is determined as follows:

	Normal Cost for the Next Year
+	Amortization of Unfunded Actuarial Liability as Reported in the Latest Actuarial Valuation
+	Administrative Expenses for the Prior Year Multiplied by a Factor of 1.035
-	Anticipated State Aid (Not to Exceed the Fire Aid Received in the Prior Year Multiplied by a Factor of 1.035)
-	Anticipated Contributions Required by the Association Bylaws from Active Members of the Association
<hr/>	
=	Minimum Municipal Obligation
<hr/>	

The Plan is funded in part by fire state aid and, if necessary, City contributions. The State of Minnesota distributed to the City \$493,363 in fire state aid paid by the City to the Relief Association for the year ended December 31, 2020. Required employer contributions are calculated annually based on statutory provisions. The City's statutorily-required contribution to the plan for the year ended December 31, 2020 was \$184,172.

Pension Costs

At December 31, 2020, the City reported \$1,982,261 for the Association's net pension asset. The net pension asset was measured as of December 31, 2019, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2020.

City of Eden Prairie, Minnesota

Notes to Financial Statements

As a result of its requirement to contribute to the Relief Association, the City recognized fire expense of \$288,609 for the year ended December 31, 2020. At December 31, 2020, the City reported deferred outflows of resources and deferred inflows of resources from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences Between Expected and Actual Economic Experience	\$ -	\$ 28,466
Changes in Actuarial Assumptions	82,250	43,340
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	1,296,603
City Contributions Subsequent to the Measurement Date	677,535	-
Total	<u>\$ 759,785</u>	<u>\$ 1,368,409</u>

The City contributions to the Association subsequent to the measurement date of \$677,535, reported as deferred outflows of resources, will be recognized as an addition of the net pension asset in the year ended December 31, 2021. Other amounts reported as deferred outflows and inflows of resources related to the Association's pension will be recognized in pension expense as follows:

Year Ended Dec 31:	Pension Expense Amount
2021	\$ (284,661)
2022	(411,018)
2023	(44,483)
2024	(545,997)
	<u>\$ (1,286,159)</u>

City of Eden Prairie, Minnesota

Notes to Financial Statements

Actuarial Assumptions

The actuarial total pension liability was determined as of December 31, 2019, using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation Date	1/1/20
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar
	Closed
Actuarial Assumptions:	
Discount Rate	5.50%
Investment Rate of Return	5.50%
20-Year Municipal Bond Yield	3.50%
Age of Service Retirement	Later of Age 50 or 10 years of service
Mortality	Assumed life expectancies were based on the RP-2014 Generational mortality table projected with Improvement Scale MP-2019.
Disability	25% of active disabilities are assumed to be in the line of duty or fire service related.
Withdrawal	Service 0-4 Years:7% Service 5-9 Years:2% Service 10+ Years:8%
Percent Married	85%
Age Difference	3 years
Form of Payment	50% Annuity (J&S if married), 50% Lump Sum

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These asset class estimates are combined to produce the portfolio long-term expected rate of return by weighting the expected future real rates of return by weighting the expected future real rates of return by the current asset allocation percentage (or target allocation, if available) and by adding expected inflation.

Best estimates of geometric real and nominal rates of return for each major asset class included in the pension plan's asset allocation are summarized in the following table:

City of Eden Prairie, Minnesota

Notes to Financial Statements

Asset Class	Expected Portfolio Weight	Long-Term Expected Nominal Rate of Return
Cash	3.00%	2.00%
Fixed Income	36.00%	3.50%
Equities	49.00%	7.40%
Other	12.00%	5.50%
Total Portfolio	100.00%	5.50%

Discount Rate

The discount rate used to measure the total pension liability was 5.5%. Assets were projected using expected benefit payments and expected asset returns. Expected benefit payments were discounted by year using expected assets return assumption for years in which the assets were sufficient to pay all benefit payments. Any remaining benefit payments after the trust fund is exhausted are discounted at the municipal bond rate of return. The equivalent single rate is the discount rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

Pension Liability Sensitivity

The following presents the City of Eden Prairies proportionate share of the net pension liability of the Association, calculated using the discount rate of 5.50%, as well as what the Association's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (4.50%) or one percentage point higher (6.50%) than the current rate:

	1% Decrease	Selected Discount Rate	1% Increase
Net Pension Liability (Asset)	\$ 376,456	\$ (1,982,261)	\$ (3,936,693)
Discount Rate	4.50%	5.50%	6.50%

Plan's Fiduciary Net Position

Detailed information about the Plan's fiduciary's net position is available in a separately-issued report. That report may be obtained by writing to Eden Prairie Firefighter's Association, 14800 Scenic Heights Rd., Eden Prairie, MN 55344 or by calling (952)949-8367.

City of Eden Prairie, Minnesota

Notes to Financial Statements

Information about the changes in the Plan's net pension liability (asset) is as follows:

	2019	2018
Total Pension Liability		
Service Cost	\$ 485,127	\$ 498,110
Interest	1,159,236	1,147,434
Differences Between Expected and Actual Experience	(27,803)	(29,793)
Changes of Assumptions	(65,011)	246,754
Changes of Benefit Terms	-	338,844
Benefit Payments, Including Member Contribution Refunds	(2,326,728)	(1,449,720)
Net Change in Total Pension Liability	(775,179)	751,629
Total Pension Liability - Beginning	21,759,724	21,008,095
Total Pension Liability - Ending (a)	20,984,545	21,759,724
Plan Fiduciary Net Position		
Municipal Contributions	209,316	523,283
State Contributions	476,219	457,741
Net Investment Income	3,828,516	(1,274,855)
Benefit Payments	(2,326,728)	(1,449,720)
Administrative Expenses	(29,062)	(30,772)
Other Changes	680	254
Net Change in Fiduciary Net Position	2,158,941	(1,774,069)
Fiduciary Net Position - Beginning	20,807,865	22,581,934
Fiduciary Net Position - Ending (b)	22,966,806	20,807,865
Association's Net Pension Liability/(Asset) - Ending (a) - (b)	\$ (1,982,261)	\$ 951,859

	General Employees Plan	Police and Fire	Fire Relief	Total
Pension Expense	\$ 596,311	\$ 1,072,599	\$ 1,240,468	\$ 2,909,378
Net Pension Asset	-	-	1,982,261	1,982,261
Net Pension Liability	14,520,997	9,458,299	-	23,979,296
Deferred Outflows	1,230,176	4,761,560	759,785	6,751,521
Deferred Inflows	926,180	6,974,561	1,368,409	9,269,150

City of Eden Prairie, Minnesota

Notes to Financial Statements

Note 9—Other Post-Employment Benefits Plan

Plan Description

The City's single-employer defined benefit OPEB plan provides OPEB for all permanent full-time employees of the City. The City's OPEB Plan is administered by the City. The City does not administer a trust and therefore does not issue a separate report.

Benefits Provided

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.

Employees Covered by Benefit Terms

At January 1, 2020, membership included 15 retirees and others currently receiving benefits, 3 spouse receiving payments and 274 active plan members.

Contributions

All post-employment benefits are based on contractual agreements with employee groups. These contractual agreements do not include any specific contribution or funding requirements.

Total OPEB Liability

The City's total OPEB liability was measured as of January 1, 2020, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The total OPEB liability in the January 1, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary Increases	Service graded table
Healthcare cost trend rates	6.5% as of January 1, 2020 grading to 5% over 6 years

City of Eden Prairie, Minnesota

Notes to Financial Statements

Mortality rates were based on the Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables (General, Safety) with MP-2019 Generational Improvement Scale.

Discount Rate

The discount rate used to measure the total OPEB liability was 2.9%. Since the plan is not funded by a trust, the discount rate is equal to the 20-year Municipal Bond Yield. Since the most recent valuation, the discount rate was changed from 3.8% to 2.9%.

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balances at 12/31/2019	\$ 2,797,269
Changes for the Year:	
Service Cost	160,108
Interest	109,426
Changes of Assumptions	141,690
Difference between Expected and Actual Benefit Payments	<u>(209,383)</u> <u>(156,962)</u>
Net Changes	<u>44,879</u>
Balances at 12/31/20	<u>\$ 2,842,148</u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1% point lower (1.9%) or 1% point higher (3.9%) than the current discount rate:

	<u>1% Decrease (1.9%)</u>	<u>Discount Rate (2.9%)</u>	<u>1% Increase (3.9%)</u>
Total OPEB Liability	\$ 3,053,487	\$ 2,842,148	\$ 2,644,906

City of Eden Prairie, Minnesota

Notes to Financial Statements

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% point lower (5.5% decreasing to 4%) or 1% point higher (7.5% decreasing to 6%) than the current healthcare cost trend rates:

	1% Decrease (5.5% decreasing to 4%)	Healthcare Cost Trend Rates (6.5% decreasing to 5%)	1% Increase (7.5% decreasing to 6%)
Total OPEB Liability	\$ 2,566,505	\$ 2,842,148	\$ 3,165,793

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2020, the City recognized OPEB expense of \$249,509. At December 31, 2020, the City reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions Subsequent to the Measurement Date	\$ 155,118	\$ -
Difference Between Expected and Actual	-	183,210
Change in Assumptions	123,978	69,384
Total	<u>\$ 279,096</u>	<u>\$ 252,594</u>

The City's contributions subsequent to the measurement date of \$155,118, reported as deferred outflows of resources, will be recognized as a reduction of the total OPEB liability in the City's fiscal year ended December 31, 2021. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended December 31:	OPEB Expense
2021	\$ (20,025)
2022	(20,025)
2023	(20,025)
2024	(20,025)
2025	(20,025)
Thereafter	<u>(28,491)</u>
	<u>\$ (128,616)</u>

City of Eden Prairie, Minnesota

Notes to Financial Statements

Note 10—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, 2020 was \$188,196.

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

Year Ended December 31	Prairie Village	Prairie View
2021	\$ 88,008	\$ 102,672
2022	96,012	105,237
2023	96,012	107,882
2024	104,016	110,607
2025	104,016	113,332
thereafter	317,390	514,563
	<u>\$ 805,454</u>	<u>\$ 1,054,293</u>

The lease agreement with Prairie Village also includes a percentage rent to the landlord during the term in the amount equal to five percent (5%) of gross sales in excess of three million, five hundred thousand for years 2020-2022 and five percent (5%) of gross sales in excess of four million for years 2023-2028.

The City has entered into a four month lease agreement with the Metropolitan Airports Commission for athletic fields. Rental expense for the year ended December 31, 2020 was \$1,522.

The City has entered into a one year lease agreement with the Metropolitan Airports Commission for community garden plots. Rental expense for the year ended December 31, 2020 was \$863.

The City has entered into a lease agreement with the Minnesota Department of Natural Resources for the Staring Lake trail right of way. Rental expense for the year ended December 31, 2020 was \$520. The City will continue to pay \$520 annually until the rental term expires on June 30, 2022.

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, 2020 was \$4,667. The City will continue to pay \$4,667 per year for the remaining lease term which expires March 31, 2024.

The City has entered into a five year lease agreement for fire safety equipment. In 2020, the final year of the lease, the City paid \$10,895 for automatic external defibrillators, \$12,800 for thermal imaging cameras, and \$3,428 for gas detectors.

City of Eden Prairie, Minnesota

Notes to Financial Statements

As Lessor

The City occupies approximately half of the City Center building. The remaining half was leased to the Eden Prairie Independent School District and United Natural Foods during 2020.

The City has a lease agreement with the Eden Prairie Independent School District and received \$371,350 of rental revenue for 2020. The City will receive rent annually through May 31, 2024. Annual rent will be \$380,415 in 2021; \$390,165 in 2022; \$399,915 in 2023; \$169,340 in 2024. The City also received the School District's portion of Common Area Maintenance (CAM) for maintenance, insurance and taxes.

United Natural Foods (UNFI), formerly SuperValu, started paying a lump sum gross rent on March 1, 2015. The City received \$1,575,188 in gross rent for 2020. This gross rent amount is intended to cover both base rent and CAM. The City calculated UNFI's 2020 CAM (based on the building's CAM budget and square footage) at \$634,727 leaving \$940,461 as Rental Revenue. The City will receive Gross Rent annually through June 30, 2022. Gross rent received will be \$1,612,034 in 2021, and \$819,835 in 2022.

The City has entered into a lease agreement with Pure Grace LLC for the rental of space located at the Smith Douglas More House. Rental income for the year ended December 31, 2020 was \$17,000. As a result of the Coronavirus pandemic rent was abated April through June 2020. The tenant resumed rent at fifty percent beginning July 2020 and will continue until dining restrictions are lifted. This lease has been extended beyond the current expiration date of December 31, 2027 for a time equal to the abatement period. The City is expected to receive \$34,000 annually through 2027. The City also receives additional rent if sales exceed \$500,000 through May 2021.

The City has entered into a lease agreement with Eden Prairie Montessori for the rental of space located at 8098 Glen Lane. This lease agreement commenced on July 1, 2017 and continues through September 30, 2022. Rental income for the year ended December 31, 2020 was \$69,614. Due to the Coronavirus pandemic, forty percent of rent for the months of June, July, and August 2020 were forgiven by the City. In addition, the lease was extended beyond the current term date of June 30, 2022 by three months to September 30, 2022. The City will receive \$78,921 in 2021 and \$59,779 in 2022.

The City has entered into a lease agreement with Nguyen Family Inc dba Lotus Nails Spa for 1,402 square feet of rental space located in the Den Road Liquor store building. Rental income for the year ended December 31, 2020 was \$10,749. Rent for the months of March through August 2020 were abated by the City due to the Coronavirus pandemic. Rent resumed at fifty percent beginning September 2020 with the lease extended beyond the current term date for the period of time equal to the abatement. The City will receive rent annually through 2024. Annual rent is expected to be \$32,246 from 2021 to 2023 and \$10,749 in 2024.

The City has entered into a lease agreement with Chuck & Don's Pet Food & Supplies for 3,379 square feet of rental space located in the Den Road Liquor store building. Rental income for the year ended December 31, 2020 was \$84,391. Due to the Coronavirus pandemic, rent for the months of April through June 2020 was reduced by thirty percent with the amount to be paid back in monthly

City of Eden Prairie, Minnesota

Notes to Financial Statements

installments in 2021. The City will receive rent annually through January 31, 2029. Annual rent will be \$99,061 in 2021, \$93,908 in 2022, \$95,598 in 2023, \$97,287 in 2024, \$98,977 in 2025, and \$315,796 in years 2026-2029.

The City has entered into a one year 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, 2020 was \$7,080.

The City has entered into a lease agreement with True Friends, a Minnesota non-profit corporation, for the use of Camp Eden Wood. Base rent received was \$1 and covers the entire 20 year lease term from January 1, 2015 until December 31, 2034.

The City has entered into a lease agreement with Eden Prairie Historical Society for the use of Cummins-Phipps-Grill House. Base rent received is \$1/year and will continue through March 31, 2025.

The City has entered into a lease with Eden Prairie Schools for the use of the girls hockey locker room located at the Community Center. This lease commenced on October 1, 2018 and ends on September 30, 2021. The City received \$4,356 in rental income for 2020.

The City has entered into communication facilities license agreements with AT&T, New Cingular Wireless, Great River Energy, Sprint, T-Mobile, and Verizon for cell antenna equipment placed on City property such as roofs and water tower tanks. In 2020, the City received \$360,797 in rental income. Annual rent will be \$367,166 in 2021, \$383,329 in 2022, \$385,284 in 2023, \$372,329 in 2024, and \$371,214 in 2025.

The City has entered into small wireless facility collocation agreements with Verizon Wireless for cellular equipment placed on City property such as light poles and traffic signal poles. For 2020, the City received \$4,800 in rental income. These rental agreements will continue until 2026 for which the City will receive \$4,800 annually.

The assets acquired for these lease agreements are as follows:

	2020 Governmental Activities	2020 Liquor Fund
Asset:		
Land	\$ 2,628,813	\$ 536,659
Land Improvements	1,445,223	-
Building	12,750,471	2,653,037
Less: Accumulated Depreciation	(7,449,533)	(1,549,233)
Total	<u>\$ 9,374,974</u>	<u>\$ 1,640,463</u>
Depreciation Expense	\$ 356,197	\$ 73,389

City of Eden Prairie, Minnesota

Notes to Financial Statements

Note 11—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 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.

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

City of Eden Prairie, Minnesota

Notes to Financial Statements

	Maturities	Interest Rates	Original Issue	2020 Amount Outstanding
Governmental Activity				
General Obligation Bonds				
G.O. Refunding Bonds 2011C	2021	1.25-2.10%	\$ 4,455	\$ 230
G.O. Refunding Bonds 2012A	2021	2.00%	5,110	4,925
G.O. Refunding Bonds 2012B	2021	2.00%	3,170	1,930
G.O. Refunding Bonds 2020A	2025	0.85%	6,081	6,081
Assess Debt With Govt Commit				
G.O. Revolving Bonds of 2012C	2021	2.00%	10,250	1,225
G.O. Bonds of 2016A	2032	2.30-3.00%	2,360	1,715
G.O. Refunding Bonds 2020A	2025	0.85%	1,336	1,336
Tax Abatement Bonds				
G.O. Tax Abatement Bonds 2014A	2035	2.00-3.75%	17,155	15,000
Total Governmental Activity			49,917	32,442
Business Type Activity				
G.O. Bonds of 2016A	2027	2.30-3.00%	1,580	1,155
G.O. Water Bonds 2019A	2039	2.00-3.00%	4,920	4,730
Total Business Type Activity			6,500	5,885
Capital Lease	2021	1.93%	287	60
Total			\$ 56,704	\$ 38,387

City of Eden Prairie, Minnesota

Notes to Financial Statements

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

Years Ending 12/31	G.O.Bonds		Assessment Debt with Govt Commitment Improv Bonds		Tax Abatement Bonds		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$ 8,275	\$ 137	\$ 1,701	\$ 70	\$ 910	\$ 479	\$ 10,886	\$ 686
2022	1,218	42	488	47	925	451	2,631	540
2023	1,218	31	498	38	920	423	2,636	492
2024	1,216	21	498	29	930	396	2,644	446
2025	1,239	11	376	22	815	369	2,430	402
2026	-	-	105	17	850	344	955	361
2027	-	-	105	14	865	319	970	333
2028	-	-	105	12	885	292	990	304
2029	-	-	100	9	1,210	261	1,310	270
2030	-	-	100	7	1,025	225	1,125	232
2031	-	-	100	4	1,060	188	1,160	192
2032	-	-	100	1	1,100	151	1,200	152
2033	-	-	-	-	1,130	110	1,130	110
2034	-	-	-	-	1,165	67	1,165	67
2035	-	-	-	-	1,210	23	1,210	23
Total	\$ 13,166	\$ 242	\$ 4,276	\$ 270	\$ 15,000	\$ 4,098	\$ 32,442	\$ 4,610

City of Eden Prairie, Minnesota

Notes to Financial Statements

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	
2021	\$ 340	\$ 153	\$ 493
2022	350	143	493
2023	365	132	497
2024	375	121	496
2025	385	110	495
2026	395	99	494
2027	410	88	498
2028	235	79	314
2029	245	72	317
2030	250	65	315
2031	260	57	317
2032	265	52	317
2033	270	46	316
2034	275	40	315
2035	280	34	314
2036	285	28	313
2037	295	22	317
2038	300	15	315
2039	305	7	312
Total	\$ 5,885	\$ 1,363	\$ 7,248

City of Eden Prairie, Minnesota

Notes to Financial Statements

Capital Lease

In December 2016, 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. The gross amount of equipment acquired under this is \$286,942.

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2020, were as follows:

Year Ended December 31, 2021	\$ 60,766
Less Amount Representing Interest	<u>1,155</u>
Present Value of Net Minimum Lease Payments	<u>\$ 59,611</u>

Changes in Long Term Debt

Long-term debt activity for the year ended December 31, 2020, (in thousands of dollars) was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activity					
G.O. Bonds	\$ 8,115	\$ 6,081	\$ 1,030	\$ 13,166	\$ 8,275
Assess. Debt With Govt Commit					
Improvement Bonds	5,975	1,336	3,035	4,276	1,701
Tax Abatement Bonds	15,900	-	900	15,000	910
Issuance Premium/Discount	533	-	120	413	-
Total Bonds	<u>30,523</u>	<u>7,417</u>	<u>5,085</u>	<u>32,855</u>	<u>10,886</u>
Compensated Absences	2,108	2,040	1,579	2,569	1,392
Capital Lease	118	-	58	60	60
Total	<u>\$ 32,749</u>	<u>\$ 9,457</u>	<u>\$ 6,722</u>	<u>\$ 35,484</u>	<u>\$ 12,338</u>
Business Type Activity					
Revenue Bonds	\$ 6,725	\$ -	\$ 840	\$ 5,885	\$ 340
Issuance Premium/Discount	236	-	32	204	-
Total Bonds	<u>6,961</u>	<u>-</u>	<u>872</u>	<u>6,089</u>	<u>340</u>
Compensated Absences	339	344	308	375	203
Total	<u>\$ 7,300</u>	<u>\$ 344</u>	<u>\$ 1,180</u>	<u>\$ 6,464</u>	<u>\$ 543</u>

For the governmental activities, the capital lease is generally paid with unassigned fund balances within the General fund. Compensated absences will be paid out of the Internal Service fund. There are a number of limitations and restrictions contained in the various bond indentures. The City is in compliance with all significant limitations and restrictions. Call provisions are applicable to certain general obligation and special assessment bond issues.

City of Eden Prairie, Minnesota

Notes to Financial Statements

On October 28, 2020, the City issued \$7,417,000 of G.O. Refunding Bonds, Series 2020A. The bonds bear interest at a rate of .85%, and with a maturity in 2025. Of the proceeds, \$459,000 provided refunding for the G.O. Revolving Bonds 2010A, \$877,000 for the G.O. Revolving Bonds 2011D, \$4,408,000 for the G.O. Refunding Bonds 2012A and \$1,673,000 for the G.O. Refunding Bonds 2012B. The 2010A and 2011D bonds were refunded in 2020 and the 2012A and 2012B bonds will be refunded in 2021. Future debt service payments will be reduced by \$311,386 with a net present value benefit of \$311,633.

<u>Issue to be Refunded</u>	<u>Refunding Date</u>	<u>Principal to be Refunded</u>
2012A G.O. Refunding Bonds	1/1/2021	\$ 4,375,000
2012B G.O. Refunding Bonds	1/1/2021	1,660,000

Note 12—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, 2020, there were no significant reductions in insurance coverage from the prior year. Settled claims have not exceeded the City's commercial coverage in any of the past three years.

Note 13—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

City of Eden Prairie, Minnesota

Notes to Financial Statements

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.

On March 13, 2020, a national emergency was declared for the COVID-19 outbreak in the United States of America. This event affects the economy and financial markets. The extent of the impact on the City may be both direct and indirect and will vary based on the duration of the outbreak and various other factors. An estimate of the financial effect on the City's financial statements at December 31, 2020, cannot be determined at this time.

Note 14—Contract Commitments

At December 31, 2020, the City had commitments on various construction projects. These commitments totaled approximately \$3,107,497. The breakdown by fund is shown below.

Fund	Total
Public Improvement Construction	\$ 54,840
Capital Improvement Maintenance	196,396
Shady Oak Rd North	554,865
Eden Prairie Rd Connect to Flying Cloud	40,076
General LRT	878,628
Other Governmental Funds	210,324
Water	785,261
Wastewater	84,000
Internal Service	303,107
	<u>\$ 3,107,497</u>

Note 15—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, 2020, there were 4 series of Housing Bonds outstanding with balances of \$20,408,791.

Note 16—Tax Abatements

The City enters into property tax abatement agreements through the use of tax increment financing districts with local businesses under various Minnesota Statutes. Under these statutes the City annually abates taxes collected above the districts' base tax capacity which is established during adoption of the tax increment district. These agreements are established to foster economic

City of Eden Prairie, Minnesota

Notes to Financial Statements

development and redevelopment through creating jobs, removing blight and providing affordable housing. The City uses Minnesota Statutes 469.001 to 469.047 and 469.174 to 469.179 (The Tax Increment Act) to create these districts.

For the fiscal year ended December 31, 2020, the City has two agreements established under Minnesota Statute 469.001 to 469.047 which resulted in property taxes totaling \$377,031 being abated. These agreements include:

- A pay as you go note to bring a substandard commercial property up to standards. The abatement amount was \$99,220
- A pay as you go note to convert substandard property into an office and retail complex. The abatement amounted was \$277,811. For the fiscal year ended December 31, 2020, the City has five agreements established under Minnesota Statute 469.174 to 469.179 (The Tax Increment Act) which resulted in property taxes totaling \$1,484,303 being abated. The following agreements each exceeded 10 percent of the total amount abated, during the year:
 - A pay as you go note to finance the cost of a senior rental housing project that provides housing in part for persons or families with low to moderate income. The abatement amount was \$623,854.
 - A pay as you go note to finance the cost of a rental apartment project that provides housing in part for persons or families with low to moderate income. The abatement amount was \$357,879.
 - A pay as you go note to finance the cost of a senior rental housing project that provides housing in part for persons or families with low to moderate income. The abatement amount was \$288,881.
 - A pay as you go note to finance the cost of a rental housing project that provides housing in part for persons or families with low to moderate income. The abatement amount was \$180,504.

City of Eden Prairie, Minnesota

Notes to Financial Statements

Note 17—Fund Balance Classification


At December 31, 2020, a summary of the governmental fund balance classifications are as follows:

	General	Public Improvement Construction	Capital Improvement Maintenance	Shady Oak Road North	Eden Prairie Road	Eden Prairie Rd Connect to Flying Cloud	General LRT	Other Govt Funds	Total
Nonspendable:									
Prepaid Items	\$ 94,824	\$ -	\$ 51,995	\$ -	\$ -	\$ -	\$ -	\$ 6,322	\$ 153,141
Cemetery Perpetual Care	-	-	-	-	-	-	-	169,389	169,389
Total Nonspendable	94,824	-	51,995	-	-	-	-	175,711	322,530
Restricted for:									
Debt Service	-	-	-	-	-	-	-	10,303,057	10,303,057
Special Assessments	-	-	-	2,511,671	-	-	-	-	2,511,671
Park Dedication Fees	-	-	-	-	-	-	-	2,146,160	2,146,160
Franchise Fee	-	-	-	-	-	-	-	1,917,472	1,917,472
Grants	10,572	-	-	-	-	-	-	30,446	41,018
Cemetery	-	-	-	-	-	-	-	96,716	96,716
Police	-	-	-	-	-	-	-	644	644
Recycling	-	-	-	-	-	-	-	10,125	10,125
Historical and Cultural	-	-	-	-	-	-	-	36,591	36,591
Tax Increment	-	-	-	-	-	-	-	3,171,444	3,171,444
	10,572	-	-	2,511,671	-	-	-	17,712,655	20,234,898
Assigned to:									
Capital Projects	-	-	19,716,081	-	-	-	-	6,097,401	25,813,482
Improvement Projects	-	1,820,360	-	-	-	-	-	4,325,133	6,145,493
Total Assigned	-	1,820,360	19,716,081	-	-	-	-	10,422,534	31,958,975
Unassigned:									
Budget Stabilization	7,515,371	-	-	-	-	-	-	-	7,515,371
Working Capital	18,662,630	-	-	-	-	-	-	-	18,662,630
Unassigned	19,428	-	-	-	(625,884)	(1,680,352)	(790,431)	(645,296)	(3,722,535)
Total Unassigned	26,197,429	-	-	-	(625,884)	(1,680,352)	(790,431)	(645,296)	22,455,466
Total Fund Balance	\$ 26,302,825	\$ 1,820,360	\$ 19,768,076	\$ 2,511,671	\$ (625,884)	\$ (1,680,352)	\$ (790,431)	\$ 27,665,604	\$ 74,971,869

Note 18—New Standards Issued But Not Yet Implemented

GASB Statement No. 87, Leases establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. This statement will be effective for the year ending December 31, 2022.

GASB Statement No. 89, Accounting for Interest Cost Incurred Before the End of a Construction Period enhances the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and simplifies accounting for interest cost incurred before the end of a construction period. This statement will be effective for the year ending December 31, 2021.



REQUIRED
SUPPLEMENTARY
INFORMATION

City of Eden Prairie, Minnesota

Required Supplemental Information

Modified Approach for Infrastructure Assets

Condition Rating of the City's Street System:

	Average PCI
2019	84.4%
2016	76.9%
2013	79.7%
2010	81.1%
2007	82.3%
2004	80.4%

Comparison of Needed-to-Actual Maintenance/Preservation:

	2020	2019	2018	2017	2016
Budget	\$2,949,500	\$2,954,500	\$3,372,500	\$2,879,533	\$3,037,533
Actual	4,154,944	3,154,439	2,700,544	2,802,882	2,284,255
Difference	\$1,205,444	\$ 199,939	\$ (671,956)	\$ (76,651)	\$ (753,278)

The condition of road pavement is measured using Good Pointe's Icon pavement management system. Pavements in the City of Eden Prairie are 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 70 percent.

City of Eden Prairie, Minnesota

Required Supplemental Information

Other Post-Employment Benefits Plan

Schedule of Changes in the City's Total OPEB Liability and Related Ratios

	Measurement Date		
	January 1, 2020	January 1, 2019	January 1, 2018
Total OPEB Liability			
Service Cost	\$ 160,108	\$ 135,751	\$ 143,922
Interest	109,426	94,001	91,272
Changes in Plan	-	7,200	-
Difference Between Expected and Actual Experience	(209,383)	-	-
Changes of Assumptions	141,690	(92,512)	-
Benefit Payments	(156,962)	(118,903)	(169,360)
Net Change in Total OPEB Liability	44,879	25,537	65,834
Total OPEB Liability - Beginning	2,797,269	2,771,732	2,705,898
Total OPEB Liability - Ending	\$ 2,842,148	\$ 2,797,269	\$ 2,771,732
Total OPEB Liability	\$ 2,842,148	\$ 2,797,269	\$ 2,771,732
Covered Employee Payroll	\$ 22,916,246	\$ 22,281,528	\$ 21,632,551
City's Total OPEB Liability as a Percentage of the Covered Employee Payroll	12.40%	12.55%	12.81%

Less than ten years is presented due to information not available. Will add additional years as they become available.

City of Eden Prairie, Minnesota Required Supplemental Information

Schedule of Proportionate Share of Net Pension Liability Public Employees General Employees Retirement Fund Last Ten Years*

Fiscal Year Ending	Employer's Proportion (Percentage) of the Net Pension Liability (Asset)	Employer's Proportionate Share (Amount) of the Net Pension Liability (Asset) (a)	State's Proportionate Share (Amount) of the Net Pension Liability Associated with the City (b)	Employer's Proportionate Share of the Net Pension Liability Associated with the City (a+b)	Employer's Covered Payroll** (c)	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll ((a+b)/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
June 30, 2015	0.2525%	\$ 13,085,860	\$ -	\$ 13,085,860	\$ 14,836,066	88.20%	78.2%
June 30, 2016	0.2482%	20,152,608	263,262	20,415,870	15,161,268	134.66%	68.9%
June 30, 2017	0.2536%	16,189,657	203,595	16,393,252	16,339,119	100.33%	75.9%
June 30, 2018	0.2419%	13,419,620	440,302	13,859,922	16,251,609	85.28%	79.5%
June 30, 2019	0.2365%	13,075,555	406,316	13,481,871	16,728,911	80.59%	80.2%
June 30, 2020	0.2422%	14,520,997	447,832	14,968,829	17,272,920	86.66%	79.1%

* This schedule is provided prospectively beginning with the fiscal year ended December 31, 2015.

**For purposes of this schedule, covered payroll is defined as "pensionable wages."

City of Eden Prairie, Minnesota

Required Supplemental Information

Schedule of Proportionate Share of Net Pension Liability Public Employees Police and Fire Fund Last Ten Years*

Fiscal Year Ending	Employer's Proportion (Percentage) of the Net Pension Liability (Asset)	Employer's Proportionate Share (Amount) of the Net Pension Liability (Asset) (a)	State Proportionate Share (Amount) of the Net Pension Liability Associated with the City	City's Proportionate Share of the Net Pension Liability and the State's Proportionate Share of the Net Pension Liability Associated with the City	Employer's Covered Payroll** (b)	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll (a/b)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
June 30, 2015	0.7770%	\$ 8,828,538	N/A	\$ 8,828,538	\$ 7,116,963	124.05%	86.6%
June 30, 2016	0.7580%	30,419,859	N/A	30,419,859	7,302,618	416.56%	63.9%
June 30, 2017	0.7510%	10,139,393	N/A	10,139,393	7,706,718	131.57%	85.4%
June 30, 2018	0.7296%	7,776,785	N/A	7,776,785	7,689,360	101.14%	88.8%
June 30, 2019	0.7299%	7,770,523	N/A	7,770,523	7,702,165	100.89%	89.3%
June 30, 2020	0.7225%	9,458,299	224,377	9,682,676	8,151,644	116.03%	87.2%

* This schedule is provided prospectively beginning with the fiscal year ended December 31, 2015.

**For purposes of this schedule, covered payroll is defined as "pensionable wages."

City of Eden Prairie, Minnesota

Required Supplemental Information

Schedule of Proportionate Share of Net Pension Liability

Eden Prairie Fire Relief

Last Ten Years*

	2019	2018	2017	2016	2015	2014
Total Pension Liability						
Service Cost	\$ 485,127	\$ 498,110	\$ 485,961	\$ 434,587	\$ 449,426	\$ 413,646
Interest	1,159,236	1,147,434	1,123,468	1,151,849	1,104,701	1,083,202
Differences Between Expected and Actual Experience	(27,803)	(29,793)	-	(233,976)	-	-
Changes of Assumptions	(65,011)	246,754	-	935,047	-	-
Changes of Benefit Terms	-	338,844	-	-	-	-
Benefit Payments, Including Member Contribution Refunds	(2,326,728)	(1,449,720)	(1,084,111)	(1,135,264)	(1,270,544)	(1,027,216)
Net Change in Total Pension Liability	(775,179)	751,629	525,318	1,152,243	283,583	469,632
Total Pension Liability - Beginning	21,759,724	21,008,095	20,482,777	19,330,534	19,046,951	18,577,319
Total Pension Liability - Ending (a)	20,984,545	21,759,724	21,008,095	20,482,777	19,330,534	19,046,951
Plan Fiduciary Net Position						
Municipal Contributions	209,316	523,283	387,665	388,664	398,395	488,073
State Contributions	476,219	457,741	448,846	448,848	437,948	414,343
Net Investment Income	3,828,516	(1,274,855)	2,776,128	892,090	(393,362)	646,363
Benefit Payments	(2,326,728)	(1,449,720)	(1,084,111)	(1,137,136)	(1,270,544)	(1,027,216)
Administrative Expenses	(29,062)	(30,772)	(34,700)	(56,576)	(26,323)	(37,158)
Other Changes	680	254	671	4,426	-	81,893
Net Change in Fiduciary Net Position	2,158,941	(1,774,069)	2,494,499	540,316	(853,886)	566,298
Fiduciary Net Position - Beginning	20,807,865	22,581,934	20,087,435	19,547,119	20,401,005	19,834,707
Fiduciary Net Position - Ending (b)	22,966,806	20,807,865	22,581,934	20,087,435	19,547,119	20,401,005
Association's Net Pension Liability/(Asset) - Ending (a) - (b)	\$ (1,982,261)	\$ 951,859	\$ (1,573,839)	\$ 395,342	\$ (216,585)	\$ (1,354,054)
Fiduciary Net Position as a Percentage of the Total Pension Liability	109.45%	95.63%	107.49%	98.07%	101.12%	107.11%
Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A
Net Pension Liability/(Asset) as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A

* This schedule is provided prospectively beginning with the fiscal year ended December 31, 2014

City of Eden Prairie, Minnesota

Required Supplemental Information

Schedule of Contributions Public Employees General Employees Retirement Fund Last Ten Years*

Year Ending	Statutorily Required Contributions (a)	Contributions in Relation to the Statutorily Required Contributions (b)	Contribution Deficiency (Excess) (a-b)	Covered Payroll**(d)	Contributions as a Percentage of Covered Payroll (b/d)
December 31, 2015	\$ 1,164,110	\$ 1,164,110	\$ -	\$ 15,528,311	7.50%
December 31, 2016	1,157,735	1,157,735	-	15,436,692	7.50%
December 31, 2017	1,199,292	1,199,292	-	15,990,664	7.50%
December 31, 2018	1,231,656	1,231,656	-	16,470,531	7.48%
December 31, 2019	1,286,909	1,286,909	-	17,163,209	7.50%
December 31, 2020	1,290,562	1,290,562	-	17,207,493	7.50%

* This schedule is provided prospectively beginning with the fiscal year ended December 31, 2015.

**For purposes of this schedule, covered payroll is defined as "pensionable wages."

City of Eden Prairie, Minnesota

Required Supplemental Information

Schedule of Contributions
Public Employees Police and Fire Fund
Last Ten Years*

Year Ending	Statutorily Required Contributions (a)	Contributions in Relation to the Statutorily Required Contributions (b)	Contribution Deficiency (Excess) (a-b)	Covered Payroll** (d)	Contributions as a Percentage of Covered Payroll (b/d)
December 31, 2015	\$ 1,215,450	\$ 1,215,450	\$ -	\$ 7,509,128	16.2%
December 31, 2016	1,188,923	1,188,923	-	7,339,334	16.2%
December 31, 2017	1,224,005	1,224,005	-	7,555,723	16.2%
December 31, 2018	1,260,639	1,260,639	-	7,780,987	16.2%
December 31, 2019	1,342,840	1,342,840	-	7,922,043	16.95%
December 31, 2020	1,464,610	1,464,610	-	8,264,270	17.72%

* This schedule is provided prospectively beginning with the fiscal year ended December 31, 2015.

**For purposes of this schedule, covered payroll is defined as "pensionable wages."

City of Eden Prairie, Minnesota

Required Supplemental Information

Schedule of Contributions

Eden Prairie Fire Relief

Last Ten Years

	2020	2019	2018	2017	2016
Statutorily Required Contribution	\$ 184,172	\$ 203,986	\$ 517,955	\$ 382,336	\$ 388,664
Contributions in Relation to the Statutorily Required Contribution	(184,172)	(203,986)	(517,955)	(382,336)	(388,664)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -

	2015	2014	2013	2012	2011
Statutorily Required Contribution	\$ 398,395	\$ 488,073	\$ 582,972	\$ 625,910	\$ 830,077
Contributions in Relation to the Statutorily Required Contribution	(393,065)	(488,073)	(582,972)	(625,910)	(830,077)
Contribution Deficiency (Excess)	\$ 5,330	\$ -	\$ -	\$ -	\$ -

City of Eden Prairie, Minnesota

Notes to Required Supplemental Information

Notes to Schedules of Changes in Net Pension Liabilities and Related Ratios

Other Post-Employment Benefits Plan

2020 Changes

Changes in Actuarial Assumptions:

- The health care trend rates, mortality tables, salary increase rates, and subsidy end date of one officer (age 58 as of the valuation date) injured in the line of duty were updated.
- The discount rate was changed from 3.80% to 2.90%.

2019 Changes

Changes in Plan Provisions:

- Per a special agreement, one retiree received City paid medical and dental premiums for six months during 2019.

Changes in Actuarial Assumptions:

- The discount rate was changed from 3.30% to 3.80%.

General Employees Fund

2020 Changes

Changes in Actuarial Assumptions:

- The price inflation assumption was decreased from 2.50% to 2.25%.
- The payroll growth assumption was decreased from 3.25% to 3.00%.
- Assumed salary increase rates were changed as recommended in the June 30, 2019 experience study. The net effect is assumed rates that average 0.25% less than previous rates.
- Assumed rates of retirement were changed as recommended in the June 30, 2019 experience study. The changes result in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements.
- Assumed rates of termination were changed as recommended in the June 30, 2019 experience study. The new rates are based on service and are generally lower than the previous rates for years 2-5 and slightly higher thereafter.
- Assumed rates of disability were changed as recommended in the June 30, 2019 experience study. The change results in fewer predicted disability retirements for males and females.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 General Mortality table, with adjustments. The base mortality table for disabled annuitants was changed from the RP-2014 disabled annuitant mortality table to the PUB-2010 General/Teacher disabled annuitant mortality table, with adjustments.
- The mortality improvement scale was changed from Scale MP-2018 to Scale MP-2019.
- The assumed spouse age difference was changed from two years older for females to one year older.
- The assumed number of married male new retirees electing the 100% Joint & Survivor option changed from 35% to 45%. The assumed number of married female new retirees electing the

City of Eden Prairie, Minnesota

Notes to Required Supplemental Information

100% Joint & Survivor option changed from 15% to 30%. The corresponding number of married new retirees electing the Life annuity option was adjusted accordingly.

Changes in Plan Provisions

- Augmentation for current privatized members was reduced to 2.0% for the period July 1, 2020 through December 31, 2023 and 0.0% after. Augmentation was eliminated for privatizations occurring after June 30, 2020.

2019 Changes

Changes in Actuarial Assumptions:

- The morality projection scale was changed from MP-2017 to MP-2018.

Changes in Plan Provisions:

- The employer supplemental contribution was changed prospectively, decreasing from \$31.0 million to \$21.0 million per year. The State's special funding contribution was changed prospectively, requiring \$16.0 million due per year through 2031.

2018 Changes

Changes in Actuarial Assumptions:

- The morality projection scale was changed from MP-2015 to MP-2017.
- The assumed benefit increase was changed from 1.00 percent per year through 2044 and 2.50 percent per year thereafter to 1.25 percent per year.

Changes in Plan Provisions:

- The augmentation adjustment in early retirement factors is eliminated over a five-year period starting July 1, 2019, resulting in actuarial equivalence after June 30, 2024.
- Interest credited on member contributions decreased from 4.00 percent to 3.00 percent, beginning July 1, 2018.
- Deferred augmentation was changed to 0.00 percent, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Contribution stabilizer provisions were repealed.
- Postretirement benefit increases were changed from 1.00 percent per year with a provision to increase to 2.50 percent upon attainment of 90.00 percent funding ratio to 50.00 percent of the Social Security Cost of Living Adjustment, not less than 1.00 percent and not more than 1.50 percent, beginning January 1, 2019.
- For retirements on or after January 1, 2024, the first benefit increase is delayed until the retiree reaches normal retirement age; does not apply to Rule of 90 retirees, disability benefit recipients, or survivors.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

2017 Changes

Changes in Actuarial Assumptions:

- The combined service annuity (CSA) loads were changed from 0.80 percent for active members and 60.00 percent for vested and non-vested deferred members. The revised CSA load are now 0.00 percent for active member liability, 15.00 percent for vested deferred member liability, and 3.00 percent for non-vested deferred member liability.

City of Eden Prairie, Minnesota

Notes to Required Supplemental Information

- The assumed postretirement benefit increase rate was changed for 1.00 percent per year for all years to 1.00 percent per year through 2044 and 2.50 percent per year thereafter.

Changes in Plan Provisions:

- The State's contribution for the Minneapolis Employees Retirement Fund equals \$16,000,000 in 2017 and 2018, and \$6,000,000 thereafter.
- The Employer Supplemental Contribution for the Minneapolis Employees Retirement Fund changed from \$21,000,000 to \$31,000,000 in calendar years 2019 to 2031. The state's contribution changed from \$16,000,000 to \$6,000,000 in calendar years 2019 to 2031.

2016 Changes

Changes in Actuarial Assumptions:

- The assumed postretirement benefit increase rate was changed from 1.00 percent per year through 2035 and 2.50 percent per year thereafter to 1.00 percent per year for all years.
- The assumed investment return was changed from 7.90 percent to 7.50 percent. The single discount rate changed from 7.90 percent to 7.50 percent.
- Other assumptions were changed pursuant to the experience study June 30, 2015. The assumed future salary increases, payroll growth, and inflation were decreased by 0.25 percent to 3.25 percent for payroll growth and 2.50 percent for inflation.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2015 Changes

Changes in Actuarial Assumptions:

- The assumed postretirement benefit increase rate was changed from 1.00 percent per year through 2030 and 2.50 percent per year thereafter to 1.00 percent per year through 2035 and 2.50 percent per year thereafter.

Changes in Plan Provisions:

- On January 1, 2015, the Minneapolis Employees Retirement Fund was merged into the General Employees Fund, which increased the total pension liability by \$1.1 billion and increase the fiduciary plan net position by \$892 million. Upon consolidation, state and employer contributions were revised; the State's contribution of \$6.0 million, which meets the special funding situation definition, was due September 2015.

Police and Fire Fund

2020 Changes

Changes in Actuarial Assumptions

- The morality projection scale was changed from MP-2018 to MP-2019.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2019 Changes

Changes in Actuarial Assumptions

City of Eden Prairie, Minnesota

Notes to Required Supplemental Information

- The morality projection scale was changed from MP-2017 to MP-2018.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2018 Changes

Changes in Actuarial Assumptions

- The morality projection scale was changed from MP-2016 to MP-2017.

Changes in Plan Provisions

- Postretirement benefit increases were changed to 1.00 percent for all years, with no trigger.
- An end date of July 1, 2048 was added to the existing \$9.0 million state contribution.
- New annual state aid will equal \$4.5 million in fiscal years 2019 and 2020, and \$9.0 million thereafter until the plan reaches 100 percent funding, or July 1, 2048, if earlier.
- Member contributions were changed from 10.80 percent to 11.30 percent of pay, effective January 1, 2019 and 11.80 percent of pay, effective January 1, 2020.
- Employer contributions were changed from 16.20 percent to 16.95 percent of pay, effective January 1, 2019 and 17.70 percent of pay, effective January 1, 2020.
- Interest credited on member contributions decreased from 4.00 percent to 3.00 percent, beginning July 1, 2018.
- Deferred augmentation was changed to 0.00 percent, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

2017 Changes

Changes in Actuarial Assumptions

- Assumed salary increases were changed as recommended in the June 30, 2016 experience study. The net effect is proposed rates that average 0.34 percent lower than the previous rates.
- Assumed rates of retirement were changed, resulting in fewer retirements.
- The combined service annuity (CSA) load was 30.00 percent for vested and non-vested, deferred members. The CSA has been changed to 33.00 percent for vested members and 2.00 percent for non-vested members.
- The base mortality table for healthy annuitants was changed from the RP-2000 fully generational table to the RP-2014 fully generational table (with a base year of 2006), with male rates adjusted by a factor of 0.96. The mortality improvement scale was changed from Scale AA to Scale MP-2016. The base mortality table for disabled annuitants was changed from the RP-2000 disabled mortality table to the mortality tables assumed for healthy retirees.
- Assumed termination rates were decreased to 3.00 percent for the first three years of service. Rates beyond the select period of three years were adjusted, resulting in more expected terminations overall.
- Assumed percentage of married female members was decreased from 65.00 percent to 60.00 percent.
- Assumed age difference was changed from separate assumptions for male members (wives assumed to be three years younger) and female members (husbands assumed to be four years older) to the assumption that males are two years older than females.
- The assumed percentage of female members electing joint and survivor annuities was increased.

City of Eden Prairie, Minnesota

Notes to Required Supplemental Information

- The assumed postretirement benefit increase rate was changed from 1.00 percent for all years to 1.00 percent per year through 2064 and 2.50 percent thereafter.
- The single discount rate was changed from 5.60 percent per annum to 7.50 percent per annum.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2016 Changes

Changes in Actuarial Assumptions

- The assumed postretirement benefit increase rate was changed from 1.00 percent per year through 2037 and 2.50 percent per year thereafter to 1.00 percent per year for all future years.
- The assumed investment return was changed from 7.90 percent to 7.50 percent.
- The single discount rate changed from 7.90 percent to 5.60 percent.
- The assumed future salary increases, payroll growth, and inflation were decreased by 0.25 percent to 3.25 percent for payroll growth and 2.50 percent for inflation.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2015 Changes

Changes in Actuarial Assumptions

- The assumed postretirement benefit increase rate was changed from 1.00 percent per year through 2030 and 2.50 percent per year thereafter to 1.00 percent per year through 2037 and 2.50 percent per year thereafter.

Changes in Plan Provisions

- The postretirement benefit increase to be paid after the attainment of the 90.00 percent funding threshold was changed from inflation up to 2.50 percent, to a fixed rate of 2.50 percent

Fire Relief

2019 Changes

- The mortality projection scale was updated from MP-2017 to MP-2019

2018 Changes

- The lump sum benefit level was increased from \$10,000 to \$12,400
- The mortality projection scale was updated from MP-2016 to MP-2017
- The termination decrement scale was updated to reflect a recent experience study
- The lump sum election rate was changed from 20% to 50%

2017 Changes

- No changes since 2016 report

2016 Changes

- The base mortality table was updated from the RP-2014 Blue Collar table to the unadjusted RP-2014 table

City of Eden Prairie, Minnesota

Notes to Required Supplemental Information

- The mortality projection scale was updated from MP-2014 to MP-2016

2015 Changes

- No changes since 2014 report which was the year of implementation so no further changes to note.

This page is intentionally left blank



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.

Grant - This fund accounts for monies received from the State. The grant will fund a police officer who will dedicate his time to decreasing DWI's.

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.

Historical and Cultural - This fund accumulates revenue from the sale of a book on Eden Prairie's 100-year history and the sale of old street signs. 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.

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.

General Obligation Refunding Bonds 2016A - This fund accounts for the refunding of the G.O. Bonds 2008B which accounted 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.

General Obligation Improvement Bonds 10A/20A - 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. G.O. Bonds 10A were refunded with G.O. Bonds 20A.

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.

City of Eden Prairie, Minnesota

Nonmajor Governmental Funds

Debt Service Funds (Continued)

General Obligation Refunding 11D/20A – 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. G.O. Bonds 11D were refunded with G.O. Bonds 20A.

General Obligation Refunding 12A/20A – 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. G.O. Bonds 12A were refunded with G.O. Bonds 20A.

General Obligation Refunding 12B/20A – 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. G.O. Bonds 12B were refunded with G.O. Bonds 20A.

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.

General Obligation Bonds 2016A – This fund is used to account for the accumulation of special assessments needed to repay bonds issued to finance the West 70th project.

Capital Project 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.

City of Eden Prairie, Minnesota

Nonmajor Governmental Funds

Capital Project Funds (Continued)

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.

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

Tree Replacement - This fund accounts for tree replacement fees that are collected from permittees who have demonstrated that it is not possible or reasonable to plant all or some of the required replacement trees on site. The revenue will be used for planting of trees and natural enhancements within the City.

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.

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

SingleTree Lane South - This fund accounts for the accumulation of resources to be used for the streetscaping, lighting and landscaping improvements for the southern half of Singletree Lane.

Duck Lake Road Construction - This fund accounts for the accumulation of resources to be used to upgrade existing rural roadway to a 2 lane urban roadway.

City of Eden Prairie, Minnesota

Nonmajor Governmental Funds

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.

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

City of Eden Prairie, Minnesota
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2020

	Special Revenue					
	HRA Grant	Pleasant Hills Cemetery	Grant Fund	Recycling	Historical and Cultural	Total
ASSETS						
Cash and Investments	\$ -	\$ 50,843	\$ -	\$ 12,707	\$ 36,598	\$ 100,148
Receivables						
Accounts	270	200	-	-	-	470
Interest	-	136	-	-	93	229
Due from Other Governments	34,344	-	36,520	-	-	70,864
Unremitted Taxes	-	-	-	-	-	-
Deferred Special Assessments	-	-	-	-	-	-
Special Deferred Special Assessments	-	-	-	-	-	-
Due from Other Funds	-	18,591	-	-	-	18,591
Prepaid Items	130	-	-	-	-	130
Land Held for Resale	-	-	-	-	-	-
Notes Receivable	-	-	-	-	-	-
Total Assets	<u>\$ 34,744</u>	<u>\$ 69,770</u>	<u>\$ 36,520</u>	<u>\$ 12,707</u>	<u>\$ 36,691</u>	<u>\$ 190,432</u>
LIABILITIES						
Accounts and Contracts Payable	\$ 16,061	\$ 38	\$ -	\$ 2,582	\$ 92	\$ 18,773
Salaries Payable	1,770	-	3,295	-	-	5,065
Investment Interest Payable	-	-	1	-	-	1
Due to Other Governments	1,100	-	-	-	8	1,108
Due to Other Funds	15,813	-	2,778	-	-	18,591
Unearned Revenue	-	350	-	-	-	350
Total Liabilities	<u>34,744</u>	<u>388</u>	<u>6,074</u>	<u>2,582</u>	<u>100</u>	<u>43,888</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable Revenue-Loans/Grants/Revenue	-	-	-	-	-	-
Unavailable Revenue-Special Assessments	-	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES						
Nonspendable	130	-	-	-	-	130
Restricted	-	69,382	30,446	10,125	36,591	146,544
Assigned	-	-	-	-	-	-
Unassigned	(130)	-	-	-	-	(130)
Total Fund Balance	<u>-</u>	<u>69,382</u>	<u>30,446</u>	<u>10,125</u>	<u>36,591</u>	<u>146,544</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 34,744</u>	<u>\$ 69,770</u>	<u>\$ 36,520</u>	<u>\$ 12,707</u>	<u>\$ 36,691</u>	<u>\$ 190,432</u>

City of Eden Prairie, Minnesota
 Combining Balance Sheet
 Nonmajor Governmental Funds
 December 31, 2020

	Debt Service				
	General Obligation Refunding Bonds 2016A	General Obligation Improvement Bonds 10A/20A	General Obligation Refunding Bonds 2011C	General Obligation Refunding Bonds 11D/20A	General Obligation Refunding Bonds 12A/20A
ASSETS					
Cash and Investments	\$ 430,354	\$ 147,602	\$ 304,513	\$ 569,263	\$ 5,374,801
Receivables					
Accounts	-	-	-	-	-
Interest	898	622	632	1,864	3,240
Due from Other Governments	-	-	-	-	-
Unremitted Taxes	-	-	1,202	-	4,960
Deferred Special Assessments	330,000	377,363	-	763,300	-
Special Deferred Special Assessments	-	-	-	120,761	-
Due from Other Funds	-	-	-	-	-
Prepaid Items	-	-	-	-	-
Land Held for Resale	-	-	-	-	-
Notes Receivable	-	-	-	-	-
Total Assets	<u>\$ 761,252</u>	<u>\$ 525,587</u>	<u>\$ 306,347</u>	<u>\$ 1,455,188</u>	<u>\$ 5,383,001</u>
LIABILITIES					
Accounts and Contracts Payable	\$ 142	\$ 3,975	\$ 425	\$ 1,500	\$ 7,675
Salaries Payable	-	-	-	-	-
Investment Interest Payable	-	-	-	-	-
Due to Other Governments	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
Unearned Revenue	-	-	-	-	-
Total Liabilities	<u>142</u>	<u>3,975</u>	<u>425</u>	<u>1,500</u>	<u>7,675</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue-Loans/Grants/Revenue	-	-	-	-	-
Unavailable Revenue-Special Assessments	330,000	377,363	-	884,061	-
Total Deferred Inflows of Resources	<u>330,000</u>	<u>377,363</u>	<u>-</u>	<u>884,061</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	431,110	144,249	305,922	569,627	5,375,326
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total Fund Balance	<u>431,110</u>	<u>144,249</u>	<u>305,922</u>	<u>569,627</u>	<u>5,375,326</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 761,252</u>	<u>\$ 525,587</u>	<u>\$ 306,347</u>	<u>\$ 1,455,188</u>	<u>\$ 5,383,001</u>

City of Eden Prairie, Minnesota
 Combining Balance Sheet
 Nonmajor Governmental Funds
 December 31, 2020

	Debt Service				
	General Obligation Refunding Bonds 12B/20A	General Obligation Improvement Bonds 2012C	General Obligation Tax Abatement Bonds 2014A	General Obligation Bonds 2016A	Total
ASSETS					
Cash and Investments	\$ 2,147,586	\$ 5,069	\$ 1,212,652	\$ 102,598	\$ 10,294,438
Receivables					
Accounts	-	-	-	-	-
Interest	1,463	-	1,116	46	9,881
Due from Other Governments	-	-	-	-	-
Unremitted Taxes	2,470	-	11,131	-	19,763
Deferred Special Assessments	-	-	-	1,163,155	2,633,818
Special Deferred Special Assessments	-	-	-	-	120,761
Due from Other Funds	-	-	-	-	-
Prepaid Items	-	-	-	-	-
Land Held for Resale	-	-	-	-	-
Notes Receivable	-	-	-	-	-
Total Assets	<u>\$ 2,151,519</u>	<u>\$ 5,069</u>	<u>\$ 1,224,899</u>	<u>\$ 1,265,799</u>	<u>\$ 13,078,661</u>
LIABILITIES					
Accounts and Contracts Payable	\$ 3,300	\$ 425	\$ 425	\$ 142	\$ 18,009
Salaries Payable	-	-	-	-	-
Investment Interest Payable	-	3,016	-	-	3,016
Due to Other Governments	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
Unearned Revenue	-	-	-	-	-
Total Liabilities	<u>3,300</u>	<u>3,441</u>	<u>425</u>	<u>142</u>	<u>21,025</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue-Loans/Grants/Revenue	-	-	-	-	-
Unavailable Revenue-Special Assessments	-	-	-	1,163,155	2,754,579
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,163,155</u>	<u>2,754,579</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	2,148,219	1,628	1,224,474	102,502	10,303,057
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total Fund Balance	<u>2,148,219</u>	<u>1,628</u>	<u>1,224,474</u>	<u>102,502</u>	<u>10,303,057</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 2,151,519</u>	<u>\$ 5,069</u>	<u>\$ 1,224,899</u>	<u>\$ 1,265,799</u>	<u>\$ 13,078,661</u>

	Capital Projects				
	Police	E-911	Senior Board	Park Improvement	CIP Trails
ASSETS					
Cash and Investments	\$ 56,485	\$ 68,659	\$ 17,191	\$ 3,062,360	\$ 263,860
Receivables					
Accounts	1,000	-	-	-	-
Interest	138	82	44	7,038	427
Due from Other Governments	-	6,826	-	-	-
Unremitted Taxes	-	-	-	-	-
Deferred Special Assessments	-	-	-	-	90,001
Special Deferred Special Assessments	-	-	-	-	-
Due from Other Funds	-	-	-	-	-
Prepaid Items	-	-	-	-	-
Land Held for Resale	-	-	-	-	-
Notes Receivable	-	-	-	-	-
Total Assets	<u>\$ 57,623</u>	<u>\$ 75,567</u>	<u>\$ 17,235</u>	<u>\$ 3,069,398</u>	<u>\$ 354,288</u>
LIABILITIES					
Accounts and Contracts Payable	\$ 11,391	\$ 43	\$ -	\$ 1,485	\$ 1,754
Salaries Payable	-	-	-	-	-
Investment Interest Payable	-	-	-	-	-
Due to Other Governments	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
Unearned Revenue	-	-	-	434,735	-
Total Liabilities	<u>11,391</u>	<u>43</u>	<u>-</u>	<u>436,220</u>	<u>1,754</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue-Loans/Grants/Revenue	-	-	-	-	-
Unavailable Revenue-Special Assessments	-	-	-	-	90,001
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>90,001</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	-	644	-	1,966,989	-
Assigned	46,232	74,880	17,235	666,189	262,533
Unassigned	-	-	-	-	-
Total Fund Balance	<u>46,232</u>	<u>75,524</u>	<u>17,235</u>	<u>2,633,178</u>	<u>262,533</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 57,623</u>	<u>\$ 75,567</u>	<u>\$ 17,235</u>	<u>\$ 3,069,398</u>	<u>\$ 354,288</u>

	Capital Projects				
	CIP Pavement Management	Economic Development Fund	Project Fund	HRA	Tree Replacement
ASSETS					
Cash and Investments	\$ 1,747,403	\$ 2,977,586	\$ 3,930,775	\$ 292,610	\$ 178,799
Receivables					
Accounts	869,636	-	-	-	-
Interest	12,268	7,816	9,597	621	372
Due from Other Governments	-	-	-	-	-
Unremitted Taxes	-	-	-	1,670	-
Deferred Special Assessments	-	-	-	-	-
Special Deferred Special Assessments	-	-	-	-	-
Due from Other Funds	531,214	-	-	-	-
Prepaid Items	-	-	-	-	-
Land Held for Resale	-	784,000	-	-	-
Notes Receivable	-	99,093	1,095,520	-	-
Total Assets	<u>\$ 3,160,521</u>	<u>\$ 3,868,495</u>	<u>\$ 5,035,892</u>	<u>\$ 294,901</u>	<u>\$ 179,171</u>
LIABILITIES					
Accounts and Contracts Payable	\$ 275,260	\$ 70,507	\$ -	\$ -	-
Salaries Payable	-	-	-	5,244	-
Investment Interest Payable	-	-	-	-	-
Due to Other Governments	-	-	7,375	-	-
Due to Other Funds	-	-	-	-	-
Unearned Revenue	-	-	-	-	-
Total Liabilities	<u>275,260</u>	<u>70,507</u>	<u>7,375</u>	<u>5,244</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue-Loans/Grants/Revenue	-	-	-	-	-
Unavailable Revenue-Special Assessments	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	1,717,524	-	3,171,444	-	179,171
Assigned	1,167,737	3,797,988	1,857,073	289,657	-
Unassigned	-	-	-	-	-
Total Fund Balance	<u>2,885,261</u>	<u>3,797,988</u>	<u>5,028,517</u>	<u>289,657</u>	<u>179,171</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 3,160,521</u>	<u>\$ 3,868,495</u>	<u>\$ 5,035,892</u>	<u>\$ 294,901</u>	<u>\$ 179,171</u>

City of Eden Prairie, Minnesota
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2020

	Capital Projects			
	Transportation	Cable PEG	Homeowners Improvements Area	SingleTree Lane South
ASSETS				
Cash and Investments	\$ 510,102	\$ 198,209	\$ -	\$ -
Receivables				
Accounts	-	22,736	-	-
Interest	5,839	482	-	-
Due from Other Governments	15,720	-	-	-
Unremitted Taxes	-	-	-	-
Deferred Special Assessments	-	-	35,964	-
Special Deferred Special Assessments	-	-	-	-
Due from Other Funds	1,712,733	-	-	-
Prepaid Items	-	6,192	-	-
Land Held for Resale	-	-	-	-
Notes Receivable	-	-	-	-
Total Assets	<u>\$ 2,244,394</u>	<u>\$ 227,619</u>	<u>\$ 35,964</u>	<u>\$ -</u>
LIABILITIES				
Accounts and Contracts Payable	\$ -	\$ 7,143	\$ -	\$ 10,363
Salaries Payable	-	-	-	-
Investment Interest Payable	-	-	43	109
Due to Other Governments	-	-	-	-
Due to Other Funds	-	-	12,497	52,572
Unearned Revenue	-	-	-	-
Total Liabilities	<u>-</u>	<u>7,143</u>	<u>12,540</u>	<u>63,044</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue-Loans/Grants/Revenue	15,720	-	-	-
Unavailable Revenue-Special Assessments	-	-	35,964	-
Total Deferred Inflows of Resources	<u>15,720</u>	<u>-</u>	<u>35,964</u>	<u>-</u>
FUND BALANCES				
Nonspendable	-	6,192	-	-
Restricted	-	199,948	-	-
Assigned	2,228,674	14,336	-	-
Unassigned	-	-	(12,540)	(63,044)
Total Fund Balance	<u>2,228,674</u>	<u>220,476</u>	<u>(12,540)</u>	<u>(63,044)</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 2,244,394</u>	<u>\$ 227,619</u>	<u>\$ 35,964</u>	<u>\$ -</u>

City of Eden Prairie, Minnesota
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2020

	Capital Projects		Permanent Fund	
	Duck Lake Road Reconstruction	Total	Cemetery Perpetual Care Fund	Total Nonmajor Governmental Funds
ASSETS				
Cash and Investments	\$ -	\$ 13,304,039	\$ 196,193	\$ 23,894,818
Receivables				
Accounts	-	893,372	50	893,892
Interest	-	44,724	480	55,314
Due from Other Governments	-	22,546	-	93,410
Unremitted Taxes	-	1,670	-	21,433
Deferred Special Assessments	-	125,965	-	2,759,783
Special Deferred Special Assessments	-	-	-	120,761
Due from Other Funds	-	2,243,947	-	2,262,538
Prepaid Items	-	6,192	-	6,322
Land Held for Resale	-	784,000	-	784,000
Notes Receivable	-	1,194,613	-	1,194,613
Total Assets	\$ -	\$ 18,621,068	\$ 196,723	\$ 32,086,884
LIABILITIES				
Accounts and Contracts Payable	\$ 38,368	\$ 416,314	\$ -	\$ 453,096
Salaries Payable	-	5,244	-	10,309
Investment Interest Payable	-	152	-	3,169
Due to Other Governments	-	7,375	-	8,483
Due to Other Funds	531,214	596,283	-	614,874
Unearned Revenue	-	434,735	-	435,085
Total Liabilities	569,582	1,460,103	-	1,525,016
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue-Loans/Grants/Revenue	-	15,720	-	15,720
Unavailable Revenue-Special Assessments	-	125,965	-	2,880,544
Total Deferred Inflows of Resources	-	141,685	-	2,896,264
FUND BALANCES				
Nonspendable	-	6,192	169,389	175,711
Restricted	-	7,235,720	27,334	17,712,655
Assigned	-	10,422,534	-	10,422,534
Unassigned	(569,582)	(645,166)	-	(645,296)
Total Fund Balance	(569,582)	17,019,280	196,723	27,665,604
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ -	\$ 18,621,068	\$ 196,723	\$ 32,086,884

This page is intentionally left blank

City of Eden Prairie, Minnesota
 Combining Statement of Revenues,
 Expenditures, and Changes in Fund Balances
 Nonmajor Governmental Funds
 For the Year Ended December 31, 2020

	Special Revenue					Total
	HRA Grant	Pleasant Hills Cemetery	Grant Fund	Recycling	Historical and Cultural	
REVENUES						
General Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	-	-
Intergovernmental Revenue	470,097	-	106,658	98,139	-	674,894
Fines and Forfeits	-	-	-	-	-	-
Investment Income	-	1,313	-	-	857	2,170
Rental	-	-	-	-	-	-
Other						
Fees	-	66,025	-	-	-	66,025
Contributions and Donations	-	-	-	-	-	-
Miscellaneous	550	1	-	38	1,097	1,686
Total Revenues	470,647	67,339	106,658	98,177	1,954	744,775
EXPENDITURES						
Current						
Community Development	470,647	-	-	-	546	471,193
Police	-	-	76,198	-	-	76,198
Public Works	-	-	-	98,547	-	98,547
Parks and Recreation	-	52,926	-	-	-	52,926
Interest on Interfund Borrowing	-	-	14	-	-	14
Capital Outlay						
Administration	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Parks and Recreation	-	-	-	-	-	-
Debt Service						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Fiscal Agent Fees	-	-	-	-	-	-
Total Expenditures	470,647	52,926	76,212	98,547	546	698,878
Excess of Revenues Over (Under) Expenditures	-	14,413	30,446	(370)	1,408	45,897
OTHER FINANCING SOURCES (USES)						
Issuance of Debt	-	-	-	-	-	-
Payment to Refunded Bond	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Net Change in Fund Balances	-	14,413	30,446	(370)	1,408	45,897
Fund Balances (Deficit) - Beginning	-	54,969	-	10,495	35,183	100,647
Fund Balances (Deficit) - Ending	\$ -	\$ 69,382	\$ 30,446	\$ 10,125	\$ 36,591	\$ 146,544

City of Eden Prairie, Minnesota
 Combining Statement of Revenues,
 Expenditures, and Changes in Fund Balances
 Nonmajor Governmental Funds
 For the Year Ended December 31, 2020

	Debt Service				
	General Obligation Refunding Bonds 2016A	General Obligation Improvement Bonds 10A/20A	General Obligation Refunding Bonds 2011C	General Obligation Refunding Bonds 11D/20A	General Obligation Refunding Bonds 12A/20A
REVENUES					
General Property Taxes	\$ -	\$ -	\$ 163,895	\$ -	\$ 676,593
Special Assessments	137,503	99,254	-	216,131	-
Licenses and Permits	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-
Fines and Forfeits	-	-	-	-	-
Investment Income	8,366	6,345	4,265	18,590	36,429
Rental	-	-	-	-	-
Other					
Fees	-	-	-	-	-
Contributions and Donations	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Revenues	<u>145,869</u>	<u>105,599</u>	<u>168,160</u>	<u>234,721</u>	<u>713,022</u>
EXPENDITURES					
Current					
Community Development	-	-	-	-	-
Police	-	-	-	-	-
Public Works	-	-	-	-	-
Parks and Recreation	-	-	-	-	-
Interest on Interfund Borrowing	-	-	-	-	-
Capital Outlay					
Administration	-	-	-	-	-
Public Works	-	-	-	-	-
Parks and Recreation	-	-	-	-	-
Debt Service					
Principal	110,000	80,000	735,000	160,000	35,000
Interest	15,450	20,150	11,812	24,337	115,506
Fiscal Agent Fees	342	7,500	558	7,156	33,825
Total Expenditures	<u>125,792</u>	<u>107,650</u>	<u>747,370</u>	<u>191,493</u>	<u>184,331</u>
Excess of Revenues Over (Under) Expenditures	20,077	(2,051)	(579,210)	43,228	528,691
OTHER FINANCING SOURCES (USES)					
Issuance of Debt	-	459,000	-	877,000	4,408,000
Payment to Refunded Bond	-	(455,000)	-	(870,000)	-
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>4,000</u>	<u>-</u>	<u>7,000</u>	<u>4,408,000</u>
Net Change in Fund Balances	20,077	1,949	(579,210)	50,228	4,936,691
Fund Balances (Deficit) - Beginning	411,033	142,300	885,132	519,399	438,635
Fund Balances (Deficit) - Ending	<u>\$ 431,110</u>	<u>\$ 144,249</u>	<u>\$ 305,922</u>	<u>\$ 569,627</u>	<u>\$ 5,375,326</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, 2020

	Debt Service				Total
	General Obligation Refunding Bonds 12B/20A	General Obligation Improvement Bonds 2012C	General Obligation Tax Abatement Bonds 2014A	General Obligation Bonds 2016A	
REVENUES					
General Property Taxes	\$ 306,886	\$ -	\$ 1,382,966	\$ -	\$ 2,530,340
Special Assessments	-	-	-	156,502	609,390
Licenses and Permits	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-
Fines and Forfeits	-	-	-	-	-
Investment Income	15,564	-	10,267	-	99,826
Rental	-	-	-	-	-
Other					
Fees	-	-	-	-	-
Contributions and Donations	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Revenues	322,450	-	1,393,233	156,502	3,239,556
EXPENDITURES					
Current					
Community Development	-	-	-	-	-
Police	-	-	-	-	-
Public Works	-	-	-	-	-
Parks and Recreation	-	-	-	-	-
Interest on Interfund Borrowing	-	26,141	-	622	26,763
Capital Outlay					
Administration	-	-	-	-	-
Public Works	-	-	-	-	-
Parks and Recreation	-	-	-	-	-
Debt Service					
Principal	260,000	1,250,000	900,000	110,000	3,640,000
Interest	44,706	37,000	505,712	35,910	810,583
Fiscal Agent Fees	13,569	825	825	275	64,875
Total Expenditures	318,275	1,313,966	1,406,537	146,807	4,542,221
Excess of Revenues Over (Under) Expenditures	4,175	(1,313,966)	(13,304)	9,695	(1,302,665)
OTHER FINANCING SOURCES (USES)					
Issuance of Debt	1,673,000	-	-	-	7,417,000
Payment to Refunded Bond	-	-	-	-	(1,325,000)
Transfers In	-	1,300,000	-	-	1,300,000
Transfers Out	-	-	-	-	-
Total Other Financing Sources (Uses)	1,673,000	1,300,000	-	-	7,392,000
Net Change in Fund Balances	1,677,175	(13,966)	(13,304)	9,695	6,089,335
Fund Balances (Deficit) - Beginning	471,044	15,594	1,237,778	92,807	4,213,722
Fund Balances (Deficit) - Ending	\$ 2,148,219	\$ 1,628	\$ 1,224,474	\$ 102,502	\$ 10,303,057

City of Eden Prairie, Minnesota
 Combining Statement of Revenues,
 Expenditures, and Changes in Fund Balances
 Nonmajor Governmental Funds
 For the Year Ended December 31, 2020

Capital Projects					
	Police	E-911	Senior Board	Park Improvement	CIP Trails
REVENUES					
General Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments	-	-	-	-	21,611
Licenses and Permits	-	-	-	-	-
Intergovernmental Revenue	-	81,917	-	-	-
Fines and Forfeits	825	-	-	-	-
Investment Income	1,260	779	401	73,740	5,039
Rental	-	-	-	-	-
Other					
Fees	-	-	-	908,875	-
Contributions and Donations	-	-	462	56,410	-
Miscellaneous	21,318	-	-	-	-
Total Revenues	<u>23,403</u>	<u>82,696</u>	<u>863</u>	<u>1,039,025</u>	<u>26,650</u>
EXPENDITURES					
Current					
Community Development	-	-	-	-	-
Police	23,142	81,273	-	-	-
Public Works	-	-	-	-	-
Parks and Recreation	-	-	-	-	-
Interest on Interfund Borrowing	-	-	-	-	-
Capital Outlay					
Administration	-	-	-	-	-
Public Works	-	-	-	-	318,652
Parks and Recreation	-	-	-	168,350	-
Debt Service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Fiscal Agent Fees	-	-	-	-	-
Total Expenditures	<u>23,142</u>	<u>81,273</u>	<u>-</u>	<u>168,350</u>	<u>318,652</u>
Excess of Revenues Over (Under) Expenditures	261	1,423	863	870,675	(292,002)
OTHER FINANCING SOURCES (USES)					
Issuance of Debt	-	-	-	-	-
Payment to Refunded Bond	-	-	-	-	-
Transfers In	-	-	-	20,000	300,000
Transfers Out	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,000</u>	<u>300,000</u>
Net Change in Fund Balances	261	1,423	863	890,675	7,998
Fund Balances (Deficit) - Beginning	45,971	74,101	16,372	1,742,503	254,535
Fund Balances (Deficit) - Ending	<u>\$ 46,232</u>	<u>\$ 75,524</u>	<u>\$ 17,235</u>	<u>\$ 2,633,178</u>	<u>\$ 262,533</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, 2020

Capital Projects					
	CIP Pavement Mgmt	Economic Development Fund	Project Fund	HRA	Tree Replacement
REVENUES					
General Property Taxes	\$ -	\$ -	\$ 2,193,637	\$ 198,673	\$ -
Special Assessments	-	-	-	-	-
Licenses and Permits	3,260,900	-	-	-	-
Intergovernmental Revenue	500,000	-	-	-	-
Fines and Forfeits	-	-	-	-	-
Investment Income	118,042	65,636	87,279	5,704	4,349
Rental	-	69,614	-	-	-
Other					
Fees	-	-	-	-	-
Contributions and Donations	-	-	-	-	65,563
Miscellaneous	-	2,490	-	-	-
Total Revenues	<u>3,878,942</u>	<u>137,740</u>	<u>2,280,916</u>	<u>204,377</u>	<u>69,912</u>
EXPENDITURES					
Current					
Community Development	-	-	1,885,705	186,675	-
Police	-	-	-	-	-
Public Works	-	-	-	-	-
Parks and Recreation	-	-	-	-	-
Interest on Interfund Borrowing	-	-	-	-	-
Capital Outlay					
Administration	-	-	-	-	-
Public Works	4,276,360	202,999	63,073	-	-
Parks and Recreation	-	-	-	-	14,345
Debt Service					
Principal	-	45,315	-	-	-
Interest	-	2,481	-	-	-
Fiscal Agent Fees	-	-	-	-	-
Total Expenditures	<u>4,276,360</u>	<u>250,795</u>	<u>1,948,778</u>	<u>186,675</u>	<u>14,345</u>
Excess of Revenues Over (Under) Expenditures	(397,418)	(113,055)	332,138	17,702	55,567
OTHER FINANCING SOURCES (USES)					
Issuance of Debt	-	-	-	-	-
Payment to Refunded Bond	-	-	-	-	-
Transfers In	-	-	-	-	-
Transfers Out	(1,200,000)	-	-	-	-
Total Other Financing Sources (Uses)	<u>(1,200,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(1,597,418)	(113,055)	332,138	17,702	55,567
Fund Balances (Deficit) - Beginning	4,482,679	3,911,043	4,696,379	271,955	123,604
Fund Balances (Deficit) - Ending	<u>\$ 2,885,261</u>	<u>\$ 3,797,988</u>	<u>\$ 5,028,517</u>	<u>\$ 289,657</u>	<u>\$ 179,171</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, 2020

Capital Projects				
	Transportation	Cable PEG	Homeowners Improvements Area	SingleTree Lane South
REVENUES				
General Property Taxes	\$ -	\$ -	\$ -	\$ -
Special Assessments	-	-	6,159	-
Licenses and Permits	-	93,485	-	-
Intergovernmental Revenue	-	-	-	-
Fines and Forfeits	-	-	-	-
Investment Income	44,941	4,248	-	-
Rental	-	-	-	-
Other	-	-	-	-
Fees	-	-	-	-
Contributions and Donations	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	44,941	97,733	6,159	-
EXPENDITURES				
Current				
Community Development	-	-	-	-
Police	-	-	-	-
Public Works	-	-	-	-
Parks and Recreation	-	-	-	-
Interest on Interfund Borrowing	-	-	331	2,748
Capital Outlay				
Administration	-	101,303	-	-
Public Works	164,191	-	-	1,662
Parks and Recreation	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Fiscal Agent Fees	-	-	-	-
Total Expenditures	164,191	101,303	331	4,410
Excess of Revenues Over (Under) Expenditures	(119,250)	(3,570)	5,828	(4,410)
OTHER FINANCING SOURCES (USES)				
Issuance of Debt	-	-	-	-
Payment to Refunded Bond	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(119,250)	(3,570)	5,828	(4,410)
Fund Balances (Deficit) - Beginning	2,347,924	224,046	(18,368)	(58,634)
Fund Balances (Deficit) - Ending	\$ 2,228,674	\$ 220,476	\$ (12,540)	\$ (63,044)

City of Eden Prairie, Minnesota
 Combining Statement of Revenues,
 Expenditures, and Changes in Fund Balances
 Nonmajor Governmental Funds
 For the Year Ended December 31, 2020

	Capital Projects		Permanent Fund	
	Duck Lake Road Reconstruction	Total	Cemetery Perpetual Care Fund	Total Nonmajor Governmental Funds
REVENUES				
General Property Taxes	\$ -	\$ 2,392,310	\$ -	\$ 4,922,650
Special Assessments	-	27,770	-	637,160
Licenses and Permits	-	3,354,385	-	3,354,385
Intergovernmental Revenue	-	581,917	-	1,256,811
Fines and Forfeits	-	825	-	825
Investment Income	-	411,418	3,560	516,974
Rental	-	69,614	-	69,614
Other				
Fees	-	908,875	13,600	988,500
Contributions and Donations	-	122,435	-	122,435
Miscellaneous	-	23,808	-	25,494
Total Revenues	-	7,893,357	17,160	11,894,848
EXPENDITURES				
Current				
Community Development	-	2,072,380	-	2,543,573
Police	-	104,415	-	180,613
Public Works	-	-	-	98,547
Parks and Recreation	-	-	-	52,926
Interest on Interfund Borrowing	-	3,079	-	29,856
Capital Outlay				
Administration	-	101,303	-	101,303
Public Works	89,139	5,116,076	-	5,116,076
Parks and Recreation	-	182,695	-	182,695
Debt Service				
Principal	-	45,315	-	3,685,315
Interest	-	2,481	-	813,064
Fiscal Agent Fees	-	-	-	64,875
Total Expenditures	89,139	7,627,744	-	12,868,843
Excess of Revenues Over (Under) Expenditures	(89,139)	265,613	17,160	(973,995)
OTHER FINANCING SOURCES (USES)				
Issuance of Debt	-	-	-	7,417,000
Payment to Refunded Bond	-	-	-	(1,325,000)
Transfers In	-	320,000	-	1,620,000
Transfers Out	(480,443)	(1,680,443)	-	(1,680,443)
Total Other Financing Sources (Uses)	(480,443)	(1,360,443)	-	6,031,557
Net Change in Fund Balances	(569,582)	(1,094,830)	17,160	5,057,562
Fund Balances (Deficit) - Beginning	-	18,114,110	179,563	22,608,042
Fund Balances (Deficit) - Ending	\$ (569,582)	\$ 17,019,280	\$ 196,723	\$ 27,665,604

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 and purchasing vehicles and equipment for the City. Revenues are primarily charges to other funds and interest earnings.

Information Technology – These funds account for the provision of information technology services including infrastructure and applications. 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, 2020

	Health & Benefits	Severance	Workers Compensation	Property Insurance
ASSETS				
Current Assets				
Cash and Investments	\$ 1,588,634	\$ 1,546,078	\$ 322,473	\$ 244,817
Receivables				
Accounts	2,334	-	-	-
Interest	3,974	3,905	840	675
Due From Other Governments	9,825	-	-	-
Inventory	-	-	-	-
Prepaid Items	-	-	96,936	118,342
Total Current Assets	<u>1,604,767</u>	<u>1,549,983</u>	<u>420,249</u>	<u>363,834</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	1,604,767	1,549,983	420,249	363,834
DEFERRED OUTFLOWS OF RESOURCES				
Other Post Employment Benefits	249,360	-	32	32
Total Deferred Outflows of Resources	<u>249,360</u>	<u>-</u>	<u>32</u>	<u>32</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 1,854,127</u>	<u>\$ 1,549,983</u>	<u>\$ 420,281</u>	<u>\$ 363,866</u>
LIABILITIES				
Current Liabilities:				
Accounts Payable	\$ 36,951	\$ -	\$ -	\$ -
Salaries Payable	-	-	1,391	1,390
Due to Other Governments	186,358	-	-	-
Unearned Revenue	-	-	-	-
Current Portion of Compensated Absences	-	1,391,561	-	-
Total Current Liabilities	<u>223,309</u>	<u>1,391,561</u>	<u>1,391</u>	<u>1,390</u>
Noncurrent Liabilities:				
Total OPEB Liability	2,556,828	-	567	568
Compensated Absences	-	1,177,353	-	-
Total Noncurrent Liabilities	<u>2,556,828</u>	<u>1,177,353</u>	<u>567</u>	<u>568</u>
Total Liabilities	2,780,137	2,568,914	1,958	1,958
DEFERRED INFLOWS OF RESOURCES				
OPEB	224,789	-	17	17
Total Deferred Inflows of Resources	<u>224,789</u>	<u>-</u>	<u>17</u>	<u>17</u>
Total Liabilities and Deferred Inflows of Resources	<u>3,004,926</u>	<u>2,568,914</u>	<u>1,975</u>	<u>1,975</u>
NET POSITION				
Net Investment in Capital Assets				
Unrestricted	(1,150,799)	(1,018,931)	418,306	361,891
Total Net Position	<u>(1,150,799)</u>	<u>(1,018,931)</u>	<u>418,306</u>	<u>361,891</u>
Total Liabilities and Deferred Inflows of Resources and Net Position	<u>\$ 1,854,127</u>	<u>\$ 1,549,983</u>	<u>\$ 420,281</u>	<u>\$ 363,866</u>

City of Eden Prairie, Minnesota
Internal Service Funds
Combining Statement of Net Position
December 31, 2020

	Facilities	Fleet	Information Technology	Total
ASSETS				
Current Assets				
Cash and Investments	\$ 3,951,104	\$ 4,187,765	\$ 1,213,544	\$ 13,054,415
Receivables				
Accounts	813	2,149	-	5,296
Interest	8,329	10,423	2,741	30,887
Due From Other Governments	812	-	-	10,637
Inventory	-	126,775	-	126,775
Prepaid Items	-	1,500	183,260	400,038
Total Current Assets	3,961,058	4,328,612	1,399,545	13,628,048
Noncurrent Assets:				
Capital Assets				
Property, Plant and Equipment	3,392,018	8,875,878	652,099	12,919,995
Less Accumulated Depreciation	(1,104,909)	(5,788,556)	(444,240)	(7,337,705)
Total Noncurrent Assets	2,287,109	3,087,322	207,859	5,582,290
Total Assets	6,248,167	7,415,934	1,607,404	19,210,338
DEFERRED OUTFLOWS OF RESOURCES				
Other Post Employment Benefits	3,029	3,407	1,294	257,154
Total Deferred Outflows of Resources	3,029	3,407	1,294	257,154
Total Assets and Deferred Outflows of Resources	\$ 6,251,196	\$ 7,419,341	\$ 1,608,698	\$ 19,467,492
LIABILITIES				
Current Liabilities:				
Accounts Payable	\$ 424,646	\$ 67,478	\$ 19,296	\$ 548,371
Salaries Payable	24,832	21,122	20,167	68,902
Due to Other Governments	-	2,101	1,710	190,169
Unearned Revenue	63,284	-	-	63,284
Current Portion of Compensated Absences	-	-	-	1,391,561
Total Current Liabilities	512,762	90,701	41,173	2,262,287
Noncurrent Liabilities:				
Total OPEB Liability	31,034	35,298	10,029	2,634,324
Compensated Absences	-	-	-	1,177,353
Total Noncurrent Liabilities	31,034	35,298	10,029	3,811,677
Total Liabilities	543,796	125,999	51,202	6,073,964
DEFERRED INFLOWS OF RESOURCES				
OPEB	2,732	3,053	1,331	231,939
Total Deferred Inflows of Resources	2,732	3,053	1,331	231,939
Total Liabilities and Deferred Inflows of Resources	546,528	129,052	52,533	6,305,903
NET POSITION				
Net Investment in Capital Assets	2,287,109	3,087,322	207,859	5,582,290
Unrestricted	3,417,559	4,202,967	1,348,306	7,579,299
Total Net Position	5,704,668	7,290,289	1,556,165	13,161,589
Total Liabilities and Deferred Inflows of Resources and Net Position	\$ 6,251,196	\$ 7,419,341	\$ 1,608,698	\$ 19,467,492

City of Eden Prairie, Minnesota
Internal Service Funds
Combining Statement of Revenues
Expenses and Changes in Net Position
For the Year Ended December 31, 2020

	Health & Benefits	Severance	Workers Compensation	Property Insurance
OPERATING REVENUE				
Charges for Services	\$ 6,066,479	\$ 170,632	\$ 642,185	\$ 711,068
Rental	-	-	-	-
Total Operating Revenues	6,066,479	170,632	642,185	711,068
OPERATING EXPENSE				
Personnel Services	5,961,212	528,620	43,626	43,626
Supplies				
Supplies	-	-	-	-
Cleaning Supplies	-	-	-	-
Motor Fuel	-	-	-	-
Tires	-	-	-	-
Repair and Maintenance Supplies	-	-	-	-
Contractual Services				
Contractual Services	19,635	-	597,621	623,681
Software	-	-	-	-
Janitorial Services	-	-	-	-
Licenses, Permits, Taxes	-	-	-	-
Repair and Maintenance	-	-	-	-
Utilities	-	-	-	-
User Charges	-	-	-	-
Capital Under \$25,000	-	-	-	-
Total Operating Expenses	5,980,847	528,620	641,247	667,307
Operating Income (Loss) Before Depreciation	85,632	(357,988)	938	43,761
Depreciation	-	-	-	-
Operating Income (Loss) Before Nonoperating Revenue / Expense	85,632	(357,988)	938	43,761
NONOPERATING REVENUE (EXPENSE)				
Investment Income	39,606	36,227	8,059	6,979
Gain/(Loss) on Disposition of Capital Assets	-	-	-	-
Miscellaneous	8,486	-	12,060	-
Total Nonoperating Revenues (Expenses)	48,092	36,227	20,119	6,979
Change in Net Position	133,724	(321,761)	21,057	50,740
Net Position - Beginning	(1,284,523)	(697,170)	397,249	311,151
Net Position - Ending	\$ (1,150,799)	\$ (1,018,931)	\$ 418,306	\$ 361,891

City of Eden Prairie, Minnesota
Internal Service Funds
Combining Statement of Revenues
Expenses and Changes in Net Position
For the Year Ended December 31, 2020

	Facilities	Fleet	Information Technology	Total
OPERATING REVENUE				
Charges for Services	\$ 5,430,867	\$ 2,683,934	\$ 2,777,866	\$ 18,483,031
Rental	871,255	-	-	871,255
Total Operating Revenues	6,302,122	2,683,934	2,777,866	19,354,286
OPERATING EXPENSE				
Personnel Services	998,375	621,790	708,847	8,906,096
Supplies				
Supplies	5,093	51,979	11,723	68,795
Cleaning Supplies	169,694	-	-	169,694
Motor Fuel	7,049	298,126	-	305,175
Tires	-	58,134	-	58,134
Repair and Maintenance Supplies	305,686	275,446	-	581,132
Contractual Services				
Contractual Services	1,299,219	7,081	87,806	2,635,043
Software	-	-	1,329,059	1,329,059
Janitorial Services	713,873	-	-	713,873
Licenses, Permits, Taxes	194,155	3,542	-	197,697
Repair and Maintenance	-	189,130	-	189,130
Utilities	1,230,558	4,015	168,472	1,403,045
User Charges	17,420	-	-	17,420
Capital Under \$25,000	207,443	27,811	299,116	534,370
Total Operating Expenses	5,148,565	1,537,054	2,605,023	17,108,663
Operating Income (Loss) Before Depreciation	1,153,557	1,146,880	172,843	2,245,623
Depreciation	91,510	902,538	89,857	1,083,905
Operating Income (Loss) Before Nonoperating Revenue / Expense	1,062,047	244,342	82,986	1,161,718
NONOPERATING REVENUE (EXPENSE)				
Investment Income	83,190	96,396	25,058	295,515
Gain/(Loss) on Disposition of Capital Assets	-	194,665	-	194,665
Miscellaneous	69,946	7,072	8,360	105,924
Total Nonoperating Revenues (Expenses)	153,136	298,133	33,418	596,104
Change in Net Position	1,215,183	542,475	116,404	1,757,822
Net Position - Beginning	4,489,485	6,747,814	1,439,761	11,403,767
Net Position - Ending	\$ 5,704,668	\$ 7,290,289	\$ 1,556,165	\$ 13,161,589

City of Eden Prairie, Minnesota
Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended December 31, 2020

	Health & Benefits	Severance	Workers Compensation	Property Insurance
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts From Customers	\$ 6,072,589	\$ 170,632	\$ 642,185	\$ 711,068
Payments to Vendors	(53,640)	-	(602,948)	(623,303)
Payments to Employees	(5,569,063)	(67,259)	(42,581)	(42,582)
Other Receipts	8,486	-	12,060	-
Net Cash Provided (Used) By Operating Activities	458,372	103,373	8,716	45,183
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment Income	39,141	36,866	8,085	6,797
Net Cash Provided (Used) By Investing Activities	39,141	36,866	8,085	6,797
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	497,513	140,239	16,801	51,980
Cash and Cash Equivalents, January 1	1,091,121	1,405,839	305,672	192,837
Cash and Cash Equivalents, December 31	<u>\$ 1,588,634</u>	<u>\$ 1,546,078</u>	<u>\$ 322,473</u>	<u>\$ 244,817</u>

City of Eden Prairie, Minnesota
Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended December 31, 2020

	Facilities	Fleet	Information Technology	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts From Customers	\$ 5,440,233	\$ 2,738,455	\$ 2,774,866	\$ 18,550,028
Payments to Vendors	(4,137,301)	(996,454)	(1,940,421)	(8,354,067)
Payments to Employees	(995,817)	(610,662)	(702,867)	(8,030,831)
Other Receipts	941,201	7,072	8,360	977,179
Net Cash Provided (Used) By Operating Activities	1,248,316	1,138,411	139,938	3,142,309
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment Income	82,135	98,220	25,656	296,900
Net Cash Provided (Used) By Investing Activities	82,135	98,220	25,656	296,900
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and Construction of Capital Assets	-	(1,149,920)	-	(1,149,920)
Proceeds From Sale of Equipment	-	194,665	-	194,665
Net Cash Provided (Used) By Capital and Related Financing Activities	-	(955,255)	-	(955,255)
Net Increase (Decrease) in Cash and Cash Equivalents	1,330,451	281,376	165,594	2,483,954
Cash and Cash Equivalents, January 1	2,620,653	3,906,389	1,047,950	10,570,461
Cash and Cash Equivalents, December 31	\$ 3,951,104	\$ 4,187,765	\$ 1,213,544	\$ 13,054,415

Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended December 31, 2020

	Health & Benefits	Severance	Workers Compensation	Property Insurance
RECONCILIATION OF OPERATING INCOME				
(LOSS) TO NET CASH PROVIDED (USED)				
BY OPERATING ACTIVITIES:				
Operating Income (Loss)	\$ 85,632	\$ (357,988)	\$ 938	\$ 43,761
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	-	-	-	-
Miscellaneous	8,486	-	12,060	-
(Increase) Decrease in Assets:				
Accounts Receivable	6,110	-	-	-
Due From Other Governments	(220)	-	-	-
Inventory	-	-	-	-
Prepaid Items	308,592	-	(5,327)	378
Other Post Employment Benefits	(108,119)	-	-	-
Increase (Decrease) in Liabilities:				
Accounts Payable	(2,043)	-	-	-
Salaries Payable	-	-	1,045	1,044
Unearned Revenue	-	-	-	-
Due to Other Governments	(31,742)	-	-	-
Other Post Employment Benefits	191,676	-	-	-
Compensated Absences	-	461,361	-	-
Net Cash Provided (Used) by Operating Activities	\$ 458,372	\$ 103,373	\$ 8,716	\$ 45,183

	Facilities	Fleet	Information Technology	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating Income (Loss)	\$ 1,062,047	\$ 244,342	\$ 82,986	\$ 1,161,718
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	91,510	902,538	89,857	1,083,905
Miscellaneous	69,946	7,072	8,360	105,924
(Increase) Decrease in Assets:				
Accounts Receivable	4,480	54,521	-	65,111
Due From Other Governments	(812)	-	-	(1,032)
Inventory	-	(22,094)	-	(22,094)
Prepaid Items	360	1,000	(25,581)	279,422
Other Post Employment Benefits	(1,315)	(1,456)	(746)	(111,636)
Increase (Decrease) in Liabilities:				
Accounts Payable	13,341	(60,660)	(20,127)	(69,489)
Salaries Payable	1,543	10,002	5,403	19,037
Unearned Revenue	4,886	-	(3,000)	1,886
Due to Other Governments	-	564	1,463	(29,715)
Other Post Employment Benefits	2,330	2,582	1,323	197,911
Compensated Absences	-	-	-	461,361
Net Cash Provided (Used) by Operating Activities	<u>\$ 1,248,316</u>	<u>\$ 1,138,411</u>	<u>\$ 139,938</u>	<u>\$ 3,142,309</u>

This page is intentionally left blank

City of Eden Prairie, Minnesota

Custodial Funds

Custodial Funds

Custodial 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 evidence held by the Police Department.

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.

494 Corridor Commission – This fund accounts for the collection and remittance of expenses pertaining to the policy work and employer and commuter outreach performed by staff of the I-494 Corridor Commission. The Commission is funded by member cities, a federal Congestion Mitigation & Air Quality grant, and a state grant.

City of Eden Prairie, Minnesota
Fiduciary Funds
Statement of Fiduciary Net Position
December 31, 2020

	Escrow Fund	WAFTA	MCES	494 Corridor	Custodial Funds Total
ASSETS					
Cash and Investments	\$ 11,164	\$ 287,047	\$ 14,910	\$ 115,497	\$ 428,618
Due from Other Governments	-	-	-	101,513	101,513
Prepaid Expenses	-	929	-	6,985	7,914
Total Assets	11,164	287,976	14,910	223,995	538,045
LIABILITIES					
Accounts Payable	-	153	-	6,843	6,996
Due to Other Governments	-	-	14,910	-	14,910
Unearned Revenue	-	-	-	3,000	3,000
Total Liabilities	-	153	14,910	9,843	24,906
NET POSITION					
Restricted For:					
Police Evidence Cash	11,164	-	-	-	11,164
Western Area Fire Training Costs	-	287,823	-	-	287,823
I-494 Corridor Commission Costs	-	-	-	214,152	214,152
	\$ 11,164	\$ 287,823	\$ -	\$ 214,152	\$ 513,139

City of Eden Prairie, Minnesota
 Fiduciary Funds
 Statement of Changes in Fiduciary Net Position
 For the Year Ended December 31, 2020

	Escrow	WAFTA	MCES	494 Corridor	Custodial Funds Total
ADDITIONS					
Grants	\$ -	\$ -	\$ -	\$ 320,968	\$ 320,968
Memberships	-	22,000	-	147,897	169,897
Investments Earnings	-	1,386	-	1,088	2,474
Building Permits	-	-	680,890	-	680,890
Customers Deposits	230	-	-	-	230
Other	-	-	-	1,722	1,722
Total Additions	230	23,386	680,890	471,675	1,176,181
DEDUCTIONS					
Personnel Services	-	-	-	338,351	338,351
Supplies	-	-	-	30,756	30,756
Contractual Services	-	1,087	680,890	145,090	827,067
Total Deductions	-	1,087	680,890	514,197	1,196,174
Net Increase (Decrease) in Fiduciary Net Position	230	22,299	-	(42,522)	(19,993)
Net Position - Beginning	10,934	265,524	-	256,674	533,132
Net Position - Ending	\$ 11,164	\$ 287,823	\$ -	\$ 214,152	\$ 513,139

This page is intentionally left blank

A scenic landscape featuring a large body of water with a fountain, greenery, and a blue sky with white clouds. The text "STATISTICAL SECTION" is centered over the image, underlined.

STATISTICAL SECTION

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	159-164
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	165-168
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	169-172
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	173-174
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	175-177
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.

City of Eden Prairie, Minnesota

Government-wide Net Position by Category (accrual basis of accounting)

Last Ten Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
GOVERNMENTAL ACTIVITIES										
Net Investment in Capital Assets	\$ 178,022,468	\$ 182,115,707	\$ 177,981,232	\$ 181,975,764	\$ 189,217,647	\$ 191,675,648	\$ 195,150,960	\$ 198,061,704	\$ 204,564,164	207,181,863
Restricted	9,190,791	7,324,699	6,175,774	13,773,554	23,112,719	26,405,621	23,186,863	28,343,449	20,531,807	18,319,451
Unrestricted	48,843,723	55,746,593	57,276,140	60,341,383	31,911,221	21,694,457	29,707,881	29,069,260	33,229,904	44,514,934
Governmental Activities Net Position	236,056,982	245,186,999	241,433,146	256,090,701	244,241,587	239,775,726	248,045,704	255,474,413	258,325,875	270,016,248
BUSINESS-TYPE ACTIVITIES										
Net Investment in Capital Assets	138,397,769	134,140,863	132,801,426	131,144,305	128,130,738	125,479,624	121,073,703	116,820,164	114,243,631	120,560,158
Unrestricted	9,452,826	12,357,974	15,634,317	14,438,525	14,792,266	16,155,406	19,142,578	22,590,071	25,296,848	22,267,651
Business-Type Activities Net Position	147,850,595	146,498,837	148,435,743	145,582,830	142,923,004	141,635,030	140,216,281	139,410,235	139,540,479	142,827,809
PRIMARY GOVERNMENT										
Net Investment in Capital Assets	316,420,237	316,256,570	310,782,658	313,120,069	317,348,385	317,155,272	316,224,663	314,881,868	318,807,795	327,742,021
Restricted	9,190,791	7,324,699	6,175,774	13,773,554	23,112,719	26,405,621	23,186,863	28,343,449	20,531,807	18,319,451
Unrestricted	58,296,549	68,104,567	72,910,457	74,759,133	46,703,487	37,849,863	48,850,459	51,659,331	58,526,752	66,782,585
Primary Government Net Position	\$ 383,907,577	\$ 391,685,836	\$ 389,868,889	\$ 401,652,756	\$ 387,164,591	\$ 381,410,756	\$ 388,261,985	\$ 394,884,648	\$ 397,866,354	412,844,057

City of Eden Prairie, Minnesota

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

Last Ten Years

Source	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
EXPENSES										
Governmental Activities	\$ 45,294,566	\$ 49,206,494	\$ 58,843,210	\$ 57,169,862	\$ 65,402,641	\$ 63,294,429	\$ 60,402,652	\$ 59,821,696	\$ 67,623,543	\$ 60,556,153
Business-type Activities	27,530,501	29,553,823	29,692,124	29,820,423	27,924,045	30,170,309	28,922,085	30,324,121	30,033,843	30,124,648
Total Expenses	72,825,067	78,760,317	88,535,334	86,990,285	93,326,686	93,464,738	89,324,737	90,145,817	97,657,386	90,680,801
PROGRAM REVENUES										
Governmental Activities	14,786,027	20,610,978	16,622,065	33,865,654	31,911,922	18,955,697	19,086,961	23,707,803	26,795,160	26,013,884
Business-type Activities	25,863,662	29,336,671	32,870,365	28,335,144	27,330,069	29,392,647	28,144,288	30,391,136	29,543,322	33,416,255
Total Program Revenues	40,649,689	49,947,649	49,492,430	62,200,798	59,241,991	48,348,344	47,231,249	54,098,939	56,338,482	59,430,139
Net (Expense) Revenue	(32,175,378)	(28,812,668)	(39,042,904)	(24,789,487)	(34,084,695)	(45,116,394)	(42,093,488)	(36,046,878)	(41,318,904)	(31,250,662)
GENERAL REVENUES AND TRANSFERS										
Governmental Activities	36,853,851	37,725,533	38,467,292	37,961,763	37,694,597	39,872,871	41,618,266	43,542,602	43,679,845	46,232,642
Business-type Activities	(1,230,687)	(1,134,606)	(1,241,335)	(1,367,634)	336,534	(510,312)	(640,952)	(873,061)	620,765	(4,277)
Total General Revenues and Transfers	35,623,164	36,590,927	37,225,957	36,594,129	38,031,131	39,362,559	40,977,314	42,669,541	44,300,610	46,228,365
Change in Net Position	\$ 3,447,786	\$ 7,778,259	\$ (1,816,947)	\$ 11,804,642	\$ 3,946,436	\$ (5,753,835)	\$ (1,116,174)	\$ 6,622,663	\$ 2,981,706	\$ 14,977,703

City of Eden Prairie, Minnesota

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

Last Ten Years

SOURCES	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
EXPENSES										
General Government	\$ 9,263,991	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Administration	-	4,008,338	5,854,425	4,921,044	5,579,070	5,003,957	4,611,732	5,092,886	4,827,249	5,554,966
Community Development	-	6,251,288	5,678,694	5,368,762	7,730,338	5,692,215	6,222,326	4,942,029	4,771,490	4,767,416
Public Safety	17,538,536	-	-	-	-	-	-	-	-	-
Police	-	12,413,470	12,846,206	13,534,150	14,118,565	17,793,494	15,769,976	14,365,502	15,021,975	15,189,099
Fire	-	5,646,926	5,724,342	6,093,772	6,324,124	7,542,196	6,896,697	6,406,404	7,191,071	6,131,926
Public Works	7,665,875	8,226,283	16,288,862	13,321,459	17,652,163	11,035,229	10,616,604	10,098,667	19,518,141	14,981,533
Parks and Recreation	9,617,076	10,815,390	11,113,811	12,947,006	12,862,402	15,133,618	15,274,479	18,008,795	15,458,406	13,135,532
Interest on Long Term Debt	1,209,088	1,844,799	1,336,870	983,669	1,135,979	1,093,720	1,010,838	907,413	835,211	795,681
Total Expenses	45,294,566	49,206,494	58,843,210	57,169,862	65,402,641	63,294,429	60,402,652	59,821,696	67,623,543	60,556,153
PROGRAM REVENUES										
Charges for Services										
General Government	966,931	-	-	-	-	-	-	-	-	-
Administration	-	1,695,035	1,176,919	1,314,271	1,132,606	1,442,068	1,173,177	1,079,151	1,052,388	982,079
Community Development	-	154,858	122,263	73,929	93,195	152,708	127,248	161,918	180,443	142,353
Public Safety	3,264,191	-	-	-	-	-	-	-	-	-
Police	-	1,338,079	1,223,836	1,130,020	1,063,129	1,131,502	1,039,936	1,115,447	1,103,269	847,564
Fire	-	3,450,431	4,236,114	3,502,952	2,571,830	2,315,725	2,240,351	3,505,901	3,580,095	3,609,503
Public Works	322,561	518,365	497,720	411,144	975,701	330,709	218,292	274,679	1,070,746	329,277
Parks and Recreation	4,327,323	4,759,919	5,005,917	5,187,195	5,229,060	5,513,331	6,091,247	5,854,094	6,004,835	2,445,386
Operating Grants and Contributions	1,435,321	1,567,265	1,459,859	1,741,945	1,818,333	1,614,263	1,707,453	2,457,482	2,461,663	7,376,216
Capital Grants and Contributions	4,469,700	7,127,026	2,899,437	20,504,198	19,028,068	6,455,391	6,489,257	9,259,131	11,341,721	10,281,506
Total Program Revenues	14,786,027	20,610,978	16,622,065	33,865,654	31,911,922	18,955,697	19,086,961	23,707,803	26,795,160	26,013,884
Net (Expense) Revenue	(30,508,539)	(28,595,516)	(42,221,145)	(23,304,208)	(33,490,719)	(44,338,732)	(41,315,691)	(36,113,893)	(40,828,383)	(34,542,269)
GENERAL REVENUES AND TRANSFERS										
Taxes										
Property Taxes	31,310,140	32,144,443	32,674,010	32,781,740	33,708,909	34,217,549	35,405,930	37,338,583	38,203,969	39,864,882
Tax Increment	3,139,080	3,353,556	3,535,459	3,070,936	3,249,355	3,357,247	3,570,703	2,320,447	1,936,046	2,193,637
Gain (Loss) on Sale of Capital Assets	121,916	33,848	-	-	-	-	-	-	-	-
Grants and Contributions Not Restricted to Specific Programs	752,907	836,646	862,288	483,914	741,828	1,268,257	1,545,745	1,644,788	1,718,391	1,788,293
Investment Income	259,808	186,676	137,890	210,373	272,989	418,849	334,305	988,382	1,747,241	1,651,912
Transfers	1,270,000	1,170,364	1,257,645	1,414,800	(278,484)	610,969	761,583	1,250,402	74,198	733,918
Total General Revenues and Transfers	36,853,851	37,725,533	38,467,292	37,961,763	37,694,597	39,872,871	41,618,266	43,542,602	43,679,845	46,232,642
Change in Net Position	\$ 6,345,312	\$ 9,130,017	\$ (3,753,853)	\$ 14,657,555	\$ 4,203,878	\$ (4,465,861)	\$ 302,575	\$ 7,428,709	\$ 2,851,462	\$ 11,690,373

City of Eden Prairie, Minnesota

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

Last Ten Years

SOURCE	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
EXPENSES										
Water	\$ 8,162,292	\$ 9,570,579	\$ 9,564,793	\$ 9,856,001	\$ 8,905,768	\$ 10,526,151	\$ 9,686,669	\$ 10,460,599	\$ 9,708,148	\$ 9,481,491
Wastewater	6,671,324	6,685,442	6,532,297	6,403,264	6,565,966	7,407,149	6,913,276	7,469,070	7,678,652	7,496,256
Stormwater	1,915,249	2,051,178	2,420,535	2,545,818	2,082,594	1,793,588	2,437,573	2,351,367	2,413,725	2,538,257
Liquor	10,781,636	11,246,624	11,174,499	11,015,340	10,369,717	10,443,421	9,884,567	10,043,085	10,233,318	10,608,644
Total Expenses	27,530,501	29,553,823	29,692,124	29,820,423	27,924,045	30,170,309	28,922,085	30,324,121	30,033,843	30,124,648
PROGRAM REVENUES										
Charges for Services										
Water	7,743,061	9,920,853	9,659,385	7,315,328	7,162,740	7,675,337	7,846,540	8,422,155	7,699,582	8,987,364
Wastewater	4,926,624	5,654,186	6,265,514	5,566,951	5,661,990	5,789,584	5,863,517	6,356,014	6,726,548	6,895,764
Stormwater	1,054,077	1,327,159	1,499,405	1,656,817	1,933,572	2,095,629	2,400,254	2,786,754	3,125,251	3,376,785
Liquor	11,724,900	12,381,069	12,404,920	12,216,404	11,312,822	10,747,887	10,501,449	10,848,725	10,977,643	11,711,560
Operating Grants and Contributions	-	-	-	131,600	133,195	155,041	238,392	20,665	69,429	117,123
Capital Grants and Contributions	415,000	53,404	3,041,141	1,448,044	1,125,750	2,929,169	1,294,136	1,956,823	944,869	2,327,659
Total Program Revenues	25,863,662	29,336,671	32,870,365	28,335,144	27,330,069	29,392,647	28,144,288	30,391,136	29,543,322	33,416,255
Net (Expense) Revenue	(1,666,839)	(217,152)	3,178,241	(1,485,279)	(593,976)	(777,662)	(777,797)	67,015	(490,521)	3,291,607
GENERAL REVENUES AND TRANSFERS										
Grants and Contributions Not Restricted to Specific Programs	4,016	-	-	-	-	-	-	-	-	-
Investment Income	35,297	35,758	16,310	47,166	58,050	100,657	120,631	377,341	694,963	729,641
Transfers	(1,270,000)	(1,170,364)	(1,257,645)	(1,414,800)	278,484	(610,969)	(761,583)	(1,250,402)	(74,198)	(733,918)
Total General Revenues and Transfers	(1,230,687)	(1,134,606)	(1,241,335)	(1,367,634)	336,534	(510,312)	(640,952)	(873,061)	620,765	(4,277)
Change in Net Position	\$ (2,897,526)	\$ (1,351,758)	\$ 1,936,906	\$ (2,852,913)	\$ (257,442)	\$ (1,287,974)	\$ (1,418,749)	\$ (806,046)	\$ 130,244	\$ 3,287,330

City of Eden Prairie, Minnesota

Fund Balances-Governmental Funds

Last Ten Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
GENERAL FUND										
Nonspendable	\$ 18,266	\$ 52,190	\$ 24,702	\$ 39,844	\$ 22,947	\$ 35,792	\$ 30,037	\$ 103,845	\$ 69,611	\$ 94,824
Restricted	-	-	-	-	-	286,942	-	-	11,148	10,572
Unassigned	21,162,123	21,069,050	21,509,541	22,292,187	22,859,810	23,171,318	22,592,160	24,438,689	25,354,724	26,197,429
Subtotal General Fund	21,180,389	21,121,240	21,534,243	22,332,031	22,882,757	23,494,052	22,622,197	24,542,534	25,435,483	26,302,825
General Fund % Change	1.1%	(0.3%)	2.0%	3.7%	2.5%	2.7%	(3.7%)	8.5%	3.6%	3.4%
ALL OTHER GOVT FUNDS										
Nonspendable	812,151	537,530	538,620	542,619	1,938,628	250,970	250,290	227,197	221,019	227,706
Restricted	15,261,699	22,281,089	20,876,780	23,065,276	10,891,614	11,676,546	7,680,713	11,577,849	13,330,982	20,224,326
Assigned	17,951,086	34,326,050	28,275,391	28,510,594	22,935,181	19,799,434	25,270,027	25,215,825	24,996,835	31,958,975
Unassigned	(3,687,585)	(4,308,281)	(3,859,192)	(6,295,915)	(6,572,969)	(5,110,657)	(2,587,713)	(4,512,314)	(2,218,785)	(3,741,963)
Subtotal All Other Govt' Funds	30,337,351	52,836,388	45,831,599	45,822,574	29,192,454	26,616,293	30,613,317	32,508,557	36,330,051	48,669,044
TOTAL GOVT' FUNDS										
Nonspendable	830,417	589,720	563,322	582,463	1,961,575	286,762	280,327	331,042	290,630	322,530
Restricted	15,261,699	22,281,089	20,876,780	23,065,276	10,891,614	11,963,488	7,680,713	11,577,849	13,342,130	20,234,898
Assigned	17,951,086	34,326,050	28,275,391	28,510,594	22,935,181	19,799,434	25,270,027	25,215,825	24,996,835	31,958,975
Unassigned	17,474,538	16,760,769	17,650,349	15,996,272	16,286,841	18,060,661	20,004,447	19,926,375	23,135,939	22,455,466
Total Govt' Funds	\$ 51,517,740	\$ 73,957,628	\$ 67,365,842	\$ 68,154,605	\$ 52,075,211	\$ 50,110,345	\$ 53,235,514	\$ 57,051,091	\$ 61,765,534	\$ 74,971,869
All Govt' Funds % Change	12.2%	43.6%	(8.9%)	1.2%	(23.6%)	(3.8%)	6.2%	7.2%	8.3%	21.4%

City of Eden Prairie, Minnesota

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

Last Ten Years

SOURCE	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
REVENUES										
Taxes and Special Assessments	\$ 35,876,027	\$ 37,518,214	\$ 38,119,497	\$ 37,189,846	\$ 44,259,324	\$ 41,169,891	\$ 42,262,252	\$ 42,826,126	\$ 42,964,367	\$ 44,264,894
Licenses and Permits	3,363,293	5,631,529	7,956,114	7,084,975	6,686,477	6,017,523	5,810,945	7,938,046	9,054,415	8,351,257
Intergovernmental Revenue	5,215,943	7,368,558	1,886,954	8,582,993	6,299,840	2,362,417	7,787,877	2,980,678	14,691,473	10,676,031
Charges for Services	4,202,734	4,394,544	4,532,269	4,841,857	4,864,818	5,325,932	5,744,494	5,976,951	6,132,338	2,464,886
Fines and Forfeits	557,512	603,126	420,552	406,210	344,384	346,823	347,285	416,028	370,944	231,166
Investment Income	224,379	195,657	140,303	216,895	276,176	417,997	310,433	887,536	1,523,825	1,458,094
Miscellaneous Revenue	1,488,991	2,469,125	2,265,545	1,647,534	7,098,463	3,249,117	2,835,760	4,853,894	4,684,221	5,166,785
Total Revenues	50,928,879	\$ 58,180,753	55,321,234	59,970,310	69,829,482	58,889,700	65,099,046	65,879,259	79,421,583	72,613,113
EXPENDITURES										
General Government	8,768,528	-	-	-	-	-	-	-	-	-
Administration	-	3,634,743	3,634,004	3,946,531	3,809,732	4,280,665	4,036,821	4,467,514	4,455,624	4,547,110
Community Development	-	6,228,446	5,661,300	5,224,034	7,666,282	5,536,030	6,102,434	5,143,042	4,762,403	4,975,185
Public Safety	16,822,991	-	-	-	-	-	-	-	-	-
Police	-	12,362,179	12,696,678	13,079,303	13,704,796	13,917,677	14,183,797	14,672,312	15,354,150	15,537,807
Fire	-	5,190,539	5,300,536	5,664,111	5,754,747	5,699,308	6,145,202	6,058,619	5,854,829	6,378,338
Public Works	5,278,935	5,448,793	5,685,295	5,915,849	5,869,727	5,929,171	6,194,054	5,997,312	6,010,535	6,090,297
Parks and Recreation	8,790,806	9,591,618	9,949,401	10,255,620	10,571,858	11,008,845	11,309,009	12,176,110	12,629,951	11,137,410
Capital Outlay	8,696,679	8,558,743	13,946,660	21,000,674	31,265,363	15,133,476	8,779,760	9,816,539	24,076,873	13,411,943
Miscellaneous	17,256	29,641	7,996	25,547	39,283	49,954	40,019	66,154	65,245	98,137
Debt Service										
Principal	4,077,751	4,415,603	3,182,019	3,178,107	3,974,224	3,415,369	5,657,828	3,869,824	3,436,793	3,743,793
Interest	1,250,401	1,194,117	1,480,194	1,127,862	1,304,947	1,148,544	1,068,403	975,631	895,435	815,351
Other	96,169	249,671	8,937	144,530	22,517	66,043	23,500	16,848	10,838	64,875
Total Expenditures	53,799,516	56,904,093	61,553,020	69,562,168	83,983,476	66,185,082	63,540,827	63,259,905	77,552,676	66,800,246
Excess of Revenues Over (Under) Expenditures	(2,870,637)	1,276,660	(6,231,786)	(9,591,858)	(14,153,994)	(7,295,382)	1,558,219	2,619,354	1,868,907	5,812,867
Other Financing Sources (Uses)	8,478,532	21,163,228	(360,000)	10,380,621	(1,925,400)	5,330,516	1,566,950	1,196,223	2,845,536	7,393,468
Net Change in Fund Balance	\$ 5,607,895	\$ 22,439,888	\$ (6,591,786)	\$ 788,763	\$ (16,079,394)	\$ (1,964,866)	\$ 3,125,169	\$ 3,815,577	\$ 4,714,443	\$ 13,206,335
Debt Service as a % of Noncapital Expenditures	11.5%	11.0%	8.0%	7.5%	7.9%	8.1%	11.4%	8.0%	6.4%	7.2%

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													
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	Annual % Change	
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%	
2015	1,581,718	63,907,631	7,045,373	38,765,135	49,597	111,349,454	15,719,259	2,933,721	92,696,474	33.954	9,078,339,200	5.2%	
2016	1,659,596	68,205,510	7,667,144	40,928,173	45,052	118,505,475	15,104,618	3,126,571	100,274,286	32.327	9,633,243,700	6.1%	
2017	1,778,971	69,180,068	8,887,941	41,710,414	44,200	121,601,594	16,281,768	3,209,405	102,110,421	32.667	9,872,802,500	2.5%	
2018	1,317,656	72,149,265	9,758,671	41,957,995	43,813	125,227,400	16,415,817	2,208,824	106,602,759	32.526	10,209,614,900	3.4%	
2019	1,995,250	75,815,471	10,394,693	42,523,027	44,602	130,773,043	16,343,594	1,869,603	112,559,846	31.690	10,663,264,100	4.4%	
2020	1,947,874	79,500,899	11,243,928	43,474,992	46,519	136,214,212	17,538,211	2,121,042	116,554,959	31.676	11,121,835,000	4.3%	
Percentages													
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%					
2015	1.4%	57.4%	6.3%	34.8%	0.0%		17.0%	3.2%					
2016	1.4%	57.6%	6.5%	34.5%	0.0%		15.1%	3.1%					
2017	1.5%	56.9%	7.3%	34.3%	0.0%		15.9%	3.1%					
2018	1.1%	57.6%	7.8%	33.5%	0.0%		15.4%	2.1%					
2019	1.5%	58.0%	7.9%	32.5%	0.0%		14.5%	1.7%					
2020	1.4%	58.4%	8.3%	31.9%	0.0%		15.0%	1.8%					

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
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
2015	33.749	0.205	33.954	46.398	9.785	30.340	22.030	25.093	1.315	0.686	1.855
2016	32.137	0.190	32.327	45.356	9.530	28.514	20.948	22.887	1.233	0.598	1.745
2017	32.480	0.187	32.667	44.087	9.319	25.611	21.865	22.770	1.257	0.718	1.992
2018	32.348	0.178	32.526	42.808	8.973	29.035	20.525	23.133	1.204	0.659	2.269
2019	31.521	0.169	31.690	41.861	8.550	27.022	20.756	21.209	1.164	0.527	2.204
2020	31.513	0.163	31.676	41.084	8.219	27.190	21.555	21.167	1.111	0.574	2.160

Market Value Rates

Year Ended Dec. 31	City Direct Rate	Overlapping Rates		
		School District #270	School District #272	School District #276
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
2015	0.0100	0.179	0.244	0.264
2016	0.0091	0.187	0.231	0.301
2017	0.0089	0.180	0.220	0.300
2018	0.0086	0.150	0.229	0.303
2019	0.0080	0.147	0.222	0.340
2020	0.0077	0.162	0.209	0.339

(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, 2020 and 2011

Taxpayer	2020		Taxpayer	2011	
	Tax Capacity	Percentage of Total Tax Capacity		Tax Capacity	Percentage of Total Tax Capacity
United Healthcare Serv Inc. (United Healthcare)	\$ 2,999,250	2.2%	Eden Prairie Mall, LLC	\$ 2,239,250	2.0%
CAPREF Eden Prairie, LLC (Eden Prairie Mall (part of))	2,046,250	1.5%	ADC Telecommunications, Inc.	879,250	0.8%
FPACP3 Eden LLC (Arrive Eden Prairie Apts.)	982,963	0.7%	Liberty Property Ltd P'ship (9023 Columbine Rd)	625,650	0.6%
REEP-MF Fountain Place LLC (Fountain Place Apts.)	962,926	0.7%	Geneva Office Exchange	615,510	0.6%
WPT Land 2 LP (Kroll Ontrack Campus)	824,250	0.6%	Lifetouch Inc.	609,250	0.5%
AGNL Health LLC (Optum Campus)	789,430	0.6%	Flying Cloud Office Inc.	462,830	0.4%
FPAWC Parkway LLC (Renew Eden Prairie)	775,000	0.6%	United Healthcare Serv. Inc	452,270	0.4%
WPT Properties LP (10400 Southwest Crossing)	703,320	0.5%	EP-MN LLC	412,570	0.4%
Lifetouch Inc. (Lifetouch)	642,130	0.5%	Liberty Property Ltd P'ship (7075 Flying Cloud Dr.)	411,090	0.4%
OSWX Property LLC (One Southwest Crossing)	625,750	0.5%	Liberty Property Ltd P'ship (10400 Viking Dr.)	407,150	0.4%
Total Principal Taxpayers	11,351,269	8.3%		7,114,820	6.4%
All Other Taxpayers	124,862,943	91.7%		104,456,549	93.6%
Total	\$ 136,214,212	100.0%		\$ 111,571,369	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
2011	\$ 31,719,631	\$ 31,355,647	98.85%	\$ (12,043)	31,343,604	98.81%
2012	32,458,990	32,193,272	99.18%	(61,296)	32,131,976	98.99%
2013	32,749,320	32,519,542	99.30%	(104,201)	32,415,341	98.98%
2014	33,220,111	32,881,280	98.98%	(114,233)	32,767,047	98.64%
2015	33,992,311	33,675,337	99.07%	(150,676)	33,524,661	98.62%
2016	34,860,874	34,512,035	99.00%	(104,721)	34,407,314	98.70%
2017	35,911,841	35,480,742	98.80%	(58,279)	35,422,463	98.64%
2018	37,349,820	37,319,709	99.92%	(102,686)	37,217,023	99.64%
2019	38,478,724	38,167,003	99.19%	(17,255)	38,149,748	99.15%
2020	39,821,102	39,406,040	98.96%	-	39,406,040	98.96%

Source: Hennepin County

City of Eden Prairie, Minnesota

Legal Debt Margin

Last Ten Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Estimated Market Value	\$ 8,899,287,500	\$ 8,647,405,200	\$ 8,483,358,400	\$ 8,627,122,700	\$ 9,078,339,200	\$ 9,633,243,700	\$ 9,872,802,500	\$ 10,209,614,900	\$ 10,663,264,100	\$ 11,121,835,000
Legal Debt Margin:										
Debt Limit: 3% of Market Value	266,978,625	259,422,156	254,500,752	258,813,681	272,350,176	288,997,311	296,184,075	306,288,447	319,897,923	333,655,050
Amount of Debt Applicable to Debt Limit:										
General Obligation Bonds	25,866,940	31,874,239	29,464,744	17,906,759	13,499,232	12,036,705	10,648,354	9,211,190	8,191,241	13,227,541
Tax Abatement Bonds	-	-	-	17,598,269	17,575,537	17,552,806	17,180,074	16,697,342	16,229,610	15,306,879
Deductions:										
Amt Available for Repayment of Bonds (1)	6,013,879	4,207,601	2,650,363	1,715,750	2,032,109	2,303,895	2,336,132	2,296,320	2,682,004	8,730,968
Total Debt Applicable to Limit	19,853,061	27,666,638	26,814,381	33,789,278	29,042,660	27,285,616	25,492,296	23,612,212	21,738,847	19,803,452
Legal Debt Margin	\$ 247,125,564	\$ 231,755,518	\$ 227,686,371	\$ 225,024,403	\$ 243,307,516	\$ 261,711,695	\$ 270,691,779	\$ 282,676,235	\$ 298,159,076	\$ 313,851,598
As a % of Debt Limit	92.6%	89.3%	89.5%	86.9%	89.3%	90.6%	91.4%	92.3%	93.2%	94.1%

1 - Amt Available for Repayment of Bonds only includes "Restricted Debt" of General Obligation and Tax Abatement Bonds

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	Tax Abatement Bonds	Total General Bonded Debt	Lease Revenue Bonds	Special Assessments Improvement Bonds	Capital Lease	Total Govt' Bonds	Revenue Bonds	Total		
2011	\$ 25,866,940	\$ -	\$ 25,866,940	\$ 2,686,606	\$ 8,143,367	\$ -	\$ 36,696,913	\$ 4,271,215	\$ 40,968,128	*	670
2012	31,874,239	-	31,874,239	1,425,000	18,137,531	174,719	51,611,489	3,829,969	55,441,458	*	894
2013	29,464,744	-	29,464,744	1,360,000	15,658,107	132,700	46,615,551	3,383,723	49,999,274	*	806
2014	17,906,759	17,598,269	35,505,028	1,290,000	14,834,596	89,593	51,719,217	2,927,476	54,646,693	*	871
2015	13,499,232	17,575,537	31,074,769	1,220,000	12,289,647	45,369	44,629,785	2,466,230	47,096,015	*	752
2016	12,036,705	17,552,806	29,589,511	1,145,000	12,799,455	286,942	43,820,908	3,631,427	47,452,335	*	751
2017	10,648,354	17,180,074	27,828,428	-	10,021,959	231,734	38,082,121	3,143,967	41,226,088	*	653
2018	9,211,190	16,697,342	25,908,532	-	8,054,154	175,457	34,138,143	2,511,507	36,649,650	*	575
2019	8,191,241	16,229,610	24,420,851	-	6,101,720	118,090	30,640,661	6,960,748	37,601,409	*	593
2020	13,227,541	15,306,879	28,534,420	-	4,320,627	59,611	32,914,658	6,088,767	39,003,425	*	612

(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 General Bonded Debt Outstanding
 Last Ten Years

Year Ended Dec. 31	General Obligation Debt (1)	Tax Abatement Bonds	Total General Bonded Debt	Less Amounts Available in Debt Service Fund	Net General Bonded Debt	Ratio of Net Bonded Debt to Estimated Market Value (2)	Per Capita (3)
2011	\$ 25,866,940	\$ -	\$ 25,866,940	\$ 6,013,879	\$ 19,853,061	0.22%	325
2012	31,874,239	-	31,874,239	4,207,601	27,666,638	0.32%	446
2013	29,464,744	-	29,464,744	2,650,363	26,814,381	0.32%	432
2014	17,906,759	17,598,269	35,505,028	1,715,750	33,789,278	0.39%	539
2015	13,499,232	17,575,537	31,074,769	2,032,109	29,042,660	0.32%	464
2016	12,036,705	17,552,806	29,589,511	2,303,895	27,285,616	0.28%	432
2017	10,648,354	17,180,074	27,828,428	2,336,132	25,492,296	0.26%	404
2018	9,211,190	16,697,342	25,908,532	2,296,320	23,612,212	0.23%	371
2019	8,191,241	16,229,610	24,420,851	2,682,004	21,738,847	0.20%	343
2020	13,227,541	15,306,879	28,534,420	8,730,968	19,803,452	0.18%	311

- (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

City of Eden Prairie, Minnesota
 Computation of Direct and Overlapping Bonded Debt
 December 31, 2020

Governmental Unit	Debt Outstanding	Percent of Debt Applicable to City (1)	Net Debt Applicable to City
Direct Debt:			
City of Eden Prairie	\$ 32,914,658	100.00%	\$ 32,914,658
Overlapping Debt:			
Hopkins ISD 270	\$ 205,705,000	4.60%	\$ 9,462,430
Eden Prairie ISD 272	95,033,468	97.61%	92,762,168
Minnetonka ISD 276	109,495,305	2.96%	3,241,061
Hennepin County	998,790,298	5.80%	57,929,837
Henn Suburban Park District	42,954,642	8.33%	3,578,122
Henn Regional RR Authority	93,859,422	5.80%	5,443,846
Metropolitan Council	103,225,628	2.94%	3,034,833
Total Overlapping Debt	1,649,063,763		175,452,298
Total Direct and Overlapping Debt	\$ 1,681,978,421		\$ 208,366,956

Notes:

1- 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 (1)	Household Median Income	Per Capita Income	Median Age	School Enrollment	Unemployment Rate
2011	61,151	*	*	*	9,487	5.2%
2012	62,004	*	*	*	9,162	4.6%
2013	62,004	*	*	*	9,046	4.0%
2014	62,729	*	*	*	9,011	2.4%
2015	62,593	*	*	*	8,941	2.3%
2016	63,187	*	*	*	8,844	2.9%
2017	63,163	*	*	*	8,835	2.4%
2018	63,726	*	*	*	8,780	2.6%
2019	63,456	*	*	*	8,861	2.2%
2020	63,726	*	*	*	8,759	3.4%

Sources:

City of Eden Prairie Planning Department
 Minnesota Department of Employment and Economic Development
 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, 2020 and 2011

Employer	2020		Employer	2011	
	Employees	Percentage of Total City Employment		Employees	Percentage of Total City Employment
Optum, Inc.	3,312	5.3%	Optum	1,800	3.7%
Eden Prairie Mall	2,310	3.7%	EP Schools	1,500	3.0%
C.H. Robinson Worldwide	2,200	3.5%	CH Robinson	1,462	3.0%
Starkey Labs	2,000	3.2%	Starkey Labs	1,436	2.9%
Emerson Process Management	1,500	2.4%	Super Valu	1,260	2.6%
I.S.D No. 272 (Eden Prairie)	1,477	2.4%	CIGNA	1,200	2.4%
Element Fleet Management	1,200	1.9%	Dell-Compellent	1,000	2.0%
United Natural Foods Inc.	1,100	1.8%	GE Capital	900	1.8%
MTS Systems Corporation	1,000	1.6%	Eaton Corp	850	1.7%
Eaton Corp.	1,000	1.6%	MTS Systems	708	1.4%
Total Principal Employer	17,099	27.3%		12,116	24.6%
Other Employers	45,507	72.7%		37,172	75.4%
Total Employers	62,606	100.0%		49,288	100.0%

Source: Official Bonds Statement for G.O. Water Revenue Bonds, Series 2019A

City of Eden Prairie, Minnesota

Employees by Function

Last Ten Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Administration										
Office of City Manager	2	2	2	2	2	2	2	2	2	2
City Clerk	1	1	1	1	1	1	1	1	1	2
Human Resources	9.3	8.75	8.8	9.7	9.7	9.8	9.8	9.8	9.8	9.8
Communications	3	3	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5
Finance	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5
Liquor Stores	8	8	9	9	9	9	9	9	9	9
Information Technology	7.5	7	7	7	7	6	6	6	6	6
Facilities	8.5	8.5	8.5	9.88	9.88	9.88	10	10	10	10
Community Development										
Administration	1	1.5	2	2	2	2	2	2	2	2
Assessing	7	7	7	7	7	7	7	7	7	7
Planning	4.5	4.5	4.6	4.6	4.7	4.7	4.7	4.7	4.7	4.8
Economic Development	1	1	1	1	1	1	1	1	1	1
Housing & Community Services	2	2	2	1.75	1.75	1.75	1.75	1.75	2	2
Parks and Recreation										
Administration	2	2	2	2	2	2	2	2	2	2
Park Maintenance	20	20	20	20	20	20	20	20	20	20
Recreation Services	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6
Community Center	5.5	5.5	5.5	5.5	5.5	6.5	6.5	6.5	6.5	6.5
Police										
Administration	26.35	25.1	25	25	25	25	25	25	24	24
Officers	65	66	66	66	66	67	68	68	69	69.5
Fire										
Administration	9	9	9	9	9	9	9	9	9	9
Building Inspections	9	9	9	9	9	9	9	9	9	9
Public Works										
Engineering	8.3	8.3	8.3	8.3	9.3	10.3	10.3	7.5	7.5	7.5
Street Maintenance	15	15	15	14.5	14.5	14	14	14	15	15
Utilities	34.7	34.7	34.7	34.7	34.7	35.7	35.7	39.5	39.5	39.5
Fleet Services	6	6	6	6.5	5.5	5	5	5	5	5
Grand Total	268.75	267.95	270	272.03	272.13	274.23	275.35	276.35	277.6	279.2

Source: Human Resource department

City of Eden Prairie, Minnesota

Operating Indicators

Last Ten Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Government										
Bond Rating - Moody's Investor Service	Aaa	Aaa	Aaa	Aaa	Aaa	Aaa	Aaa	Aaa	Aaa	Aaa
Bond Rating - Standard & Poors	n/a	n/a	n/a	AAA	AAA	AAA	AAA	AAA	AAA	AAA
Housing and Human Services										
Number of Residents Served	3,000	3,300	3,300	3,500	3,500	3,500	3,750	3,975	5,700	9,200
Assessing:										
Number of Appraisals Completed	4,827	4,871	5,002	5,291	5,320	5,066	5,061	4,908	4,912	5,267
Parks and Recreation										
Avg Monthly Community Center Memberships	2,300	2,573	n/a	n/a	n/a	2,511	2,688	2,608	2,486	1,683
Program Registrations (Excludes Leagues)	15,010	15,403	17,783	18,269	17,531	15,701	17,161	17,972	19,931	6,022
Public Safety										
Fire										
Number of Calls	1,143	1,169	1,601	1,614	1,617	1,615	1,742	1,908	1,875	2,915
Inspection Permits Issued	6,531	6,043	9,500	7,469	6,405	5,997	6,227	6,436	6,438	7,766
Building permit revenue	\$2,094,901	\$3,786,592	\$4,410,616	\$3,496,417	\$3,059,075	\$2,303,405	\$2,066,787	\$3,388,529	\$3,646,332	\$3,578,799
Police										
Number of Calls	59,544	60,632	53,746	50,380	49,921	50,741	46,319	52,278	50,909	40,564
Public Works:										
Patching Materials (Tons)	2,700	2,000	2,500	2,400	1,555	2,370	1,650	1,700	1,976	1,739
Overlays (Tons)	22,400	23,200	24,000	26,488	29,602	23,070	28,856	29,852	31,503	35,988
Crack Filling Materials (Lbs)	200,000	328,000	200,000	154,944	32,000	68,000	42,000	31,920	50,007	66,175
Seal Coating (Sq Yards) - Chips Sealed Placed	475,300	389,698	400,000	375,500	411,700	381,600	405,425	365,907	327,998	364,854
Seal Coating (Sq Yards) - Fog Seal/Reclamite Placed	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	276,296	470,020
Water System:										
Number of Connections	18,971	19,076	19,195	19,269	19,312	19,362	19,426	19,426	19,426	19,541
Water Main Repairs	56	23	15	9	28	53	30	18	24	33
Number of Hydrant Flushed	4,158	4,267	4,217	4,326	4,311	4,515	4,360	4,395	4,274	-
Average Daily Usage	8.1 MGD	8.5 MGD	7.9 MGD	7.25 MGD	6.99 MGD	7.07 MGD	7.06 MGD	7.08 MG	6.25 MG	6.95 MG
Sewer System:										
Number of Connections	18,416	18,474	18,525	18,578	18,644	18,707	18,865	18,925	18,955	19,016
Miles of Sanitary Sewer Cleaned	94	85	65	75	81	81	76	65	50	10
Storm System:										
Number of Storm Sumps Maintained	61	70	61	103	78	91	88	97	48	40

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Public Safety										
Fire Protection										
Number of Stations	4	4	4	4	4	4	4	4	4	4
Number of Volunteer Firefighters	93	89	95	90	92	99	101	95	92	94
Police Protection										
Number of Stations	1	1	1	1	1	1	1	1	1	1
Public Works										
Miles of City Streets	230	231	232	233	234	234	234	235	235	235
Parks and Recreation										
City Parks	43	43	43	43	43	43	43	43	43	43
Conservation Areas	15	15	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	120	122	122	128	128	128	134	134	134.5	134.5
Water System										
Number of Wells	15	15	15	15	15	15	15	15	15	15
Total Pumping Capacity	24 MGD	26 MGD	28 MGD	28 MGD	28 MGD	28 MGD	28 MGD	28 MGD	28 MGD	28 MGD
Total Storage Capacity	8.5M gals	8.5M gals	8.5M gals	8.5 MG	8.5 MG	8.5 MG	8.5 MG	8.5 MG	8.5 MG	12.5 MG
Miles of Water Mains	317	321	323	326	326	328	326	326	327	326
Sewer System										
Miles of Sanitary Sewer	256	258	258	262	264	264	263	263	264	265
Miles of Storm Sewer	174	179	180	186	189	193	193	193	195	198

Sources: Various City Departments

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

MGD - Million Gallons Daily