Fire Chief Scott Gerber

Honored to Serve in Eden Prairie

When Chief Scott Gerber took command of the Eden Prairie Fire Department – which includes the City’s Building Inspections Division – April 1, he joined a new family of firefighters, wearing a new badge and ready to serve a new community. Everything was new, but one thing was the same. He was continuing a 33-year career, doing what he loves – helping people.

Before accepting the position of fire chief and director of emergency management in Eden Prairie, Gerber led the Excelsior Fire District as chief for more than 12 years. Having previously worked for Carver County as the risk/emergency management director, and as a paramedic with Ridgeview Medical Center, Gerber also served his home community in many roles with the Chaska Fire Department for nearly 22 years.

Gerber earned a bachelor’s degree in business management from Cardinal Stritch University and an Executive Fire Officer certification from the National Fire Academy.

“I am honored to join Eden Prairie’s talented team of firefighters and building inspectors. There is a strong foundation here, laid by those who came before me – I am thrilled to lead this department into the future and serve this exceptional community.”

– Fire Chief Scott Gerber

Follow Chief Gerber and the Eden Prairie Fire Department on Twitter @EdenPrairieFD.
Help Manage EAB

In 2017 emerald ash borer (EAB) was confirmed in Eden Prairie. As part of its multiyear EAB management plan, the City is treating or removing ash trees on public property. Removed trees are being replaced with a diverse pallet of species at one-and-a-half times the rate of removal.

The City is also promoting proper management of ash trees on private property. Discounted EAB treatment rates are available to residents through 2020.

edenprairie.org/EAB

City Seeks Resident Input

The City of Eden Prairie is collaborating with Polco, a civic participation platform, to gather input from residents on a variety of topics throughout the year. Participate by creating an account online or downloading the Polco app on your mobile device. You will be required to confirm you are an Eden Prairie resident.

edenprairie.org/Polco
Be the First to Know

The City of Eden Prairie aims to provide residents with up-to-date news and information about topics of interest to you, conveniently delivered to your inbox or mobile device. Subscribe today and receive email or text notifications about everything from Parks and Recreation programs and events to Eden Prairie Liquor store specials or Infrastructure Project updates.

edenprairie.org/Subscribe

Open to Business

Through the Open to Business program, small business owners and entrepreneurs receive free one-on-one technical assistance ranging from business plan development to cash flow and financing projections, connections with banks, community development lenders and other resources. Get started by scheduling your free meeting with an Open to Business representative today!

OpenToBusinessMN.org
Southwest LRT Project Begins

Pre-construction work on the **Southwest LRT Green Line Extension** began in May in Eden Prairie with the installation of barricades and fencing, and tree clearing around construction sites. The majority of construction work is scheduled from 2019 through 2022, with passenger service starting in 2023. The line will include 15 new stations, including four in Eden Prairie. Stay informed about the project and sign up for weekly project updates.

[SWLRT.org](http://SWLRT.org)

Stash Your Trash

In Eden Prairie, containers for trash, recycling and yard waste which are stored outside must be located at least 20 feet from your property line and screened from the public street by a fence or evergreen-type shrub. Containers can be curbside 24 hours before and after your scheduled pickup.

[edenprairie.org/CityCodeFAQ](http://edenprairie.org/CityCodeFAQ)
The Spirit of Eden Prairie

This spring, residents of all ages submitted original artwork evoking the spirit of Eden Prairie, to participate in the City’s light pole-banner design contest. From a group of eight finalists, online voters helped choose three winning designs.

Congratulations to Eden Prairie residents, David Gregoire, Kelley Regan and Patricia Young! Your talented works of art capture the spirit of our community, and we will enjoy seeing them displayed on light poles throughout Eden Prairie later this summer!

edenprairie.org/BannerContest
2018 Drinking Water Report

The City provides results of drinking water monitoring to advance consumer confidence and highlight the need to protect water resources. Drinking water monitoring from Jan. 1 through Dec. 31, 2018, revealed Eden Prairie drinking water met or exceeded federal standards. A complete report is available online.

edenprairie.org/DrinkingWater

Xcel Energy Time of Use Pilot

Xcel Energy is piloting a program giving customers new ways to save on electric bills. Customers in the pilot will pay less for electricity used during off-peak hours, from midnight to 6 a.m., when electricity is cheaper to produce. Xcel Energy will send information about the Time of Use pilot program to Eden Prairie residents in July.

edenprairie.org/TimeOfUse

Adopt a Storm Drain

Help protect local waterways. Organize a group of family, friends or neighbors, and adopt a storm drain in your community!

First, mark your drain with a message to remind others that only rain goes in the drain – the City provides a Storm Drain Marking Kit with supplies and instructions. Then, go online to claim your adopted drain and keep it cleared of debris year-round – the City provides supplies including safety vests.

edenprairie.org/StormDrain
Eden Prairie City Council

Mark Your Calendar

2019 Concert Series: Starring at Staring
7 p.m. Thursdays and Fridays
6 p.m. Sundays
June 27–Aug. 8
Staring Lake Amphitheatre

KidStock
10:30–11:15 a.m. Tuesdays
June 18–Aug. 13
Staring Lake Amphitheatre

4th of July Hometown Celebration
5–9 p.m. July 3
7:30 a.m.–11:30 p.m. July 4
Round Lake Park

Eden Prairie Players
Children’s Theater Workshop
Presents: Bedtime Stories
2:30 and 7 p.m. July 26–27
2:30 p.m. July 28
Riley-Jacques Barn

Movies in the Park
9 p.m. Aug. 2
Trolls (PG)
9 p.m. Aug. 9
Black Panther (PG-13)
9 p.m. Aug. 16
Incredibles 2 (PG)
7:30 p.m. preshow entertainment
Staring Lake Amphitheatre

Night to Unite
6–9 p.m. Aug. 6

PeopleFest! Party
3–7 p.m. Aug. 11
Staring Lake Park

On the Cover:
Eden Prairie Players perform at Staring Lake Amphitheatre

edenprairie.org/Calendar
Message from the City Manager

I am pleased to present the City of Eden Prairie 2018 Annual Report. With this publication we aim to provide a high-level snapshot of the City’s finances, made easier to understand through a combination of graphics and plain language.

Sincerely,

Rick Getschow
City Manager

About the City of Eden Prairie

Eden Prairie is home to more than 63,000 residents, 2,800 businesses, outstanding schools, and a multitude of natural and man-made amenities. With its flourishing economy, engaged community and quality of life rating consistently higher than local and national benchmarks, life is good in Eden Prairie.

City Services Provided in 2018

1,908 fire calls
52,278 police calls
6,436 building permits issued
4,908 property appraisals completed
43 parks, 134 miles of trails, 580 lane miles of City streets maintained
4,395 hydrants flushed
65 miles of sanitary sewer cleaned
This report provides financial results for the following accounts:

**General Fund** — City’s primary operating fund

**Capital Projects Funds** — Funds for acquisition or construction of major capital infrastructure

**Debt Service Funds** — Funds collected from taxes and other sources to pay debt

**Enterprise Funds** — User-fee funds collected from external customers

**Taxable Market Value**

The value of all residential and commercial property in Eden Prairie.

**Statement of Net Position**

This financial summary is a condensed view of the City’s assets and liabilities for all funds as of Dec. 31, 2018. In 2018, assets exceeded liabilities by $395-million. Of this amount, $315-million is invested in capital assets, $52-million is unrestricted and may be used to meet the City’s ongoing obligations to residents and creditors, and $28-million is restricted. The City is financially sound and maintained its net position for 2018.
Where the Money Comes From

<table>
<thead>
<tr>
<th>REVENUE</th>
<th>2018</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charges for Services</td>
<td>$5,976,951</td>
<td>$5,784,613</td>
<td>$5,325,932</td>
</tr>
<tr>
<td>Intergovernmental Revenue</td>
<td>$1,439,023</td>
<td>$1,504,055</td>
<td>$1,479,880</td>
</tr>
<tr>
<td>Licenses and Permits</td>
<td>$4,892,559</td>
<td>$3,610,255</td>
<td>$3,770,890</td>
</tr>
<tr>
<td>Property Taxes</td>
<td>$34,258,721</td>
<td>$32,386,507</td>
<td>$31,383,273</td>
</tr>
<tr>
<td>Other</td>
<td>$963,896</td>
<td>$744,605</td>
<td>$874,760</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$47,531,150</strong></td>
<td><strong>$44,030,035</strong></td>
<td><strong>$42,834,735</strong></td>
</tr>
</tbody>
</table>

Budgeted Revenue: $45,399,429

Actual Revenue: $47,531,150

Actual revenue was 105% of budget; property tax and licenses and permits revenue exceeded expectations.

Significant 2018 Eden Prairie Property Investments

- **Elevate at SouthWest Station**
  New mixed-use retail/residential building valued at $40,010,000

- **Prairie Bluffs Senior Living**
  New senior campus valued at $22,164,080

- **Scheels**
  Redeveloped mall anchor building valued at $19,970,253

- **Southview of Eden Prairie**
  New senior apartment building valued at $18,324,000

- **Single-Family Homes (49)**
  New construction valued at $16,634,500

- **Optum**
  Interior finish valued at $8,500,000

- **Hampton Inn**
  Footings and foundation for new hotel valued at $7,473,005

- **Emerson**
  Remodel valued at $4,836,917

- **SurModics**
  Interior finish valued at $2,450,000

- **FedEX**
  Interior finish valued at $1,498,000

- **Pizza Lucé**
  Interior finish valued at $1,400,000

- **Preserve Village Mall Addition**
  New retail building valued at $1,220,000

- **Ascentis Corporation**
  Remodel valued at $1,065,165
2018 Capital Improvement Expenses: $12,840,174

Significant Projects Over $500K

Southwest LRT $2,323,476
Pavement Management $2,001,414
Dell Road Water Tower Recoating $1,412,454
Preserve Boulevard Improvements $608,832
Trails $579,614
Utilities

Eden Prairie’s water, wastewater and stormwater utilities serve approximately 20,000 residential, commercial and industrial accounts. The City’s water storage facilities have a capacity of 8.5-million gallons and are supplied by a system of 15 wells that are permitted to pump 28-million gallons per day.

Water Utility Financial Results

Water usage remained relatively flat at 2.3-billion gallons in 2018; however, an increase in rates resulted in a water utility revenue increase of $575,647 for the year. Total operating expenses (excluding depreciation) were $7,486,051 in 2018, which is 112% of the $6,663,748 budgeted and $807,644 more than 2017. The increase was primarily a result of the Dell Road Water Tower recoating project in 2018.

<table>
<thead>
<tr>
<th>Year</th>
<th>Water Revenue</th>
<th>Water Expense</th>
<th>Water Depreciation</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>$7,486,051</td>
<td>$2,881,198</td>
<td>$8,422,155</td>
</tr>
<tr>
<td>2017</td>
<td>$6,678,407</td>
<td>$2,908,862</td>
<td>$7,846,508</td>
</tr>
<tr>
<td>2016</td>
<td>$7,503,033</td>
<td>$2,934,915</td>
<td>$7,649,111</td>
</tr>
</tbody>
</table>

Wastewater Utility Financial Results

In 2018, wastewater revenue increased by 8.4%, a total of $492,515. Total operating expenses (excluding depreciation) were $5,705,790, which is 99.5% of the $5,734,353 budgeted and $571,576 more than 2017. Disposal charges are the largest expense, totaling $4,186,455. Metropolitan Council Environmental Services establishes monthly disposal costs on a metro-wide basis. For 2018, the disposal fee increased 4.7%.

<table>
<thead>
<tr>
<th>Year</th>
<th>Wastewater Revenue</th>
<th>Wastewater Expense</th>
<th>Wastewater Depreciation</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>$5,705,790</td>
<td>$1,738,001</td>
<td>$6,356,014</td>
</tr>
<tr>
<td>2017</td>
<td>$5,134,214</td>
<td>$1,744,602</td>
<td>$5,863,499</td>
</tr>
<tr>
<td>2016</td>
<td>$5,653,174</td>
<td>$1,724,415</td>
<td>$5,789,584</td>
</tr>
</tbody>
</table>

Stormwater Utility Financial Results

In 2018, stormwater revenue increased by 14.5%, a total of $346,205, due to a rate change. Total operating expenses (excluding depreciation) were $1,254,125, which is 93.4% of the $1,363,930 budgeted and $109,805 less than 2017.

<table>
<thead>
<tr>
<th>Year</th>
<th>Stormwater Revenue</th>
<th>Stormwater Expense</th>
<th>Stormwater Depreciation</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>$1,254,125</td>
<td>$1,081,097</td>
<td>$2,726,255</td>
</tr>
<tr>
<td>2017</td>
<td>$1,363,930</td>
<td>$1,046,138</td>
<td>$2,380,050</td>
</tr>
<tr>
<td>2016</td>
<td>$812,841</td>
<td>$951,751</td>
<td>$2,118,416</td>
</tr>
</tbody>
</table>
The City’s three municipal liquor stores constitute one of the largest municipal off-sale operations in the State of Minnesota. **Eden Prairie Liquor** profits contribute to the financial well-being of the City by funding important capital projects. City leaders believe municipal-owned liquor operations help to protect the health and safety of youth by placing emphasis on preventing sales to underage people.

Overall liquor store sales totaled $10,559,515 in 2018, a 2.7% increase from 2017; the City transferred $800,000 in profits to the Capital Improvement Project fund, $100,000 more than in 2017. Over the past 10 years, more than $9-million in liquor store profits have funded various capital projects, including Riley Lake Park renovations, trail maintenance and the new Staring Lake Park pickleball courts.

### DEBT

<table>
<thead>
<tr>
<th>EXPENDITURES</th>
<th>2018</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Obligation</td>
<td>$9,120,000</td>
<td>$10,530,000</td>
<td>$11,890,000</td>
</tr>
<tr>
<td>Lease Revenue</td>
<td>-</td>
<td>-</td>
<td>1,145,000</td>
</tr>
<tr>
<td>Special Assessment</td>
<td>7,860,000</td>
<td>9,760,000</td>
<td>12,470,000</td>
</tr>
<tr>
<td>Tax Abatement</td>
<td>16,345,000</td>
<td>16,805,000</td>
<td>17,155,000</td>
</tr>
<tr>
<td>Revenue</td>
<td>2,435,000</td>
<td>3,045,000</td>
<td>3,510,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$35,760,000</strong></td>
<td><strong>$40,140,000</strong></td>
<td><strong>$46,170,000</strong></td>
</tr>
</tbody>
</table>

**2018 Long-Term Debt Outstanding: $35,760,000**

-10.9% versus 2017

*The City did not issue any new debt in 2018

Since 2003, **Moody’s Investors Service** has assigned its highest rating, **Aaa**, to the City of Eden Prairie’s bonds. In 2014, Eden Prairie secured a second **AAA** bond rating from **Standard and Poor’s Financial Services**. Reasons for the consistent bond ratings include Eden Prairie’s substantial and diversified tax base, strong financial operations, low debt burden, and strengths in flexibility with budget reserves, liquidity, management stability and financial policies.
The City received the following awards (valid for one year only) from the Government Finance Officers Association (GFOA):

- Distinguished Budget Presentation award for the Two-Year Budget, for the fiscal years beginning Jan. 1, 2018, and 2019.
- Award for Outstanding Achievement in Popular Annual Financial Reporting, for the fiscal year ended Dec. 31, 2017.

The information for this report is from the City of Eden Prairie’s Comprehensive Annual Financial Report (CAFR), which was prepared in accordance with Generally Accepted Accounting Principles and applicable legal requirements for the year ended Dec. 31, 2018. This report provides information to the public about City of Eden Prairie services and the costs to provide these services. For a complete review of the City’s financial position for 2018, consult the CAFR.

edenprairie.org/Budget