

City of Eden Prairie, Minnesota Annual Report



Fiscal Year Ended Dec. 31, 2025

Message from the City Manager

I am pleased to present the City of Eden Prairie's **2025 Annual Report**. This publication provides a high-level look at how the City maintains strong financial stewardship — with top-tier bond ratings and property taxes that rank among the lowest in the metro — while continuing to deliver reliable services and invest in our community.

Sincerely,



Rick Getschow
City Manager



About the City of Eden Prairie

Eden Prairie is home to more than 64,800 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.

2025 City Services By the Numbers



4,082
fire calls



44,408
police calls



7,551
building permits issued



5,678
property appraisals
completed



43 parks,
228 miles of trails,
511 lane miles of
City streets maintained

City Finances

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

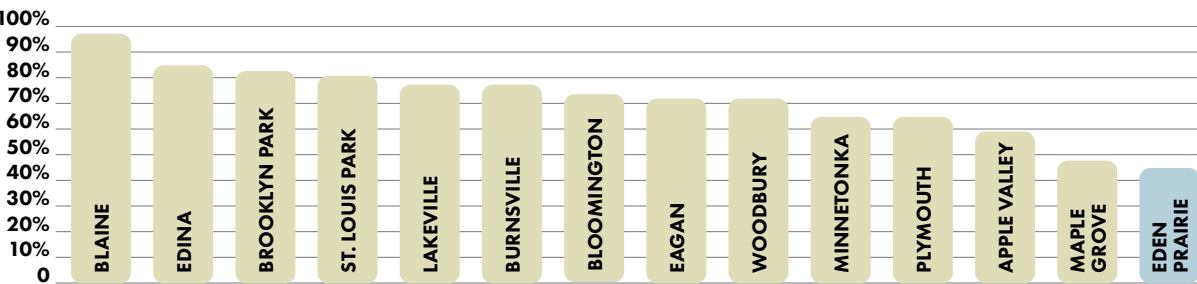
Debt Service Funds
Funds collected from taxes and other sources to pay debt

Enterprise Funds
User-fee funds collected from external customers

Property Taxes

The median single-family home (MSFH) in Eden Prairie is valued at \$543,700, and the 2025 City property tax for a MSFH is \$1,716, an increase of 8% or \$127 compared to 2024. When compared to MSFH values of similar cities in the metro area, Eden Prairie property taxes are among the lowest. Eden Prairie also has the lowest cumulative tax levy percentage increases over the last 15 years when compared to cities of similar size.

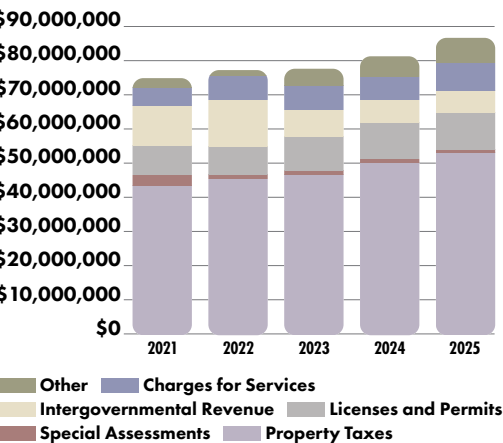
Comparable Cities Cumulative Tax Levy Increases 2011–2025



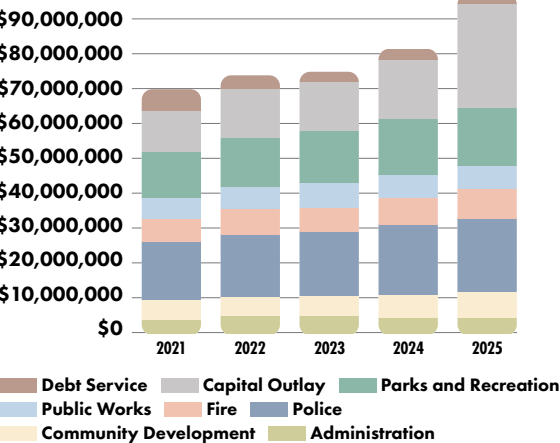
Governmental Revenues and Expenditures

Revenues for all funds except Enterprise, Internal Service and Fiduciary Funds totaled \$86,547,211, an increase of 6.9% versus 2024. This can be attributed to strong performance in licenses and permits, property tax revenue, charges for services and investment income. Expenditures for all funds except Enterprise, Internal Service and Fiduciary Funds totaled \$96,287,819, an increase of 19.2% versus 2024. This can be attributed to wage and benefit increases, five new Fire Department vehicles and additional capital outlay projects in 2025, including the Police Department/City Center Remodel Project. The City is financially sound and maintained its net position for 2025.

5-Year Revenue Comparison

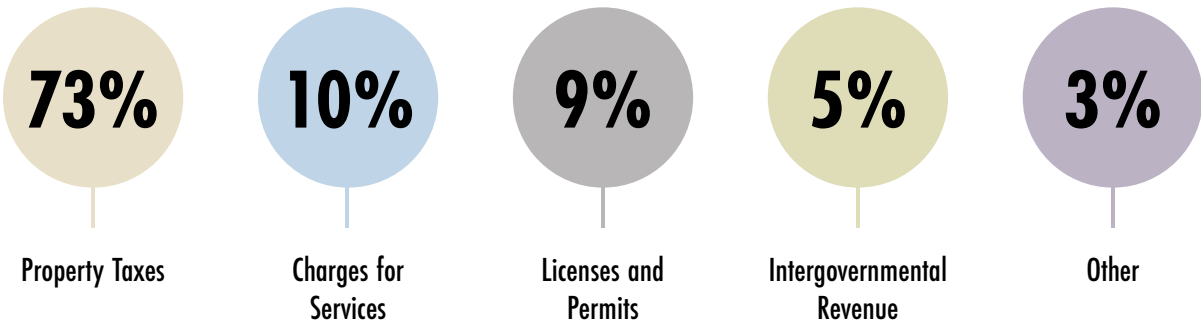


5-Year Expenditure Comparison



General Fund Revenue

Where the Money Comes From



General Fund Revenues	2025	2024	2023
Property Taxes	\$46,297,247	\$43,915,350	\$41,383,475
Charges for Services	6,728,553	6,168,832	5,817,974
Licenses and Permits	5,561,305	5,281,282	5,054,344
Intergovernmental Revenue	2,909,152	2,447,428	1,822,526
Other	2,191,746	2,025,324	1,824,129
Total	\$63,688,003	\$59,838,216	\$55,902,448

Budgeted Revenue | \$58,956,819

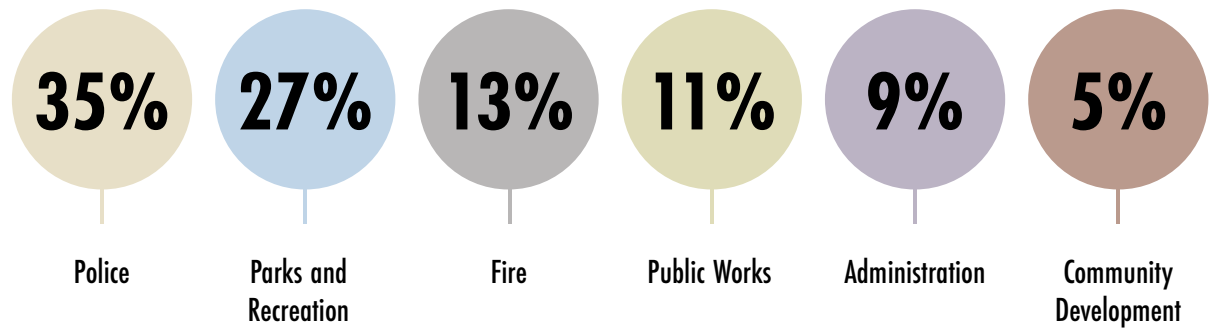
Actual Revenue | \$63,688,003

Actual revenue was 108% of the budgeted amount. When General Fund revenues exceed projections, a portion of the excess is transferred to the Capital Improvement Fund to help fund long-term projects and potentially reduce future capital levy increases. Revenue projections were exceeded due to conservative budgeting for property tax revenue, licenses and permits, investment income and intergovernmental revenue, as well as additional state and local grants received. Charges for Services also exceeded budget projections due to increased recreation program participation.



General Fund Expenditures

How the Money is Spent



General Fund Expenditures	2025	2024	2023
Police	\$20,535,065	\$19,569,368	\$17,874,806
Parks and Recreation	16,094,439	15,354,429	14,440,321
Fire	7,929,853	7,411,909	6,841,664
Public Works	6,655,336	6,565,994	6,792,740
Administration	5,009,133	5,181,572	4,890,058
Community Development	2,667,291	2,651,093	2,561,689
Total	\$58,891,117	\$56,734,365	\$53,401,278

Budgeted Expenditures | \$59,977,548

Actual Expenditures | \$58,891,117

Actual expenditures were 98.2% of budget.

Total 2025 Capital Improvement Expenses | \$34,632,687

Significant Projects Over \$500K

Police Department/ City Center Remodel	\$13,628,721
Capital Maintenance and Reinvestment (Fire Engines/Rescue Vehicles)	\$4,150,742
Systemwide Water Meter Changeout	\$1,878,312
Hydro-excavator Purchase	\$712,016
West 70th Street East Segment Improvement Project	\$685,857
Miller Park Improvements	\$591,457



Enterprise Funds

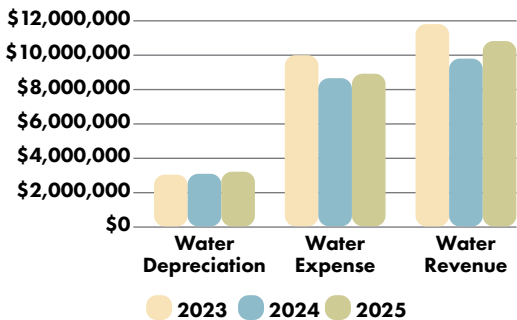
Enterprise Funds account for the City’s utilities (water, wastewater, stormwater) and liquor operations, which are run like businesses, relying on fees and charges for revenue to cover expenditures.

Utilities

Eden Prairie’s water, wastewater and stormwater utilities serve approximately 20,000 residential, commercial and industrial accounts. The City’s water storage capacity is 12.5-million gallons and is supplied by a system of 16 wells and a Water Treatment Plant capable of producing 28-million gallons per day.

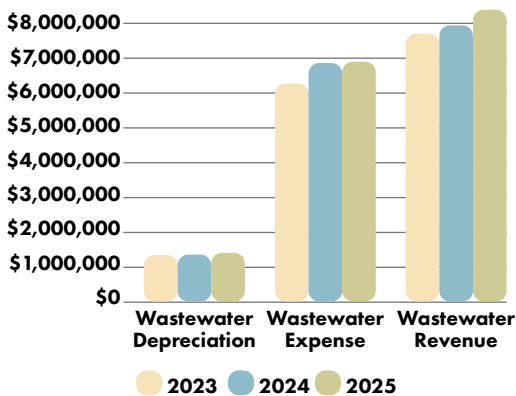
Water Utility Financial Results

Water usage increased from 2.04-billion gallons to 2.23-billion gallons due to the lower cumulative rainfall in 2025 versus 2024. Rates also increased 3% in 2025. Total operating expenses (excluding depreciation) were 101% of the \$8,841,401 budgeted and \$332,257 more than 2024 due to the cost of water treatment chemicals and the Citywide water meter changeout project.



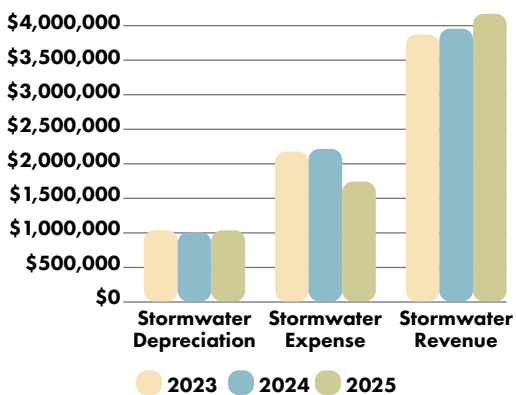
Wastewater Utility Financial Results

In 2025, wastewater revenue increased \$454,219, or 5.7% versus 2024 due primarily to the rate increase. Total operating expenses (excluding depreciation) were 96.1% of the \$7,180,793 budgeted, and \$18,370 more than 2024. Disposal charges are the largest expense, totaling \$4,756,229. Metropolitan Council Environmental Services establishes monthly disposal costs on a metro-wide basis. For 2025, the disposal fee increased 3.2%.



Stormwater Utility Financial Results

In 2025, stormwater revenue increased \$190,196, or 4.8%, due primarily to the rate change. Total operating expenses (excluding depreciation) were 82.9% of the \$2,113,242 budgeted and \$470,887 lower than 2024, largely due to additional street sweeping that improved water quality by reducing pollution in drainage areas.



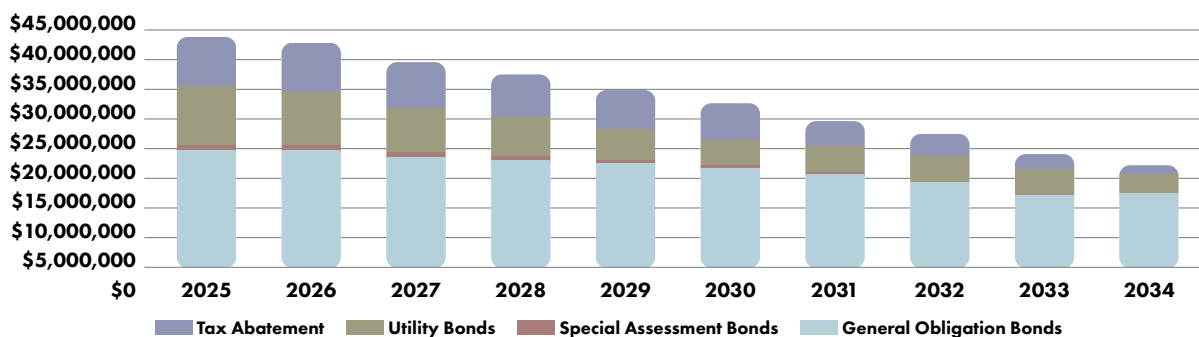
Municipal Liquor Store Operations

The City's three municipal liquor stores comprise 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 \$11,495,229 in 2025, a 1.4% decrease versus 2024, while profitability improved and sales remained stronger than many comparable municipal liquor operations. Over the past 10 years, \$7.8-million in liquor store profits have funded various capital projects, including construction of the new Miller Park sport courts, new play equipment, trail maintenance and five new Fire Department vehicles.



Long-Term Debt



In February 2025, the City issued \$25M of general obligation capital improvement bonds to fund the Police Department/City Center Remodel.

Outstanding debt also partially funded the Aquatics Center, Fire Station 4 in southwest Eden Prairie, road improvement projects, a water storage reservoir and the water meter changeout program.

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 extensive and diversified tax base, low amount of rapidly amortized debt and capably managed operations. A strong bond rating is crucial because it signifies high creditworthiness, allowing the City to borrow money for infrastructure projects — such as streets and water systems — at significantly lower interest rates. This reduces borrowing costs, ultimately saving thousands of dollars in taxpayer money.

About this Report

The information for this report is from the City of Eden Prairie's Annual Comprehensive Financial Report, which was prepared in accordance with Generally Accepted Accounting Principles and applicable legal requirements for the year ended Dec. 31, 2025. This report provides information to the public about City of Eden Prairie services and the cost of providing these services. For a complete review of the City's financial position for 2025, consult the Annual Comprehensive Financial Report.

edenprairiemn.gov/Budget



Awards

The City received the following awards (valid for one year only) from the Government Finance Officers Association (GFOA):

Certificate of Achievement for Excellence in Financial Reporting for the Annual Comprehensive Financial Report, for the year ended Dec. 31, 2024

Distinguished Budget Presentation award for the Two-Year Budget, for the fiscal years beginning Jan. 1, 2024 and 2025

Award for Outstanding Achievement in Popular Annual Financial Reporting, for the fiscal year ended Dec. 31, 2024

City of Eden Prairie

8080 Mitchell Road

Eden Prairie, MN 55344-4485

952-949-8300

TTY: 952-949-8399