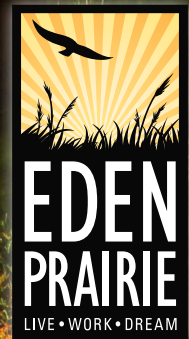


CITY OF EDEN PRAIRIE, MINNESOTA

Annual Comprehensive Financial Report

For the Fiscal Year Ended December 31, 2021



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

For The Fiscal Year Ended December 31, 2021

Rick Getschow, City Manager

Prepared by
THE FINANCE DIVISION

Tammy Wilson, Chief Financial Officer

City of Eden Prairie, Minnesota

For the Year Ended December 31, 2021

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City of Eden Prairie, Minnesota

For the Year Ended December 31, 2021

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INTRODUCTORY SECTION



April 20, 2022

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

The annual comprehensive financial report of the City of Eden Prairie, Minnesota, for the year ended December 31, 2021, 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, 2021, 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, 2021, 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 64,198 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 281 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.

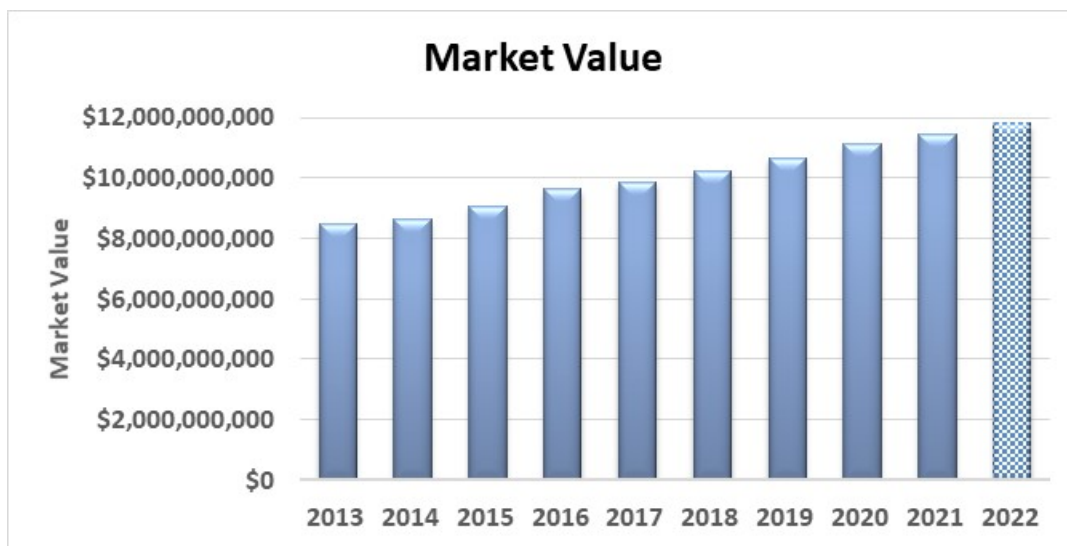
The budget is prepared by department and division. The City's directors and division managers may make transfers of appropriations within a division. Transfers of appropriations between departments require the approval of the City Manager. Any changes in the total budget must be approved by the City 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 along the LRT corridor and other multi-family projects in other locations within the City, it is expected that Eden Prairie's population will grow to 82,400 by 2040 an increase 28% from 2021.

The Coronavirus Disease (COVID-19) took a toll on the City once again in 2021. Financially, we felt the impact of revenue reductions but we also received federal funding to cover the revenue loss. The City was able to end the year with positive financial performance.

Below summarizes the City's market value since 2013.



The City's tax base increased from \$11.1 billion to \$11.4 billion from 2020 to 2021. In 2022, the market value increased to \$11.8 billion. Eden Prairie's unemployment rate is 2.1%, which is less than the State rate of 3.4% and the Federal rate of 5.3%.

We had another strong year in licenses and permits and Inspections issued permits with a value of \$251,853,925. The largest project was Paravel Apartments with a value of \$65,590,724. In addition there were many large remodel projects ranging from \$100,000 to \$9,000,000 in value. They issued 8,177 remodel permits versus 7,067 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 large, growing tax base, very healthy operating reserves, low direct debt burden, and strong financial management.

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

Paravel Apartments

In October 2021, a building permit was issued for the construction of the Paravel Apartments. The proposed project includes the redevelopment of a portion of the former Broadmoor Apartments site. This phase of the Castle Ridge Redevelopment proposes the construction of a 5 and 7 story apartment building that provides 246 residential units comprised of studio, 1 bedroom and 2 bedroom units, including affordable units. The project also proposes the use of underground parking, limited surface parking and indoor and outdoor site amenities.

Inclusionary Housing

In 2021, the City adopted an Inclusionary Housing Policy. The Policy and ordinance is consistent with and will be integrated into the City's Comprehensive Plan, *Aspire Eden Prairie 2040*. These inclusionary housing requirements will help the City reach its affordable housing goals, provide direction to developers interested in working in the City, and benefit existing and new residents in search of housing in a high opportunity community.

Water Meter Change Out

Eden Prairie's water meters at residential and commercial locations were last installed in the late 1990s/early 2000s, and the batteries powering the transmitters are becoming too weak to reliably broadcast billing information to our remote data collection system. HydroCorp Inc. was contracted for the removal and reinstallation of New Cellular AMI Water Meters, for conducting water safety surveys at each location, and for conducting meter inventories and cross-connection surveys at all non-residential water customer locations. The upgraded meters include monitoring capabilities through a smart phone app or computer to help customers conserve water by tracking water usage on customizable dashboard and also has the capability to send alerts for possible water leaks. The project is anticipated to take 3 years to change over all the meters within the City. The City issued \$5.8M in bonds 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 Annual Comprehensive Financial Report for the fiscal year ended December 31, 2020.

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, 2020. 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



Tammy Wilson
Chief Financial Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Eden Prairie
Minnesota**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

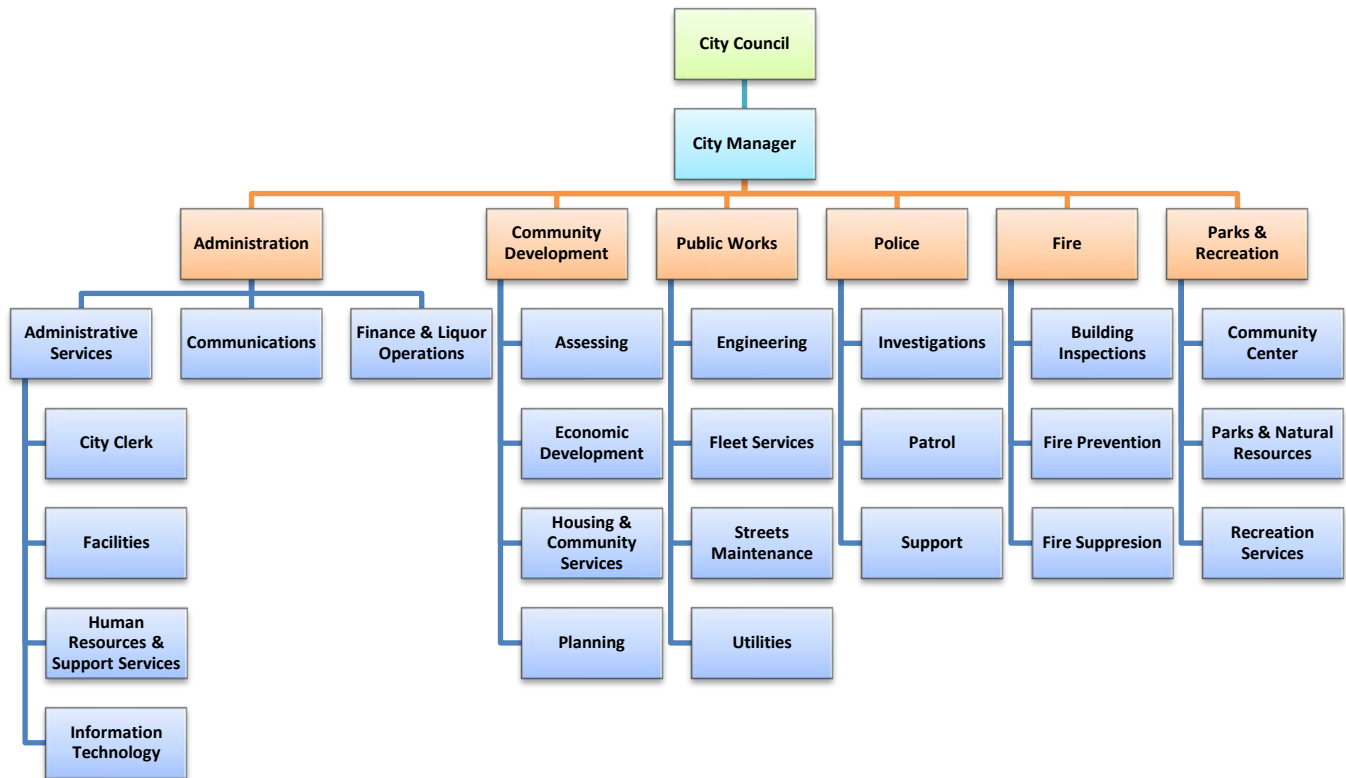
December 31, 2020

Christopher P. Morill

Executive Director/CEO

City of Eden Prairie, Minnesota

For the Year Ended December 31, 2021



City of Eden Prairie, Minnesota

For the Year Ended December 31, 2021

Principal Officials

Elected Officials:

Mayor	(Term expiration 12/31/22)	Ron Case
Council Member	(Term expiration 12/31/22)	Mark Freiberg
Council Member	(Term Expiration 12/31/24)	PG Narayanan
Council Member	(Term expiration 12/31/22)	Kathy Nelson
Council Member	(Term expiration 12/31/24)	Lisa Toomey

Appointed Officials:

City Manager	Rick Getschow
City Attorney	Maggie Neuville

Departments:

Chief of Police	Matt Sackett
Community Development Director	Julie Klima
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 Audit of the Financial Statements

Opinions

We have audited the 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, 2021, and the related notes to the basic financial statements, which collectively comprise City's basic financial statements as listed in the Table of Contents.

In our opinion, the accompanying financial statements 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, 2021, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Eden Prairie and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Report on Summarized Comparative Information

We have previously audited the City's 2020 financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, and we expressed unmodified opinions on those financial statements in our report dated April 26, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Responsibilities of Management for the Financial Statements

The City of Eden Prairie's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Eden Prairie's ability to continue as a going concern for one year beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

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 Required Supplementary information as listed in the Table of Contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary 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 combining fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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.

Other Information

Management is responsible for the other information included in the Annual Comprehensive Financial Report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 20, 2022, 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 20, 2022

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, 2021. 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 \$427,734,710. Of this amount, \$87,307,095 (*unrestricted net position*) may be used to meet the City's ongoing obligations to citizens and creditors, \$323,996,823 is invested in capital assets, and \$16,430,792 is restricted.
- The City's total net position increased by \$14,890,653 or 3.6%. The key factors in this increase were positive general fund results and refunding debt issued in December 2021. 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 decreased by \$270,298 or 0.4% in comparison with the prior year. Contributing to the overall decrease was a decrease in the net pension liability. Offsetting the decrease was an increase in bonds payable due to the issuance of refunding bonds.

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 \$412,844,057 to \$427,734,710 and maintained its financial position. A large part of this increase was due to positive general fund performance and the issuance of debt in December 2021. In 2020 the City received federal funds of \$4,821,082 as part of the CARES ACT and in 2021 received \$3,723,700 in American Recovery Plan funding 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 charges for services. By far the largest portion of the City of Eden Prairie's net position, \$323,996,823 (approximately 76%) 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 \$16,430,792 (approximately 4%), represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$87,307,095 (approximately 20%), 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, 2021 (in thousands):

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and Other Assets	\$ 118,964	\$ 104,565	\$ 45,836	\$ 34,764	\$ 164,801	\$ 139,329
Capital Assets	232,309	233,922	114,899	120,560	347,207	354,482
Total Assets	351,273	338,487	160,735	155,324	512,008	493,811
Deferred Outflows	16,216	6,832	1,886	293	18,102	7,125
Total Assets and Deferred Outflows	367,489	345,319	162,621	155,617	530,110	500,936
Long-Term Liabilities Outstanding	53,578	58,902	14,920	9,866	68,498	68,768
Other Liabilities	5,281	5,961	2,452	2,699	7,733	8,660
Total Liabilities	58,860	64,863	17,372	12,565	76,232	77,428
Deferred Inflows	23,704	10,440	2,441	224	26,144	10,664
Total Liabilities and Deferred Inflows	82,563	75,303	19,812	12,789	102,376	88,092
Invested in Capital Assets	209,098	207,182	114,899	120,560	323,997	327,742
Restricted	16,431	18,319	-	-	16,431	18,319
Unrestricted	59,397	44,515	27,910	22,268	87,307	66,783
Total Net Position	\$ 284,926	\$ 270,016	\$ 142,809	\$ 142,828	\$ 427,735	\$ 412,844

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

City of Eden Prairie, Minnesota

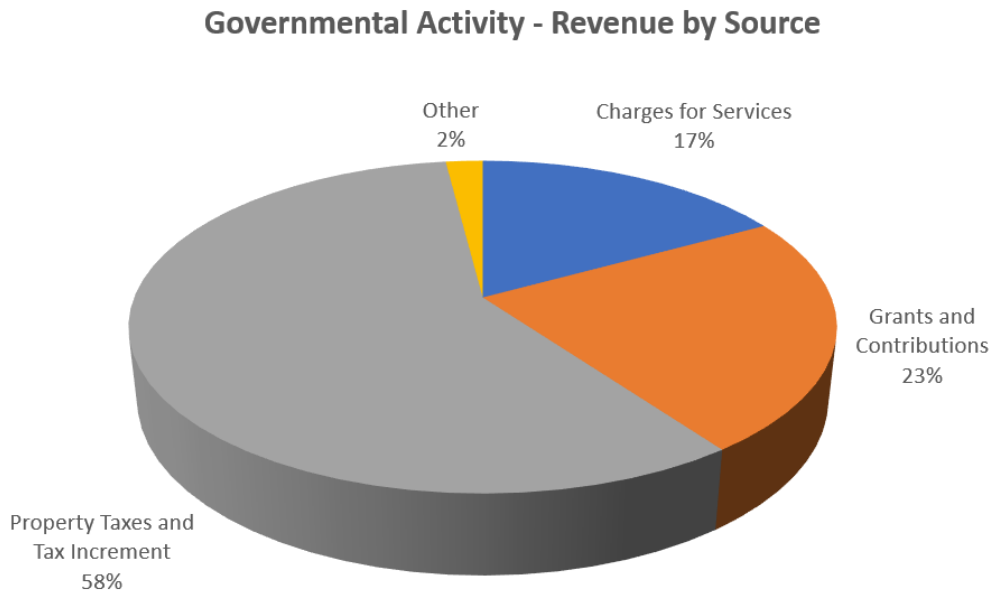
Management's Discussion and Analysis

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program Revenues						
Charges for Services	\$ 12,694	\$ 8,356	\$ 33,698	\$ 30,971	\$ 46,393	\$ 39,327
Operating Grants and Contributions	6,510	7,376	68	117	6,578	7,493
Capital Grants and Contributions	10,638	10,282	1,752	2,328	12,390	12,610
General Revenues						
Property Taxes	40,478	39,865	-	-	40,478	39,865
Tax Increment	2,681	2,194	-	-	2,681	2,194
Grants and Contributions	1,837	1,788	-	-	1,837	1,788
Investment Income	(335)	1,651	(168)	730	(503)	2,381
Total Revenues	74,503	71,512	35,351	34,146	109,855	105,658
Expenses:						
Administration	4,680	5,555	-	-	4,680	5,555
Community Development	5,198	4,767	-	-	5,198	4,767
Police	14,150	15,189	-	-	14,150	15,189
Fire	6,475	6,132	-	-	6,475	6,132
Public Works	14,706	14,982	-	-	14,706	14,982
Parks and Recreation	15,218	13,135	-	-	15,218	13,135
Interest on Long Term Debt	777	796	-	-	777	796
Water	-	-	12,434	9,481	12,434	9,481
Wastewater	-	-	7,504	7,496	7,504	7,496
Stormwater	-	-	2,894	2,538	2,894	2,538
Liquor	-	-	10,926	10,609	10,926	10,609
Total Expenses	61,204	60,556	33,759	30,124	94,962	90,680
Changes in Net Position						
Before Transfers	13,299	10,956	1,593	4,022	14,893	14,978
Internal Transfers	1,611	734	(1,611)	(734)	-	-
Change in Net Position	14,910	11,690	(19)	3,288	14,891	14,978
Net Position, January 1	270,016	258,326	142,828	139,540	412,844	397,866
Net Position, December 31	\$ 284,926	\$ 270,016	\$ 142,809	\$ 142,828	\$ 427,735	\$ 412,844

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

Governmental Activities

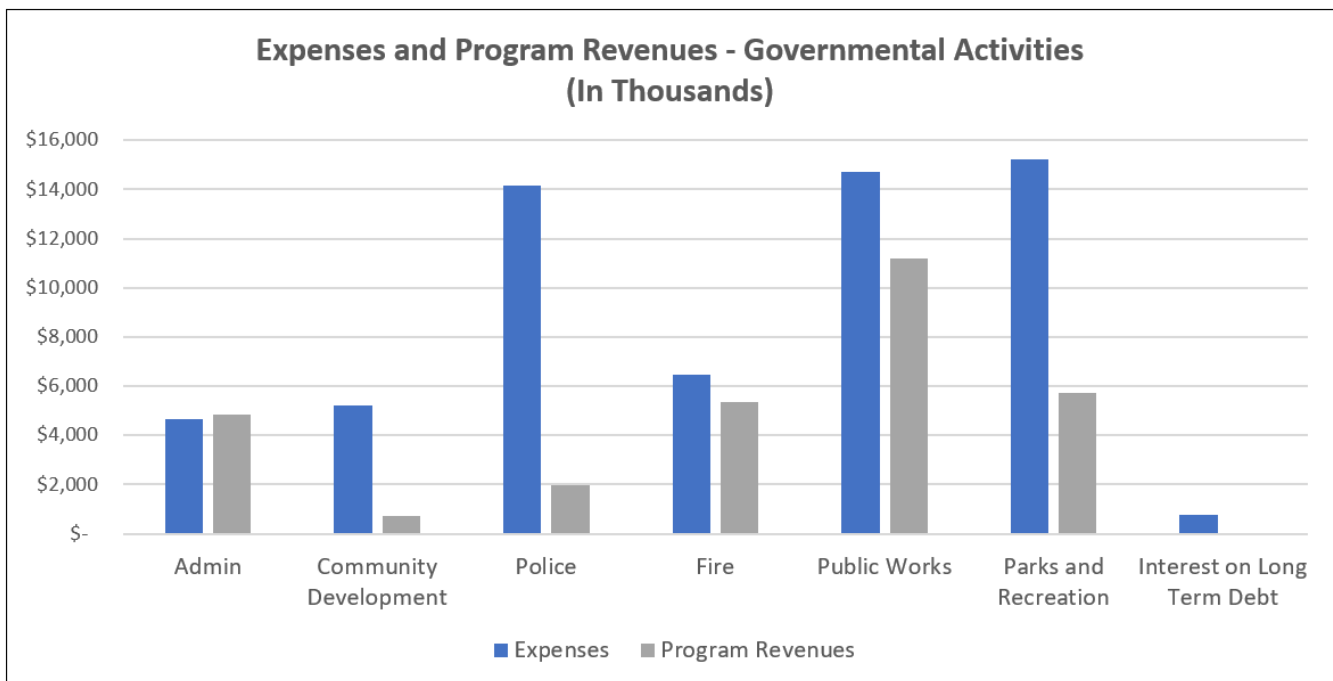
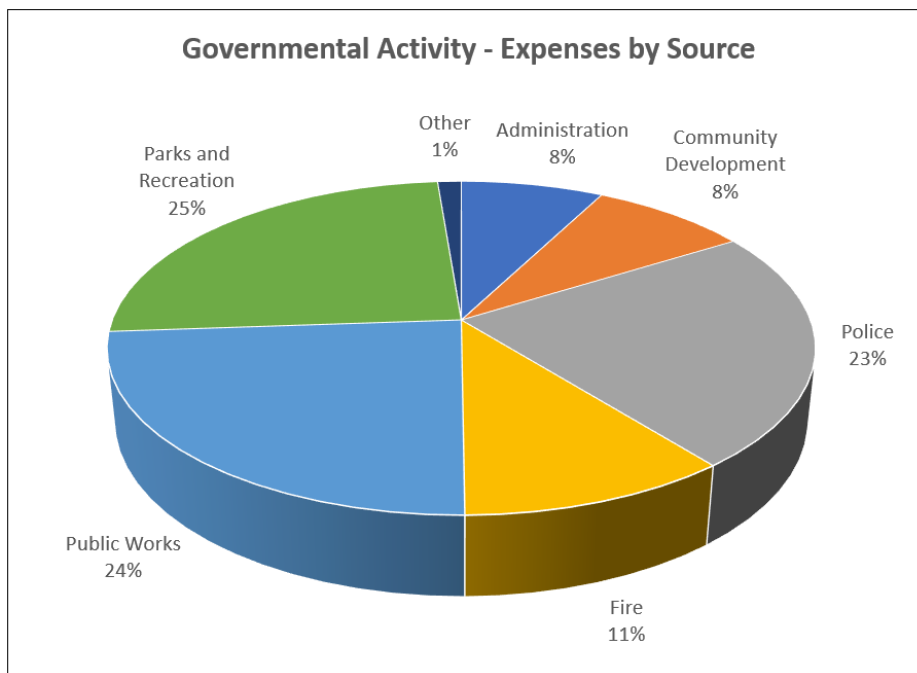
Revenue by Source



- For the year, property taxes totaled \$40,478,282 which is an increase of \$613,400 or 1.5% from 2020. For 2021, the City budgeted for a 2.8% increase in property taxes. The increase in taxes was less than what was budgeted due to the change in delinquent taxes owing.
- Charges for services increased by \$4,338,257 or 51.9% from 2020 due mainly to increased park and recreation fees and building permits.
- Operating grants and contributions decreased due to federal funds of \$3,723,701 received in 2021 as compared to \$4,821,082 received in 2020 as part of the CARES ACT which was used to respond to the Coronavirus Disease (COVID-19).
- Capital grants and contributions were consistent with 2020.

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

Expenses by Program



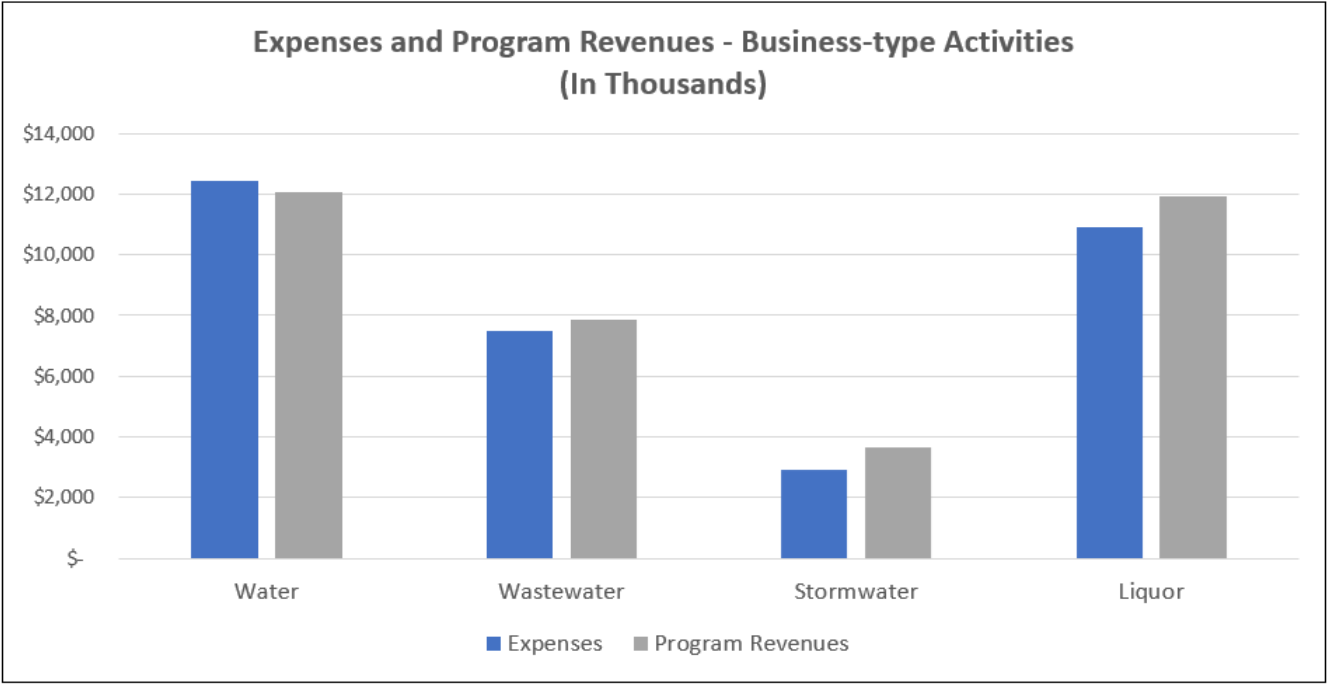
Business-type Activities

For the business-type activities, charges for services accounts for 95% of revenues. The Water Fund, Wastewater Fund and Stormwater Fund had a change to net position of \$(1,326,229), \$218,394 and \$955,680. The water fund's decrease in net position is mainly due to expenses associated with the

City of Eden Prairie, Minnesota

Management's Discussion and Analysis

water meter change out project. The Wastewater Fund and Stormwater Fund's increased net position is due to increased rates. The Liquor operations had a positive change in net position of \$201,216.



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 \$3,017,088. The City was able to maintain balances in accordance with its fund balance policy.

	2021		2020		Difference
Fund Balance					
Nonspendable	\$ 187,378	\$	94,824	\$	92,554
Restricted	-		10,572		(10,572)
Unassigned	29,132,535		26,197,429		2,935,106
Total Fund Balance	<u>\$ 29,319,913</u>	<u>\$</u>	<u>26,302,825</u>	<u>\$</u>	<u>3,017,088</u>

Nonspendable Balances

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

Restricted Balances

The balances classified as restricted consist of balances related to externally imposed constraints established by creditors, grantors/contributors, or state statutory provisions.

Unassigned Balances

The unassigned fund balance consists of the residual classification for the general fund. The City maintained an unassigned fund balance in accordance with the City's fund balance policy.

City of Eden Prairie, Minnesota

Management's Discussion and Analysis

Other Major Funds

The GO Tax Abate 2014A/20A fund balance increased by \$13,156,681 in 2021. Revenue of \$1,380,935 was collected which consisted mainly of general property taxes. There was also \$11,940,000 of debt issued to refund the GO Tax Abatement Bonds 2014A, which will be refunded in 2022.

The Public Improvement Construction fund balance decreased by \$2,263,930 in 2021. Revenue of \$172,345 was collected which consisted mainly of special assessments. Construction costs include Pioneer Trail, Preserve Blvd, and West 70th Street. These projects will be repaid with future special assessments, grants and state aid. There was also a transfer out of \$2M for the Duck Lake Road project.

The Capital Improvement Maintenance fund balance increased by \$5,053,992 in 2021. Revenue of \$2,339,141 was collected which consists mainly of general property taxes and building rental income. Expenditures for the year include SCBA equipment, Miller Park lighting, ballfield fencing replacement, and LUCAS replacement. Transfers in include \$800,000 and \$3,196,462 respectively from the Liquor fund and General fund due to positive operating results. There was also \$2,000,000 transferred in from the Shady Oak Road North fund to assist with capital improvements. \$450,000 was transferred out for the Capital Improvement/Maintenance's Fund share of trail maintenance.

The Shady Oak Road North fund balance decreased by \$1,831,674 in 2021. The Shady Oak Road North project reconstructed Shady Oak Road from Rowland Road through the Highway 62 interchange. Revenue of \$1,691,829 was collected consisting mainly of special assessments. This project is substantially complete and is expected to be closed out in 2022.

The Eden Prairie Road fund increased by \$625,884. Revenue of \$46,833 was collected which consisted mainly of special assessments. The Eden Prairie Road project reconstructed Eden Prairie Road and also adds a new creek crossing at Riley Creek. This project was closed in 2021.

The Eden Prairie Rd Connect to Flying Cloud decreased by \$85,892. Special Assessments of \$34,034 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 increased by \$776,338. Revenues of \$4,353,577 were collected which consisted of the City's share of a Federal Transit grant managed by the Metropolitan Council, and a Hennepin County grant for Town Center Station. Expenditures in this fund are for construction related to the Light Rail Transit line. The fund deficit will be covered by future transfers from other funds contributing to the project. The SWLRT construction in the City is expected to be completed in 2023. Passenger service on the Light Rail is projected to begin in 2027 due to construction challenges in neighboring cities.

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

City of Eden Prairie, Minnesota

Management's Discussion and Analysis

Water fund sales through December 31, 2021 totaled \$10,682,945, which is an increase of \$1,695,581 or 18.9% from 2020. Water usage increased from 2.2 billion gallons to 2.4 billion gallons. The change in sales can be attributed to the increase in consumption and an increase in rates.

Wastewater fund sales through December 31, 2021 totaled \$7,460,750, which is an increase of \$564,986 or 8.2% from 2020. Sewer usage increased from 1.3 billion gallons to 1.4 billion gallons. The change in sales can be attributed to the increase in consumption and an increase in rates.

Stormwater fund sales through December 31, 2021 totaled \$3,631,369, which is an increase of \$254,584 or 7.5% from 2020. The increase is due to the rate increase.

Liquor operations profit of \$800,000 was transferred to the Capital Improvement Maintenance Fund. Sales totaled \$11,642,288 which is an increase of \$179,218 or 1.5% over 2020. 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 \$3,017,088. Revenues of \$53,764,269 were recorded which is \$4,085,022 more than budgeted. Charges for services underperformed due to COVID-19. Community Center memberships are still steadily rebuilding as we continue to navigate the ups and downs of the pandemic. Property tax revenue and licenses and permits performed better than expected. Total expenditures equaled \$47,954,246 or 96% of the budget. All departments have spent less than 100% of the amounts budgeted. Due to the positive General Fund performance, \$3,196,462 was transferred to the Capital Improvement and Maintenance Fund to support the Capital Improvement program.

Capital Assets and Debt Administration

Capital Assets

At the end of 2021, the city had \$347 million invested in capital assets. Major capital assets added during the current fiscal year by fund include the following:

Fund	Project Name	2021 Additions
Fleet Capital	Vehicle and Equipment Replacements	\$ 1,532,683
Duck Lake Road	Duck Lake Road Reconstruction	433,068
Capital Improvement	Riley Lake Playground	381,377
Water Capital	New Ground Storage Reservoir & Pump Station	349,276
	Total	\$2,696,404

City of Eden Prairie, Minnesota

Management's Discussion and Analysis

Capital Assets (net of depreciation, in thousands)

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land & Land Improv.	\$ 34,691	\$ 34,342	\$ 1,364	\$ 1,115	\$ 36,055	\$ 35,457
Infrastructure	139,189	137,574	-	-	139,189	137,574
Work in Progress	2,362	4,175	55	8,508	2,417	12,683
Distribution System	-	-	88,414	85,253	88,414	85,253
Buildings	47,184	49,456	20,751	22,099	67,935	71,555
Leasehold Improvements	-	1	-	-	-	1
Machinery & Equipment	513	630	3,015	3,401	3,528	4,031
Autos	4,422	3,569	271	184	4,693	3,753
Other Assets	3,948	4,175	1,029	-	4,977	4,175
Total	\$ 232,309	\$ 233,922	\$ 114,899	\$ 120,560	\$ 347,208	\$ 354,482

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 \$3,562,681 on infrastructure maintenance for the year ending December 31, 2021. 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 \$3,800,000.

Debt

At year-end, the City had approximately \$68 million in bonds and other long-term liabilities outstanding versus \$69 million last year. Long term liabilities decreased due to a decrease in the net pension liability. This was offset by an increase in debt as \$12M of refunding bonds were issued that were paid off in 2022 and \$5M of water revenue bonds were issued for the meter change out program. 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 2022 general fund budgeted appropriations are \$52,664,390 which is an increase of \$2,561,916 or 5% from the 2021 budget. The City has a balanced budget for 2022. We expect charges for services to rebound in the next few years back to pre-pandemic amounts. 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.

A vibrant orange and black bird, possibly a Yellow Oriole, is perched on a thin branch. The bird has a black head and back, and bright orange underparts. It is surrounded by lush green leaves and clusters of small, white, bell-shaped flowers. The background is a soft, out-of-focus green, suggesting a natural, wooded environment.

GOVERNMENT - WIDE
STATEMENTS

City of Eden Prairie, Minnesota
Statement of Net Position
December 31, 2021

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Investments	\$ 102,661,442	\$ 38,697,948	\$ 141,359,390
Receivables			
Accounts	2,512,016	4,208,861	6,720,877
Interest	244,565	94,079	338,644
Due From Other Governments	3,193,415	30,913	3,224,328
Unremitted Taxes	275,206	-	275,206
Delinquent Taxes	296,428	-	296,428
Unremitted Special Assessments	1,032	3,491	4,523
Delinquent Special Assessments	3,909	361,043	364,952
Special Assessments	2,940,950	667,453	3,608,403
Unavailable Special Assessments	1,319,588	289,960	1,609,548
Inventory	151,498	1,066,979	1,218,477
Net Pension Asset	3,929,445	-	3,929,445
Prepaid Items	731,985	415,316	1,147,301
Land Held for Resale	703,000	-	703,000
Capital Assets			
Nondepreciable			
Land	22,167,497	1,065,566	23,233,063
Infrastructure	139,189,479	-	139,189,479
Work in Progress	2,361,968	55,043	2,417,011
Depreciable Buildings, Property and Equipment, Net	68,589,815	113,778,084	182,367,899
Total Assets	351,273,238	160,734,736	512,007,974
DEFERRED OUTFLOWS OF RESOURCES			
Other Post Employment Benefits	394,839	34,888	429,727
Pensions	15,821,097	1,851,656	17,672,753
Total Deferred Outflows of Resources	16,215,936	1,886,544	18,102,480
 Total Assets and Deferred Outflows of Resources	 367,489,174	 162,621,280	 530,110,454

City of Eden Prairie, Minnesota
Statement of Net Position
December 31, 2021

	Primary Government		
	Governmental Activities	Business-type Activities	Total
LIABILITIES			
Accounts and Contracts Payable	2,918,070	1,801,710	4,719,780
Salaries Payable	952,632	170,314	1,122,946
Investment Interest Payable	9,854	-	9,854
Interest Payable	285,796	34,840	320,636
Due to Other Governments	334,438	436,717	771,155
Unearned Revenue	780,338	8,396	788,734
Total Other Post Employment Benefits Liability			
Due in More Than One Year	2,899,108	232,725	3,131,833
Net Pension			
Due in More Than One Year	13,136,094	2,615,649	15,751,743
Bonds Payable			
Due Within One Year	15,796,000	350,000	16,146,000
Due in More Than One Year	19,354,629	11,324,835	30,679,464
Compensated Absences			
Due Within One Year	1,123,060	186,118	1,309,178
Due in More Than One Year	1,269,586	210,401	1,479,987
Total Liabilities	<u>58,859,605</u>	<u>17,371,705</u>	<u>76,231,310</u>
DEFERRED INFLOWS OF RESOURCES			
Other Post Employment Benefits	197,445	17,412	214,857
Pensions	23,506,359	2,423,218	25,929,577
Total Deferred Inflows of Resources	<u>23,703,804</u>	<u>2,440,630</u>	<u>26,144,434</u>
Total Liabilities and Deferred Inflows	<u>82,563,409</u>	<u>19,812,335</u>	<u>102,375,744</u>
NET POSITION			
Net Investment in Capital Assets	209,098,130	114,898,693	323,996,823
Restricted for Perpetual Care, Nonexpendable	182,519	-	182,519
Restricted for Debt Service	6,277,374	-	6,277,374
Restricted for Tax Increment	3,492,926	-	3,492,926
Restricted for Police	127,835	-	127,835
Restricted for Public Works	2,524,734	-	2,524,734
Restricted for Parks and Recreation	3,781,540	-	3,781,540
Restricted for Historical and Cultural	43,864	-	43,864
Unrestricted	59,396,843	27,910,252	87,307,095
Total Net Position	<u>\$ 284,925,765</u>	<u>\$ 142,808,945</u>	<u>\$ 427,734,710</u>

City of Eden Prairie, Minnesota
Statement of Activities
For the Year Ended December 31, 2021

FUNCTIONS/PROGRAMS	Expenses	Program Revenue		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities				
Administration	\$ 4,679,960	\$ 1,109,882	\$ 3,737,355	\$ -
Community Development	5,198,300	124,707	579,557	-
Police	14,150,218	989,466	883,199	121,513
Fire	6,474,736	4,696,599	670,785	-
Public Works	14,706,067	214,521	500,000	10,471,834
Parks and Recreation	15,218,460	5,559,244	138,818	44,422
Interest on Long Term Debt	776,922	-	-	-
Total Governmental Activities	61,204,663	12,694,419	6,509,714	10,637,769
Business-Type Activities				
Water	12,433,736	10,682,945	21,476	1,357,329
Wastewater	7,504,396	7,460,750	-	394,281
Stormwater	2,894,253	3,631,369	41,054	824
Liquor	10,926,186	11,923,359	5,655	-
Total Business-Type Activities	33,758,571	33,698,423	68,185	1,752,434
Total Primary Government	\$ 94,963,234	\$ 46,392,842	\$ 6,577,899	\$ 12,390,203

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
\$ 167,277	\$ -	\$ 167,277
(4,494,036)	-	(4,494,036)
(12,156,040)	-	(12,156,040)
(1,107,352)	-	(1,107,352)
(3,519,712)	-	(3,519,712)
(9,475,976)	-	(9,475,976)
(776,922)	-	(776,922)
(31,362,761)	-	(31,362,761)
-	(371,986)	(371,986)
-	350,635	350,635
-	778,994	778,994
-	1,002,828	1,002,828
-	1,760,471	1,760,471
(31,362,761)	1,760,471	(29,602,290)
37,946,960	-	37,946,960
2,531,322	-	2,531,322
2,681,357	-	2,681,357
1,836,431	-	1,836,431
(335,188)	(167,939)	(503,127)
1,611,396	(1,611,396)	-
46,272,278	(1,779,335)	44,492,943
14,909,517	(18,864)	14,890,653
270,016,248	142,827,809	412,844,057
\$ 284,925,765	\$ 142,808,945	\$ 427,734,710

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FUND FINANCIAL STATEMENTS

City of Eden Prairie, Minnesota
 Balance Sheet
 Governmental Funds
 December 31, 2021

	Debt Service			Capital Projects	
	General	General Obligation Tax Abatement Bonds 2014A/20A	Public Improvement Construction	Capital Improvement Maintenance	Shady Oak Road North
ASSETS					
Cash and Investments	\$ 30,550,473	\$ 14,371,393	\$ -	\$ 22,986,400	\$ 681,383
Receivables					
Accounts	420,570	-	-	-	-
Interest	70,969	1,314	5,733	60,779	8,740
Due From Other Governments	60,339	-	424	2,976,908	-
Unremitted Taxes	255,675	8,740	-	2,668	-
Delinquent Taxes	293,345	-	-	3,083	-
Unremitted Special Assessments	-	-	621	-	-
Delinquent Special Assessments	2,448	-	1,024	247	-
Deferred Special Assessments	9,553	-	196,738	143,310	-
Special Deferred Special Assessments	-	-	159,706	61,582	-
Due From Other Funds	-	-	-	2,025,756	-
Prepaid Items	187,378	-	-	36,696	-
Land Held for Resale	-	-	-	-	-
Notes Receivable	-	-	-	-	-
Total Assets	<u>\$ 31,850,750</u>	<u>\$ 14,381,447</u>	<u>\$ 364,246</u>	<u>\$ 28,297,429</u>	<u>\$ 690,123</u>
LIABILITIES					
Accounts and Contracts Payable	\$ 1,136,470	\$ 292	\$ 156,509	\$ 99,037	\$ 10,126
Salaries Payable	866,135	-	-	-	-
Investment Interest Payable	-	-	-	-	-
Due to Other Governments	52,893	-	-	-	-
Due to Other Funds	-	-	293,839	-	-
Unearned Revenue	125,902	-	-	191,194	-
Total Liabilities	<u>2,181,400</u>	<u>292</u>	<u>450,348</u>	<u>290,231</u>	<u>10,126</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	44,091	-	-	-	-
Unavailable Revenue - State Shared Taxes	-	-	-	2,976,908	-
Unavailable Revenue-Property Taxes	293,345	-	-	3,083	-
Unavailable Revenue-Special Assessments	12,001	-	357,468	205,139	-
Total Deferred Inflows of Resources	<u>349,437</u>	<u>-</u>	<u>357,468</u>	<u>3,185,130</u>	<u>-</u>
FUND BALANCES					
Nonspendable	187,378	-	-	36,696	-
Restricted	-	14,381,155	-	-	679,997
Assigned	-	-	-	24,785,372	-
Unassigned	29,132,535	-	(443,570)	-	-
Total Fund Balance	<u>29,319,913</u>	<u>14,381,155</u>	<u>(443,570)</u>	<u>24,822,068</u>	<u>679,997</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 31,850,750</u>	<u>\$ 14,381,447</u>	<u>\$ 364,246</u>	<u>\$ 28,297,429</u>	<u>\$ 690,123</u>

City of Eden Prairie, Minnesota
 Balance Sheet
 Governmental Funds
 December 31, 2021

	Capital Projects				
	Eden Prairie Road	Eden Prairie Rd Connect to Flying Cloud	General LRT	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and Investments	\$ -	\$ -	\$ -	\$ 20,093,475	\$ 88,683,124
Receivables					
Accounts	-	-	-	889,932	1,310,502
Interest	-	-	-	54,968	202,503
Due From Other Governments	-	-	-	154,053	3,191,724
Unremitted Taxes	-	-	-	8,123	275,206
Delinquent Taxes	-	-	-	-	296,428
Unremitted Special Assessments	-	-	-	411	1,032
Delinquent Special Assessments	-	-	-	190	3,909
Deferred Special Assessments	-	267,576	-	2,323,773	2,940,950
Special Deferred Special Assessments	-	157,185	-	941,115	1,319,588
Due From Other Funds	-	-	-	3,197	2,028,953
Prepaid Items	-	-	-	47,193	271,267
Land Held for Resale	-	-	-	703,000	703,000
Notes Receivable	-	-	-	1,145,001	1,145,001
Total Assets	<u>\$ -</u>	<u>\$ 424,761</u>	<u>\$ -</u>	<u>\$ 26,364,431</u>	<u>\$ 102,373,187</u>
LIABILITIES					
Accounts and Contracts Payable	\$ -	\$ 29,019	\$ 14,093	\$ 610,215	\$ 2,055,761
Salaries Payable	-	-	-	11,595	877,730
Investment Interest Payable	-	5,308	-	4,546	9,854
Due to Other Governments	-	-	-	75,222	128,115
Due to Other Funds	-	1,731,917	-	3,197	2,028,953
Unearned Revenue	-	-	-	401,534	718,630
Total Liabilities	<u>-</u>	<u>1,766,244</u>	<u>14,093</u>	<u>1,106,309</u>	<u>5,819,043</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	-	-	-	650	44,741
Unavailable Revenue - State Shared Taxes	-	-	-	-	2,976,908
Unavailable Revenue-Property Taxes	-	-	-	-	296,428
Unavailable Revenue-Special Assessments	-	424,761	-	3,265,078	4,264,447
Total Deferred Inflows of Resources	<u>-</u>	<u>424,761</u>	<u>-</u>	<u>3,265,728</u>	<u>7,582,524</u>
FUND BALANCES					
Nonspendable	-	-	-	229,712	453,786
Restricted	-	-	-	11,793,584	26,854,736
Assigned	-	-	-	9,972,455	34,757,827
Unassigned	-	(1,766,244)	(14,093)	(3,357)	26,905,271
Total Fund Balance	<u>-</u>	<u>(1,766,244)</u>	<u>(14,093)</u>	<u>21,992,394</u>	<u>88,971,620</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ -</u>	<u>\$ 424,761</u>	<u>\$ -</u>	<u>\$ 26,364,431</u>	<u>\$ 102,373,187</u>

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City of Eden Prairie, Minnesota
Governmental Funds
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
December 31, 2021

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

Total Fund Balance - Governmental Funds	\$ 88,971,620
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	277,086,477
Less Accumulated Depreciation	(50,963,316)
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	(35,150,629)
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	3,929,445
Deferred Outflows of Resources related to pensions	15,821,097
Net Pension Liability	(13,136,094)
Deferred Inflows of Resources related to pensions	(23,506,359)
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.	
	4,560,875
5. 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.	
	3,021,649
6. Governmental funds do not report a liability for accrued interest on long-term debt until due and payable.	
	(285,796)
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.	
	14,216,932
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>359,864</u>
Net Position - Governmental Activities	<u>\$ 284,925,765</u>

City of Eden Prairie, Minnesota
Statement of Revenues, Expenditures
and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2021

	Debt Service		Capital Projects		
	General	General Obligation Tax Abatement Bonds 2014A/21A	Public Improvement Construction	Capital Improvement Maintenance	Shady Oak Road North
REVENUES					
General Property Taxes	\$ 37,795,569	\$ 1,383,633	\$ -	\$ 397,307	\$ -
Special Assessments	10,201	-	135,884	15,337	1,688,647
Penalties and Interest	30,416	-	-	-	-
Licenses and Permits	5,858,459	-	-	-	-
Intergovernmental Revenue	5,353,219	-	31,320	-	-
Charges for Services	4,156,921	-	-	-	-
Fines and Forfeits	319,990	-	-	-	-
Investment Income	(128,825)	(2,698)	5,141	(21,339)	3,182
Rental	-	-	-	1,763,629	-
Other	368,319	-	-	184,207	-
Total Revenues	53,764,269	1,380,935	172,345	2,339,141	1,691,829
EXPENDITURES					
Current					
Administration	4,652,491	-	-	-	-
Community Development	2,304,990	-	-	-	-
Police	16,145,234	-	-	-	-
Fire	6,421,157	-	-	-	-
Public Works	6,026,323	-	-	-	-
Parks and Recreation	12,343,285	-	-	-	-
Capital Outlay					
Administration	-	-	-	20,154	-
Police	-	-	-	176,550	-
Fire	-	-	-	1,093,305	-
Public Works	-	-	379,418	118,636	294,037
Parks and Recreation	-	-	-	1,422,966	-
Debt Service					
Principal	59,611	910,000	-	-	-
Interest	1,155	478,562	-	-	-
Bond Interest Costs	-	122,517	-	-	-
Fiscal Agent Fees	-	692	-	-	-
Total Expenditures	47,954,246	1,511,771	379,418	2,831,611	294,037
Excess of Revenues Over (Under) Expenditures	5,810,023	(130,836)	(207,073)	(492,470)	1,397,792
OTHER FINANCING SOURCES (USES)					
Refunding Debt Issued	-	11,940,000	-	-	-
Payment to Refunded Bond	-	-	-	-	-
Premium	-	1,347,517	-	-	-
Transfers In	423,527	-	-	5,996,462	-
Transfers Out	(3,216,462)	-	(2,056,857)	(450,000)	(3,229,466)
Total Other Financing Sources (Uses)	(2,792,935)	13,287,517	(2,056,857)	5,546,462	(3,229,466)
Net Change in Fund Balances	3,017,088	13,156,681	(2,263,930)	5,053,992	(1,831,674)
Fund Balance (Deficit) - Beginning	26,302,825	1,224,474	1,820,360	19,768,076	2,511,671
Fund Balance (Deficit) - Ending	\$ 29,319,913	\$ 14,381,155	\$ (443,570)	\$ 24,822,068	\$ 679,997

City of Eden Prairie, Minnesota
Statement of Revenues, Expenditures
and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2021

Capital Projects					
	Eden Prairie Road	Eden Prairie Rd Connect to Flying Cloud	General LRT	Other Governmental Funds	Total Governmental Funds
REVENUES					
General Property Taxes	\$ -	\$ -	\$ -	\$ 4,028,436	\$ 43,604,945
Special Assessments	41,492	34,034	-	615,784	2,541,379
Penalties and Interest	-	-	-	-	30,416
Licenses and Permits	-	-	-	3,348,788	9,207,247
Intergovernmental Revenue	-	-	4,362,235	1,430,103	11,176,877
Charges for Services	-	-	-	1,523,649	5,680,570
Fines and Forfeits	-	-	-	3,975	323,965
Investment Income	5,341	4,977	(8,658)	(136,316)	(279,195)
Rental	-	-	-	78,921	1,842,550
Other	-	-	-	124,100	676,626
Total Revenues	46,833	39,011	4,353,577	11,017,440	74,805,380
EXPENDITURES					
Current					
Administration	-	-	-	-	4,652,491
Community Development	-	-	-	3,094,347	5,399,337
Police	-	-	-	187,566	16,332,800
Fire	-	-	-	-	6,421,157
Public Works	-	-	-	181,589	6,207,912
Parks and Recreation	-	-	-	17,500	12,360,785
Capital Outlay					
Administration	-	-	-	25,833	45,987
Police	-	-	-	-	176,550
Fire	-	-	-	-	1,093,305
Public Works	-	124,903	4,001,511	4,544,542	9,463,047
Parks and Recreation	-	-	-	22,313	1,445,279
Debt Service					
Principal	-	-	-	3,987,237	4,956,848
Interest	-	-	-	208,439	688,156
Bond Interest Costs	-	-	-	-	122,517
Fiscal Agent Fees	-	-	-	14,510	15,202
Total Expenditures	-	124,903	4,001,511	12,283,876	69,381,373
Excess of Revenues Over (Under) Expenditures	46,833	(85,892)	352,066	(1,266,436)	5,424,007
OTHER FINANCING SOURCES (USES)					
Refunding Debt Issued	-	-	-	-	11,940,000
Payment to Refunded Bond	-	-	-	(6,035,000)	(6,035,000)
Premium	-	-	-	-	1,347,517
Transfers In	579,051	-	424,272	3,930,533	11,353,845
Transfers Out	-	-	-	(1,077,833)	(10,030,618)
Total Other Financing Sources (Uses)	579,051	-	424,272	(3,182,300)	8,575,744
Net Change in Fund Balances	625,884	(85,892)	776,338	(4,448,736)	13,999,751
Fund Balance (Deficit) - Beginning	(625,884)	(1,680,352)	(790,431)	26,441,130	74,971,869
Fund Balance (Deficit) - Ending	\$ -	\$ (1,766,244)	\$ (14,093)	\$ 21,992,394	\$ 88,971,620

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, 2021

Total net change in fund balances - governmental funds \$ 13,999,751

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	1,475,226
Depreciation Expense	(3,874,236)
The net effect of the disposal of capital assets	
Contributed from Enterprise funds	288,169
Disposals	(1,370,648)
Accumulated Depreciation on Disposals	1,265,314

Principal payments of long-term debt consumes the current financial resources of Governmental Funds, However they have no effect on Net Position.	4,910,611
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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.	83,150
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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.	(11,940,000)
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Governmental Funds report debt issuance premiums and discounts as another financing source or use at the time of issuance. Premiums and discounts are reported as an unamortized asset or liability in the Government-wide financial statements.	
Premiums	(1,347,517)
Amortization of Premiums/Discounts	105,935

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.	6,035,000
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Refunding losses are recognized when paid in the governmental funds but amortized over the life of the debt in the Statement of Activities.	(93,895)
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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.	(2,726,748)
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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.	2,481,124
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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	4,495,013

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.	1,055,343
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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.	67,925
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Change in Net Position - Governmental Activities \$ 14,909,517

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, 2021
With Comparative Actual Amounts For the Year Ended December 31, 2020

	2021				2020
	Budget Original	Budget Final	Actual	Variance Over/(Under)	Actual
REVENUES					
Taxes and Special Assessments					
General Property Taxes and Assessments	\$ 37,300,260	\$ 37,300,260	\$ 37,805,770	\$ 505,510	\$ 36,268,110
Penalties and Interest	25,000	25,000	30,416	5,416	15,264
Total Taxes and Special Assessments	37,325,260	37,325,260	37,836,186	510,926	36,283,374
Licenses and Permits					
Liquor, Beer and Wine Licenses	316,000	316,000	293,205	(22,795)	285,706
Other Licenses	44,200	44,200	32,999	(11,201)	56,752
Building Permits and Fees	2,381,880	2,381,880	4,409,481	2,027,601	3,578,799
Cable TV	791,000	791,000	782,619	(8,381)	771,194
Other Permits					
Inspection Fees	175,000	175,000	159,983	(15,017)	158,108
Non-Development Fire Permits	107,000	107,000	136,923	29,923	106,457
Other	40,700	40,700	43,249	2,549	39,856
Total Licenses and Permits	3,855,780	3,855,780	5,858,459	2,002,679	4,996,872
Intergovernmental Revenue					
Police Pension Aid	565,500	565,500	593,687	28,187	609,592
Fire Relief Association Aid	457,742	457,742	511,566	53,824	493,363
School Liaison	120,430	120,430	120,430	-	120,430
Police Training	65,000	65,000	65,944	944	61,159
Fire Training	22,550	22,550	151,758	129,208	22,558
Grants	59,000	59,000	3,900,846	3,841,846	4,921,968
Local Performance Aid	9,000	9,000	8,988	(12)	9,039
Total Intergovernmental Revenue	1,299,222	1,299,222	5,353,219	4,053,997	6,238,109
Charges for Services					
Public Safety	159,604	159,604	138,747	(20,857)	113,511
Recreation					
Community Center	5,145,451	5,145,451	3,060,429	(2,085,022)	2,148,566
Youth Programs	455,500	455,500	424,309	(31,191)	61,792
Organized Athletics	233,500	233,500	176,347	(57,153)	64,633
Senior Center	90,150	90,150	24,153	(65,997)	6,437
Outdoor Center	90,090	90,090	64,129	(25,961)	2,207
Arts Center	98,900	98,900	127,412	28,512	37,485
Park Facilities	82,000	82,000	61,864	(20,136)	13,849
Oak Point Pool & Beaches	600	600	-	(600)	26
Park Maintenance	43,300	43,300	38,285	(5,015)	12,455
Therapeutic Recreation	38,000	38,000	17,235	(20,765)	986
Arts	26,300	26,300	21,911	(4,389)	1,783
Special Events	5,600	5,600	2,100	(3,500)	1,156
Total Recreation	6,309,391	6,309,391	4,018,174	(2,291,217)	2,351,375
Total Charges for Services	6,468,995	6,468,995	4,156,921	(2,312,074)	2,464,886
Fines and Forfeits	417,000	417,000	319,990	(97,010)	230,341
Investment Income	150,000	150,000	(128,825)	(278,825)	536,716
Other	162,990	162,990	368,319	205,329	253,315
Total Revenues	\$ 49,679,247	\$ 49,679,247	\$ 53,764,269	\$ 4,085,022	\$ 51,003,613

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, 2021
 With Comparative Actual Amounts For the Year Ended December 31, 2020

Continued

	2021				2020
	Budget Original	Budget Final	Actual	Variance Over/(Under)	Actual
EXPENDITURES					
Current					
Administration					
Legislative	\$ 350,262	\$ 350,262	\$ 409,268	\$ 59,006	\$ 334,746
Office of the City Manager	466,003	466,003	403,166	(62,837)	378,287
Legal Counsel	544,000	544,000	689,483	145,483	531,216
City Clerk	260,214	260,214	223,709	(36,505)	460,278
Communications	651,736	651,736	635,176	(16,560)	624,254
Finance	931,054	931,054	898,946	(32,108)	896,305
Customer Service	408,316	408,316	376,205	(32,111)	356,401
Human Resources	1,107,952	1,107,952	1,016,538	(91,414)	965,623
Total Administration	4,719,537	4,719,537	4,652,491	(67,046)	4,547,110
Community Development					
Assessing	1,094,161	1,094,161	1,039,814	(54,347)	1,025,996
Planning	638,128	638,128	560,622	(77,506)	586,917
Community Development Administration	257,438	257,438	190,183	(67,255)	317,954
Economic Development	166,376	166,376	166,418	42	158,852
Housing & Community Services	350,292	350,292	347,953	(2,339)	341,893
Total Community Development	2,506,395	2,506,395	2,304,990	(201,405)	2,431,612
Police	16,346,761	16,346,761	16,145,234	(201,527)	15,357,194
Fire					
Fire	5,020,287	5,020,287	5,003,837	(16,450)	4,967,012
Inspections	1,301,417	1,301,417	1,287,498	(13,919)	1,254,906
Public Safety Communications	155,979	155,979	129,822	(26,157)	156,420
Total Fire	6,477,683	6,477,683	6,421,157	(56,526)	6,378,338
Public Works					
Engineering	1,359,850	1,389,850	1,226,075	(163,775)	1,186,460
Street Maintenance	4,189,759	4,189,759	3,962,893	(226,866)	3,947,464
Street Lighting	986,850	986,850	837,355	(149,495)	857,826
Total Public Works	6,536,459	6,566,459	6,026,323	(540,136)	5,991,750

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, 2021
With Comparative Actual Amounts For the Year Ended December 31, 2020

Continued

	2021			Variance Over/(Under)	2020
	Budget Original	Budget Final	Actual		Actual
EXPENDITURES (Continued)					
Current (Continued)					
Parks and Recreation					
Park Maintenance	4,426,788	4,426,788	4,313,594	(113,194)	4,097,872
Community Center	5,579,330	5,579,330	4,931,948	(647,382)	4,530,022
Youth Programs	599,138	599,138	565,272	(33,866)	272,241
Senior Center	472,230	472,230	403,205	(69,025)	383,652
Park Administration	455,211	455,211	440,927	(14,284)	416,111
Organized Athletics	269,582	269,582	193,219	(76,363)	173,250
Recreation Administration	371,466	371,466	323,404	(48,062)	287,331
Arts Center	333,318	333,318	376,565	43,247	305,016
Therapeutic Recreation	208,928	208,928	157,932	(50,996)	121,226
Outdoor Center	259,816	259,816	249,905	(9,911)	211,653
Oak Point Pool	-	-	-	-	1,554
Arts	151,136	151,136	136,590	(14,546)	77,296
Special Events	137,124	137,124	106,323	(30,801)	30,129
Park Facilities	94,182	94,182	71,150	(23,032)	70,725
Beaches	76,624	76,624	73,251	(3,373)	106,406
Total Parks and Recreation	13,434,873	13,434,873	12,343,285	(1,091,588)	11,084,484
Debt Service					
Principal	59,611	59,611	59,611	-	58,478
Interest	1,155	1,155	1,155	-	2,287
Total Debt Service	60,766	60,766	60,766	-	60,765
Total Expenditures	50,082,474	50,112,474	47,954,246	(2,158,228)	45,851,253
Excess of Revenues Over (Under) Expenditures	(403,227)	(433,227)	5,810,023	6,243,250	5,152,360
OTHER FINANCING SOURCES / (USES)					
Transfers In	423,227	423,227	423,527	300	411,468
Transfers Out	(20,000)	(20,000)	(3,216,462)	(3,196,462)	(4,696,486)
Total Other Financing Sources / (Uses)	403,227	403,227	(2,792,935)	(3,196,162)	(4,285,018)
Net Change in Fund Balance	\$ -	\$ (30,000)	3,017,088	\$ 3,047,088	867,342
Fund Balance, January 1			26,302,825		25,435,483
Fund Balance, December 31			<u>\$ 29,319,913</u>		<u>\$ 26,302,825</u>

City of Eden Prairie, Minnesota
Proprietary Funds
Statement of Net Position
December 31, 2021

	Water Fund	Wastewater Fund	Stormwater Fund	Liquor Fund	Totals	Governmental Activities Internal Service Fund
ASSETS						
Current Assets:						
Cash and Investments	\$ 21,181,148	\$ 8,761,588	\$ 6,488,795	\$ 2,626,281	\$ 39,057,812	\$ 13,618,454
Receivables:						
Accounts	1,886,375	1,524,142	792,769	5,575	4,208,861	56,513
Interest	43,417	24,186	18,707	7,769	94,079	42,062
Due From Other Governments	11,172	-	19,741	-	30,913	1,691
Unremitted Special Assessments	3,322	169	-	-	3,491	-
Delinquent Special Assessments	354,846	6,197	-	-	361,043	-
Deferred Special Assessments	204,980	307,470	155,003	-	667,453	-
Special Deferred Special Assessments	115,984	173,976	-	-	289,960	-
Inventory	-	-	-	1,066,979	1,066,979	151,498
Prepaid Items	31,867	346,661	4,500	32,288	415,316	460,718
Total Current Assets	23,833,111	11,144,389	7,479,515	3,738,892	46,195,907	14,330,936
Noncurrent Assets						
Capital Assets:						
Nondepreciable						
Land	417,944	-	110,963	536,659	1,065,566	-
Work in Progress	-	-	55,043	-	55,043	212,804
Depreciable						
Property, Plant and Equipment	140,693,100	83,585,982	53,113,272	2,628,498	280,020,852	13,977,334
Less Accumulated Depreciation	(84,650,720)	(52,493,216)	(27,536,117)	(1,562,715)	(166,242,768)	(8,004,540)
Total Noncurrent Assets	56,460,324	31,092,766	25,743,161	1,602,442	114,898,693	6,185,598
Total Assets	80,293,435	42,237,155	33,222,676	5,341,334	161,094,600	20,516,534
DEFERRED OUTFLOWS OF RESOURCES						
Other Post Employment Benefits	22,345	5,568	2,289	4,686	34,888	394,839
Pensions	962,861	222,198	222,199	444,398	1,851,656	-
Total Deferred Outflows of Resources	985,206	227,766	224,488	449,084	1,886,544	394,839
Total Assets and Deferred Outflows of Resources	81,278,641	42,464,921	33,447,164	5,790,418	162,981,144	20,911,373
LIABILITIES						
Current Liabilities:						
Accounts Payable	984,295	61,679	163,627	592,109	1,801,710	862,309
Salaries Payable	89,128	22,364	21,962	36,860	170,314	74,902
Bond Interest Payable	34,840	-	-	-	34,840	-
Due to Other Governments	51,732	250,640	2,280	132,065	436,717	206,323
Unearned Revenue	-	-	-	8,396	8,396	61,708
Current Portion of Bonds Payable	350,000	-	-	-	350,000	-
Current Portion of Compensated Absences	116,053	19,649	14,720	35,696	186,118	1,123,060
Total Current Liabilities	1,626,048	354,332	202,589	805,126	2,988,095	2,328,302
Noncurrent Liabilities:						
Total Other Postemployment Benefits Liability	143,779	40,233	20,757	27,956	232,725	2,899,108
Net Pension Liability	1,360,138	313,877	313,878	627,756	2,615,649	-
Bonds Payable	11,324,835	-	-	-	11,324,835	-
Compensated Absences	131,195	22,213	16,640	40,353	210,401	1,269,586
Total Noncurrent Liabilities	12,959,947	376,323	351,275	696,065	14,383,610	4,168,694
Total Liabilities	14,585,995	730,655	553,864	1,501,191	17,371,705	6,496,996
DEFERRED INFLOWS OF RESOURCES						
Other Postemployment Benefits Liability	11,143	2,784	1,151	2,334	17,412	197,445
Pensions	1,260,074	290,786	290,786	581,572	2,423,218	-
Total Deferred Inflows of Resources	1,271,217	293,570	291,937	583,906	2,440,630	197,445
Total Liabilities and Deferred Inflows of Resources	15,857,212	1,024,225	845,801	2,085,097	19,812,335	6,694,441
NET POSITION						
Net Investment in Capital Assets	56,460,324	31,092,766	25,743,161	1,602,442	114,898,693	6,185,598
Unrestricted	8,961,105	10,347,930	6,858,202	2,102,879	28,270,116	8,031,334
Total Net Position	\$ 65,421,429	\$ 41,440,696	\$ 32,601,363	\$ 3,705,321	143,168,809	\$ 14,216,932
Adjustment to Reflect the Consolidation of Internal Service Fund Activities Related to Enterprise Funds					(359,864)	
Total Net Position-Business-Type Activities					\$ 142,808,945	

City of Eden Prairie, Minnesota
Proprietary Funds
Statement of Revenues, Expenses and
Changes in Net Position
For the Year Ended December 31, 2021

	Water Fund	Wastewater Fund	Stormwater Fund	Liquor Fund	Total	Governmental Activities - Internal Service Fund
SALES AND COST OF SALES						
Sales	\$ -	\$ -	\$ -	\$ 11,642,288	\$ 11,642,288	\$ -
Cost of Sales	-	-	-	(8,371,936)	(8,371,936)	-
Gross Profit	-	-	-	3,270,352	3,270,352	-
OPERATING REVENUE						
Sales	10,668,335	7,460,750	3,631,369	-	21,760,454	-
Charges for Services	-	-	-	-	-	19,217,942
Rental	-	-	-	237,416	237,416	908,942
Other	14,610	-	-	43,655	58,265	-
Total Operating Revenues	10,682,945	7,460,750	3,631,369	281,071	22,056,135	20,126,884
OPERATING EXPENSE						
Personnel Services	2,856,494	835,293	790,079	1,320,323	5,802,189	8,995,504
Supplies						
Supplies	54,985	20,949	79,637	32,936	188,507	83,271
Cleaning Supplies	11,539	-	-	-	11,539	82,308
Motor Fuel	-	-	-	-	-	351,991
Tires	-	-	-	-	-	106,063
Chemicals	762,314	-	-	-	762,314	-
Repair and Maintenance Supplies	184,312	120,632	69,716	5,733	380,393	531,205
Contractual Services						
Contractual Services	353,508	152,988	418,167	169,063	1,093,726	3,559,513
Software	62,280	62,280	-	1,758	126,318	1,437,099
Janitorial Services	49,800	-	-	30,682	80,482	845,011
Lime Residual Removal	357,721	-	-	-	357,721	-
Building Rent	-	-	-	286,800	286,800	-
Licenses, Permits, Taxes	281,015	136	3,604	95,354	380,109	191,648
Repair and Maintenance	490,034	136,807	16,188	28,541	671,570	197,143
Utilities	910,597	30,542	40,615	87,613	1,069,367	1,617,068
MCES Fees	-	4,051,535	-	-	4,051,535	-
Bank and Credit Card Fees	56,640	56,640	-	258,501	371,781	-
User Charges	332,184	255,597	139,868	182,273	909,922	18,158
Capital Under \$25,000	2,457,757	79,397	131,193	7,950	2,676,297	327,940
Total Operating Expenses	9,221,180	5,802,796	1,689,067	2,507,527	19,220,570	18,343,922
Operating Income (Loss) Before Depreciation	1,461,765	1,657,954	1,942,302	1,043,896	6,105,917	1,782,962
Depreciation	2,957,215	1,677,036	1,187,156	38,021	5,859,428	1,034,326
Operating Income (Loss) Before Nonoperating Revenue / Expense	(1,495,450)	(19,082)	755,146	1,005,875	246,489	748,636
NONOPERATING REVENUE (EXPENSE)						
Grants	16,492	-	37,500	-	53,992	-
Investment Income	(119,990)	(24,815)	(12,820)	(10,314)	(167,939)	(56,972)
Interest	(164,092)	-	(3,143)	-	(167,235)	-
Bond Issuance Cost	(35,389)	-	-	-	(35,389)	-
Fiscal Agent Fees	(1,333)	-	-	-	(1,333)	-
Gain/(Loss) on Disposition of Capital Assets	(513,404)	-	-	-	(513,404)	232,256
Contributions	-	-	-	-	-	78,636
Miscellaneous	4,984	-	3,554	5,655	14,193	52,787
Total Nonoperating Revenues (Expenses)	(812,732)	(24,815)	25,091	(4,659)	(817,115)	306,707
Income (Loss) Before Contributions and Transfers	(2,308,182)	(43,897)	780,237	1,001,216	(570,626)	1,055,343
Contributions - from Governmental Activities	-	-	190,480	-	190,480	-
Capital Access Charges	1,258,580	310,200	-	-	1,568,780	-
Capital Special Assessments	98,749	84,081	824	-	183,654	-
Transfers In	-	16,140	147,623	-	163,763	-
Transfers Out	(375,376)	(148,130)	(163,484)	(800,000)	(1,486,990)	-
Change in Net Position	(1,326,229)	218,394	955,680	201,216	49,061	1,055,343
Net Position - Beginning	66,747,658	41,222,302	31,645,683	3,504,105	143,119,748	13,161,589
Net Position - Ending	\$ 65,421,429	\$ 41,440,696	\$ 32,601,363	\$ 3,705,321	143,168,809	\$ 14,216,932

Amounts reported for Business Type Activities in the Statement of Activities are Different Because:

Adjustment to Reflect the Consolidation of Internal Service Funds Activities Related To Enterprise Funds	(67,925)
Transfer in of Capital Assets from Governmental Activities	190,480
Governmental Activities Contribution Revenue Reported Above	(190,480)
Transfer out of Capital Assets to Governmental Activities	(478,649)
Governmental Activities Gain/(Loss) on Disposition of Capital Assets Reported Above	478,649
Change in Net Position of Business-Type Activities	<u>\$ (18,864)</u>

City of Eden Prairie, Minnesota
Proprietary Funds
Statement of Cash Flows
For the Year Ended December 31, 2021

	Water Fund	Wastewater Fund	Stormwater Fund	Liquor Fund	Totals	Governmental Activities - Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts From Customers	\$ 10,227,789	\$ 7,328,856	\$ 3,562,869	\$ 11,919,256	\$ 33,038,770	\$ 19,165,149
Payments to Vendors	(6,728,950)	(4,705,169)	(773,557)	(9,567,206)	(21,774,882)	(9,094,783)
Payments to Employees	(2,872,410)	(873,808)	(701,686)	(1,243,480)	(5,691,384)	(9,073,167)
Other Receipts	14,610	-	-	-	14,610	1,040,365
Net Cash Provided (Used) By Operating Activities	641,039	1,749,879	2,087,626	1,108,570	5,587,114	2,037,564
CASH FLOWS FROM INVESTING ACTIVITIES						
Investment Income	(121,440)	(32,553)	(19,856)	(12,412)	(186,261)	(68,146)
Net Cash Provided (Used) By Investing Activities	(121,440)	(32,553)	(19,856)	(12,412)	(186,261)	(68,146)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Grants	16,492	-	37,500	-	53,992	-
Payments From Other Funds	-	-	(628,681)	-	(628,681)	-
Transfers (Out)	(211,613)	(148,130)	(163,484)	(800,000)	(1,323,227)	-
Net Cash Provided (Used) By Noncapital Financing Activities	(195,121)	(148,130)	(754,665)	(800,000)	(1,897,916)	-
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES						
Acquisition and Construction of Capital Assets	(246,867)	(266,783)	(366,449)	-	(880,099)	(1,637,635)
Transfer In (Related to Capital Assets)	-	16,140	147,623	-	163,763	-
Transfer (Out) (Related to Capital Assets)	(163,763)	-	-	-	(163,763)	-
Proceeds From Sale of Equipment	43,675	-	-	-	43,675	232,256
Access Charges	1,258,580	310,200	-	-	1,568,780	-
Special Assessments	98,749	84,081	824	-	183,654	-
Debt Issuance	5,944,687	-	-	-	5,944,687	-
Principal Paid on Debt	(340,000)	-	-	-	(340,000)	-
Interest and Fiscal Agent Paid on Debt	(208,275)	-	(3,143)	-	(211,418)	-
Net Cash Provided (Used) By Capital Financing Activities	6,386,786	143,638	(221,145)	-	6,309,279	(1,405,379)
Net Increase (Decrease) in Cash and Cash Equivalents	6,711,264	1,712,834	1,091,960	296,158	9,812,216	564,039
Cash and Cash Equivalents, January 1	14,469,884	7,048,754	5,396,835	2,330,123	29,245,596	13,054,415
Cash and Cash Equivalents, December 31	\$ 21,181,148	\$ 8,761,588	\$ 6,488,795	\$ 2,626,281	\$ 39,057,812	\$ 13,618,454

	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)	\$ (1,495,450)	\$ (19,082)	\$ 755,146	\$ 1,005,875	\$ 246,489	\$ 748,636
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:						
Depreciation	2,957,215	1,677,036	1,187,156	38,021	5,859,428	1,034,326
Miscellaneous	4,984	-	3,554	5,655	14,193	131,423
(Increase) Decrease in Assets and Deferred Outflows:						
Accounts Receivable	(417,704)	(136,627)	(79,037)	1,524	(631,844)	(51,217)
Special Assessments Receivable	(22,842)	4,733	10,537	-	(7,572)	-
Due From Other Governments	(8,738)	-	(1,000)	-	(9,738)	8,946
Inventory	-	-	-	(11,795)	(11,795)	(24,723)
Prepaid Items	(3,919)	(9,033)	(4,500)	(1,526)	(18,978)	(60,680)
Other Post Employment Benefits (Deferred Outflow)	(8,467)	(1,964)	(667)	(1,849)	(12,947)	(137,685)
Pensions (Deferred Outflow)	(815,240)	(185,294)	(197,595)	(382,889)	(1,581,018)	-
Increase (Decrease) in Liabilities and Deferred Inflows:						
Accounts Payable	(405,529)	20,725	127,757	(1,795)	(258,842)	313,938
Salaries Payable	13,607	(596)	2,034	5,782	20,827	6,000
Unearned Revenue	-	-	-	(5,627)	(5,627)	(1,576)
Due to Other Governments	48,938	250,642	(380)	1,395	300,595	16,154
Other Post Employment Benefits	16,283	3,777	1,283	3,555	24,898	230,290
Net Pension Liability	(382,382)	(121,752)	23,458	(98,293)	(578,969)	-
Other Post Employment Benefits (Deferred Inflows)	(2,122)	(492)	(167)	(462)	(3,243)	-
Pensions (Deferred Inflow)	1,148,932	263,001	272,262	535,263	2,219,458	-
Compensated Absences	13,473	4,805	(12,215)	15,736	21,799	(176,268)
Net Cash Provided (Used) by Operating Activities	\$ 641,039	\$ 1,749,879	\$ 2,087,626	\$ 1,108,570	\$ 5,587,114	\$ 2,037,564
Noncash Investing, Capital and Financing Activities:						
Contributions of Capital Assets from Governmental Activities	\$ -	\$ -	\$ 190,480	\$ -	\$ 190,480	\$ -
Contribution of Capital Assets to Government Activities	(478,649)	-	-	-	(478,649)	-
Amortization of Bond Premium	18,618	-	-	-	18,618	-

City of Eden Prairie, Minnesota
Fiduciary Funds
Statement of Fiduciary Net Position
December 31, 2021

	Custodial Funds Total
	<u> </u>
ASSETS	
Cash and Investments	\$ 959,320
Due from Other Governments	74,556
Prepays	<u>7,293</u>
Total Assets	<u><u>\$ 1,041,169</u></u>
 LIABILITIES	
Accounts Payable	\$ 239,322
Due to Other Governments	<u>44,249</u>
Total Liabilities	<u><u>\$ 283,571</u></u>
 NET POSITION	
Restricted	<u>\$ 757,598</u>
	<u><u>\$ 757,598</u></u>

City of Eden Prairie, Minnesota
Fiduciary Funds
Statement of Changes in Fiduciary Net Position
For the Year Ended December 31, 2021

	Custodial Funds Total
	<u> </u>
ADDITIONS	
Grants	\$ 607,968
Memberships	171,620
Investments Earnings	3,093
Building Permits	907,025
Customers Deposits	8,107
Other	1,798
Total Additions	<u>1,699,611</u>
DEDUCTIONS	
Personnel Services	376,169
Supplies	7,688
Contractual Services	1,071,295
Total Deductions	<u>1,455,152</u>
Net Increase (Decrease) in Fiduciary Net Position	244,459
Net Position - Beginning	513,139
Net Position - Ending	<u>\$ 757,598</u>

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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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. All other revenue items are considered to be measurable and available only when payment is received by the City.

The City reports the following major governmental funds:

- The General fund is the City's primary operating fund. It accounts for the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service and capital projects.
- The General Obligation Tax Abatement 2014A/21A fund accounts for the accumulation of tax revenues needed to repay bonds issued to finance construction of the Aquatics & Fitness Expansion.
- 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.

City of Eden Prairie, Minnesota

Notes to Financial Statements

- 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.

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

City of Eden Prairie, Minnesota

Notes to Financial Statements

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.

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 assets that applies to a future period(s) and will not be recognized as an outflow of resources (expense/ expenditure) until then. The City has two items that qualify for reporting in this category. It is the deferred charge for pensions (see Pension section below for explanation) and the deferred charge for OPEB (see OPEB section below for explanation).

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 assets that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. The City has two items that qualifies for reporting in this category. It is the deferred charge for pensions (see Pension section below for explanation), and the deferred charge for OPEB (see OPEB section below for explanation).

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, state shared taxes 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.

City of Eden Prairie, Minnesota

Notes to Financial Statements

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 the relief association and additions to/deductions from PERA's and the relief association fiduciary net position have been determined on the same basis as they are reported by PERA and the relief association 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.

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

City of Eden Prairie, Minnesota

Notes to Financial Statements

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.
- *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.

City of Eden Prairie, Minnesota

Notes to Financial Statements

- *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 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. 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, 2020, 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 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 \$30,000. Following are changes made to the original

City of Eden Prairie, Minnesota

Notes to Financial Statements

budget during the year:

Engineering	Upgraded equipment	\$	30,000
		\$	30,000

General fund expenditures equal \$47,954,246 or 95.7% of the annual amount budgeted of \$50,112,474. All departments 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, 2021:

Major Funds:		
Public Improvement Construction	\$	443,570
Eden Prairie Rd Connect to Flying Cloud		1,766,244
General LRT		14,093
Non-Major Governmental Funds:		
Homeowners Improvements Area		3,227
Internal Service Funds:		
Health and Benefits		1,029,763
Severance		1,053,011

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.

Note 3—Cash and Investments

Components of Cash and Investments

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

Investments	\$	142,287,524
Cash on hand		31,186
Total	\$	142,318,710

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

Statement of Net Position	
Cash and cash equivalents	\$ 141,359,390
Statement of Fiduciary Net Position	
Cash and investments	959,320
	\$ 142,318,710

City of Eden Prairie, Minnesota

Notes to Financial Statements

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 Statutes 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, 2021, all deposits were fully covered by federal depository insurance, surety bonds, or by collateral held by the City's agent in the City's name.

Investments

As of December 31, 2021, the city had the following investments and maturities:

	Investment Maturities (in Years)		
	Total	Less Than 1 Year	1 to 5 Years
U.S. Agencies	\$ 44,194,720	\$ 3,894,064	\$ 40,300,656
Municipal Bonds	34,280,099	21,387,258	12,892,841
Negotiable Certificate of Deposit	1,951,993	-	1,951,993
Bankers Acceptance	4,049,626	4,049,626	-
Mutual Funds	57,811,086	57,811,086	-
Total	<u>\$ 142,287,524</u>	<u>\$ 87,142,034</u>	<u>\$ 55,145,490</u>

City of Eden Prairie, Minnesota

Notes to Financial Statements

	US Agencies	Municipal Bonds	Negotiable Certificate of Deposit	Bankers Acceptance	Mutual Funds	Total
Moody's						
Aaa	\$ 41,761,595	\$ 7,655,884	\$ -	\$ -	\$ -	\$ 49,417,479
Aa1	-	5,876,773	-	-	-	5,876,773
Aa2	-	5,250,879	-	-	-	5,250,879
Aa3	-	4,594,478	-	-	-	4,594,478
N/A, N/R	2,433,125	2,794,270	1,951,993	4,049,626	57,811,086	69,040,100
S&P						
A+	-	178,738	-	-	-	178,738
AA	-	1,917,988	-	-	-	1,917,988
AA+	-	2,769,285	-	-	-	2,769,285
AA-	-	2,410,619	-	-	-	2,410,619
AAA	-	831,185	-	-	-	831,185
	\$ 44,194,720	\$ 34,280,099	\$ 1,951,993	\$ 4,049,626	\$ 57,811,086	\$ 142,287,524

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.

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.

City of Eden Prairie, Minnesota

Notes to Financial Statements

- 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 not did hold any investments in securities with a single issuer which exceeded 5%.

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 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.

City of Eden Prairie, Minnesota

Notes to Financial Statements

- 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.

As of December 31, 2021 the City’s investments fall into the following categories of fair value and are reported using market closing prices.

	Level 1	Level 2	Level 3	Total
U.S. Agencies	\$ 30,837,265	\$ 13,357,455	\$ -	\$ 44,194,720
Municipal Bonds	-	34,280,099	-	34,280,099
Negotiable Certificates of Deposit	-	1,951,993	-	1,951,993
	<u>\$ 30,837,265</u>	<u>\$ 49,589,547</u>	<u>\$ -</u>	<u>80,426,812</u>
Investments measured at amortized cost				61,860,712
				<u>\$ 142,287,524</u>

City of Eden Prairie, Minnesota

Notes to Financial Statements

Note 4—Capital Assets

Capital asset activity for the year ended December 31, 2021 was as follows:

	2021 Beginning Balance	Transfers	Increases	Decreases	2021 Ending Balance
GOVERNMENTAL ACTIVITIES					
Capital Assets, Not Being Depreciated					
Land	\$ 22,132,497	\$ -	\$ 35,000	\$ -	\$ 22,167,497
Infrastructure	137,574,434	1,460,561	259,818	105,334	139,189,479
Work in Progress	4,175,208	(3,114,443)	1,301,203	-	2,361,968
Total Capital Assets, Not Being Depreciated	163,882,139	(1,653,882)	1,596,021	105,334	163,718,944
Capital Assets, Being Depreciated					
Buildings	74,281,002	-	-	51,369	74,229,633
Land Improvements	23,543,556	1,394,295	2,123	154,203	24,785,771
Leasehold Improvements	77,318	-	-	-	77,318
Machinery and Equipment	4,974,014	-	149,482	507,269	4,616,227
Autos	12,458,617	374,597	1,222,409	767,247	13,288,376
Other Assets	10,397,079	148,735	165,619	151,087	10,560,346
Total Capital Assets, Being Depreciated	125,731,586	1,917,627	1,539,633	1,631,175	127,557,671
Total Capital Assets, Cost	289,613,725	263,745	3,135,654	1,736,509	291,276,615
Less Accumulated Depreciation for					
Buildings	24,825,343	-	2,272,585	51,369	27,046,559
Land Improvements	11,335,172	-	1,081,317	154,203	12,262,286
Leasehold Improvements	76,269	-	293	-	76,562
Machinery and Equipment	4,343,557	-	267,395	507,269	4,103,683
Autos	8,889,556	(24,424)	745,420	744,453	8,866,099
Other Assets	6,222,202	-	541,552	151,087	6,612,667
Total Accumulated Depreciation	55,692,099	(24,424)	4,908,562	1,608,381	58,967,856
Total Capital Assets, Being Depreciated, Net	70,039,487	1,942,051	(3,368,929)	22,794	68,589,815
Governmental Activities Capital Assets, Net	\$ 233,921,626	\$ 288,169	\$ (1,772,908)	\$ 128,128	\$ 232,308,759

City of Eden Prairie, Minnesota

Notes to Financial Statements

	2021 Beginning Balance	Transfers	Increases	Decreases	2021 Ending Balance
BUSINESS-TYPE ACTIVITIES					
Capital Assets, Not Being Depreciated					
Land	\$ 1,065,566	\$ -	\$ -	\$ -	\$ 1,065,566
Work in Progress	8,508,300	(8,631,243)	177,986	-	55,043
Total Capital Assets, Not Being Depreciated	9,573,866	(8,631,243)	177,986	-	1,120,609
Capital Assets, Being Depreciated					
Land Improvements	165,679	117,106	151,405	-	434,190
Buildings	59,370,999	-	-	9,629	59,361,370
Distribution System	203,914,771	7,191,752	108,887	-	211,215,410
Leasehold Improvements	727,394	-	-	24,539	702,855
Machinery and Equipment	6,642,823	-	-	472,041	6,170,782
Autos	1,013,426	24,424	114,311	87,341	1,064,820
Other Assets	141,300	1,034,216	11,974	116,065	1,071,425
Total Capital Assets, Being Depreciated	271,976,392	8,367,498	386,577	709,615	280,020,852
Total Capital Assets, Cost	281,550,258	(263,745)	564,563	709,615	281,141,461
Less Accumulated Depreciation for					
Land Improvements	116,071	-	19,868	-	135,939
Buildings	37,271,868	-	1,341,960	3,945	38,609,883
Distribution System	118,661,722	-	4,139,784	-	122,801,506
Leasehold Improvements	727,394	-	-	24,539	702,855
Machinery and Equipment	3,242,345	-	313,263	399,294	3,156,314
Autos	829,400	24,424	27,881	87,341	794,364
Other Assets	141,300	-	16,672	116,065	41,907
Total Accumulated Depreciation	160,990,100	24,424	5,859,428	631,184	166,242,768
Total Capital Assets, Being Depreciated, Net	110,986,292	8,343,074	(5,472,851)	78,431	113,778,084
Business-Type Activities Capital Assets, Net	\$ 120,560,158	\$ (288,169)	\$ (5,294,865)	\$ 78,431	\$ 114,898,693

City of Eden Prairie, Minnesota

Notes to Financial Statements

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

Governmental Activities	
Administration	\$ 282,235
Community Development	44,234
Police	153,685
Fire	324,459
Public Works	270,730
Parks and Recreation	2,798,893
Capital Assets Held by the Government's Internal Service Funds are Charged to the Various Functions Based on their Usage of the Assets	1,034,326
Total Depreciation Expense - Governmental Activities	<u>\$ 4,908,562</u>
 Business-Type Activities	
Water	\$ 2,957,215
Wastewater	1,677,036
Stormwater	1,187,156
Liquor	38,021
Total Depreciation Expense - Business-Type Activities	<u>\$ 5,859,428</u>

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	\$ 164,064
Rehabilitation Assistance Program	428,081
Climatech DEED	52,856
Elevate	500,000
	<u>\$ 1,145,001</u>

Note 6—Interfund Receivables and Payables

The composition of due to/from balances as of December 31, 2021, is as follows:

	Due From Other Funds	Due To Other Funds
Capital Improvement Maintenance	\$2,025,756	\$ -
Public Improvement Construction	-	293,839
Eden Prairie Rd Connect to Flying Cloud	-	1,731,917
Non-Major Governmental Funds	3,197	3,197
Total	<u>\$ 2,028,953</u>	<u>\$ 2,028,953</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, 2021, is as follows:

Transfers In	Transfers Out	Amount	Purpose
General	Water	\$ 211,613	Annual budgeted transfer
	Wastewater	148,130	Annual budgeted transfer
	Stormwater	63,484	Annual budgeted transfer
	Non-Major Governmental Funds	300	Assist with park program
Capital Improvement Maintenance	General	3,196,462	Positive performance
	Liquor Fund	800,000	Positive performance
	Shady Oak Road North	2,000,000	Assist with capital improvements
Eden Prairie Road	Non-Major Governmental Funds	579,051	Assist with capital improvements
General LRT	Non-Major Governmental Funds	424,272	Assist with capital improvements
Wastewater	Water	16,140	Transfer capital assets
Stormwater	Water	147,623	Transfer capital assets
Non-Major Governmental Funds	General	20,000	Assist with Organized Athletics
	Public Improvement	2,056,857	Assist with capital improvements
	Capital Improvement Maintenance	450,000	Assist with capital improvements
	Shady Oak Road North	1,229,466	Assist with capital improvements
	Stormwater	100,000	Assist with capital improvements
	Non-Major Governmental Funds	74,210	Assist with capital improvements
Total of transfers		<u>\$ 11,517,608</u>	

Note 8—Pension Plan

Defined Benefit Pension Plans

The Health & Benefits and Enterprise Funds typically liquidate the liability related to the pensions.

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 percent for each of the first 10 years of service and 1.7 percent for each additional year. Under Method 2, the accrual rate for Coordinated members is 1.7 percent 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. 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. 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 percent after five years up to 100 percent 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 percent after ten years up to 100 percent after twenty years of credited service. The annuity accrual rate is 3 percent 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

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Benefit increases are provided to benefit recipients each January. The postretirement increase is 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. 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 percent of their annual covered salary in fiscal year 2021 and the City was required to contribute 7.50 percent for Coordinated Plan members. The City's contributions to the General Employees Fund for the year ended December 31, 2021, were \$1,345,713. The City's contributions were equal to the required contributions as set by state statute.

Police and Fire Plan Contributions

Police and Fire Plan members were required to contribute 11.8 percent of their annual covered salary in fiscal year 2021 and the City was required to contribute 17.7 percent for Police and Fire Plan members. The City's contributions to the Police and Fire Fund for the year ended December 31, 2021, were \$1,543,612. 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, 2021, the City reported a liability of \$10,462,598 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 \$319,529.

The net pension liability was measured as of June 30, 2021, 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, 2020, through June 30, 2021, relative to the total employer contributions received from all of PERA's participating employers. The City's proportionate share was 0.2450 percent at the end of the measurement period and 0.2422 percent for the beginning of the period.

City of Eden Prairie, Minnesota

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City's Proportionate Share of the Net Pension Liability	\$ 10,462,598
State of Minnesota's Proportionate Share of the Net Pension Liability Associated with the City	319,529
Total	<u>\$ 10,782,127</u>

For the year ended December 31, 2021, the City recognized pension expense of \$(96,659) for its proportionate share of the General Employees Plan's pension expense. Included in the amount, the City recognized \$25,781 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, 2021, 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:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences Between Expected and Actual Economic Experience	\$ 62,048	\$ 319,762
Changes in Actuarial Assumptions	6,388,245	227,079
Net Collective Difference Between Projected and Actual Investment Earnings	-	9,071,141
Changes in Proportion	283,474	74,892
Contributions Paid to PERA Subsequent to the Measurement Date	672,857	-
Total	<u>\$ 7,406,624</u>	<u>\$ 9,692,874</u>

The \$672,857 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, 2022. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended Dec 31:	Pension Expense Amount
2022	\$ (404,037)
2023	(40,065)
2024	(43,582)
2025	(2,471,423)
	<u>\$ (2,959,107)</u>

Police and Fire Plan Pension Costs

At December 31, 2021, the City reported a liability of \$5,289,145 for its proportionate share of the Police and Fire Fund's net pension liability. The net pension liability was measured as of June 30, 2021, 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 on the City's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2020, through June 30, 2021, relative to the total employer contributions

City of Eden Prairie, Minnesota

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received from all of PERA’s participating employers. At June 30, 2021, the City’s proportionate share was .6933% at the end of the measurement period and .7225% for the beginning of the period.

The State of Minnesota also contributed \$18 million to the Police and Fire Fund in the plan fiscal year ended June 30, 2021. The contribution consisted of \$9 million in direct state aid that does meet the definition of a special funding situation and \$9 million in supplemental state aid that does not meet the definition of a special funding situation. The \$9 million direct state aid was paid on October 1, 2020. 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 supplemental state aid will continue until the fund is 90 percent funded, or until the State Patrol Plan (administered by the Minnesota State Retirement System) is 90 percent funded, whichever occurs later. Strong asset returns for the fiscal year ended 2021 will accelerate the phasing out of these state contributions, although we do not anticipate them to be phased out during the fiscal year ending 2022.

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 \$9 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 June 30, 2021, the City recognized pension expense of \$(532,644) for its proportionate share of the Police and Fire Plan’s pension expense. The City recognized \$43,811 as grant revenue for its proportionate share of the State of Minnesota’s pension expense for the contribution of \$9 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 supplemental state aid. The City recognized \$62,396 for the year ended December 31, 2021 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, 2021, 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:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences Between Expected and Actual Economic Experience	\$ 1,042,620	\$ -
Changes in Actuarial Assumptions	7,865,364	3,175,174
Net Collective Difference Between Projected and Actual Investment Earnings	-	10,189,499
Changes in Proportion	1,599	516,388
Contributions Paid to PERA Subsequent to the Measurement Date	771,806	-
Total	<u>\$ 9,681,389</u>	<u>\$ 13,881,061</u>

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The \$771,806 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, 2022. 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
2022	\$ (3,990,096)
2023	(776,344)
2024	(728,224)
2025	(1,134,518)
2026	1,657,704
	<u>\$ (4,971,478)</u>

Long-Term Expected Return on Investment

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 Equity	33.5%	5.10%
International Equity	16.5%	5.30%
Fixed Income	25.0%	0.75%
Private Markets	25.0%	5.90%
Total	100%	

Actuarial Methods and Assumptions

The total pension liability in the June 30, 2021, actuarial valuation was determined using an individual entry-age normal actuarial cost method. The long-term rate of return on pension plan investments used in the determination of the total liability is 6.5 percent. This assumption is based on a review of inflation and investments return assumptions from a number of national investment consulting firms. The review provided a range of return investment return rates deemed to be reasonable by the actuary. An investment return of 6.5 percent was deemed to be within that range of reasonableness for financial reporting purposes.

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Inflation is assumed to be 2.25 percent for the General Employees Plan and 2.25 percent for the Police and Fire Plan. Benefit increases after retirement are assumed to be 1.25 percent for the General Employees Plan. The Police and Fire Plan benefit increase is fixed at 1 percent per year and that increase was used in the valuation.

Salary growth assumptions in the General Employees Plan range in annual increments from 10.25 percent after one year of service to 3.0 percent after 29 years of service and 6.0 percent per year thereafter. In the Police and Fire Plan, salary growth assumptions range from 11.75 percent after one year of service to 3.0 percent after 24 years of service.

Mortality rates for the General Employees Plan are based on the Pub-2010 General Employee Mortality Table. Mortality rates for the Police and Fire Plan are based on the Pub-2010 Public Safety Employee Mortality tables. The tables are adjusted slightly to fit PERA's experience.

Actuarial assumptions for the General Employees Plan are reviewed every four years. The most recent four-year experience study for the General Employees Plan was completed in 2019. The assumption changes were adopted by the Board and became effective with the July 1, 2020 actuarial valuation. The most recent four-year experience studies for the Police and Fire and the Correctional Plan were completed in 2020 were adopted by the Board and became effective with the July 1, 2021 actuarial valuation.

The following changes in actuarial assumptions and plan provisions occurred in 2021:

General Employees Fund

Changes in Actuarial Assumptions:

- The investment return and single discount rates were changed from 7.50 percent to 6.50 percent, for financial reporting purposes.
- The mortality improvement scale was changed from Scale MP-2019 to Scale MP-2020.

Changes in Plan Provisions:

- There were no changes in plan provisions since the previous valuation.

Police and Fire Fund

Changes in Actuarial Assumptions:

- The investment return and single discount rates were changed from 7.50 percent to 6.50 percent, for financial reporting purposes.
- The inflation assumption was changed from 2.50 percent to 2.25 percent.
- The payroll growth assumption was changed from 3.25 percent to 3.00 percent.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 Public Safety Mortality table. The mortality improvement scale was changed from MP-2019 to MN-2020.

City of Eden Prairie, Minnesota

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- The base mortality table for disabled annuitants was changed from the RP-2014 healthy annuitant mortality table (with future mortality improvement according to Scale MP-2019) to the Pub-2010 Public Safety disabled annuitant mortality table (with future mortality improvement according to Scale MP-2020).
- Assumed rates of salary increase were modified as recommended in the July 14, 2020 experience study. The overall impact is a decrease in gross salary increase rates.
- Assumed rates of retirement were changed as recommended in the July 14, 2020 experience study. The changes result in slightly more unreduced retirements and fewer assumed early retirements.
- Assumed rates of withdrawal were changed from select and ultimate rates to service-based rates. The changes result in more assumed terminations.
- Assumed rates of disability were increased for ages 25-44 and decreased for ages over 49. Overall, proposed rates result in more projected disabilities.
- Assumed percent married for active female members was changed from 60 percent to 70 percent. Minor changes to form of payment assumptions were applied.

Changes in Plan Provisions:

- There were no changes in plan provisions since the previous valuation.

Discount Rate

The discount rate used to measure the total pension liability in 2021 was 6.5 percent. 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 Analysis (In Thousands)				
<i>Net Pension Liability (Asset) at Different Discount Rates</i>				
	General Employees Fund		Police and Fire Fund	
1% Lower	5.50%	\$ 21,338,358	5.50%	\$ 16,927,843
Current Discount Rate	6.50%	\$ 10,462,598	6.50%	\$ 5,289,145
1% Higher	7.50%	\$ 1,538,372	7.50%	\$ (4,251,703)

City of Eden Prairie, Minnesota

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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.

Public Employees 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.

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. For salaries employees employer contributions must be a fixed percentage of salary. 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 2021 were:

Amount		% of Covered Payroll		Required Rates
Employee	Employer	Employee	Employer	
\$ 3,091	\$ 3,091	5.0%	5.0%	5.0%

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 was established in 1968 and operates under the provisions of *Minnesota Statutes* Chapter 69, Chapter 424A, and the Association’s by-laws. As of December 31, 2020, membership includes 97 active participants, 110 retirees and beneficiaries currently receiving benefits, and 22 terminated employees entitled to but not yet receiving benefits. The plan issues a stand-alone financial statement.

City of Eden Prairie, Minnesota

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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 separated from active service with 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 equivalent to the base sum amount of \$12,400 multiplied by the total number of years of active service.

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

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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.

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
+	Estimated Expenses for the Most Recent Year Multiplied by a Factor of 1.035
+	Interest
+	Amortization of Unfunded Auctuarial Liability as Reported in the Latest Actuarial Valuation
-	Estimated State Aid Received for the Most Recent Year Multiplied by a Factor of 1.035
=	Contributions by the City in Accordance with Minnesota Statues

The Plan is funded in part by fire state aid and, if necessary, City contributions. The State of Minnesota distributed to the City \$511,566 in fire state aid and \$5,000 of supplemental benefit paid by the City to the Relief Association for the year ended December 31, 2021. 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, 2021 was \$68,174.

Pension Costs

At December 31, 2021, the City reported \$3,929,445 for the Association's net pension asset. The net pension asset was measured as of December 31, 2020, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2020.

As a result of its requirement to contribute to the Relief Association, the City recognized fire expense of \$3,694,202 for the year ended December 31, 2021. At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources from the following sources:

City of Eden Prairie, Minnesota

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	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences Between Expected and Actual Economic Experience	\$ -	\$ 9,267
Changes in Actuarial Assumptions	-	21,669
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	2,324,706
City Contributions Subsequent to the Measurement Date	584,740	-
Total	\$ 584,740	\$ 2,355,642

The City contributions to the Association subsequent to the measurement date of \$584,740, reported as deferred outflows of resources, will be recognized as an addition of the net pension asset in the year ended December 31, 2022. 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
2022	\$ (749,554)
2023	(383,019)
2024	(884,533)
2025	(338,536)
	<u>\$ (2,355,642)</u>

Actuarial Assumptions

The actuarial total pension liability was determined as of December 31, 2020, 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	Rate as a percent by age:
	Age 20: 0.08%
	Age 30: 0.08%
	Age 40: 0.20%
	Age 50: 0.49%

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	Age 55: 0.89%
	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:

Asset Class	Expected Portfolio Weight	Long-Term Expected Nominal Rate of Return
Cash	3.0%	2.0%
Fixed Income	36.0%	3.5%
Equities	49.0%	7.4%
Other	12.0%	5.5%
Total Portfolio	100.0%	5.5%

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:

City of Eden Prairie, Minnesota

Notes to Financial Statements

	1% Decrease	Selected Discount Rate	1% Increase
Net Pension Liability (Asset)	\$ (1,571,007)	\$ (3,929,445)	\$ (5,883,784)
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.

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

	2020	2019
Total Pension Liability		
Service Cost	\$ 495,029	\$ 485,127
Interest	1,149,953	1,159,236
Differences Between Expected and Actual Experience	-	(27,803)
Changes of Assumptions	-	(65,011)
Changes of Benefit Terms	-	-
Benefit Payments, Including Member Contribution Refunds	(1,142,660)	(2,326,728)
Net Change in Total Pension Liability	\$ 502,322	\$ (775,179)
Total Pension Liability - Beginning	\$20,984,545	\$21,759,724
Total Pension Liability - Ending (a)	\$21,486,867	\$20,984,545
Plan Fiduciary Net Position		
Municipal Contributions	\$ 184,172	\$ 209,316
State Contributions	494,923	476,899
Net Investment Income	2,942,302	3,828,516
Benefit Payments	(1,142,660)	(2,326,728)
Administrative Expenses	(29,231)	(29,062)
Other Changes	-	-
Net Change in Fiduciary Net Position	\$ 2,449,506	\$ 2,158,941
Fiduciary Net Position - Beginning	\$22,966,806	\$20,807,865
Fiduciary Net Position - Ending (b)	\$25,416,312	\$22,966,806
Association's Net Pension Liability/(Asset) - Ending (a) - (b)	\$ (3,929,445)	\$ (1,982,261)

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	General Employees Plan	Police and Fire	Fire Relief	Total
Pension Expense	\$ (96,659)	\$ (532,664)	\$ (200,166)	\$ (829,489)
Net Pension Asset	-	-	3,929,455	3,929,455
Net Pension Liability	10,462,598	5,289,145	-	15,751,743
Deferred Outflows	7,406,624	9,681,389	584,740	17,672,753
Deferred Inflows	\$ 9,692,874	\$ 13,881,061	\$ 2,355,642	\$ 25,929,577

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, 2021, membership included 12 retirees and others currently receiving benefits, 3 spouses receiving payments and 276 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, 2021, and was determined by an actuarial valuation as of January 1, 2020. The Health & Benefits and Enterprise Funds typically liquidate the liability related to OPEB.

City of Eden Prairie, Minnesota

Notes to Financial Statements

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	6.25% in 2021 grading to 5.00% over 5 years and then to 4.00% over the next 48 years

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 2.0%. 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 2.9% to 2.0%.

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balances at 12/31/2020	\$ 2,842,148
Changes for the Year:	
Service Cost	192,408
Interest	85,767
Changes of Assumptions	166,748
Difference between Expected and Actual	-
Benefit Payments	<u>(155,238)</u>
Net Changes	<u>289,685</u>
Balances at 12/31/21	<u>\$ 3,131,833</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 (1.0%) or 1% point higher (3.0%) than the current discount rate:

	1% Decrease <u>(1.0)%</u>	Discount Rate <u>(2.0)%</u>	1% Increase <u>(3.0)%</u>
Total OPEB Liability	\$ 3,361,297	\$ 3,131,833	\$ 2,916,289

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 (5.25% decreasing to 4%) or 1% point higher (7.25% decreasing to 6%) than the current healthcare cost trend rates:

	1% Decrease (5.25% decreasing to 4%)	Healthcare Cost Trend Rates (6.25% decreasing to 5%)	1% Increase (7.25% decreasing to 6%)
Total OPEB Liability	\$ 2,791,104	\$ 3,131,833	\$ 3,535,613

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

For the year ended December 31, 2021, the City recognized OPEB expense of \$278,994. At December 31, 2021, 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	\$ 177,557	\$ -
Difference Between Expected and Actual	-	157,037
Change in Assumptions	252,170	57,820
Total	\$ 429,727	\$ 214,857

The City's contributions subsequent to the measurement date of \$177,557, 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, 2022. 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
2022	\$ 819
2023	819
2024	819
2025	819
2026	819
Thereafter	33,218
	<u>\$ 37,313</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, 2021 was \$190,680.

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

Year Ended December 31	Prairie Village	Prairie View
2022	96,012	105,237
2023	96,012	107,882
2024	104,016	110,607
2025	104,016	113,332
2026	112,020	116,217
thereafter	205,370	398,345
	<u>\$ 717,446</u>	<u>\$ 951,620</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 2021-2022 and five percent (5%) of gross sales in excess of four million for years 2023-2028.

The City has entered into an eight month lease agreement with the Metropolitan Airports Commission for athletic fields. Rental expense for the year ended December 31, 2021 was \$15,000.

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, 2021 was \$561.

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, 2021 was \$520. The City has paid the final payment of the rental term which 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, 2021 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 three year lease agreement with Vigilant Solutions LLC for license plate readers. Rental expense for the year ended December 31, 2021 was \$3,252.

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 2021.

The City has a lease agreement with the Eden Prairie Independent School District for 51,315 square feet in the City Center building and received \$380,415 of rental revenue for this space in 2021. The School District terminated their lease effective December 31, 2021. 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 \$1,612,034 in gross rent for 2021. This gross rent amount is intended to cover both base rent and CAM. The City calculated UNFI's 2021 CAM (based on the building's CAM budget and square footage) at \$646,070 leaving \$965,964 as Rental Revenue. The City will receive Gross Rent annually through June 30, 2022. Gross rent received will be \$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, 2021 was \$26,917. Rent was reduced by fifty percent due to the coronavirus pandemic from January-May 2021. The tenant resumed full rent beginning June 2021. This lease has been extended beyond the current expiration date of December 31, 2027 for a time equal to the abatement period of 13 months. The City is expected to receive \$34,000 annually through 2028.

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, 2021 was \$78,921. The City will receive \$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, 2021 was \$18,138. Rent for the months of January through September 2021 was reduced by fifty percent by the City due to the Coronavirus pandemic and rent for the months of October through December 2021 was reduced by twenty-five percent due to the Coronavirus pandemic. The City will receive rent annually through 2024. Annual rent is expected to be \$30,231 in 2022, \$32,246 in 2023 and \$18,810 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, 2021 was \$99,061. Due to the Coronavirus pandemic, rent for the months of April through June 2020 was reduced by thirty percent with the amount paid back in monthly installments in 2021. The City will receive rent annually through January 31, 2029. Annual rent will be \$93,908 in 2022, \$95,598 in 2023, \$97,287 in 2024, \$98,977 in 2025, \$100,666 in 2026 and \$215,130 in years 2027-2029.

City of Eden Prairie, Minnesota

Notes to Financial Statements

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, 2021 was \$7,260.

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, 2021 and ends on September 30, 2024. The City received \$4,356 in rental income for 2021 and will continue to receive \$4,356 annually for 2022 and 2023.

The City has entered into communication facilities license agreements with AT&T, Sprint, T-Mobile, and Verizon for cell antenna equipment placed on City property such as roofs and water tower tanks. In 2021, the City received \$367,166 in rental income. Annual rent will be \$345,060 in 2022, \$341,449 in 2023, \$326,302 in 2024, \$322,886 in 2025, and \$254,538 in 2026.

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 2021, 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:

	2021 Governmental Activities	2021 Liquor Fund	2020 Governmental Activities	2020 Liquor Fund
Asset:				
Land	\$ 2,628,813	\$ 536,659	\$ 2,628,813	\$ 536,659
Land Improvements	1,432,264	-	1,445,223	-
Building	12,750,471	2,628,498	12,750,471	2,653,037
Less: Accumulated Depreciation	(7,749,896)	(1,562,715)	(7,449,533)	(1,549,233)
Total	<u>\$ 9,061,652</u>	<u>\$ 1,602,442</u>	<u>\$ 9,374,974</u>	<u>\$ 1,640,463</u>
Depreciation Expense	\$ 313,323	\$ 38,021	\$ 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:

	Maturities	Interest Rates	Original Issue	2021 Amount Outstanding
Governmental Activity				
General Obligation Bonds				
G.O. Refunding Bonds 2020A	2025	0.85%	\$ 6,081	\$ 4,891
Assess Debt With Govt Commit				
G.O. Bonds of 2016A	2032	2.30-3.00%	2,360	1,495
G.O. Refunding Bonds 2020A	2025	0.85%	1,336	1,080
Tax Abatement Bonds				
G.O. Tax Abatement Bonds 2014A	2035	2.00-3.75%	17,155	14,090
G.O. Tax Abatement Bonds 2021A	2035	2.00-4.00%	11,940	11,940
Total Governmental Activity			38,872	33,496
Business Type Activity				
G.O. Bonds of 2016A	2027	2.30-3.00%	1,580	1,005
G.O. Water Bonds 2019A	2039	2.00-3.00%	4,920	4,540
G.O. Water Bonds 2021A	2037	2.00-4.00%	5,420	5,420
Total Business Type Activity			11,920	10,965
Total			\$ 50,792	\$ 44,461

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
2022	\$ 1,218	\$ 42	\$ 488	\$ 47	\$ 14,090	\$ 487	\$ 15,796	\$ 576
2023	1,218	31	498	38	755	378	2,471	447
2024	1,216	21	498	29	830	347	2,544	397
2025	1,239	11	376	22	720	316	2,335	349
2026	-	-	105	17	755	286	860	303
2027	-	-	105	14	775	256	880	270
2028	-	-	105	12	800	224	905	236
2029	-	-	100	9	1,135	185	1,235	194
2030	-	-	100	7	955	144	1,055	151
2031	-	-	100	4	995	110	1,095	114
2032	-	-	100	1	1,025	79	1,125	80
2033	-	-	-	-	1,050	53	1,050	53
2034	-	-	-	-	1,060	32	1,060	32
2035	-	-	-	-	1,085	11	1,085	11
Total	\$ 4,891	\$ 105	\$ 2,575	\$ 200	\$ 26,030	\$ 2,908	\$ 33,496	\$ 3,213

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	
2022	\$ 350	\$ 251	\$ 601
2023	620	294	914
2024	665	272	937
2025	685	249	934
2026	710	226	936
2027	735	202	937
2028	575	180	755
2029	595	159	754
2030	615	137	752
2031	640	117	757
2032	660	100	760
2033	675	84	759
2034	685	70	755
2035	700	56	756
2036	715	41	756
2037	735	26	761
2038	300	15	315
2039	305	7	312
Total	<u>\$10,965</u>	<u>\$ 2,486</u>	<u>\$13,451</u>

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 lease was paid off in 2021.

Changes in Long Term Debt

Long-term debt activity for the year ended December 31, 2021, (in thousands of dollars) was as follows:

City of Eden Prairie, Minnesota

Notes to Financial Statements

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activity					
G.O. Bonds	\$ 13,166	\$ -	\$ 8,275	\$ 4,891	\$ 1,218
Assess. Debt With Govt Commit					
Improvement Bonds	4,276	-	1,701	2,575	488
Tax Abatement Bonds	15,000	11,940	910	26,030	14,090
Issuance Premium/Discount	413	1,348	106	1,655	-
Total Bonds	32,855	13,288	10,992	35,151	15,796
Compensated Absences	2,569	2,103	2,279	2,393	1,123
Capital Lease	60	-	60	-	-
Total	\$ 35,484	\$ 15,391	\$ 13,331	\$ 37,544	\$ 16,919
Business Type Activity					
Revenue Bonds	\$ 5,885	\$ 5,420	\$ 340	\$ 10,965	\$ 350
Issuance Premium/Discount	204	525	19	710	-
Total Bonds	6,089	5,945	359	11,675	350
Compensated Absences	375	356	334	397	186
Total	\$ 6,464	\$ 6,301	\$ 693	\$ 12,072	\$ 536

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.

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 were refunded in 2021. Future debt service payments will be reduced by \$311,386 with a net present value benefit of \$311,633.

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

City of Eden Prairie, Minnesota

Notes to Financial Statements

On December 8, 2021, the City issued \$17,360,000 of G.O. Water Revenue and Refunding Bonds, Series 2021A. The bonds bear interest at a rate of 2%-4%, and with a maturity in 2035 and 2037. Of the proceeds, \$5,420,000 will be used for the meter change out program and \$11,940,000 provided refunding for the G.O. Tax Abatement Bonds 2014A. The 2014A bonds will be refunded in 2022. Future debt service payments will be reduced by \$1,937,268 with a net present value benefit of \$1,775,629.

<u>Issue to be Refunded</u>	<u>Refunding Date</u>	<u>Principal to be Refunded</u>
2014A G.O. Tax Abatement Bond	1/15/2022	\$ 13,165,000

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, 2021, 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 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.

City of Eden Prairie, Minnesota

Notes to Financial Statements

Note 14—Contract Commitments

At December 31, 2021, the City had commitments on various capital projects. These commitments totaled approximately \$11,066,088. The breakdown by fund is shown below.

<u>Fund</u>	<u>Total</u>
General	\$ 12,384
Public Improvement Construction	70,716
Capital Improvement Maintenance	115,796
Shady Oak Rd North	308,906
Eden Prairie Rd Connect to Flying Cloud	30,617
General LRT	20,430
Other Governmental	4,047,019
Water	4,865,501
Wastewater	496,400
Stormwater	88,741
Internal Service	1,009,578
	<u>\$ 11,066,088</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, 2021, there were 4 series of Housing Bonds outstanding with balances of \$20,110,901.

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 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, 2021, the City has one agreement established under Minnesota Statute 469.001 to 469.047 which resulted in property taxes totaling \$286,542 being

City of Eden Prairie, Minnesota

Notes to Financial Statements

abated. The agreement is a pay as you go note to convert substandard property into an office and retail complex.

For the fiscal year ended December 31, 2021, the City has seven agreements established under Minnesota Statute 469.174 to 469.179 (The Tax Increment Act) which resulted in property taxes totaling \$1,905,810 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 \$634,794.
- 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 \$374,318.
- 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 \$298,745.
- 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 \$563,108.

Note 17—Fund Balance Classification

At December 31, 2021, a summary of the governmental fund balance classifications are as follows:


	General	General Obligation Tax Abatement Bonds 2014A/20A	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	\$ 187,378	\$ -	\$ -	\$ 36,696	\$ -	\$ -	\$ -	\$ -	\$ 271,267	
Cemetery Perpetual Care	-	-	-	-	-	-	-	182,519	182,519	
Total Nonspendable	187,378	-	-	36,696	-	-	-	229,712	453,786	
Restricted for:										
Debt Service	-	14,381,155	-	-	-	-	-	1,823,944	16,205,099	
Special Assessments	-	-	-	-	679,997	-	-	-	679,997	
Park Dedication Fees	-	-	-	-	-	-	-	3,637,351	3,637,351	
Franchise Fee	-	-	-	-	-	-	-	2,513,921	2,513,921	
Grants	-	-	-	-	-	-	-	63,298	63,298	
Cemetery	-	-	-	-	-	-	-	142,930	142,930	
Police	-	-	-	-	-	-	-	64,537	64,537	
Recycling	-	-	-	-	-	-	-	10,813	10,813	
Historical and Cultural	-	-	-	-	-	-	-	43,864	43,864	
Tax Increment	-	-	-	-	-	-	-	3,492,926	3,492,926	
	-	14,381,155	-	-	679,997	-	-	11,793,584	26,854,736	
Assigned to:										
Capital Projects	-	-	-	24,785,372	-	-	-	5,794,838	30,580,210	
Improvement Projects	-	-	-	-	-	-	-	4,177,617	4,177,617	
Total Assigned	-	-	-	24,785,372	-	-	-	9,972,455	34,757,827	
Unassigned:	29,132,535	-	(443,570)	-	-	-	(1,766,244)	(14,093)	(3,357)	26,905,271
Total Fund Balance	\$ 29,319,913	\$ 14,381,155	\$ (443,570)	\$ 24,822,068	\$ 679,997	\$ -	\$ (1,766,244)	\$ (14,093)	\$ 21,992,394	\$ 88,971,620

City of Eden Prairie, Minnesota

Notes to Financial Statements

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.



REQUIRED
SUPPLEMENTARY
INFORMATION



EDEN PRAIRIE
CITY CENTER

1:11 PM
50°F

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:

	2021	2020	2019	2018	2017
Budget	\$3,735,500	\$2,949,500	\$2,954,500	\$3,372,500	\$2,879,533
Actual	3,562,681	4,154,944	3,154,439	2,700,544	2,802,882
Difference	\$ (172,819)	\$1,205,444	\$ 199,939	\$ (671,956)	\$ (76,651)

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

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

	Measurement Date			
	January 1, 2021	January 1, 2020	January 1, 2019	January 1, 2018
Total OPEB Liability				
Service Cost	\$ 192,408	\$ 160,108	\$ 135,751	\$ 143,922
Interest	85,767	109,426	94,001	91,272
Changes in Plan	-	-	7,200	-
Difference Between Expected and Actual Experience	-	(209,383)	-	-
Changes of Assumptions	166,748	141,690	(92,512)	-
Benefit Payments	(155,238)	(156,962)	(118,903)	(169,360)
Net Change in Total OPEB Liability	289,685	44,879	25,537	65,834
Total OPEB Liability - Beginning	2,842,148	2,797,269	2,771,732	2,705,898
Total OPEB Liability - Ending	<u>\$ 3,131,833</u>	<u>\$ 2,842,148</u>	<u>\$ 2,797,269</u>	<u>\$ 2,771,732</u>
Total OPEB Liability	\$ 3,131,833	\$ 2,842,148	\$ 2,797,269	\$ 2,771,732
Covered Employee Payroll	\$ 23,661,024	\$ 22,916,246	\$ 22,281,528	\$ 21,632,551
City's Total OPEB Liability as a Percentage of the Covered Employee Payroll	13.24%	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. No assets are accumulated in a trust to pay related benefits.

**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 and the State'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/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	132.92%	68.9%
June 30, 2017	0.2536%	16,189,657	203,595	16,393,252	16,339,119	99.09%	75.9%
June 30, 2018	0.2419%	13,419,620	440,302	13,859,922	16,251,609	82.57%	79.5%
June 30, 2019	0.2365%	13,075,555	406,316	13,481,871	16,728,911	78.16%	80.2%
June 30, 2020	0.2422%	14,520,997	447,832	14,968,829	17,272,920	84.07%	79.1%
June 30, 2021	0.2450%	10,462,598	319,529	10,782,127	17,641,013	59.31%	87.0%

* 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	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%
June 30, 2021	0.6933%	5,289,145	240,567	5,529,712	8,193,333	64.55%	93.7%

* 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*

	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability							
Service Cost	\$ 495,029	\$ 485,127	\$ 498,110	\$ 485,961	\$ 434,587	\$ 449,426	\$ 413,646
Interest	1,149,953	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 Assumption	-	(65,011)	246,754	-	935,047	-	-
Changes of Benefit Terms	-	-	338,844	-	-	-	-
Benefit Payments, Including Member Contribution Refunds	(1,142,660)	(2,326,728)	(1,449,720)	(1,084,111)	(1,135,264)	(1,270,544)	(1,027,216)
Net Change in Total Pension Liability	502,322	(775,179)	751,629	525,318	1,152,243	283,583	469,632
Total Pension Liability - Beginning	20,984,545	21,759,724	21,008,095	20,482,777	19,330,534	19,046,951	18,577,319
Total Pension Liability - Ending (a)	21,486,867	20,984,545	21,759,724	21,008,095	20,482,777	19,330,534	19,046,951
Plan Fiduciary Net Position							
Municipal Contributions	184,172	209,316	523,283	387,665	388,664	398,395	488,073
State Contributions	494,923	476,219	457,741	448,846	448,848	437,948	414,343
Net Investment Income	2,942,302	3,828,516	(1,274,855)	2,776,128	892,090	(393,362)	646,363
Benefit Payments	(1,142,660)	(2,326,728)	(1,449,720)	(1,084,111)	(1,137,136)	(1,270,544)	(1,027,216)
Administrative Expenses	(29,231)	(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	2,449,506	2,158,941	(1,774,069)	2,494,499	540,316	(853,886)	566,298
Fiduciary Net Position - Beginning	22,966,806	20,807,865	22,581,934	20,087,435	19,547,119	20,401,005	19,834,707
Fiduciary Net Position - Ending (b)	25,416,312	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)	\$ (3,929,445)	\$ (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	118.29%	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	N/A
Net Pension Liability/(Asset) as a Percentage of Covered Payroll	N/A	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%
December 31, 2021	\$ 1,345,713	\$ 1,345,713		\$ 17,940,189	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%
December 31, 2021	\$ 1,543,612	\$ 1,543,612	\$ -	\$ 8,720,972	17.70%

* 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

	2021	2020	2019	2018	2017
Statutorily Required Contribution	\$ 68,174	184,172	203,986	517,955	382,336
Contributions in Relation to Statutorily Required Contribution	(68,174)	(184,172)	(203,986)	(517,955)	(382,336)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -

	2016	2015	2014	2013	2012
Statutorily Required Contribution	\$ 388,664	\$ 398,395	\$ 488,073	\$ 582,972	\$ 625,910
Contributions in Relation to Statutorily Required Contribution	(388,664)	(393,065)	(488,073)	(582,972)	(625,910)
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

The City has no assets accumulated in a trust that meets the criteria in GASB 75.

2021 Changes

Changes in Actuarial Assumptions:

- The discount rate was changed from 2.90% to 2.00%.

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

2021 Changes

Changes in Actuarial Assumptions:

- The investment return and single discount rates were changed from 7.50 percent to 6.50 percent, for financial reporting purposes.
- The mortality improvement scale was changed from Scale MP-2019 to Scale MP-2020.

Changes in Plan Provisions:

- There were no changes in plan provisions since the previous valuation.

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.

City of Eden Prairie, Minnesota

Notes to Required Supplemental Information

- 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.

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

City of Eden Prairie, Minnesota

Notes to Required Supplemental Information

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.
- 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.

City of Eden Prairie, Minnesota

Notes to Required Supplemental Information

Police and Fire Fund

2021 Changes

Changes in Actuarial Assumptions:

- The investment return and single discount rates were changed from 7.50 percent to 6.50 percent, for financial reporting purposes.
- The inflation assumption was changed from 2.50 percent to 2.25 percent.
- The payroll growth assumption was changed from 3.25 percent to 3.00 percent.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 Public Safety Mortality table. The mortality improvement scale was changed from MP-2019 to MN-2020.
- The base mortality table for disabled annuitants was changed from the RP-2014 healthy annuitant mortality table (with future mortality improvement according to Scale MP-2019) to the Pub-2010 Public Safety disabled annuitant mortality table (with future mortality improvement according to Scale MP-2020).
- Assumed rates of salary increase were modified as recommended in the July 14, 2020 experience study. The overall impact is a decrease in gross salary increase rates.
- Assumed rates of retirement were changed as recommended in the July 14, 2020 experience study. The changes result in slightly more unreduced retirements and fewer assumed early retirements.
- Assumed rates of withdrawal were changed from select and ultimate rates to service-based rates. The changes result in more assumed terminations.
- Assumed rates of disability were increased for ages 25-44 and decreased for ages over 49. Overall, proposed rates result in more projected disabilities.
- Assumed percent married for active female members was changed from 60 percent to 70 percent. Minor changes to form of payment assumptions were applied.

Changes in Plan Provisions:

- There were no changes in plan provisions since the previous valuation.

2020 Changes

Changes in Actuarial Assumptions

- The mortality 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

- The mortality 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

City of Eden Prairie, Minnesota

Notes to Required Supplemental Information

- 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.
- 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.

City of Eden Prairie, Minnesota

Notes to Required Supplemental Information

- 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

2020 Changes

- No changes since 2019 report

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

City of Eden Prairie, Minnesota

Notes to Required Supplemental Information

2016 Changes

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

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 an 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 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.

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

City of Eden Prairie, Minnesota

Nonmajor Governmental Funds

Capital Project Funds (Continued)

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.

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.

City of Eden Prairie, Minnesota

Nonmajor Governmental Funds

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, 2021

	Special Revenue					
	HRA Grant	Pleasant Hills Cemetery	Grant Fund	Recycling	Historical and Cultural	Total
ASSETS						
Cash and Investments	\$ 129,476	\$ 119,031	\$ 29,738	\$ 41,382	\$ 43,904	\$ 363,531
Receivables						
Accounts	-	650	-	-	-	650
Interest	-	270	104	-	119	493
Due from Other Governments	69,257	-	37,662	-	-	106,919
Unremitted Taxes	-	-	-	-	-	-
Unremitted Special Assessments	-	-	-	-	-	-
Delinquent Special Assessments	-	-	-	-	-	-
Deferred Special Assessments	-	-	-	-	-	-
Special Deferred Special Assessments	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-
Prepaid Items	130	-	-	-	-	130
Land Held for Resale	-	-	-	-	-	-
Notes Receivable	-	-	-	-	-	-
Total Assets	<u>\$ 198,863</u>	<u>\$ 119,951</u>	<u>\$ 67,504</u>	<u>\$ 41,382</u>	<u>\$ 44,023</u>	<u>\$ 471,723</u>
LIABILITIES						
Accounts and Contracts Payable	\$ 196,881	\$ 1,546	\$ -	\$ 30,569	\$ 62	\$ 229,058
Salaries Payable	1,982	-	4,206	-	-	6,188
Investment Interest Payable	-	-	-	-	-	-
Due to Other Governments	-	-	-	-	97	97
Due to Other Funds	-	-	-	-	-	-
Unearned Revenue	-	900	-	-	-	900
Total Liabilities	198,863	2,446	4,206	30,569	159	236,243
DEFERRED INFLOWS OF RESOURCES						
Unavailable Revenue-Revenue	-	650	-	-	-	650
Unavailable Revenue-Special Assessments	-	-	-	-	-	-
Total Deferred Inflows of Resources	-	650	-	-	-	650
FUND BALANCES						
Nonspendable	130	-	-	-	-	130
Restricted	-	116,855	63,298	10,813	43,864	234,830
Assigned	-	-	-	-	-	-
Unassigned	(130)	-	-	-	-	(130)
Total Fund Balance	-	116,855	63,298	10,813	43,864	234,830
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 198,863</u>	<u>\$ 119,951</u>	<u>\$ 67,504</u>	<u>\$ 41,382</u>	<u>\$ 44,023</u>	<u>\$ 471,723</u>

City of Eden Prairie, Minnesota
 Combining Balance Sheet
 Nonmajor Governmental Funds
 December 31, 2021

	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	\$ 436,386	\$ 147,186	\$ -	\$ 587,098	\$ 339,041
Receivables					
Accounts	-	-	-	-	-
Interest	1,131	514	-	1,910	3,150
Due from Other Governments	-	-	-	-	-
Unremitted Taxes	-	-	-	-	5,035
Unremitted Special Assessments	-	-	-	177	-
Delinquent Special Assessments	-	-	-	-	-
Deferred Special Assessments	220,000	301,891	-	598,004	-
Special Deferred Special Assessments	-	-	-	120,762	-
Due from Other Funds	-	-	-	-	-
Prepaid Items	-	-	-	-	-
Land Held for Resale	-	-	-	-	-
Notes Receivable	-	-	-	-	-
Total Assets	<u>\$ 657,517</u>	<u>\$ 449,591</u>	<u>\$ -</u>	<u>\$ 1,307,951</u>	<u>\$ 347,226</u>
LIABILITIES					
Accounts and Contracts Payable	\$ 97	\$ -	\$ -	\$ -	\$ -
Salaries Payable	-	-	-	-	-
Investment Interest Payable	-	-	-	-	-
Due to Other Governments	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
Unearned Revenue	-	-	-	-	-
Total Liabilities	<u>97</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue-Revenue	-	-	-	-	-
Unavailable Revenue-Special Assessments	220,000	301,891	-	718,766	-
Total Deferred Inflows of Resources	<u>220,000</u>	<u>301,891</u>	<u>-</u>	<u>718,766</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	437,420	147,700	-	589,185	347,226
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total Fund Balance	<u>437,420</u>	<u>147,700</u>	<u>-</u>	<u>589,185</u>	<u>347,226</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 657,517</u>	<u>\$ 449,591</u>	<u>\$ -</u>	<u>\$ 1,307,951</u>	<u>\$ 347,226</u>

	Debt Service			
	General Obligation Refunding Bonds 12B/20A	General Obligation Improvement Bonds 2012C	General Obligation Bonds 2016A	Total
ASSETS				
Cash and Investments	\$ 187,140	\$ -	\$ 111,942	\$ 1,808,793
Receivables				
Accounts	-	-	-	-
Interest	1,584	-	92	8,381
Due from Other Governments	-	-	-	-
Unremitted Taxes	1,752	-	-	6,787
Unremitted Special Assessments	-	-	-	177
Delinquent Special Assessments	-	-	-	-
Deferred Special Assessments	-	-	1,057,414	2,177,309
Special Deferred Special Assessments	-	-	-	120,762
Due from Other Funds	-	-	-	-
Prepaid Items	-	-	-	-
Land Held for Resale	-	-	-	-
Notes Receivable	-	-	-	-
Total Assets	<u>\$ 190,476</u>	<u>\$ -</u>	<u>\$ 1,169,448</u>	<u>\$ 4,122,209</u>
LIABILITIES				
Accounts and Contracts Payable	\$ -	\$ -	\$ 97	\$ 194
Salaries Payable	-	-	-	-
Investment Interest Payable	-	-	-	-
Due to Other Governments	-	-	-	-
Due to Other Funds	-	-	-	-
Unearned Revenue	-	-	-	-
Total Liabilities	-	-	97	194
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue-Revenue	-	-	-	-
Unavailable Revenue-Special Assessments	-	-	1,057,414	2,298,071
Total Deferred Inflows of Resources	-	-	1,057,414	2,298,071
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	190,476	-	111,937	1,823,944
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balance	190,476	-	111,937	1,823,944
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 190,476</u>	<u>\$ -</u>	<u>\$ 1,169,448</u>	<u>\$ 4,122,209</u>

	Capital Projects					
	Police	E-911	Senior Board	Park Improvement	CIP Trails	CIP Pavement Management
ASSETS						
Cash and Investments	\$ 45,558	\$ 59,565	\$ 17,042	\$ 4,497,134	\$ 431,886	\$ 2,675,308
Receivables						
Accounts	1,000	-	-	-	-	866,451
Interest	154	174	53	10,823	768	9,968
Due from Other Governments	33,754	13,380	-	-	-	-
Unremitted Taxes	-	-	-	-	-	-
Unremitted Special Assessments	-	-	-	-	-	-
Delinquent Special Assessments	-	-	-	-	-	-
Deferred Special Assessments	-	-	-	-	75,001	-
Special Deferred Special Assessments	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-
Prepaid Items	-	40,562	-	-	-	-
Land Held for Resale	-	-	-	-	-	-
Notes Receivable	-	-	-	-	-	-
Total Assets	<u>\$ 80,466</u>	<u>\$ 113,681</u>	<u>\$ 17,095</u>	<u>\$ 4,507,957</u>	<u>\$ 507,655</u>	<u>\$ 3,551,727</u>
LIABILITIES						
Accounts and Contracts Payable	\$ 4,382	\$ 141	\$ -	\$ 4,070	\$ 4,384	\$ 30,067
Salaries Payable	-	-	-	-	-	-
Investment Interest Payable	-	-	-	-	-	-
Due to Other Governments	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	-	-
Unearned Revenue	-	-	-	393,992	-	-
Total Liabilities	<u>4,382</u>	<u>141</u>	<u>-</u>	<u>398,062</u>	<u>4,384</u>	<u>30,067</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable Revenue-Revenue	-	-	-	-	-	-
Unavailable Revenue-Special Assessments	-	-	-	-	75,001	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>75,001</u>	<u>-</u>
FUND BALANCES						
Nonspendable	-	40,562	-	-	-	-
Restricted	25,877	38,660	-	3,423,706	-	2,253,923
Assigned	50,207	34,318	17,095	686,189	428,270	1,267,737
Unassigned	-	-	-	-	-	-
Total Fund Balance	<u>76,084</u>	<u>113,540</u>	<u>17,095</u>	<u>4,109,895</u>	<u>428,270</u>	<u>3,521,660</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 80,466</u>	<u>\$ 113,681</u>	<u>\$ 17,095</u>	<u>\$ 4,507,957</u>	<u>\$ 507,655</u>	<u>\$ 3,551,727</u>

Capital Projects						
	Economic Development Fund	Project Fund	HRA	Tree Replacement	Transportation	Cable PEG
ASSETS						
Cash and Investments	\$ 2,842,437	\$ 4,327,086	\$ 317,334	\$ 213,006	\$ 1,132,306	\$ 252,547
Receivables						
Accounts	742	-	-	-	-	21,089
Interest	8,940	12,439	814	639	-	698
Due from Other Governments	-	-	-	-	-	-
Unremitted Taxes	-	-	1,336	-	-	-
Unremitted Special Assessments	-	-	-	-	234	-
Delinquent Special Assessments	-	-	-	-	190	-
Deferred Special Assessments	-	-	-	-	42,692	-
Special Deferred Special Assessments	-	-	-	-	820,353	-
Due from Other Funds	-	-	-	-	3,197	-
Prepaid Items	-	-	-	-	-	6,501
Land Held for Resale	703,000	-	-	-	-	-
Notes Receivable	52,856	1,092,145	-	-	-	-
Total Assets	<u>\$ 3,607,975</u>	<u>\$ 5,431,670</u>	<u>\$ 319,484</u>	<u>\$ 213,645</u>	<u>\$ 1,998,972</u>	<u>\$ 280,835</u>
LIABILITIES						
Accounts and Contracts Payable	\$ 93,601	\$ 6,546	\$ -	\$ -	\$ 3,925	\$ -
Salaries Payable	-	-	5,407	-	-	-
Investment Interest Payable	-	-	-	-	2,240	-
Due to Other Governments	-	75,125	-	-	-	-
Due to Other Funds	-	-	-	-	-	-
Unearned Revenue	6,642	-	-	-	-	-
Total Liabilities	<u>100,243</u>	<u>81,671</u>	<u>5,407</u>	<u>-</u>	<u>6,165</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable Revenue-Revenue	-	-	-	-	-	-
Unavailable Revenue-Special Assessments	-	-	-	-	863,235	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>863,235</u>	<u>-</u>
FUND BALANCES						
Nonspendable	-	-	-	-	-	6,501
Restricted	-	3,492,926	-	213,645	-	259,998
Assigned	3,507,732	1,857,073	314,077	-	1,129,572	14,336
Unassigned	-	-	-	-	-	-
Total Fund Balance	<u>3,507,732</u>	<u>5,349,999</u>	<u>314,077</u>	<u>213,645</u>	<u>1,129,572</u>	<u>280,835</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 3,607,975</u>	<u>\$ 5,431,670</u>	<u>\$ 319,484</u>	<u>\$ 213,645</u>	<u>\$ 1,998,972</u>	<u>\$ 280,835</u>

	Capital Projects				Permanent	Total
	Homeowners Improvements Area	SingleTree Lane South	Duck Lake Road Reconstruction	Total	Cemetery Perpetual Care Fund	
ASSETS						
Cash and Investments	\$ -	\$ -	\$ 901,972	\$ 17,713,181	\$ 207,970	\$ 20,093,475
Receivables						
Accounts	-	-	-	889,282	-	889,932
Interest	-	-	-	45,470	624	54,968
Due from Other Governments	-	-	-	47,134	-	154,053
Unremitted Taxes	-	-	-	1,336	-	8,123
Unremitted Special Assessments	-	-	-	234	-	411
Delinquent Special Assessments	-	-	-	190	-	190
Deferred Special Assessments	28,771	-	-	146,464	-	2,323,773
Special Deferred Special Assessments	-	-	-	820,353	-	941,115
Due from Other Funds	-	-	-	3,197	-	3,197
Prepaid Items	-	-	-	47,063	-	47,193
Land Held for Resale	-	-	-	703,000	-	703,000
Notes Receivable	-	-	-	1,145,001	-	1,145,001
Total Assets	<u>\$ 28,771</u>	<u>\$ -</u>	<u>\$ 901,972</u>	<u>\$ 21,561,905</u>	<u>\$ 208,594</u>	<u>\$ 26,364,431</u>
LIABILITIES						
Accounts and Contracts Payable	\$ -	\$ -	\$ 233,847	\$ 380,963	\$ -	\$ 610,215
Salaries Payable	-	-	-	5,407	-	11,595
Investment Interest Payable	30	-	2,276	4,546	-	4,546
Due to Other Governments	-	-	-	75,125	-	75,222
Due to Other Funds	3,197	-	-	3,197	-	3,197
Unearned Revenue	-	-	-	400,634	-	401,534
Total Liabilities	<u>3,227</u>	<u>-</u>	<u>236,123</u>	<u>869,872</u>	<u>-</u>	<u>1,106,309</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable Revenue-Revenue	-	-	-	-	-	650
Unavailable Revenue-Special Assessments	28,771	-	-	967,007	-	3,265,078
Total Deferred Inflows of Resources	<u>28,771</u>	<u>-</u>	<u>-</u>	<u>967,007</u>	<u>-</u>	<u>3,265,728</u>
FUND BALANCES						
Nonspendable	-	-	-	47,063	182,519	229,712
Restricted	-	-	-	9,708,735	26,075	11,793,584
Assigned	-	-	665,849	9,972,455	-	9,972,455
Unassigned	(3,227)	-	-	(3,227)	-	(3,357)
Total Fund Balance	<u>(3,227)</u>	<u>-</u>	<u>665,849</u>	<u>19,725,026</u>	<u>208,594</u>	<u>21,992,394</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 28,771</u>	<u>\$ -</u>	<u>\$ 901,972</u>	<u>\$ 21,561,905</u>	<u>\$ 208,594</u>	<u>\$ 26,364,431</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, 2021

Special Revenue						
	HRA Grant	Pleasant Hills Cemetery	Grant Fund	Recycling	Historical and Cultural	Total
REVENUES						
General Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	-	-
Intergovernmental Revenue	579,557	-	126,142	101,041	-	806,740
Charges for Services	-	63,595	-	-	-	63,595
Fines and Forfeits	-	-	-	-	-	-
Investment Income	-	14	328	-	(191)	151
Rental	-	-	-	-	-	-
Other						
Contributions and Donations	-	-	-	-	-	-
Miscellaneous	-	-	-	236	8,310	8,546
Total Revenues	579,557	63,609	126,470	101,277	8,119	879,032
EXPENDITURES						
Current						
Community Development	579,557	-	-	-	846	580,403
Police	-	-	93,618	-	-	93,618
Public Works	-	-	-	100,589	-	100,589
Parks and Recreation	-	16,136	-	-	-	16,136
Capital Outlay						
Administration	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Parks and Recreation	-	-	-	-	-	-
Debt Service						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Fiscal Agent Fees	-	-	-	-	-	-
Total Expenditures	579,557	16,136	93,618	100,589	846	790,746
Excess of Revenues Over (Under) Expenditures	-	47,473	32,852	688	7,273	88,286
OTHER FINANCING SOURCES (USES)						
Payment to Refunded Bond	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Net Change in Fund Balances	-	47,473	32,852	688	7,273	88,286
Fund Balances (Deficit) - Beginning	-	69,382	30,446	10,125	36,591	146,544
Fund Balances (Deficit) - Ending	\$ -	\$ 116,855	\$ 63,298	\$ 10,813	\$ 43,864	\$ 234,830

City of Eden Prairie, Minnesota
Combining Statement of Revenues,
Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2021

	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	\$ -	\$ -	\$ -	\$ -	\$ 870,368
Special Assessments	130,628	95,292	-	207,180	-
Licenses and Permits	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-
Charges for Services	-	-	-	-	-
Fines and Forfeits	-	-	-	-	-
Investment Income	(1,938)	(2,182)	(2,982)	(5,384)	(9,887)
Rental	-	-	-	-	-
Other	-	-	-	-	-
Contributions and Donations	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Revenues	128,690	93,110	(2,982)	201,796	860,481
EXPENDITURES					
Current					
Community Development	-	-	-	-	-
Police	-	-	-	-	-
Public Works	-	-	-	-	-
Parks and Recreation	-	-	-	-	-
Capital Outlay					
Administration	-	-	-	-	-
Public Works	-	-	-	-	-
Parks and Recreation	-	-	-	-	-
Debt Service					
Principal	110,000	85,000	230,000	171,000	1,412,000
Interest	12,150	4,259	2,415	8,138	98,481
Fiscal Agent Fees	230	400	3,100	3,100	3,100
Total Expenditures	122,380	89,659	235,515	182,238	1,513,581
Excess of Revenues Over (Under) Expenditures	6,310	3,451	(238,497)	19,558	(653,100)
OTHER FINANCING SOURCES (USES)					
Payment to Refunded Bond	-	-	-	-	(4,375,000)
Transfers In	-	-	-	-	-
Transfers Out	-	-	(67,425)	-	-
Total Other Financing Sources (Uses)	-	-	(67,425)	-	(4,375,000)
Net Change in Fund Balances	6,310	3,451	(305,922)	19,558	(5,028,100)
Fund Balances (Deficit) - Beginning	431,110	144,249	305,922	569,627	5,375,326
Fund Balances (Deficit) - Ending	\$ 437,420	\$ 147,700	\$ -	\$ 589,185	\$ 347,226

City of Eden Prairie, Minnesota
Combining Statement of Revenues,
Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2021

	Debt Service			Total
	General Obligation Refunding Bonds 12B/20A	General Obligation Improvement Bonds 2012C	General Obligation Bonds 2016A	
REVENUES				
General Property Taxes	\$ 277,321	\$ -	\$ -	\$ 1,147,689
Special Assessments	-	-	152,273	585,373
Licenses and Permits	-	-	-	-
Intergovernmental Revenue	-	-	-	-
Charges for Services	-	-	-	-
Fines and Forfeits	-	-	-	-
Investment Income	(4,812)	7,406	2	(19,777)
Rental	-	-	-	-
Other				
Contributions and Donations	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	272,509	7,406	152,275	1,713,285
EXPENDITURES				
Current				
Community Development	-	-	-	-
Police	-	-	-	-
Public Works	-	-	-	-
Parks and Recreation	-	-	-	-
Capital Outlay				
Administration	-	-	-	-
Public Works	-	-	-	-
Parks and Recreation	-	-	-	-
Debt Service				
Principal	598,000	1,225,000	110,000	3,941,000
Interest	36,577	12,250	32,610	206,880
Fiscal Agent Fees	3,100	1,250	230	14,510
Total Expenditures	637,677	1,238,500	142,840	4,162,390
Excess of Revenues Over (Under) Expenditures	(365,168)	(1,231,094)	9,435	(2,449,105)
OTHER FINANCING SOURCES (USES)				
Payment to Refunded Bond	(1,660,000)	-	-	(6,035,000)
Transfers In	67,425	1,229,466	-	1,296,891
Transfers Out	-	-	-	(67,425)
Total Other Financing Sources (Uses)	(1,592,575)	1,229,466	-	(4,805,534)
Net Change in Fund Balances	(1,957,743)	(1,628)	9,435	(7,254,639)
Fund Balances (Deficit) - Beginning	2,148,219	1,628	102,502	9,078,583
Fund Balances (Deficit) - Ending	\$ 190,476	\$ -	\$ 111,937	\$ 1,823,944

City of Eden Prairie, Minnesota
Combining Statement of Revenues,
Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2021

	Capital Projects					
	Police	E-911	Senior Board	Park Improvement	CIP Trails	CIP Pavement Mgmt
REVENUES						
General Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments	-	-	-	-	21,269	-
Licenses and Permits	-	-	-	-	-	3,261,833
Intergovernmental Revenue	-	121,513	-	-	-	500,000
Charges for Services	-	-	-	1,446,924	-	-
Fines and Forfeits	3,975	-	-	-	-	-
Investment Income	(364)	40	(100)	(9,143)	(209)	(43,519)
Rental	-	-	-	-	-	-
Other	-	-	-	-	-	-
Contributions and Donations	-	-	1,344	41,249	-	-
Miscellaneous	36,652	-	-	-	-	-
Total Revenues	40,263	121,553	1,244	1,479,030	21,060	3,718,314
EXPENDITURES						
Current	-	-	-	-	-	-
Community Development	-	-	-	-	-	-
Police	10,411	83,537	-	-	-	-
Public Works	-	-	-	-	-	-
Parks and Recreation	-	-	1,084	-	-	-
Capital Outlay	-	-	-	-	-	-
Administration	-	-	-	-	-	-
Public Works	-	-	-	-	305,323	3,181,915
Parks and Recreation	-	-	-	22,313	-	-
Debt Service	-	-	-	-	-	-
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Fiscal Agent Fees	-	-	-	-	-	-
Total Expenditures	10,411	83,537	1,084	22,313	305,323	3,181,915
Excess of Revenues Over (Under) Expenditures	29,852	38,016	160	1,456,717	(284,263)	536,399
OTHER FINANCING SOURCES (USES)						
Payment to Refunded Bond	-	-	-	-	-	-
Transfers In	-	-	-	20,000	450,000	100,000
Transfers Out	-	-	(300)	-	-	-
Total Other Financing Sources (Uses)	-	-	(300)	20,000	450,000	100,000
Net Change in Fund Balances	29,852	38,016	(140)	1,476,717	165,737	636,399
Fund Balances (Deficit) - Beginning	46,232	75,524	17,235	2,633,178	262,533	2,885,261
Fund Balances (Deficit) - Ending	\$ 76,084	\$ 113,540	\$ 17,095	\$ 4,109,895	\$ 428,270	\$ 3,521,660

City of Eden Prairie, Minnesota
Combining Statement of Revenues,
Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2021

Capital Projects						
	Economic Development Fund	Project Fund	HRA	Tree Replacement	Transportation	Cable PEG
REVENUES						
General Property Taxes	\$ -	\$ 2,681,357	\$ 199,390	\$ -	\$ -	\$ -
Special Assessments	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	-	86,955
Intergovernmental Revenue	-	-	-	-	1,850	-
Charges for Services	-	-	-	-	-	-
Fines and Forfeits	-	-	-	-	-	-
Investment Income	(19,703)	(19,657)	(1,244)	(276)	(14,026)	(763)
Rental	78,921	-	-	-	-	-
Other	-	-	-	-	-	-
Contributions and Donations	-	-	-	34,750	-	-
Miscellaneous	1,559	-	-	-	-	-
Total Revenues	60,777	2,661,700	198,146	34,474	(12,176)	86,192
EXPENDITURES						
Current						
Community Development	-	2,340,218	173,726	-	-	-
Police	-	-	-	-	-	-
Public Works	81,000	-	-	-	-	-
Parks and Recreation	-	-	-	-	-	-
Capital Outlay						
Administration	-	-	-	-	-	25,833
Public Works	222,237	-	-	-	76,818	-
Parks and Recreation	-	-	-	-	-	-
Debt Service						
Principal	46,237	-	-	-	-	-
Interest	1,559	-	-	-	-	-
Fiscal Agent Fees	-	-	-	-	-	-
Total Expenditures	351,033	2,340,218	173,726	-	76,818	25,833
Excess of Revenues Over (Under) Expenditures	(290,256)	321,482	24,420	34,474	(88,994)	60,359
OTHER FINANCING SOURCES (USES)						
Payment to Refunded Bond	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	(1,010,108)	-
Total Other Financing Sources (Uses)	-	-	-	-	(1,010,108)	-
Net Change in Fund Balances	(290,256)	321,482	24,420	34,474	(1,099,102)	60,359
Fund Balances (Deficit) - Beginning	3,797,988	5,028,517	289,657	179,171	2,228,674	220,476
Fund Balances (Deficit) - Ending	\$ 3,507,732	\$ 5,349,999	\$ 314,077	\$ 213,645	\$ 1,129,572	\$ 280,835

City of Eden Prairie, Minnesota
Combining Statement of Revenues,
Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2021

	Capital Projects				Permanent Fund	
	Homeowners Improvements Area	SingleTree Lane South	Duck Lake Road Reconstruction	Total	Cemetery Perpetual Care Fund	Total Nonmajor Governmental Funds
REVENUES						
General Property Taxes	\$ -	\$ -	\$ -	\$ 2,880,747	\$ -	\$ 4,028,436
Special Assessments	9,142	-	-	30,411	-	615,784
Licenses and Permits	-	-	-	3,348,788	-	3,348,788
Intergovernmental Revenue	-	-	-	623,363	-	1,430,103
Charges for Services	-	-	-	1,446,924	13,130	1,523,649
Fines and Forfeits	-	-	-	3,975	-	3,975
Investment Income	171	137	(7,055)	(115,711)	(979)	(136,316)
Rental	-	-	-	78,921	-	78,921
Other	-	-	-	-	-	-
Contributions and Donations	-	-	-	77,343	-	77,343
Miscellaneous	-	-	-	38,211	-	46,757
Total Revenues	9,313	137	(7,055)	8,412,972	12,151	11,017,440
EXPENDITURES						
Current	-	-	-	2,513,944	-	3,094,347
Community Development	-	-	-	93,948	-	187,566
Police	-	-	-	81,000	-	181,589
Public Works	-	-	-	1,084	280	17,500
Parks and Recreation	-	-	-	-	-	-
Capital Outlay	-	-	-	25,833	-	25,833
Administration	-	735	757,514	4,544,542	-	4,544,542
Public Works	-	-	-	22,313	-	22,313
Parks and Recreation	-	-	-	-	-	-
Debt Service	-	-	-	46,237	-	3,987,237
Principal	-	-	-	1,559	-	208,439
Interest	-	-	-	-	-	14,510
Fiscal Agent Fees	-	-	-	-	-	-
Total Expenditures	-	735	757,514	7,330,460	280	12,283,876
Excess of Revenues Over (Under) Expenditures	9,313	(598)	(764,569)	1,082,512	11,871	(1,266,436)
OTHER FINANCING SOURCES (USES)						
Payment to Refunded Bond	-	-	-	-	-	(6,035,000)
Transfers In	-	63,642	2,000,000	2,633,642	-	3,930,533
Transfers Out	-	-	-	(1,010,408)	-	(1,077,833)
Total Other Financing Sources (Uses)	-	63,642	2,000,000	1,623,234	-	(3,182,300)
Net Change in Fund Balances	9,313	63,044	1,235,431	2,705,746	11,871	(4,448,736)
Fund Balances (Deficit) - Beginning	(12,540)	(63,044)	(569,582)	17,019,280	196,723	26,441,130
Fund Balances (Deficit) - Ending	\$ (3,227)	\$ -	\$ 665,849	\$ 19,725,026	\$ 208,594	\$ 21,992,394

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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, 2021

	Health & Benefits	Severance	Workers Compensation	Property Insurance
ASSETS				
Current Assets				
Cash and Investments	\$ 1,830,202	\$ 1,334,896	\$ 230,308	\$ 305,056
Receivables				
Accounts	10,802	-	-	-
Interest	5,775	4,739	802	880
Due From Other Governments	1,691	-	-	-
Inventory	-	-	-	-
Prepaid Items	-	-	129,123	127,061
Total Current Assets	<u>1,848,470</u>	<u>1,339,635</u>	<u>360,233</u>	<u>432,997</u>
Noncurrent Assets:				
Capital Assets				
Nondepreciable				
Work in Progress	-	-	-	-
Depreciable				
Property, Plant and Equipment	-	-	-	-
Less Accumulated Depreciation	-	-	-	-
Total Noncurrent Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	1,848,470	1,339,635	360,233	432,997
DEFERRED OUTFLOWS OF RESOURCES				
Other Post Employment Benefits	382,707	-	32	32
Total Deferred Outflows of Resources	<u>382,707</u>	<u>-</u>	<u>32</u>	<u>32</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 2,231,177</u>	<u>\$ 1,339,635</u>	<u>\$ 360,265</u>	<u>\$ 433,029</u>
LIABILITIES				
Current Liabilities:				
Accounts Payable	\$ 54,539	\$ -	\$ -	\$ 5,610
Salaries Payable	-	-	1,624	1,624
Due to Other Governments	201,748	-	-	-
Unearned Revenue	-	-	-	-
Current Portion of Compensated Absences	-	1,123,060	-	-
Total Current Liabilities	<u>256,287</u>	<u>1,123,060</u>	<u>1,624</u>	<u>7,234</u>
Noncurrent Liabilities:				
Total OPEB Liability	2,813,270	-	567	568
Compensated Absences	-	1,269,586	-	-
Total Noncurrent Liabilities	<u>2,813,270</u>	<u>1,269,586</u>	<u>567</u>	<u>568</u>
Total Liabilities	3,069,557	2,392,646	2,191	7,802
DEFERRED INFLOWS OF RESOURCES				
OPEB	191,383	-	17	17
Total Deferred Inflows of Resources	<u>191,383</u>	<u>-</u>	<u>17</u>	<u>17</u>
Total Liabilities and Deferred Inflows of Resources	<u>3,260,940</u>	<u>2,392,646</u>	<u>2,208</u>	<u>7,819</u>
NET POSITION				
Net Investment in Capital Assets	-	-	-	-
Unrestricted	(1,029,763)	(1,053,011)	358,057	425,210
Total Net Position	<u>(1,029,763)</u>	<u>(1,053,011)</u>	<u>358,057</u>	<u>425,210</u>
Total Liabilities and Deferred Inflows of Resources and Net Position	<u>\$ 2,231,177</u>	<u>\$ 1,339,635</u>	<u>\$ 360,265</u>	<u>\$ 433,029</u>

City of Eden Prairie, Minnesota
Internal Service Funds
Combining Statement of Net Position
December 31, 2021

	Facilities	Fleet	Information Technology	Total
ASSETS				
Current Assets				
Cash and Investments	\$ 4,421,154	\$ 4,099,122	\$ 1,397,716	\$ 13,618,454
Receivables				
Accounts	44,400	1,311	-	56,513
Interest	13,486	12,560	3,820	42,062
Due From Other Governments	-	-	-	1,691
Inventory	-	151,498	-	151,498
Prepaid Items	-	1,500	203,034	460,718
Total Current Assets	4,479,040	4,265,991	1,604,570	14,330,936
Noncurrent Assets:				
Capital Assets				
Nondepreciable				
Work in Progress	-	195,217	17,587	212,804
Depreciable				
Property, Plant and Equipment	3,392,017	9,823,061	762,256	13,977,334
Less Accumulated Depreciation	(1,191,684)	(6,270,555)	(542,301)	(8,004,540)
Total Noncurrent Assets	2,200,333	3,747,723	237,542	6,185,598
Total Assets	6,679,373	8,013,714	1,842,112	20,516,534
DEFERRED OUTFLOWS OF RESOURCES				
Other Post Employment Benefits	4,651	5,203	2,214	394,839
Total Deferred Outflows of Resources	4,651	5,203	2,214	394,839
Total Assets and Deferred Outflows of Resources	\$ 6,684,024	\$ 8,018,917	\$ 1,844,326	\$ 20,911,373
LIABILITIES				
Current Liabilities:				
Accounts Payable	\$ 607,899	\$ 100,962	\$ 93,299	\$ 862,309
Salaries Payable	34,352	16,578	20,724	74,902
Due to Other Governments	360	1,625	2,590	206,323
Unearned Revenue	61,708	-	-	61,708
Current Portion of Compensated Absences	-	-	-	1,123,060
Total Current Liabilities	704,319	119,165	116,613	2,328,302
Noncurrent Liabilities:				
Total OPEB Liability	34,152	38,752	11,799	2,899,108
Compensated Absences	-	-	-	1,269,586
Total Noncurrent Liabilities	34,152	38,752	11,799	4,168,694
Total Liabilities	738,471	157,917	128,412	6,496,996
DEFERRED INFLOWS OF RESOURCES				
OPEB	2,325	2,603	1,100	197,445
Total Deferred Inflows of Resources	2,325	2,603	1,100	197,445
Total Liabilities and Deferred Inflows of Resources	740,796	160,520	129,512	6,694,441
NET POSITION				
Net Investment in Capital Assets	2,200,333	3,747,723	237,542	6,185,598
Unrestricted	3,742,895	4,110,674	1,477,272	8,031,334
Total Net Position	5,943,228	7,858,397	1,714,814	14,216,932
Total Liabilities and Deferred Inflows of Resources and Net Position	\$ 6,684,024	\$ 8,018,917	\$ 1,844,326	\$ 20,911,373

City of Eden Prairie, Minnesota
Internal Service Funds
Combining Statement of Revenues
Expenses and Changes in Net Position
For the Year Ended December 31, 2021

	Health & Benefits	Severance	Workers Compensation	Property Insurance
OPERATING REVENUE				
Charges for Services	\$ 6,369,635	\$ 191,738	\$ 661,373	\$ 741,196
Rental	-	-	-	-
Total Operating Revenues	6,369,635	191,738	661,373	741,196
OPERATING EXPENSE				
Personnel Services	6,230,284	216,816	53,331	53,331
Supplies				
Supplies	-	-	137	-
Cleaning Supplies	-	-	-	-
Motor Fuel	-	-	-	-
Tires	-	-	-	-
Repair and Maintenance Supplies	-	-	-	-
Contractual Services				
Contractual Services	18,268	-	679,787	623,178
Software	-	-	-	-
Janitorial Services	-	-	-	-
Licenses, Permits, Taxes	-	-	-	-
Repair and Maintenance	-	-	-	-
Utilities	-	-	-	-
User Charges	-	-	-	-
Capital Under \$25,000	-	-	-	-
Total Operating Expenses	6,248,552	216,816	733,255	676,509
Operating Income (Loss) Before Depreciation	121,083	(25,078)	(71,882)	64,687
Depreciation	-	-	-	-
Operating Income (Loss) Before Nonoperating Revenue / Expense	121,083	(25,078)	(71,882)	64,687
NONOPERATING REVENUE (EXPENSE)				
Investment Income	(6,195)	(9,002)	(2,607)	(1,368)
Gain/(Loss) on Disposition of Capital Assets	-	-	-	-
Contributions	-	-	-	-
Miscellaneous	6,148	-	14,240	-
Total Nonoperating Revenues (Expenses)	(47)	(9,002)	11,633	(1,368)
Change in Net Position	121,036	(34,080)	(60,249)	63,319
Net Position - Beginning	(1,150,799)	(1,018,931)	418,306	361,891
Net Position - Ending	\$ (1,029,763)	\$ (1,053,011)	\$ 358,057	\$ 425,210

City of Eden Prairie, Minnesota
Internal Service Funds
Combining Statement of Revenues
Expenses and Changes in Net Position
For the Year Ended December 31, 2021

	Facilities	Fleet	Information Technology	Total
OPERATING REVENUE				
Charges for Services	\$ 5,602,214	\$ 2,756,282	\$ 2,895,504	\$ 19,217,942
Rental	908,942	-	-	908,942
Total Operating Revenues	6,511,156	2,756,282	2,895,504	20,126,884
OPERATING EXPENSE				
Personnel Services	1,098,076	619,505	724,161	8,995,504
Supplies				
Supplies	6,185	68,604	8,345	83,271
Cleaning Supplies	82,308	-	-	82,308
Motor Fuel	11,215	340,776	-	351,991
Tires	-	106,063	-	106,063
Repair and Maintenance Supplies	321,880	209,325	-	531,205
Contractual Services				
Contractual Services	2,116,980	14,036	107,264	3,559,513
Software	-	-	1,437,099	1,437,099
Janitorial Services	845,011	-	-	845,011
Licenses, Permits, Taxes	191,104	544	-	191,648
Repair and Maintenance	-	197,143	-	197,143
Utilities	1,446,630	2,249	168,189	1,617,068
User Charges	18,158	-	-	18,158
Capital Under \$25,000	128,713	9,917	189,310	327,940
Total Operating Expenses	6,266,260	1,568,162	2,634,368	18,343,922
Operating Income (Loss) Before Depreciation	244,896	1,188,120	261,136	1,782,962
Depreciation	86,777	849,488	98,061	1,034,326
Operating Income (Loss) Before Nonoperating Revenue / Expense	158,119	338,632	163,075	748,636
NONOPERATING REVENUE (EXPENSE)				
Investment Income	(8,719)	(24,295)	(4,786)	(56,972)
Gain/(Loss) on Disposition of Capital Assets	-	232,256	-	232,256
Contributions	78,636	-	-	78,636
Miscellaneous	10,524	21,515	360	52,787
Total Nonoperating Revenues (Expenses)	80,441	229,476	(4,426)	306,707
Change in Net Position	238,560	568,108	158,649	1,055,343
Net Position - Beginning	5,704,668	7,290,289	1,556,165	13,161,589
Net Position - Ending	\$ 5,943,228	\$ 7,858,397	\$ 1,714,814	\$ 14,216,932

City of Eden Prairie, Minnesota
Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended December 31, 2021

	Health & Benefits	Severance	Workers Compensation	Property Insurance
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts From Customers	\$ 6,361,167	\$ 191,738	\$ 661,373	\$ 741,196
Payments to Vendors	(18,268)	-	(712,111)	(626,287)
Payments to Employees	(6,099,483)	(393,084)	(53,098)	(53,097)
Other Receipts	6,148	-	14,240	-
Net Cash Provided (Used) By Operating Activities	249,564	(201,346)	(89,596)	61,812
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment Income	(7,996)	(9,836)	(2,569)	(1,573)
Net Cash Provided (Used) By Investing Activities	(7,996)	(9,836)	(2,569)	(1,573)
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	241,568	(211,182)	(92,165)	60,239
Cash and Cash Equivalents, January 1	1,588,634	1,546,078	322,473	244,817
Cash and Cash Equivalents, December 31	<u>\$ 1,830,202</u>	<u>\$ 1,334,896</u>	<u>\$ 230,308</u>	<u>\$ 305,056</u>

City of Eden Prairie, Minnesota
Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended December 31, 2021

	Facilities	Fleet	Information Technology	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts From Customers	\$ 5,557,051	\$ 2,757,120	\$ 2,895,504	\$ 19,165,149
Payments to Vendors	(4,983,759)	(940,372)	(1,855,098)	(9,135,895)
Payments to Employees	(1,087,467)	(622,841)	(722,985)	(9,032,055)
Other Receipts	998,102	21,515	360	1,040,365
Net Cash Provided (Used) By Operating Activities	483,927	1,215,422	317,781	2,037,564
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment Income	(13,877)	(26,431)	(5,864)	(68,146)
Net Cash Provided (Used) By Investing Activities	(13,877)	(26,431)	(5,864)	(68,146)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and Construction of Capital Assets	-	(1,509,890)	(127,745)	(1,637,635)
Proceeds From Sale of Equipment	-	232,256	-	232,256
Net Cash Provided (Used) By Capital and Related Financing Activities	-	(1,277,634)	(127,745)	(1,405,379)
Net Increase (Decrease) in Cash and Cash Equivalents	470,050	(88,643)	184,172	564,039
Cash and Cash Equivalents, January 1	3,951,104	4,187,765	1,213,544	13,054,415
Cash and Cash Equivalents, December 31	\$ 4,421,154	\$ 4,099,122	\$ 1,397,716	\$ 13,618,454

City of Eden Prairie, Minnesota
Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended December 31, 2021

	Health & Benefits	Severance	Workers Compensation	Property Insurance
RECONCILIATION OF OPERATING INCOME				
(LOSS) TO NET CASH PROVIDED (USED)				
BY OPERATING ACTIVITIES:				
Operating Income (Loss)	\$ 121,083	\$ (25,078)	\$ (71,882)	\$ 64,687
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	-	-	-	-
Miscellaneous	6,148	-	14,240	-
(Increase) Decrease in Assets:				
Accounts Receivable	(8,468)	-	-	-
Due From Other Governments	8,134	-	-	-
Inventory	-	-	-	-
Prepaid Items	-	-	(32,187)	(8,719)
Other Post Employment Benefits	(133,347)	-	-	-
Increase (Decrease) in Liabilities:				
Accounts Payable	17,588	-	-	5,610
Salaries Payable	-	-	233	234
Unearned Revenue	-	-	-	-
Due to Other Governments	15,390	-	-	-
Other Post Employment Benefits	223,036	-	-	-
Compensated Absences	-	(176,268)	-	-
Net Cash Provided (Used) by Operating Activities	\$ 249,564	\$ (201,346)	\$ (89,596)	\$ 61,812
Noncash Investing, Capital and Financing Activities:				
Contribution of Capital Asset to Governmental Funds	\$ -	\$ -	\$ -	\$ -

City of Eden Prairie, Minnesota
Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended December 31, 2021

	Facilities	Fleet	Information Technology	Total
RECONCILIATION OF OPERATING INCOME				
(LOSS) TO NET CASH PROVIDED (USED)				
BY OPERATING ACTIVITIES:				
Operating Income (Loss)	\$ 158,119	\$ 338,632	\$ 163,075	\$ 748,636
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	86,777	849,488	98,061	1,034,326
Miscellaneous	89,160	21,515	360	131,423
(Increase) Decrease in Assets:				
Accounts Receivable	(43,587)	838	-	(51,217)
Due From Other Governments	812	-	-	8,946
Inventory	-	(24,723)	-	(24,723)
Prepaid Items	-	-	(19,774)	(60,680)
Other Post Employment Benefits	(1,622)	(1,796)	(920)	(137,685)
Increase (Decrease) in Liabilities:				
Accounts Payable	183,253	33,484	74,003	313,938
Salaries Payable	9,520	(4,544)	557	6,000
Unearned Revenue	(1,576)	-	-	(1,576)
Due to Other Governments	360	(476)	880	16,154
Other Post Employment Benefits	2,711	3,004	1,539	230,290
Compensated Absences	-	-	-	(176,268)
Net Cash Provided (Used) by Operating Activities	\$ 483,927	\$ 1,215,422	\$ 317,781	\$ 2,037,564
Noncash Investing, Capital and Financing Activities:				
Contribution of Capital Asset to Governmental Funds	\$ -	\$ -	\$ -	\$ -

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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.

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.

Escrow - This fund is used to account for evidence held by the Police Department.

I-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, 2021

	WAFTA	MCES	Escrow	I-494	Custodial Funds Total
ASSETS					
Cash and Investments	\$ 309,761	\$ 42,245	\$ 252,252	\$ 355,062	\$ 959,320
Due from Other Governments	-	-	-	74,556	74,556
Prepays	-	-	-	7,293	7,293
Total Assets	<u>\$ 309,761</u>	<u>\$ 42,245</u>	<u>\$ 252,252</u>	<u>\$ 436,911</u>	<u>\$ 1,041,169</u>
LIABILITIES					
Accounts Payable	\$ -	\$ -	\$ 232,981	\$ 6,341	\$ 239,322
Due to Other Governments	-	42,245	-	2,004	44,249
Total Liabilities	<u>\$ -</u>	<u>\$ 42,245</u>	<u>\$ 232,981</u>	<u>\$ 8,345</u>	<u>\$ 283,571</u>
NET POSITION					
Restricted For:					
Police Evidence Cash	\$ -	\$ -	\$ 19,271	\$ -	\$ 19,271
Western Area Fire Training Costs	309,761	-	-	-	309,761
I-494 Corridor Commission Costs	-	-	-	428,566	428,566
	<u>\$ 309,761</u>	<u>\$ -</u>	<u>\$ 19,271</u>	<u>\$ 428,566</u>	<u>\$ 757,598</u>

City of Eden Prairie, Minnesota
Fiduciary Funds
Statement of Changes in Fiduciary Net Position
For the Year Ended December 31, 2021

	WAFTA	MCES	Escrow	I-494	Custodial Funds Total
ADDITIONS					
Grants	\$ -	\$ -	\$ -	\$ 607,968	\$ 607,968
Memberships	22,000	-	-	149,620	171,620
Investments Earnings	1,842	-	-	1,251	3,093
Building Permits	-	907,025	-	-	907,025
Customers Deposits	-	-	8,107	-	8,107
Other	-	-	-	1,798	1,798
Total Additions	23,842	907,025	8,107	760,637	1,699,611
DEDUCTIONS					
Personnel Services	-	-	-	376,169	376,169
Supplies	263	-	-	7,425	7,688
Contractual Services	1,641	907,025	-	162,629	1,071,295
Total Deductions	1,904	907,025	-	546,223	1,455,152
Net Increase (Decrease) in Fiduciary Net Position	21,938	-	8,107	214,414	244,459
Net Position - Beginning	287,823	-	11,164	214,152	513,139
Net Position - Ending	\$ 309,761	\$ -	\$ 19,271	\$ 428,566	\$ 757,598

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STATISTICAL SECTION

City of Eden Prairie, Minnesota
Statistical Section
(Unaudited)

This part of the City of Eden Prairie’s annual comprehensive 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 annual comprehensive financial reports for the relevant year.

City of Eden Prairie, Minnesota

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

Last Ten Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
GOVERNMENTAL ACTIVITIES										
Net Investment in Capital Assets	\$ 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	\$ 209,098,130
Restricted	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	16,430,792
Unrestricted	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	59,396,843
Governmental Activities Net Position	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	284,925,765
BUSINESS-TYPE ACTIVITIES										
Net Investment in Capital Assets	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	114,898,693
Unrestricted	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	27,910,252
Business-Type Activities Net Position	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	142,808,945
PRIMARY GOVERNMENT										
Net Investment in Capital Assets	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	323,996,823
Restricted	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	16,430,792
Unrestricted	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	87,307,095
Primary Government Net Position	\$ 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	\$ 427,734,710

City of Eden Prairie, Minnesota

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

Last Ten Years

Source	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
EXPENSES										
Governmental Activities	\$ 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	\$ 61,204,663
Business-type Activities	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	33,758,571
Total Expenses	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	94,963,234
PROGRAM REVENUES										
Governmental Activities	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	29,841,902
Business-type Activities	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	35,519,042
Total Program Revenues	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	65,360,944
Net (Expense) Revenue	(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)	(29,602,290)
GENERAL REVENUES AND TRANSFERS										
Governmental Activities	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	46,272,278
Business-type Activities	(1,134,606)	(1,241,335)	(1,367,634)	336,534	(510,312)	(640,952)	(873,061)	620,765	(4,277)	(1,779,335)
Total General Revenues and Transfers	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	44,492,943
Change in Net Position	\$ 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	\$ 14,890,653

City of Eden Prairie, Minnesota

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

Last Ten Years

SOURCES	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
EXPENSES										
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	\$ 4,679,960
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	5,198,300
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	14,150,218
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	6,474,736
Public Works	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	14,706,067
Parks and Recreation	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	15,218,460
Interest on Long Term Debt	1,844,799	1,336,870	983,669	1,135,979	1,093,720	1,010,838	907,413	835,211	795,681	776,922
Total Expenses	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	61,204,663
PROGRAM REVENUES										
Charges for Services										
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	1,109,882
Community Development	154,858	122,263	73,929	93,195	152,708	127,248	161,918	180,443	142,353	124,707
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	989,466
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	4,696,599
Public Works	518,365	497,720	411,144	975,701	330,709	218,292	274,679	1,070,746	329,277	214,521
Parks and Recreation	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	5,559,244
Operating Grants and Contributions	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	6,509,714
Capital Grants and Contributions	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	10,637,769
Total Program Revenues	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	29,841,902
Net (Expense) Revenue	(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)	(31,362,761)
GENERAL REVENUES AND TRANSFERS										
Taxes										
Property Taxes	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	40,478,282
Tax Increment	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	2,681,357
Gain (Loss) on Sale of Capital Assets	33,848	-	-	-	-	-	-	-	-	-
Grants and Contributions Not Restricted to Specific Programs	836,646	862,288	483,914	741,828	1,268,257	1,545,745	1,644,788	1,718,391	1,788,293	1,836,431
Investment Income	186,676	137,890	210,373	272,989	418,849	334,305	988,382	1,747,241	1,651,912	(335,188)
Transfers	1,170,364	1,257,645	1,414,800	(278,484)	610,969	761,583	1,250,402	74,198	733,918	1,611,396
Total General Revenues and Transfers	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	46,272,278
Change in Net Position	\$ 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	\$ 14,909,517

City of Eden Prairie, Minnesota

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

Last Ten Years

SOURCE	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
EXPENSES										
Water	\$ 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	\$ 12,433,736
Wastewater	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	7,504,396
Stormwater	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	2,894,253
Liquor	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	10,926,186
Total Expenses	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	33,758,571
PROGRAM REVENUES										
Charges for Services										
Water	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	10,682,945
Wastewater	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	7,460,750
Stormwater	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	3,631,369
Liquor	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	11,923,359
Operating Grants and Contributions	-	-	131,600	133,195	155,041	238,392	20,665	69,429	117,123	68,185
Capital Grants and Contributions	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	1,752,434
Total Program Revenues	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	35,519,042
Net (Expense) Revenue	(217,152)	3,178,241	(1,485,279)	(593,976)	(777,662)	(777,797)	67,015	(490,521)	3,291,607	1,760,471
GENERAL REVENUES AND TRANSFERS										
Grants and Contributions Not Restricted to Specific Programs	-	-	-	-	-	-	-	-	-	-
Investment Income	35,758	16,310	47,166	58,050	100,657	120,631	377,341	694,963	729,641	(167,939)
Transfers	(1,170,364)	(1,257,645)	(1,414,800)	278,484	(610,969)	(761,583)	(1,250,402)	(74,198)	(733,918)	(1,611,396)
Total General Revenues and Transfers	(1,134,606)	(1,241,335)	(1,367,634)	336,534	(510,312)	(640,952)	(873,061)	620,765	(4,277)	(1,779,335)
Change in Net Position	\$ (1,351,758)	\$ 1,936,906	\$ (2,852,913)	\$ (257,442)	\$ (1,287,974)	\$ (1,418,749)	\$ (806,046)	\$ 130,244	\$ 3,287,330	\$ (18,864)

City of Eden Prairie, Minnesota

Fund Balances-Governmental Funds

Last Ten Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
GENERAL FUND										
Nonspendable	\$ 52,190	\$ 24,702	\$ 39,844	\$ 22,947	\$ 35,792	\$ 30,037	\$ 103,845	\$ 69,611	\$ 94,824	\$ 187,378
Restricted	-	-	-	-	286,942	-	-	11,148	10,572	-
Unassigned	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	29,132,535
Subtotal General Fund	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	29,319,913
General Fund % Change	(0.3%)	2.0%	3.7%	2.5%	2.7%	(3.7%)	8.5%	3.6%	3.4%	11.5%
ALL OTHER GOV'T FUNDS										
Nonspendable	537,530	538,620	542,619	1,938,628	250,970	250,290	227,197	221,019	227,706	266,408
Restricted	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	26,854,736
Assigned	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	34,757,827
Unassigned	(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)	(2,227,264)
Subtotal All Other Govt' Funds	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	59,651,707
TOTAL GOV'T FUNDS										
Nonspendable	589,720	563,322	582,463	1,961,575	286,762	280,327	331,042	290,630	322,530	453,786
Restricted	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	26,854,736
Assigned	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	34,757,827
Unassigned	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	26,905,271
Total Govt' Funds	\$ 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	\$ 88,971,620
All Govt' Funds % Change	43.6%	(8.9%)	1.2%	(23.6%)	(3.8%)	6.2%	7.2%	8.3%	21.4%	18.7%

City of Eden Prairie, Minnesota

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

Last Ten Years

SOURCE	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
REVENUES										
Taxes and Special Assessments	\$ 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	\$ 46,176,740
Licenses and Permits	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	9,207,247
Intergovernmental Revenue	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	11,176,877
Charges for Services	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	5,680,570
Fines and Forfeits	603,126	420,552	406,210	344,384	346,823	347,285	416,028	370,944	231,166	323,965
Investment Income	195,657	140,303	216,895	276,176	417,997	310,433	887,536	1,523,825	1,458,094	(279,195)
Miscellaneous Revenue	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	2,519,176
Total Revenues	\$ 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	\$ 74,805,380
EXPENDITURES										
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	4,652,491
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	5,399,337
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	16,332,800
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	6,421,157
Public Works	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	6,207,912
Parks and Recreation	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	12,360,785
Capital Outlay	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	12,224,168
Miscellaneous	29,641	7,996	25,547	39,283	49,954	40,019	66,154	65,245	98,137	-
Debt Service										
Principal	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	4,956,848
Interest	1,194,117	1,480,194	1,127,862	1,304,947	1,148,544	1,068,403	975,631	895,435	815,351	688,156
Other	249,671	8,937	144,530	22,517	66,043	23,500	16,848	10,838	64,875	137,719
Total Expenditures	\$ 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	\$ 69,381,373
Excess of Revenues Over (Under) Expenditures	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	5,424,007
Other Financing Sources (Uses)	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	8,575,744
Net Change in Fund Balance	\$ 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	\$ 13,999,751
Debt Service as a % of Noncapital Expenditures	11.0%	8.0%	7.5%	7.9%	8.1%	11.4%	8.0%	6.4%	7.2%	8.3%

City of Eden Prairie, Minnesota

Assessed/Tax Capacity Value and Estimated Market Value of Property

Last Ten Years

Tax Capacity													Annual % Change
Tax Payable Dec. 31	Personal Property	Residential	Apartments	Commercial & Industrial	Farm & Other	Tax Capacity Before Deductions	Less: Fiscal Disparities	Less: Tax Increment	Total Assessed Value	Total Direct Tax Rate	Estimated Market Value		
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%	
2021	2,051,756	80,291,885	12,786,587	45,576,586	46,926	140,753,740	17,487,960	2,669,795	120,595,985	31.589	11,432,806,600	2.8%	

Percentages								
Year	Personal Property	Residential	Apartments	Commercial & Industrial	Farm & Other	Tax Capacity Before Deductions	Less: Fiscal Disparities	Less: Tax Increment
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%	
2021	1.5%	57.0%	9.1%	32.4%	0.0%	14.5%	2.2%	

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
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
2021	31.432	0.157	31.589	38.210	7.813	26.478	21.717	20.923	1.020	0.550	1.992

Market Value Rates

Year Ended Dec. 31	City Direct Rate	Overlapping Rates		
		School District #270	School District #272	School District #276
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
2021	0.0077	0.144	0.201	0.325

(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, 2021 and 2012

Taxpayer	2021		Taxpayer	2012	
	Tax Capacity	Percentage of Total Tax Capacity		Tax Capacity	Percentage of Total Tax Capacity
EP Campus 1 LLC	\$ 2,799,250	2.0%	Liberty Property Limited Partnership	\$ 2,700,720	2.5%
Dale Whatley	2,274,629	1.6%	Eden Prairie Mall LLC	2,286,250	2.1%
Eden Prairie Center LLC	1,458,160	1.0%	IRET Properties	915,000	0.9%
Reep-MF Fountain PL MN LLC	1,120,875	0.8%	AGNL Health	629,250	0.6%
WPT Land 2 LP	1,100,670	0.8%	Geneva Office Exchange LLC Etal	619,250	0.6%
Virtus Technology MOB LLC	789,430	0.6%	United Healthcare Serv Inc	596,650	0.6%
TP Elevate LLC	691,000	0.5%	Lifetouch Inc.	579,502	0.5%
C.H. Robinson Worldwide Inc.	681,850	0.5%	PRIT Core Realty Holdings LLC	571,501	0.5%
Park at City West Apartments	675,863	0.5%	Windsor Plaza LLC	567,850	0.5%
OsWx Ridge LLC	640,090	0.5%	Gelco Corp.	538,940	0.5%
Total Principal Taxpayers	12,231,817	8.7%		10,004,913	9.4%
All Other Taxpayers	128,521,923	91.3%		96,406,923	90.6%
Total	\$ 140,753,740	100.0%		\$ 106,411,836	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
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%	41,967	39,448,007	99.06%
2021	41,214,490	40,801,607	99.00%	-	40,801,607	99.00%

Source: Hennepin County

City of Eden Prairie, Minnesota

Legal Debt Margin

Last Ten Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Estimated Market Value	\$ 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	\$ 11,432,806,600
Legal Debt Margin:										
Debt Limit: 3% of Market Value	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	342,984,198
Amount of Debt Applicable to Debt Limit:										
General Obligation Bonds	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	4,891,000
Tax Abatement Bonds	-	-	17,598,269	17,575,537	17,552,806	17,180,074	16,697,342	16,229,610	15,306,879	27,653,135
Deductions:										
Amt Available for Repayment of Bonds (1)	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	14,651,101
Total Debt Applicable to Limit	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	17,893,034
Legal Debt Margin	\$ 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	\$ 325,091,164
As a % of Debt Limit	89.3%	89.5%	86.9%	89.3%	90.6%	91.4%	92.3%	93.2%	94.1%	94.8%

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		
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
2021	4,891,000	27,653,135	32,544,135	-	2,606,494	-	35,150,629	11,674,835	46,825,464	*	729

(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)
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
2021	4,891,000	27,653,135	32,544,135	14,651,101	17,893,034	0.16%	279

(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, 2021

Governmental Unit	Debt Outstanding	Percent of Debt Applicable to City (1)	Net Debt Applicable to City
Direct Debt:			
City of Eden Prairie	\$ 35,150,629	100.00%	\$ 35,150,629
Overlapping Debt:			
Hopkins ISD 270	\$ 155,731,784	4.38%	\$ 6,821,052
Eden Prairie ISD 272	93,478,941	97.64%	91,272,838
Minnetonka ISD 276	113,460,023	2.93%	3,324,379
Hennepin County	1,037,033,516	5.74%	59,525,724
Henn Suburban Park District	45,542,541	8.17%	3,720,826
Henn Regional RR Authority	89,332,530	5.74%	5,127,687
Metropolitan Council	73,049,600	2.80%	2,045,389
Total Overlapping Debt	1,607,628,935		171,837,894
Total Direct and Overlapping Debt	\$ 1,642,779,564		\$ 206,988,523

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
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%
2021	64,198	*	*	*	8,534	2.8%

Sources:

City of Eden Prairie Planning Department
 Minnesota Department of Employment and Economic Development
 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, 2021 and 2012

Employer	2021		Employer	2012	
	Employees	Percentage of Total City Employment		Employees	Percentage of Total City Employment
Optum	3,312	5.7%	Optum	1,800	3.6%
Eden Prairie Mall	2,329	4.0%	Supervalu Stores Inc.	1,519	3.0%
EP Schools	2,329	4.0%	EP Schools	1,500	3.0%
CH Robinson	2,200	3.8%	CH Robinson	1,465	2.9%
United Natural Foods Inc.	2,000	3.5%	Starkey Labs	1,440	2.9%
Starkey Labs	1,500	2.6%	Cigna	1,200	2.4%
Emerson Process Management	1,500	2.6%	Dell-Compellent	1,000	2.0%
Tennant Company	1,500	2.6%	Rosemount-Emerson	1,000	2.0%
Element Fleet Management	1,200	2.1%	GE Capital	900	1.8%
MTS Systems	1,000	1.7%	Kroll On-Track	808	1.6%
Total Principal Employer	18,870	32.7%		12,632	25.1%
Other Employers	38,776	67.3%		37,779	74.9%
Total Employers	57,646	100.0%		50,411	100.0%

Source: Official Bonds Statement for G.O. Water Revenue Bonds, Series 2021A

City of Eden Prairie, Minnesota

Employees by Function

Last Ten Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
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	2	2
Human Resources	8.75	8.8	9.7	9.7	9.8	9.8	9.8	9.8	9.8	9.8
Communications	3	3.5	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	9	9	9	9	9	9	9	9	9
Information Technology	7	7	7	7	6	6	6	6	6	6.5
Facilities	8.5	8.5	9.88	9.88	9.88	10	10	10	10	10
Community Development										
Administration	1.5	2	2	2	2	2	2	2	2	2
Assessing	7	7	7	7	7	7	7	7	7	7
Planning	4.5	4.6	4.6	4.7	4.7	4.7	4.7	4.7	4.8	4.8
Economic Development	1	1	1	1	1	1	1	1	1	1
Housing & Community Services	2	2	1.75	1.75	1.75	1.75	1.75	2	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	6.5	6.5	6.5	6.5	6.5	6.5
Police										
Administration	25.1	25	25	25	25	25	25	24	24	24
Officers	66	66	66	66	67	68	68	69	69.5	70.5
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	9.3	10.3	10.3	7.5	7.5	7.5	7.5
Street Maintenance	15	15	14.5	14.5	14	14	14	15	15	15
Utilities	34.7	34.7	34.7	34.7	35.7	35.7	39.5	39.5	39.5	39.5
Fleet Services	6	6	6.5	5.5	5	5	5	5	5	5
Grand Total	267.95	270	272.03	272.13	274.23	275.35	276.35	277.6	279.2	280.7

Source: Human Resource department

City of Eden Prairie, Minnesota

Operating Indicators

Last Ten Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
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	AAA	AAA	AAA	AAA	AAA	AAA	AAA	AAA
Housing and Human Services										
Number of Residents Served	3,300	3,300	3,500	3,500	3,500	3,750	3,975	5,700	9,200	14,300
Assessing:										
Number of Appraisals Completed	4,871	5,002	5,291	5,320	5,066	5,061	4,908	4,912	5,267	4,842
Parks and Recreation										
Avg Monthly Community Center Memberships	2,573	n/a	n/a	n/a	2,511	2,688	2,608	2,486	1,683	1,346
Program Registrations (Excludes Leagues)	15,403	17,783	18,269	17,531	15,701	17,161	17,972	19,931	6,022	14,848
Public Safety										
Fire										
Number of Calls	1,169	1,601	1,614	1,617	1,615	1,742	1,908	1,875	2,915	2,909
Inspection Permits Issued	6,043	9,500	7,469	6,405	5,997	6,227	6,436	6,438	7,766	8,883
Building permit revenue	\$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	\$4,409,481
Police										
Number of Calls	60,632	53,746	50,380	49,921	50,741	46,319	52,278	50,909	40,564	42,801
Public Works:										
Patching Materials (Tons)	2,000	2,500	2,400	1,555	2,370	1,650	1,700	1,976	1,739	1,164
Overlays (Tons)	23,200	24,000	26,488	29,602	23,070	28,856	29,852	31,503	35,988	33,164
Crack Filling Materials (Lbs)	328,000	200,000	154,944	32,000	68,000	42,000	31,920	50,007	66,175	6,340
Seal Coating (Sq Yards) - Chips Sealed Placed	389,698	400,000	375,500	411,700	381,600	405,425	365,907	327,998	364,854	66,892
Seal Coating (Sq Yards) - Fog Seal/Reclamite Placed	n/a	n/a	n/a	n/a	n/a	n/a	n/a	276,296	470,020	602,335
Water System:										
Number of Connections	19,076	19,195	19,269	19,312	19,362	19,426	19,426	19,426	19,541	19,526
Water Main Repairs	23	15	9	28	53	30	18	24	33	24
Number of Hydrant Flushed	4,267	4,217	4,326	4,311	4,515	4,360	4,395	4,274	-	4,273
Average Daily Usage	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	7.72 MG
Sewer System:										
Number of Connections	18,474	18,525	18,578	18,644	18,707	18,865	18,925	18,955	19,016	19,022
Miles of Sanitary Sewer Cleaned	85	65	75	81	81	76	65	50	10	51
Storm System:										
Number of Storm Sumps Maintained	70	61	103	78	91	88	97	48	40	60

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Public Safety										
Fire Protection										
Number of Stations	4	4	4	4	4	4	4	4	4	4
Number of Volunteer Firefighters	89	95	90	92	99	101	95	92	94	93
Police Protection										
Number of Stations	1	1	1	1	1	1	1	1	1	1
Public Works										
Miles of City Streets	231	232	233	234	234	234	235	235	235	236
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	122	122	128	128	128	134	134	134.5	134.5	134.5
Water System										
Number of Wells	15	15	15	15	15	15	15	15	15	15
Total Pumping Capacity	26 MGD	28 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	8.5 MG	8.5 MG	8.5 MG	8.5 MG	8.5 MG	8.5 MG	12.5 MG	12.5 MG
Miles of Water Mains	321	323	326	326	328	326	326	327	326	322
Sewer System										
Miles of Sanitary Sewer	258	258	262	264	264	263	263	264	265	262
Miles of Storm Sewer	179	180	186	189	193	193	193	195	198	200

Sources: Various City Departments

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

MGD - Million Gallons Daily