



# EDINA MINNESOTA

## City Council Meeting Agenda

June 16, 2026, 7:00 PM

Edina City Hall, Council Chambers, 4801 W. 50th St.



### **Participate in the meeting:**

Watch the meeting on cable TV or [YouTube.com/EdinaTV](https://www.youtube.com/EdinaTV).

Provide feedback during Community Comment by calling 312-535-8110. Enter access code 2632 590 3626 . Password is 5454. Press \*3 on your telephone keypad when you would like to get in the queue to speak. A staff member will unmute you when it is your turn to speak.

### **Accessibility Support:**

The City of Edina wants all residents to be comfortable being part of the public process. If you need assistance in the way of hearing amplification, an interpreter, large-print documents or something else, please call 952-927-8861 at least 72 hours in advance of the meeting.

#### **1. Call to Order**

#### **2. Roll Call**

#### **3. Pledge of Allegiance**

#### **4. Approval of Meeting Agenda**

#### **5. Community Comment**

During "Community Comment," the Mayor will invite residents to share issues or concerns that are not scheduled for a future public hearing. Items that are on tonight's agenda may not be addressed during Community Comment. Individuals must limit their comments to three minutes. The Mayor may limit the number of speakers on the same issue in the interest of time and topic. Individuals should not expect the Mayor or Council to respond to their comments tonight. The City Manager will respond to questions raised during Community Comments at the next meeting.

##### 5.1. City Manager's Response to Community Comments

#### **6. Adoption of Consent Agenda**

All agenda items listed on the Consent Agenda will be approved by one motion. There will be no separate discussion of items unless requested to be removed by a Council Member. If removed the item will be considered immediately following the adoption of the Consent Agenda. (Favorable roll call vote of majority of Council Members present to approve, unless otherwise noted in consent item.)

##### 6.1. Minutes: Retreat, April 28, Work Session and Regular, June 2, 2026

- 6.2. Payment of Claims
- 6.3. Approve 2026–2027 City Insurance Renewal
- 6.4. Compensation and Classification Study Consulting Services Contract
- 6.5. Liability Coverage Statutory Limits
- 6.6. Purchase Request: Demo Old Fire Station #2
- 6.7. Purchase Request: CloverRide Service Contract
- 6.8. Traffic Safety Report of April 28, 2026 and Petition Responses
- 6.9. Purchase Request: 2026 Watermain Pipe Condition Assessment Professional Services
- 6.10. Purchase Request: Canadian Pacific Railroad At-Grade Crossing Improvements at Dewey Hill Road
- 6.11. Resolution 2026–33: Amending MnDOT Agreement No.1062130 for Rosland Park Pedestrian Bridge to include Noise Wall Installation
- 6.12. Resolution 2026–34 Supporting the City of Edina's Metropolitan Council Active Transportation Grant Application for Vernon Avenue (CSAH 158) Multi-Modal Improvements
- 6.13. Resolution 2026–35 Supporting the City of Edina's Metropolitan Council Bridge Connections Grant Application for the Wooddale Avenue Bridge Replacement Project
- 6.14. Purchase Request: Fred Richards Wetland Impact Replacement
- 6.15. Purchase Request: Wooddale Park Trail Replacement
- 6.16. Purchase Request: Weber Park Basketball Court Replacement
- 6.17. Purchase Request: Edinborough Park Facility Study
- 6.18. Purchase Request: Braemar Arena Rink Flooring

## **7. Special Recognitions and Presentations**

- 7.1. Railroad Crossing Safety & Quiet Zone Study

## 7.2. 2025 Traffic Safety Summary Report

### **8. Public Hearings**

During "Public Hearings," the Mayor will ask for public testimony after staff and/or applicants make their presentations. The following guidelines are in place to ensure an efficient, fair, and respectful hearing; limit your testimony to three minutes and to the matter under consideration; the Mayor may modify times, as deemed necessary; avoid repeating remarks or points of view made by previous speakers. The use of signs, clapping, cheering or booing or any other form of verbal or nonverbal communication is not allowed.

#### 8.1. Bojae's Liquor License Suspension

#### 8.2. Ordinance 2026-9 Amendment Regarding Parking Requirements for the 50th & France District

### **9. Reports/Recommendations**

#### 9.1. Resolution 2026-36: Accepting Donations

#### 9.2. Annual Comprehensive Financial Report for the Year Ended December 31, 2025

#### 9.3. Resolution 2026-31: Awarding the Sale of \$9,315,000 General Obligation Bonds, Series 2026A

#### 9.4. Resolution 2026-32: Awarding the Sale of \$12,215,000 Taxable General Obligation Sales Tax Revenue Bonds, Series 2026B

#### 9.5. Zoning Ordinance Amendment, Rezoning & Site Plan for 4200 76<sup>th</sup> Street West (Salvation Army)

##### A. Ordinance 2026-8: Amending Chapter 36, Article VIII, Division 8, Section 36-609

##### B. Resolution 2026-27: Rezoning & Site Plan

#### 9.6. Ordinance 2026-10 Amendment Regarding Reasonable Accommodations

### **10. Commission Correspondence**

#### 10.1. Advisory Communication: Wooddale Avenue Bike Lane Project

### **11. Manager's Comments**

### **12. Mayor and Council Comments**

### **13. Adjournment**





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**Item Number:** 5.1

**Department:** Administration

**Item Activity:** Information

**Prepared By:** Sharon Allison, City Clerk

**Item Title:** City Manager's Response to Community Comments

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**Action Requested:**

None, information only.

**Information/Background:**

Responses to questions posed during Community Comment at the last meeting were posted on the City's website at <https://www.edinamn.gov/2051/Responses-to-Community-Comment>. City Manager Neal will provide summaries of those responses during the meeting.

**Supporting Documentation:**

None



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**Item Number:** 6.1

**Department:** Administration

**Item Activity:** Action

**Prepared By:** Sharon Allison, City Clerk

**Item Title:** Minutes: Retreat, April 28, Work Session and Regular, June 2, 2026

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**Action Requested:**

Approve minutes as presented.

**Information/Background:**

**Supporting Documentation:**

1. Minutes: Retreat, April 28, 2026
2. Minutes: Work Session, June 2, 2026
3. Minutes; Regular, June 2, 2026

**MINUTES  
OF THE EDINA CITY COUNCIL RETREAT  
SOUTH METRO PUBLIC SAFETY TRAINING FACILITY  
TUESDAY, APRIL 28, 2026  
6:00 PM**

**CALL TO ORDER**

Mayor Hovland called the meeting to order at 6:05 p.m.

**ATTENDANCE**

Council Members Agnew, Jackson, Pierce, Risser and Mayor Hovland

Staff in attendance: Scott Neal, City Manager; Ari Lenz, Deputy City Manager; Jennifer Bennerotte, Communications Director; Cary Teague, Community Development Director; Pa Thao, Finance Director; Andrew Slama, Fire Chief; Jessica Nikunen, HR Director; Ryan Browning, Information Technology Director; Perry Vetter, Parks & Recreation Director; Todd Milburn, Police Chief; Chad Millner, Public Works and Engineering Director; Derik Otten, Facilities and Fleet Manager; Asad Masood, City Management Fellow; Liz Moore, Executive Assistant.

Also in attendance: Dave Unmacht

**INTRODUCTION**

City Manager Neal welcomed Council Members to the retreat.

**BUDGET WORK PLAN UPDATE**

Deputy City Manager Lenz, Finance Director Thao, Facilities and Fleet Manager Otten, and Parks Director Vetter presented various aspects of the budget, state of the facilities, horizon parks and recreation projects, and 2027-2032 CIP and 2027 Budget.

**CITY MANAGER SEARCH**

Dave Unmacht presented an update on the City Manager search.

Council Members asked staff questions, and provided feedback, priorities and next steps.

Respectfully submitted,

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Liz Moore, Executive Assistant

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James B. Hovland, Mayor

Minutes approved by the Edina City Council, June 16, 2026

**MINUTES  
OF THE EDINA CITY COUNCIL  
WORK SESSION  
COMMUNITY ROOM, CITY HALL  
TUESDAY, JUNE 2, 2026  
5:30 P.M.**

**1.0 CALL TO ORDER**

Mayor Hovland called the meeting to order at 5:30 p.m.

**2.0 ROLL CALL**

Answering roll call were Members Agnew, Jackson, Pierce, Risser, and Mayor Hovland.

Staff in attendance: Scott Neal, City Manager; MJ Lamon, Special Project and Community Engagement Manager; Jeff Brown, Community Health Administration; Jennifer Bennerotte, Communications Director; Perry Vetter, Parks & Recreation Director; Laura Fulton, Recreation Supervisor; Asad Masood, City Management Fellow; and Sharon Allison, City Clerk.

**3.0 MEETING TOPICS**

**3.1 2027-2028 COMMISSION WORK PLAN KICK-OFF**

Staff introduced the kickoff for the 2026–2027 commission work plan process. The purpose was to provide Council direction to inform upcoming commission work plans. Discussion emphasized ensuring commission work is focused, relevant, and aligned with Council priorities.

Council provided feedback on priorities, scope, and alignment with City goals and values. Commissions will use Council input to develop draft work plans for submission in Fall 2026.

**3.2 HUMAN RIGHTS & ENGAGEMENT TASK FORCE AND COMMISSION REVIEW**

Staff provided an update on the Human Rights & Engagement Task Force recommendations and broader advisory body review. Key themes from the review were clarity of purpose, alignment with Council priorities, communication and feedback gaps, and effectiveness of current advisory structure. Staff outlined potential areas for future consideration, including commission structure, work plans, meeting flexibility, and commission size.

Council supported not moving forward with a standalone advisory body at this time. Council emphasized maintaining clarity on any ongoing responsibilities and ensuring continued inclusion of lived experience in decision-making.

No action was requested; staff will return to review pilot concepts in Fall 2026.

**4. ADJOURNMENT**

Mayor Hovland adjourned the meeting at 6:49 p.m.

Respectfully submitted,

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Sharon Allison, City Clerk

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James B. Hovland, Mayor

Minutes approved by Edina City Council, June 2, 2026. Audio copy of the work session available.

**MINUTES  
OF THE REGULAR MEETING OF THE  
EDINA CITY COUNCIL  
HELD AT CITY HALL  
JUNE 2, 2026  
7:00 P.M.**

**1.0 CALL TO ORDER**

Mayor Hovland called the meeting to order at 7:00 p.m.

**2.0 ROLLCALL**

Answering rollcall were Members Agnew, Jackson, Pierce, Risser, and Hovland.

**3.0 PLEDGE OF ALLEGIANCE**

**4.0 MEETING AGENDA – APPROVED**

**Member Pierce made a motion, seconded by Member Jackson, tabling item 6.6, Bag Fee Policy Report, until the July 21, 2026, City Council meeting. Ayes: Agnew, Jackson, Pierce, Risser, Hovland.**

Motion carried.

**Member Jackson made a motion, seconded by Member Pierce, approving the meeting agenda as published with the exception of item 6.6, Bag Fee Policy Report. Ayes: Agnew, Jackson, Pierce, Risser, Hovland. Motion carried.**

**5.0 COMMUNITY COMMENT**

Ralph Zickert stated that the 2026 General Levy did little to reduce the tax burden on residents. Mr. Zickert expressed his concerns and opinions on the unsustainable budget practices of the City.

Taylor Bruhschwein discussed his support of the Wooddale Avenue bike lanes, showed what a protected bike lane looks like, and noted the benefits of them.

Jake Vandelist expressed his support for the Wooddale Avenue bike lanes and noted that he believes that Edina is not on track to implement the Bike and Pedestrian Master Plan.

Greta Kamps expressed her support for a protected bike lane on Wooddale Avenue and noted that she thinks it is very important to do things the right way when it comes to this, to enhance safety.

Jay Felds stated that trying to own a car is becoming more expensive, while bikes are cheaper, and he thinks that bike lanes on Wooddale Avenue will provide more access in the City.

Will Maddrey stated that Wooddale Avenue deserves a protected bike lane and noted that he prefers a two-way bike lane that replaces car parking.

Myriam Trepanier expressed concerns regarding the recent voting records of councilmembers and requested that the councilmembers remain steadfast in their positions and adhere to the platforms they were elected to.

Matt Dahlien asked for consistency within the Braemar Master Plan that the community has voted to invest in, and discussed the banner inconsistencies at the baseball fields. Mr. Dahlien requested a narrow amendment to Section 36-1675.

Matthew Perry noted that over the last several months, employees from Edina Family Physicians Clinic have been using Pinewood Trail as their parking lot and have been disrupting the normal, calm, dead-end street. Mr. Perry asked that the Council determine a short-term and long-term fix to address the parking issues at the clinic.

David Frenkel noted that there should be conscience decision whether the new bike lanes will have snow removal in the winter. Mr. Frenkel stated that the heavy equipment working in the Fred Richards Park is driving over the 9 Mile Creek trail, and there has been some damage. Mr. Frenkel also noted that there are a lot of dead trees in Edina parks, and they need to be cleaned out before people get hurt.

Darrell Krieger stated that 247 people participated in the feedback on Better Together regarding the bike lanes on Wooddale Avenue, and 180 people were opposed to eliminating parking on Wooddale Avenue, 54 people were in favor, and only 1 of the people in favor actually lived on Wooddale Avenue. Mr. Krieger noted that having a dedicated bike lane will not make people feel safer about riding on a street with cars.

Ann Kasid recommended a no vote on the upcoming vote on the Wooddale Avenue bike lanes project and discussed many reasons why.

Brian Mismash noted that he opposes eliminating parking on Wooddale Avenue for both safety and equity reasons.

Rand Howe noted that he supports efforts to expand bike infrastructure and expressed concern that the current proposal and a small group of residents would absorb a significant burden without clear evidence that eliminating parking is necessary to achieve the City's safety goals.

## **5.1. CITY MANAGER'S RESPONSE TO COMMUNITY COMMENTS**

City Manager Neal responded to Community Comments from current and past meetings.

## **6.0 CONSENT AGENDA – ADOPTED**

**Member Jackson made a motion, seconded by Member Agnew, approving the consent agenda as follows:**

- 6.1. Approve regular and work session meeting minutes of May 5, 2026**
- 6.2. Approve Claims for Payment for Check Register Pre-List Dated April 30, 2026, totaling \$666,616.00 (1011), Check Register Claims Pre-List Dated May 1, 2026, totaling \$3,151,286.54, Check Register Claims Pre-List Dated May 8, 2026, totaling \$1,576,66.88, Check Register Claims Pre-List Dated May 15, 2026, totaling \$1,268,917.77, and Check Register Claims Pre-List Dated May 22, 2026, totaling \$1,133,439.44**
- 6.3. Request for Purchase, DriSteem Electric Humidifier for City Hall and Police, awarding the bid to the recommended low bidder, Gilbert Mechanical, at \$39,268**
- 6.4. Request for Purchase, City Owned Parking Ramp Condition Assessments, awarding the bid to the recommended low bidder, Kimley-Horn Associates, at \$27,500**
- 6.5. Sustainable Building Policy Amendment #2**
- ~~**6.6. Bag Fee Policy Report**~~
- 6.7. Request for Purchase, Change Order for Professional Services for Wooddale Avenue Bridge, awarding the bid to the recommended low bidder, Short Elliot Hendrickson, at \$48,500**

- 6.8. Request for Purchase, 50th & France Paver Replacement, awarding the bid to the recommended low bidder, All Around Concrete, at \$58,895
- 6.9. Request for Purchase, Change Orders #1-4 Construction Services for Hennepin County Library and Senior Center Exterior Improvements, awarding the bid to the recommended low bidder, Acme Tuckpointing Restoration, at \$10,408
- 6.10. Request for Purchase, Streetlights for Woodland Road & Brookview Avenue, awarding the bid to the recommended low bidder, Xcel Energy, at \$22,138.39
- 6.11. Receive Petition for Stop Controls at Garrison Lane/Ashcroft Lane and St. Johns Avenue
- 6.12. Request for Purchase, Braemar Golf Dome Parking Lot Expansion Construction, awarding the bid to the recommended low bidder, Northwest Asphalt Inc, at \$830,037.31
- 6.13. Request for Purchase, Braemar Golf Dome Parking Lot Expansion Construction Oversight, awarding the bid to the recommended low bidder, Short Elliot Hendrickson, at \$156,120
- 6.14. Request for Purchase, Braemar Park EV Charging Stations at Braemar Golf Dome, awarding the bid to the recommended low bidder, Carbon Day EV Charging, at \$34,202
- 6.15. Waive Permit Fees Braemar Park Braemar Golf Dome Parking Lot Expansion
- 6.16. Request for Purchase, Yorktown Master Planning, awarding the bid to the recommended low bidder, Confluence, at \$37,200
- 6.17. Request for Purchase, Recreation Enterprise Digital Advertising Services, awarding the bid to the recommended low bidder, Star Tribune Media, at \$74,100
- 6.18. Request for Purchase, Change Order to Braemar Ice Arena Pre-Construction Services, awarding the bid to the recommended low bidder, Knutson Construction Services, at \$137,000
- 6.19. Request for Purchase, Braemar Ice Arena Phase 2 Rink Improvements, awarding the bid to the recommended low bidder, All American Ice LLC, at \$4,053,742
- 6.20. Waive Permit Fees for Braemar Ice Arena Phase 2 Rink Improvements
- 6.21. Request for Purchase, Institution Community Work Crew Contract, awarding the bid to the recommended low bidder, State of Minnesota, at \$216,300
- 6.22. Cancellation of the Scheduled TEFRA Public Hearing for the 2026B Sales Tax Revenue Bonds
- 6.23. Request for Purchase, Microsoft Enterprise Agreement Change Order, awarding the bid to the recommended low bidder, LOGIS (Insight), at \$45,314.44
- 6.24. Request for Purchase, Fiber Expansion at Centennial Lakes Park, awarding the bid to the recommended low bidder, LOGIS, at \$73,318
- 6.25. Request for Purchase, 2026 Toyota Grand Highlander Hybrid, awarding the bid to the recommended low bidder, Nation Auto Fleet Group, at \$44,286.44
- 6.26. Request for Purchase, 2026 Kia Sorento Hybrid, awarding the bid to the recommended low bidder, Bloomington Luther Kia, at \$37,020
- 6.27. Special Use Permit to Serve Alcohol on City Property at the Edina Art Fair, June 5-7
- 6.28. Out-of-State Travel for Mayor Hovland

Ayes: Agnew, Jackson, Pierce, Risser, Hovland. Motion carried.

## **7.0 SPECIAL RECOGNITIONS AND PRESENTATIONS**

### **7.1. LEAGUE OF MINNESOTA CITIES TO RECOGNIZE CITY MANAGER SCOTT NEAL – RECOGNIZED**

League of MN Cities Executive Director Luke Fischer gave a background on what the League of Minnesota Cities does and thanked City Manager Neal for all his hard work.

Board President Wendy Berry discussed all of City Manager Neal’s hard work on the Board and noted that they are grateful for his contributions.

### **8.0 PUBLIC HEARINGS HELD – Affidavits of Notice presented and ordered placed on file.**

#### **8.1. ZONING ORDINANCE AMENDMENT, PRELIMINARY REZONING & SITE PLAN FOR 4200 76th STREET WEST (SALVATION ARMY) - CONTINUED TO JUNE 16, 2026**

Community Development Director Teague stated that this item pertains to a proposed remodel and reuse of the existing 28,000 square foot building into an 18,425 square foot Salvation Army retail store with a 9,434 square foot warehouse and indoor drop off.

Mr. Teague presented information regarding the land use map, site location, land use description for office residential, existing building, proposed site plan, proposed landscape plan, requirements of the request, pyramid of discretion, zoning ordinance compliance table, and primary issues.

Mr. Teague noted that staff supports the Planning Commission recommendation to amend the Ordinance to allow secondhand stores to exceed 2,500 square feet in the PCD-2 and PCD-3 Districts, and leave the

restriction on the size requirement in the PCD-1 District.

Mr. Teague added that a comprehensive plan amendment would not be needed for this project.

Joe Backer, Carlson Partners, introduced himself and highlighted that this building would provide a valuable community resource and is an adapted reuse.

Tom Canfield, Salvation Army, stated that they intend to serve the community, employing up to 30 Edina residents and keeping 1 million pounds of textiles out of landfills at this location.

The Council asked about the frequency of overnight/after-hours drop-offs.

Mr. Canfield noted that the frequency of outside-of-hours drop-offs is dependent on the location, but also noted that employees come in at 7 a.m. each morning and take any drop-offs inside at that time.

Mayor Hovland opened the public hearing at 8:12 p.m.

#### Public Testimony

Janey Westin addressed the Council.

Nadine Reiser addressed the Council.

Dianne Kelley addressed the Council.

Ed Terhaar, Stantec, stated that they collected new traffic data and got information from the applicant regarding the number of trips to this site. Mr. Terhaar noted that there is adequate capacity at the intersections.

**Member Jackson made a motion, seconded by Member Pierce, to close the in-person public hearing, keep public comment open until Sunday, June 7, and continue action to consider approval of a zoning ordinance amendment, preliminary rezoning, and site plan for 4200 76th Street West, to the June 16, 2026, City Council meeting. Ayes: Agnew, Jackson, Pierce, Risser, Hovland. Motion carried.**

## **8.2. COMPREHENSIVE PLAN AMENDMENT, SITE PLAN, AND VARIANCES FOR 6016 VERNON AVENUE, EV CHARGING STATION – DENIED**

Community Development Director Teague stated that this item pertains to a proposal from Ionna Rechargery to remodel the existing Kee’s auto repair shop at 6016 Vernon Avenue into an electric vehicle charging station.

Mr. Teague gave a presentation that included information regarding the zoning map, site location, land use map, proposed charging station, floor plan, requirements of the request, neighborhood nodes, pyramid of discretion, site plan, rendering from Vernon Avenue, zoning ordinance compliance table, and primary issues.

The Council asked questions regarding the Planning Commission's vote, the zoning ordinance compliance table, and the intent of the variance.

The Council expressed concerns regarding the lack of alignment with Section 24-130 of the City Code about curb cuts on collector streets.

Chad Millner, Engineer Director, noted that Vernon Avenue is operated and managed by Hennepin County, not Edina City Code.

The Council also expressed further concerns regarding the legal buildable area on the site and safety.

Mr. Teague stated that they are proposing the canopy to be at a setback of 0 feet.

Andres Villacres, Ionna Rechargery, gave a brief presentation regarding the proposed IONNA experience in Edina, updated site plan, site improvements, landscaping plan, and site details.

Declan Wilkerson, Ionna Rechargery, continued the presentation, discussing the canopy details, visual impact, walk-out convenience store, public access, visuals of other sites, and 24/7 surveillance.

The Council asked questions regarding other sites being surrounded by residential homes, the QR code, and the number of users estimated per day.

Mr. Villacres noted that they estimate about 13 users at peak a.m. and p.m. hours.

Mayor Hovland opened the public hearing at 9:14 p.m.

### Public Testimony

Matthew Pepper addressed the Council.

David Lillehaug addressed the Council.

Bob Melander addressed the Council.

CJ Cashman addressed the Council.

Pam Allen addressed the Council.  
Ron Webber addressed the Council.  
Janey Westin addressed the Council.  
Roger Conlon addressed the Council.  
Michael Cashman addressed the Council.  
Krin Reid addressed the Council.  
Mary Melander addressed the Council.

**Member Jackson made a motion, seconded by Member Pierce, to close the public hearing at 9:40 p.m.** Ayes: Agnew, Jackson, Pierce, Risser, Hovland. Motion carried.

Vince Barker, Kimley-Horn, noted that there are additional parking stalls on the southwest corner of the property, which would be used for snow storage in the winter, and the boulevards would be used for snow removal of the existing sidewalk along Vernon Avenue.

Mr. Teague discussed how the City Code defines a gas station and noted that staff determined that electricity can be defined as an alternative motor fuel for transportation, making this a permitted use.

David Kendall, City Attorney, stated that it seems that it will serve at least some people in the surrounding neighborhood.

The Council gave feedback regarding having more confidence from staff regarding the legal questions/concerns brought up by residents.

The Council asked questions regarding canopy lighting and noise.

Mr. Villacres stated that they can post signage to attempt to limit any excessive noise coming from users.

The Council expressed concerns regarding this not being the right site for a project like this, not being a community gathering site, and the multiple setback variances requested.

The Council discussed prior proposals for this site and the desire that this is not seen or heard by neighboring residents.

Mr. Teague discussed the meaning of the potential neighborhood node designation.

Mr. Teague clarified that the Comprehensive Plan amendment requires a 4/5 vote to be approved, and the site plan and variances require a 3/5 vote.

**Member Jackson introduced and moved the adoption of Resolution No. 2026-28, Comprehensive Plan Amendment for 6016 Vernon Avenue.** Member Pierce seconded the motion. Ayes: Jackson, Pierce, Hovland. Nays: Agnew, Risser. Motion failed.

**Member Jackson introduced and moved the denial of Resolution No. 2026-29, Site Plan and Variances for 6016 Vernon Avenue.** Member Pierce seconded the motion. Ayes: Agnew, Jackson, Pierce, Risser, Hovland. Motion carried.

## **9.0 REPORTS / RECOMMENDATIONS**

### **9.1. RESOLUTION NO. 2026-30 ACCEPTING DONATIONS – ADOPTED**

Mayor Hovland explained that to comply with State Statutes; all donations to the City must be adopted by Resolution and approved by four favorable votes of the Council accepting the donations.

**Member Jackson introduced and moved adoption of Resolution No. 2026-30 accepting various grants and donations.** Member Pierce seconded the motion. Ayes: Agnew, Jackson, Pierce, Risser, Hovland. Motion carried.

### **9.2. RECOMMENDATION TO LIMIT IN-PERSON PRIMARY ELECTION VOTING TO THE 18-DAY EARLY VOTING PERIOD – ADOPTED**

City Clerk Allison stated that staff recommends limiting in-person voting at City Hall for Primary Elections to the statutory 18-day Early Voting period rather than offering the full 46-day in-person voting period. Ms. Allison noted that this is based on operational efficiency, staffing sustainability/capacity, fiscal responsibility, historical voter usage trends, and preservation of City Hall operations and resources. She noted that this recommendation applies only to the Primary election and does not change the General Election voting operations.

The Council asked questions regarding federal changes that may impact absentee voting. Ms. Allison noted that she does not foresee federal changes impacting them at the local level and that this only applies to the 2026 Primary Election and does not automatically apply to subsequent years.

**Member Agnew made a motion, seconded by Member Pierce, to approve limiting in-person Primary Election voting at City Hall for the statutory 18-day Early Voting period for the 2026 Primary Election.** Ayes: Agnew, Jackson, Pierce, Risser, Hovland. Motion carried.

## **10.0 MANAGER'S COMMENTS – Received**

### **10.1 QUARTERLY FINANCIAL REPORT AND STRATEGIC PLAN UPDATES - Q1 2026**

## **11.0 MAYOR AND COUNCIL COMMENTS – Received**

### **12.0 ADJOURNMENT**

**Member Jackson made a motion, seconded by Member Agnew, to adjourn the meeting at 10:46 p.m.** Ayes: Agnew, Jackson, Pierce, Risser, Hovland. Motion carried.

Respectfully submitted,

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Sharon Allison, City Clerk

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James B. Hovland, Mayor

Minutes approved by Edina City Council, June 16, 2026. Video Copy of the June 2, 2026, meeting available.



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**Item Number:** 6.2

**Department:** Finance

**Item Activity:** Action

**Prepared By:** Pa Thao, Finance Director

**Item Title:** Payment of Claims

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**Action Requested:**

Approve claims for payment

**Information/Background:**

For security purposes and to meet [ADA Web Content Accessibility Guidelines \(URL\)](#), the detailed claims reports are not included in the public packet but they are available to City Council through a secure Board Portal. To request the claims reports, please [submit a data request \(URL\)](#).

**List of Payment Claims:**

1. Check Register Claims Pre-List Dated 05.29.2026 Total \$2,235,439.64
2. Check Register Claims Pre-List Dated 05.31.2026 Total \$22,837.27 (1011)
3. Check Register Claims Pre-List Dated 05.31.2026 Total \$114,010.93
4. Check Register Claims Pre-List Dated 06.05.2026 Total \$2,812,463.06



**Item Number:** 6.3

**Department:** Human Resources

**Item Activity:** Action

**Prepared By:** Amy Murray, Risk & Safety Manager

**Item Title:** Approve 2026–2027 City Insurance Renewal

**Action Requested:**

Approve renewal of City's insurance coverage and payment for 2026–2027 policy.

**Information/Background:**

Staff has worked with our insurance broker, Marsh McLennan, and League of Minnesota Cities Insurance Trust (LMCIT) to analyze cost and options. Staff recommends renewal of the City's 2026–2027 insurance policies to include workers' compensation, auto, property and liability insurance lines.

**Resources/Financial Impacts:** Workers' compensation premium reduced by 29% while comprehensive property, auto and municipal liability were reduced by .4%.

<b>COMPREHENSIVE COVERAGE</b>	<b>2025–2026 Premium</b>	<b>2026–2027 Premium</b>	<b>Premium Change</b>
Workers' Compensation Premium (\$50K Ded)	\$1,164,421	\$831,824	-29%
Property/Cyber/Auto/Liability/Other	\$802,177	\$798,940	-.4%

**Relationship to City Policies/Plans/Budget Pillars:**

Insurance helps create a strong foundation for reliable service by transferring human, operational, and financial risks.



Strong Foundation



Reliable Service

**Values Impact:**

**Supporting Documentation:**

Documents marked with "Board Portal" do not meet [ADA Web Content Accessibility Guidelines \(URL\)](#) and are not included in the public packet. To request a board portal document, please [submit a data request \(URL\)](#).

None



**Item Number:** 6.4

**Department:** Human Resources

**Item Activity:** Action

**Prepared By:** Jessica Nikunen, Human Resources Director

**Item Title:** Compensation and Classification Study Consulting Services Contract

**Action Requested:**

Authorize staff to enter into an agreement with MGT Impact Solutions, LLC (MGT) to provide compensation and classification study professional services in an amount not to exceed \$100,000.

**Information/Background:**

In early 2026, the Executive Leadership Team established City-Wide goals for the 2026-2027 period. Among these goals is a comprehensive classification and compensation study covering all full-time and extended part-time positions. The City has relied on its current position classification method since 2013, when the last full study was completed. While smaller re-classifications and market studies have taken place in the interim, a thorough review is now necessary to address the evolving needs of the organization.

Over the past thirteen years, significant changes have occurred in the job market. The primary objective of the upcoming study is to update job classifications and pay structures to ensure both fairness and competitiveness. Achieving these goals is essential for the City to retain talented employees and remain in alignment with broader market trends. Additionally, the study will confirm that all positions are classified in accordance with Minnesota Pay Equity requirements.

To initiate this project, the City issued a Request for Proposal (RFP) for professional services to conduct the classification and compensation study. Proposals were due on May 22nd, and the City received a total of 15 responses. After thoroughly reviewing all submissions, staff narrowed the selection to four firms, which were subsequently interviewed. Based on these evaluations, staff recommends and seeks authorization to enter into an agreement with MGT to provide the required services, with a contract amount not to exceed \$100,000.

The agreement with MGT will encompass several key elements: job data collection and analysis; updates to job descriptions; market data collection and analysis; review and recommendations regarding compensation philosophy; development of a classification framework and job family structure; assessment of compensation structure, internal equity, compression, and Minnesota pay equity; provision of recommendations and guidance for implementation; and delivery of a job valuation/job pointing tool for the City to use in future position reviews and to maintain the established framework and structure.

**Resources/Financial Impacts:**

Consulting services will not exceed \$100,000 budgeted within the general fund.

**Relationship to City Policies/Plans/Budget Pillars:**



## Reliable Service

### Values Impact:



Stewardship

A modernized job classification and pay structure ensure fairness and competitiveness, which helps attract and retain top-tier talent. This attraction and retention is essential for delivering the high-quality services that residents and business owners expect.

### Supporting Documentation:

Documents marked with "Board Portal" do not meet [ADA Web Content Accessibility Guidelines \(URL\)](#) and are not included in the public packet. To request a board portal document, please [submit a data request \(URL\)](#).

None



**Item Number:** 6.5

**Department:** Human Resources

**Item Activity:** Action

**Prepared By:** Amy Murray, Risk & Safety Manager

**Item Title:** Liability Coverage Statutory Limits

**Action Requested:**

Motion refusing to waive municipal tort liability limits.

**Information/Background:**

For 2026-2027 municipal liability insurance policy, City Council must decide whether to waive or refuse to waive the municipal tort liability limits per Minnesota Statutes 466.04. Claims to which the tort limits do not apply are not affected by this decision.

If the City does not waive the statutory tort limits, an individual claimant could recover no more than \$500,000 on any claim to which the statutory tort limits apply. The total all claimants could recover for a single occurrence to which the statutory tort limits apply would be limited to \$1,500,000.

If the City waives the statutory tort limits, a single claimant could recover up to \$2,000,000 for a single occurrence. The total all claimants could recover for a single occurrence to which the statutory tort limits apply would also be limited to \$2,000,000, regardless of the number of claimants.

Staff recommends Council does not waive the municipal tort liability limits.

**Resources/Financial Impacts:**

Motion to refuse to waive municipal tort liability limits reduces financial liability.

**Relationship to City Policies/Plans/Budget Pillars:**

Motion to refuse to waive municipal tort liability limits reduces financial liability.



Strong Foundation

**Values Impact:**

**Supporting Documentation:**

Documents marked with "Board Portal" do not meet [ADA Web Content Accessibility Guidelines \(URL\)](#) and are not included in the public packet. To request a board portal document, please [submit a data request \(URL\)](#).

None



**Item Number:** 6.6

**Department:** Public Works

**Item Activity:** Action

**Prepared By:** Steven Weiers, Facility Manager

**Item Title:** Purchase Request: Demo Old Fire Station #2

**Action Requested:**

Approve Purchase Request to Demo Old Fire Station #2 with Fratallone Companies in the amount of \$80,093.00.

**Requisition Number:** 12600175

**Vendor:** Fratallone Companies

**Equipment Status:** NA

**Funding Source:** CIP

**Cost:** \$80,093.00

**Information/Background:**

With the opening of new Fire Station #2 in the fall of 2025, the existing building needs to be decommissioned and the site prepared for future use as a water treatment plant.

**Resources/Financial Impacts:**

Capital Improvement Funds from Fire Station #2 construction.

**Relationship to City Policies/Plans/Budget Pillars:**

When buildings and structures are no longer in use, it's important to remove the structure to prevent unintended uses and possibly liabilities that come with those uses.



Strong Foundation



Reliable Service



Livable City



Better Together

**Values Impact:**



Stewardship

Preparing the site for future use will allow the planning and implementation of a new water treatment plant.

**Supporting Documentation:**

Documents marked with "Board Portal" do not meet [ADA Web Content Accessibility Guidelines \(URL\)](#) and are not included in the public packet. To request a board portal document, please [submit a data request \(URL\)](#).

None



**Item Number:** 6.7

**Department:** Public Works

**Item Activity:** Action

**Prepared By:** Andrew Scipioni, Transportation Planner

**Item Title:** Purchase Request: CloverRide Service Contract

**Action Requested:**

Approve Purchase Request for CloverRide Service Contract with DARTS for \$35,000.

**Requisition Number:** 12600187

**Vendor:** DARTS

**Equipment Status:** N/A

**Funding Source:** Public Works Department Transportation Division operating budget

**Cost:** \$35,000

**Information/Background:**

Since June 2018, the City has been engaged in a service contract with DARTS to provide a fixed-route circulatory bus in the Southdale District (CloverRide). The primary goal of this service is to provide mobility and access for residents and visitors to the City who can't or choose not to drive. CloverRide operates Fridays from 10:00 a.m. to 3:30 p.m. on a one-hour loop, traveling to fixed stops that include senior residential properties, grocers and retailers. Riders can also request additional stops within two blocks of the regular route.

Staff recommends renewing the service contract with DARTS for another year to continue this essential service for residents. The compensation for continuing service is \$7,500 higher than the previous service year (or 27%). This increase is primarily due to increases in fuel prices.

**Resources/Financial Impacts:**

CloverRide is funded through the operating budget of the Transportation Division of the Public Works Department. The cost of the service is within the available budget.

**Relationship to City Policies/Plans/Budget Pillars:**

This service supports goals in the Comprehensive Plan to improve mobility for residents, visitors and businesses with a balanced system of transportation alternatives and to support reliable transit service and connections.



Reliable Service



Livable City



Better Together

**Values Impact:**



Health

CloverRide promotes the mental and social well-being of people who live, work or visit Edina.

**Supporting Documentation:**

Documents marked with "Board Portal" do not meet [ADA Web Content Accessibility Guidelines \(URL\)](#) and are not included in the public packet. To request a board portal document, please [submit a data request \(URL\)](#).

None



**Item Number:** 6.8

**Department:** Public Works

**Item Activity:** Action

**Prepared By:** Nick Bauler, Traffic Safety Coordinator, Andrew Scipioni, Transportation Planner

**Item Title:** Traffic Safety Report of April 28, 2026 and Petition Responses

**Action Requested:**

Approve the recommendations of the Traffic Safety Committee.

**Information/Background:**

The Traffic Safety Committee recommends action on four items. Items A1 and A2 also respond to petitions received by the City on December 16, 2025 and June 2, 2026, respectively. The Transportation Commission reviewed the reports at their May 28 regular meeting. See attached report and petitions.

**Resources/Financial Impacts:**

Traffic control signage and pavement markings within the public right-of-way are owned and maintained by the Public Works Department. Changes or additions to signage or markings will be funded through the Streets Division operating budget or the Pedestrian and Cyclist Safety (PACS) Fund.

**Relationship to City Policies/Plans/Budget Pillars:**

The recommendations in these reports support the goal in the Transportation Chapter of the Comprehensive Plan to "manage, maintain and operate roadways to maximize, wherever possible, the safety and mobility of all users and all modes."



Reliable Service



Livable City

**Values Impact:**



Engagement

Members of the public are given opportunities to provide additional information to the Transportation Commission and City Council.



Equity

The Traffic Safety Committee's recommendations are guided by the Minnesota Manual on Uniform Traffic Control Devices (MnMUTCD) and the City's local traffic policies. Staff strives to apply this guidance equitably to all areas of the City.



Health

The Traffic Safety Committee recommendations promote the physical wellbeing of all people who live, work or visit Edina.

**Supporting Documentation:**

Documents marked with "Board Portal" do not meet [ADA Web Content Accessibility Guidelines \(URL\)](#) and are not included in the public packet. To request a board portal document, please [submit a data request \(URL\)](#).

1. Traffic Safety Report of April 28, 2026



**Date:** 6/16/2026  
**To:** Mayor and City Council  
**From:** Nick Bauler  
**Subject:** Traffic Safety Report of April 28, 2026

### Information/Background:

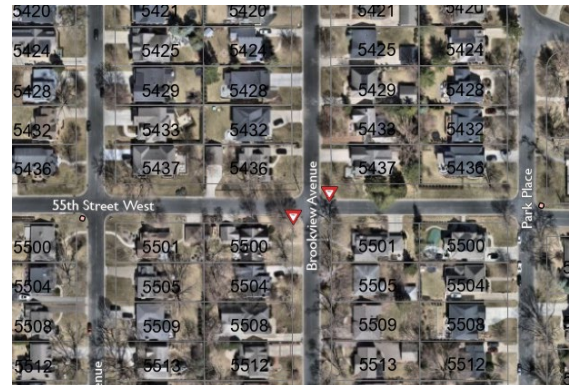
The Traffic Safety Committee (TSC) review of traffic safety matters occurred on April 28. The Traffic Safety Coordinator, Engineering/Public Works Director, Police Sargeant and Traffic Safety Specialist were in attendance for this meeting.

On each of the items, persons involved have been contacted and the staff recommendation has been discussed with them. They were informed that if they disagree with the recommendation or have additional facts to present, they can submit correspondence to the Transportation Commission and/or to City Council prior to the June 16 meeting.

### Section A: Items on which the Traffic Safety Committee recommends action

#### A1. Stop Sign request at W 55<sup>th</sup> St and Brookview Ave

<b>Description</b>	Received traffic safety request and petition from neighborhood to replace east/west Yield controls to stop controls.
<b>ADT</b>	Brookview: 196 (2026) W 55 <sup>th</sup> : 135 (2026)
<b>85% Speed</b>	Brookview: 25.7 MPH (2026) W 55 <sup>th</sup> St: 21.6 MPH (2026)
<b>Crashes</b>	Two right-angle crashes in past ten years (2016 & 2018).
<b>Previous Review</b>	Reviewed by staff in 2002, 2010, 2018 and 2023. In 2010 east/west Yield control was added.
<b>Sightlines</b>	Vegetation, fences and elevation changes impact sight lines.



W 55<sup>th</sup> St at Brookview Ave

The City also received a petition for two-way stop control at this intersection on December 16, 2025. Staff recommends all-way stop controls due to impacted sight lines.



A2. Request for stop signs at St. Johns Ave and Garrison/Ashcroft

Table with 2 columns: Description, ADT, 85% Speed, Crashes, Previous Requests, Sightlines. Content includes traffic safety request details, ADT values for St. Johns Ave and Garrison Ln, 85% speed of 29.3 MPH, a 2016 crash involving a bus and fire hydrant, and sightline issues.



St. Johns at Ashcroft/Garrison

The City also received a petition for two-way stop control at this intersection on June 2, 2026. Staff recommends replacing Yield signs with Stop signs to establish right-of-way.

A3. Request for crosswalk markings over Grandview Square driveway

Table with 2 columns: Description, AADT, Crashes, Bike & Ped Crosses, Crossing Distance, Past & Future Work, Unique Circumstances. Content includes unsafe driveway crossing, AADT of 8,749, a 2018 crash, 96 bike/ped crosses, 55-foot crossing distance, and planned road overlays.



Grandview Square Driveway at Eden Ave

Staff recommends crosswalk markings connecting the sidewalk and shared-use path.



A4. Street parking on Pinewood Trail

Table with 2 columns: Description, ADT, Crashes, Future Work, Miscellaneous. Content includes parking restrictions request, ADT N/A, no crashes in 10 years, 2031 overlay, and clinic parking policy.



Staff recommends an end of road '9-button' sign and parking restriction at end of Pinewood to allow turnarounds.

Staff has further review of parking designations along Sherwood Rd from May 2026, with an upcoming review by the Transportation Commission in June 2026.

Section D: Other traffic safety items handled

- D1. A complaint of speeds on W 66th St between Valley View Rd and HWY 100. The portable speed display sign was placed to raise awareness of speeds. Collected data is shared with the EPD for targeted enforcement.
D2. Complaints of driver speeds on Benton Ave near Johnson Dr. The temporary speed display sign was used to raise driver awareness.
D3. A resident requested a speed limit sign for Eden Ave west of Arcadia Ave. A speed limit sign was installed by Public Works.
D4. A developer at 5115 Eden Ave requested temporary three-hour parking restrictions on Arcadia Ave to allow parking for patrons at the Hilltop restaurant. Temporary restriction signs were installed by Public Works.
D5. A complaint of pedestrian signals not working properly at Valley View Rd and Wooddale Ave. Staff reviewed the signals and were operating properly.
D6. Complaints regarding traffic signals along Hennepin County roads. Hennepin County staff was notified and fixed the issues.
D7. A resident was concerned with visibility of westbound drivers on Vernon Ave near Interlachen Court apartment complex. Visibility was reviewed and no crashes were reported at the location. No action is warranted.
D8. A resident requested traffic signals on Vernon Ave at W 53rd St stating inadequate gaps to turn left onto eastbound Vernon. Traffic signals do not meet warrants, but this was sent to Hennepin County for review.



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D9. A resident requested a crosswalk at the northern corner of Grandview Square connecting to the sidewalk towards Eden Ave. Peak crosses were 13 in one hour with 250 vehicles. Crosswalks do not meet warrants, no action.



**Item Number:** 6.9

**Department:** Public Works

**Item Activity:** Action

**Prepared By:** Aaron Ditzler, Assistant City Engineer

**Item Title:** Purchase Request: 2026 Watermain Pipe Condition Assessment Professional Services

**Action Requested:**

Approve Purchase Request for 2026 Watermain Pipe Condition Assessment Professional Services to Short Elliott Hendrickson, Inc for \$111,100.00

**Requisition Number:** 12600176

**Vendor:** Short Elliott Hendrickson, Inc.

**Equipment Status:** N/A

**Funding Source:** Watermain

**Cost:** \$111,100.00

**Information/Background:**

This contract includes professional services to assess approximately 16,300 linear feet of watermain pipe conditions in future roadway reconstruction project areas, which has occurred since September 2014. The non-invasive watermain testing provides staff with more data about the condition of the City's watermain system similar to closed circuit televising does for sanitary sewer trunk pipes. This data, plus water main break historical data proves to be a powerful tool in determining where to spend our watermain funds to get the greatest value to our watermain system.

**Resources/Financial Impacts:**

The improvement is listed in the 2025-2030 Capital Improvement Plan (CIP) under CIP number 19-351. The services will be funded by the water utility fund.

**Relationship to City Policies/Plans/Budget Pillars:**

This project aligns with the Comprehensive Plan and is included in the Capital Improvement Plan.



Strong Foundation



Reliable Service



Livable City



Better Together

**Values Impact:**



Stewardship

Replacing aging infrastructure at the appropriate time is sound asset management practice.

**Supporting Documentation:**

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None



**Item Number:** 6.10

**Department:** Public Works

**Item Activity:** Action

**Prepared By:** Aaron Ditzler, Assistant City Engineer

**Item Title:** Purchase Request: Canadian Pacific Railroad At-Grade Crossing Improvements at Dewey Hill Road

**Action Requested:**

Approve Purchase Request for Canadian Pacific Railroad At-Grade Crossing Improvements at Dewey Hill Road for \$56,000.00.

**Requisition Number:** 12600178

**Vendor:** Canadian Pacific Railroad

**Equipment Status:** N/A

**Funding Source:** Bridge Maintenance

**Cost:** \$56,000.00

**Information/Background:**

The existing rubberized at-grade crossing on Dewey Hill Road between Cahill Road and Bush Lake Road has reached the end of its useful life. Canadian Pacific Railroad will install the new concrete railroad crossing and the City will furnish the materials associated with the installation.

**Resources/Financial Impacts:**

The improvements will be funded by Bridge Maintenance funds. Canadian Pacific Railroad will maintain the crossing.

**Relationship to City Policies/Plans/Budget Pillars:**

This project aligns with the Comprehensive Plan, Pedestrian & Bicycle Master Plan and Climate Action Plan.



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**Values Impact:**



Stewardship

Replacing aging infrastructure at the appropriate time is sound asset management practice.

**Supporting Documentation:**

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None



**Item Number:** 6.11

**Department:** Public Works

**Item Activity:** Action

**Prepared By:** Chad Millner, Director of Public Works and City Engineer

**Item Title:** Resolution 2026-33: Amending MnDOT Agreement No.1062130 for Rosland Park Pedestrian Bridge to include Noise Wall Installation

**Action Requested:**

Approve Resolution 2026-33: Amending MnDOT Agreement No.1062130 for Rosland Park Pedestrian Bridge to include Noise Wall Installation

**Information/Background:**

The City recently suggested to MnDOT that they provide funding to the City to install a portion of their noise wall project with the Rosland Park Pedestrian Bridge Project. There are many benefits of doing this work at the same time versus MnDOT coming back after the City bridge project in 2028. MnDOT has agreed with the idea. They have also secured funding to do so. The City’s contractor is aware of this change order to the contract.

Construction plans are being developed now to determine location, cost and approvals. This amendment to the City / MnDOT Cooperative Agreement is required. This additional work should not impact the schedule of the bridge project. The goal would be to install all or a portion of the noise wall identified between the trail and 6302 Rose Court. In 2028, MnDOT will return to finish the noise wall as part of the auxiliary lane project.

**Resources/Financial Impacts:**

MnDOT is funding the additional noise wall portion of the project up to \$800,000.

**Relationship to City Policies/Plans/Budget Pillars:**

This project aligns with the Comprehensive Plan, Pedestrian & Bicycle Master Plan and Climate Action Plan.



Strong Foundation



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**Values Impact:**



Engagement

Residents have voiced many concerns about the lack of an ADA compliant bridge over Highway 62 at Rosland Park.



Equity

Residents have voiced many concerns about the lack of an ADA compliant bridge over Highway 62 at Rosland Park.



Health

The non-car transportation options this project will promote inherently improve residents' health by giving them more opportunities to walk and bike.



Stewardship

Replacing aging infrastructure at the appropriate time is sound asset management practice.



Sustainability

Providing pedestrian and bicycle transportation options should reduce vehicle miles traveled.

**Supporting Documentation:**

Documents marked with "Board Portal" do not meet [ADA Web Content Accessibility Guidelines \(URL\)](#) and are not included in the public packet. To request a board portal document, please [submit a data request \(URL\)](#).

None



**Resolution 2026-33: Amending MnDOT Agreement No.1062130 for Rosland Park Pedestrian Bridge to include Noise Wall Installation**

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**Whereas** the City of Edina and Minnesota Department of Transportation (MnDOT) have executed agreement 1062130.

**Whereas** the City of Edina and Minnesota Department of Transportation (MnDOT) have agreed to remove and replace the Rosland Park Pedestrian Bridge with an ADA compliant bridge.

**Whereas** the City of Edina has agreed to own and operate the new bridge.

**Whereas** \$3 million dollars was part of a legislative earmark and \$3.2 million was promised from MnDOT to cover the estimated project cost.

**Whereas** the City of Edina and MnDOT have agreed to include installation of a 20-ft tall noise wall along the north pedestrian bridge on ramp to simplify MnDOT's future noise wall installation associated with the Highway 62 Auxiliary Lane Project.

**Whereas** the City of Edina has agreed to include this work via change order into the city held contract with Lunda Construction.

**Whereas** the City of Edina will secure approval of the noise wall plans and specifications from MnDOT.

**Whereas** MnDOT will provide up to \$800,000 to fund labor, materials, installation and construction administration of the noise wall.

**Now, therefore, be it resolved** that the City of Edina City Council and MnDOT will amend Agreement No. 1062130 with the State of Minnesota, Department of Transportation for the following purposes:

To include construction of a portion of MnDOT noise wall adjacent to the north pedestrian onramp to the pedestrian bridge adjacent to Trunk Highway No. 62 from 3,000 feet east of Trunk Highway No. 100 to 900 feet west of Valley View Road within the corporate City limits under State Aid Project No.120-010-013 and State Project No. 2774-30.

To provide for payment by the State to the City for labor, materials, installation and construction administration for installation of a noise wall.

Dated: June 16, 2026



**Item Number:** 6.12

**Department:** Public Works

**Item Activity:** Action

**Prepared By:** Chad Millner, Director of Public Works and City Engineer

**Item Title:** Resolution 2026-34 Supporting the City of Edina's Metropolitan Council Active Transportation Grant Application for Vernon Avenue (CSAH 158) Multi-Modal Improvements

**Action Requested:**

Approve Resolution 2026-34 Supporting the City of Edina's Metropolitan Council Active Transportation Grant Application for Vernon Avenue (CSAH 158) Multi-Modal Improvements

**Information/Background:**

Vernon Avenue Multi-Modal Improvements from approximately Interlachen Boulevard to Eden Avenue is scheduled for 2027. Staff were successful in an initial grant application from Hennepin County for a portion of this work. Staff would like to expand the limits and scale of the project and is applying for additional grant funding as part of the Met Council's Active Transportation solicitation to do so.

**Resources/Financial Impacts:**

Results of this grant application will determine project scale and funding.

**Relationship to City Policies/Plans/Budget Pillars:**

This project aligns with the Comprehensive Plan, Pedestrian & Bicycle Master Plan and Climate Action Plan.



Strong Foundation



Livable City



Better Together

**Values Impact:**



Engagement

Residents have voiced many concerns about the lack of an ADA facilities along Vernon Avenue.



Equity

Residents have voiced many concerns about the lack of an ADA facilities along Vernon Avenue.



Health

The non-car transportation options this project will promote inherently improve residents' health by giving them more opportunities to walk and bike.



Stewardship

Replacing aging infrastructure at the appropriate time is sound asset management practice.



Sustainability

Providing pedestrian and bicycle transportation options should reduce vehicle miles traveled.

**Supporting Documentation:**

Documents marked with "Board Portal" do not meet [ADA Web Content Accessibility Guidelines \(URL\)](#) and are not included in the public packet. To request a board portal document, please [submit a data request \(URL\)](#).

None



**EDINA**  
MINNESOTA

## **Resolution 2026-34 Supporting the City of Edina's Metropolitan Council Active Transportation Grant Application for Vernon Avenue (CSAH 158) Multi- Modal Improvements**

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**WHEREAS**, Hennepin County manages Vernon Avenue (CSAH 158) within the Grandview District; and,

**WHEREAS**, the existing road does not meet today's multi-modal transportation needs and warrants improvements; and,

**WHEREAS**, the City's and County's guiding documents detail many unmet bicycle and pedestrian needs within the Grandview District; and,

**WHEREAS**, the City of Edina, through the Metropolitan Council, is submitting an application to obtain funding for the Vernon Avenue Multi-Modal Improvements from approximately Interlachen Boulevard to Villa Way in the Grandview District; and,

**WHEREAS**, safe and inviting pedestrian and bicycle facilities can be created by completing roadway improvements of Vernon Avenue; and,

**WHEREAS**, Hennepin County supports this grant application for multi-modal improvements and will be a design partner; and,

**WHEREAS**, the funding would be available for the year 2027; and

**NOW THEREFORE, BE IT RESOLVED**, the City of Edina City Council supports submitting a Metropolitan Council Active Transportation grant application for multi-modal improvements along Vernon Avenue within the Grandview District.

Dated: June 16, 2026



**Item Number:** 6.13

**Department:** Public Works

**Item Activity:** Action

**Prepared By:** Chad Millner, Director of Public Works and City Engineer

**Item Title:**

Resolution 2026-35 Supporting the City of Edina's Metropolitan Council Bridge Connections Grant Application for the Wooddale Avenue Bridge Replacement Project

**Action Requested:**

Approve Resolution 2026-35 Supporting the City of Edina's Metropolitan Council Bridge Connections Grant Application for the Wooddale Avenue Bridge Replacement Project.

**Information/Background:**

The Wooddale Avenue Bridge is due for replacement. All required approvals from historical agencies have been secured. Public engagement and final design are complete. The City is trying to secure funding for construction from multiple sources. This resolution supports a grant application with the Met Council in the Bridge Connections category. The City is also submitting a request with the state for local bridge funds.

**Resources/Financial Impacts:**

The results of this grant application will determine project funding.

**Relationship to City Policies/Plans/Budget Pillars:**

This project aligns with the Comprehensive Plan, Pedestrian & Bicycle Master Plan and Climate Action Plan.



Strong Foundation



Reliable Service



Livable City



Better Together

**Values Impact:**



Engagement

Residents and adjacent property owners have been part of the design process.



Equity

The new bridge will have ADA compliant sidewalks on both sides.



Health

The non-car transportation options this project will promote inherently improve residents' health by giving them more opportunities to walk and bike.



Stewardship

Replacing aging infrastructure at the appropriate time is sound asset management practice.



Sustainability

Providing pedestrian and bicycle transportation options should reduce vehicle miles traveled.

**Supporting Documentation:**

Documents marked with "Board Portal" do not meet [ADA Web Content Accessibility Guidelines \(URL\)](#) and are not included in the public packet. To request a board portal document, please [submit a data request \(URL\)](#).

None



**EDINA**  
MINNESOTA

## **Resolution 2026-35 Supporting the City of Edina's Metropolitan Council Bridge Connections Grant Application for the Wooddale Avenue Bridge Replacement Project**

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**WHEREAS**, the City of Edina is a political subdivision, organized and existing under the laws of the State of Minnesota; and,

**WHEREAS**, the Wooddale Avenue Bridge has been identified as high priority and requires replacement within the next 5-years;

**WHEREAS**, the Wooddale Avenue Bridge has obtained approval for replacement from state historical agencies; and

**WHEREAS**, the existing bridge does not meet today's multi-modal transportation needs and warrants improvements; and,

**WHEREAS**, the City's guiding documents detail many unmet bicycle and pedestrian needs at the bridge; and,

**WHEREAS**, the City of Edina conducted public participation regarding the replacement of the Wooddale Avenue Bridge and adjacent landowners have worked with the City on the design; and,

**WHEREAS**, the City of Edina, through the Metropolitan Council, is submitting an application to obtain funding for the replacement of the bridge in the Bridge Connections category; and,

**NOW THEREFORE, BE IT RESOLVED**, the City of Edina City Council supports submitting a Metropolitan Council Bridge Connections grant application for the replacement of the Wooddale Avenue Bridge.

Dated: June 16, 2026



**Item Number:** 6.14

**Department:** Parks & Recreation

**Item Activity:** Action

**Prepared By:** Rachel DeVries, Park Planner

**Item Title:** Purchase Request: Fred Richards Wetland Impact Replacement

**Action Requested:**

Approve Purchase Request for Fred Richards Park Wetland Replacement Credits Purchase for \$42,624 with Peterson Farm Holding #3.

**Requisition Number:** 12600186

**Vendor:** Peterson Farm Holding #3

**Equipment Status:** Replacement

**Funding Source:** LOST Capital

**Cost:** \$42,626

**Information/Background:**

As a part of the 43-acre Fred Richards Park project, a known unavoidable Wetland Conservation Act (WCA) impact approval is currently pending from Nine Mile Creek Watershed District. The proposed Fred Richards Park Plan and construction would impact permanent wetlands for construction of the new entry drive and installation of replacement stormwater infrastructure. These impacts were initially planned to be replaced using new credits generated by a wetland bank establishment. On November 18, 2025 City Council approved the shift from wetland banking to the creation of a wetland preserve. Since banking is no longer being pursued, wetland impacts need to be mitigated with the purchase and transfer of wetland bank credits from an approved source. The purchase of 0.46 credits is required for replacement. Peterson Farm Holdings #3 is a Hennepin County Wetland Bank as required by Hennepin County for approvals. Staff also evaluated project specific impact mitigation on site but the establishment of a historic restoration and conservation easement created conflicts with site goals, project budget, and project timing.

**Resources/Financial Impacts:**

Funded with Local Option Sales Tax Funding

**Relationship to City Policies/Plans/Budget Pillars:**

This is part of Fred Richards Park Capital Plan improvements. These impacts were required for access and transportation and City of Edina worked with regulators to reduce any additional wetland impacts created by original designs.

**Values Impact:**



Strong Foundation



Reliable Service



**Supporting Documentation:**

Documents marked with "Board Portal" do not meet [ADA Web Content Accessibility Guidelines \(URL\)](#) and are not included in the public packet. To request a board portal document, please [submit a data request \(URL\)](#).

None



**Item Number:** 6.15

**Department:** Parks & Recreation

**Item Activity:** Action

**Prepared By:** Tom Swenson, Asst Dir-Parks & Nat Res

**Item Title:** Purchase Request: Wooddale Park Trail Replacement

**Action Requested:**

Approve Purchase Request for Wooddale Park trail surface replacement with Bituminous Roadways for \$80,225.96

**Requisition Number:** 12600173

**Vendor:** Bituminous Roadways

**Equipment Status:** N/A

**Funding Source:** General Fund

**Cost:** \$80,225.96

**Information/Background:**

This project will remove and replace the trail surface at Wooddale Park. The trail is deteriorated and beyond its useful life.

**Resources/Financial Impacts:**

Resurfacing reduces staff time and cost inputs for patch and crack repairs. Replacement priority and schedule is created based on a yearly inventory of conditions, wear, and predicted usage.

**Relationship to City Policies/Plans/Budget Pillars:**



Strong Foundation



Reliable Service

**Values Impact:**



Health

Safe shared use paths promote accessible physical health and active recreation.



Stewardship

Maintaining assets in good working order allows for their continued use for future generations.



Equity

Trail connections to the larger Edina park and trail systems promotes accessible recreational connections to neighborhoods in Edina.

**Supporting Documentation:**

Documents marked with "Board Portal" do not meet [ADA Web Content Accessibility Guidelines \(URL\)](#) and are not included in the public packet. To request a board portal document, please [submit a data request \(URL\)](#).

None



**Item Number:** 6.16

**Department:** Parks & Recreation

**Item Activity:** Action

**Prepared By:** Tom Swenson, Asst Dir-Parks & Nat Res

**Item Title:** Purchase Request: Weber Park Basketball Court Replacement

**Action Requested:**

Approve Purchase Request for Weber basketball court surface replacement with Bituminous Roadways for \$85,590.46

**Requisition Number:** 12600172

**Vendor:** Bituminous Roadways

**Equipment Status:** N/A

**Funding Source:** General Fund

**Cost:** \$85,590.46

**Information/Background:**

This project will remove and replace the playing surface of the basketball court at Weber Park. This includes new paint and new basketball hoops. The court is deteriorated and is beyond its useful life.

**Resources/Financial Impacts:**

Resurfacing reduces staff time and cost inputs for patch and crack repairs. Replacement priority and schedule is created based on a yearly inventory of conditions, wear, and predicted usage.

**Relationship to City Policies/Plans/Budget Pillars:**



Strong Foundation



Reliable Service

**Values Impact:**



Health

Safe playing surfaces promote physical health and active recreation. Active recreation also optimizes the user experience including teamwork and socialization.



Stewardship

Maintaining assets in good working order allows for their continued use for future generations and a reduction in repairs and maintenance costs.

**Supporting Documentation:**

Documents marked with "Board Portal" do not meet [ADA Web Content Accessibility Guidelines \(URL\)](#) and are not included in the public packet. To request a board portal document, please [submit a data request \(URL\)](#).

None



**Item Number:** 6.17

**Department:** Parks & Recreation

**Item Activity:** Action

**Prepared By:** Tracy Petersen, Assistant Director Parks & Recreation

**Item Title:** Purchase Request: Edinborough Park Facility Study

**Action Requested:**

Approve Purchase Request for Professional Services for Edinborough Park Facility Study with I & S Group (ISG) for \$103,000.

**Requisition Number:** 12600184

**Vendor:** I & S Group, Inc. (ISG)

**Equipment Status:** N/A

**Funding Source:** 2024 Construction Fund Budget Surplus

**Cost:** \$103,000.00

**Information/Background:**

Edinborough Park is an almost 40-year-old, one-of-a-kind, unique destination indoor recreation facility which is home to Adventure Peak indoor PlayPark, The Summit play area, amphitheater, pool and fitness & track area. As part of the 2026-2027 Budget Work Plan, a facility study was recommended in order to help frame future next steps, strategic planning and policy discussions.

The study will complete a facility assessment to address current conditions, the remaining useful service life & functional performance of the facility. It will also evaluate the building envelope, all mechanical, electrical & plumbing systems, life safety systems, ADA accessibility & compliance and pool infrastructure & support spaces.

In addition, a full programming and future visions analysis will be completed taking into account limitations imposed by the existing footprint, adjacent property partners, funding constraints and other physical barriers. This will also include analysis of unmet needs, market gaps, evolving recreation trends that will help define the park's future identity and strategic role.

Finally, the report will define a base scenario focused on reinvestment to modern standards with minimal change, identify 2 or 3 future focused alternatives that include concept level designs, high-level capital cost ranges, revenue & staffing implications and benchmarking of surrounding facilities. Information from a final report will provide a baseline guidance to move forward with a vision for the future of Edinborough Park.

**Resources/Financial Impacts:**

Study is being funded by 2024 Construction Fund Budget Surplus. No additional fiscal or operation impacts.

### Relationship to City Policies/Plans/Budget Pillars:

The Edinborough Park Study is an overall City 2026–2027 Budget Work Plan as well as a Parks & Recreation Department Work Plan item. This horizon project was also discussed at the City Council's most recent retreat.



Strong Foundation



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### Values Impact:



Equity

Potential improvements promote indoor physical, mental and social well-being and activity by making recreation more accessible to all.



Health

Evaluation and study of future options and designs for the park will promote physical play, community well-being, gathering space and support programming opportunities.



Stewardship

Improvements will be studied to meet parks & recreation programming and service needs while maximizing energy efficiencies and opportunities and financial resources.



Sustainability

Studied improvements would exceed sustainability standards and help Conservation & Sustainability Plan goals and initiatives. Design study recommendations will consider sustainable building policy guidelines, applicable health codes and energy efficiencies.

### Supporting Documentation:

Documents marked with "Board Portal" do not meet [ADA Web Content Accessibility Guidelines \(URL\)](#) and are not included in the public packet. To request a board portal document, please [submit a data request \(URL\)](#).

1. Edinborough Park Facility Study Proposal (Board Portal)



**Item Number:** 6.18

**Department:** Parks & Recreation

**Item Activity:** Action

**Prepared By:** Perry Vetter, Parks & Recreation Director

**Item Title:** Purchase Request: Braemar Arena Rink Flooring

**Action Requested:**

Approve Purchase Request for Braemar Ice Arena South and East Flooring with Becker Arena Products Inc. for \$88,408.

**Requisition Number:** 2026/12600185

**Vendor:** Becker Arena Products Inc.

**Equipment Status:** New

**Funding Source:** LOST Funded Project

**Cost:** \$88,408

**Information/Background:**

This purchase is in support of the Braemar Park Master Plan and the Braemar Ice Arena renovation and expansion project. The request includes new rubber flooring in the rink floor common areas for the south (over 3,300 sf) and east (approximately 3,800 sf) rinks to compliment the new rink floors and dasher boards. this also includes flooring for the lower east and south restrooms. These improvements were part of the infrastructure plans as identified in the project needs summary for capital asset replacement. Approval of this request would allow work to begin after installation of the dasher board systems.

**Resources/Financial Impacts:**

This is being funded by the Local Option Sales Tax referendums that occurred in 2022 and 2023 that provided \$45.2M for the project.

**Relationship to City Policies/Plans/Budget Pillars:**

The Braemar Park Master Plan was adopted by the Edina City Council in 2018 and amended in 2022.



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**Values Impact:**



Engagement

This project directly impacts the Edina High School, Edina Hockey Association, Braemar City of Lakes Figure Skating Club, Breakaway Academy, General Sports, Ikola Cup members and Da Beauty League feedback.



Equity

The primary focus for this project is to improve and expand for all users as an athlete first facility.



Stewardship

This project will provide needed upgrades to the physical capital infrastructure that will operate more efficiently, saving energy, reducing carbon use and support aspects of the Climate Action Plan.



Sustainability

This project is to improve and expand Braemar Ice Arena by improving the quality of the ice, adding a fourth indoor rink and improving the user experience with a focus on being an athlete first facility. This is being funded by the Local Option Sales Tax referendums that occurred in 2022 and 2023 that provided \$45.2M for the project.

**Supporting Documentation:**

Documents marked with "Board Portal" do not meet [ADA Web Content Accessibility Guidelines \(URL\)](#) and are not included in the public packet. To request a board portal document, please [submit a data request \(URL\)](#).

None



**Item Number:** 7.1

**Department:** Public Works

**Item Activity:** Discussion

**Prepared By:** Chad Millner, Director of Public Works and City Engineer

**Item Title:** Railroad Crossing Safety & Quiet Zone Study

**Action Requested:**

Information only

**Information/Background:**

Recall, a request for proposal was issued on September 3, 2025 for a Railroad Crossing Safety and Quiet Zone Study. This came from community feedback regarding night train operations. We hired SRF in October 2025. SRF is also conducting a similar study for St. Louis Park. The goal of this study is to evaluate existing railroad crossings within the city for potential safety improvements and assess the feasibility of establishing one or more Quiet Zones in accordance with Federal Railroad Administration regulations. The study is complete and we will present the results for discussion.

**Resources/Financial Impacts:**

The study identified railroad crossing safety improvements that are required before quiet zones can be implemented. Staff included unfunded projects for the construction years noted to give an idea of the scale of funding needed.

Unfunded CIP Projects

2027 Segment C - Valley Lane \$1.4M

2028 Segment D - Dewey Hill \$1.5 M

2029 Segment B - Hansen Road \$1.8M

2030 Segment A - North Crossings \$3.5M (requires partnership with St. Louis Park)

**Relationship to City Policies/Plans/Budget Pillars:**

This project aligns with the Comprehensive Plan.



Strong Foundation



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**Values Impact:**



Engagement

Residents have voiced many concerns with night-time train horns. This project will start to identify how to improve the quality of life of residents near the railroad tracks.



Equity

Residents have voiced many concerns with night-time train horns. This project will start to identify how to improve the quality of life of residents

near the railroad tracks.

**Supporting Documentation:**

Documents marked with "Board Portal" do not meet [ADA Web Content Accessibility Guidelines \(URL\)](#) and are not included in the public packet. To request a board portal document, please [submit a data request \(URL\)](#).

1. V2 Edina QZ Assessment Memorandum
2. v2 Edina Quiet Zone Council Presentation

# CITY OF EDINA RAILROAD CROSSING SAFETY AND QUIET ZONE ASSESSMENT



City of Edina, Hennepin County, Minnesota

Prepared by:



June 2026

SRF Project No. 19553

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# OVERVIEW

## Study Purpose and Background

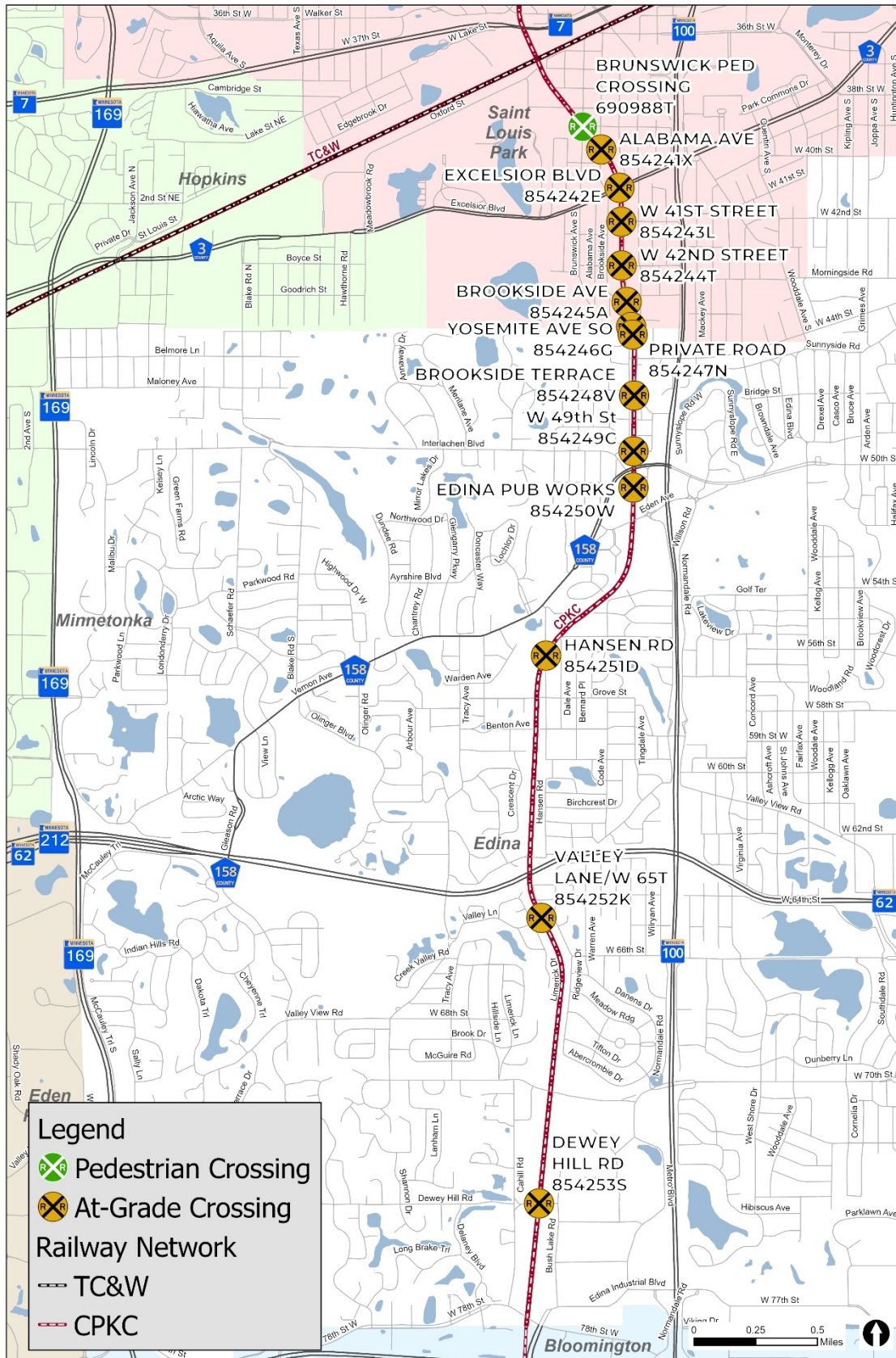
The City of Edina, MN (the City) is leading a study to investigate options to improve safety and minimize the impacts of train horn noise. The Federal Railroad Administration's (FRA's) Train Horn Rule, issued in June 2005, provides an opportunity to accomplish this objective. The Train Horn Rule specifies the procedures and actions necessary to establish a quiet zone for at-grade highway-rail crossings.

SRF Consulting Group, Inc. (SRF) was retained to conduct a Rail Crossing Safety Study to analyze current safety risk levels and evaluate the safety measures required to compensate for the loss of routine train horn sounding if a federally approved quiet zone were established in the City. Through the assessment process, 14 at-grade rail crossings (12 public and two private) along the Canadian Pacific Kansas City (CPKC) railroad were reviewed.

- Brunswick South Pedestrian Crossing
- Alabama Avenue
- Excelsior Boulevard
- W 41<sup>st</sup> Street
- W 42<sup>nd</sup> Street
- Brookside Avenue
- Yosemite Avenue
- Private Road
- Brookside Terrace
- W 49<sup>th</sup> Street
- Edina Public Works Access
- Hansen Road
- Valley Lane
- Dewey Hill Road

This document outlines the recommended crossing improvements for quiet zone implementation at those 14 crossings. A map of the corridor with the locations of the rail crossings evaluated for the quiet zone is shown in **Figure 1** on the following page. This assessment included a field diagnostic review of the crossings with representatives from the City of Edina, CPKC, the FRA, Minnesota Department of Transportation (MnDOT), and SRF. This report summarizes the Quiet Zone Assessment methodology, discussion items, and proposed improvement scenarios with planning-level cost estimates.

Figure 1: Railroad Crossings Reviewed to Establish a Quiet Zone in Edina



## Existing Conditions

Prior to determining the necessary improvements for the quiet zone, the study team examined the existing characteristics and rail safety features of each crossing using the up to date FRA inventory forms. For a public at-grade rail crossing to be eligible for a quiet zone, the crossing must meet pre-qualifying criteria which means it includes flashing lights, two-quadrant vehicle gates, constant warning time (CWT) detection, and power out indicators. According to FRA inventory forms at the time of the diagnostic meeting, the crossings at Alabama Avenue, Brookside Avenue, and Yosemite Avenue meet the pre-qualifying criteria. Pedestrian and private crossings do not have the same infrastructure requirements as public crossings so the Brunswick South Pedestrian Crossing, Private Road crossing, and the Edina Public Works Access also meet the requirements to be part of a quiet zone. **Table 1** below summarizes each crossing’s current characteristics.

Seven crossings in St. Louis Park are included in this assessment because of the specifications outlined in the FRA’s Train Horn Rule. The rule requires that if there is a public at-grade crossing within a quarter mile of another crossing, it must be included in the quiet zone. This spacing requirement continues until there is not another crossing within a quarter mile. There are many nearby crossings in the southern part of St. Louis Park and the northern portion of Edina that requires the crossings to be part of a quiet zone together.

*Table 1: Crossing Characteristics*

Crossing location	Number of trains per day	Maximum train speed	Average Daily Traffic Volume (Year)	Pairs of Lights	Gates	Train Detection System	Crossing meets pre-qualifying criteria
Brunswick South Pedestrian Crossing	2	15	N/A	4	None	None	YES
Alabama Avenue	2	15	1,963 (2024)	4	2 Roadway	CWT	YES
Excelsior Boulevard	2	15	21,087 (2024)	12	2 Roadway	Motion Detection	NO
W 41 <sup>st</sup> Street	2	15	775 (2025)	0	None	None	NO
W 42 <sup>nd</sup> Street	2	15	325 (2025)	0	None	None	NO
Brookside Avenue	2	15	1,162 (2024)	4	2 Roadway	CWT	YES
Yosemite Avenue	2	15	4,075 (2025)	5	2 Roadway	CWT	YES
Private Road	2	15	N/A	0	None	None	YES
Brookside Terrace	2	15	1,162 (2024)	0	None	None	NO
W 49 <sup>th</sup> Street	2	15	600 (2025)	0	None	None	NO
Edina Public Works Access	2	15	N/A	0	0	None	YES
Hansen Road	2	15	2,170 (2025)	8	None	None	NO
Valley Lane	2	15	4,775 (2025)	4	2 Roadway	Motion Detection	NO
Dewey Hill Road	2	15	3,281 (2025)	4	None	None	NO

# QUIET ZONE ANALYSIS

A diagnostic team meeting was held on October 21st, 2025, to review crossings in St. Louis Park and on December 16th to review crossing in Edina. Representatives from the City, CPKC, FRA, MnDOT, and SRF Consulting Group attended. The diagnostic team met at the City of Edina Public Works Building to discuss background information on the crossings, the Quiet Zone Assessment process, future City and CPKC rail plans, and safety protocols when reviewing each crossing. The diagnostic team then completed a field inspection of each crossing and discussed possible Supplemental Safety Measures (SSMs) and Alternative Safety Measures (ASMs) improvement options at each crossing. At some crossings, neither SSMs nor ASMs were determined to be necessary as the corridor's risk score is below certain thresholds which are described later.

SSMs are crossing safety improvements designated as effective substitutes for negating train whistles at highway-rail crossings. SSMs deemed acceptable by the FRA for quiet zone implementation, in addition to the minimum crossing requirements (as identified earlier), include non-traversable medians, four-quadrant vehicle gates, channelization delineators, one-way pairs, and street closures.

ASMs are highway-rail crossing safety improvements not pre-approved for implementation per the Final Rule and are subject to approval upon application review by the FRA Associate Administrator of Safety. This application process is more time-consuming; however, it is an acceptable alternative to establishing a quiet zone using SSMs. Common examples of ASMs are three-quadrant vehicle gates, non-traversable medians less than 60 feet, programmed/photo enforcement, public awareness education, and other geometric improvements.

The suitability of a particular SSM or ASM depends on various rail crossing factors like cost and geometric constraints at crossings. Commonly proposed SSM treatments include four-quadrant vehicle gates which are a highly effective measure but also have high associated costs. Another common SSM is the installation of non-traversable medians which have a lower relative cost and are also effective in reducing risk. Non-traversable medians, however, are sometimes not a preferred safety improvement because they can reduce or eliminate access for existing driveways along the roadway. Another safety improvement includes channelization delineators, which also have a low relative cost, but can have significant costs due to ongoing maintenance.

During the diagnostic team's field review of the crossings, the feasibility and constructability of various SSM/ASMs were evaluated. The quiet zone diagnostic meeting was also an opportunity to identify or discuss other concerns or issues related to the crossing, such as safety, traffic operations, etc. The following sections summarize the field review and assessment at each crossing. In addition to vehicular safety, participants discussed pedestrian safety improvements, including lights, bells, gates, and channelization strategies that could be implemented at crossings. These should be considered in quiet zones with high volumes of pedestrian traffic. Bicycle and pedestrian safety in quiet zones are a significant safety concern for meeting participants, especially where there are no audible or visual warnings or other safety issues that may warrant pedestrian crossing improvements.

## DIAGNOSTIC MEETING CROSSING REVIEW

The following section includes the notes taken for each crossing during the diagnostic meetings on October 21<sup>st</sup> and December 16<sup>th</sup>, 2025. The notes include characteristics about each crossing, identified changes that could be made to improve crossing safety, and recommended improvements required to qualify to be part of a quiet zone.

### Brunswick Ave South Pedestrian Crossing - 690988T (St. Louis Park)

This crossing meets the requirements of being part of a quiet zone because pedestrian crossings are not required to have the prequalifying elements that public crossings are. This crossing does not have lights, gates, or any warning detection system although lights are listed as present in the current inventory form. This crossing has two tracks for pedestrians and bicyclists to cross, the CPKC line, and an industry track that splits to the west on the south side of the crossing.

This crossing could be used as part of a future north south regional trail. The city also has long term plans for converting the westbound industry track to a regional trail. The crossings have a single rubber panel for the crossing which are in adequate condition.

The diagnostic team recommended widening the crossing to include two panels. The diagnostic team discussed using stop signs rather than yield signs as the traffic control device at the crossing and decided that stop signs should be used. The diagnostic team recommended keeping vegetation clear from the crossing to maintain sight lines.

### Alabama Avenue – 854241 (St. Louis Park)

This crossing meets the requirements of being part of a quiet zone by having the prequalifying elements of lights, gates, and Constant Warning Time detection. This crossing is equipped with four pairs of flashing lights.

Alabama Avenue has 1,963 vehicles traversing the crossing each day and is 36 feet wide at the crossing with parking on both sides of the street. There is a driveway within the gate area in both the northeast and southwest quadrants. This is an alternative route for a future north/ south regional trail. The vehicle surface at the crossing is in good condition and while the pedestrian surface is in good condition although ADA compliant advanced warnings are missing at all quadrants.

The diagnostic meeting recommended clearing vegetation at the crossing to improve visibility, and to make the crossing ADA compliant. The team discussed adding medians to the crossing, but because of the driveways there would be no risk reduction benefit. The diagnostic team also discussed the FRA recommendation for how far parking should be prohibited from crossings to maintain visibility. No risk reduction treatment was mentioned as an option.

### Excelsior Boulevard - 854242E (St. Louis Park)

This crossing does not currently meet the requirements of being part of a quiet zone by having lights, gates, and Constant Warning Time detection. The crossing has 12 pairs of lights with cantilevers but lacks CWT detection system.

Excelsior Boulevard has 21,087 vehicles traversing the crossing each day and has two lanes in each direction with an existing median the length of the block between the two lanes. Bunny's, a popular bar and restaurant, is in northwest quadrant. There is a vacant building which was formally a gas station in the

northeast quadrant, a functioning gas station in the southwest quadrant and a multi-tenant office and retail building in the southeast quadrant. All these businesses have driveways near the crossing. There is an informal pedestrian path between Bunny's entrance and the gas station about 70 feet north of the crossing, but it is likely unused since the gas station closed. The vehicle and pedestrian crossing surfaces are in good condition.

The diagnostic team mentioned adding fencing along the northern section of track between Bunny's and the gas station building but did not make a recommendation because the building is vacant and the path is unlikely used. The team recommended the city investigate what the plans for the building are. If the building is used as a gas station in the future, fencing should be considered. The diagnostic team acknowledged the existing medians and noted that the city may take credit for the portion that has risk reduction value. The team noted that with the current driveway configuration, little risk reduction safety improvements could be made. No risk reduction treatment other than installing CWT detection system was mentioned as an option.

### **W 41<sup>st</sup> Street - 854243L (St. Louis Park)**

This crossing does not currently meet the minimum requirements of being part of a quiet zone by having lights, gates, and Constant Warning Time detection. The crossing does not have any lights, gates, or CWT detection system.

W 41<sup>st</sup> Street has 775 vehicles traversing the crossing each day. The street is 26.5 feet wide on the east side of the crossing and 24 feet wide about 100 feet west of the crossing. There is a driveway in the northeast quadrant 77 feet from future gate arm locations. On the east side, the intersection with Zarthan Avenue S is 26 feet from the crossing. 41<sup>st</sup> Street has a significant downhill slope for eastbound traffic. There is a sidewalk on the south side of the street without ADA compliant advanced warnings. During the meeting people were clearing brush in the northeast quadrant and mentioned that a driveway to the retail and industrial building on Excelsior Boulevard was going to be added there.

The diagnostic team recommended installing ADA compliant advanced warnings and clearing vegetation near the crossing. The group highlighted that trees from a house in the southwest quadrant were blocking the view of the eastbound stop sign. The group discussed closure or conversion to a pedestrian crossing as an option for either this crossing or the crossing at W 42<sup>nd</sup> Street as both have very low volumes and require expensive upgrades.

### **W 42<sup>nd</sup> Street - 854244T (St. Louis Park)**

This crossing does not currently meet the requirements of being part of a quiet zone by having lights, gates, and Constant Warning Time detection. The crossing does not have any lights, gates, or CWT detection system.

W 42<sup>nd</sup> Street has 325 vehicles traversing the crossing each day. The street is 21 feet wide and does not have sidewalks. The crossing is slightly humped and there was evidence of vehicles scraping the crossing surface. On the southwest side of the crossing there is a driveway access to a small park 21 feet from future gate arm locations. On the east side, the intersection with Zarthan Avenue S is 21 feet from the crossing.

The diagnostic team recommended clearing vegetation especially along the south side of the crossing. The group discussed closure or conversion to a pedestrian crossing was mentioned as an option for either this crossing or the crossing at W 41<sup>st</sup> Street as both have very low volumes and require expensive upgrades.

## Brookside Avenue - 854245A (St. Louis Park)

This crossing meets the requirements of being part of a quiet zone by having lights, gates, and Constant Warning Time detection. The crossing is equipped with four pairs of flashing lights.

Brookside Avenue has 1,162 vehicles traversing the crossing each day. There is an upcoming street project to improve the street near this crossing. The project could include installing a sidewalk along the north side of the street. Brookside Avenue currently only has a sidewalk on the south side of the street. There is a driveway directly outside the gate arm area in the northeast quadrant and an alley in the southwest quadrant. Trespassing was mentioned as an issue at this crossing as people walk along the bridge as a shortcut to cross Minnehaha Creek instead of using Yosemite Ave S.

The diagnostic team recommended clearing vegetation on all sides of the crossing and to make the pedestrian crossings ADA compliant. The team mentioned ASM medians as an option but recognized the existing driveways would limit the risk reduction value.

## Yosemite Avenue - 854246G (St. Louis Park)

This crossing meets the minimum requirements of being part of a quiet zone by having lights, gates, and Constant Warning Time detection. This crossing is equipped with five flashing lights.

Yosemite Avenue S has 4,075 vehicles traversing the crossing each day. The crossing is at the top of a hill and at a curve in the street. The street has a sidewalk on the north side which does not have ADA compliant advanced warnings. There is also a driveway in the southeast quadrant.

The group discussed the possibility of rerouting the driveway to connect to the private road just south of the crossing or to close the private road and its crossing by routing those driveways to this driveway. Both options had benefits and drawbacks, and the team did not conclude that either option would have a significant safety benefit. The team also discussed adding medians to the crossing, but because of the slope on the east side of the crossing and the curve on the west side, delineator posts should be added if that option is pursued. Additionally, because of the existing driveway on the east side, a median on that side would not have any risk reduction credit and would require the driveway to be right in right out. The team recommended clearing vegetation near the crossing to improve sightlines and that no risk reduction treatment was an option.

## Private Road - 854247N

This crossing meets the requirements of being part of a quiet zone because private crossings are not required to have the prequalifying elements that public crossings are. This crossing does not have lights, gates, or any warning detection system.

The Private Road crossing has 15 vehicles traversing the crossing each day and is a humped gravel crossing in poor condition. The signage is in poor condition and there is overgrown vegetation around the crossing.

As discussed in the Yosemite Avenue crossing summary, the diagnostic team discussed closing this crossing and rerouting driveways to the driveway at the crossing is an option. The team discussed adding private crossing signage and replacing the signs with new ones. The team also noted that because this is a private crossing, nothing is required to be done.

The team noted that because this is a private crossing, nothing is required to be done.

## Brookside Terrace - 854248V

This crossing does not currently meet the requirements of being part of a quiet zone by having lights, gates, and Constant Warning Time detection. The crossing does not have any lights, gates, or CWT detection system.

Brookside Terrace has 50 vehicles traversing the crossing each day. This crossing is a humped gravel crossing that serves about a dozen homes on the east side of the crossing. The street makes an "L" shape and connects to W 44th Street on the north side and Brookside Avenue on the south. The crossing seems to exist largely for emergency vehicle access in and out of the area as the street is narrow and there is not enough space to easily turn around.

The diagnostic team recommended following up with emergency responders to understand their needs at the crossing. One member discussed the possibility of temporarily closing the crossing and making it only available to emergency vehicles. The group also mentioned that the signage is in poor condition and that vegetation should be cleared. The team noted that no risk reduction treatment was also an option.

## W 49<sup>th</sup> Street - 854249C

This crossing does not currently meet the requirements of being part of a quiet zone by having lights, gates, and Constant Warning Time detection. The crossing does not have any lights, gates, or CWT detection system.

W 49<sup>th</sup> Street has 600 vehicles traversing the crossing each day. The crossing at W 49<sup>th</sup> Street is about 50 feet east of the intersection with Brookside Avenue. On the east side of the crossing there are newer multifamily buildings and single family homes. There is a sidewalk on the south side of the street that abruptly ends before the crossing. There is an informal pedestrian path in the southwest quadrant that parallels the tracks going up the hill to the commercial area there. There are trees and vegetation that limit the visibility at the crossing. The stop and crossbuck signs are warned.

The diagnostic team determined that ASM medians could be possible at this crossing. It would be possible to fit a 60-foot median on the east side and a 50-foot median on the west side of the crossing. The diagnostic team recommended connecting the sidewalk to the sidewalk on Brookside Avenue. They also recommended clearing vegetation and upgrading signs to improve maintain visibility.

## Public Works Access - 854250W

This crossing meets the requirements of being part of a quiet zone because private crossings are not required to have the prequalifying elements that public crossings are. This crossing does not have lights, gates, or CTW detection system.

The crossing has a public parking ramp on the west side of the crossing where a driveway connects south to Eden Avenue. On the east side of the crossing is the former facility for the Public Works Department but is now planned to be used for a mixed use development. There is a new pedestrian bridge that connects the commercial area on the east side to Arcadia Avenue directly over the crossing. There is a commercial business that has driveway access on the northwest quadrant of the crossing. It appears that new pavement was recently laid to access the loading dock at the building.

This crossing is the last crossing in St. Louis Park's proposed quiet zone. The Train Horn Rule formally requires that a quiet zone does not end on a private crossing, but the FRA representative in the meeting mentioned that they received directive that quiet zones can end at private crossings if the crossing is within

a quarter mile of the last public crossing. Because this is a private crossing, no improvements need to be made, but the group recommended that the new development in the southeast quadrant should not use this access.

## Hansen Road - 854251D

The Hansen Road crossing does not currently meet the requirements of being part of a quiet zone as the crossing does not have gates, power-out indicators, or CWT detection. The crossing is currently equipped with cantilever mounted flashing lights. Hansen Road has 2,170 vehicles traversing the crossing each day.

The crossing at Hansen Road is on the east side of Yancey Park just north of the intersection with W 56th Street. The street has one lane in each direction with parking prohibited on both sides of the street. There is a sidewalk on the west side of the street and on the south side of W 56th Street.

The diagnostic team recommended adding gates, CWT detection, and power-out indicators to the crossing. The diagnostic team determined that either a third gate for westbound traffic on W 56th Street would be needed or for W 56th Street to be closed to vehicle traffic as the intersection is too close to the crossing to be safely managed with only two gates.

If W 56th Street were closed, the driveway for the house at the SE corner would need to be reconfigured to reach the end of W 56th Street, not Hansen Road. For the northbound gate on Hansen Road, the diagnostic team recommend placing the gate so the pedestrian crossing across Hansen Road would be south of the gate arm. For the southbound gate on Hansen Road, the diagnostic team acknowledges that the gate arm may need to block the sidewalk as there is limited space to reconfigure the sidewalk to be outside the gate arm with the retaining wall.

## Valley Lane - 854252K

The Valley Lane crossing does not currently meet the requirements of being part of a quiet zone as the crossing does not have CWT detection. The crossing has four pairs of flashing lights and two roadway gates but uses Motion Detection for train detection. Valley Lane has 4,775 vehicles traversing the crossing.

The crossing has one travel lane in each direction along with a sidewalk and parallel parking on the south side of the street. The crossing is on top of a slight incline and on a curve, so visibility is reduced. The roadway is wide enough for non-traversable medians if parking was prohibited. The diagnostic team recommended upgrading the crossing to have CWT detection and clearing vegetation so signs are visible.

## Dewey Hill Road - 854253S

The Dewey Hill Road crossing does not currently meet the requirements of being part of a quiet zone as the crossing does not have gates or CWT detection. Dewey Hill Road has 3,281 vehicles traversing the crossing each day.

The crossing is in an industrial area of the city without any residential buildings immediately adjacent to the crossing. There are commercial driveways in all four quadrants of the crossing. The rubber crossing was in good condition. The diagnostic team recommended upgrading the crossings to have two quadrant gates and CWT. The diagnostic team also mentioned non-traversable medians and wayside horns as possible safety improvements. The medians would have to be reduced in length because of the driveways near the crossing and may not be appropriate as the vehicles using the driveways could be too large to make turns around the medians. Wayside horns may cause less disruption at this crossing compared to others as there are not residential properties nearby.

## FRA RISK CALCULATOR

Using diagnostic team input, the next step in the quiet zone analysis was to evaluate the crossings using the FRA's online risk calculator. The FRA has made the calculator available to determine the risk reduction benefits achieved by various Supplemental Safety Measures (SSMs). Because Alternative Safety Measures (ASMs) are not pre-approved and have no established effectiveness rating, they cannot be evaluated using the web calculator and must be calculated via an Excel spreadsheet. For the SSM improvements to be considered effective, they must reduce or maintain the rail corridor's Quiet Zone Risk Index (QZRI) to below the Risk Index With Horns (RIWH) or the Nationwide Significant Risk Threshold (NSRT). The QZRI is the risk to the motoring public after the corridor's risk level is adjusted for the increased risk due to a lack of locomotive horn sounding and the reduced risk due to the implementation of acceptable safety measures. The RIWH is the level of risk that exists today when horns are sounded at every public crossing. The NSRT is a measure of risk, calculated on a nationwide basis, which reflects the average level of risk to the motoring public at public rail crossings equipped with vehicle gates and flashing lights, and at which the locomotive horns are sounded. The NSRT, established by the FRA, is currently 15,488.

## QUIET ZONE SCENARIOS

The following scenarios outline the improvements recommended for each crossing and the associated costs for a quiet zone to be established. The scenarios are broken into subzones, or smaller quiet zones with fewer crossings which were identified based on distance between crossings that meet FRA quiet zone requirements of being spaced more than ¼ mile from the next at-grade crossing. Establishing subzones allows the city to make targeted safety improvements and establish quiet zones at certain crossings before every crossing has been upgraded with the prerequisite infrastructure. Many of the crossings in St. Louis Park require upgrades which the City of Edina cannot control. The southern three crossings are spread out, which allows the crossings to be quiet zones individually or grouped together as shown in **Table 2**. Generally, it is not advised to have only one crossing in a zone because of how risk is averaged across all crossings in a quiet zone, but it can be done. A downside of a quiet zone with only one crossing is that the risk index may increase to a level that makes a zone noncompliant if a crash takes place or traffic volumes at the crossing increase significantly over time.

Table 2: Implementation Options

City	Subzone	Street	Pairs of Flashing Lights	Gates	Detection Type	Meets Minimum Requirement
St. Louis Park	A	Brunswick South Ped Crossing	4	None	None	Yes
	A	Alabama Ave	4	2 Roadway	CWT	Yes
	A	Excelsior Blvd	12	2 Roadway	Motion Detection	No
	A	W 41 <sup>st</sup> St	0	None	None	No
	A	W 42 <sup>nd</sup> St	0	None	None	No
	A	Brookside Ave	4	2 Roadway	CWT	Yes
	A	Yosemite Ave	5	2 Roadway	CWT	Yes
Edina	A	Private Rd	0	None	None	Yes
	A	Brookside Ter	0	None	None	No
	A	W 49 <sup>th</sup> St	0	None	None	No
	A	Public Works Access	0	None	None	Yes
	-	-	-	-	-	-
	B / BCD	Hansen Road	8	None	None	No
	-	-	-	-	-	-
	C / BCD	Valley Lane	4	2 Roadway	Motion Detection	No
	-	-	-	-	-	-
D / BCD	Dewey Hill Road	4	None	None	No	

## Subzone A

Subzone A is a potential future quiet zone that includes 11 crossings shown in **Figure 2**. Four of the southern crossings are in the City of Edina while the northern seven are in the City of St. Louis Park. If this subzone were established, trains would not routinely use their horn from the southern Brunswick Avenue pedestrian crossing in St. Louis Park to the Public Works Access crossing in the City of Edina. To create a subzone including these crossings, both cities would need to make the necessary improvements before the zone could be established. Potential ASM treatments were indentifeid at some crossings during the diagnostic meeting so the cities can weigh the importance of addinal risk reduction credit when determining how to move forward with implementation.

The City has budgeted \$3,506,942 in the 2030 Capital Improvemetrn Plan to make the nessesary improvemetns at the the Brookside Terrace and 49<sup>th</sup> Street crossings. The budgeted amount is larger than the estimated cost to account for year-over-year inflation until the year of construction, administrative costs, and contingency.

## Implementation without ASM Improvements

**Error! Reference source not found.** below depicts the improvements needed to be made to the crossings in Subzones A to be part of a quiet zone. In this scenario, the QZRI would be 4,004 which is below the NSRT, but above the RIWH (2,401).

Table 3: Subzone A without ASMs

Crossing Location	Subzone	Improvement	Estimated Cost
Brunswick South Ped Crossing	A	Improve crossing surface, signage, and markings	\$15,000
Alabama Ave	A	Improve sidewalks, signage, and markings	\$10,000
Excelsior Blvd	A	Install CWT Improve sidewalks, signage, and markings	\$1,005,000
W 41 <sup>st</sup> St	A	Install Lights, Gates, and CWT Improve sidewalks, signage, and markings	\$1,010,000
W 42 <sup>nd</sup> St	A	Install Lights, Gates, and CWT Improve sidewalks, signage, and markings	\$1,010,000
Brookside Ave	A	Improve crossing surface, signage, and markings	\$10,000
Yosemite Ave S	A	Improve sidewalks, signage, and markings	\$10,000
Private Crossing	A	None	\$0
Brookside Terr	A	Install Lights, Gates, and CWT Improve signage and markings	\$1,010,000
W 49 <sup>th</sup> St	A	Install Lights, Gates, and CWT. Improve sidewalks, signage, and markings	\$1,010,000

Crossing Location	Subzone	Improvement	Estimated Cost
Public Works Access	A	None	\$0

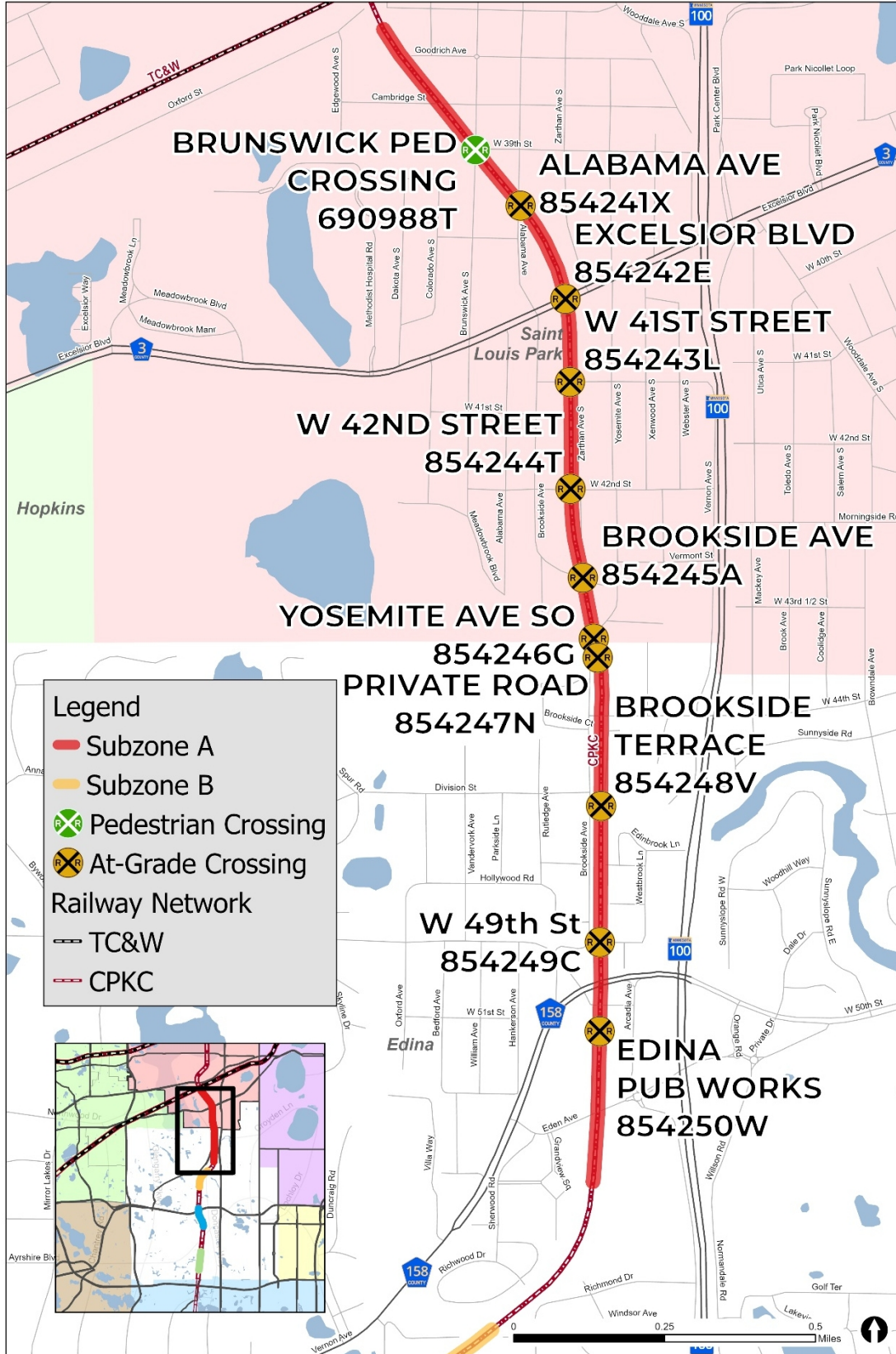
## Implementation with ASM Improvements

Some ASM treatments were discussed in the diagnostic meeting. **Error! Reference source not found.** shows the improvements needed to be made for the crossings in Subzones A along with ASM treatments that slightly reduce the risk level. In this scenario, the QZRI would be 3,186 which is below the NSRT (15,488), but still above the RIWH (2,401). The City could also construct the ASMs that were identified in the diagnostic meeting but not take the risk reduction credit for them. Doing so would not extend the implementation timeline of the quiet zone while still actualizing the safety improvement. This can be done for any of the following subzone implementation plan with ASM improvements as the risk is low throughout the corridor.

Table 4: Subzone A with ASMs

Crossing Location	Subzone	Improvement	Estimated Cost
Brunswick South Ped Crossing	A	Improve crossing surface, signage, and markings	\$15,000
Alabama Ave	A	Improve sidewalks, signage, and markings	\$10,000
Excelsior Blvd	A	Install CWT	\$1,005,000
		Take credit from existing medians Improve sidewalks, signage, and markings	
W 41 <sup>st</sup> St	A	Install Lights, Gates, and CWT Improve sidewalks, signage, and markings	\$1,010,000
W 42 <sup>nd</sup> St	A	Install Lights, Gates, and CWT Improve sidewalks, signage, and markings	\$1,010,000
Brookside Ave	A	Improve crossing surface, signage, and markings	\$10,000
Yosemite Ave S	A	Improve sidewalks, signage, and markings Install 97-foot median on south side of crossing	\$58,500.00
Private Crossing	A	None	\$0
Brookside Terr	A	Install Lights, Gates, and CWT Improve signage and markings	\$1,010,000
W 49 <sup>th</sup> St	A	Install Lights, Gates, and CWT. Install 50-foot median on west side of crossing and a 60-foot median on the east side	\$1,065,000
		Improve sidewalks, signage, and markings	
Public Works Access	A	None	\$0

Figure 2: Subzone A



## Subzone B

Subzone B is a potential future quiet zone that includes a single crossing at Hansen Road shown in **Figure 3**. If only this subzone was established, trains would not routinely use their horn for only this crossing. This crossing is more complex than many of the other crossings in the City of Edina because of how W 56th Street intersects with Hansen Road at the crossing. Additional modifications to the intersection are necessary beyond implementing SSMs or ASMs to make the crossings safe without the routine use of a train horn. These improvements were discussed previously on Page 10. No ASM treatments were discussed at this crossing.

The City has budgeted \$1,792,634 in the 2029 Capital Improvement Plan to make the necessary improvements at the Hansen Road crossing. The budgeted amount is larger than the estimated cost to account for year-over-year inflation until the year of construction, administrative costs, and contingency.

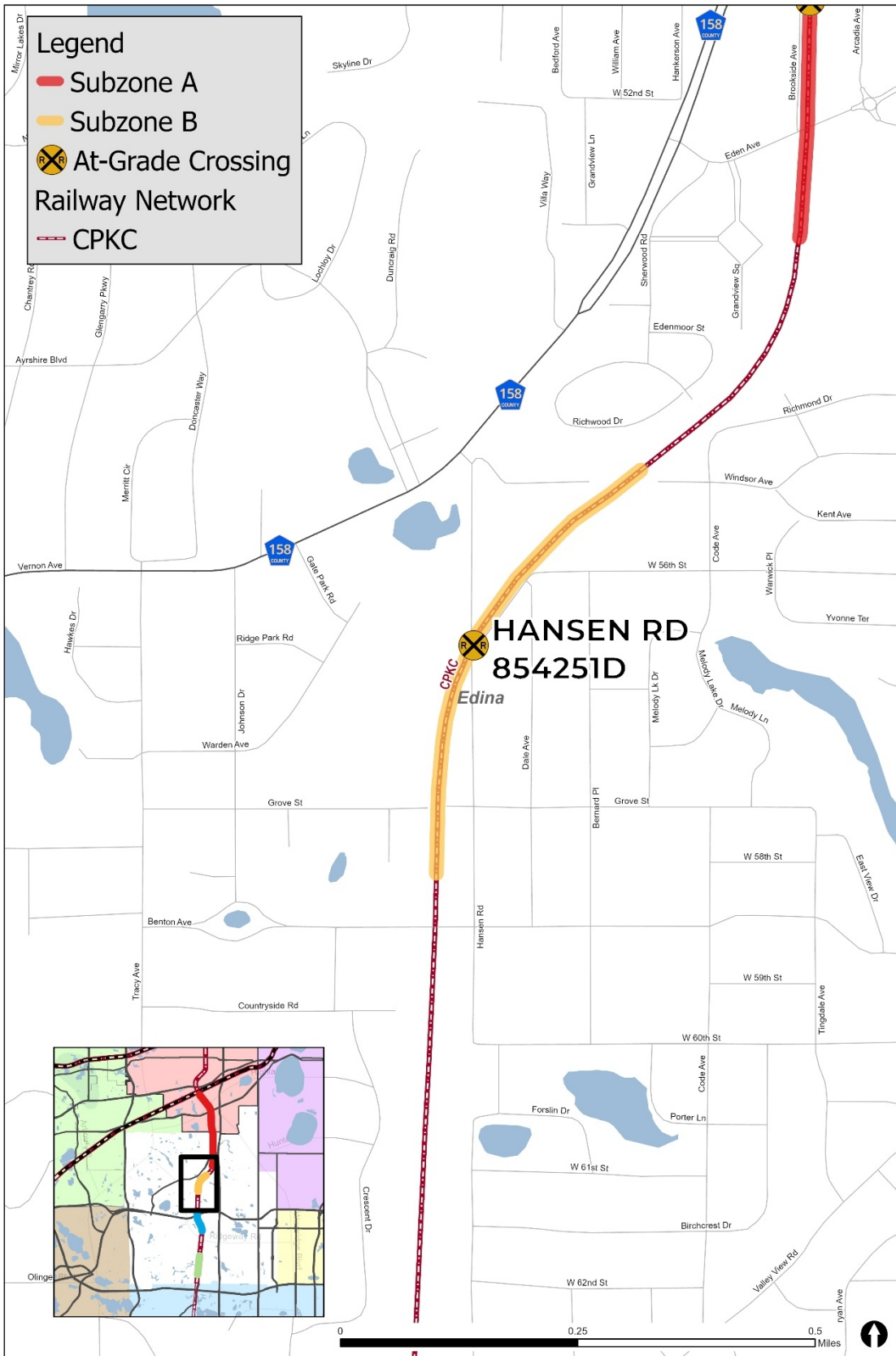
## Implementation

**Error! Reference source not found.** below depicts the improvements needed to be made for the crossings in Subzone B to be part of a quiet zone. In this scenario, the QZRI would be 4,151 which is below the NSRT, but above the RIWH (2,489).

Table 5: Subzone B Improvements

Crossing Location	Subzone	Improvement	Estimated Cost
Hansen Road	B	Install Lights, Gates, and CWT Improve signage and markings Realign 56th Street	\$1,110,000

Figure 3: Subzone B



## Subzone C

Subzone C is a potential future quiet zone that includes a single crossing in the section of the city south of Highway 62 at Valley Lane shown in **Figure 4**. If only this subzone was established, trains would not routinely use their horn for only at this crossing. This crossing has lights and gates but does not have Constant Warning Time detection. Often times when the railroad installs CWT, they also upgrade the lights and gates at the same time. No ASM treatments were discussed at this crossing.

The City has budgeted \$1,411,475 in the 2027 Capital Improvement Plan to make the necessary improvements at the Valley Lane crossing. The budgeted amount is larger than the estimated cost to account for year-over-year inflation until the year of construction, administrative costs, and contingency.

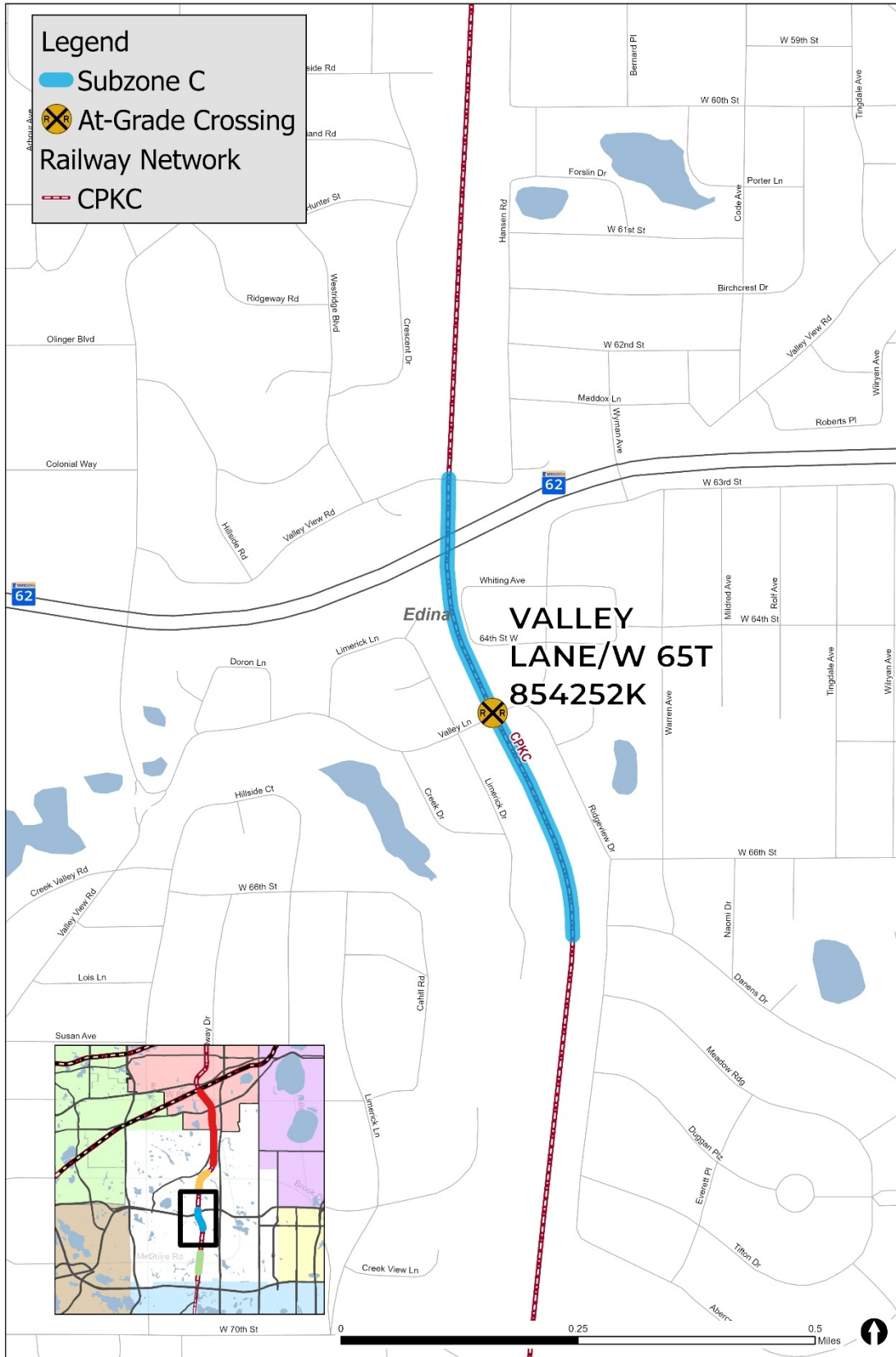
## Implementation

**Error! Reference source not found.** below depicts the improvements needed to be made for the crossings in Subzone C to be part of a quiet zone. In this scenario, the QZRI would be 6,223 which is below the NSRT, but above the RIWH (3,731).

Table 6: Subzone C Improvements

Crossing Location	Subzone	Improvement	Estimated Cost
Valley Lane	C	Install Lights, Gates, and CWT Improve signage and markings	\$1,010,000

Figure 4: Subzone C



## Subzone D

Subzone D is a potential future quiet zone that includes a single crossing at Dewey Hill Road in the industrial part of the city north of Interstate 494 and west of Highway 100 shown in **Figure 5**. If only this subzone was established, trains would not routinely use their horn for only at this crossing. Reduced length non-traversable medians were discussed as an optional ASM treatment at the crossing but are not required to establish the zone.

The City has budgeted \$1,517,336 in the 2028 Capital Improvement Plan to make the necessary improvements at the Dewey Hill Road crossing. The budgeted amount is larger than the estimated cost to account for year-over-year inflation until the year of construction, administrative costs, and contingency.

### Implementation without ASM Improvements

**Error! Reference source not found.** below depicts the improvements needed to be made for the crossings in Subzone D to be part of a quiet zone. In this scenario, the QZRI would be 4,919 which is below the NSRT, but above the RIWH (2,949).

Table 7: Subzone D without ASMs

Crossing Location	Subzone	Improvement	Estimated Cost
Dewey Hill Road	D	Install Lights, Gates, and CWT Improve signage, and markings	\$1,010,000

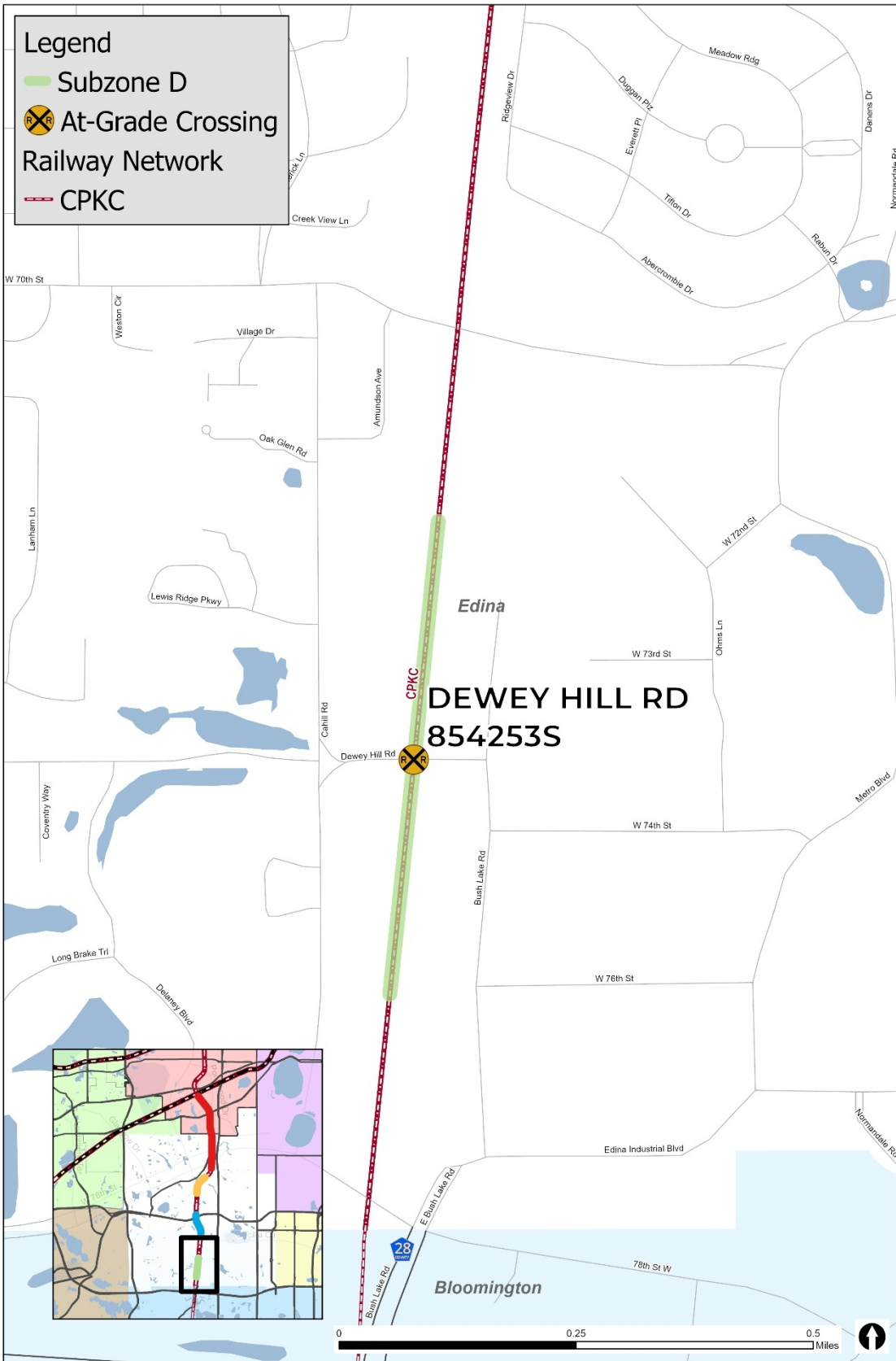
### Implementation with ASM Improvements

Some ASM treatments were discussed in the diagnostic meeting. **Error! Reference source not found.** shows the improvements needed to be made for the crossings in Subzone D along with ASM treatments that lower the risk level. In this scenario, the QZRI would be 2,689 which is below the NSRT and the RIWH (2,949) making the crossing safer than it is today.

Table 8: Subzones D with ASMs

Crossing Location	Subzone	Improvement	Estimated Cost
Dewey Hill Road	D	Install Lights, Gates, and CWT Install 40-foot median on west side of crossing and a 28-foot median on the east side Improve signage, and markings	\$1,044,000

Figure 5: Subzone D



## All Subzones

All Subzones is a potential future quiet zone that includes 14 crossings, with seven crossings in the City of Edina and seven in the City of St. Louis Park, shown in **Figure 6**. If this subzone were established, trains would not routinely use their horn from the southern Brunswick Avenue pedestrian crossing in St. Louis Park through the entire the City of Edina. To create this quiet zone, both cities would need to make the necessary improvements before the zone could be established or all subzones could be established and then the subzones could be grouped together later to create the entire zone distributing risk across many crossings. Potential ASM treatments were indentifeid at some crossings during the diagnostic meeting so both cities can weigh the importance of additional risk reduction credit when determining how to move forward with implementation.

### Implementation without ASM Improvements

**Error! Reference source not found.** below depicts the improvements needed to be made to all the crossings to be part of a quiet zone. In this scenario, the QZRI would be 4,303 which is below the NSRT, but above the RIWH (2,579).

Table 9: All Subzones without ASMs

Crossing Location	Subzone	Improvement	Estimated Cost
Brunswick South Ped Crossing	A	Improve crossing surface, signage, and markings	\$15,000
Alabama Ave	A	Improve sidewalks, signage, and markings	\$10,000
Excelsior Blvd	A	Install CWT Improve sidewalks, signage, and markings	\$1,005,000
W 41 <sup>st</sup> St	A	Install Lights, Gates, and CWT Improve sidewalks, signage, and markings	\$1,010,000
W 42 <sup>nd</sup> St	A	Install Lights, Gates, and CWT Improve sidewalks, signage, and markings	\$1,010,000
Brookside Ave	A	Improve crossing surface, signage, and markings	\$10,000
Yosemite Ave S	A	Improve sidewalks, signage, and markings	\$10,000
Private Crossing	A	None	\$0
Brookside Terr	A	Install Lights, Gates, and CWT Improve signage and markings	\$1,010,000
W 49 <sup>th</sup> St	A	Install Lights, Gates, and CWT. Improve sidewalks, signage, and markings	\$1,010,000
Public Works Access	A	None	\$0
Hansen Road	B	Install Lights, Gates, and CWT Improve signage and markings Realign 56 <sup>th</sup> Street	\$1,110,000

Crossing Location	Subzone	Improvement	Estimated Cost
Valley Lane	C	Install Lights, Gates, and CWT Improve signage and markings	\$1,010,000
Dewey Hill Road	D	Install Lights, Gates, and CWT Improve signage, and markings	\$1,010,000

## Implementation with ASM Improvements

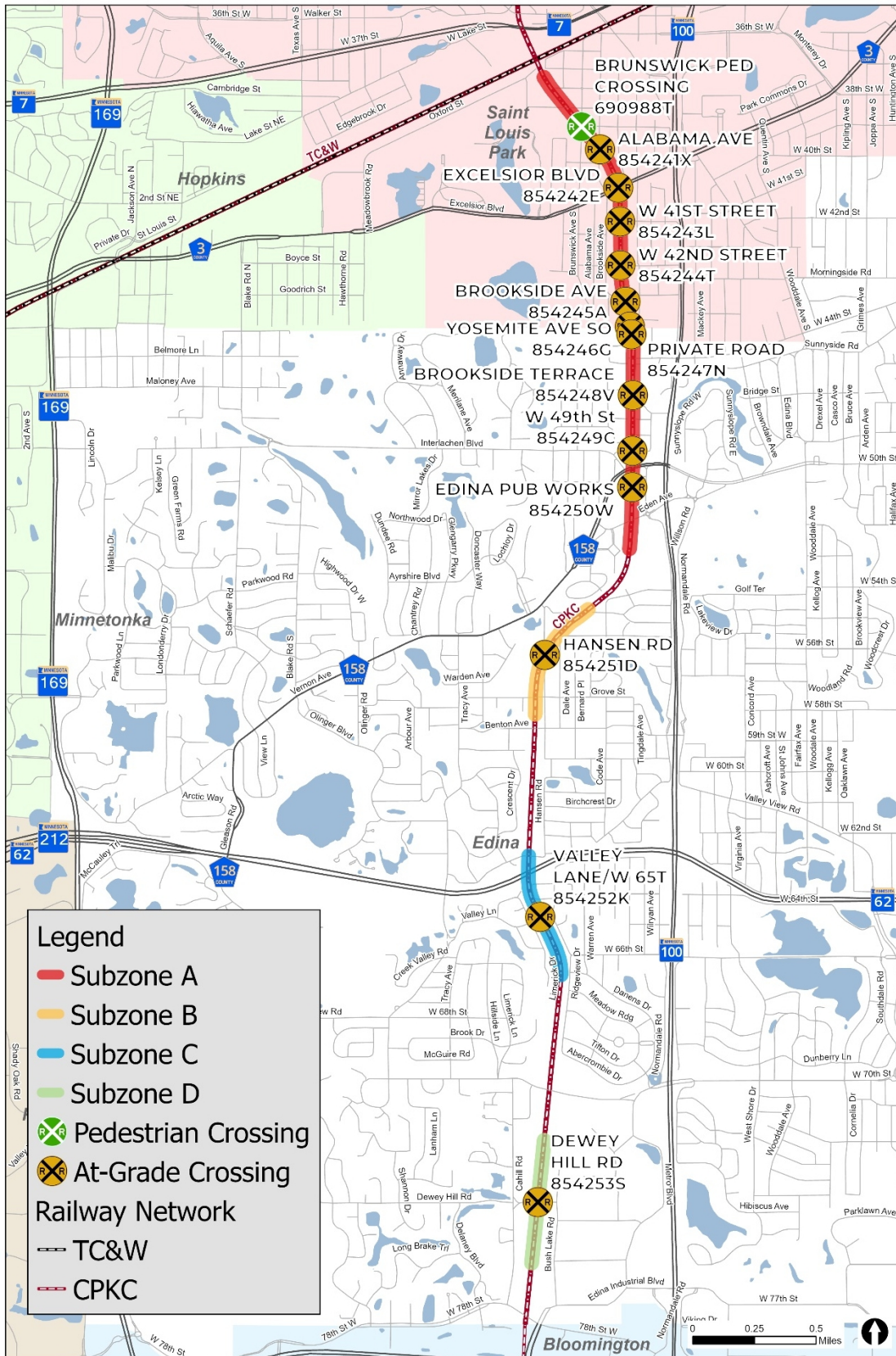
Some ASM treatments were discussed in the diagnostic meeting. **Error! Reference source not found.** shows the improvements needed to be made for all the crossings along with ASM treatments that lower the risk level. In this scenario, the QZRI would be 3,503 which is below the NSRT, but still above the RIWH (2,579).

Table 10: All Subzones with ASMs

Crossing Location	Subzone	Improvement	Estimated Cost
Brunswick South Ped Crossing	A	Improve crossing surface, signage, and markings	\$15,000
Alabama Ave	A	Improve sidewalks, signage, and markings	\$10,000
Excelsior Blvd	A	Install CWT Take credit from existing medians Improve sidewalks, signage, and markings	\$1,005,000
W 41 <sup>st</sup> St	A	Install Lights, Gates, and CWT Improve sidewalks, signage, and markings	\$1,010,000
W 42 <sup>nd</sup> St	A	Install Lights, Gates, and CWT Improve sidewalks, signage, and markings	\$1,010,000
Brookside Ave	A	Improve crossing surface, signage, and markings	\$10,000
Yosemite Ave S	A	Improve sidewalks, signage, and markings	\$10,000
Private Crossing	A	None	\$0
Brookside Terr	A	Install Lights, Gates, and CWT Improve signage and markings	\$1,010,000
W 49 <sup>th</sup> St	A	Install Lights, Gates, and CWT. Install 50-foot median on west side of crossing and a 60-foot median on the east side Improve sidewalks, signage, and markings	\$1,065,000
Public Works Access	A	None	\$0
Hansen Road	B	Install Lights, Gates, and CWT Improve signage and markings Realign 56 <sup>th</sup> Street	\$1,110,000

Crossing Location	Subzone	Improvement	Estimated Cost
Valley Lane	C	Install Lights, Gates, and CWT Improve signage and markings	\$1,010,000
Dewey Hill Road	D	Install Lights, Gates, and CWT Install 40-foot median on west side of crossing and a 28-foot median on the east side Improve signage, and markings	\$1,044,000

Figure 6: All Subzones



## Subzone BCD

Subzone BCD is a potential future quiet zone that includes the three subzones that are exclusive to the City of Edina. If this subzone were established, trains would not routinely use their horn from Hansen Road to Dewey Hill Road shown in **Figure 7**. To create this quiet zone, the city would need to make the necessary improvements at each of the crossings before the zone could be established or all subzones could be established and then the subzones could be grouped together later to create the entire zone distributing risk across many crossings like described for the "All Subzones" quiet zone. Potential ASM treatments were identified at some crossings during the diagnostic meeting so the city can weigh the importance of additional risk reduction credit when determining how to move forward with implementation.

### Implementation without ASM Improvements

The city may want to pursue establishing a quiet zone for the crossing that it has full control over. **Table 11** shows the improvements needed to do so. This zone would include three crossings with the QZRI being 5,098. This risk index is below the NSRT, but still above the RIWH (3,098).

Table 11: Subzone BCD without ASMs

Crossing Location	Subzone	Improvement	Cost
Hansen Road	B	Install Lights, Gates, and CWT Improve signage and markings Realign 56 <sup>th</sup> Street	\$1,110,000
Valley Lane	C	Install Lights, Gates, and CWT Improve signage and markings	\$1,010,000
Dewey Hill Road	D	Install Lights, Gates, and CWT Improve signage, and markings	\$1,010,000

### Implementation with ASM Improvements

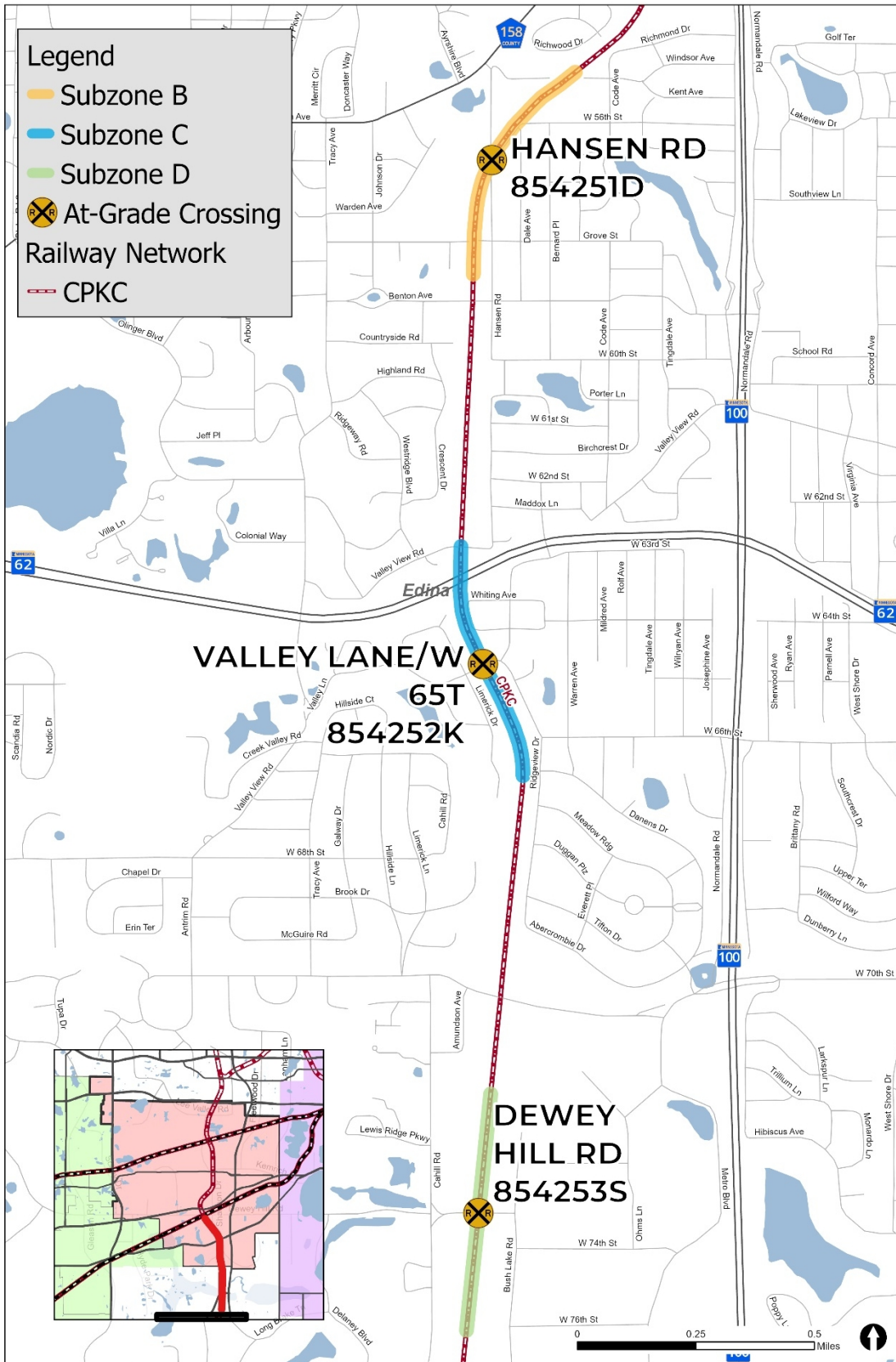
**Table 12** below depicts the improvements needed to be made for the crossings in Subzone B along with ASM treatments that lower the risk level be part of a quiet zone along with ASM treatments that lower the risk level. In this scenario, the QZRI would be 4,354 which is below the NSRT, but still above the RIWH (3,098).

Table 12: Subzone BCD with ASMs

Crossing Location	Subzone	Improvement	Cost
Hansen Road	B	Install Lights, Gates, and CWT Improve signage and markings Realign 56 <sup>th</sup> Street	\$1,110,000
Valley Lane	C	Install Lights, Gates, and CWT Improve signage and markings	\$1,010,000

Crossing Location	Subzone	Improvement	Cost
Dewey Hill Road	D	Install Lights, Gates, and CWT Install 40-foot median on west side of crossing and a 28-foot median on the east side Improve signage, and markings	\$1,044,000

Figure 7: Subzone BCD



## NEXT STEPS

The next steps the City should take is to decide on whether to pursue quiet zone. If the city were to decide to pursue implementation, the quickest way for the City benefit from quieter crossings would be to first establish a quiet zone at the Hansen Road, Valley Lane, and Dewey Hill Road crossings.

The QZRI of this quiet zone would be 5,098 which is above the RIWH, but well below the NSRT. While the diagnostic team identified some recommendations that could slightly improve the safety of crossing by constructing reduced length non-traversable medians the risk reduction credit from the medians would be negligible, would not reduce the risk below the RIWH, and would extend the timeline of quiet zone implementation. The City could construct the medians and not take credit for their risk reduction but know that they do have some safety benefit outside of FRA risk calculation.

The City is aware of the necessary improvements and has budgeted funds to make the improvements in their Capital Improvement Plan beginning in 2027.

The City should also coordinate with the City of St. Louis Park to understand their timeline for making improvements at the crossings in Subzone A. Once both cities make the improvements for that subzone, they can move forward with quiet zone establishment for the joint zone.

## Submit a Notice of Intent or Public Authority Application

Once the city decides to move forward with pursuing a quiet zone, the next step of implementing a quiet zone is to submit a Notice of Intent (NOI) or Public Authority Application (PAA). In the process of creating a quiet zone, these documents serve as the formal way a city declares to the FRA, state, and railroad the city's intent to establish a quiet zone. It is a legally required document under 49 CFR Part 222 that transitions a project from a local idea into a formal federal regulatory process.

A NOI is used for proposed quiet zones that use SSMs or no treatments. PAAs are used for proposed quiet zones that use ASMs. PAA review process is much longer than the review process for NOI and can take up to a year and a half to be approved.

The NOI essentially starts the 60-day clock. A city cannot establish a quiet zone until at least 60 days have passed since sending the NOI. This ensures that railroads and state agencies have sufficient time to review the safety plans and provide feedback. The NOI or PAA must send to a specific set of stakeholders including:

- All railroads operating over the crossings in the proposed zone
- The State agency responsible for highway and road safety
- FRA

The NOI or PAA provides the technical "blueprint" for the proposed zone. It must include: A list of all DOT Crossing Inventory numbers and street names involved. The time period of the restriction. A brief explanation of the proposed safety improvements the City intends to install. Contact information for the City's designated Point of Contact.

Filing a Notice of Intent or Public Authority Application is required before the City can file a Notice of Establishment (NOE). The NOE is the final document that actually stops the horns. The NOE must explicitly affirm that the NOI was sent and that all comments received during the 60-day period were addressed.

## Conclusion

The Quiet Zone Assessment for the City of Edina reviewed specific crossing characteristics to create a plan to implement a quiet zone along the CPKC railroad. The analysis indicates that many of the crossings require upgrades to meet the minimum requirements of the FRA, but the corridor is relatively safe requiring no risk reduction treatments beyond having lights, gates, CWT, and power out indicators at every crossing. The City is in good position to establish a quiet zone for the southern three crossings but will need to coordinate with the City of St. Louis Park to implement a quiet zone throughout the entire city.

Ultimately, the decision on when to pursue will depend on the City's priorities, balancing the desire to minimize train horn noise with budget constraints and community impacts. Further discussions with stakeholders, including the FRA and CPKC, are recommended to finalize the quiet zone design and implementation plan.



# Railroad Crossing Safety and Quiet Zone Study

June 16, 2026



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# Agenda

Quiet Zone Overview

Crossings

Diagnostic Meeting

Subzones

Implementation Options

Next Steps

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# Quiet Zone Overview

## What is a Quiet Zone?

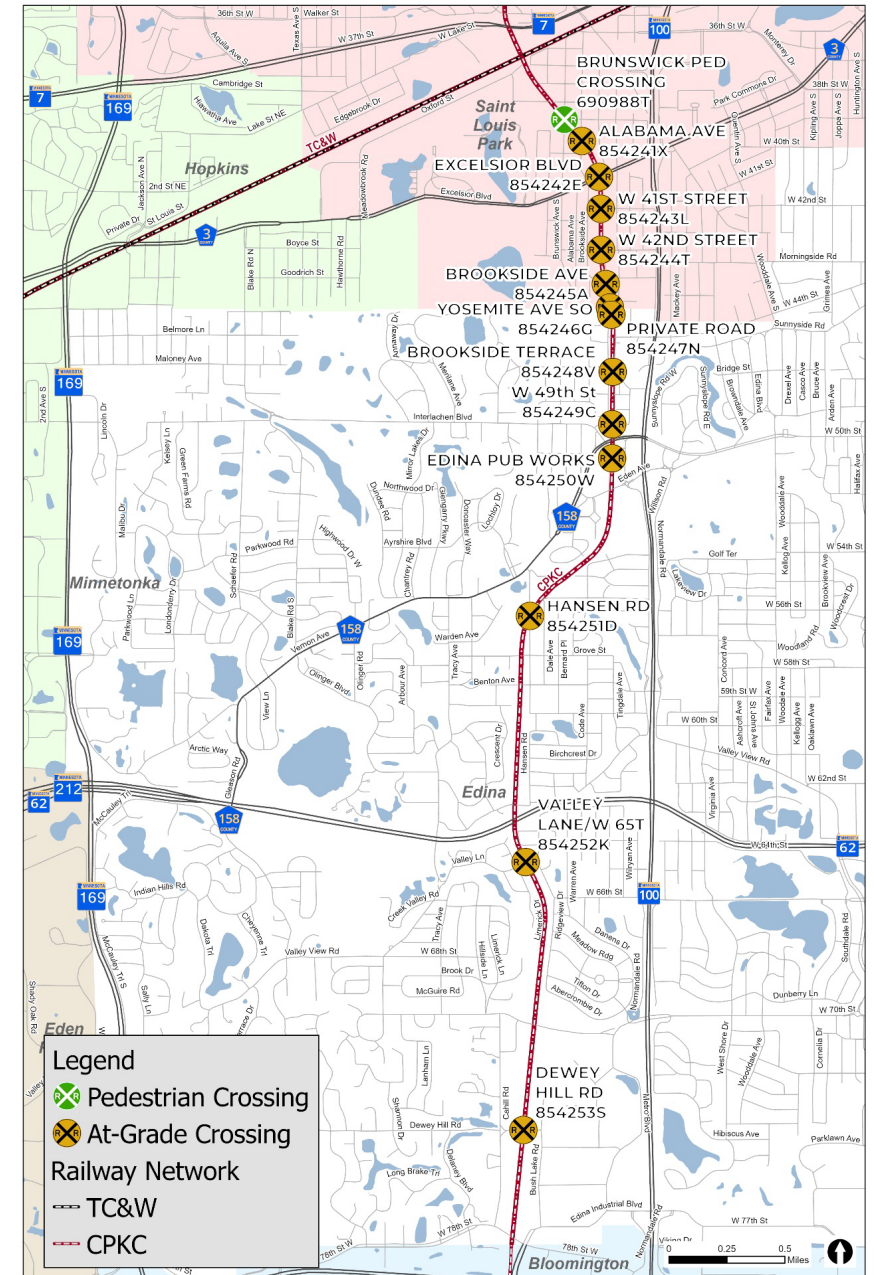
- A designated section of railroad track where trains are not required to routinely sound their horn at public highway-rail grade crossings

## What is required for a Quiet Zone?

- Zone needs to meet minimum safety thresholds
- Every crossing needs:
  - flashing lights
  - gates
  - Constant Warning Time
  - power out indicators

# Crossings

- Five public highway at-grade crossings and two private at-grade crossings on CPKC railway in Edina
- Seven crossings in St. Louis Park would need to be included in a quiet zone for all crossings in Edina to be part of a quiet zone.
- Few trains use railroad each day
- Trains are traveling very slowly
- Most crossings are very low risk for crashes



# Diagnostic Meeting

- In October and in December, representatives from CPKC, FRA, MnDOT, the City of Edina, the City of St. Louis Park, and SRF went to each crossings.
- The group determined what needed to be done at each crossing to qualify to be part of a quiet zone
- Determined other safety improvements that could be made to each crossing that were not required

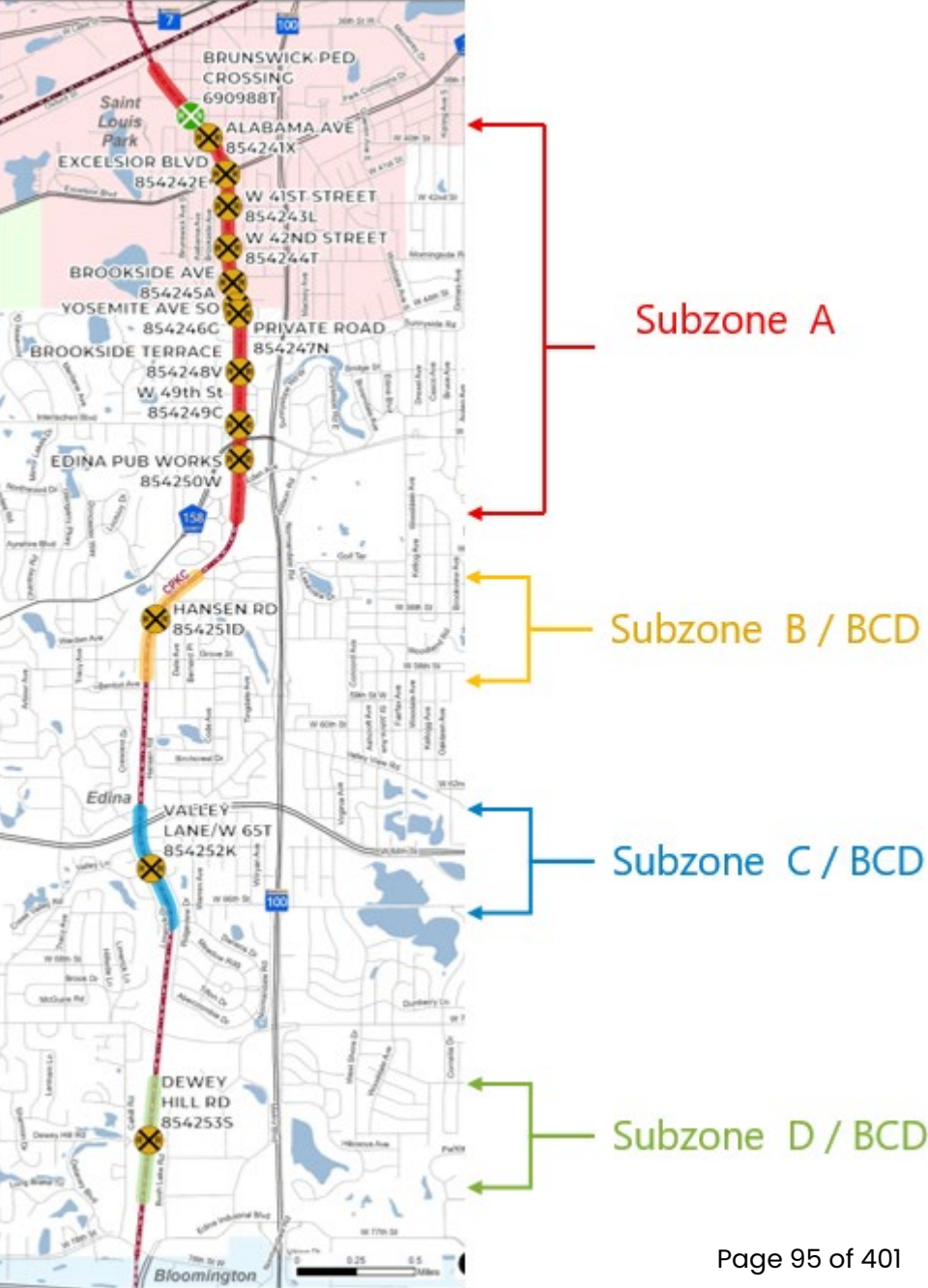


# Diagnostic Meeting Continued

- None of the public crossings in Edina meet the minimum requirement of having flashing lights, gates, and CWT.
- Some crossings are spaced in a way that allow for the establishment of separate QZs within the city.



# Crossing Zone Graphic



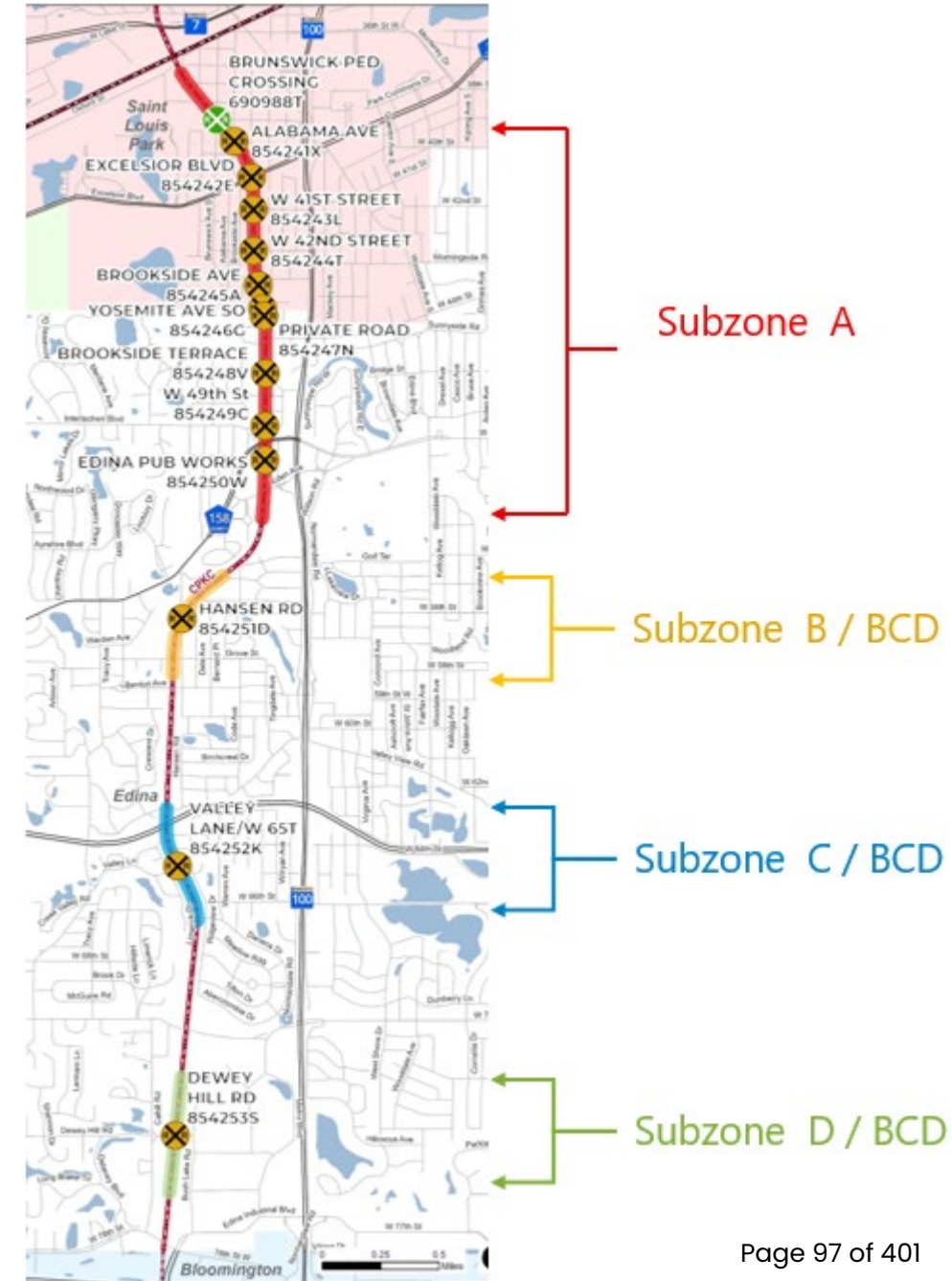
# Construction Cost Estimates for Crossings

- Projects included in capital improvement plan but unfunded.
- Table with estimated costs to meet minimum safety crossing requirements.

City	Subzone	Street	Meets Minimum Requirements	Estimated Cost	Edina Capital Improvement Plan Year Unfunded
St Louis Park	A	Multiple	Some	\$3,118,500	N/A
Edina	A	Multiple	Some	\$3,507,000	2030
Edina	B	Hansen Rd	No	\$1,792,600	2029
Edina	C	Valley Lane	No	\$1,411,500	2027
Edina	D	Dewey Hill	No	\$1,517,300	2028

# Crossing Zone Details

- Establishing a quiet zone for **Subzone B, C, and D** can be done without coordination with other cities. These crossings could be implemented individually, or as a group.
- Coordinate improvements with St. Louis Park to establish a quiet zone in **Subzone A**.



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# Questions



**Item Number:** 7.2

**Department:** Public Works

**Item Activity:** Information

**Prepared By:** Nick Bauler, Traffic Safety Coordinator

**Item Title:** 2025 Traffic Safety Summary Report

**Action Requested:**

None.

**Information/Background:**

The Engineering Department received 208 traffic safety requests in 2025. 238 requests were reviewed by the Traffic Safety Committee and completed in 2025, an increase of 91 from the previous year. See attached report.

**Resources/Financial Impacts:**

Traffic control signage and pavement markings within the public right-of-way are owned and maintained by the Public Works Department. Changes or additions to signage or markings will be funded through the Streets Division operating budget or the Pedestrian and Cyclist Safety (PACS) Fund.

**Relationship to City Policies/Plans/Budget Pillars:**

The recommendations of the Traffic Safety Committee support the goal in the Transportation Chapter of the Comprehensive Plan to "manage, maintain and operate roadways to maximize wherever possible the safety and mobility of all users and all modes." Their recommendations are also guided by the Minnesota Manual on Uniform Traffic Control Devices and the City's local traffic policies.



Reliable Service



Livable City

**Values Impact:**



Engagement

Members of the public are given opportunities to provide additional information to the Transportation Commission and City Council.



Equity

The Traffic Safety Committee's recommendations are guided by the Minnesota Manual on Uniform Traffic Control Devices (MnMUTCD) and the City's local traffic policies. Staff strives to apply this guidance equitably to all areas of the City.



Health

The Traffic Safety Committee recommendations promote the physical wellbeing of all people who live, work or visit Edina.

**Supporting Documentation:**

Documents marked with "Board Portal" do not meet [ADA Web Content Accessibility Guidelines \(URL\)](#) and are not included in the public packet. To request a board portal document, please [submit a data request \(URL\)](#).

1. 2025 Annual Traffic Safety Summary Report
2. Staff Presentation



**Date:** June 16, 2026

**To:** Mayor and City Council

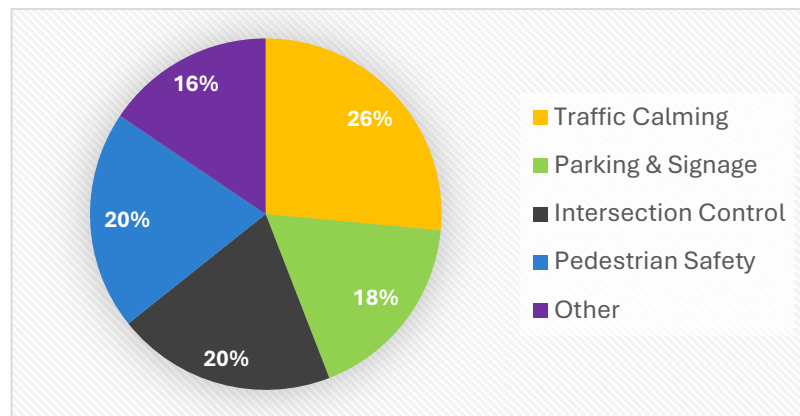
**From:** Nick Bauler, Traffic Safety Coordinator

**Subject:** 2025 Traffic Safety Summary Report

### Information / Background:

The Engineering Department received 208 traffic safety requests in 2025. Requests are received by phone, mail, email and through the City’s website. 238 requests were reviewed and completed in 2025, an increase of 91 requests from 2024; this includes 94 requests received before 2025. Each request may require data collection and analysis by the Traffic Safety Coordinator prior to review by the Traffic Safety Committee. Requests are assigned to one of five categories; Traffic Calming, Parking and Signage, Intersection Control, Pedestrian Safety or Other (see Figure 1).

**Figure 1. Traffic Safety Requests Reviewed in 2025**



After requests are reviewed by the Committee, they are categorized as A (recommended action), B (recommended denial/no change) or C (recommend further study) items in traffic safety reports. Many requests are handled solely by the Traffic Safety Coordinator; these are generally requests for increased police enforcement or for matters governed by existing City policies (crosswalks, signage, traffic signals, etc.). These are categorized as D items. Table I shows the full breakdown of requests reviewed in 2025.



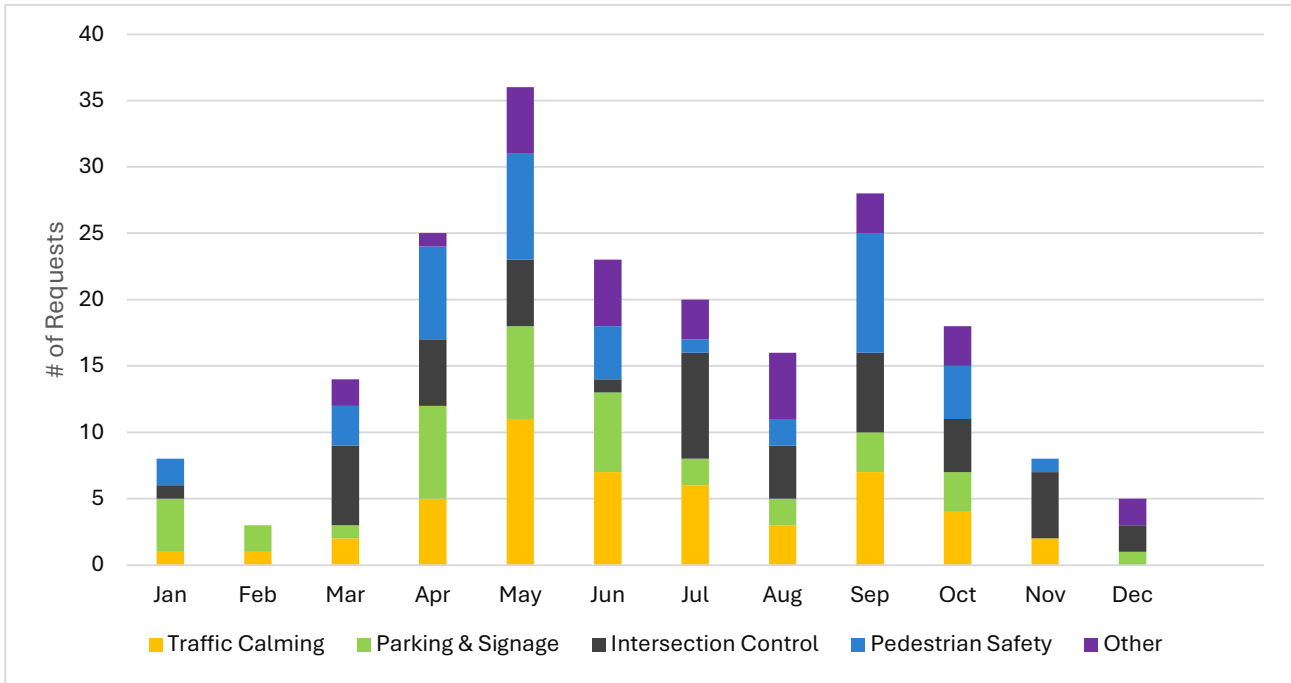
**Table I. 2025 Traffic Safety Requests by Type**

Request Type	Traffic Calming			Parking & Signage			Intersection Control			Pedestrian Safety			Other		
Items Reviewed	63 (26%)			42 (18%)			48 (20%)			48 (20%)			37 (16%)		
Recommendation	A	B	D	A	B	D	A	B	D	A	B	D	A	B	D
	4	6	18	11	4	13	0	4	29	6	5	24	5	4	24
%	14%	21%	64%	39%	14%	46%	0%	12%	88%	17%	14%	69%	15%	12%	73%

In total, the Committee recommended action of 26 requests (A items) and denial of 23 (B items). 108 requests were handled by the Traffic Safety Coordinator (D items). Parking and Signage received the highest number of approvals (11), followed by Pedestrian Safety (6), Other (5) and Traffic Calming (4).

Figure 2 shows the 2025 traffic safety requests by month received. Requests were highest in June and September, due to shifting traffic patterns at the end and beginning of school year and detouring concerns with France Avenue closures from Metro Transit E Line construction.

**Figure 2. 2025 Traffic Safety Requests by Month Received**





Figures 3 and 4 demonstrate trends from 2021 to 2025. Figure 3 shows the number of requests received by month, which illustrates most requests are received in the spring and summer months and taper off as winter approaches.

**Figure 3. Traffic Safety Requests Received by Month (2021 – 2025)**

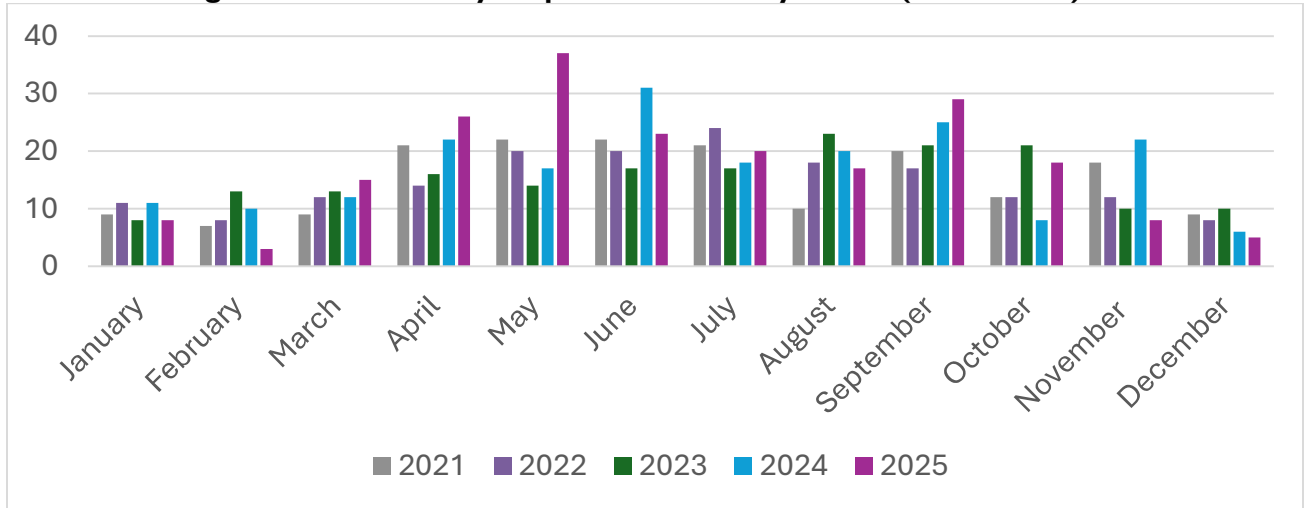
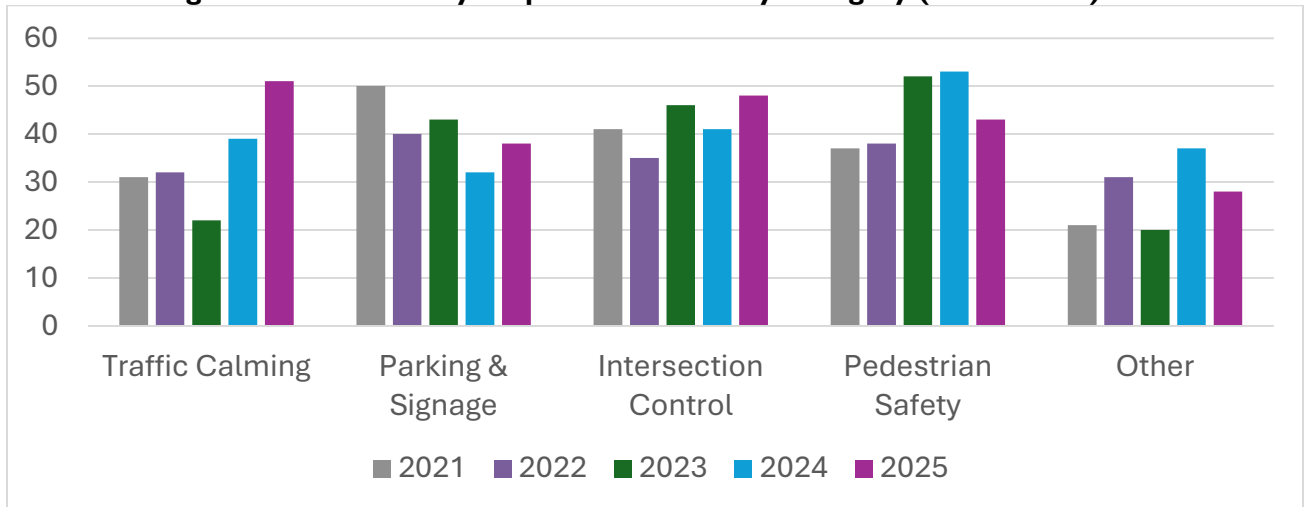


Figure 4 shows requests submitted by category. All categories continue their five-year trend with only Parking & Signage decreasing.

**Figure 4. Traffic Safety Requests Received by Category (2021 – 2025)**



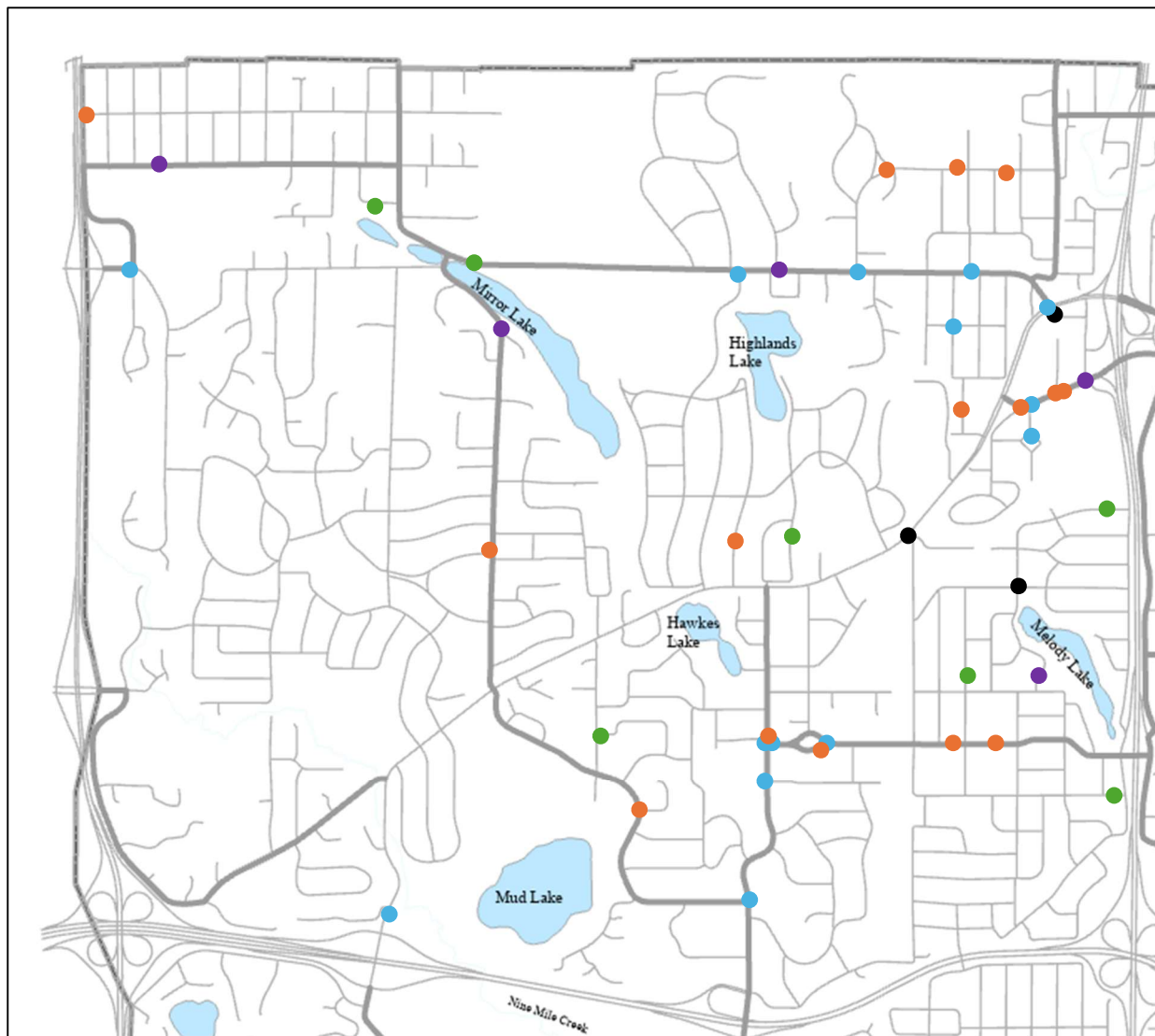
Each request is geolocated so staff can monitor trends and track multiple requests made at the same locations. Table 2 shows the number of requests received from each quadrant of the City and the most requested category. Figures 5 – 8 show the locations of each traffic safety request by quadrant.



Table 2. 2025 Traffic Safety Requests by Quadrant

Quadrant	Requests Received	% of Total Requests Received	Most Requested Category
Northwest	58	28%	Traffic Calming (17) (54 in 2024)
Southwest	35	17%	Parking & Signage (10) (33 in 2024)
Southeast	38	18%	Intersection Control (16) (40 in 2024)
Northeast	74	35%	Traffic Calming (20) (77 in 2024)

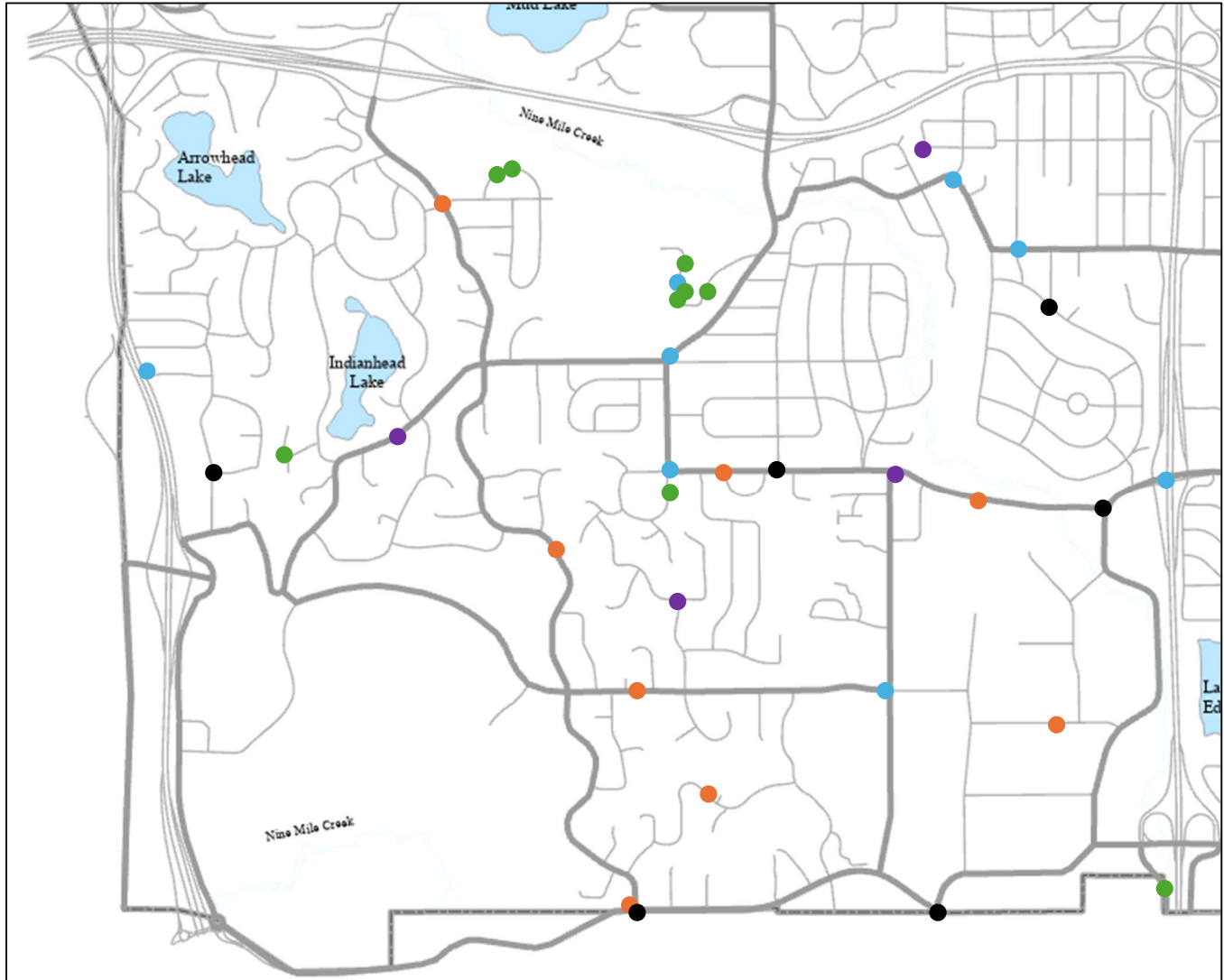
Figure 5. 2025 Traffic Safety Requests Received in Northwest Edina



■ Traffic Calming   
 ■ Parking & Signage   
 ■ Intersection Control   
 ■ Pedestrian Safety   
 ■ Other



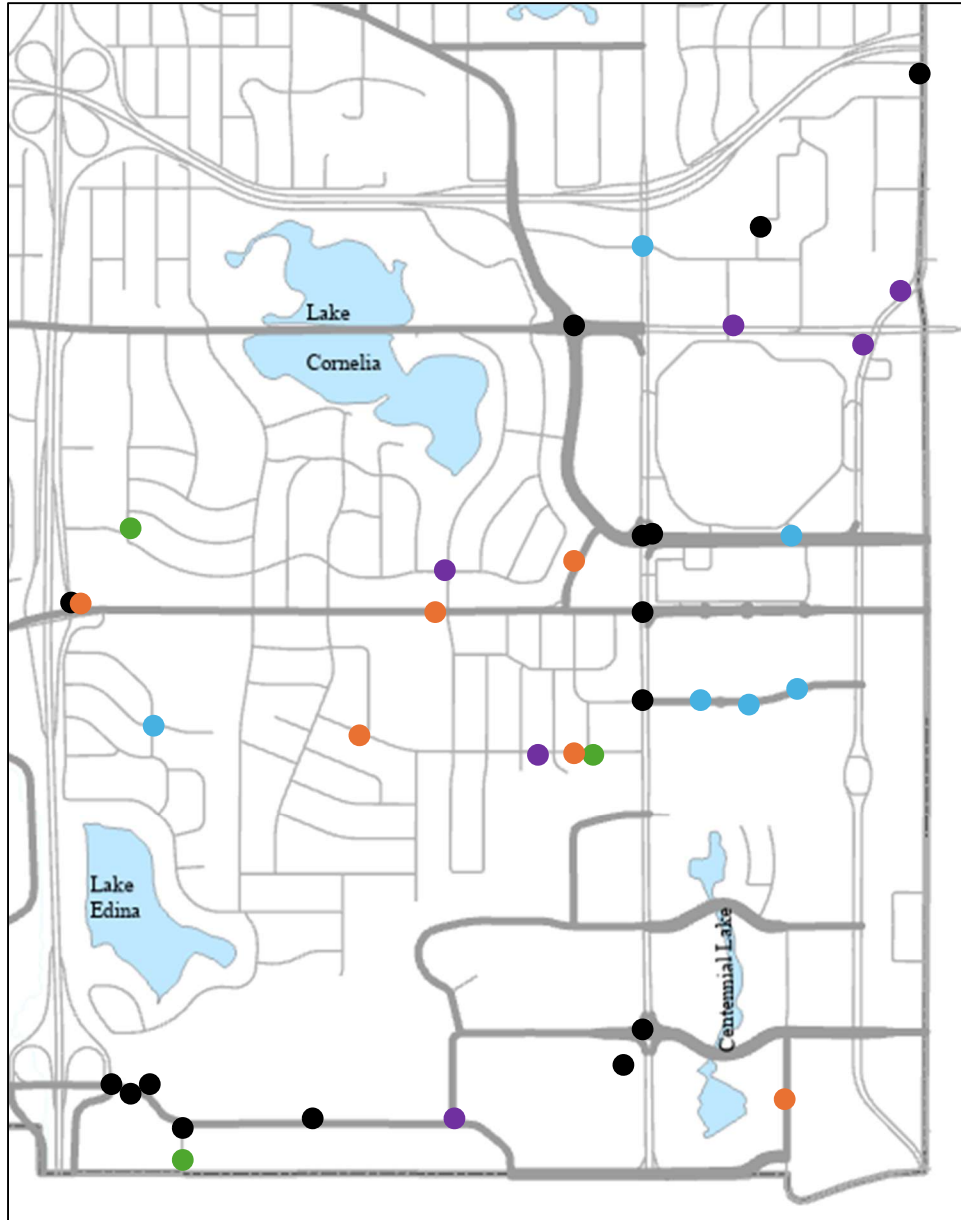
Figure 6. 2025 Traffic Safety Requests Received in Southwest Edina



- Traffic Calming
- Parking & Signage
- Intersection Control
- Pedestrian Safety
- Other



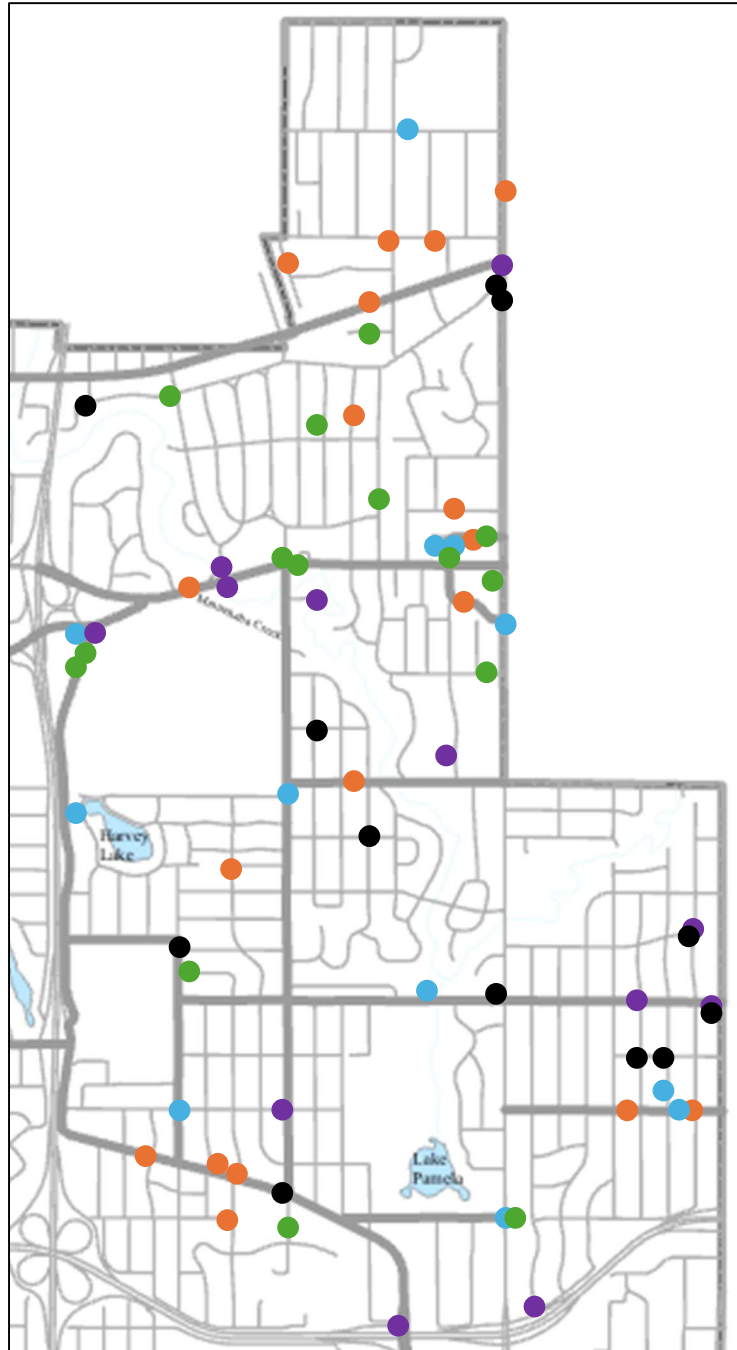
Figure 7. 2025 Traffic Safety Requests Received in Southeast Edina



- Traffic Calming
- Parking & Signage
- Intersection Control
- Pedestrian Safety
- Other



Figure 8. 2025 Traffic Safety Requests Received in Northeast Edina



■ Traffic Calming   
 ■ Parking & Signage   
 ■ Intersection Control   
 ■ Pedestrian Safety   
 ■ Other



The CITY of  
**EDINA**

# 2025 Traffic Safety Summary Report

June 16, 2026

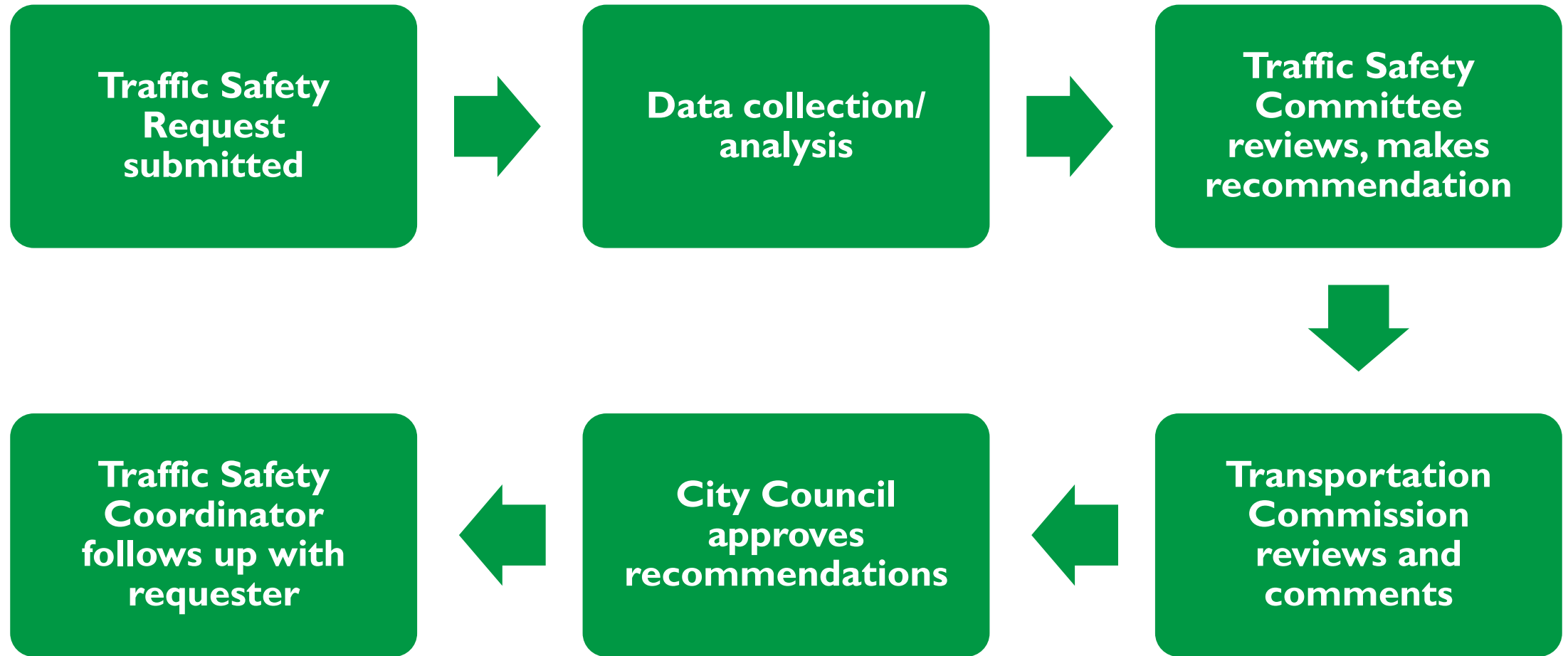
EdinaMN.gov

# Agenda

- Review 2025 Traffic Safety Requests
  - Statistics
  - Trends



# Traffic Safety Request Process



# Traffic Safety Request Categories

Requests are put into five categories:



Parking & Signage



Intersection Control



Traffic Calming



Pedestrian Safety



Other



# 2025 Traffic Safety Requests

208 requests submitted

- Phone, mail, email, City website, Edina 311 app

238\* Requests Reviewed:

Traffic Calming – 63 (26%)

Intersection Control – 48 (20%)

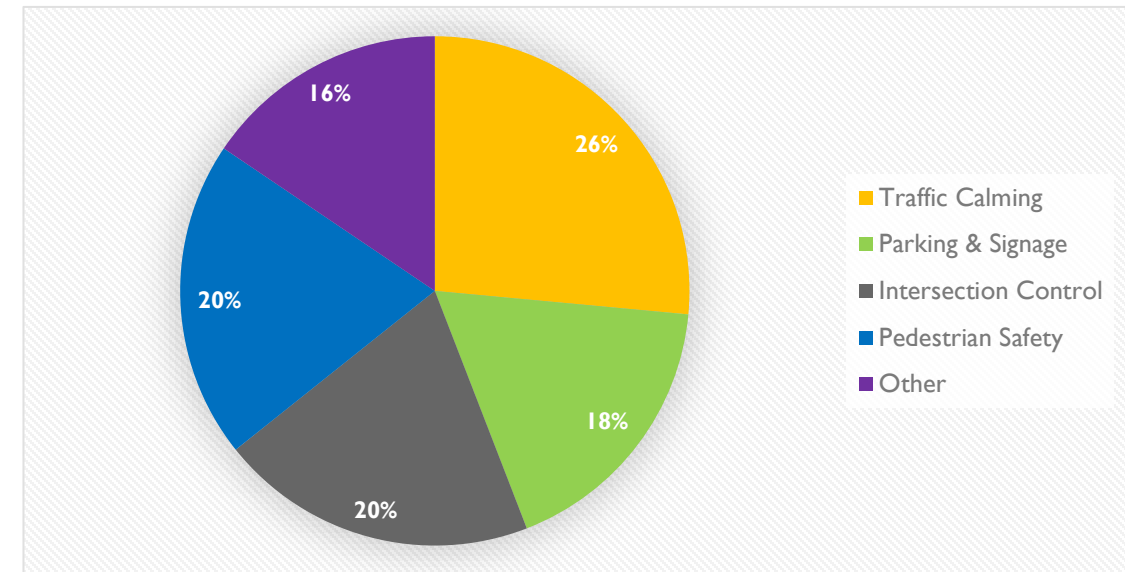
Pedestrian Safety – 48 (20%)

Parking & Signage – 42 (18%)

Other – 22 (16%)

\*94 requests submitted in prior years, reviewed in 2025

### Traffic Safety Requests Reviewed in 2025



# Actions Taken Place

- 26 A-items, Recommend Action
  - 11 Parking & Signage
  - 6 Pedestrian Safety
  - 5 Other
  - 4 Traffic Calming
  - 0 Intersection Control
- 24 B-items, Recommend No Action
- 110 D-items, Handled by Traffic Safety Coordinator
- 22 E-items, Recommended Police Enforcement



Parking near Edina High School



Hansen Rd at CP Rail Tracks

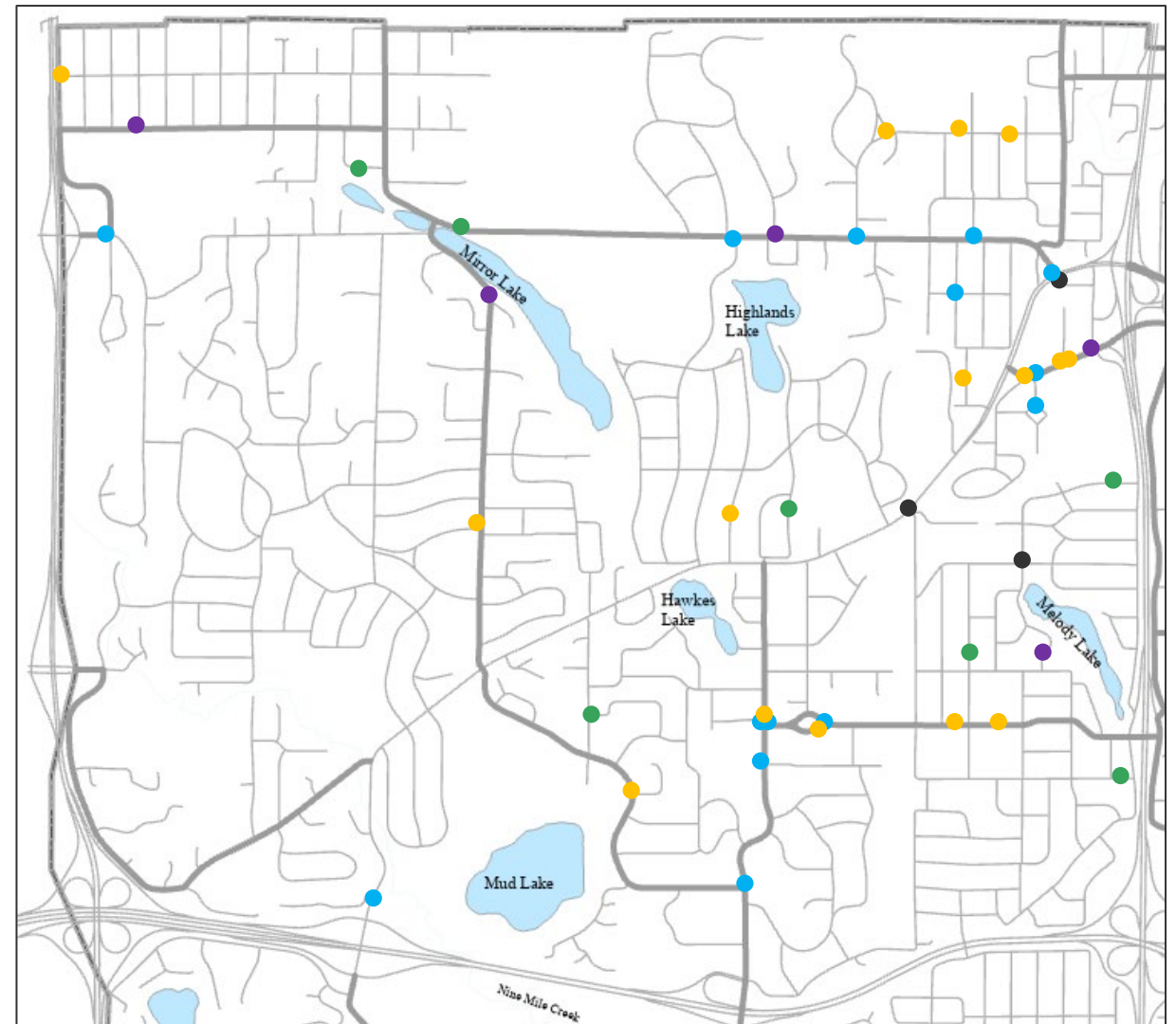


W 72<sup>nd</sup> St, west of France Ave



# TSR – Northwest Edina

- 58 submitted requests
- Two more than 2024
- Most requests: Traffic Calming (17 or 29%)

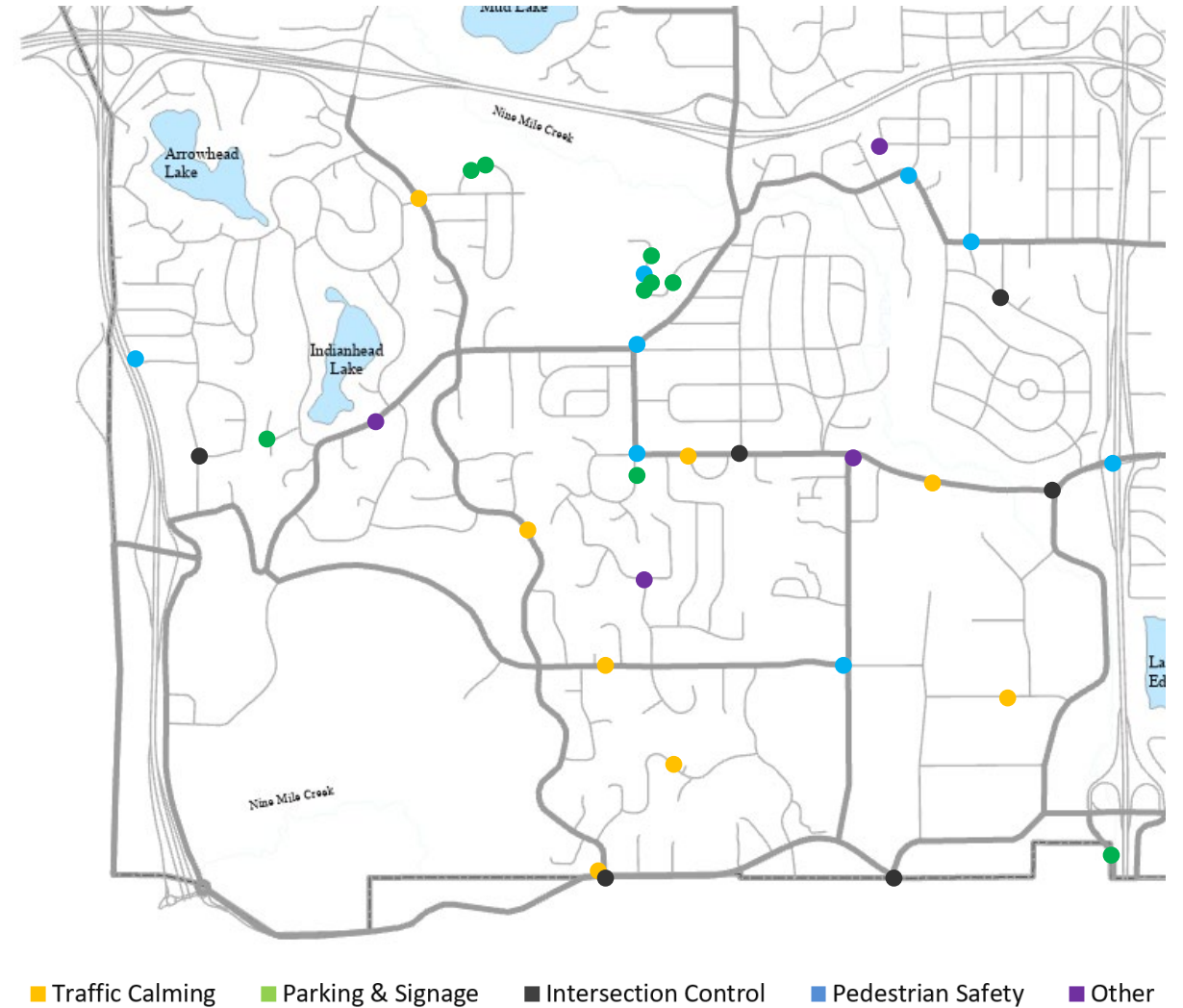


■ Traffic Calming ■ Parking & Signage ■ Intersection Control ■ Pedestrian Safety ■ Other



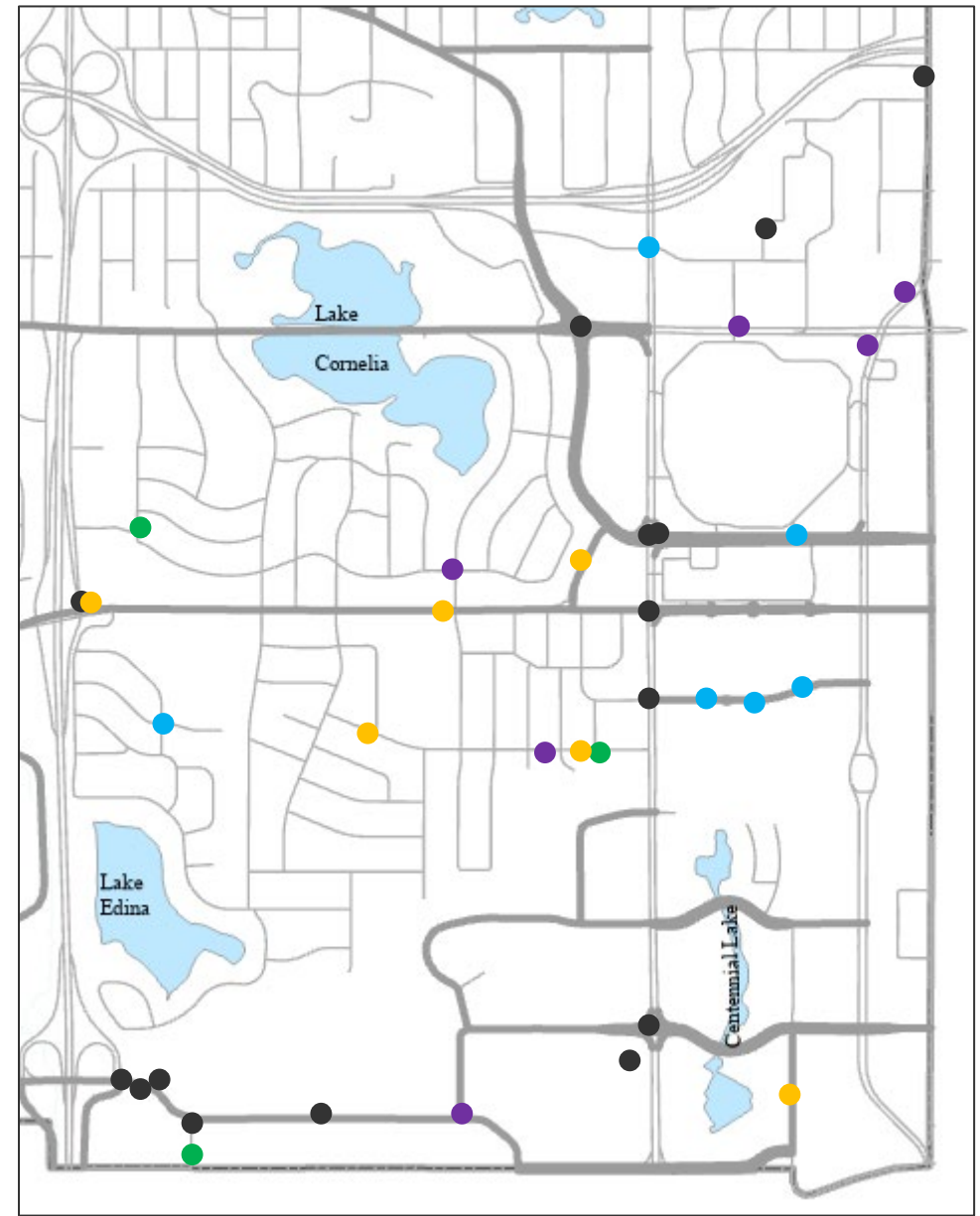
# TSR – Southwest Edina

- 35 submitted requests
- Two more than 2024
- Most requests: Parking & Signage (10 or 29%)



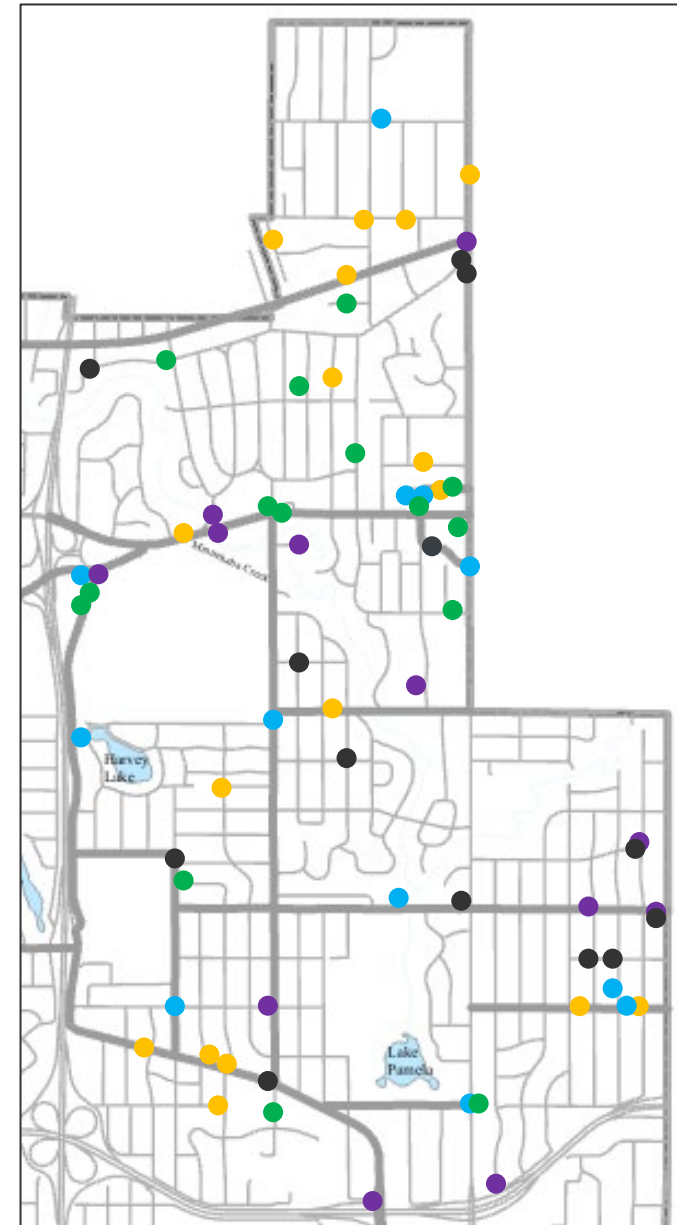
# TSR – Southeast Edina

- 40 submitted requests
- Two more than 2024
- Most requests: Intersection Control(16 or 40%)



# TSR – Northeast Edina

- 74 submitted requests
- Three less than 2024
- Most requests: Traffic Calming (20 or 27%)

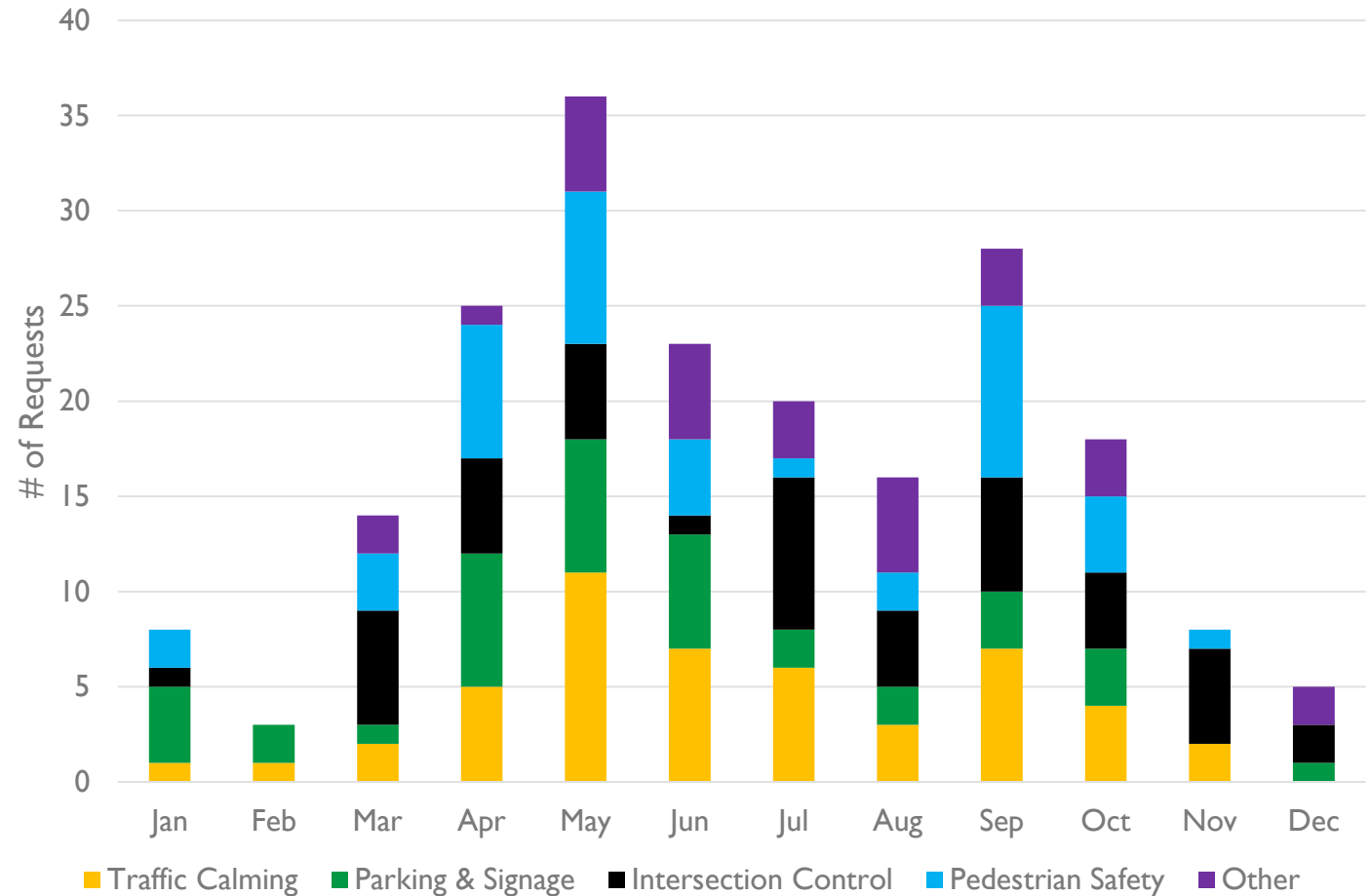


■ Traffic Calming ■ Parking & Signage ■ Intersection Control ■ Pedestrian Safety ■ Other



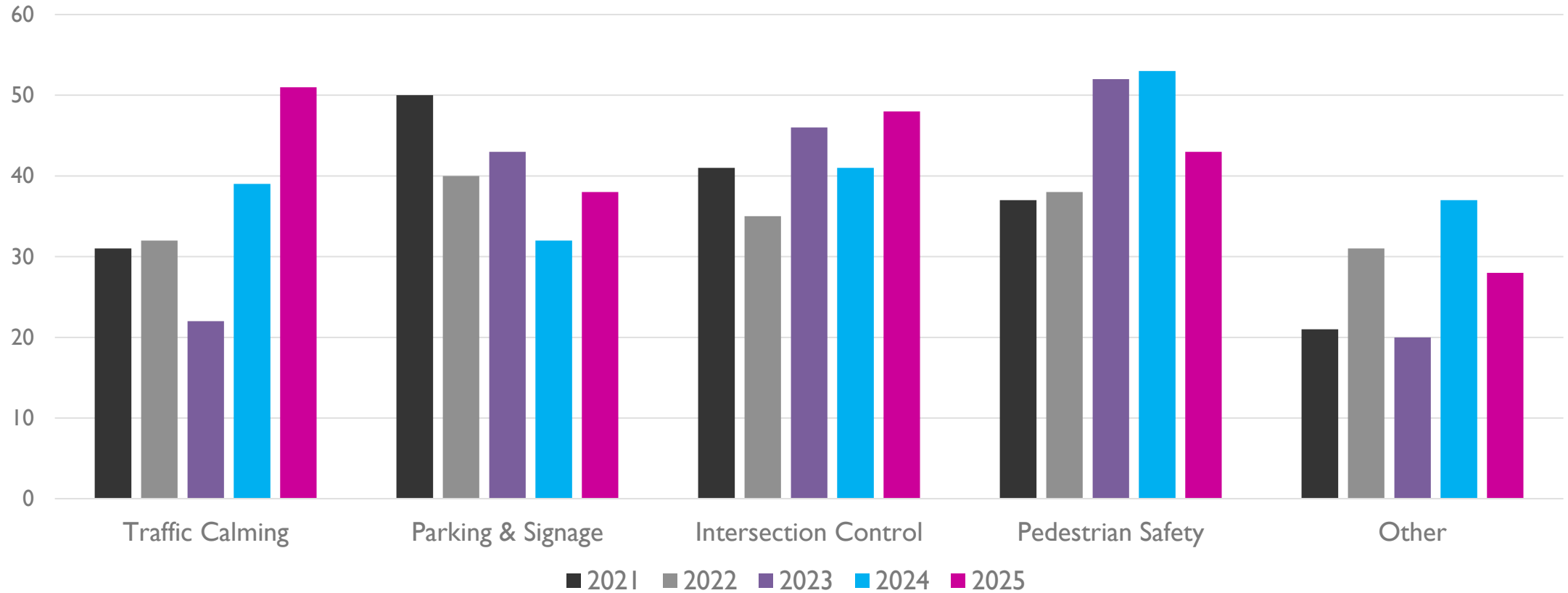
# 2025 TSR Trends

- Peak months May & September included traffic pattern shifts from construction projects and school years.
- Traffic Calming and Pedestrian Safety also peaked together due to construction projects and school years.



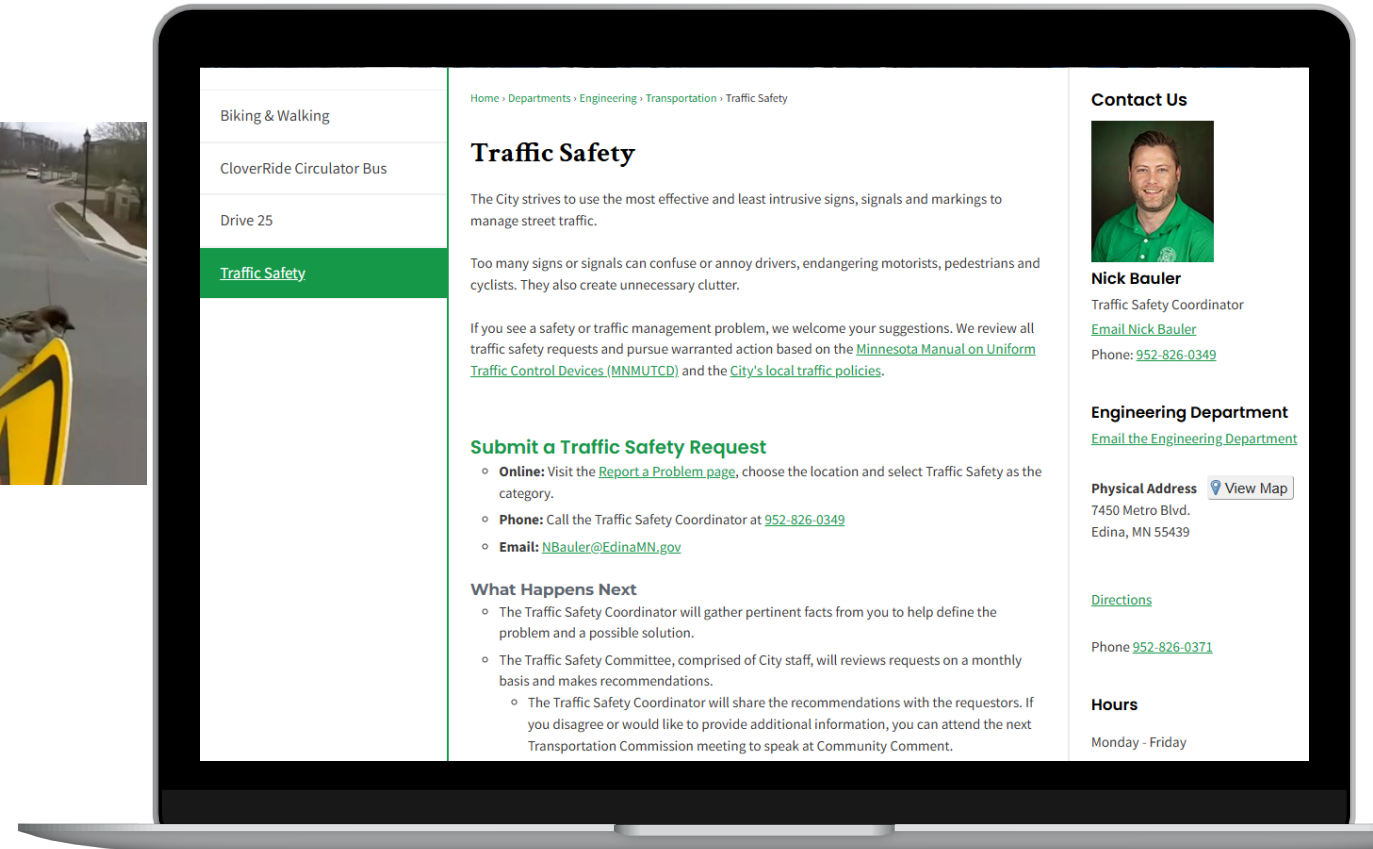
# 2021-2025

## Requests Received by Category



# Questions?

- Thank you





---

**Item Number:** 8.1

**Department:** Administration

**Item Activity:** Action

**Prepared By:** Sharon Allison, City Clerk

**Item Title:** Bojae's Liquor License Suspension

---

**Action Requested:**

Approve Bojae's 3-day liquor license suspension and \$1,000 fine for their second liquor license offense within 24 months.

**Information/Background:**

On May 12, alcohol was sold to an under 21-year-old police decoy during an alcohol compliance check by the Edina Police Department. This was Bojae's second offense within 24 months and the presumptive civil penalty is a 3-day liquor license suspension and \$1,000 fine. Per City Code, Chapter 4, Alcoholic Beverage, Section 4-14-2, and in accordance with MN Statute 340A.415, the licensee must be given the opportunity for a hearing.

Staff recommends Monday-Wednesday, June 22-24, for the 3-day suspension. Staff also recommends that Bojae's decides how to notify their customers of the 3-day suspension, for example, by posting a notice on entry door(s) and also where alcohol is in plain site of customers.

Additionally, five other liquor establishments were charged with their first offense within 24 months and have opted to forgo a public hearing and pay the \$500 fine.

**Supporting Documentation:**

None



**Item Number:** 8.2

**Department:** Community Development

**Item Activity:** Action

**Prepared By:** Addison Lewis, Community Development Coordinator

**Item Title:** Ordinance 2026-9 Amendment Regarding Parking Requirements for the 50th & France District

**Action Requested:**

Approve Ordinance 2026-09 amendment regarding parking requirements for the 50th & France District, grant first reading and waive second reading.

**Information/Background:**

Section 36-1312 of the Edina Zoning Ordinance allows commercial properties at 50th & France to rely on the public ramps to satisfy their parking requirement up to a floor area ratio (FAR) of 1.0. FAR means the gross floor area of a building divided by the lot area. Buildings that exceed an FAR of 1.0 must provide additional parking for the square footage exceeding an FAR of 1.0. As a policy, Edina has allowed the commercial properties at 50th & France to rely on the parking ramps to meet their parking requirement up to an FAR of 1.0 since 1978. Since the parking is a resource that is shared by all property owners in the district, this was a way to distribute the available parking in a way that was fair. This practice was formally codified in 2022.

In the fall of 2025, a variance from this provision was requested at 5036 France Avenue to allow a restaurant to expand up to an FAR of 1.2 without providing additional parking. The variance was strongly supported by the community and, as a result, the City Council provided feedback to staff to explore amending the parking requirement at 50th & France to allow other property owners in the district the same opportunity. Staff have analyzed the parking data for the three ramps and the potential for redevelopment in the district and are proposing an amendment to Section 36-1312 to increase the amount of FAR allowed before additional parking is required from 1.0 to 1.25.

The ramps at 50th & France are equipped with technology to count the number of vehicles entering and leaving the ramp. The technology is not perfect but provides an estimate of the utilization of the ramps on any given day and at what time the peak demand occurred. Between the North Ramp, Center Ramp, and South Ramp, there are 1069 parking stalls. Staff analyzed the parking utilization data from March 2023 to March 2026 and found that on an average day, after subtracting the number of spaces occupied at peak demand, there are still about 388 stalls available on an average day.

**50th & France Parking Ramp Occupancy**  
Based on the City's parking counter technology from 3/1/2023 to 2/28/2026

<b>Ramp</b>	<b>Total Stalls Available</b>	<b>Average Peak Occupancy</b>	<b>Average Peak Occupancy %</b>	<b>Average Stalls Available at Peak Occupancy</b>
North	547	298.3	54.5%	248.7
Center	114	103.6	90.9%	10.4
South	408	279.4	68.5%	128.6
<b>TOTAL</b>	<b>1,069</b>	<b>681.3</b>	<b>63.7%</b>	<b>387.7</b>

When the parking variance at 5036 France Avenue was being considered, staff analyzed the parking availability specifically for Friday and Saturday evening since that was assumed to be the peak time for the restaurant. That analysis found that there should be at least 327 spaces available on an average Friday or Saturday evening.

For retail uses, the code requires 1 stall per 250 square feet, with a 10% reduction for areas served by regular transit. If we assume this ratio, then the district could accommodate approximately 108,000 additional square feet of retail on an average day based on 388 stalls available. When the FAR restriction was put into place back in 1978, a ratio of 1 stall per 312.5 square feet of commercial (3.2 spaces / 1,000 sf) was used to account for the mixed-use nature of the district given that the variety of uses will have differing peak times. Using this ratio, the district could accommodate approximately 121,250 additional square feet of commercial. Given the improvements in transit to the area since 1978 and the emergence of e-bikes and ride-hailing services, even this ratio may be conservative.

Staff have analyzed the potential for redevelopment in the district. Attached to this report is a table that shows the existing properties in the district, including their existing FAR and how much square footage each could add to get to an FAR of 1.0, 1.25 and 1.5. If every property in the district added commercial square footage up to an FAR of 1.25, this would equate to approximately 310,472 additional square feet, which is more than can be accommodated by the existing parking capacity; however, there are several reasons staff feel comfortable with the proposed code change.

1. Most properties are unlikely to expand. Staff identified several parcels that we believe are the most unlikely to redevelop based on existing site conditions and their ability to expand (shaded in gray on the table). After subtracting these sites, the amount of potential additional square footage is reduced to from 310,472 to 222,268.
2. Of the 222,268 square feet, 101,842 square feet is attributed to the US Bank site at 4100 50th St W and 63,581 square feet to the Lunds site at 3945 50th St W. Neither of these sites is likely to add this much commercial square footage without adding additional parking because investors will require proof of adequate parking and tend to be more conservative. The Nolan Mains project added 139 parking stalls to the district when that development occurred. In the case of other recent development proposals for the Opus headquarters at 5100 Eden Avenue and the Macy's furniture redevelopment 7235 France Avenue, both projects proposed more parking than required by code.
3. All properties in the district are not going to redevelop at the same time and redevelopment of any individual property will not use up all the remaining parking capacity. If there is major redevelopment, the City can re-evaluate the amount of available parking and change the code

again in the future.

No comments were received on Better Together Edina. The Edina Planning Commission considered this item at their April 29, 2026 meeting and voted 8-0 (with one abstention) to recommend approval of the ordinance as proposed.

**Supporting Documentation:**

Documents marked with "Board Portal" do not meet [ADA Web Content Accessibility Guidelines \(URL\)](#) and are not included in the public packet. To request a board portal document, please [submit a data request \(URL\)](#).

1. FAR Estimate Table (Board Portal)
2. 50th & France District Boundary Map (Board Portal)



**The City Council Of Edina Ordains:**

**Section 1.** Chapter 36, Article XII. – SUPPLEMENTARY DISTRICT REGULATIONS, DIVISION 3 – PARKING AND CIRCULATION, SUBDIVISION II – PARKING SPACES of the Edina City Code is amended with the following original text, **added text**, and **deleted text**:

Sec. 36-1312 – Planned Commercial District

(2) Planned Commercial District – 2 (PCD-2)(50th and France, area defined in the 50th and France small area plan)

Parking for **non-residential** uses in the 50th and France commercial node may rely on the City Parking Ramps with a floor area ratio up to **1.250** as defined in section 36-10. **UsesNon-residential uses** exceeding **1.250** must provide additional off-street parking spaces for the square footage above **1.250**.

Multiresidential uses. At least one fully enclosed parking space for each dwelling unit but no more than 1.5 spaces per dwelling unit. Such parking spaces must be designed for the exclusive use of residents of the dwelling units and their guests. The council may require the provision of exposed parking spaces in addition to the required enclosed spaces as a condition to the issuance of a conditional use permit.

**Section 2.** This ordinance is effective immediately upon passage.

**Summary for Publication:**

The ordinance will increase the amount of floor area ratio allowed from 1.0 to 1.25 before additional parking is required for commercial properties within the 50th & France District.



---

**Item Number:** 9.1

**Department:** Administration

**Item Activity:** Action

**Prepared By:** Sharon Allison, City Clerk

**Item Title:** Resolution 2026-36: Accepting Donations

---

**Action Requested:**

Approve Resolution 2026-36 accepting donations.

**Information/Background:**

To comply with State Statute, all donations to the City must be accepted by resolution and approved by two-thirds majority of the Council.

**Supporting Documentation:**

None



**Whereas** Minnesota Statute 465.03 allows cities to accept grants and donations of real or personal property for the benefit of its citizens; and

**Whereas** said donations must be accepted via a resolution of the Council adopted by a two-thirds majority of its members.

**Now, therefore, be it resolved** that the Edina City Council accepts with sincere appreciation the following listed donations on behalf of its citizens.

**Parks & Recreation**

Donna Hipps	\$6,400	2 Bench Donation
Dennis Schulstad	\$5,000	Centennial Lakes Park

**Police Department**

First Responders Fund	\$560.97	Active K9 Expenses
	\$1,181.85	Retired K9 Expenses
	\$1,177.90	Equipment Expenses
	\$1,029.50	Recruitment Expenses
	\$288.00	Therapy Dog Expenses
	\$1,616.95	Public Safety Banquet Expenses
	\$27,215.00	TCO Officer Wellness Expenses
	\$5,175.00	Business Foot Patrol Expenses
	Total	
	\$55,106.02	

Dated: June 16, 2026



**Item Number:** 9.2

**Department:** Finance

**Item Activity:** Action

**Prepared By:** Nelly Chick-Brewer, Assistant Finance Director

**Item Title:** Annual Comprehensive Financial Report for the Year Ended December 31, 2025

**Action Requested:**

Receive the 2025 Annual Comprehensive Report (ACFR)

**Information/Background:**

BerganKDV LTD, a firm of licensed certified public accountants, has issued an unmodified(clean) opinion on the City's financial statements for the year ended December 31, 2025. Meaning in their judgment, the City's financial records and statements are fairly presented, and in accordance with Generally Accepted Accounting Principles (GAAP).

Assignments for fund balances and compensated absences are all calculated as specified in the policies. In addition, the City has a \$31,253,577 unassigned fund balance in the general fund. It is the policy of the City that, to the extent possible, such excess fund will typically be transferred to the Construction Fund to support capital improvements. This amount is \$6,337,486 above the goal range identified in the policy.

Andy Grice, CPA, from BerganKDV, the Assurance Shareholder on the audit will present the audit results.

**Resources/Financial Impacts:**

2025 Budgeted Expense

**Relationship to City Policies/Plans/Budget Pillars:**



Strong Foundation



Reliable Service



Livable City



Better Together

**Values Impact:**



Stewardship

As required under Minnesota Statutes 302A.463, annual financial reporting promotes transparency and accountability in managing the city's resources. By offering detailed insights into the city's financial position, expenditures, and revenues, these reports support informed decision-making and demonstrate responsible stewardship of public funds.

**Supporting Documentation:**

Documents marked with "Board Portal" do not meet [ADA Web Content Accessibility Guidelines \(URL\)](#) and are not included in the public packet. To request a board portal document, please [submit a data request \(URL\)](#).

1. Annual Comprehensive Financial Report - 2025 Edina
2. Communication Letter - 2025 Edina - Final
3. Government Auditing Standards & Legal Compliance- 2025 Edina - Final
4. Edina Audit Presentation



**City of Edina, Minnesota**

**Annual Comprehensive Financial Report  
Fiscal Year Ended December 31, 2025**

Prepared by:  
Department of Finance

Pa Thao - Finance Director  
Nelly Chick-Brewer - Assistant Finance Director



**City of Edina  
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## INTRODUCTORY SECTION

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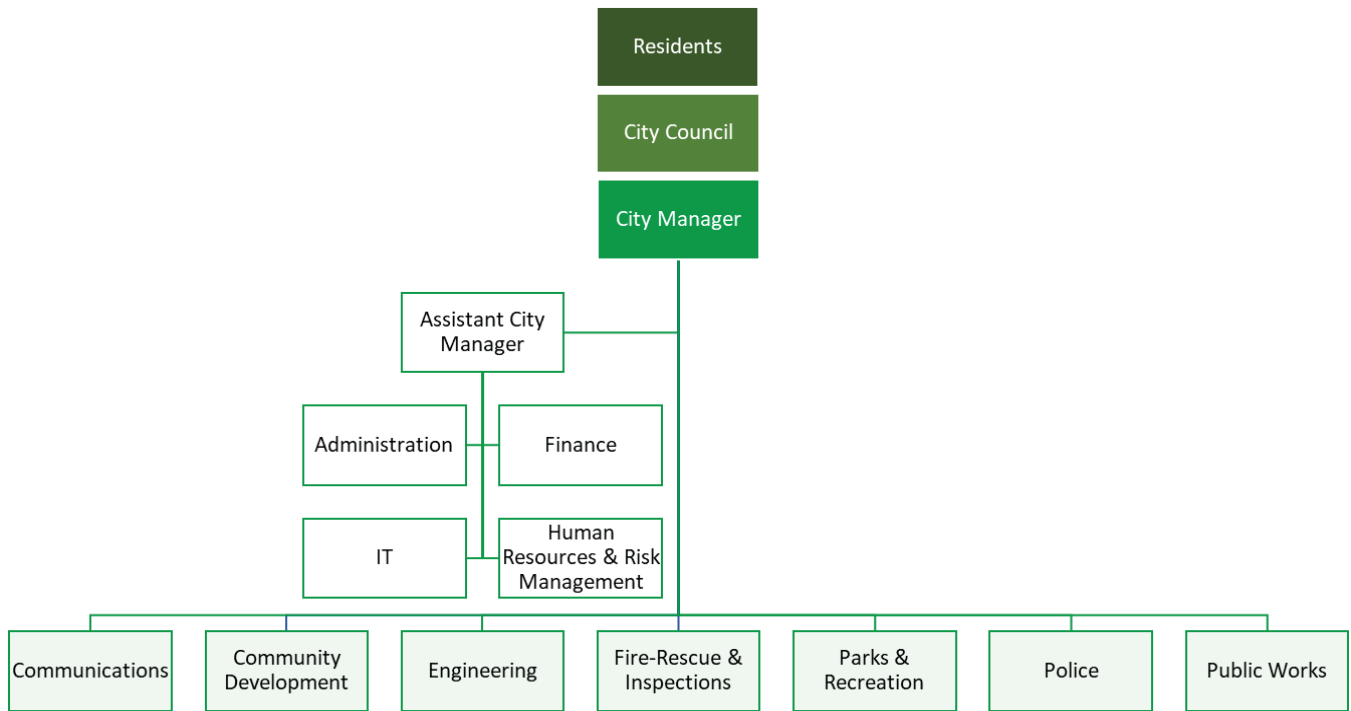
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**City of Edina  
Elected Officials and Administration  
December 31, 2025**

<u>Elected/Appointed</u>	<u>Position</u>	<u>Term Expires</u>
James Hovland	Mayor	December 31, 2029
Carolyn Jackson	Council Member	December 31, 2029
James Pierce	Council Member	December 31, 2029
Kate Agnew	Council Member	December 31, 2026
Julie Risser	Council Member	December 31, 2026
Scott Neal	City Manager	Appointed
Pa Thao	Finance Director/Treasurer	Appointed
Sharon Allison	City Clerk	Appointed

City of Edina  
Organizational Chart  
December 31, 2025





June 5, 2026

To the Honorable Mayor, City Council, and Citizens of the City of Edina (City):

Minnesota statutes require that every city publish within six months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended December 31, 2025.

Management assumes full responsibility for the completeness and reliability of all the information presented in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable rather than absolute assurance that the financial statements are free from material misstatement.

BerganKDV LTD, a firm of licensed certified public accountants, has issued an unmodified (clean) opinion on the City's financial statements for the year ended December 31, 2025. The independent auditors' report is located at the front of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

### **Profile of the City**

The City of Edina is a fully developed first-ring suburb of Minneapolis. The City is home to a residential population of 54,785 and also has strong daytime population with more than 67,000 jobs. The residential population is slowly increasing and the employment conditions are stable. The City occupies a land area of 16 square miles. The majority of the City consists of strong residential neighborhoods (60% of land area). 15% of the City is used for commercial, industrial and public/semi-public uses. 21% of the City is used for parks and open spaces. The balance of the land (4%) is used for roadways. Incorporated in 1888, the City is empowered to levy a property tax on real property located within its boundaries.

The City has operated under the Council-Manager form of government since 1955. Policy-making and legislative authority are vested in a City Council (Council) consisting of the Mayor and four other members, all elected on a nonpartisan basis. The Council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring the City Manager. The City Manager is responsible for carrying out the policies and ordinances of the Council, for overseeing the day-to-day operations of the city government, and for appointing the heads of the various departments. Council members serve four-year terms, with two Council members elected every two years. The Mayor also serves a four-year term. The Council and Mayor are elected at large.

The City provides a full range of services, including police, fire and emergency medical services; the construction and maintenance of highways, streets, and other infrastructure; water and sewer services and recreational and cultural activities and events.

The Council is required to adopt a final budget by no later than the close of the previous fiscal year. The annual budget serves as the foundation for the City's financial planning and control. The budget is prepared by fund, function (e.g., public safety), and department (e.g., police). Department heads may use resources within a department as they see fit. The City Manager may authorize transfers of budgeted amounts between departments.

### **Local Economy**

The City currently enjoys a favorable economic environment and local indicators point to continued stability. The region, while noted for a strong retail sector, enjoyed considerable re-development in recent years. The re-development consisted of varied manufacturing, medical and high-tech base that adds to the relative stability of the unemployment rate. Major industries with headquarters or divisions within the government's boundaries or in close proximity include medical services, retail operations and banking services. Edina is home to over 67,000 jobs that are expected to remain stable over the coming years.

The City has become known for its quality residential housing stock and attractive neighborhoods. To date, approximately 98% of the available housing stock is in place. Although the emphasis has changed over the years from exclusively single-family housing to a more balanced mix of housing types, the City's concern for overall quality in residential development remains a top priority.

The City enjoys a AAA bond rating and a Aaa bond rating from Standard and Poor's and Moody's, respectively.

### **Long-Term Financial Planning**

The Metropolitan Council requires all cities in the seven-county metropolitan area to have a Comprehensive Plan and state law requires cities to update their plans every 10 years. The last plan was adopted in 2020. The Comprehensive Plan guides development and redevelopment and addresses changes likely to occur due to various social and market forces.

The City continues to focus on quality-of-life improvements throughout Edina. These efforts cover a broad array of areas including protecting and improving the environment, revitalization of parks and public areas, expanding recreational opportunities, addressing race and equity disparities, and increasing communication between City representatives and the public.

The City is working closely with state government, federal government and neighboring communities to improve the area's state and county transportation network, which includes upgraded highways and well-placed pathways. Funding for most of the transportation improvements will need to come from state, county, and federal sources, with some minor portion supported by the local taxpayers.

### **Relevant Financial Policies**

The City has adopted a set of financial management policies that focus on long-term financial planning. Policies cover areas such as cash and investments, the operating budget, revenue, fund balance, capital outlay, and debt management.

Assignments for fund balances and compensated absences are all calculated as specified in the policies. In addition, the City has \$31,253,577 unassigned fund balance in the general fund. It is the policy of City that, to the extent possible, such excess fund will typically be transferred to the Construction Fund to support capital improvements. This amount is \$6,337,486 above the goal range identified in the policy.

## Major Initiatives

The City is continually working to update our aging infrastructure. Our annually adopted six-year Capital Improvement Plan includes spending and financing projections for these projects.

## Awards and Acknowledgements

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 Edina for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2024. This was the fifteenth consecutive year that the government has achieved this prestigious award. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the dedicated services of the Finance Department staff. We would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the Mayor and the City Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City's finances.

Respectfully submitted,



Pa Thao, Finance Director



Nelly Chick-Brewer, Assistant Finance Director

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City of Edina  
Certificate of Achievement for Excellence in Financial Reporting



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Edina  
Minnesota**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

December 31, 2024

*Christopher P. Morill*

Executive Director/CEO

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## FINANCIAL SECTION

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## Independent Auditor's Report

City Council and Management  
City of Edina  
Edina, Minnesota

### **Report on the Audit of the Financial Statements**

#### **Opinions**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Edina, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the City of Edina's basic financial statements as listed in the Table of Contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Edina, as of December 31, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Edina 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.

#### **Responsibilities of Management for the Financial Statements**

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 Edina's ability to continue as a going concern for twelve months 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 auditors' 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 GAAS, 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 Edina's basic financial statements. The accompanying supplementary information identified in the Table of Contents is presented for purposes of additional analysis and is 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 GAAS. In our opinion, the accompanying supplementary information is 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 report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' 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 June 5, 2026, on our consideration of the City of Edina'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 the City of Edina's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Edina's internal control over financial reporting and compliance.

*BerganKDV, Ltd.*

Minneapolis, Minnesota  
June 5, 2026

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**City of Edina  
Management's Discussion and Analysis  
Year Ended December 31, 2025**

As management of the City of Edina (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2025. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which precedes this report.

**FINANCIAL HIGHLIGHTS**

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$437,332,256, resulting in a positive net position. Of this amount, \$75,631,751 represents unrestricted net position which is available to support the City's ongoing operations and financial obligations in line with its established fund designations and fiscal policies.

The City's total net position increased by \$49,561,447 compared to the prior year. Of this growth, \$38,408,216 resulted from Governmental Activities, while \$11,153,231 came from Business-Type Activities.

- At the close of the 2025 fiscal year, the City's governmental funds reported combined ending fund balances of \$154,019,326, an increase of \$2,898,230 from the prior year. The growth was driven primarily by increases in the Housing and Redevelopment Authority fund of \$997,036, the construction fund of \$14,283,714, and the general fund of \$5,027,059, partially offset by a decrease of \$16,714,031 in the debt service fund and \$695,548 in nonmajor governmental funds.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$31,253,577, or 50% of total general fund expenditures.
- The City's total bonded debt increased by \$2,421,000 during the current fiscal year from \$186,366,00 at the end of 2024 due to the debt issuance of General Obligation Bonds, Series 2025A in the amount of \$22,345,000 & Series 2025B in the amount of \$8,785,000, offset by scheduled principal bond payments which included a \$17,000,000 repayment of the 2022B temporary CIP bonds.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

**Government-Wide Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

**City of Edina  
Management's Discussion and Analysis  
Year Ended December 31,2025**

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

**Government-Wide Financial Statements (Continued)**

The statement of net position presents information on all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, public works, and parks. The business-type activities of the City include water, sewer, stormwater, recycling, liquor, aquatic center, golf course, arena, and community activity centers.

**Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental Funds**

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statement. By doing so, readers may better understand the long-term impact of the City's near-term financial decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and change in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

**City of Edina  
Management's Discussion and Analysis  
Year Ended December 31, 2025**

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

**Governmental Funds (Continued)**

The City maintains four individual major governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, Housing and Redevelopment Authority fund, debt service fund, and the construction fund.

Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds are provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for all governmental and proprietary funds. A budgetary comparison statement has been provided for all governmental funds to demonstrate compliance with these budgets.

**Proprietary Funds**

The City maintains five major enterprise funds and four internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the governmental-wide financial statements. The City's major enterprise funds are used to account for its utility, liquor, aquatic center, golf, and arena operations.

Data from the other enterprise funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor enterprise funds are provided in the form of combining statements elsewhere in this report.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

**Internal Service Funds**

Internal service funds are used as an accounting device to accumulate and allocate costs internally among the City's various functions. The City utilizes four internal service funds to account for insurance and risk management activities, equipment operations, IT services, and facilities management. These services have been allocated proportionately to governmental and business-type activities in the government-wide financial statements.

**Fiduciary Funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

**Notes to the Basic Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**City of Edina  
Management's Discussion and Analysis  
Year Ended December 31, 2025**

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

**Other Information**

The combining and individual fund financial statements and schedules referred to earlier in connection with nonmajor governmental and enterprise funds, as well as internal service funds, are presented immediately following the required supplementary information. Supplementary financial information and the statistical section are the final two items presented.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$437,332,256 at the close of the most recent fiscal year.

The largest portion of the City's net position (\$269,242,363 or 62%) 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 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.

**Summary Statements of Net Position**

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Current and other assets	\$ 201,698,330	\$ 206,044,461	\$ 73,938,627	\$ 63,712,665	\$ 275,636,957	\$ 269,757,126
Capital assets	267,180,136	228,852,218	161,016,387	157,273,833	428,196,523	386,126,051
Total assets	<u>468,878,466</u>	<u>434,896,679</u>	<u>234,955,014</u>	<u>220,986,498</u>	<u>703,833,480</u>	<u>655,883,177</u>
Deferred outflows of resources						
OPEB plan deferments	1,854,364	2,089,913	172,264	194,145	2,026,628	2,284,058
Pension plan deferments	15,712,087	20,449,008	741,891	835,988	16,453,978	21,284,996
Total deferred outflows of resources	<u>17,566,451</u>	<u>22,538,921</u>	<u>914,155</u>	<u>1,030,133</u>	<u>18,480,606</u>	<u>23,569,054</u>
<b>Liabilities</b>						
Long-term liabilities outstanding	160,949,380	147,001,883	58,564,995	54,998,335	219,514,375	202,000,218
Other liabilities	26,309,768	45,175,059	11,919,526	12,289,340	38,229,294	57,464,399
Total liabilities	<u>187,259,148</u>	<u>192,176,942</u>	<u>70,484,521</u>	<u>67,287,675</u>	<u>257,743,669</u>	<u>259,464,617</u>
<b>Deferred Inflows of Resources</b>						
OPEB plan deferments	1,594,819	1,793,307	148,154	166,591	1,742,973	1,959,898
Pension plan deferments	22,401,571	26,347,538	1,959,081	2,438,183	24,360,652	28,785,721
Leases	1,134,536	1,471,186	-	-	1,134,536	1,471,186
Total deferred inflows of resources	<u>25,130,926</u>	<u>29,612,031</u>	<u>2,107,235</u>	<u>2,604,774</u>	<u>27,238,161</u>	<u>32,216,805</u>
<b>Net Position</b>						
Net invested in capital assets	161,526,746	131,971,012	107,715,617	102,429,959	269,242,363	234,400,971
Restricted	91,216,438	88,258,611	1,241,704	1,243,768	92,458,142	89,502,379
Unrestricted	21,311,659	15,417,004	54,320,092	48,450,455	75,631,751	63,867,459
Total net position	<u>\$ 274,054,843</u>	<u>\$ 235,646,627</u>	<u>\$ 163,277,413</u>	<u>\$ 152,124,182</u>	<u>\$ 437,332,256</u>	<u>\$ 387,770,809</u>

**City of Edina  
Management's Discussion and Analysis  
Year Ended December 31,2025**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)**

**Governmental Activities**

A portion of the City's net position (\$92,458,142) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$75,631,751) 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, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

There was an increase of \$11,764,292 in unrestricted net position. This was mainly due to positive operations.

The decreases in deferred outflows of resources and deferred inflows of resources relate to the changes in the City's share of state pension plan amounts while the increase in long-term liabilities is primarily attributable to newly issued debt, offset by regular scheduled payments on the City's outstanding bonds.

As shown on the following page, the City's net position increased by \$49,561,447 during the current fiscal year. Factors contributing to this change are discussed in the next two sections.

**City of Edina  
Management's Discussion and Analysis  
Year Ended December 31, 2025**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)**

**Governmental Activities (Continued)**

**Changes in Net Position**

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
<b>Revenues</b>						
Program revenues						
Charges for services	\$ 18,215,168	\$ 15,612,510	\$ 59,069,482	\$ 58,236,983	\$ 77,284,650	\$ 73,849,493
Operating grants and contributions	8,615,771	5,653,563	210,066	225,531	8,825,837	5,879,094
Capital grants and contributions	18,093,522	10,997,515	54,999	-	18,148,521	10,997,515
General revenues						
Property taxes	57,829,251	53,412,154	-	-	57,829,251	53,412,154
Other taxes	15,928,102	13,066,883	-	4,875	15,928,102	13,071,758
Gain on disposal of assets	262,622	394,009	19,369	52,607	281,991	446,616
Unrestricted investment earnings	6,388,002	3,949,750	2,959,530	1,830,869	9,347,532	5,780,619
Total revenues	<u>125,332,438</u>	<u>103,086,384</u>	<u>62,313,446</u>	<u>60,350,865</u>	<u>187,645,884</u>	<u>163,437,249</u>
<b>Expenses</b>						
General government	13,080,465	19,817,993	-	-	13,080,465	19,817,993
Public safety	35,649,598	32,565,377	-	-	35,649,598	32,565,377
Public works	20,630,137	17,270,199	-	-	20,630,137	17,270,199
Parks	10,217,789	9,035,898	-	-	10,217,789	9,035,898
Interest on long-term debt	4,457,837	1,993,206	-	-	4,457,837	1,993,206
Water	-	-	7,630,315	6,908,508	7,630,315	6,908,508
Sewer	-	-	10,022,477	9,258,115	10,022,477	9,258,115
Stormwater	-	-	5,115,530	4,597,085	5,115,530	4,597,085
Recycling	-	-	1,810,261	1,884,856	1,810,261	1,884,856
Liquor	-	-	10,695,186	12,182,004	10,695,186	12,182,004
Aquatic center	-	-	1,376,667	1,411,631	1,376,667	1,411,631
Golf course	-	-	5,551,162	5,664,944	5,551,162	5,664,944
Arena	-	-	3,632,146	3,374,912	3,632,146	3,374,912
Community activity centers	-	-	5,428,159	5,266,795	5,428,159	5,266,795
Total expenses	<u>84,035,826</u>	<u>80,682,673</u>	<u>51,261,903</u>	<u>50,548,850</u>	<u>135,297,729</u>	<u>131,231,523</u>
<b>Increase in Net Position Before Transfers</b>	<b>41,296,612</b>	<b>22,403,711</b>	<b>11,051,543</b>	<b>9,802,015</b>	<b>52,348,155</b>	<b>32,205,726</b>
Transfers	(101,688)	40,144	101,688	(40,144)	-	-
<b>Increase in net position</b>	<b>41,194,924</b>	<b>22,443,855</b>	<b>11,153,231</b>	<b>9,761,871</b>	<b>52,348,155</b>	<b>32,205,726</b>
Net position - beginning, as previously stated	235,646,627	212,918,469	152,124,182	141,998,293	387,770,809	354,916,762
Change in accounting principle	-	284,303	-	364,018	-	648,321
Prior period restatement	(2,786,708)	-	-	-	(2,786,708)	-
Net position - beginning, as restated	<u>232,859,919</u>	<u>213,202,772</u>	<u>152,124,182</u>	<u>142,362,311</u>	<u>384,984,101</u>	<u>355,565,083</u>
<b>Net position December 31</b>	<b><u>\$274,054,843</u></b>	<b><u>\$235,646,627</u></b>	<b><u>\$163,277,413</u></b>	<b><u>\$152,124,182</u></b>	<b><u>\$437,332,256</u></b>	<b><u>\$387,770,809</u></b>

Governmental activities increased the City's net position by \$38,408,216, Key elements of the increase are as follows.

- Property tax revenues increased by \$4,417,097. The increase is primarily attributed to a 2.8% increase in tax capacity and a 3.4% increase in the market value of real properties.
- Other taxes increased by \$2,861,219 due to local sales tax. Local sales tax revenue increased year-over-year despite the tax rate remaining unchanged. The increase is primarily due to higher sales driven by increased consumer spending, inflationary price increases, and overall economic expansion within the city.

**City of Edina  
Management's Discussion and Analysis  
Year Ended December 31, 2025**

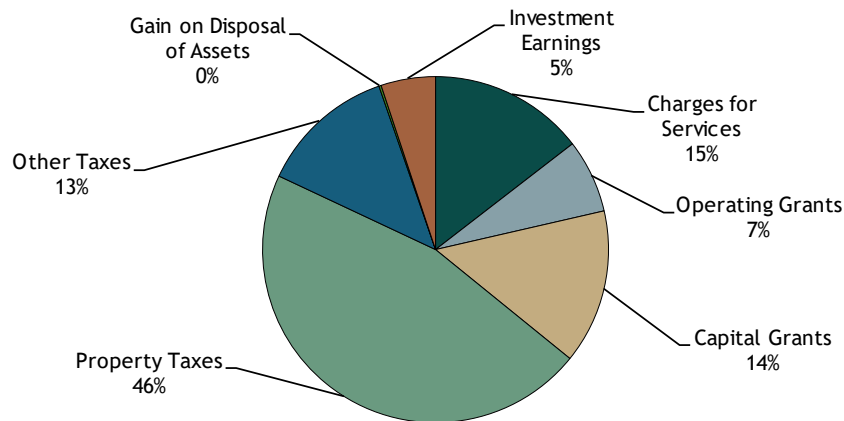
**GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)**

**Governmental Activities (Continued)**

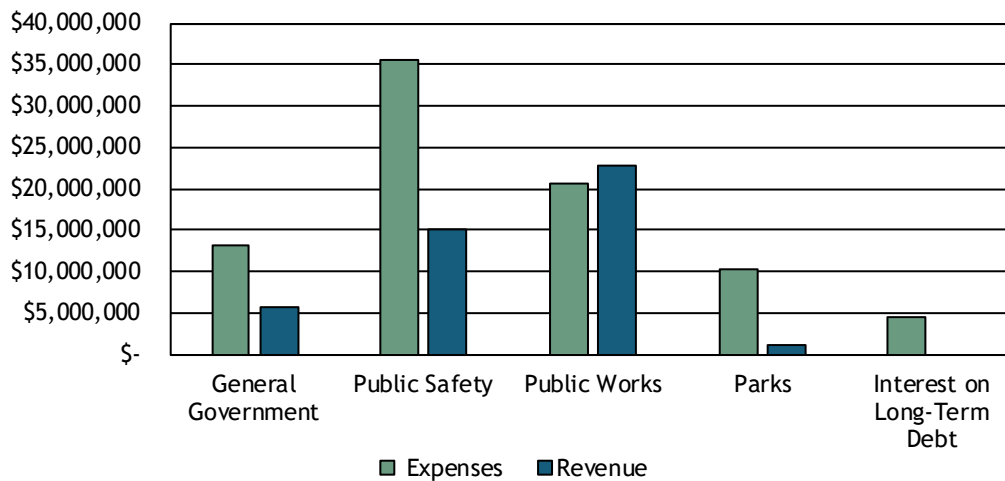
- Investment earnings increased by \$2,438,252 due to favorable market conditions.
- Other capital grants and contributions increased by \$7,096,007 in 2025. The increase is mainly due to multiple grants and funding sources from the state, county, federal government, and local partners in support of the TH100 Tight Diamond interchange project.
- Charges for services increased by \$2,602,658 due to payment to the Housing and redevelopment authority from Southdale redevelopment agreement, increase in ambulance fees, as well as an increase in licenses and permits.

Below are specific graphs which provide comparisons of the governmental activities revenues and expenses:

**Revenues by Source - Governmental Activities**



**Expenses and Program Revenues - Governmental Activities**



**City of Edina  
Management's Discussion and Analysis  
Year Ended December 31, 2025**

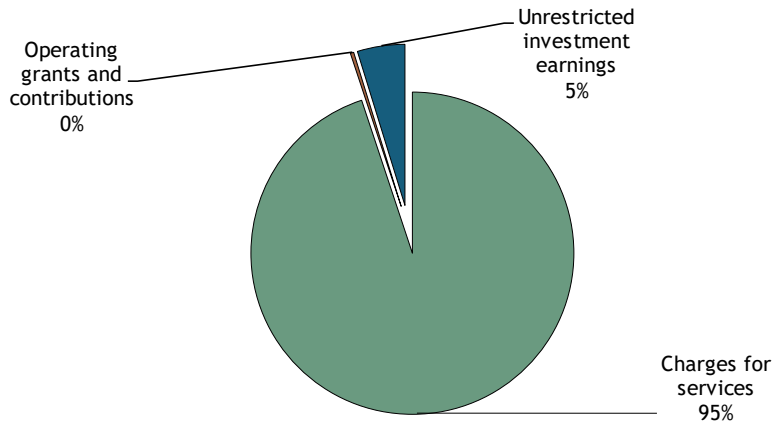
**GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)**

**Business-Type Activities**

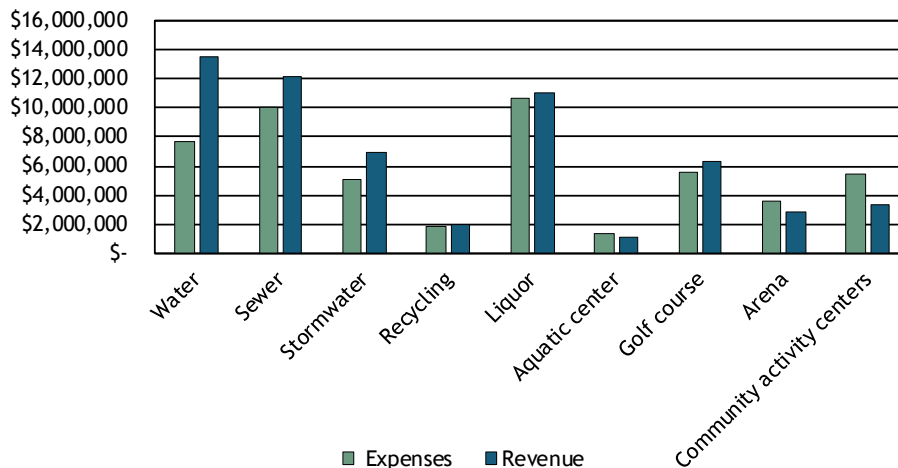
Business-type activities increased net position by \$11,153,231, accounting for 22% of the City's growth in net position. Key elements of the current year increase are as follows:

- The utility fund had income before contributions and transfers of \$12,304,072 for 2025. This additional equity is used to maintain and invest in the utility infrastructure according to the City's capital improvement plan and utility rate study.
- The liquor fund had income before contributions and transfers of \$400,127 for 2025. This income is used to subsidize operations at other enterprise facilities.
- The golf course had an income before contributions and transfers of \$977,386.
- The other enterprise funds had a loss before contributions and transfers of \$2,943,953 in total. These enterprises had operating expenses that exceeded revenues.

**Revenues by Source - Business-Type Activities**



**Expenses and Program Revenues - Business-Type Activities**



**City of Edina  
Management's Discussion and Analysis  
Year Ended December 31, 2025**

**FINANCIAL ANALYSIS OF THE CITY'S FUNDS**

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds**

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$154,019,326, an increase of \$2,898,230 in comparison with the prior year. Approximately 20% of this total amount (\$30,851,954) constitutes unassigned fund balance. The remainder of the fund balance is 1) restricted by external creditors, grantors, laws, or regulations (\$107,656,530) or 2) assigned by internal constraints (\$15,331,967), or 3) nonspendable in the form of prepaid items (\$178,875).

The general fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the general fund was \$31,253,577. As a measure of the general fund's liquidity, unassigned fund balance represents 50% of total general fund expenditures.

At December 31, 2025, the fund balance of the general fund was \$35,964,970, an increase of 16.2%, or \$5,027,059, from the 2024 fund balance. Key factors related to this increase include:

- Overall, revenues increased \$3,950,900, or 6.2%, from the prior year, increasing from \$63,301,756 to \$67,252,656. Property tax revenue increased by \$3,505,940 primarily due to an increase in the tax levy. Property taxes are the main source of revenue for the general fund and with fluctuations in other sources; these funds are more heavily relied upon. Licenses and permits revenue increased \$858,880 due to an increase in building permits and rental licenses in 2025. All other categories stayed consistent with the prior years.
- General fund expenditures increased by \$3,176,274, or 5.4%, from \$58,959,511 to \$62,135,785. Public safety had the largest increase in expenditures of \$3,059,663, or 10.3%, as a result of filling vacant police and fire positions as well as non-capital costs related to the fire station 2 project. General government expenditures decreased \$947,879 due to the deed grant repayment ending in 2024 as well as Lincoln and Londonderry Small Area Plan consulting ending in 2024. Parks and recreation expenditures increased \$705,294 as a result of hiring a new facilities coordinator and a digital marking coordinator. There were also significantly more part-time rink attendants and part-time maintenance hours paid in 2025. All other categories stayed consistent with the prior years.

The Housing and Redevelopment Authority fund balance increased by \$997,036 in the current fiscal year due to payment for the Southdale redevelopment agreement.

**City of Edina  
Management's Discussion and Analysis  
Year Ended December 31, 2025**

**FINANCIAL ANALYSIS OF THE CITY'S FUNDS (CONTINUED)**

**Governmental Funds (Continued)**

The debt service fund has a total fund balance of \$7,640,287, all of which is restricted for the payment of debt service. The net decrease in fund balance during the current year in the debt service fund was \$16,714,031. The decrease was the result of \$5,273,981 in general property taxes, \$996,250 in intergovernmental revenue, transfers in of \$3,634,644, and premium of bonds of \$147,185, offset by \$27,033,273 in debt service payments.

The construction fund balance increased by \$14,283,714 in 2025. The increase was as a result of \$5,710,061 in general property taxes, \$7,427,094 in general sales tax, \$4,388,655 in special assessments, \$19,698,830 in intergovernmental revenue, \$4,338,706 in investment income, and \$22,190,113 from new bonds issued, offset by \$47,430,765 in construction expenditures.

**Proprietary Funds**

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

Unrestricted net position of the utility fund at the end of the year amounted to \$47,571,834. The total growth in net position from current year operations was \$10,818,920. Operating revenues in the utilities fund increased by \$2,447,959, or 7.7%, while expenses increased by \$1,016,090, or 4.5% in 2025. The revenue increase was due to changes in rates and more water and sewer connection fees in 2025. Expenses increased because of an increase in wastewater fees, the York Avenue pond improvement, and annual storm inspections. This was an increase of \$1,431,869 in the operating income reported in 2024. The utility fund cash and investment balance increased \$9,019,766 during 2025 while the unrestricted net position increased \$5,479,886 during the same time period. The utility fund cash and investments exceeded unrestricted net position due to unspent bond proceeds at the end of the year related to capital projects.

Unrestricted net position of the liquor fund at the end of the year amounted to \$236,114. The liquor fund reported a decrease of \$1,566,866, or 12.4%, in sales from prior year along with decrease in costs of sales of 11.4% or \$964,229. Operating expenses in the liquor fund decreased \$703,561 due to changes in cost of goods purchasing strategies. The liquor fund gross profit percentage remained consistent to prior year. In 2025, the liquor fund cash and investment balance decreased \$788,474 while the unrestricted net position decreased \$471,533. The liquor fund continues to transfer profits back into other City funds, including the Art Center, the Braemar Arena, and the Centennial Lakes funds. The liquor fund made transfers totaling \$1,000,000 to these other funds in 2025. The transfers out were greater than operating income of \$335,019 in 2025, leading to the reduction of \$594,899 in net position in the liquor fund in 2025.

Unrestricted net position of the aquatic center fund at the end of the year amounted to \$967,875 and the restricted net position amounted to \$1,241,704. In 2025, the aquatic center fund showed an operating loss of \$236,177. Even though there is an operating loss in 2025, there is an \$81,199 improvement in the operating loss compared to the prior year. The aquatic center fund experienced an increase in operating revenue of \$25,564 as a result of more concession sales during the year. The aquatic center fund operating expenses decreased \$55,635 due to less repairs and maintenance. In 2025, the aquatic center fund cash and investment balance decreased \$364,946 while the unrestricted net position increased \$23,859.

**City of Edina  
Management's Discussion and Analysis  
Year Ended December 31, 2025**

**FINANCIAL ANALYSIS OF THE CITY'S FUNDS (CONTINUED)**

**Proprietary Funds (Continued)**

Unrestricted net position of the golf course fund at the end of the year amounted to \$2,103,885, an improvement of \$560,842 from the prior year. In 2025, the fund showed an operating income of \$854,675. This is an increase of \$348,848 in the operating income from the prior year. The golf course fund experienced an increase in operating revenue of \$36,899 as a result of early Spring weather and a demand for outdoor golf. The golf course fund operating expenses decreased \$311,949 due to negative pension expense as well as less uniform costs. The golf course fund cash and investment balance increased \$812,314 and the increase directly related to operating income.

Unrestricted net position of the arena fund at the end of the year amounted to a deficit of (\$326,780), an increase in the deficit by \$76,650 from the prior year. The arena fund had an operating loss of \$816,260, an improvement of \$173,360 from the prior year. The arena fund had a decrease in operating revenue of \$40,608 due to a decrease in ice rentals as well as a decrease in concession sales. The arena fund operating expenses increased \$132,752 as a result of an increase in repairs and maintenance. The arena fund cash and investment balance decreased \$22,222. The decrease largely related to operating loss, almost entirely offset by operating transfer in and utility contribution in.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

For the year ended December 31, 2025, the City adopted a balanced budget, with the usage of \$1,000,000 from the budget stabilization fund. Actual revenues and transfers in exceeded expenditures and transfers out by \$5,027,059

During the year, revenues were \$1,743,785 or 2.7% more than budget, as the continued commercial and residential redevelopment of the City increased our charges for services exceeded budget by \$1,250,930 as a result of conservative budgeting. Taxes and assessments revenue was under budget by \$1,361,622 due to delinquent balances and less cable franchise taxes than anticipated. Licenses and permit revenue and intergovernmental revenue exceeded the budget by \$965,962 and \$866,529, respectively, due to conservative budgeting.

During the year, expenditures were under budget by \$3,180,086 or 4.9%. Public works expenditures were under budget by \$1,452,449 due to conservative budgeting for increasing costs. Public safety expenditures were under budget by \$1,092,770 as a result of staff vacancies during the year. The other sources of expenditures were relatively consistent with the 2025 budget.

**City of Edina  
Management's Discussion and Analysis  
Year Ended December 31, 2025**

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

The City's investment in capital assets for its governmental and business-type activities as of December 31, 2025, amounted to \$428,196,523 (net of accumulated depreciation and amortization). This investment in capital assets included land, land improvements, intangible assets such as easements, infrastructure assets (roads, bridges, sidewalks and similar items), buildings, vehicles, equipment, parks, and construction in progress. The total increase in the City's investment in capital assets for the current fiscal year was \$42,070,472.

Major capital asset events during the current fiscal year included the following:

- Construction in progress for utility infrastructure improvements reached \$47,198,328 at fiscal year-end, reflecting ongoing water, sanitary sewer, and storm sewer projects.
- Construction in progress for street, sidewalk, and park projects reached \$33,462,365 at fiscal year-end, reflecting ongoing work such as the TH100 Diverging Diamond Interchange, Concord B/C, Presidents A/B, and France Ave Sidewalk Phase I.
- The City has a number of public improvements underway in the Grandview district including parking garage and roadway enhancements. The construction in progress for these projects total \$5,653,840 at the close of the fiscal year.
- The new fire station 2 construction was completed in 2025 and the construction in progress at the end of the fiscal year was \$41,787,992.
- Improvements to Braemar Arena and Fred Richards Park construction in progress was at \$5,912,746 at the close of the fiscal year.

**City of Edina's Capital Assets (Net of Depreciation)**

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land and land improvements	\$ 27,445,727	\$ 24,740,033	\$ 8,036,730	\$ 8,719,256	\$ 35,482,457	\$ 33,459,289
Easements	253,000	253,000	35,600	35,600	288,600	288,600
Building and structures	29,795,788	29,798,262	11,403,984	12,898,481	41,199,772	42,696,743
Machinery and equipment	15,644,616	14,597,485	5,378,464	5,410,771	21,023,080	20,008,256
Infrastructure	85,177,895	78,634,322	87,297,803	85,506,493	172,475,698	164,140,815
Parks	9,060,260	8,249,106	823,826	880,483	9,884,086	9,129,589
Construction in progress	99,268,208	72,473,695	47,594,697	43,187,759	146,862,905	115,661,454
Subscription assets	532,193	-	-	-	532,193	-
Lease assets	2,449	106,315	445,283	634,990	447,732	741,305
<b>Total</b>	<b>\$267,180,136</b>	<b>\$228,852,218</b>	<b>\$161,016,387</b>	<b>\$157,273,833</b>	<b>\$428,196,523</b>	<b>\$386,126,051</b>

Additional information on the City's capital assets can be found in Note 3.

**Long-Term Debt**

At the end of the current fiscal year, the total long-term debt outstanding is \$188,787,000, an increase of \$2,421,000 from 2024. \$60,590,000 is for general obligation improvement debt that is supported by property tax levies and special assessments.

**City of Edina  
Management's Discussion and Analysis  
Year Ended December 31, 2025**

**CAPITAL ASSET AND DEBT ADMINISTRATION (CONTINUED)**

**Long-Term Debt (Continued)**

\$27,014,000 is for permanent improvement revolving (PIR) bonds, which finances the City's Street reconstruction program. This amount increased from 2024 due to new bond issues offset by regularly scheduled principal payment.

Also outstanding is \$20,715,000 public project revenue bonds which financed two gymnasiums, the new public works facility, sports dome, outdoor rink at the arena, and improvements to Pamela Park. This amount decreased from 2024 due to regularly scheduled principal payments.

\$12,140,000 is for tax increment financing bonds, for improvements within tax increment districts. This amount decreased from 2024 due to scheduled bond principal payments. Minnesota state aid street bonds has an outstanding balance of \$9,470,000 for Municipal state aid eligible costs repaid from future state-aid allotments. \$3,065,000 is for housing improvement area bonds issued to finance common area housing improvements within the Edina West Condominium Association Housing Improvement to be supported by special assessments.

**Outstanding Debt**

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
General Obligation Bonds	\$ 60,590,000	\$ 60,315,000	\$ -	\$ -	\$ 60,590,000	\$ 60,315,000
Permanent Improvement Bonds	27,014,000	26,719,000	-	-	27,014,000	26,719,000
Public Project Revenue Bonds	20,715,000	21,850,000	-	-	20,715,000	21,850,000
Tax Increment Financing Bonds	12,140,000	12,410,000	-	-	12,140,000	12,410,000
Minnesota State Aid Street Bonds	9,470,000	9,980,000	-	-	9,470,000	9,980,000
Housing Improvement Area (HIA) Bonds	3,065,000	3,065,000	-	-	3,065,000	3,065,000
Revenue Bonds	-	-	55,793,000	52,027,000	55,793,000	52,027,000
<b>Total</b>	<b>\$ 132,994,000</b>	<b>\$ 134,339,000</b>	<b>\$ 55,793,000</b>	<b>\$ 52,027,000</b>	<b>\$ 188,787,000</b>	<b>\$ 186,366,000</b>

The City maintains an Aaa rating from Moody's and an AAA rating from Standard & Poor's.

State statutes limit the amount of general obligation debt a Minnesota city may issue up to 3% of total Estimated Market Value. The current debt limitation for the City is \$516,568,938. Only \$84,370,000 of the City's outstanding debt is counted within the statutory limitation.

Additional information on the City's long-term debt can be found in Note 5.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

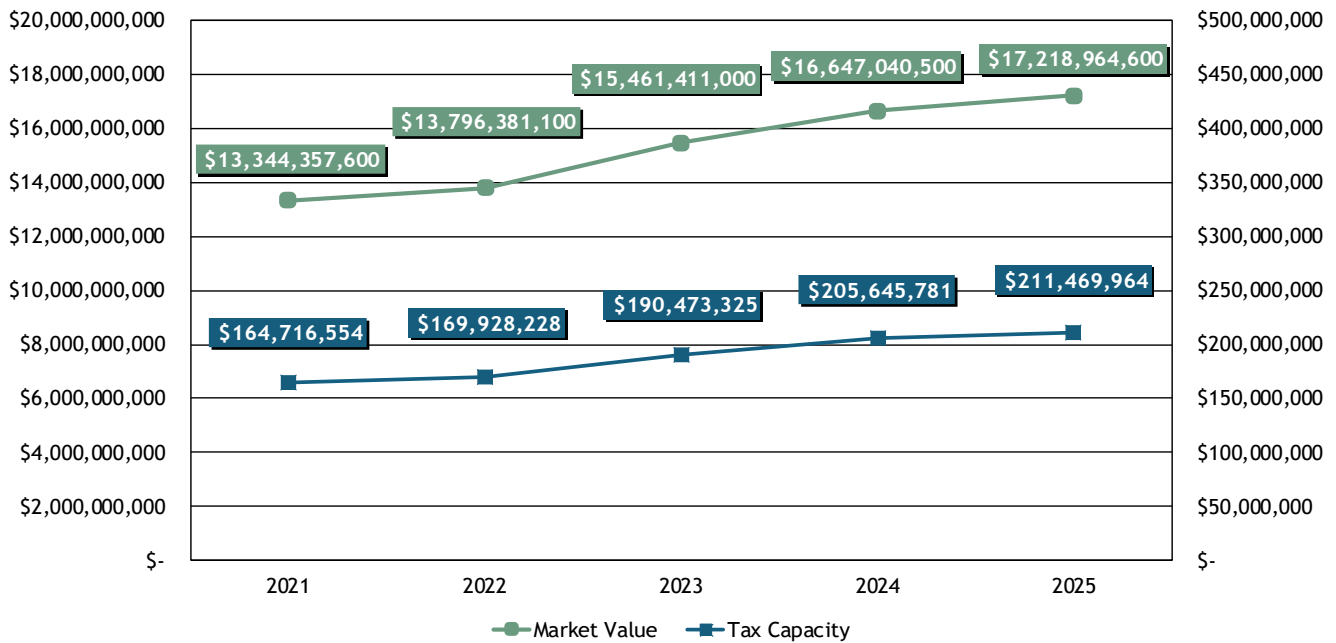
The City strives to provide an uncommonly high quality of life for our residents and businesses, and the relatively healthy local economy helps to make this goal a reality. The unemployment rate in Edina has remained under 4% (not seasonally adjusted) since mid-2013, which is below the state and national levels. The City is home to Southdale Center, the nation's first fully enclosed climate-controlled regional shopping mall, Fairview Southdale hospital, as well as several corporate headquarters. In addition to its healthy economy, Edina is known for excellent public schools, as the Edina school system has been consistently selected as one of the best in the country. Ninety-eight percent of students graduate, with eighty-nine percent pursuing some sort of post-secondary education.

**City of Edina  
Management's Discussion and Analysis  
Year Ended December 31, 2025**

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET (CONTINUED)**

Since 2021, market values have continued to rise. From 2024 to 2025, the City's tax capacity increased by \$5,824,183, or 2.8%. During the same period, the estimated market value of real estate grew by 3.4% for taxes payable in 2025 (based on 2024 market values).

**Market Value and Tax Capacity Annual Changes**



The City collects property taxes based on tax capacity, which roughly equals estimated market value multiplied by class rates for different types of parcels (commercial, residential, etc.). Class rates are set by state statute. Tax capacity for real estate increased 3.4% in 2024 for taxes payable in 2025 and remained positive for the eleventh consecutive year.

All these factors above were considered in preparing the City's budget for the 2025 fiscal year. The City's adopted 2025 budget includes a property tax levy of \$59,010,154 for all funds, an increase of 8.4% from the 2024 levy, with the increase being attributed to the scheduled increase to the street reconstruction levy, which will eventually replace special assessments for road reconstruction. The increased levies are also for the City's equipment replacement expenditures, HRA operating expenditures, and general operating levy.

**Financial Contact**

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, 4801 West 50th Street, Edina, Minnesota 55424. The City's Annual Comprehensive Financial Report can also be found on the internet at [www.edinamn.gov](http://www.edinamn.gov).

## BASIC FINANCIAL STATEMENTS

**City of Edina  
Statement of Net Position  
December 31, 2025**

	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
<b>Current assets</b>			
Cash and investments (including cash equivalents)	\$ 147,772,753	\$ 59,210,657	\$ 206,983,410
Temporarily restricted cash	6,953,545	-	6,953,545
Accrued interest	1,080,198	360,381	1,440,579
Accounts receivable	1,113,495	8,823,405	9,936,900
Delinquent taxes receivable	224,205	-	224,205
Special assessments receivable	23,815,971	608,314	24,424,285
Due from other governments	4,178,494	-	4,178,494
Lease receivable	1,383,486	-	1,383,486
Internal balances	(2,678,039)	2,678,039	-
Inventory	-	1,677,462	1,677,462
Prepaid items	852,920	580,369	1,433,289
<b>Total current assets</b>	<b>184,697,028</b>	<b>73,938,627</b>	<b>258,635,655</b>
<b>Noncurrent assets</b>			
Loan receivable	15,230,949	-	15,230,949
Equity interest in joint venture	1,770,353	-	1,770,353
Nondepreciable capital assets	121,080,796	47,915,637	168,996,433
Depreciable capital assets (Net)	146,099,340	113,100,750	259,200,090
<b>Total noncurrent assets</b>	<b>284,181,438</b>	<b>161,016,387</b>	<b>445,197,825</b>
<b>Total assets</b>	<b>468,878,466</b>	<b>234,955,014</b>	<b>703,833,480</b>
<b>Deferred Outflows of Resources</b>			
Defined benefit pension plans	15,712,087	741,891	16,453,978
OPEB plan deferments	1,854,364	172,264	2,026,628
<b>Total deferred outflows of resources</b>	<b>17,566,451</b>	<b>914,155</b>	<b>18,480,606</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Accounts payable	6,053,515	2,591,673	8,645,188
Salaries payable	2,803,785	746,575	3,550,360
Accrued interest payable	2,012,666	828,482	2,841,148
Contracts payable	255,000	307,662	562,662
Due to other governments	1,136,519	224,349	1,360,868
Deposits payable	2,659,278	-	2,659,278
Unearned revenue	1,685,464	566,726	2,252,190
Total OPEB liability	120,423	10,237	130,660
Compensated absences payable	2,965,465	490,708	3,456,173
Bonds and loans payable, net	6,408,000	5,977,000	12,385,000
Lease liability	2,563	176,114	178,677
Subscription liability	207,090	-	207,090
<b>Total current liabilities</b>	<b>26,309,768</b>	<b>11,919,526</b>	<b>38,229,294</b>
<b>Noncurrent liabilities</b>			
Total OPEB liability	4,469,220	416,125	4,885,345
Net pension liability	17,133,045	2,900,663	20,033,708
Compensated absences payable	4,448,197	736,063	5,184,260
Bonds and loans payable, net	134,571,841	54,223,733	188,795,574
Lease liability	-	288,411	288,411
Subscriptions payable	327,077	-	327,077
<b>Total noncurrent liabilities</b>	<b>160,949,380</b>	<b>58,564,995</b>	<b>219,514,375</b>
<b>Total liabilities</b>	<b>187,259,148</b>	<b>70,484,521</b>	<b>257,743,669</b>
<b>Deferred Inflows of Resources</b>			
Defined benefit pension plans	22,401,571	1,959,081	24,360,652
OPEB plan deferments	1,594,819	148,154	1,742,973
Leases	1,134,536	-	1,134,536
<b>Total deferred inflows of resources</b>	<b>25,130,926</b>	<b>2,107,235</b>	<b>27,238,161</b>
<b>Net Position</b>			
Net investment in capital assets	161,526,746	107,715,617	269,242,363
<b>Restricted for</b>			
Tax increments	31,429,140	-	31,429,140
Debt service	7,931,982	1,241,704	9,173,686
Affordable housing	4,151,218	-	4,151,218
Highway construction	17,653,450	-	17,653,450
Capital projects	25,460,909	-	25,460,909
Parkland dedication	48,430	-	48,430
Police	1,120,734	-	1,120,734
Braemar golf donations	133,030	-	133,030
Conservation and sustainability initiatives	1,176,152	-	1,176,152
Public safety	1,838,751	-	1,838,751
Opioid epidemic responses	272,642	-	272,642
Unrestricted	21,311,659	54,320,092	75,631,751
<b>Total net position</b>	<b>\$ 274,054,843</b>	<b>\$ 163,277,413</b>	<b>\$ 437,332,256</b>

See notes to basic financial statements.

**City of Edina  
Statement of Activities  
Year Ended December 31, 2025**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenues and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>Governmental activities</b>							
General government	\$ 13,080,465	\$ 3,541,521	\$ 2,244,863	\$ -	\$ (7,294,081)	\$ -	\$ (7,294,081)
Public safety	35,649,598	12,547,310	2,625,423	-	(20,476,865)	-	(20,476,865)
Public works	20,630,137	1,108,853	3,619,628	18,093,522	2,191,866	-	2,191,866
Parks	10,217,789	1,017,484	125,857	-	(9,074,448)	-	(9,074,448)
Interest on long-term debt	4,457,837	-	-	-	(4,457,837)	-	(4,457,837)
<b>Total governmental activities</b>	<b>84,035,826</b>	<b>18,215,168</b>	<b>8,615,771</b>	<b>18,093,522</b>	<b>(39,111,365)</b>	<b>-</b>	<b>(39,111,365)</b>
<b>Business-type activities</b>							
Water	7,630,315	13,473,414	-	-	-	5,843,099	5,843,099
Sewer	10,022,477	12,220,680	-	-	-	2,198,203	2,198,203
Stormwater	5,115,530	6,937,782	-	54,999	-	1,877,251	1,877,251
Recycling	1,810,261	1,763,551	201,175	-	-	154,465	154,465
Liquor	10,695,186	11,074,302	-	-	-	379,116	379,116
Aquatic Center	1,376,667	1,143,074	-	-	-	(233,593)	(233,593)
Golf Course	5,551,162	6,328,908	-	-	-	777,746	777,746
Arena	3,632,146	2,813,362	-	-	-	(818,784)	(818,784)
Community activity centers	5,428,159	3,314,409	8,891	-	-	(2,104,859)	(2,104,859)
<b>Total business-type activities</b>	<b>51,261,903</b>	<b>59,069,482</b>	<b>210,066</b>	<b>54,999</b>	<b>-</b>	<b>8,072,644</b>	<b>8,072,644</b>
<b>Total primary government</b>	<b>\$ 135,297,729</b>	<b>\$ 77,284,650</b>	<b>\$ 8,825,837</b>	<b>\$ 18,148,521</b>	<b>(39,111,365)</b>	<b>8,072,644</b>	<b>(31,038,721)</b>
<b>General revenues</b>							
Property taxes					57,829,251	-	57,829,251
Franchise fees					3,652,054	-	3,652,054
Tax increments					4,817,402	-	4,817,402
Lodging taxes					31,552	-	31,552
General sales tax					7,427,094	-	7,427,094
Unrestricted investment earnings					6,388,002	2,959,530	9,347,532
Gain on sale of capital assets					262,622	19,369	281,991
Transfers					(101,688)	101,688	-
<b>Total general revenues and transfers</b>					<b>80,306,289</b>	<b>3,080,587</b>	<b>83,386,876</b>
<b>Change in net position</b>					<b>41,194,924</b>	<b>11,153,231</b>	<b>52,348,155</b>
<b>Net position - beginning, as previously stated</b>					<b>235,646,627</b>	<b>152,124,182</b>	<b>387,770,809</b>
<b>Prior period restatement (see note 17)</b>					<b>(2,786,708)</b>	<b>-</b>	<b>(2,786,708)</b>
<b>Net position - beginning, as restated</b>					<b>232,859,919</b>	<b>152,124,182</b>	<b>384,984,101</b>
<b>Net position - ending</b>					<b>\$ 274,054,843</b>	<b>\$ 163,277,413</b>	<b>\$ 437,332,256</b>

See notes to basic financial statements.

**City of Edina  
Balance Sheet - Governmental Funds  
December 31, 2025**

	General	Housing and Redevelopment Authority	Debt Service	Construction	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>						
Cash and investments	\$ 42,440,477	\$ 21,508,387	\$ 1,423,365	\$ 71,410,894	\$ 4,244,421	\$ 141,027,544
Restricted cash and investments	-	-	6,953,545	-	-	6,953,545
Accrued interest	385,895	138,038	23,176	507,748	25,341	1,080,198
Accounts receivable	213,263	19,367	-	93,857	681,201	1,007,688
Taxes receivable	166,389	3,950	22,154	31,712	-	224,205
Special assessments receivable	-	4,666,620	1,510,457	17,638,894	-	23,815,971
Leases receivable	1,383,486	-	-	-	-	1,383,486
Due from other funds	-	-	-	373,866	-	373,866
Due from other governments	460,946	137,643	11,951	3,387,137	180,817	4,178,494
Prepaid items	168,043	-	-	-	10,832	178,875
Loans receivable	-	15,230,949	-	-	-	15,230,949
<b>Total assets</b>	<b>\$ 45,218,499</b>	<b>\$ 41,704,954</b>	<b>\$ 9,944,648</b>	<b>\$ 93,444,108</b>	<b>\$ 5,142,612</b>	<b>\$ 195,454,821</b>
<b>Liabilities</b>						
Accounts payable	\$ 1,021,075	\$ 1,134,312	\$ -	\$ 3,116,621	\$ 408,454	\$ 5,680,462
Salaries payable	2,606,523	9,894	-	7,366	23,963	2,647,746
Contracts payable	-	-	-	218,117	36,883	255,000
Due to other funds	-	-	-	-	373,866	373,866
Due to other governments	812,178	251,921	-	32,417	6,683	1,103,199
Deposits payable	2,612,204	47,074	-	-	-	2,659,278
Unearned revenue	900,624	13,000	771,750	-	90	1,685,464
<b>Total liabilities</b>	<b>7,952,604</b>	<b>1,456,201</b>	<b>771,750</b>	<b>3,374,521</b>	<b>849,939</b>	<b>14,405,015</b>
<b>Deferred Inflows of Resources</b>						
Unavailable revenue - taxes	166,389	3,950	22,154	31,712	-	224,205
Unavailable revenue - special assessments	-	4,664,445	1,510,457	17,621,738	-	23,796,640
Unavailable revenue - other	-	-	-	1,732,944	142,155	1,875,099
Leases	1,134,536	-	-	-	-	1,134,536
<b>Total deferred inflows of resources</b>	<b>1,300,925</b>	<b>4,668,395</b>	<b>1,532,611</b>	<b>19,386,394</b>	<b>142,155</b>	<b>27,030,480</b>
<b>Fund Balances</b>						
Nonspendable	168,043	-	-	-	10,832	178,875
Restricted	48,430	35,580,358	7,640,287	59,846,146	4,541,309	107,656,530
Assigned	4,494,920	-	-	10,837,047	-	15,331,967
Unassigned	31,253,577	-	-	-	(401,623)	30,851,954
<b>Total fund balances</b>	<b>35,964,970</b>	<b>35,580,358</b>	<b>7,640,287</b>	<b>70,683,193</b>	<b>4,150,518</b>	<b>154,019,326</b>
<b>Total liabilities, deferred inflows of resources, and fund balance</b>	<b>\$ 45,218,499</b>	<b>\$ 41,704,954</b>	<b>\$ 9,944,648</b>	<b>\$ 93,444,108</b>	<b>\$ 5,142,612</b>	<b>\$ 195,454,821</b>

**City of Edina**  
**Reconciliation of the Balance Sheet to**  
**the Statement of Net Position - Governmental Funds**  
**December 31, 2025**

Total fund balances - governmental funds \$ 154,019,326

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported as assets in governmental funds:

Cost of capital assets	450,139,272
Less accumulated depreciation/amortization	(184,112,510)

Certain revenues are include in net position but are excluded from fund balances until they are available to liquidate liabilities of the current period. Unavailable revenue relating to:

Property taxes	224,205
Special assessments	23,796,640
Other	1,875,099

Long-term liabilities are included in net position but are excluded from fund balances until due and payable:

Bonds payable	(132,994,000)
Premium on bonds	(7,235,841)
Loan payable	(750,000)
Subscription liability	(69,683)
Lease liability	(2,563)
Interest payable	(2,012,666)
Compensated absences payable	(7,413,662)

Governmental funds do not report long-term amounts relating to OPEB. Deferred outflows of resources and deferred inflows of resources are created as a result of various differences related to OPEB that are not recognized in the governmental funds:

Deferred inflows of resources related to OPEB	(1,594,819)
Deferred outflows of resources related to OPEB	1,854,364
Total OPEB liability	(4,589,643)

Governmental funds do not report long-term amounts relating to pensions. Deferred outflows of resources and deferred inflows of resources are created as a result of various differences related to pensions that are not recognized in the governmental funds:

Deferred inflows of resources related to pensions	(22,401,571)
Deferred outflows of resources related to pensions	15,712,087
Net pension liability	(17,133,045)

An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the Self-Insurance Internal Service Fund are included in governmental activities in the Statement of Net Position.

4,973,500

Equity interests in underlying capital assets of joint ventures associated with governmental funds are not reported in such funds because they do not represent financial assets:

Equity interest in joint venture	1,770,353
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Total net position - governmental activities \$ 274,054,843

**City of Edina**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Governmental Funds**  
**Year Ended December 31, 2025**

	General	Housing and Redevelopment Authority	Debt Service	Construction	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues</b>						
General property taxes	\$ 46,582,974	\$ 255,379	\$ 5,273,981	\$ 5,710,061	\$ -	\$ 57,822,395
Tax increment collections	-	4,817,402	-	-	-	4,817,402
Franchise taxes	687,067	-	-	206,120	2,758,867	3,652,054
Lodging tax	31,552	-	-	-	-	31,552
General sales tax	-	-	-	7,427,094	-	7,427,094
Special assessments	-	278,325	187,805	4,388,655	-	4,854,785
License and permits	6,787,920	-	-	55,514	-	6,843,434
Intergovernmental	3,320,489	1,037,882	996,250	19,698,830	310,833	25,364,284
Charges for services	7,563,486	-	-	291,174	-	7,854,660
Fines and forfeitures	773,992	-	-	-	-	773,992
Investment income	662,952	1,074,395	79,377	4,338,706	232,572	6,388,002
Rental of property	615,976	-	-	-	-	615,976
Other revenues	226,248	1,705,809	-	128,976	354,512	2,415,545
Total revenues	<u>67,252,656</u>	<u>9,169,192</u>	<u>6,537,413</u>	<u>42,245,130</u>	<u>3,656,784</u>	<u>128,861,175</u>
<b>Expenditures</b>						
<b>Current</b>						
General government	10,343,072	3,565,028	-	70,847	-	13,978,947
Public safety	32,793,465	-	-	786,182	202,841	33,782,488
Public works	10,846,809	-	-	1,444,326	882,731	13,173,866
Parks	7,919,530	-	-	241,115	6,225	8,166,870
<b>Capital outlay</b>						
General government	203,057	1,134,638	-	17,689,263	-	19,026,958
Public safety	-	-	-	14,645,983	490,284	15,136,267
Public works	-	-	-	7,212,749	2,770,251	9,983,000
Parks	-	-	-	5,340,300	-	5,340,300
<b>Debt Service</b>						
Principal	29,750	-	22,705,000	-	-	22,734,750
Interest and fiscal charges	102	-	4,328,273	-	-	4,328,375
Total expenditures	<u>62,135,785</u>	<u>4,699,666</u>	<u>27,033,273</u>	<u>47,430,765</u>	<u>4,352,332</u>	<u>145,651,821</u>
Revenues over (under) expenditures	5,116,871	4,469,526	(20,495,860)	(5,185,635)	(695,548)	(16,790,646)
<b>Other Financing Sources (Uses)</b>						
Transfers in	225,664	-	3,634,644	-	-	3,860,308
Transfers out	(350,000)	(685,782)	-	(2,948,862)	-	(3,984,644)
Sale of capital assets	34,524	-	-	228,098	-	262,622
Bonds issued	-	-	147,185	21,212,815	-	21,360,000
Premium on bonds issued	-	-	-	977,298	-	977,298
Total other financing sources (uses)	<u>(89,812)</u>	<u>(685,782)</u>	<u>3,781,829</u>	<u>19,469,349</u>	<u>-</u>	<u>22,475,584</u>
<b>Net Increase (Decrease) in Fund Balance</b>	5,027,059	3,783,744	(16,714,031)	14,283,714	(695,548)	5,684,938
Fund Balance - beginning, as previously stated	30,937,911	34,583,322	24,354,318	56,399,479	4,846,066	151,121,096
Prior period restatement (see note 17)	-	(2,786,708)	-	-	-	(2,786,708)
Fund Balance - beginning, as restated	<u>30,937,911</u>	<u>31,796,614</u>	<u>24,354,318</u>	<u>56,399,479</u>	<u>4,846,066</u>	<u>148,334,388</u>
Fund Balance - end of year	<u>\$ 35,964,970</u>	<u>\$ 35,580,358</u>	<u>\$ 7,640,287</u>	<u>\$ 70,683,193</u>	<u>\$ 4,150,518</u>	<u>\$ 154,019,326</u>

**City of Edina**  
**Reconciliation of the Statement of Revenues,**  
**Expenditures, and Changes in Fund Balances to**  
**the Statement of Activities - Governmental Funds**  
**Year Ended December 31, 2025**

Net change in fund balances - governmental funds \$ 5,684,938

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 lives as depreciation expense:

Capital outlays	49,612,639
Depreciation/amortization expense	(11,785,984)
Loss on disposal of capital assets	(45,487)

Revenues relating to delinquent taxes, special assessments, and other unavailable receivables are included in the change in net position but are excluded from the net change in fund balances until they are available to liquidate liabilities of the current period. (4,014,806)

The issuance of long-term debt provides current financial resources to governmental funds, while repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds reported the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities:

Proceeds from bonds issued	(21,360,000)
Premium on bonds issued	(977,298)
Bond principal payments and adjustments	22,705,000
Lease principal payments and adjustments	3,006
Subscription principal payments and adjustments	26,744

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore, are not reported as expenditures in governmental funds:

Amortization of bond premium	804,778
Accrued interest payable	(934,240)
Compensated absences	(307,421)
OPEB	(445,471)

Pension costs in governmental funds are recognized when employer contributions are made. On the Statement of Activities pension costs are recognized on the accrual basis. The difference between actual employer contributions and accrual basis pension costs is reflected in pension expense:

Pension expense	1,280,433
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An internal service fund is used by management to charge the costs of insurance to individual funds. The change in net position of the Self-Insurance Internal Service Fund is included in governmental activities in the Statement of Net Position. 948,093

Change in net position - governmental activities \$ 41,194,924

City of Edina  
Statement of Net Position - Proprietary Funds  
December 31, 2025

	Business-Type Activities - Enterprise Funds						Governmental Activities	
	Utilities	Liquor	Aquatic Center	Golf Course	Arena	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
<b>Assets</b>								
<b>Current assets</b>								
Cash and investments (including cash equivalents)	\$ 49,430,052	\$ 524,749	\$ 1,852,867	\$ 4,232,253	\$ 408,009	\$ 2,762,727	\$ 59,210,657	\$ 6,745,209
Interest receivable	288,978	7,115	15,604	31,457	2,871	14,356	360,381	-
Accounts receivable, net	8,126,360	108,218	-	68,894	245,811	274,122	8,823,405	105,807
Special assessments receivable	608,314	-	-	-	-	-	608,314	-
Due from other funds	-	-	394,618	-	-	-	394,618	-
Prepaid expenses	579,152	-	521	696	-	-	580,369	674,045
Inventory	31,034	1,476,586	-	169,842	-	-	1,677,462	-
Total current assets	59,063,890	2,116,668	2,263,610	4,503,142	656,691	3,051,205	71,655,206	7,525,061
<b>Noncurrent assets</b>								
Net capital assets	139,003,413	1,110,119	600,188	8,794,736	4,808,176	6,699,755	161,016,387	1,153,374
Total assets	198,067,303	3,226,787	2,863,798	13,297,878	5,464,867	9,750,960	232,671,593	8,678,435
<b>Deferred Outflows of Resources</b>								
OPEB deferred outflows	42,154	32,426	-	38,911	18,848	39,925	172,264	-
Pension deferred outflows	209,668	151,953	7,544	143,357	79,988	149,381	741,891	-
Total deferred outflows of resources	251,822	184,379	7,544	182,268	98,836	189,306	914,155	-
<b>Liabilities</b>								
<b>Current liabilities</b>								
Accounts payable	1,263,618	464,943	-	373,160	268,319	221,633	2,591,673	373,053
Salaries payable	215,716	122,349	3,568	141,846	93,857	169,239	746,575	156,039
Accrued interest payable	732,209	-	3,250	73,894	19,129	-	828,482	-
Contracts payable	295,832	-	-	11,830	-	-	307,662	-
Due to other funds	-	-	-	-	-	394,618	394,618	-
Due to other governments	29,381	150,863	22	19,526	10,766	13,791	224,349	33,320
Unearned revenue	-	17,037	-	523,885	3,634	22,170	566,726	-
Compensated absences payable	126,714	82,493	2,127	152,156	39,914	87,305	490,708	-
Total OPEB liability - current	2,505	1,927	-	2,312	1,120	2,373	10,237	-
Bonds payable - current	4,930,000	-	95,000	665,000	287,000	-	5,977,000	-
Lease liability - current	-	-	-	167,752	8,362	-	176,114	-
Subscription liability- current	-	-	-	-	-	-	-	464,484
Total current liabilities	7,595,975	839,612	103,967	2,131,361	732,101	911,129	12,314,144	1,026,896
<b>Noncurrent liabilities</b>								
Total OPEB liability	101,829	78,329	-	93,995	45,529	96,443	416,125	-
Net pension liability	819,768	594,109	29,496	560,498	312,737	584,055	2,900,663	-
Compensated absences payable	190,070	123,739	3,191	228,233	59,872	130,957	736,063	-
Bonds payable, net of unamortized discounts and premiums	47,623,758	-	104,639	4,799,953	1,695,383	-	54,223,733	-
Lease liability	-	-	-	286,993	1,418	-	288,411	-
Total noncurrent liabilities	48,735,425	796,177	137,326	5,969,672	2,114,939	811,455	58,564,995	-
Total liabilities	56,331,400	1,635,789	241,293	8,101,033	2,847,040	1,722,584	70,879,139	1,026,896
<b>Deferred Inflows of Resources</b>								
OPEB deferred inflows	36,254	27,888	-	33,465	16,210	34,337	148,154	-
Pension deferred inflows	553,664	401,256	19,921	378,555	211,220	394,465	1,959,081	-
Total deferred inflows of resources	589,918	429,144	19,921	412,020	227,430	428,802	2,107,235	-
<b>Net Position</b>								
Net investment in capital assets	93,825,973	1,110,119	400,549	2,863,208	2,816,013	6,699,755	107,715,617	688,890
Restricted for Edina Law Debt	-	-	1,241,704	-	-	-	1,241,704	-
Unrestricted	47,571,834	236,114	967,875	2,103,885	(326,780)	1,089,125	51,642,053	6,962,649
Total net position	\$ 141,397,807	\$ 1,346,233	\$ 2,610,128	\$ 4,967,093	\$ 2,489,233	7,788,880	\$ 160,599,374	\$ 7,651,539

Explanation of different between proprietary funds statement of revenue, expenses, and changes in fund net position and the Statement of Activities.

The City uses internal service funds to charge the cost of its risk management, equipment operations, IT, and facilities management to individual funds. This amount represents the total income that has been allocated back to the business-type activities in the government-wide Statement of Activities that is attributable to the City's business-type activities each year.

Net position of business-type activities

2,678,039

\$ 163,277,413

**City of Edina**  
**Statement of Revenues, Expenses, and Changes**  
**in Net Position - Proprietary Funds**  
**Year Ended December 31, 2025**

	Business-Type Activities - Enterprise Funds						Governmental Activities	
	Utilities	Liquor	Aquatic Center	Golf Course	Arena	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
<b>Operating Revenues</b>								
Sales - liquor	\$ -	\$ 10,838,729	\$ -	\$ -	\$ -	\$ -	\$ 10,838,729	\$ -
Sales - retail	-	235,573	2,296	426,958	26,393	5,241	696,461	-
Sales - utilities	31,655,419	-	-	-	-	-	31,655,419	-
Sales - concessions	-	-	171,095	8,321	301,272	122,841	603,529	-
Memberships	-	-	277,895	336,885	-	171,713	786,493	-
Admissions	-	-	609,276	1,278,754	17,647	758,273	2,663,950	-
Building rental	-	-	82,512	214,290	2,257,912	798,753	3,353,467	-
Rental of equipment	-	-	-	526,388	6,486	437,326	970,200	-
Greens fees	-	-	-	2,384,889	-	316,737	2,701,626	-
Other fees	2,735,789	-	-	1,150,215	203,652	669,789	4,759,445	10,003,651
Total operating revenues	<u>34,391,208</u>	<u>11,074,302</u>	<u>1,143,074</u>	<u>6,326,700</u>	<u>2,813,362</u>	<u>3,280,673</u>	<u>59,029,319</u>	<u>10,003,651</u>
<b>Operating Expenses</b>								
Cost of sales and services	-	7,466,843	92,996	315,200	141,103	48,085	8,064,227	-
Personal services	3,125,921	1,970,188	661,686	2,610,512	1,341,536	2,616,229	12,326,072	3,224,198
Contractual services	11,159,069	671,393	278,407	729,435	1,281,755	1,112,997	15,233,056	4,013,544
Commodities	1,212,771	48,486	94,132	418,341	69,486	304,291	2,147,507	1,191,698
Internal services	1,642,183	459,007	52,536	457,202	275,494	418,465	3,304,887	-
Depreciation and amortization	6,432,344	123,366	199,494	941,335	520,248	964,700	9,181,487	335,515
Total operating expenses	<u>23,572,288</u>	<u>10,739,283</u>	<u>1,379,251</u>	<u>5,472,025</u>	<u>3,629,622</u>	<u>5,464,767</u>	<u>50,257,236</u>	<u>8,764,955</u>
Operating income (loss)	10,818,920	335,019	(236,177)	854,675	(816,260)	(2,184,094)	8,772,083	1,238,696
<b>Nonoperating Revenues (Expenses)</b>								
Intergovernmental	256,174	-	-	-	-	-	256,174	-
Investment income	2,374,455	65,108	133,851	243,564	22,342	120,210	2,959,530	-
Donations	-	-	-	-	-	35,592	35,592	-
Interest and fiscal charges	(1,884,397)	-	(8,100)	(179,294)	(47,192)	-	(2,118,983)	-
Amortization of bond premiums (discounts)	720,334	-	5,637	56,233	18,201	-	800,405	-
Gain (loss) on sale of capital assets	14,367	-	-	-	-	5,002	19,369	660
Miscellaneous	4,219	-	-	2,208	-	7,035	13,462	-
Total nonoperating revenues (expenses)	<u>1,485,152</u>	<u>65,108</u>	<u>131,388</u>	<u>122,711</u>	<u>(6,649)</u>	<u>167,839</u>	<u>1,965,549</u>	<u>660</u>
Income (loss) before transfers	12,304,072	400,127	(104,789)	977,386	(822,909)	(2,016,255)	10,737,632	1,239,356
<b>Transfers</b>								
Transfers in	-	4,974	22,726	68,216	531,362	1,090,877	1,718,155	22,648
Transfers out	(616,467)	(1,000,000)	-	-	-	-	(1,616,467)	-
Total transfers	<u>(616,467)</u>	<u>(995,026)</u>	<u>22,726</u>	<u>68,216</u>	<u>531,362</u>	<u>1,090,877</u>	<u>101,688</u>	<u>22,648</u>
Change in net position	11,687,605	(594,899)	(82,063)	1,045,602	(291,547)	(925,378)	10,839,320	1,262,004
Net position - beginning of year	129,710,202	1,941,132	2,692,191	3,921,491	2,780,780	8,714,258	149,760,054	6,389,535
Net position - end of year	<u>\$ 141,397,807</u>	<u>\$ 1,346,233</u>	<u>\$ 2,610,128</u>	<u>\$ 4,967,093</u>	<u>\$ 2,489,233</u>	<u>\$ 7,788,880</u>	<u>\$ 160,599,374</u>	<u>\$ 7,651,539</u>

Explanation of different between proprietary funds statement of revenue, expenses, and changes in fund net position and the statement of activities

The City uses internal service funds to charge the cost of its risk management, equipment operations, IT, and facilities management to individual funds. This amount represents the total income that has been allocated back to the business-type activities in the government-wide Statement of Activities that is attributable to the City's business-type activities.

\$ 313,911

Change in net position of business-type activities

\$ 11,153,231

**City of Edina  
Statement of Cash Flows - Proprietary Funds  
Year Ended December 31, 2025**

	Business-Type Activities - Enterprise Funds						Governmental	
	Utilities	Liquor	Aquatic Center	Golf Course	Arena	Nonmajor Enterprise Funds	Totals Enterprise Funds	Internal Service Funds
<b>Cash Flows - Operating Activities</b>								
Receipts from customers	\$33,561,538	\$11,077,798	\$ 1,145,848	\$ 6,482,011	\$ 2,798,900	\$ 3,186,130	\$58,252,225	\$10,046,283
Payments to suppliers	(14,932,474)	(8,613,851)	(519,706)	(1,716,684)	(1,653,226)	(1,862,570)	(29,298,511)	(5,290,699)
Payments to employees	(3,185,024)	(2,327,627)	(657,008)	(2,699,446)	(1,384,018)	(2,697,601)	(12,950,724)	(3,210,776)
Net cash flows - operating activities	15,444,040	136,320	(30,866)	2,065,881	(238,344)	(1,374,041)	16,002,990	1,544,808
<b>Cash Flows - Noncapital Financing Activities</b>								
Grants and contributions	260,391	-	-	2,208	-	42,627	305,226	-
Transfer from other funds	-	4,974	22,726	68,216	531,362	1,090,877	1,718,155	22,648
Transfer to other funds	(616,467)	(1,000,000)	-	-	-	-	(1,616,467)	-
Net cash flows - noncapital financing activities	(356,076)	(995,026)	22,726	70,424	531,362	1,133,504	406,914	22,648
<b>Cash Flows - Capital and Related Financing Activities</b>								
Receipts from due from other funds	-	-	-	-	-	394,618	394,618	-
Payments made on due to other funds	-	-	(394,618)	-	-	-	(394,618)	-
Payments on special assessments	(122,859)	-	-	-	-	-	(122,859)	-
Principal paid on debt	(4,995,000)	-	(90,000)	(805,615)	(287,150)	-	(6,177,765)	360,674
Interest paid on debt	(1,843,136)	-	(9,601)	(189,044)	(50,101)	(1,308)	(2,093,190)	-
Bond proceeds	10,853,378	-	-	-	-	-	10,853,378	-
Proceeds from disposal of capital assets	14,367	-	-	-	-	5,002	19,369	(15,577)
Acquisition of capital assets	(12,347,964)	-	-	(576,077)	-	-	(12,924,041)	(790,088)
Net cash flows - capital and related financing activities	(8,441,214)	-	(494,219)	(1,570,736)	(337,251)	398,312	(10,445,108)	(444,991)
<b>Cash Flows - Investing Activities</b>								
Interest and dividends received	2,373,016	70,232	137,413	246,745	22,011	123,904	2,973,321	-
Net change in cash and cash equivalents	9,019,766	(788,474)	(364,946)	812,314	(22,222)	281,679	8,938,117	1,122,465
Cash and cash equivalents, January 1	40,410,286	1,313,223	2,217,813	3,419,939	430,231	2,481,048	50,272,540	5,622,744
Cash and cash equivalents, December 31	\$49,430,052	\$ 524,749	\$ 1,852,867	\$ 4,232,253	\$ 408,009	\$ 2,762,727	\$59,210,657	\$ 6,745,209
<b>Reconciliation of Operating Income (Loss) to Net Cash Flows - Operating Activities</b>								
Operating income (loss)	\$10,818,920	\$ 335,019	\$ (236,177)	\$ 854,675	\$ (816,260)	\$ (2,184,094)	\$ 8,772,083	\$ 1,238,696
Adjustments to reconcile operating income (loss) to net cash flows - operating activities								
Depreciation expense	6,432,344	123,366	199,494	941,335	520,248	964,700	9,181,487	335,515
Accounts receivable	(829,670)	3,506	2,774	43,603	(13,378)	(93,294)	(886,459)	(6,514)
Due from other governments	-	(10)	-	111,708	(1,084)	(1,249)	109,365	49,146
Prepaid items	(21,736)	-	-	4,070	-	1,982	(15,684)	75,102
Inventory	12,887	46,261	-	(20,563)	-	-	38,585	-
Accounts payable	(717,424)	(3,907)	(1,627)	208,586	112,212	33,033	(369,127)	(183,735)
Contracts payable	(171,819)	-	-	11,830	-	(13,747)	(173,736)	-
Due to other governmental units	(20,359)	(10,476)	(8)	(429)	2,400	18,381	(10,491)	23,176
Salaries payable	40,627	(29,040)	570	13,371	3,742	-	29,270	13,422
OPEB	10,128	7,791	-	9,347	4,528	9,591	41,385	-
Pension related activity	(141,384)	(307,671)	(749)	(185,650)	(64,422)	(116,985)	(816,861)	-
Compensated absences payable	31,526	(28,519)	4,857	73,998	13,670	7,641	103,173	-
Total adjustments	4,625,120	(198,699)	205,311	1,211,206	577,916	810,053	7,230,907	306,112
Net cash flows - operating activities	\$15,444,040	\$ 136,320	\$ (30,866)	\$ 2,065,881	\$ (238,344)	\$ (1,374,041)	\$16,002,990	\$ 1,544,808
<b>Noncash Capital and Related Financing Activities</b>								
Acquisition of capital assets on account	\$ 295,832	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 295,832	\$ -

See notes to basic financial statements.

City of Edina  
Statement of Fiduciary Net Position  
Custodial Funds  
December 31, 2025

	Custodial Funds
<b>Assets</b>	
Cash and investments	\$ 290,800
Accounts receivable	11
Due from other governments	900,484
Total assets	1,191,295
<b>Liabilities</b>	
Cash overdraft	519,320
Accounts payable	49,246
Salaries payable	26,283
Due to other governments	207,254
Unearned revenue	5,087
Total liabilities	807,190
<b>Net Position</b>	
Held in custody for other governmental units	\$ 384,105

City of Edina  
Statement of Changes Fiduciary Net Position  
Custodial Funds  
Year Ended December 31, 2025

	Custodial Funds
<b>Additions</b>	
Collections on behalf of others	\$ 2,748,672
<b>Deductions</b>	
Payments on behalf of others	2,630,974
Change in net position	117,698
<b>Net Position</b>	
Beginning of year	266,407
End of year	\$ 384,105

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**NOTES TO BASIC FINANCIAL STATEMENTS**

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**City of Edina**  
**Notes to Basic Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Edina (the City) was incorporated in 1888 and operates under the state of Minnesota Statutory Plan B form of government. The governing body consists of a five-member City Council elected by voters of the City.

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units by the Governmental Accounting Standards Board (GASB). The following is a summary of significant accounting policies.

**A. Reporting Entity**

The City's financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The primary government is financially accountable for the component unit if it appoints a voting majority of the component unit's governing body and is able to impose its will on the component unit or there is a potential for the component unit to provide specific financial benefits to, or impose specific financial burdens on, the primary government.

As required by accounting principles generally accepted in the United States of America, the financial statements of the reporting entity include those of the City of Edina (the primary government) and its component units. The component unit discussed below is included in the City's reporting entity because of the significance of its operational or financial relationships with the City.

**Component Unit**

In conformity with accounting principles generally accepted in the United States of America, the financial statements of the component unit have been included in the financial reporting entity as a blended component unit.

The Housing and Redevelopment Authority (HRA) is an entity legally separate from the City. However, for financial reporting purposes, the HRA is reported as if it were part of the City's operations for two reasons. First, the HRA's governing body is substantively the same as the governing body of the City. Specifically, the HRA board consists of five members, all of which are City Council members. Second, management of the City has operational responsibility for the HRA. Specifically, sales of bonds or other obligations of the HRA are approved by the City Council; the HRA follows the budget process for City departments in accordance with City policy; the annual HRA budget is approved by City Council; the HRA submits its plan for development and redevelopment to the City Council for approval; lastly, the administrative structure and management practices and policies of the HRA are approved by the City Council. The activity of the HRA is reported in the Special Revenue Funds. Separate financial statements are not prepared for the HRA.

**B. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

**City of Edina**  
**Notes to Basic Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Government-Wide and Fund Financial Statements (Continued)**

The statement of activities demonstrates the degree to which the direct expenses of a given function or business-type activity are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or business-type activity. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or business-type activity and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or business type activity. Taxes and other items not included among program revenues are reported instead as general revenues.

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 enterprise funds are reported as separate columns in the fund financial statements. Aggregated information for the remaining nonmajor governmental and enterprise funds is reported in a single column in the fund financial statements.

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. The City's only fiduciary fund type, custodial funds, are custodial in nature and use the economic resources measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of 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 all revenues, except reimbursement grants, 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, other postemployment benefits (OPEB), net pension liabilities, and claims and judgments are recorded only when payment is due.

Property taxes, special assessments, intergovernmental revenues, charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

**City of Edina**  
**Notes to Basic Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)**

The City reports the following major governmental funds:

General Fund - This fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Special Revenue Housing and Redevelopment Authority Fund - This fund is used to account for revenues from several sources (property taxes, bond proceeds, investment earnings, etc.) that are restricted for housing and redevelopment.

Debt Service Fund - This fund accounts for the payment of principal and interest on General Obligation, Permanent Improvement Revolving, and Public Project Revenue Bonds.

Capital Projects Construction Fund - This fund accounts for the various special assessment and state aid projects throughout the City. This fund also provides financing for capital improvements as restricted in the City's capital improvement budget.

The City reports the following major proprietary funds:

Utilities Fund - This fund accounts for the provision of water, sewer, storm, and recycling services to the City's residents.

Liquor Fund - This fund accounts for the operation of the City's three liquor stores.

Aquatic Center Fund - This fund accounts for the operation of the City's aquatic center.

Golf Course Fund - This fund accounts for the operation of the City's two golf courses and a golf dome.

Arena Fund - This fund accounts for the operation of the City's ice arena.

Additionally, the City reports the following fund types:

Internal Service Funds - The risk management, equipment operations, information technology, and facilities management internal service funds account for costs of insurance and risk management programs, equipment operations, IT services, and facilities management across all municipal departments. Internal service funds operate in a manner similar to enterprise funds; however, it provides services primarily to other departments within the City.

Custodial Funds - The Police Seizure, Public Safety Training Facility, and Minnesota Task Force 1 funds account for fees collected for other government agencies.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are transactions that would be treated as revenues, expenditures or expenses if they involved external organizations, such as buying goods and services or payments in lieu of taxes, are similarly treated when they involve other funds of the City of Edina. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

**City of Edina**  
**Notes to Basic Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)**

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary Funds - These 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 revenues of the City's enterprise funds and internal service fund are charges to customers for sales and services. Operating expenses for the enterprise funds and internal service fund 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.

Aggregated information for the internal service funds is reported in a single column in the proprietary fund financial statements. These services have been allocated proportionately to governmental and business-type activities in the government-wide financial statements. The cost of these services is reported in the appropriate functional activity.

Depreciation expense is included in the direct expenses of each function. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity**

**1. Deposits and Investments**

**a. Cash and Investments**

The cash balances of the City and its component unit are pooled and invested for the purpose of increasing earnings through investment activities. The pool's investments are reported at fair value at year-end, except for investments in external investment pools, which are stated at amortized cost. The City has the ability and intent to hold its investments to maturity. The individual funds' portions of the pool's fair value are presented as "Cash and investments." Earnings from such investments are allocated to the respective funds on the basis of applicable cash balance participation by each fund. The City provides temporary advances to funds that have insufficient cash and investment balances by means of an advance from another fund shown as interfund receivables in the advancing fund, and an interfund payable in the fund with the deficit, until adequate resources are received. These interfund balances are eliminated on the government-wide financial statements.

The City categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Debt securities classified in Level 2 of the fair value hierarchy are valued using evaluations based on various market and industry inputs. The City does not have Level 3 investments.

See Note 2 for the City's recurring fair value measurements as of the current year-end.

**City of Edina**  
**Notes to Basic Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity  
(Continued)**

**1. Deposits and Investments (Continued)**

**b. Restricted Cash and Investments**

Restricted cash and investments represent bond proceeds held for specific purposes. Earnings on these investments are allocated directly to these funds.

**c. Cash Equivalents**

For the purposes of the statement of cash flows, the City considers all highly liquid debt instruments with an original maturity from the time of purchase by the City of three months or less to be cash equivalents. The proprietary funds' portion in the government-wide cash and investment management pool is considered to be cash equivalent.

**2. Receivables and Payables**

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. Short-term interfund loans are classified as "due to/from other funds." All short-term interfund receivables and payables at December 31, 2025 are planned to be eliminated in 2026. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Property taxes and special assessments receivables have been reported net of estimated uncollectible accounts. Because utility bills are considered liens on property, no estimated uncollectible amounts are established. Uncollectible amounts are not material for other receivables and have not been reported.

**3. Property Taxes**

The City Council annually adopts a tax levy and certifies it to the County in December (levy/assessment date) of each year for collection in the following year. The County is responsible for billing and collecting all property taxes for itself, the City, the local School District, and other taxing authorities. Such taxes become a lien on January 1 and are recorded as receivables by the City at that date. Real property taxes are payable (by property owners) on May 15 and October 15 of each calendar year. Personal property taxes are payable by taxpayers on February 28 and June 30 of each year. These taxes are collected by the County and remitted to the City on or before July 7 and December 2 of the same year. Delinquent collections for November and December are received the following January. The City has no ability to enforce payment of property taxes by property owners. The County possesses this authority.

**a. Government-Wide Financial Statements**

The City recognizes property tax revenue in the period for which the taxes were levied. Uncollectible property taxes are not material and have not been reported.

**City of Edina**  
**Notes to Basic Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity  
(Continued)**

**3. Property Taxes (Continued)**

**b. Governmental Fund Financial Statements**

The City recognizes property tax revenue when it becomes both measurable and available to finance expenditures of the current period. In practice, current and delinquent taxes and state credits received by the City in July, December, and January are recognized as revenue for the current year. Taxes collected by the County by December 31 (remitted to the City the following January) and taxes and credits not received at the year-end are classified as delinquent and due from County taxes receivable. The portion of delinquent taxes not collected by the City in January are fully offset by deferred inflows of resources because they are not available to finance current expenditures.

**4. Special Assessments**

Special assessments are levied against benefited properties for the cost or a portion of the cost of special assessment improvement projects in accordance with state statutes. These assessments are collectible by the City over a term of years usually consistent with the term of the related bond issue. Collection of annual installments (including interest) is handled by the County Auditor in the same manner as property taxes. Property owners are allowed to (and often do) prepay future installments without interest or prepayment penalties.

Once a special assessment roll is adopted, the amount attributed to each parcel is a lien upon that property until full payment is made or the amount is determined to be excessive by the City Council or court action. If special assessments are allowed to go delinquent, the property is subject to tax forfeit sale. Pursuant to state statutes, a property shall be subject to a tax forfeit sale after three years unless it is homesteaded, agricultural, or seasonal recreational land in which event the property is subject to such sale after five years.

**a. Government-Wide Financial Statements**

The City recognizes special assessment revenue in the period that the assessment roll was adopted by the City Council. Uncollectible special assessments are not material and have not been reported.

**City of Edina  
Notes to Basic Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity  
(Continued)**

**4. Special Assessments (Continued)**

**b. Governmental Fund Financial Statements**

Revenue from special assessments is recognized by the City when it becomes measurable and available to finance expenditures of the current fiscal period. In practice, current and delinquent special assessments received by the City are recognized as revenue for the current year. Special assessments that are collected by the County by December 31 (remitted to the City the following January) are also recognized as revenue for the current year. All remaining delinquent, deferred, and special deferred assessments receivable in governmental funds are completely offset by deferred inflows of resources. The following is a breakdown of special assessments receivable at December 31, 2025:

	Governmental Funds			Enterprise Funds
	Housing and Redevelopment Authority	Debt Service	Construction	Utilities
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Special Assessments Receivable				
Current	\$ 2,175	\$ -	\$ 17,156	\$ 3,346
Delinquent	4,848	-	29,284	43,031
Deferred	<u>4,659,597</u>	<u>1,510,457</u>	<u>17,592,454</u>	<u>561,937</u>
 Total	 <u>\$ 4,666,620</u>	 <u>\$ 1,510,457</u>	 <u>\$ 17,638,894</u>	 <u>\$ 608,314</u>

**5. Inventories**

Inventories of the proprietary funds are stated at cost and are recorded as expenses when consumed rather than when purchased. All inventories use the first-in/first-out (FIFO) method.

**6. Prepaid Items**

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 and are recorded as expenditures or expenses when consumed.

**7. Capital Assets**

Capital assets, which include property, buildings, improvements, equipment, parks, infrastructure assets (roads, bridges, sidewalks, and similar items), and intangible assets such as easements, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are also reported in the proprietary fund financial statements but not in the governmental fund financial statements.

**City of Edina  
Notes to Basic Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity  
(Continued)**

**7. Capital Assets (Continued)**

Capital assets are defined by the government as assets with an initial, individual cost of more than \$25,000 (amount not rounded) and an estimated useful life in excess of three years. Assets in the aggregate of over \$50,000 will be recognized as a capital asset even if the per unit value is under \$25,000. Easements with a value of \$100,000 or more and a useful life of over one year will be recognized as a capital asset. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated 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. Infrastructure assets include all of the City's assets since inception.

Property, plant, and equipment of the primary government are depreciated using the straight-line method over the following estimated useful lives:

Classification	Years
Golf Course	10 - 35
Land Improvements	15 - 50
Building and Structures	15 - 40
Furniture and Office Equipment	5 - 10
Right-to-Use Assets	3 - 5
Vehicles and Equipment	3 - 20
Parks	5 - 100
Utility Infrastructure	20 - 50

Capital assets that are not depreciated include land, easements, and construction in progress.

Right-to-use lease assets are initially measured at the present value of payments expected to be made during the lease term, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

SBITA assets are initially measured as the sum of the present value of payments expected to be made during the subscription term, payments associated with the SBITA contract made to the SBITA vendor at the commencement of the subscription term, when applicable, and capitalizable implementation costs, less any SBITA vendor incentives received from the SBITA vendor at the commencement of the SBITA term. SBITA assets are amortized in a systematic and rational manner over the shorter of the subscription term or the useful life of the underlying IT assets.

**City of Edina**  
**Notes to Basic Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity  
(Continued)**

**8. Leases**

The City determines if an arrangement is a lease at inception. Leases are included in lease receivables and deferred inflows of resources in the statements of net position and fund financial statements.

Lease receivables represent the City's claim to receive lease payments over the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease receivables are recognized at commencement date based on the present value of expected lease payments over the lease term, reduced by any provision for estimated uncollectible amounts. Interest revenue is recognized ratably over the contract term.

Deferred inflows of resources related to leases are recognized at the commencement date based on the initial measurement of the lease receivable, plus any payments received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The deferred inflows related to leases are recognized as lease revenue in a systematic and rational manner over the lease term.

The City determines if an arrangement is a lease at inception. Leases are included in lease assets and lease liabilities in the statements of net position.

**9. Compensated Absences**

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. In accordance with the provisions of accounting principles generally accepted in the United States of America no liability is recorded for nonvesting accumulating rights to receive sick pay benefits. However, a liability is recognized in the government-wide and proprietary fund financial statements for that portion of accumulating sick leave benefits that is vested as severance pay or is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. According to City policy, vested sick leave benefits are liquidated into a health care savings plan upon separation.

**10. State-Wide Pension Plans**

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and additions to/deductions from the PERA's fiduciary net position have been determined on the same basis as they are reported by the PERA except that the 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.

Pension liabilities are liquidated by various governmental funds based on where the corresponding employees' salaries are allocated.

**City of Edina**  
**Notes to Basic Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity  
(Continued)**

**11. Long-Term Obligations**

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bond 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 plus any premium received is reported as other financing sources. Discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**12. 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 so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two items which qualifies for reporting in this category.

Deferred outflows of resources related to pensions and OPEB are reported in the government-wide and enterprise funds statement of net position. These deferred outflows result from differences between expected and actual experience, changes of assumptions, differences between projected and actual investment earnings, changes in proportion, and contributions to the plan subsequent to the measurement date and before the end of the reporting period. These amounts are deferred and amortized as required under pension and OPEB standards.

In addition to liabilities, statements of financial position or balance sheets will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The City has four items which qualify for reporting in this category.

Unavailable revenue is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenue from three sources: property taxes, special assessments, and amounts due from other governments. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

Deferred inflows of resources related to leases are reported in the government-wide and fund financial statements. These deferred inflows represent future revenues related to long-term lease receivables.

Deferred inflows of resources related to pensions and OPEB are reported in the government-wide and enterprise fund statement of net position. These deferred inflows result from differences between expected and actual experience, changes of assumptions, and the difference between projected and actual investment earnings, and are amortized as required under pension and OPEB standards.

**City of Edina  
Notes to Basic Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity  
(Continued)**

**13. Interfund Transactions**

Interfund services provided and used are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/ expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. Interfund loans are reported as an interfund loan receivable or payable which offsets the movement of cash between funds. All other interfund transactions are reported as transfers and are eliminated to the extent possible on the government-wide statements.

**14. Fund Balance Classification**

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 items, inventory, and other long-term assets.

**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 that are established by resolution of the City Council. Those committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.

**Assigned** - Consists of internally imposed constraints. These constraints consist of amounts intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In the general fund, assigned amounts represent intended uses established by the City Council. In the fund balance policy, authority to assign amounts for specific purposes is limited to the City Council.

**Unassigned** - The residual classification for the general fund which 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, then use unrestricted resources as needed.

When committed, assigned, or unassigned resources are available for use, it is the City's policy to use resources in the following order: 1) committed, 2) assigned, and 3) unassigned.

**City of Edina  
Notes to Basic Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity  
(Continued)**

**15. Net Position**

In the government-wide and proprietary fund financial statements, net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net position is displayed in three components:

Net Investment in Capital Assets - Consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets.

Restricted Net Position - Consists of net position restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

Unrestricted Net Position - All other net position that do not meet the definition of "restricted" or "net investment in capital assets."

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.

**16. Use of Estimates**

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates that affect amounts reported in the financial statements during the reporting period. Actual results could differ from such estimates.

**NOTE 2 - DEPOSITS AND INVESTMENTS**

**A. Deposits**

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

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 market value of collateral pledged must equal 110% of the deposits not covered by federal deposit insurance or corporate surety bonds. Authorized collateral includes treasury bills, notes, and bonds; issues of U.S. government agencies; general obligations rated "A" or better; revenue obligations rated "AA" or better; irrevocable standard letters of credit issued by the Federal Home Loan Bank; and certificates 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. The City's investment policy does not contain further restrictions on the types of collateral required.

**City of Edina**  
**Notes to Basic Financial Statements**

**NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)**

**A. Deposits (Continued)**

At year-end, the carrying amount of the City's deposits was \$220,783 while the balance on the bank records was \$69,436. At December 31, 2025, all of the City's deposits were properly collateralized in accordance with state statutes.

**B. Investments**

Investments are subject to various risks, the following of which are considered the most significant:

**Custodial Credit Risk:** This is the risk that in the event of a failure of the counterparty to an investment transaction (typically a broker-dealer) the City would 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 investment policy specifically addresses custodial credit risk, requiring the City to limit its exposure by purchasing insured or registered investments, or by the control of who holds the securities.

**Credit Risk:** This is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. *Minnesota Statutes* limit the City's investments to direct obligations or obligations guaranteed by the United States or its agencies; shares of investment companies registered under the Federal Investment Company Act of 1940 that receive the highest credit rating, are rated in one of the two highest rating categories by a statistical rating agency, and all of the investments have a final maturity of thirteen months or less; general obligations rated "AA" or better; general obligations of the Minnesota Housing Finance Agency rated "A" or better; bankers' acceptances of United States banks eligible for purchase by the Federal Reserve System; commercial paper issued by United States corporations or their Canadian subsidiaries, rated of the highest quality category by at least two nationally recognized rating agencies, and maturing in 270 days or less; Guaranteed Investment Contracts guaranteed by a United States commercial bank, domestic branch of a foreign bank, or a United States insurance company, and with a credit quality in one of the top two highest categories; repurchase or reverse repurchase agreements and securities lending agreements with financial institutions qualified as a "depository" by the government entity, with banks that are members of the Federal Reserve System with capitalization exceeding \$10,000,000, that are a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York, or certain Minnesota securities broker-dealers. The City's investment policies specifically address credit risk, further limiting the City's exposure to credit risk by requiring that all state and local government obligations to be rated "AA" or better by a national rating agency.

**Concentration Risk:** This is the risk associated with investing a significant portion of the City's investment (considered 5% 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 policies specifically address the City's desire to limit concentration risk, but do not set specific guidelines for measurement of this risk. At year-end, there were no required disclosures for concentration risk.

**City of Edina**  
**Notes to Basic Financial Statements**

**NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)**

**B. Investments (Continued)**

Interest Rate Risk: This is the risk of potential variability in the fair value of fixed rate investment resulting in changes in interest rates (the longer the period for which an interest rate is fixed, the greater the risk). The City's investment policies specifically address the City's desire to limit interest rate risk, but do not set specific guidelines for measurement of this risk.

As of December 31, 2025, the City had the following investments and maturities:

Type of Investments	Rating	Fair Value	Investment Maturities			
			Less than 1 year	1-2 years	2-5 years	5+ years
Money Market	NR	\$ 53,850,130	\$ 53,850,130	\$ -	\$ -	\$ -
Certificates of Deposit	NR	13,488,078	5,211,412	2,745,520	5,285,827	245,319
Municipal Bonds	A+	55,977,650	15,346,521	6,262,453	23,743,444	10,625,232
Other Government Backed Securities	AA+	90,292,781	37,894,110	7,140,523	21,885,051	23,373,097
Total Investments		<u>\$213,608,639</u>	<u>\$112,302,173</u>	<u>\$ 16,148,496</u>	<u>\$ 50,914,322</u>	<u>\$ 34,243,648</u>

As of December 31, 2025, the City had the following fair value measurements:

Type of Investments	Total	Level 1	Level 2	Level 3
Certificates of Deposit	\$ 13,488,078	\$ -	\$ 13,488,078	\$ -
Municipal Bonds	55,977,650	-	55,977,650	-
Other Government Backed Securities	90,292,781	-	90,292,781	-
Total investments	<u>\$ 159,758,509</u>	<u>\$ -</u>	<u>\$ 159,758,509</u>	<u>\$ -</u>
Investments at amortized cost	<u>\$ 53,850,130</u>			
Total investments	<u>\$ 213,608,639</u>			

**City of Edina**  
**Notes to Basic Financial Statements**

**NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)**

**B. Investments (Continued)**

The following summary reconciles cash and investments to the financial statements:

Deposits	\$ 69,436
Petty cash	30,360
Investments	<u>213,608,639</u>
 Total cash and investments	 <u><u>\$ 213,708,435</u></u>
 Statement of Net Position	
Governmental activities	\$ 154,726,298
Bunisess-type activities	59,210,657
Fiduciary funds	<u>(228,520)</u>
 Total cash and investments	 <u><u>\$ 213,708,435</u></u>

**City of Edina**  
**Notes to Basic Financial Statements**

**NOTE 3 - CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2025, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets not being depreciated				
Land	\$ 21,405,083	\$ 154,505	\$ -	\$ 21,559,588
Easements	253,000	-	-	253,000
Construction in progress	72,473,695	46,095,087	(19,300,574)	99,268,208
Total capital assets not being depreciated	<u>94,131,778</u>	<u>46,249,592</u>	<u>(19,300,574)</u>	<u>121,080,796</u>
Other capital assets				
Land Improvements	17,406,483	3,611,760	-	21,018,243
Buildings and structures	57,743,999	1,514,695	-	59,258,694
Furniture and office equipment	4,256,672	1,474,389	-	5,731,061
Vehicles and equipment	30,589,090	2,288,527	(588,218)	32,289,399
Infrastructure	171,290,045	12,299,249	-	183,589,294
Parks	26,373,205	1,709,993	(36,353)	28,046,845
Vehicles and equipment	14,205	-	-	14,205
Subscription based information technology arrangement assets	503,701	631,037	(503,701)	631,037
Total other assets at historical cost	<u>308,177,400</u>	<u>23,529,650</u>	<u>(1,128,272)</u>	<u>330,578,778</u>
Less accumulated depreciation for				
Land Improvements	(14,071,533)	(1,060,571)	-	(15,132,104)
Buildings and structures	(27,945,737)	(1,517,169)	-	(29,462,906)
Furniture and office equipment	(3,916,359)	(116,839)	-	(4,033,198)
Vehicles and equipment	(16,331,918)	(2,553,451)	542,732	(18,342,637)
Infrastructure	(92,655,723)	(5,755,676)	-	(98,411,399)
Parks	(18,124,099)	(898,838)	36,353	(18,986,584)
Less accumulated amortization for				
Vehicles and equipment	(8,817)	(2,939)	-	(11,756)
Subscription based information technology arrangement assets	(402,774)	(216,019)	519,939	(98,854)
Total accumulated depreciation and amortization	<u>(173,456,960)</u>	<u>(12,121,502)</u>	<u>1,099,024</u>	<u>(184,479,438)</u>
Total capital assets being depreciated or amortized, net	<u>134,720,440</u>	<u>11,408,148</u>	<u>(29,248)</u>	<u>146,099,340</u>
Governmental activities capital assets, net	<u>\$ 228,852,218</u>	<u>\$ 57,657,740</u>	<u>\$ (19,329,822)</u>	<u>\$ 267,180,136</u>

**City of Edina**  
**Notes to Basic Financial Statements**

**NOTE 3 - CAPITAL ASSETS (CONTINUED)**

Capital asset activity for the year ended December 31, 2025, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-type activities</b>				
Capital assets not being depreciated				
Land	\$ 285,341	\$ -	\$ -	\$ 285,341
Easements	35,600	-	-	35,600
Construction in progress	43,187,759	4,406,937	-	47,594,696
Total capital assets not being depreciated	<u>43,508,700</u>	<u>4,406,937</u>	<u>-</u>	<u>47,915,637</u>
Other capital assets				
Land improvements and golf course	26,943,278	39,497	-	26,982,775
Buildings and structures	48,681,534	-	-	48,681,534
Furniture and office equipment	228,679	-	-	228,679
Vehicles and equipment	17,056,716	879,076	(22,101)	17,913,691
Utility infrastructure	174,705,075	7,598,531	-	182,303,606
Parks	1,133,123	-	-	1,133,123
Leased vehicles and equipment	779,443	-	-	779,443
Total other capital assets at historical cost	<u>269,527,848</u>	<u>8,517,104</u>	<u>(22,101)</u>	<u>278,022,851</u>
Less accumulated depreciation for				
Land improvements and golf course	(18,509,363)	(722,021)	-	(19,231,384)
Buildings and structures	(35,783,053)	(1,494,500)	-	(37,277,553)
Furniture and office equipment	(197,946)	(23,512)	-	(221,458)
Vehicles and equipment	(11,676,678)	(887,873)	22,101	(12,542,450)
Utility infrastructure	(89,198,582)	(5,807,218)	-	(95,005,800)
Parks	(252,640)	(56,656)	-	(309,296)
Less accumulated amortization				
Leased vehicles and equipment	(144,453)	(189,707)	-	(334,160)
Total accumulated depreciation and amortization	<u>(155,762,715)</u>	<u>(9,181,487)</u>	<u>22,101</u>	<u>(164,922,101)</u>
Total other capital assets being depreciated or amortized, net	<u>113,765,133</u>	<u>(664,383)</u>	<u>-</u>	<u>113,100,750</u>
Business-type activities capital assets, net	<u>\$ 157,273,833</u>	<u>\$ 3,742,554</u>	<u>\$ -</u>	<u>\$ 161,016,387</u>

**City of Edina  
Notes to Basic Financial Statements**

**NOTE 3 - CAPITAL ASSETS (CONTINUED)**

Depreciation and amortization expense was charged to the various functions of the City as follows:

Governmental activities	
General government	\$ 656,740
Public safety	1,547,247
Public works	8,589,297
Parks	<u>1,328,218</u>
Total depreciation and amortization expense - governmental activities	<u>\$ 12,121,502</u>
Business-type activities	
Utilities	\$ 6,432,344
Liquor	123,366
Aquatic Center	199,494
Golf Course	941,335
Arena	520,248
Art Center	3,780
Edinburgh Park	266,986
Centennial Lakes	165,357
Sports Dome	<u>528,577</u>
Total depreciation and amortization expense - business-type activities	<u>\$ 9,181,487</u>

**City of Edina  
Notes to Basic Financial Statements**

**NOTE 3 - CAPITAL ASSETS (CONTINUED)**

**Construction Commitments**

At December 31, 2025, the City had construction project contracts in progress. The commitments related to the remaining contract balances are summarized as follows:

Project Number	Project Description	Contract Amount	Remaining Commitment
ENG25-8	Arden Park BMP Maintenance	\$ 82,658	\$ 19,818
P&R2308	Braemar Park Improvements	324,902	192,778
P&R23207	Braemar Arena Facility Improvements	90,000	17,327
P&R23200	Fred Richards Park	728,878	74,931
PWK24100	Well 10 Replacement	2,212,030	1,915,176
ENG22015	France Avenue Sidewalk 62nd Street to 60th Street	631,865	6,299
FAC25124	Braemar Golf Course Restroom	246,800	22,040
PWK25104	Public Works Fleet - Bio Diesel	259,373	17,726
P&R23206	Braemar Arena Expansion and Upgrades	472,127	117,327
ENG25-11	Sanitary Sewer CIP	392,715	392,715
ENG25-9	York Avenue Sanitary Sewer Extension	2,660,015	43,135
P&R25119	Aquatic Center Filter Room	5,409,772	3,486,840
ENG25-1	Presidents A/B Roadway Reconstruction	10,070,059	<u>2,481,182</u>
Total			<u>\$ 8,787,294</u>

Commitments above that are significant to the applicable fund include the Aquatic Center Filter Room and the Presidents A/B Roadway Reconstruction in the Construction Fund and the Well 10 Replacement Project in the Utilities Fund.

**NOTE 4 - LEASES**

The City, acting as lessor, leases hockey center space and tower and park spaces for cellular towers under various long-term, non-cancelable lease agreements. The leases expire at various dates through 2049 and contain discount rates ranging from 2.30% to 3.80%. During the year ended December 31, 2025, the City recognized \$256,029 and \$56,475 in lease revenue and interest revenue, respectively, pursuant to these contracts.

**City of Edina**  
**Notes to Basic Financial Statements**

**NOTE 5 - LONG-TERM DEBT**

**A. General Obligation Bonds**

The City has six types of bonded debt outstanding at December 31, 2025: general obligation bonds, permanent improvement revolving bonds, housing improvement area bonds, tax increment financing bonds, public project revenue bonds, and G.O. revenue bonds. The first type is payable from general property taxes. The second type is payable primarily from special assessments with any deficiency to be provided for by general property taxes. The third type is payable from special assessments on properties that received common area housing improvements within the Edina West Condominium Association Housing Improvement Area. The fourth type is payable from future tax increment payments received. The fifth type is payable solely from annual appropriation lease payments received from the City of Edina pursuant to a lease between the Edina Housing and Redevelopment Authority and the City. The sixth type is payable primarily from enterprise revenue with any deficiency to be provided for by general property taxes. The reporting entity's long-term debt is segregated between the amounts to be repaid from governmental activities and amounts to be repaid from business-type activities.

**City of Edina**  
**Notes to Basic Financial Statements**

**NOTE 5 - LONG-TERM DEBT (CONTINUED)**

**B. Components of Long-Term Liabilities**

	Issue Date	Interest Rates	Original Issue	Final Maturity	Balance End of Year
Governmental Activities					
General Obligation Bonds					
General Obligation, 2016A - Refunding	7/6/2016	2.00-3.00%	\$ 3,635,000	2/1/2028	\$ 1,100,000
General Obligation, 2017C - Refunding	12/14/2017	2.05-4.00%	8,955,000	2/1/2029	3,695,000
General Obligation Equipment Certificate, 2019A	6/13/2019	3.00-5.00%	2,805,000	2/1/2036	1,400,000
General Obligation, 2021B - Refunding	12/16/2021	5.00%	2,515,000	2/1/2030	1,980,000
General Obligation - Capital Improvement Plan 2024A	8/1/2024	4.00-5.00%	16,660,000	2/1/2054	16,660,000
General Obligation, 2024B - Refunding	12/12/2024	4.00-5.00%	16,630,000	2/1/2054	16,630,000
General Obligation, 2025A - CIP - Fire Station 2	8/28/2025	4.125-5.00%	10,340,000	2/1/2054	10,340,000
General Obligation, 2025B - CIP - HWY 100	9/2/2025	4.00-5.00%	2,105,000	2/1/2041	2,105,000
General Obligation, 2025A - Tax Abatement - Acquatic Center	9/2/2025	4.00-5.00%	6,680,000	2/1/2041	6,680,000
Total general obligation bonds			70,325,000		60,590,000
Permanent Improvement Revolving (PIR) Bonds					
Permanent Improvement Revolving, 2015A	7/9/2015	2.00-4.00%	6,545,000	2/1/2032	3,435,000
Permanent Improvement Revolving, 2015A - Parking	7/9/2015	2.00-4.00%	2,495,000	2/1/2036	1,560,000
Permanent Improvement Revolving, 2016A	7/6/2016	2.00-3.00%	3,940,000	2/1/2033	2,290,000
Permanent Improvement Revolving, 2017A	6/29/2017	3.00-4.00%	1,995,000	2/1/2034	1,320,000
Permanent Improvement Revolving, 2018A	6/27/2018	3.00-4.00%	2,210,000	2/1/2035	1,590,000
Permanent Improvement Revolving, 2019A	6/13/2019	3.00-4.00%	2,195,000	2/1/2036	1,745,000
Permanent Improvement Revolving, 2020A	6/25/2020	2.00-4.00%	390,000	2/1/2037	330,000
Permanent Improvement Revolving, 2020B	12/30/2020	1.09%	1,601,000	2/1/2029	714,000
Permanent Improvement Revolving, 2021A	6/24/2021	2.00-4.00%	5,480,000	2/1/2043	4,910,000
Permanent Improvement Revolving, 2021B	12/16/2021	5.00%	1,280,000	2/1/2030	860,000
Permanent Improvement Revolving, 2022A	7/14/2022	5.00%	2,145,000	2/1/2039	2,045,000
Permanent Improvement Revolving, 2023A	7/13/2023	4.00-5.00%	1,180,000	2/1/2040	1,180,000
Permanent Improvement Revolving, 2024A	8/1/2024	4.00-5.00%	2,800,000	2/1/2054	2,800,000
Permanent Improvement Revolving, 2024A	8/28/2025	4.125-5.00%	2,235,000	2/1/2054	2,235,000
Total PIR bonds			36,491,000		27,014,000

**City of Edina  
Notes to Basic Financial Statements**

**NOTE 5 - LONG-TERM DEBT (CONTINUED)**

**B. Components of Long-Term Liabilities (Continued)**

Annual debt service requirements to maturity for the City's governmental activities debt are as follows:

Year Ending December 31,	Governmental Activities					
	General Obligation Bonds		Permanent Improvement Revolving Bonds		Public Project Revenue Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2026	\$ 1,930,000	\$ 2,472,617	\$ 2,058,000	\$ 1,021,742	\$ 1,535,000	\$ 823,819
2027	2,665,000	2,481,626	2,275,000	886,712	1,280,000	774,318
2028	3,345,000	2,367,520	2,451,000	802,897	1,330,000	725,288
2029	3,085,000	2,237,913	2,430,000	713,366	1,380,000	673,162
2030	1,850,000	2,127,669	2,410,000	622,006	1,435,000	618,363
2031-2035	8,150,000	9,445,019	9,830,000	1,903,597	8,045,000	2,187,516
2036-2040	10,370,000	7,190,594	4,915,000	531,825	3,885,000	869,875
2041-2045	9,190,000	5,018,484	645,000	21,769	1,825,000	73,700
2046-2050	10,215,000	3,104,188	-	-	-	-
2051-2054	9,790,000	827,524	-	-	-	-
Total	<u>\$ 60,590,000</u>	<u>\$ 37,273,154</u>	<u>\$ 27,014,000</u>	<u>\$ 6,503,914</u>	<u>\$ 20,715,000</u>	<u>\$ 6,746,041</u>

Year Ending December 31,	Governmental Activities					
	Tax Increment Financing Bonds		MSA Bonds		HIA Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2026	\$ 280,000	\$ 423,750	\$ 535,000	\$ 460,125	\$ 70,000	\$ 154,390
2027	290,000	412,350	560,000	432,750	95,000	149,853
2028	300,000	400,550	590,000	404,000	100,000	144,490
2029	315,000	388,250	620,000	373,750	105,000	138,853
2030	325,000	375,450	650,000	342,000	110,000	132,940
2031-2035	1,820,000	1,696,250	3,770,000	1,175,750	660,000	562,980
2036-2040	5,070,000	1,079,175	2,745,000	210,375	840,000	377,018
2041-2045	3,740,000	206,250	-	-	1,085,000	141,625
Total	<u>\$ 12,140,000</u>	<u>\$ 4,982,025</u>	<u>\$ 9,470,000</u>	<u>\$ 3,398,750</u>	<u>\$ 3,065,000</u>	<u>\$ 1,802,149</u>

**City of Edina**  
**Notes to Basic Financial Statements**

**NOTE 5 - LONG-TERM DEBT (CONTINUED)**

**B. Components of Long-Term Liabilities (Continued)**

Year Ending December 31,	Governmental Activities					
	Lease Liability		Direct Borrowing - Loans Payable		Subscriptions Liability	
	Principal	Interest	Principal	Interest	Principal	Interest
2026	\$ 2,563	\$ 27	\$ -	\$ 15,000	\$ 207,090	\$ 11,034
2027	-	-	-	15,000	212,331	5,793
2028	-	-	-	15,000	114,746	877
2029	-	-	-	15,000	-	-
2030	-	-	-	15,000	-	-
2031-2034	-	-	750,000	60,000	-	-
Total	<u>\$ 2,563</u>	<u>\$ 27</u>	<u>\$ 750,000</u>	<u>\$ 135,000</u>	<u>\$ 534,167</u>	<u>\$ 17,704</u>

Annual debt service requirements to maturity for the City's business-type activities debt are as follows:

Year Ending December 31,	Business-Type Activities			
	G.O. Improvement Bonds		Lease Liability	
	Principal	Interest	Principal	Interest
2026	\$ 5,977,000	\$ 2,309,388	\$ 176,114	\$ 5,155
2027	6,940,000	2,085,369	156,863	2,839
2028	6,328,000	1,808,999	128,275	1,067
2029	5,811,000	1,548,779	3,273	20
2030	5,497,000	1,303,536	-	-
2031-2035	20,650,000	3,388,844	-	-
2036-2038	4,590,000	288,250	-	-
Total	<u>\$ 55,793,000</u>	<u>\$ 12,733,165</u>	<u>\$ 464,525</u>	<u>\$ 9,081</u>

**City of Edina**  
**Notes to Basic Financial Statements**

**NOTE 5 - LONG-TERM DEBT (CONTINUED)**

**C. Changes in Long-Term Liabilities**

Long-term liability activity for the year ended December 31, 2025, was as follows:

	Beginning Balance	Additions	Retirements and Other Reductions	Ending Balance	Due Within One Year
<b>Governmental activities</b>					
Bonds payable					
General Obligation	\$ 60,315,000	\$ 19,125,000	\$ (18,850,000)	\$ 60,590,000	\$ 1,930,000
Permanent improvement revolving	26,719,000	2,235,000	(1,940,000)	27,014,000	2,058,000
Public project revenue	21,850,000	-	(1,135,000)	20,715,000	1,535,000
Tax increment financing	12,410,000	-	(270,000)	12,140,000	280,000
Minnesota state aid streets	9,980,000	-	(510,000)	9,470,000	535,000
Housing improvement area	3,065,000	-	-	3,065,000	70,000
Less deferred amounts					
Premiums on bonds	7,063,321	977,298	(804,778)	7,235,841	-
Total bonds payable	141,402,321	22,337,298	(23,509,778)	140,229,841	6,408,000
Loans payable	750,000	-	-	750,000	-
Leases liability	5,569	-	(3,006)	2,563	2,563
Subscription liability	124,297	631,180	(221,310)	534,167	207,090
Compensated absences	7,106,241	307,421	-	7,413,662	2,965,465
Total governmental activities					
Long-term liabilities	<u>\$ 149,388,428</u>	<u>\$ 23,275,899</u>	<u>\$ (23,734,094)</u>	<u>\$ 148,930,233</u>	<u>\$ 9,583,118</u>
<b>Business-type activities</b>					
Bonds payable					
General Obligation Revenue Bonds	\$ 52,027,000	\$ 9,770,000	\$ (6,004,000)	\$ 55,793,000	\$ 5,977,000
Less deferred amounts					
Premiums on bonds	4,124,760	1,083,378	(800,405)	4,407,733	-
Total bonds payable	56,151,760	10,853,378	(6,804,405)	60,200,733	5,977,000
Leases liability	638,290	-	(173,765)	464,525	176,114
Compensated absences	1,123,598	103,173	-	1,226,771	490,708
Total business-type activities					
long-term liabilities	<u>\$ 57,913,648</u>	<u>\$ 10,956,551</u>	<u>\$ (6,978,170)</u>	<u>\$ 61,892,029</u>	<u>\$ 6,643,822</u>

The change in the compensated absences liability is presented as a net change.

On August 28, 2025, the City issued \$2,235,000 of Permanent Improvement Revolving Bonds, \$3,215,000 of Utility Revenue Bonds for Water, \$3,600,000 of Utility Revenue Bonds for Sewer, \$2,955,000 of Utility Revenue for Storm, and \$10,340,000 of Capital Improvement Bonds, Series 2025A. On September 2, 2025, the City issued \$6,680,000 of Tax Abatement Bonds and \$2,105,000 of Capital Improvement Bonds, Series 2025B. The proceeds from these bonds are being used to finance road reconstruction projects, a new pump house facility supporting the City's Aquatic Center and other facility improvement needs, a Community Health and Safety Center facility, and various utility system infrastructure improvements. The bonds have coupon rates ranging from 4.00% to 5.00%, with final maturity dates from February 1, 2042, to February 1, 2054.

The City leases various laundry and golf equipment for various terms under long-term, noncancelable lease agreements. The leases expire at various dates through 2029.

**City of Edina**  
**Notes to Basic Financial Statements**

**NOTE 5 - LONG-TERM DEBT (CONTINUED)**

**C. Changes in Long-Term Liabilities (Continued)**

The City has entered into subscription-based-information technology arrangements (SBITAs) for various IT related applications. The SBITA arrangements expire at various dates through 2028.

**Revenue Pledged**

Future Revenue pledged for the payment of long-term debt is as follows:

Bonds Issue	Use of Proceeds	Type	Revenue Pledged		Remaining Principal and Interest	Current Year	
			Percent of Total Debt Service	Terms of Pledge		Principal and Interest Paid	Pledged Revenue Received
2015B Recreational Facility Bonds	Golf Course Improvements	Golf	100 %	2016-2031	\$ 1,063,034	\$ 176,919	\$ 6,328,908
2017B Recreational Facility Bonds	Golf Course Improvements	Golf	100	2018-2033	4,511,950	566,100	6,328,908
2017B Recreational Facility Bonds	Pool Improvements	Pool	100	2018-2027	202,900	99,600	1,143,074
2017D Recreational Facility Bonds	Arena Improvements	Arena	100	2018-2030	696,610	154,350	2,813,362
2021C Recreational Facility Bonds	Arena Improvements	Arena	100	2023-2033	1,377,925	174,750	2,813,362
2021C Recreational Facility Bonds	Golf Dome Improvements	Golf	100	2023-2033	350,100	86,025	6,328,908
2015A Utility Revenue Bonds	Utility Infastructure	Utility	100	2016-2025	-	598,850	35,061,152
2016A Utility Revenue Bonds	Utility Infastructure	Utility	100	2017-2027	1,992,606	995,613	35,061,152
2017A Utility Revenue Bonds	Utility Infastructure	Utility	100	2018-2028	2,361,750	783,800	35,061,152
2018A Utility Revenue Bonds	Utility Infastructure	Utility	100	2019-2029	1,556,675	387,450	35,061,152
2019A Utility Revenue Bonds	Utility Infastructure	Utility	100	2020-2036	3,683,250	742,125	35,061,152
2020A Utility Revenue Bonds	Utility Infastructure	Utility	100	2021-2031	3,352,950	556,000	35,061,152
2022A Utility Revenue Bonds	Utility Infastructure	Utility	100	2023-2038	16,647,250	1,334,000	35,061,152
2023A Utility Revenue Bonds	Utility Infastructure	Utility	100	2024-2034	10,293,050	1,145,300	35,061,152
2024A Utility Revenue Bonds	Utility Infastructure	Utility	100	2025-2035	7,527,500	295,000	35,061,152
2025A Utility Revenue Bonds	Utility Infastructure	Utility	100	2026-2036	12,908,613	-	35,061,152

**City of Edina  
Notes to Basic Financial Statements**

**NOTE 6 - LEGAL DEBT MARGIN**

The city is subject to a statutory limitation by the state of Minnesota for bonded indebtedness payable principally from property taxes. The City of Edina's legal debt margin for 2025 is computed as follows:

	2025
Market Value (after fiscal disparities)	\$ 17,218,964,600
Debt limit (3% of market value)	\$ 516,568,938
Amount of debt applicable to debt limit	
Total bonded debt	\$ 188,787,000
Less:	
Public improvement revolving bonds	(27,014,000)
Tax increment financing bonds	(12,140,000)
MSA bonds	(9,470,000)
Revenue bonds	(55,793,000)
Total debt applicable to debt limit	84,370,000
Legal debt margin	\$ 432,198,938

**NOTE 7 - CONDUIT DEBT OBLIGATIONS**

As of December 31, 2025, The City of Edina had four series of Housing and Health Care Revenue Bonds, with an aggregate principal amount payable of \$24,565,000. The bonds are payable solely from the revenues of the respective organizations and do not constitute an indebtedness of the City and are not a charge against its general credit or taxing power. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

**NOTE 8 - PENSION PLANS**

The City participates in various pension plans. Total pension expense for the year ended December 31, 2025 was \$2,481,814. The components of pension expense are noted in the following plan summaries.

The General Fund and Utility Funds typically liquidate the liability related to the pensions.

**Public Employees' Retirement Association**

**A. Plan Description**

The City participates in the following cost-sharing multiple-employer defined benefit pension plans administered by PERA. PERA's defined benefit pension plans are established and administered in accordance with *Minnesota Statutes* Chapters 353, 353D, 353E, 353G, and 356. *Minnesota Statutes* Chapter 356 defines each plan's financial reporting requirements. PERA's defined benefit pension plans are tax qualified plans under Section 401(a) of the Internal Revenue Code.

**City of Edina  
Notes to Basic Financial Statements**

**NOTE 8 - PENSION PLANS (CONTINUED)**

**Public Employees' Retirement Association (Continued)**

**A. Plan Description (Continued)**

General Employees Retirement Plan

Membership in the General Plan includes employees of counties, cities, townships, schools in non-certified positions, and other governmental entities whose revenues are derived from taxation, fees, or assessments. Plan membership is required for any employee who is expected to earn more than \$425 in a month, unless the employee meets exclusion criteria.

Public Employees Police and Fire Plan

Membership in the Police and Fire Plan includes full-time, licensed police officers and firefighters who meet the membership criteria defined in *Minnesota Statutes* § 353.64 and who are not earning service credit in any other PERA retirement plan or a local relief association for the same service. Employers can provide Police and Fire Plan coverage for part-time positions and certain other public safety positions by submitting a resolution adopted by the City's governing body. The resolution must state that the position meets plan requirements.

**B. 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. When a member is vested, they have earned enough service credit to receive a lifetime monthly benefit after leaving public service and reaching an eligible retirement age. Members who retire at or over their Social Security full retirement age with at least one year of service qualify for a retirement benefit.

General Employees Plan Benefits

General Employees Plan requires three years of service to vest. Benefits are based on a member's highest average salary for any 5 successive years of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for General Plan members. Members hired prior to July 1, 1989, receive the higher of Step or Level formulas. Only the Level formula is used for members hired after June 30, 1989. Under the Step formula, General Plan members receive 1.2% of the highest average salary for each of the first 10 years of service and 1.7% for each additional year. Under the Level formula, General Plan members receive 1.7% of the highest average salary for all years of service. For members hired prior to July 1, 1989, a full retirement benefit is available when age plus years of service equal 90 and normal retirement age is 65. Members can receive a reduced requirement benefit as early as age 55 if they have three or more years of service. Early retirement benefits are reduced by .25% for each month under age 65. Members with 30 or more years of service can retire at any age with a reduction of .25% for each month the member is younger than age 62. The Level formula allows General Plan members to receive a full retirement benefit at age 65 if they were first hired before July 1, 1989 or at age 66 if they were hired on or after July 1, 1989. Early retirement begins at age 55 with an actuarial reduction applied to the benefit.

**City of Edina**  
**Notes to Basic Financial Statements**

**NOTE 8 - PENSION PLANS (CONTINUED)**

**Public Employees' Retirement Association (Continued)**

**B. Benefits Provided (Continued)**

**General Employees Plan Benefits (Continued)**

Benefit increases are provided to benefit recipients each January. The postretirement increase is equal to 50% of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1% and a maximum of 1.5%. The 2025 annual increase was 1.25%. 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.

**Police and Fire Plan Benefits**

Benefits for the Police and Fire Plan members hired before July 1, 2010, are vested after three years of service. Members hired on or after July 1, 2010, are 50% vested after five years of service and 100% vested after 10 years. After five years, vesting increase by 10% each full year of service until members are 100% vested after 10 years. Police and Fire Plan members receive 3% of highest average salary for all years of service. Police and Fire Plan members receive a full retirement benefit when they are 55 and vested, or when their age plus their years of service equals 90 or greater if they were first hired before July 1, 1989. Early retirement starts at age 50, and early retirement benefits are reduced by 0.417% each month members are younger than age 55.

Benefit increases are provided to benefit recipients each January. The post-retirement increase is fixed at 1%. 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.

**C. Contributions**

*Minnesota Statutes* Chapter 353, 353E, 353G, and 356 set the rates for employer and employee contributions. Contribution rates can only be modified by the state Legislature.

**General Employees Fund Contributions**

General Plan members were required to contribute 6.5% of their annual covered salary in fiscal year 2025, and the City was required to contribute 7.5% for General Plan members. The City's contributions to the General Employees Fund for the year ended December 31, 2025, were \$2,011,368. The City's contributions were equal to the required contributions as set by state statute.

**Police and Fire Fund Contributions**

Police and Fire Plan members were required to contribute 11.8% of their annual covered salary in fiscal year 2025, and the City was required to contribute 17.7% for Police and Fire Plan members. The City's contributions to the Police and Fire Fund for the year ended December 31, 2025, were \$2,461,147. The City's contributions were equal to the required contributions as set by state statute.

**City of Edina  
Notes to Basic Financial Statements**

**NOTE 8 - PENSION PLANS (CONTINUED)**

**Public Employees' Retirement Association (Continued)**

**D. Pension Costs**

General Employees Fund Pension Costs

At December 31, 2025, the City reported a liability of \$9,848,457 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 \$237,503.

City's proportionate share of the net pension liability	\$ 9,848,457
State of Minnesota's proportionate share of the net pension liability associated with the City	237,503
Total	\$ 10,085,960

The net pension liability was measured as of June 30, 2025, 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, 2024, through June 30, 2025, relative to the total employer contributions received from all of PERA's participating employers. The City's proportionate share was 0.2940% at the end of the measurement period and 0.2971% for the beginning of the period.

For the year ended December 31, 2025, the City recognized pension expense of \$(253,447) for its proportionate share of General Employees Plan's pension expense. Included in the amount, the City recognized \$(36,430) as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of \$16 million to the General Employees Fund.

**City of Edina  
Notes to Basic Financial Statements**

**NOTE 8 - PENSION PLANS (CONTINUED)**

**Public Employees' Retirement Association (Continued)**

**D. Pension Costs (Continued)**

General Employees Fund Pension Costs (Continued)

At December 31, 2025, 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 Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 943,567	\$ -
Changes in actuarial assumptions	237,216	2,327,485
Net difference between projected and actual investment earnings	-	3,977,775
Changes in proportion	331,672	344,264
Contributions paid to PERA subsequent to the measurement date	1,005,684	-
Total	\$ 2,518,139	\$ 6,649,524

**City of Edina  
Notes to Basic Financial Statements**

**NOTE 8 - PENSION PLANS (CONTINUED)**

**Public Employees' Retirement Association (Continued)**

**D. Pension Costs (Continued)**

General Employees Fund Pension Costs (Continued)

The \$1,005,684 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, 2026. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	<u>Pension Expense Amount</u>
2026	\$ (1,050,138)
2027	(2,038,944)
2028	(1,348,159)
2029	<u>(699,828)</u>
Total	<u>\$ (5,137,069)</u>

Police and Fire Fund Pension Costs

At December 31, 2025, the City reported a liability of \$10,188,251 for its proportionate share of the Police and Fire Fund's net pension liability. The net pension liability was measured as of June 30, 2025, 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, 2024, through June 30, 2025, relative to the total employer contributions received from all of PERA's participating employers. The City's proportionate share was 0.8696% at the end of the measurement period and 0.8868% for the beginning of the period.

**City of Edina  
Notes to Basic Financial Statements**

**NOTE 8 - PENSION PLANS (CONTINUED)**

**Public Employees' Retirement Association (Continued)**

**D. Pension Costs (Continued)**

**Police and Fire Fund Pension Costs (Continued)**

The State of Minnesota contributed \$18 million to the Police and Fire Fund in the plan fiscal year ended June 30, 2025. The contribution consisted of \$9 million in direct state aid that meets 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, 2024. The direct state aid payment will increase by \$17.7 million, which was paid on October 1, 2025. Thereafter, by October 1 of each year, the State will pay \$26.7 million to the Police and Fire Fund until the fund is 110% funded for a minimum of three consecutive years (on an actuarial value of assets basis). The \$9 million in supplemental state aid will continue until the fund and the State Patrol Plan (administered by the Minnesota State Retirement System) are 100% funded for three consecutive years (on an actuarial value of assets basis). The State of Minnesota's proportionate share of the net pension liability associated with the City totaled \$353,175.

City's proportionate share of the net pension liability	\$ 10,188,251
State of Minnesota's proportionate share of the net pension liability associated with the City	353,175
Total	\$ 10,541,426

For the year ended December 31, 2025, the City recognized pension expense of \$2,731,548 for its proportionate share of the Police and Fire Plan's pension expense. Included in this amount, the City recognized \$170,884 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's 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 because this contribution was not considered to meet the definition of a special funding situation. The City recognized \$232,171 for the year ended December 31, 2025, as revenue and an offsetting reduction of the net pension liability for its proportionate share of the State of Minnesota's on-behalf contributions to the Police and Fire Fund.

**City of Edina  
Notes to Basic Financial Statements**

**NOTE 8 - PENSION PLANS (CONTINUED)**

**Public Employees' Retirement Association (Continued)**

**D. Pension Costs (Continued)**

Police and Fire Fund Pension Costs (Continued)

At December 31, 2025, 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:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual economic experience	\$ 4,749,510	\$ -
Changes in actuarial assumptions	7,765,539	12,919,761
Net difference between projected and actual investment earnings	-	4,598,308
Changes in proportion	190,216	193,059
Contributions paid to PERA subsequent to the measurement date	<u>1,230,574</u>	<u>-</u>
Total	<u><u>\$ 13,935,839</u></u>	<u><u>\$ 17,711,128</u></u>

**City of Edina  
Notes to Basic Financial Statements**

**NOTE 8 - PENSION PLANS (CONTINUED)**

**Public Employees' Retirement Association (Continued)**

**D. Pension Costs (Continued)**

**Police and Fire Fund Pension Costs (Continued)**

The \$1,230,574 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, 2026. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31,	Pension Expense Amount
2026	\$ 2,378,095
2027	(2,285,598)
2028	(5,034,388)
2029	(292,823)
2030	228,851
Total	\$ (5,005,863)

**E. 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	100.0 %	

**City of Edina  
Notes to Basic Financial Statements**

**NOTE 8 - PENSION PLANS (CONTINUED)**

**Public Employees' Retirement Association (Continued)**

**F. Actuarial Methods and Assumptions**

The total pension liability for each of the cost-sharing defined benefit plans was determined by an actuarial valuation as of June 30, 2025, using the entry-age normal actuarial cost method. The long-term rate of return on pension plan investments used to determine the total liability is 7.0%. The 7.0% 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 investment return rates considered reasonable by the actuary. An investment return of 7.0% is within that range.

Inflation is assumed to be 2.25% for the General Employees Plan and 2.25% for the Police and Fire Plan. Benefit increases after retirement are assumed to be 1.5% for the General Employees Plan and 1% for the Police and Fire Plan.

Salary growth assumptions in the General Employees Plan range in annual increments from 11.5% after one year of service to 3.0% after 27 years of service. In the Police and Fire Plan, salary growth assumptions range in annual increments from 10.75% after one year of service to 3.0% after 23 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 General Employees Plan was last reviewed in 2022. The assumption changes were adopted by the Board and became effective with the July 1, 2023, actuarial valuation. The Police and Fire Plan was reviewed in 2024. The assumption changes were adopted by the board and became effective with the July 1, 2025, actuarial valuation.

The following changes in actuarial assumptions and plan provisions occurred in 2025:

**General Employees Fund**

**Changes in Actuarial Assumptions**

- The combined service annuity loading factors increased from 15% to 19% for vested terminated members and from 3% to 44% for non-vested, terminated members. The assumed post-retirement benefit increase changed from 1.25% to 1.5%.

**Changes in Plan Provisions**

- The post-retirement benefit increase formula changed to 100% of the Social Security annual increase, between 1% and 1.75%, beginning January 1, 2026. If the funded ratio (on a market value of assets basis) is less than 85% for the last two consecutive annual valuations or is less than 80% in the most recent actuarial valuation, the maximum is reduced to 1.5%. Previously, the benefit increase was 50% of the Social Security annual increase, between 1% and 1.5%.
- The 1% additional employer contribution is eliminated when the plan reaches 98% funded status (on an actuarial value of assets basis); this contribution was previously scheduled to stop when the plan reached 100% funded status.

**City of Edina  
Notes to Basic Financial Statements**

**NOTE 8 - PENSION PLANS (CONTINUED)**

**Public Employees' Retirement Association (Continued)**

**F. Actuarial Methods and Assumptions (Continued)**

Police and Fire Fund

Changes in Actuarial Assumptions

- Assumed rates of salary increases were reduced slightly.
- Assumed rates of retirement were adjusted, resulting in an overall increase in unreduced (full) retirements and an overall increase in reduced (early) retirements.
- Assumed rates of withdrawal were modified; the new rates will increase predicted terminations, especially in the first few years of employment.
- Assumed rates of disabled retirement were significantly increased, especially for ages over age 30.
- Continued use of Pub-2010 Public Safety Mortality Table with rates adjusted to better fit observed experience.
- Percent married assumption for female retirees lowered from 70% to 65%.
- Minor changes were made to form of payment assumptions for retirees.
- Minor changes were made to assumptions made with respect to missing participant data.
- The combined service annuity load changed from 33% to 13% for vested, terminated members and from 2% to 38% for non-vested, terminated members.

Changes in Plan Provisions

- The period of time needed for benefit recipients to receive their first benefit increase was reduced by one year (from 36 months to 24 months for a full increase).
- The January 1, 2026, benefit increase changed from 1% to 3%; subsequent January 1 increases will be 1%.
- The threshold to end the \$9 million annual state aid contribution changed from the earlier of July 1, 2048, or 90% funded for both PERA Police and Fire and MSRS State Patrol for three consecutive years to 100% funded for both PERA Police and Fire and MSRS State Patrol for three consecutive years (on an actuarial value of assets basis).
- The threshold to end the additional \$9 million annual state aid contribution changed from the earlier of July 1, 2048 or 100% funded for a minimum of three consecutive years to 110% funded for a minimum of three consecutive years (on an actuarial value of assets basis).
- An additional \$17.7 million in direct state aid will be paid annually each October 1 beginning October 1, 2025, through June 30, 2048.
- Joint and survivor actuarial equivalent factors were updated to reflect changes in assumptions.

**G. Discount Rate**

The discount rate used to measure the total pension liability in 2025 was 7.0%. 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 positions of the General Employees and Police and Fire Plans 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.

**City of Edina  
Notes to Basic Financial Statements**

**NOTE 8 - PENSION PLANS (CONTINUED)**

**Public Employees' Retirement Association (Continued)**

**H. 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 1 percentage point lower or 1 percentage point higher than the current discount rate:

	1% Decrease in Discount Rate (6.0%)	Current Discount Rate (7.0%)	1% Increase in Discount Rate (8.0%)
City's proportionate share of the General Employees Fund net pension liability	\$ 23,913,067	\$ 9,848,457	\$ (1,566,543)
	1% Decrease in Discount Rate (6.0%)	Current Discount Rate (7.0%)	1% Increase in Discount Rate (8.0%)
City's proportionate share of the Police and Fire Fund net pension liability	\$ 26,695,379	\$ 10,188,251	\$ (3,366,705)

**I. 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](http://www.mnpera.org).

**Public Employees Defined Contribution Plan (Defined Contribution Plan)**

Board members of the City are covered by the DCP, a multiemployer deferred compensation plan administered by PERA. The DCP is a tax qualified plan under Section 401(a) of the IRC 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 expense. Minnesota Statutes, Chapter 353D.03, specifies plan provisions, including the employee and employer contribution rates for those qualified personnel who elect to participate. An eligible elected official who decides to participate contributes 5.0% of salary which is matched by the elected official's employer. For ambulance service personnel, employer contributions are determined by the employer, and for salaried employees must be a fixed percentage of salary.

**City of Edina  
Notes to Basic Financial Statements**

**NOTE 8 - PENSION PLANS (CONTINUED)**

**Public Employees Defined Contribution Plan (Defined Contribution Plan)**

The defined contribution plan consists of individual accounts paying a lump-sum benefit. Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses; therefore, there is no future liability to the City. *Minnesota Statutes* Chapter 353D and 356, specifies plan provisions, including the employee and employer contribution rates for those qualified personnel who elect to participate. An eligible elected official who decides to participate contributes 5% of salary which is matched by the elected official's employer. For ambulance service personnel, employer contributions are determined by the employer, and for salaried employees must be a fixed percent of salary. Employer contributions for volunteer personnel may be a unit value for each call or period of alert duty.

Employees who are paid for their services may elect to make member contributions in an amount not to exceed the employer share. Employer and employee contributions are combined and used to purchase shares in one or more of the seven accounts of the Minnesota Supplemental Investment Fund. For administering the plan, PERA receives 2% of employer contributions and twenty-five hundredths of 1% (.25%) 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 during fiscal year 2025 were:

Contribution Amount		Percentage of Covered Payroll		Required Rate
Employee	Employer	Employee	Employer	
\$ 3,712	\$ 3,712	5%	5%	5%

**NOTE 9 - MULTIEMPLOYER DEFINED BENEFIT PENSION PLAN**

City employees belonging to International Union of Operating Engineers (IUOE) are participants in a multiemployer defined benefit pension plan Central Pension Fund of the International Union of Operating Engineers and Participating Employers (CRF) administered by the board of trustees of the Central Pension Fund. The plan is a cost-sharing pension plan that is not a state or local governmental pension plan, is used to provide defined benefit pensions both to employers that are not state or local governmental employers, and has no predominant state or local government employer. The plan issues a publicly available financial report located on their website at [www.cpfuoe.org](http://www.cpfuoe.org).

The City has 60 employees who are covered by the pension plan. The plan provides benefits such as monthly retirement income, special and early retirement benefits, postretirement surviving spouse benefits, and disability benefits. The CPF is a supplemental Pension Fund authorized by *Minnesota Statutes* § 356.24, subdivision 1(9). The CPF Plan of Benefits and the Agreement and Declaration of Trust will serve as the governing documents.

**City of Edina**  
**Notes to Basic Financial Statements**

**NOTE 9 - MULTIEmployer DEFINED BENEFIT PENSION PLAN (CONTINUED)**

The City's contributions to the plan are pursuant to a collective bargaining agreement with the IUOE which will expire December 31, 2026. The required contribution rate is \$1.25 per hour, which is applied to all compensated hours, and capped at \$5,000 per year. Total employer contributions for the year ended December 31, 2025, were \$139,333. With regard to withdrawal from the pension plan, the parties agree that the amount that would otherwise be paid in salary or wages will be contributed instead to the CPF as pretax employer contributions.

**NOTE 10 - POST EMPLOYMENT HEALTH CARE PLAN**

**A. Plan Description**

The City provides postemployment insurance benefits to certain eligible employees through its OPEB Plan, a single-employer defined benefit plan administered by the City. All post-employment benefits are based on contractual agreements with employee groups. Eligibility for these benefits is based on years of service and/or minimum age requirements. These contractual agreements do not include any specific contribution or funding requirements. The plan does not issue a publicly available financial report. No plan assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

**B. Benefits Provided**

All retirees of the City upon retirement 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.

For police officers and firefighters disabled in the line-of-duty, Minnesota Statutes require the City to continue payment of the employer's contribution toward health coverage for the police officer or firefighter and their spouse, if the spouse was covered at the time of disability, until age 65.

**C. Contributions**

The required contribution is based on projected pay-as-you-go financing requirements, with additional amounts to prefund benefits as determined periodically by the City. The City's current year required pay-as-you-go contributions to finance the benefits described in the previous section totaled \$189,374. Total OPEB liability will be paid by the general fund and enterprise funds.

**City of Edina  
Notes to Basic Financial Statements**

**NOTE 10 - POST EMPLOYMENT HEALTH CARE PLAN (CONTINUED)**

**D. Members**

Membership in the plan consisted of the following as of the latest actuarial valuation:

Total employees without coverage	33
Employees with coverage	310
	343
Total	343

**E. Actuarial Assumptions**

The total OPEB liability was determined by an actuarial valuation measured as of December 31, 2024, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Key Methods and Assumptions Used in Valuation of Total OPEB Liability

Discount Rate	4.08%
Salary increases including inflation	Based on the PERA Plan in which the employee is a participant.
Healthcare cost trend increases	7.45% for FY2024, gradually decreasing over ten years to an ultimate rate of 4.0% in FY2043 and later years.
Mortality assumption	PERA Coordinated: Rates from the most recent PERA experience study from July 1, 2018 through June 30, 2022. PERA Police and Fire: Rates from the most recent PERA experience study from July 1, 2019 through June 30, 2023.

The actuarial assumptions used in the latest valuation were based on those used to value pension liabilities for Minnesota city employees. The state pension plans base their assumptions on periodic experience studies. Economic assumptions are based on input from a variety of published sources of historical and projected future financial data. Each assumption was reviewed for reasonableness with the source information as well as for consistency with the other economic assumptions.

Since the plan is not funded by an irrevocable trust, the discount rate is equal to the 20-year municipal bond yield rate of 4.08%, which was set by considering published rate information for 20-year high quality, tax exempt, general obligation municipal bonds as of the measurement date. The City discount rate used in the prior measurement date was 3.77%.

Mortality rates were based on the RP-2014 mortality tables adjusted for white collar and mortality improvements using projection scale MP-2018, from a base year of 2014 for GERP members and MP-2018, from a base year of 2006 for PEPFF members.

**City of Edina**  
**Notes to Basic Financial Statements**

**NOTE 10 - POST EMPLOYMENT HEALTH CARE PLAN (CONTINUED)**

**E. Actuarial Assumptions (Continued)**

Future retirees electing coverage is assumed to 40%. Married future retirees electing spouse coverage is assumed to range from 40% to 60% based on classification of employee.

**F. Total OPEB Liability**

The City's total OPEB liability was determined by an actuarial valuation as of December 31, 2024. Changes in the total OPEB liability are as follows:

	<u>Total OPEB Liability</u>
Balances at January 1, 2025	<u>\$ 4,569,654</u>
Changes for the year	
Service cost	560,769
Interest	189,849
Differences between expected and actual economic experience	20,345
Changes of assumptions	(135,238)
Benefit payments	<u>(189,374)</u>
Net changes	<u>446,351</u>
Balances at December 31, 2025	<u><u>\$ 5,016,005</u></u>

Assumption changes since the prior measurement date include the following:

- The discount rate was changed from 3.77% to 4.08%

**G. OPEB Liability Sensitivity**

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 percentage point lower or 1 percentage point higher than the current discount rate:

Total OPEB Liability/(Asset)		
1% Decrease in Discount Rate (3.08%)	Current Discount Rate (4.08%)	1% Increase in Discount Rate (5.08%)
\$ 5,465,648	\$ 5,016,005	\$ 4,604,512

**City of Edina  
Notes to Basic Financial Statements**

**NOTE 10 - POST EMPLOYMENT HEALTH CARE PLAN (CONTINUED)**

**G. OPEB Liability Sensitivity (Continued)**

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% lower and 1% higher than the current healthcare cost trend rates.

Total OPEB Liability/(Asset)		
1% Decrease in Trend Rate (6.5% Decreasing to 3.0%)	Current Trend Rate (7.5% Decreasing to 4.0%)	1% Increase in Trend Rate (8.5% Decreasing to 5.0%)
\$ 4,343,385	\$ 5,016,005	\$ 5,820,615

**H. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended December 31, 2025, the City recognized OPEB expense of \$690,191. At December 31, 2025, the City reported deferred outflows of resources and deferred inflows of resources as shown below.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 1,378,845	\$ 759,957
Changes in actuarial assumptions	527,360	983,016
Contributions made subsequent to the measurement date	120,423	-
<b>Total</b>	<b>\$ 2,026,628</b>	<b>\$ 1,742,973</b>

City of Edina  
Notes to Basic Financial Statements

**NOTE 10 - POST EMPLOYMENT HEALTH CARE PLAN (CONTINUED)**

**H. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources  
Related to OPEB (Continued)**

A total of \$120,423 reported as deferred outflows of resources related to OPEB resulting from city contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ending December 31, 2026. Other amounts reported as deferred outflows and inflows of resources related to the plan will be recognized in pension expense as follows:

Year Ending December 31,	OPEB Expense
2026	\$ (60,425)
2027	(64,896)
2028	(60,432)
2029	(37,402)
2030	119,357
Thereafter	267,030
Total	\$ 163,232

**City of Edina  
Notes to Basic Financial Statements**

**NOTE 11 - FUND BALANCES**

**A. Classifications**

At December 31, 2025, a summary of the City's governmental fund balance classifications are as follows:

	Major Funds				Nonmajor Funds	Total
	General Fund	HRA Fund	Debt Service Fund	Construction Fund		
Fund balances						
Nonspendable	\$ 168,043	\$ -	\$ -	\$ -	\$ 10,832	\$ 178,875
Restricted						
Park Dedication	48,430	-	-	-	-	48,430
Tax Increments	-	31,490,226	-	-	-	31,490,226
Affordable Housing	-	4,090,132	-	-	-	4,090,132
Debt Service	-	-	7,640,287	-	-	7,640,287
Capital Projects	-	-	-	59,846,146	-	59,846,146
Pedestrian and Cyclist Improvements	-	-	-	-	-	-
Forfeitures	-	-	-	-	1,120,734	1,120,734
Donations	-	-	-	-	133,030	133,030
Conservation and Sustainability Initiatives	-	-	-	-	1,176,152	1,176,152
Public Safety	-	-	-	-	1,838,751	1,838,751
Opioid Epidemic Response	-	-	-	-	272,642	272,642
Total restricted	<u>48,430</u>	<u>35,580,358</u>	<u>7,640,287</u>	<u>59,846,146</u>	<u>4,541,309</u>	<u>107,656,530</u>
Assigned						
Compensated Absences	3,102,051	-	-	-	-	3,102,051
Budget Stabilization	1,327,722	-	-	-	-	1,327,722
Art and Culture	65,147	-	-	-	-	65,147
Special Projects	-	-	-	6,824,397	-	6,824,397
Equipment	-	-	-	4,012,650	-	4,012,650
Total assigned	<u>4,494,920</u>	<u>-</u>	<u>-</u>	<u>10,837,047</u>	<u>-</u>	<u>15,331,967</u>
Unassigned	<u>31,253,577</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(401,623)</u>	<u>30,851,954</u>
Total fund balances	<u>\$ 35,964,970</u>	<u>\$ 35,580,358</u>	<u>\$ 7,640,287</u>	<u>\$ 70,683,193</u>	<u>\$ 4,150,518</u>	<u>\$ 154,019,326</u>

**City of Edina  
Notes to Basic Financial Statements**

**NOTE 11 - FUND BALANCES (CONTINUED)**

**B. Unassigned Fund Balance**

The City Council has formally adopted a fund balance policy regarding the desired range for unassigned fund balance for the general fund. The policy establishes a goal for unassigned general fund balance of 42% - 47% of the subsequent year's budgeted property tax revenue. As of December 31, 2025, the City has \$31,253,577 of unassigned fund balance in the general fund, or 58.95% of 2026 budgeted property tax revenue. This amount is \$6,337,487 above the top of the goal identified in the policy.

**NOTE 12 - INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

**A. Interfund Receivables and Payables**

There was an interfund receivable due to the Construction Fund payable from the Pedestrian and Cyclist Safety nonmajor governmental fund for the amount of \$373,866 to cover a cash deficit at year end. There was an interfund receivable due to the Aquatic Center Fund payable from the Edinborough Park nonmajor proprietary fund for the amount of \$394,618 to cover a cash deficit at year end.

**B. Interfund Transfers**

Transfers Out	Transfers In								Total
	General	Debt Service	Liquor	Aquatic Center	Golf Course	Arena	Nonmajor Enterprise	Service Funds	
General	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 350,000	\$ -	\$ -	\$ 350,000
Housing and Redevelopment Authority	-	685,782	-	-	-	-	-	-	685,782
Construction Fund	-	2,948,862	-	-	-	-	-	-	2,948,862
Utilities Fund	225,664	-	4,974	22,726	68,216	181,362	90,877	22,648	616,467
Liquor Fund	-	-	-	-	-	-	1,000,000	-	1,000,000
<b>Total</b>	<u>\$ 225,664</u>	<u>\$ 3,634,644</u>	<u>\$ 4,974</u>	<u>\$ 22,726</u>	<u>\$ 68,216</u>	<u>\$ 531,362</u>	<u>\$ 1,090,877</u>	<u>\$ 22,648</u>	<u>\$ 5,601,111</u>

Interfund transfers allow the City to allocate financial resources to the funds that receive benefit from services provided by another fund. Some of the City's interfund transfers fall under that category. Nonroutine transfers included the following:

1. The Liquor Fund transferred \$300,000 and \$700,000 to the Art Center Fund and Centennial Lakes Fund, respectively.
2. General Fund transferred \$350,000 to the Braemer Arena Fund for operations, as planned in the 2025 budget.
3. The Housing and Redevelopment Authority Fund and Construction Fund transferred \$685,782 and \$2,948,862 of PIR assessment revenue to the debt service fund for related debt payments, respectively.
4. The Utilities Fund transferred a total of \$616,467 to the General Fund, other enterprise funds, and internal service funds to offset the costs of internal utilities.

**NOTE 13 - TAX INCREMENT DISTRICTS**

The Housing Redevelopment Authority and City of Edina are administering authorities for the following Tax Increment Districts:

District No. 1203 (Centennial Lakes) is a decertified redevelopment district.

**City of Edina  
Notes to Basic Financial Statements**

**NOTE 13 - TAX INCREMENT DISTRICTS (CONTINUED)**

District No. 1208-1209-1210 (Southdale #2) is a decertified economic development district.

District No. 1211 (Pentagon Park) is a redevelopment district established in 2014 pursuant to *Minnesota Statutes* with a termination date of 2043.

District No. 1212-1213 (Grandview 2) is a redevelopment district established in 2016 pursuant to *Minnesota Statutes* with a termination date of 2045.

District No. 1214 (66 West) is an affordable housing district established in 2016 pursuant to *Minnesota Statutes* with a termination date of 2044.

District No. 1215 (50th & France 2) is a redevelopment district established in 2017 pursuant to *Minnesota Statutes* with a termination date of 2045.

District No. 1216 (44th & France 2) is a renewal and renovation district established in 2018 pursuant to *Minnesota Statutes* with a termination date of 2036.

District No. 1217 (West 76th Street) is a special affordable housing district established in 2018 pursuant to *Minnesota Statutes* with a termination date of 2042.

District No. 1218 (72nd & France) is a decertified redevelopment district.

District No. 1219 (Amundson Ave) is a special affordable housing district established in 2019 pursuant to *Minnesota Statutes* with a termination date of 2042.

District No. 1220 (4040 W. 70th Street) is a special affordable housing district established in 2021 pursuant to *Minnesota Statutes* with a termination date of 2045.

District No. 1221 (70th & France) is a renewal and renovation district established in 2022 pursuant to *Minnesota Statutes* with a termination date of 2041.

District No. 1222 (Eden Willson) is a redevelopment district established in 2021 pursuant to *Minnesota Statutes* with a termination date of 2050.

District No. 1223 (72nd & France #2) is a redevelopment district established in 2023 pursuant to *Minnesota Statutes* with a termination date of 2051.

The following table reflects values as of December 31, 2025:

	Pentagon Park TIF #1211	Grandview 2 TIF #1212	66 West TIF #1214	50th and France 2 TIF #1215	44th and France 2 TIF #1216	W. 76th Street TIF #1217	Amundson Ave TIF #1219	West 70th TIF #1220	70th and Franch TIF #1221	72nd and France TIF #1223	Total
Original Tax Capacity	\$ 691,608	\$ 39,890	\$ 15,315	\$ 57,986	\$ 29,735	\$ 16,364	\$ 6,637	\$ 69,270	\$ 323,484	\$ 217,006	\$ 1,467,295
Current Tax Capacity	2,118,336	866,598	31,456	992,500	300,325	72,599	62,206	79,375	323,484	199,250	5,046,129
Tax Capacity Change	1,426,728	826,708	16,141	934,514	270,590	56,235	55,569	10,105	-	-	3,578,834
Retained Captured Tax Capacity	\$ 1,426,728	\$ 826,708	\$ 16,141	\$ 934,514	\$ 270,590	\$ 56,235	\$ 55,569	\$ 10,105	\$ -	\$ -	\$ 3,578,834

**City of Edina**  
**Notes to Basic Financial Statements**

**NOTE 14 - CONTINGENCIES**

**A. Risk Management**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

Workers' compensation insurance was provided through the League of Minnesota Cities Insurance Trust. There is a \$50,000 deductible per occurrence and \$150,000 in aggregate. The City has an annual deposit premium that is subject to adjustment based on the actual audited payroll.

A package policy; including property, general liability, and automobile coverage, is provided through the League of Minnesota Cities Insurance Trust. Under this policy, the City pays an annual premium and had a \$75,000 per occurrence deductible and is subject to an annual aggregate deductible of \$150,000 with a \$1,000,000 per occurrence maximum.

Liquor liability coverage is provided through the League of Minnesota Cities Insurance Trust. The City pays an annual premium for this coverage and has a \$1,000,000 annual maximum.

Settlement claims have not exceeded insurance coverage for each of the past three years. There were no significant decreases in insurance coverage during 2025.

**B. Litigation**

The City attorney has indicated that existing and pending lawsuits, claims, and other actions in which the City is a defendant are either covered by insurance; of an immaterial amount; or, in the judgment of the City attorney, remotely recoverable by plaintiffs.

**C. Federal and State Funds**

The City receives financial assistance from federal and state governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with the terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the applicable fund. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the City at December 31, 2025.

**D. Tax Increment Districts**

The City's tax increment districts are subject to review by the state of Minnesota Office of the State Auditor (OSA). Any disallowed claims or misuse of tax increments could become a liability of the applicable fund. Management is not aware of any instances of noncompliance which would have material effect on the financial statements.

**City of Edina**  
**Notes to Basic Financial Statements**

**NOTE 15 - JOINT VENTURES AND JOINTLY GOVERNED ORGANIZATIONS**

**A. Joint Ventures**

The City is a participant with the City of Bloomington, the City of Eden Prairie, and the Metropolitan Airport Commission in a joint venture to construct and operate a facility to be used for the training of law enforcement officers and firefighters. The South Metro Public Safety Training Facility Association (PSTF) is governed by a board consisting of one representative from each Member. On Dissolution of the Association, the Facility shall revert to the City of Edina, and all remaining assets shall be divided among the members based on the Cost Sharing Formula. In accordance with the joint venture agreement, each member of the association will share in the cost of the construction and operation based on the Cost Sharing Formula. The City's equity interest in the capital assets of PSTF was \$1,770,353.

**NOTE 16 - RELATED PARTY TRANSACTIONS**

The City pays an annual membership fee to South Metro Public Safety Training Facility as part of the joint venture agreement. The membership fee is paid by the Police and Fire departments and is based on a Cost Sharing Formula. For the year ended December 31, 2025, the City paid a total of \$165,048 in memberships fees to the PSTF, equal to 18.3% of membership fees collected for the year.

**NOTE 17 - PRIOR PERIOD RESTATEMENT**

For the year ended December 31, 2025, an error correction was required to adjust the beginning fund balance in the Housing and Redevelopment Authority Fund in the amount of \$2,786,708 related to the HIA loan receivable.

	Reporting Units Affected by Adjustments to and Restatements of Beginning Balances	
	Housing and Redevelopment Authority	Government- Wide Governmental Activities
12/31/2024, as previously stated	\$ 34,583,322	\$ 235,646,627
Error correction	(2,786,708)	(2,786,708)
12/31/2024, as adjusted or restated	\$ 31,796,614	\$ 232,859,919

**REQUIRED SUPPLEMENTARY INFORMATION**

City of Edina  
Statement of Revenues, Expenditures, and  
Changes in Fund Balances -  
Budget and Actual - General Fund  
Year Ended December 31, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Taxes				
Property taxes	\$ 47,543,215	\$ 47,543,215	\$ 46,582,974	\$ (960,241)
Franchise taxes	1,100,000	1,100,000	687,067	(412,933)
Lodging tax	20,000	20,000	31,552	11,552
Total taxes	<u>48,663,215</u>	<u>48,663,215</u>	<u>47,301,593</u>	<u>(1,361,622)</u>
Licenses and permits	5,821,958	5,821,958	6,787,920	965,962
Intergovernmental				
Federal	425,830	425,830	756,222	330,392
State				
Municipal state aid	195,000	195,000	195,000	-
Health programs	230,630	230,630	582,365	351,735
Fire aid	472,500	472,500	682,728	210,228
Police aid	930,000	930,000	920,594	(9,406)
Other grants and aids	200,000	200,000	183,580	(16,420)
Total intergovernmental revenue	<u>2,453,960</u>	<u>2,453,960</u>	<u>3,320,489</u>	<u>866,529</u>
Charges for services				
Administration	180,200	180,200	785	(179,415)
Communications and technology	50,220	50,220	63,403	13,183
Finance	1,567,836	1,567,836	1,567,836	-
Public works	-	-	726	726
Engineering	61,800	61,800	256,611	194,811
Police	948,800	948,800	1,498,706	549,906
Fire	2,618,700	2,618,700	3,159,200	540,500
Parks and recreation	810,000	810,000	862,177	52,177
Community development	75,000	75,000	154,042	79,042
Total charges for services	<u>6,312,556</u>	<u>6,312,556</u>	<u>7,563,486</u>	<u>1,250,930</u>
Fine and forfeitures	350,000	350,000	773,992	423,992
Miscellaneous				
Investment income	425,000	425,000	662,952	237,952
Rental of property	463,182	463,182	615,976	152,794
Other	19,000	19,000	226,248	207,248
Total miscellaneous	<u>907,182</u>	<u>907,182</u>	<u>1,505,176</u>	<u>597,994</u>
Total revenues	<u>64,508,871</u>	<u>64,508,871</u>	<u>67,252,656</u>	<u>2,743,785</u>

See notes to required supplementary information.

City of Edina  
Statement of Revenues, Expenditures, and  
Changes in Fund Balances -  
Budget and Actual - General Fund  
Year Ended December 31, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Expenditures</b>				
Current				
General government				
Administration				
Personal services	\$ 1,648,488	\$ 1,648,488	\$ 1,624,575	\$ (23,913)
Contractual services	1,221,110	1,221,110	863,305	(357,805)
Commodities	86,500	86,500	32,103	(54,397)
Internal services	246,510	246,510	246,510	-
Total administration	<u>3,202,608</u>	<u>3,202,608</u>	<u>2,766,493</u>	<u>(436,115)</u>
Communications				
Personal services	1,117,645	1,117,645	1,204,488	86,843
Contractual services	439,718	439,718	423,999	(15,719)
Commodities	34,500	34,500	11,342	(23,158)
Internal services	193,516	193,516	193,516	-
Total communications	<u>1,785,379</u>	<u>1,785,379</u>	<u>1,833,345</u>	<u>47,966</u>
Human resources				
Personal services	1,557,469	1,557,469	1,283,190	(274,279)
Contractual services	209,760	209,760	391,284	181,524
Commodities	36,600	36,600	26,316	(10,284)
Internal services	79,832	79,832	79,832	-
Total human resources	<u>1,883,661</u>	<u>1,883,661</u>	<u>1,780,622</u>	<u>(103,039)</u>
Finance				
Personal services	1,134,413	1,134,413	1,077,912	(56,501)
Contractual services	346,070	346,070	533,383	187,313
Commodities	16,500	16,500	7,749	(8,751)
Internal services	(130,426)	(130,426)	(130,426)	-
Total finance	<u>1,366,557</u>	<u>1,366,557</u>	<u>1,488,618</u>	<u>122,061</u>
Community development				
Personal services	2,077,387	2,077,387	2,009,348	(68,039)
Contractual services	346,000	346,000	250,345	(95,655)
Commodities	12,500	12,500	591	(11,909)
Internal services	213,710	213,710	213,710	-
Total community development	<u>2,649,597</u>	<u>2,649,597</u>	<u>2,473,994</u>	<u>(175,603)</u>
Total general government	<u>10,887,802</u>	<u>10,887,802</u>	<u>10,343,072</u>	<u>(544,730)</u>
Public safety				
Police				
Personal services	15,300,341	15,300,341	14,419,215	(881,126)
Contractual services	1,367,430	1,367,430	1,323,910	(43,520)
Commodities	165,500	165,500	118,936	(46,564)
Internal services	1,841,433	1,841,433	1,841,433	-
Total police	<u>18,674,704</u>	<u>18,674,704</u>	<u>17,703,494</u>	<u>(971,210)</u>
Fire				
Personal services	11,377,875	11,377,875	11,006,345	(371,530)
Contractual services	1,097,480	1,097,480	1,063,265	(34,215)
Commodities	416,618	416,618	235,866	(180,752)
Internal services	836,284	836,284	836,284	-
Total fire	<u>13,728,257</u>	<u>13,728,257</u>	<u>13,141,760</u>	<u>(586,497)</u>

See notes to required supplementary information.

**City of Edina**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances -**  
**Budget and Actual - General Fund**  
**Year Ended December 31, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Expenditures (Continued)</b>				
Current (continued)				
Public safety (continued)				
Public health				
Personal services	\$ 757,412	\$ 757,412	\$ 770,004	\$ 12,592
Contractual services	622,992	622,992	1,073,599	450,607
Commodities	10,300	10,300	12,038	1,738
Internal services	92,570	92,570	92,570	-
Total public health	<u>1,483,274</u>	<u>1,483,274</u>	<u>1,948,211</u>	<u>464,937</u>
Total public safety	33,886,235	33,886,235	32,793,465	(1,092,770)
Public works				
Public works				
Personal services	3,307,972	3,307,972	3,142,094	(165,878)
Contractual services	1,242,006	1,242,006	791,161	(450,845)
Commodities	1,210,000	1,210,000	922,123	(287,877)
Internal services	1,467,322	1,467,322	1,467,322	-
Total public works	<u>7,227,300</u>	<u>7,227,300</u>	<u>6,322,700</u>	<u>(904,600)</u>
Engineering				
Personal services	2,951,330	2,951,330	2,774,968	(176,362)
Contractual services	1,542,140	1,542,140	1,217,964	(324,176)
Commodities	95,700	95,700	48,389	(47,311)
Internal services	482,788	482,788	482,788	-
Total engineering	<u>5,071,958</u>	<u>5,071,958</u>	<u>4,524,109</u>	<u>(547,849)</u>
Total public works	12,299,258	12,299,258	10,846,809	(1,452,449)
Parks and recreation				
Parks and recreation				
Personal services	5,033,727	5,033,727	4,799,792	(233,935)
Contractual services	2,014,430	2,014,430	1,908,465	(105,965)
Commodities	454,300	454,300	471,154	16,854
Internal services	740,119	740,119	740,119	-
Total parks	<u>8,242,576</u>	<u>8,242,576</u>	<u>7,919,530</u>	<u>(323,046)</u>
Capital outlay				
General government	-	-	203,057	203,057
Debt service				
Principal	-	-	29,750	29,750
Interest and fiscal changes	-	-	102	102
Total debt service	<u>-</u>	<u>-</u>	<u>29,852</u>	<u>29,852</u>
Total expenditures	<u>65,315,871</u>	<u>65,315,871</u>	<u>62,135,785</u>	<u>(3,180,086)</u>

See notes to required supplementary information.

City of Edina  
Statement of Revenues, Expenditures, and  
Changes in Fund Balances -  
Budget and Actual - General Fund  
Year Ended December 31, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Expenditures (Continued)</b>				
Excess of revenues over (under) expenditures	\$ (807,000)	\$ (807,000)	\$ 5,116,871	\$ 5,923,871
<b>Other Financing Sources</b>				
Proceeds from sale of capital asset	-	-	34,524	34,524
Transfers in	157,000	157,000	225,664	68,664
Transfers out	(350,000)	(350,000)	(350,000)	-
Total other financing sources	(193,000)	(193,000)	(89,812)	103,188
Net change in fund balances	<u>\$ (1,000,000)</u>	<u>\$ (1,000,000)</u>	5,027,059	<u>\$ 6,027,059</u>
<b>Fund Balance</b>				
Beginning of year			<u>30,937,911</u>	
End of year			<u>\$ 35,964,970</u>	

**City of Edina**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances -**  
**Budget and Actual**  
**Housing and Redevelopment Authority (HRA) Fund**  
**Year Ended December 31, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Property taxes	\$ 259,300	\$ 259,300	\$ 255,379	\$ (3,921)
Tax increments	2,415,000	2,415,000	4,817,402	2,402,402
Special assessments	-	-	278,325	278,325
Intergovernmental	-	-	1,037,882	1,037,882
Charges for services	800,000	800,000	1,705,809	905,809
Investment income	304,000	304,000	1,074,395	770,395
Total revenues	<u>3,778,300</u>	<u>3,778,300</u>	<u>9,169,192</u>	<u>5,390,892</u>
<b>Expenditures</b>				
<b>Current</b>				
Personal Services	182,088	182,088	182,345	257
Contractual Services	8,069,640	8,069,640	3,381,448	(4,688,192)
Commodities	300	300	1,235	935
<b>Capital outlay</b>				
General government	1,200,000	1,700,000	1,134,638	(565,362)
Total expenditures	<u>9,452,028</u>	<u>9,952,028</u>	<u>4,699,666</u>	<u>(5,252,362)</u>
Net change in fund balances	(5,673,728)	(6,173,728)	4,469,526	10,643,254
<b>Other Financing Sources (Uses)</b>				
Transfers out	-	-	(685,782)	(685,782)
Net change in fund balances	<u>\$ (5,673,728)</u>	<u>\$ (6,173,728)</u>	3,783,744	<u>\$ 9,957,472</u>
<b>Fund Balance</b>				
Beginning of year, as previously stated			34,583,322	
Prior period restatement (see note 17)			(2,786,708)	
Beginning of year, restated			<u>31,796,614</u>	
End of year			<u>\$ 35,580,358</u>	

See notes to required supplementary information.

**City of Edina**  
**Schedule of City's Proportionate Share**  
**of Net Pension Liability**  
**General Employees Retirement Fund**  
**Last Ten Years**

For Fiscal Year Ended June 30,	City's Proportionate Share (Percentage) of the Net Pension Liability (Asset)	City's Proportionate Share (Amount) of the Net Pension Liability (Asset)	State's 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	City's Covered- employee Payroll	City's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered- employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2025	0.2971%	\$ 9,849,457	\$ 237,503	\$ 10,086,960	\$ 26,907,453	36.60%	90.78%
2024	0.2940%	10,869,570	281,066	11,150,636	24,884,240	43.68%	89.08%
2023	0.3093%	17,149,631	472,717	17,622,348	23,883,249	71.81%	83.10%
2022	0.2927%	22,973,466	673,551	23,647,017	21,857,115	105.11%	76.67%
2021	0.2911%	12,320,807	379,625	12,700,432	20,898,307	58.96%	87.00%
2020	0.2764%	16,405,731	511,142	16,916,873	19,847,440	82.66%	79.06%
2019	0.2694%	14,745,577	462,813	15,208,390	19,063,827	77.35%	80.23%
2018	0.2679%	14,713,374	482,647	15,196,021	18,007,013	81.71%	79.53%
2017	0.2772%	17,519,302	220,299	17,739,601	17,858,560	98.10%	75.90%
2016	0.2656%	21,349,748	278,868	21,628,616	16,481,973	129.53%	68.91%

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

For Fiscal Year Ended June 30,	City's Proportion of the Net Pension Liability (Asset)	City's Proportionate Share of the Net Pension Liability (Asset)	State's 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	City's Covered- employee Payroll	City's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered- employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2025	0.8696%	\$ 10,188,251	\$ 353,175	\$ 10,541,426	\$ 13,196,994	77.20%	91.78%
2024	0.8868%	11,667,381	444,756	12,112,137	12,280,463	95.01%	90.17%
2023	0.8802%	15,199,910	612,293	15,812,203	11,559,197	131.50%	86.47%
2022	0.8758%	38,111,357	1,664,806	39,776,163	10,638,687	358.23%	70.53%
2021	0.8688%	6,706,215	301,506	7,007,721	10,268,277	65.31%	93.66%
2020	0.8704%	11,472,803	270,277	11,743,080	9,819,457	116.84%	87.19%
2019	0.8479%	9,026,752	-	9,026,752	9,151,062	98.64%	89.26%
2018	0.8022%	8,550,626	-	8,550,626	8,454,142	101.14%	88.84%
2017	0.8110%	10,949,465	-	10,949,465	8,322,605	131.56%	85.43%
2016	0.7990%	32,065,260	-	32,065,260	7,699,821	416.44%	63.88%

See notes to required supplementary information.

**City of Edina  
Schedule of City Contributions -  
General Employees Retirement Fund  
Last Ten Years**

Fiscal Year Ending December 31,	Statutorily Required Contribution	Contributions in Relation to the Statutorily Required Contributions	Contribution Deficiency (Excess)	City's Covered- employee Payroll	Contributions as a Percentage of Covered- employee Payroll
2025	\$ 2,011,368	\$ 2,011,368	\$ -	\$ 26,818,240	7.50%
2024	1,948,579	1,948,579	-	25,981,053	7.50%
2023	1,866,318	1,866,318	-	24,884,240	7.50%
2022	1,696,759	1,696,759	-	22,623,453	7.50%
2021	1,607,199	1,607,199	-	21,429,320	7.50%
2020	1,518,494	1,518,494	-	20,246,587	7.50%
2019	1,471,059	1,471,059	-	19,614,120	7.50%
2018	1,378,743	1,378,743	-	18,383,240	7.50%
2017	1,317,596	1,317,596	-	17,567,947	7.50%
2016	1,265,817	1,265,817	-	16,877,560	7.50%

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

Fiscal Year Ending December 31,	Statutorily Required Contribution	Contributions in Relation to the Statutorily Required Contributions	Contribution Deficiency (Excess)	City's Covered- employee Payroll	Contributions as a Percentage of Covered- employee Payroll
2025	\$ 2,461,147	\$ 2,461,147	\$ -	\$ 13,904,785	17.70%
2024	2,241,459	2,241,459	-	12,663,610	17.70%
2023	2,173,642	2,173,642	-	12,280,463	17.70%
2022	1,953,054	1,953,054	-	11,034,203	17.70%
2021	1,850,353	1,850,353	-	10,453,972	17.70%
2020	1,784,694	1,784,694	-	10,083,017	17.70%
2019	1,595,304	1,595,304	-	9,847,556	16.20%
2018	1,399,053	1,399,053	-	8,625,481	16.22%
2017	1,335,917	1,335,917	-	8,246,401	16.20%
2016	1,272,485	1,272,485	-	7,854,846	16.20%

See notes to required supplementary information.

**City of Edina**  
**Schedule of Changes in Total OPEB Liability**  
**and Related Ratios**

	December 31, 2017	December 31, 2018	December 31, 2019	December 31, 2020	December 31, 2021	December 31, 2022	December 31, 2023	December 31, 2024
<b>Total OPEB Liability</b>								
Service cost	\$ 270,435	\$ 296,634	\$ 192,093	\$ 239,792	\$ 280,452	\$ 407,276	\$ 313,990	\$ 560,769
Interest	127,096	128,559	154,222	65,302	58,062	77,753	141,664	189,849
Differences between expected and actual experience	-	-	(1,909,627)	9,714	1,503,227	(7,355)	559,438	20,345
Changes of assumptions	87,259	(178,824)	212,364	105,246	(790,776)	(483,539)	465,916	(135,238)
Benefit payments	(133,679)	(138,732)	(77,801)	(90,566)	(119,930)	(164,310)	(190,465)	(189,374)
Net change in total OPEB liability	<u>351,111</u>	<u>107,637</u>	<u>(1,428,749)</u>	<u>329,488</u>	<u>931,035</u>	<u>(170,175)</u>	<u>1,290,543</u>	<u>446,351</u>
Beginning of year	<u>3,158,764</u>	<u>3,509,875</u>	<u>3,617,512</u>	<u>2,188,763</u>	<u>2,518,251</u>	<u>3,449,286</u>	<u>3,279,111</u>	<u>4,569,654</u>
End of year	<u>\$ 3,509,875</u>	<u>\$ 3,617,512</u>	<u>\$ 2,188,763</u>	<u>\$ 2,518,251</u>	<u>\$ 3,449,286</u>	<u>\$ 3,279,111</u>	<u>\$ 4,569,654</u>	<u>\$ 5,016,005</u>
Covered-employee payroll	\$ 23,900,000	\$ 24,800,000	\$ 25,800,000	\$ 26,700,000	\$ 30,100,000	\$ 36,100,000	\$ 39,100,000	\$ 42,400,000
Total OPEB liability as a percentage of covered-employee payroll	14.7%	14.6%	8.5%	9.4%	11.5%	9.1%	11.7%	11.8%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available. No assets are accumulated in a trust.

**City of Edina  
Notes to Required Supplementary Information  
December 31, 2025**

**NOTE 1 - LEGAL COMPLIANCE - BUDGETS**

The City follows these procedures in establishing the budgetary data reflected in the preceding schedules:

1. The City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. The budget is legally enacted by the passage of a resolution by the City Council.
4. Formal budgetary integration is employed as a management control device during the year.
5. Budgets for all governmental funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.
6. Reported budget amounts are as originally adopted or as amended by Council-approved supplemental appropriations and budget transfers.
7. Expenditures may not legally exceed appropriations by department in the General Fund unless offset by increases in revenues. All unencumbered appropriations lapse at year-end.

**NOTE 2 - EXCESS OF EXPENDITURES OVER APPROPRIATIONS**

The General Fund is legally adopted on a basis consistent with accounting principles generally accepted in the United States of America. The legal level of budgetary control is at the department level for the General Fund. The following is a listing of General Fund departments whose expenditures exceed budget appropriations.

	Final Budget	Actual	Over Budget
General Fund			
General Government			
Communications	\$ 1,785,379	\$ 1,833,345	\$ 47,966
Finance	1,366,557	1,488,618	122,061
Public Safety			
Public Health	1,483,274	1,948,211	464,937
Capital Outlay	-	203,057	203,057
Debt Service	-	29,852	29,852

Excess expenditures were due to slightly higher than anticipated costs.

The remaining governmental funds budgets are legally adopted on a basis consistent with accounting principles generally accepted in the United States of America. The legal level of budgetary control is at the fund level for these funds.

**City of Edina**  
**Notes to Required Supplementary Information**  
**December 31, 2025**

**NOTE 3 - PENSIONS AND OPEB**

**General Employees Fund**

**2025 Changes**

Changes in Actuarial Assumptions

- The combined service annuity loading factors increased from 15% to 19% for vested, terminated members and from 3% to 44% for non-vested, terminated members.
- The assumed post-retirement benefit increase changed from 1.25% to 1.5%.

Changes in Plan Provisions

- The post-retirement benefit increase formula changed to 100% of the Social Security annual increase, between 1% and 1.75%, beginning January 1, 2026. If the funded ratio (on a market value of assets basis) is less than 85% for the last two consecutive annual valuations or is less than 80% in the most recent actuarial valuation, the maximum is reduced to 1.5%. Previously, the benefit increase was 50% of the Social Security annual increase, between 1% and 1.5%.
- The 1% additional employer contribution is eliminated when the plan reaches 98% funded status (on an actuarial value of assets basis); this contribution was previously scheduled to stop when the plan reached 100% funded status.

**2024 Changes**

Changes in Actuarial Assumptions

- Rates of merit and seniority were adjusted, resulting in slightly higher rates.
- Assumed rates of retirement were adjusted as follows: increase the rate of assumed unreduced retirements, slight adjustments to Rule of 90 retirement rates, and slight adjustments to early retirement rates for Tier 1 and Tier 2 members.
- Minor increase in assumed withdrawals for males and females.
- Lower rates of disability.
- Continued use of Pub-2010 general mortality table with slight rate adjustments as recommended in the most recent experience study.
- Minor changes to form of payment assumptions for male and female retirees.
- Minor changes to assumptions made with respect to missing participant data.

Changes in Plan Provisions

- The workers' compensation offset for disability benefits was eliminated. The actuarial equivalent factors updated to reflect the changes in assumptions.

**2023 Changes**

Changes in Actuarial Assumptions

- The investment return assumption and single discount rate were changed from 6.5% to 7.0%.

Changes in Plan Provisions

- An additional one-time direct state aid contribution of \$170.1 million was contributed to the Plan on October 1, 2023.
- The vesting period of those hired after June 30, 2010, was changed from five years of allowable service to three years of allowable service.
- The benefit increase delay for early retirements on or after January 1, 2024, was eliminated.
- A one-time, non-compounding benefit increase of 2.5% minus the actual 2024 adjustment will be payable in a lump sum for calendar year 2024 by March 31, 2024.

**City of Edina**  
**Notes to Required Supplementary Information**  
**December 31, 2025**

**NOTE 3 - PENSIONS AND OPEB (CONTINUED)**

**General Employees Fund (Continued)**

**2022 Changes**

Changes in Actuarial Assumptions

- The mortality improvement scale was changed from scale MP-2020 to scale MP-2021.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

**2021 Changes**

Changes in Actuarial Assumptions

- The investment return and single discount rates were changed from 7.5% to 6.5% for financial reporting purposes.
- The mortality improvement scale was changed from scale MP-2019 to scale MP-2020.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

**2020 Changes**

Changes in Actuarial Assumptions

- The price inflation assumption was decreased from 2.5% to 2.25%.
- The payroll growth assumption decreased from 3.25% to 3.0%.
- Assumed salary increase rates were changed as recommended in the June 30, 2019, experience study. The net effect is assumed rates that average 0.25% less than previous rates.
- Assumed rates of retirement were changed as recommended in the June 30, 2019, experience study. The changes result in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements.
- Assumed rates of termination were changed as recommended in the June 30, 2019, experience study. The new rates are based on service and are generally lower than the previous rates for years 2-5 and slightly higher thereafter.
- Assumed rates of disability were changed as recommended in the June 30, 2019, experience study. The change results in fewer predicted disability retirements for males and females.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 General Mortality table, with adjustments. The base mortality table for disabled annuitants was changed from the RP-2014 disabled annuitant mortality table to the Pub-2010 General/Teacher disabled annuitant mortality table, with adjustments.
- The mortality improvement scale was changed from Scale MP-2018 to Scale MP-2019.
- The assumed spouse age difference was changed from two years older for females to one year older.
- The assumed number of married male new retirees electing the 100% Joint and Survivor option changed from 35% to 45%. The assumed number of married female new retirees electing the 100% Joint and 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% thereafter. Augmentation was eliminated for privatizations occurring after June 30, 2020.

**City of Edina**  
**Notes to Required Supplementary Information**  
**December 31, 2025**

**NOTE 3 - PENSIONS AND OPEB (CONTINUED)**

**General Employees Fund (Continued)**

**2019 Changes**

Changes in Actuarial Assumptions

- The mortality 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 mortality projection scale was changed from MP-2015 to MP-2017.
- The assumed benefit increase was changed from 1.0% per year through 2044 and 2.5% per year thereafter to 1.25% 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% to 3.00%, beginning July 1, 2018.
- Deferred augmentation was changed to 0.00%, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Contribution stabilizer provisions were repealed.
- Annual increases were changed from 1.00% per year with a provision to increase to 2.50% upon attainment of 90.00% funding ratio to 50.00% of the Social Security Cost of Living Adjustment, not less than 1.00% and not more than 1.50%, 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. This 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 CSA loads were changed from 0.8% for active members and 60% for vested and non-vested deferred members. The revised CSA loads are now 0.0% for active member liability, 15% for vested deferred member liability and 3% for non-vested deferred member liability.
- The assumed annual increase rate was changed from 1.0% per year for all years to 1.0% per year through 2044 and 2.5% 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.

**City of Edina**  
**Notes to Required Supplementary Information**  
**December 31, 2025**

**NOTE 3 - PENSIONS AND OPEB (CONTINUED)**

**General Employees Fund (Continued)**

**2016 Changes**

Changes in Actuarial Assumptions

- The assumed post-retirement benefit increase rate was changed from 1.0% per year through 2035 and 2.5% per year thereafter to 1.0% per year for all future years.
- The assumed investment return was changed from 7.9% to 7.5%. The single discount rate was changed from 7.9% to 7.5%.
- Other assumptions were changed pursuant to the experience study dated June 30, 2015. The assumed future salary increases, payroll growth, the inflation was decreased by 0.25% to 3.25% for payroll growth and 2.50% for inflation.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

**City of Edina**  
**Notes to Required Supplementary Information**  
**December 31, 2025**

**NOTE 3 - PENSIONS AND OPEB (CONTINUED)**

**Police and Fire Fund**

**2025 Changes**

Changes in Actuarial Assumptions

- Assumed rates of salary increases were reduced slightly.
- Assumed rates of retirement were adjusted, resulting in an overall increase in unreduced (full) retirements and an overall increase in reduced (early) retirements.
- Assumed rates of withdrawal were modified; the new rates will increase predicted terminations, especially in the first few years of employment.
- Assumed rates of disabled retirement were significantly increased, especially for ages over age 30.
- Continued use of Pub-2010 Public Safety Mortality Table with rates adjusted to better fit observed experience.
- Percent married assumption for female retirees lowered from 70% to 65%.
- Minor changes were made to form of payment assumptions for retirees.
- Minor changes were made to assumptions made with respect to missing participant data.
- The combined service annuity load changed from 33% to 13% for vested, terminated members and from 2% to 38% for non-vested, terminated members.

Changes in Plan Provisions

- The period of time needed for benefit recipients to receive their first benefit increase was reduced by one year (from 36 months to 24 months for a full increase).
- The January 1, 2026, benefit increase changed from 1% to 3%; subsequent January 1 increases will be 1%.
- The threshold to end the \$9 million annual state aid contribution changed from the earlier of July 1, 2048, or 90% funded for both PERA Police & Fire and MSRS State Patrol for three consecutive years to 100% funded for both PERA Police & Fire and MSRS State Patrol for three consecutive years (on an actuarial value of assets basis).
- The threshold to end the additional \$9 million annual state aid contribution changed from the earlier of July 1, 2048 or 100% funded for a minimum of three consecutive years to 110% funded for a minimum of three consecutive years (on an actuarial value of assets basis).
- An additional \$17.7 million in direct state aid will be paid annually each October 1 beginning October 1, 2025, through June 30, 2048.
- Joint and survivor actuarial equivalent factors were updated to reflect changes in assumptions.

**2024 Changes**

Changes in Plan Provisions

- The State contribution of \$9.0 million per year will continue until the earlier of 1) both the Police and Fire Plan and the State Patrol Retirement Fund attain 90% funded status for three consecutive years (on an actuarial value of assets basis) or 2) July 1, 2048. The contribution was previously due to expire after attaining a 90% funded status for one year.
- The additional \$9.0 million contribution will continue until the Police and Fire Plan is fully funded for a minimum of three consecutive years on an actuarial value of assets basis, or July 1, 2048, whichever is earlier. This contribution was previously due to expire upon attainment of fully funded status on an actuarial value of assets basis for one year (or July 1, 2048 if earlier).

**City of Edina**  
**Notes to Required Supplementary Information**  
**December 31, 2025**

**NOTE 3 - PENSIONS AND OPEB (CONTINUED)**

**Police and Fire Fund (Continued)**

**2023 Changes**

Changes in Actuarial Assumptions

- The investment return assumption was changed from 6.5% to 7.0%.
- The single discount rate changed from 5.4% to 7.0%.

Changes in Plan Provisions

- Additional one-time direct state aid contribution of 19.4 million will be contributed to the Plan on October 1, 2023.
- Vesting requirement for new hires after June 30, 2014, was changed from a graded 20-year vesting schedule to a graded 10-year vesting schedule, with 50% vesting after five years, increasing incrementally to 100% after 10 years.
- A one-time, non-compounding benefit increase of 3.0% will be payable in a lump sum for calendar year 2024 by March 31, 2024.
- Psychological treatment is required effective July 1, 2023, prior to approval for a duty disability benefit for a psychological condition relating to the member's occupation.
- The total and permanent duty disability benefit was increased, effective July 1, 2023.

**2022 Changes**

Changes in Actuarial Assumptions

- The mortality improvement scale was changed from scale MP-2020 to scale MP-2021.
- The single discount rate was changed from 6.5% to 5.4%.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

**2021 Changes**

Changes in Actuarial Assumptions

- The investment return and single discount rates were changed from 7.5% to 6.5% for financial reporting purposes.
- The inflation assumption was changed from 2.5% to 2.25%.
- The payroll growth assumption was changed from 3.25% to 3.0%.
- 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 MP-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 resulted 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 resulted in more assumed terminations.

**City of Edina**  
**Notes to Required Supplementary Information**  
**December 31, 2025**

**NOTE 3 - PENSIONS AND OPEB (CONTINUED)**

**Police and Fire Fund (Continued)**

**2021 Changes (Continued)**

Changes in Actuarial Assumptions (Continued)

- Assumed rates of disability were increased for ages 25-44 and decreased for ages over 49. Overall, proposed rates resulted in more projected disabilities.
- Assumed % married for active female members was changed from 60% to 70%. Minor changes to form of payment assumptions were applied.

Changes in Plan Provisions

- There have been no changes since the prior 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

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

Changes in Plan Provisions

- Annual increases were changed to 1.00% 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% funding, or July 1, 2048, if earlier.
- Member contributions were changed from 10.80% to 11.30% of pay, effective January 1, 2019, and 11.80% of pay, effective January 1, 2020.
- Employer contributions were changed from 16.20% to 16.95% of pay, effective January 1, 2019, and 17.70% of pay, effective January 1, 2020.
- Interest credited on member contributions decreased from 4.00% to 3.00%, beginning July 1, 2018.
- Deferred augmentation was changed to 0.00%, 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.

**City of Edina**  
**Notes to Required Supplementary Information**  
**December 31, 2025**

**NOTE 3 - PENSIONS AND OPEB (CONTINUED)**

**Police and Fire Fund (Continued)**

**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% lower than the previous rates.
- Assumed rates of retirement were changed, resulting in fewer retirements.
- The CSA load was 30% for vested and non-vested deferred members. The CSA has been changed to 33% for vested members and 2% 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% 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% to 60%.
- 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 annual benefit increase rate was changed from 1% for all years to 1% per year through 2064 and 2.5% thereafter.
- The single discount rate was changed from 5.6% per annum to 7.5% per annum.

**Changes in Plan Provisions**

- There have been no changes since the prior valuation.

**2016 Changes**

**Changes in Actuarial Assumptions**

- The assumed post-retirement benefit increase rate was changed from 1.0% per year through 2037 and 2.5% thereafter to 1.0% per year for all future years.
- The assumed investment return was changed from 7.9% to 7.5%. The single discount rate changed from 7.9% to 5.6%.
- The single discount rate changed from 7.90% to 5.60%.
- The assumed future salary increases, payroll growth, and inflation was decreased by 0.25% to 3.25% for payroll growth and 2.50% for inflation.

**Changes in Plan Provisions**

- There have been no changes since the prior valuation.

**City of Edina**  
**Notes to Required Supplementary Information**  
**December 31, 2025**

**NOTE 3 - PENSIONS AND OPEB (CONTINUED)**

**Post Employment Health Care Plan**

**2025 Changes**

Changes in Actuarial Assumptions

- The discount rate changed from 3.77% to 4.08%.

**2024 Changes**

Changes in Actuarial Assumptions

- The discount rate changed from 4.05% to 3.77%.

**2023 Changes**

Changes in Actuarial Assumptions

- The discount rate changed from 2.06% to 4.05%.

**2022 Changes**

Changes in Actuarial Assumptions

- The discount rate changed from 2.12% to 2.06%.

**2021 Changes**

Changes in Actuarial Assumptions

- The discount rate changed from 2.74% to 2.12%.
- The payroll growth rate was changed from 3.25% to 2.50%.

**2020 Changes**

Changes in Actuarial Assumptions

- The discount rate changed from 4.09% to 2.74%.
- The payroll growth rate was changed from 3.50% to 3.25%.

**2019 Changes**

Changes in Actuarial Assumptions

- The discount rate changed from 3.44% to 4.09%.

**2018 Changes**

Changes in Actuarial Assumptions

- The discount rate changed from 4.50% to 3.44%.

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**SUPPLEMENTARY INFORMATION**

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**City of Edina  
Nonmajor Governmental Funds**

**Special Revenue Funds**

Special Revenue Funds are used to account for specific revenues that are restricted to expenditures for particular purposes. The following are nonmajor special revenue funds:

**Community Development Block Grant Fund**

This fund was established to account for funds received under Title I of the Housing and Community Development Act of 1974.

**Police Fund**

This fund was established to account for funds received for specific purposes within the police department, including E-911 and Forfeiture funds.

**Braemar Memorial Fund**

This fund was established to account for funds donated to the City for the purpose of enhancing the Braemar golf course with equipment and amenities that might not otherwise be affordable or viewed as necessity to the golf course.

**Pedestrian and Cyclist Safety Fund**

This fund was established to account for funds received from gas and electric franchise fees to be used for pedestrian and cyclist improvements included in future street reconstruction projects.

**Conservation and Sustainability Fund**

This fund was established to account for funds received from gas and electric franchise fees to be used for initiatives focused on conservation and sustainability.

**Opioid Settlement Fund**

This fund was established to account for funds that will be received over the next 18 years for the City's share of national settlement agreements with several pharmaceutical companies related to opioid selling and distribution. These funds are restricted to be used for opioid epidemic response activities.

**Public Safety Fund**

This fund was established to account for the 2023 Omnibus tax bill that included \$210 million in one-time public safety aid to cities across the state. Unlike local government aid, this aid cannot be used for general purposes but instead must be used to "provide public safety". The City received \$2,344,327 on December 26, 2023.

City of Edina  
Combining Balance Sheet -  
Nonmajor Governmental Funds  
December 31, 2025

	Special Revenue						Total Nonmajor Governmental Funds	
	Community Development Block Grant	Police	Braemar Memorial	Pedestrian and Cyclist Safety	Conservation and Sustainability	Opioid Settlement		Public Safety
<b>Assets</b>								
Cash and investments	\$ -	\$ 1,082,485	\$ 132,156	\$ -	\$ 919,888	\$ 277,667	\$ 1,832,225	\$ 4,244,421
Accrued interest	-	-	874	374	8,239	1,748	14,106	25,341
Accounts receivable	-	551	-	382,886	297,764	-	-	681,201
Due from other governments	-	38,662	-	-	-	142,155	-	180,817
Prepaid expenses	-	8,372	-	-	2,460	-	-	10,832
<b>Total assets</b>	<u>\$ -</u>	<u>\$ 1,130,070</u>	<u>\$ 133,030</u>	<u>\$ 383,260</u>	<u>\$ 1,228,351</u>	<u>\$ 421,570</u>	<u>\$ 1,846,331</u>	<u>\$ 5,142,612</u>
<b>Liabilities</b>								
Accounts payable	\$ -	\$ 964	\$ -	\$ 378,240	\$ 21,670	\$ -	\$ 7,580	\$ 408,454
Contracts payable	-	-	-	24,165	12,718	-	-	36,883
Due to other funds	-	-	-	373,866	-	-	-	373,866
Due to other governments	-	-	-	-	-	6,683	-	6,683
Salaries and benefits payable	-	-	-	8,612	15,351	-	-	23,963
Unearned revenue	-	-	-	-	-	90	-	90
<b>Total liabilities</b>	<u>-</u>	<u>964</u>	<u>-</u>	<u>784,883</u>	<u>49,739</u>	<u>6,773</u>	<u>7,580</u>	<u>849,939</u>
<b>Deferred Inflows of Resources</b>								
Unavailable revenue	-	-	-	-	-	142,155	-	142,155
<b>Fund Balances</b>								
Nonspendable	-	8,372	-	-	2,460	-	-	10,832
Restricted	-	1,120,734	133,030	-	1,176,152	272,642	1,838,751	4,541,309
Unassigned	-	-	-	(401,623)	-	-	-	(401,623)
<b>Total fund balances</b>	<u>-</u>	<u>1,129,106</u>	<u>133,030</u>	<u>(401,623)</u>	<u>1,178,612</u>	<u>272,642</u>	<u>1,838,751</u>	<u>4,150,518</u>
<b>Total liabilities, deferred inflow of resources, and fund balances</b>	<u>\$ -</u>	<u>\$ 1,130,070</u>	<u>\$ 133,030</u>	<u>\$ 383,260</u>	<u>\$ 1,228,351</u>	<u>\$ 279,415</u>	<u>\$ 1,846,331</u>	<u>\$ 5,142,612</u>

**City of Edina**  
**Combining Statement of Revenues, Expenditures, and Changes**  
**in Fund Balances - Nonmajor Governmental Funds**  
**Year Ended December 31, 2025**

	Special Revenue						Total Nonmajor Governmental Funds	
	Community Development Block Grant	Police	Braemar Memorial	Pedestrian and Cyclist Safety	Conservation and Sustainability	Opioid Settlement		Public Safety
<b>Revenues</b>								
Franchise Taxes	\$ -	\$ -	\$ -	\$ 1,566,384	\$ 1,192,483	\$ -	\$ -	\$ 2,758,867
Intergovernmental	-	10,108	-	143,325	113,679	43,721	-	310,833
Investment income	-	592	14,588	12,295	73,234	12,874	118,989	232,572
Other revenues	95,754	219,914	4,505	-	34,339	-	-	354,512
Total revenues	<u>95,754</u>	<u>230,614</u>	<u>19,093</u>	<u>1,722,004</u>	<u>1,413,735</u>	<u>56,595</u>	<u>118,989</u>	<u>3,656,784</u>
<b>Expenditures</b>								
<b>Current</b>								
Public safety	-	98,434	-	-	-	21,005	83,402	202,841
Public works	-	-	-	306,964	575,767	-	-	882,731
Parks	-	-	6,225	-	-	-	-	6,225
<b>Capital outlay</b>								
Public safety	-	-	-	-	-	-	490,284	490,284
Public works	-	-	-	2,076,877	693,374	-	-	2,770,251
Total expenditures	<u>-</u>	<u>98,434</u>	<u>6,225</u>	<u>2,383,841</u>	<u>1,269,141</u>	<u>21,005</u>	<u>573,686</u>	<u>4,352,332</u>
Net change in fund balances	95,754	132,180	12,868	(661,837)	144,594	35,590	(454,697)	(695,548)
<b>Fund Balances</b>								
Beginning of year	<u>(95,754)</u>	<u>996,926</u>	<u>120,162</u>	<u>260,214</u>	<u>1,034,018</u>	<u>237,052</u>	<u>2,293,448</u>	<u>4,846,066</u>
End of year	<u>\$ -</u>	<u>\$ 1,129,106</u>	<u>\$ 133,030</u>	<u>\$ (401,623)</u>	<u>\$ 1,178,612</u>	<u>\$ 272,642</u>	<u>\$ 1,838,751</u>	<u>\$ 4,150,518</u>

**City of Edina**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances -**  
**Budget and Actual**  
**Special Revenue Fund - Community Development Block Grant**  
**Year Ended December 31, 2025**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$ 170,000	\$ 170,000	\$ -	\$ (170,000)
Miscellaneous revenues	-	-	95,754	95,754
Total revenues	<u>170,000</u>	<u>170,000</u>	<u>95,754</u>	<u>(74,246)</u>
<b>Expenditures</b>				
Current				
General government	<u>170,000</u>	<u>170,000</u>	<u>-</u>	<u>(170,000)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	95,754	<u>\$ 95,754</u>
<b>Fund Balance</b>				
Beginning of year			<u>(95,754)</u>	
End of year			<u>\$ -</u>	

**City of Edina**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances -**  
**Budget and Actual**  
**Special Revenue Fund - Police**  
**Year Ended December 31, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ -	\$ -	\$ 10,108	\$ 10,108
Investment income	3,000	3,000	592	(2,408)
Miscellaneous revenues	225,000	225,000	219,914	(5,086)
Total revenues	<u>228,000</u>	<u>228,000</u>	<u>230,614</u>	<u>2,614</u>
<b>Expenditures</b>				
Current				
Public safety	<u>147,500</u>	<u>147,500</u>	<u>98,434</u>	<u>(49,066)</u>
Net change in fund balances	<u>\$ 80,500</u>	<u>\$ 80,500</u>	132,180	<u>\$ 51,680</u>
<b>Fund Balance</b>				
Beginning of year			<u>996,926</u>	
End of year			<u>\$ 1,129,106</u>	

**City of Edina**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances -**  
**Budget and Actual**  
**Special Revenue Fund - Braemar Memorial**  
**Year Ended December 31, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Investment income	\$ 1,000	\$ 1,000	\$ 14,588	\$ 13,588
Miscellaneous revenues	2,500	2,500	4,505	2,005
Total revenues	<u>3,500</u>	<u>3,500</u>	<u>19,093</u>	<u>15,593</u>
<b>Expenditures</b>				
Current				
Park and recreation	<u>1,000</u>	<u>1,000</u>	<u>6,225</u>	<u>5,225</u>
Net change in fund balances	<u>\$ 2,500</u>	<u>\$ 2,500</u>	12,868	<u>\$ 10,368</u>
<b>Fund Balance</b>				
Beginning of year			<u>120,162</u>	
End of year			<u>\$ 133,030</u>	

**City of Edina**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances -**  
**Budget and Actual**  
**Special Revenue Fund - Pedestrian and Cyclist Safety**  
**Year Ended December 31, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Franchise taxes	\$ 1,230,000	\$ 1,230,000	\$ 1,566,384	\$ 336,384
Intergovernmental	-	-	143,325	143,325
Investment income	22,000	22,000	12,295	(9,705)
Total revenues	<u>1,252,000</u>	<u>1,252,000</u>	<u>1,722,004</u>	<u>470,004</u>
<b>Expenditures</b>				
Current				
Public works	252,023	252,023	306,964	54,941
Capital outlay				
Public works	1,594,100	1,594,100	2,076,877	482,777
Total expenditures	<u>1,846,123</u>	<u>1,846,123</u>	<u>2,383,841</u>	<u>537,718</u>
Net change in fund balances	<u>\$ (594,123)</u>	<u>\$ (594,123)</u>	(661,837)	<u>\$ (67,714)</u>
<b>Fund Balance</b>				
Beginning of year			<u>260,214</u>	
End of year			<u>\$ (401,623)</u>	

**City of Edina**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances -**  
**Budget and Actual**  
**Special Revenue Fund - Conservation and Sustainability**  
**Year Ended December 31, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Franchise taxes	\$ 980,000	\$ 980,000	\$ 1,192,483	\$ 212,483
Intergovernmental	-	-	113,679	113,679
Investment income	46,000	46,000	73,234	27,234
Miscellaneous revenues	20,000	20,000	34,339	14,339
Total revenues	<u>1,046,000</u>	<u>1,046,000</u>	<u>1,413,735</u>	<u>367,735</u>
<b>Expenditures</b>				
Current				
Public works	624,466	624,466	575,767	(48,699)
Capital outlay				
Public works	<u>1,625,000</u>	<u>1,625,000</u>	<u>693,374</u>	<u>(931,626)</u>
Total expenditures	<u>2,249,466</u>	<u>2,249,466</u>	<u>1,269,141</u>	<u>(980,325)</u>
Net change in fund balances	<u>\$ (1,203,466)</u>	<u>\$ (1,203,466)</u>	144,594	<u>\$ 1,348,060</u>
<b>Fund Balance</b>				
Beginning of year			<u>1,034,018</u>	
End of year			<u>\$ 1,178,612</u>	

**City of Edina**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances -**  
**Budget and Actual**  
**Special Revenue Fund - Opioid Settlement**  
**Year Ended December 31, 2025**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$ 34,622	\$ 34,622	\$ 43,721	\$ 9,099
Investment income	2,000	2,000	12,874	10,874
Total revenues	<u>36,622</u>	<u>36,622</u>	<u>56,595</u>	<u>19,973</u>
<b>Expenditures</b>				
Current				
Public safety	<u>34,622</u>	<u>34,622</u>	<u>21,005</u>	<u>(13,617)</u>
Net change in fund balances	<u>\$ 2,000</u>	<u>\$ 2,000</u>	35,590	<u>\$ 33,590</u>
<b>Fund Balance</b>				
Beginning of year			<u>237,052</u>	
End of year			<u>\$ 272,642</u>	

**City of Edina**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances -**  
**Budget and Actual**  
**Special Revenue Fund - Public Safety Fund**  
**Year Ended December 31, 2025**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Investment income	\$ -	\$ -	\$ 118,989	\$ 118,989
<b>Expenditures</b>				
Current				
Public safety	-	70,865	83,402	12,537
Capital outlay				
Public safety	-	845,200	490,284	(354,916)
Total expenditures	<u>-</u>	<u>916,065</u>	<u>573,686</u>	<u>(342,379)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ (916,065)</u>	(454,697)	<u>\$ 461,368</u>
<b>Fund Balance</b>				
Beginning of year			<u>2,293,448</u>	
End of year			<u>\$ 1,838,751</u>	

**City of Edina  
Major Governmental Funds**

**Major Governmental Funds**

**Debt Service Fund**

This fund was established to account for the payment of principal and interest on the General Obligation, Permanent Improvement Revolving, and Public Project Revenue.

**Construction Fund**

This fund was established to account for various special assessment and state aid projects throughout the City. This fund also provides financing for capital improvements as designated in the City's capital improvement budget.

**City of Edina**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances -**  
**Budget and Actual**  
**Governmental Fund - Debt Service**  
**Year Ended December 31, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Property taxes	\$ 3,481,100	\$ 5,377,639	\$ 5,273,981	\$ (103,658)
Special assessments	-	-	187,805	187,805
Intergovernmental	-	-	996,250	996,250
Investment income	-	-	79,377	79,377
Total revenues	<u>3,481,100</u>	<u>5,377,639</u>	<u>6,537,413</u>	<u>1,159,774</u>
<b>Expenditures</b>				
Debt service				
Principal	22,705,000	22,705,000	22,705,000	-
Interest and other charges	2,307,344	2,307,344	4,328,273	2,020,929
Total expenditures	<u>25,012,344</u>	<u>25,012,344</u>	<u>27,033,273</u>	<u>2,020,929</u>
Excess of revenues over (under) expenditures	(21,531,244)	(19,634,705)	(20,495,860)	(861,155)
<b>Other Financing Sources (Uses)</b>				
Bonds issued	-	-	147,185	147,185
Transfers in	2,948,862	2,948,862	3,634,644	685,782
Total other financing sources (uses)	<u>2,948,862</u>	<u>2,948,862</u>	<u>3,781,829</u>	<u>832,967</u>
Net change in fund balances	<u>\$ (18,582,382)</u>	<u>\$ (16,685,843)</u>	(16,714,031)	<u>\$ (28,188)</u>
<b>Fund Balance</b>				
Beginning of year			<u>24,354,318</u>	
End of year			<u>\$ 7,640,287</u>	

**City of Edina**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances -**  
**Budget and Actual**  
**Governmental Fund - Construction Capital Projects**  
**Year Ended December 31, 2025**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Property taxes	\$ 5,830,000	\$ 5,830,000	\$ 5,710,061	\$ (119,939)
Special assessments	3,723,637	3,723,637	4,388,655	665,018
General sales tax	5,436,000	5,436,000	7,427,094	1,991,094
Franchise taxes	80,000	80,000	206,120	126,120
Licenses and permits	-	-	55,514	55,514
Intergovernmental	-	-	19,698,830	19,698,830
Charges for services	-	-	291,174	291,174
Investment income	382,000	382,000	4,338,706	3,956,706
Miscellaneous revenues	-	-	128,976	128,976
Total revenues	<u>15,451,637</u>	<u>15,451,637</u>	<u>42,245,130</u>	<u>26,793,493</u>
<b>Expenditures</b>				
<b>Current</b>				
General government	-	-	70,847	70,847
Public safety	-	-	786,182	786,182
Public works	144,413	144,413	1,444,326	1,299,913
Park and recreation	-	-	241,115	241,115
<b>Capital outlay</b>				
General government	5,477,404	5,477,404	17,689,263	12,211,859
Public safety	845,300	845,300	14,645,983	13,800,683
Public works	11,449,776	11,449,776	7,212,749	(4,237,027)
Park and recreation	1,124,300	1,124,300	5,340,300	4,216,000
Total expenditures	<u>19,041,193</u>	<u>19,041,193</u>	<u>47,430,765</u>	<u>28,389,572</u>
Excess of revenues over (under) expenditures	(3,589,556)	(3,589,556)	(5,185,635)	(1,596,079)
<b>Other Financing Sources (Uses)</b>				
Proceeds from sale of capital asset	-	-	228,098	228,098
Bonds issued	-	-	21,212,815	21,212,815
Premium on bonds issued	-	-	977,298	977,298
Transfers out	(2,948,861)	(2,948,861)	(2,948,862)	(1)
Total other financing sources (uses)	<u>(2,948,861)</u>	<u>(2,948,861)</u>	<u>19,469,349</u>	<u>22,418,210</u>
Net change in fund balances	<u>\$ (6,538,417)</u>	<u>\$ (6,538,417)</u>	14,283,714	<u>\$ 20,822,131</u>
<b>Fund Balance</b>				
Beginning of year			<u>56,399,479</u>	
End of year			<u>\$ 70,683,193</u>	

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**City of Edina  
Nonmajor Proprietary Funds**

**Enterprise Funds**

Enterprise funds account for the financing of self-supporting activities of governmental unites which render services to the general public on a user charge basis. The following are nonmajor enterprise funds:

**Art Center Fund**

This fund accounts for activities related to the City's Art Center.

**Edinborough Park Fund**

This fund accounts for activities related to Edinborough Park.

**Centennial Lakes Fund**

This fund accounts for activities related to Centennial Lakes Park.

**Braemar Field Fund**

This fund accounts for activities related to the Sports Dome.

**City of Edina**  
**Combining Statement of Net Position - Nonmajor Proprietary Funds**  
**December 31, 2025**

	Art Center	Edinburgh Park	Centennial Lakes	Braemar Field	Total Nonmajor Proprietary Funds
<b>Assets</b>					
Current assets					
Cash and investments	\$ 206,592	\$ -	\$ 1,016,019	\$ 1,540,116	\$ 2,762,727
Interest receivable	250	-	2,871	11,235	14,356
Accounts receivable	4,888	206,155	58,802	4,277	274,122
Total current assets	<u>211,730</u>	<u>206,155</u>	<u>1,077,692</u>	<u>1,555,628</u>	<u>3,051,205</u>
Noncurrent assets					
Capital assets					
Net capital assets	<u>16,044</u>	<u>1,128,044</u>	<u>1,588,601</u>	<u>3,967,066</u>	<u>6,699,755</u>
Total assets	<u>227,774</u>	<u>1,334,199</u>	<u>2,666,293</u>	<u>5,522,694</u>	<u>9,750,960</u>
<b>Deferred Outflows of Resources</b>					
OPEB deferred outflows	7,904	18,645	13,376	-	39,925
Pension deferred outflows	13,904	73,278	46,616	15,583	149,381
Total deferred outflows of resources	<u>21,808</u>	<u>91,923</u>	<u>59,992</u>	<u>15,583</u>	<u>189,306</u>
<b>Liabilities</b>					
Current liabilities					
Accounts payable	7,724	48,790	134,612	30,507	221,633
Salaries and benefits payable	16,668	80,155	58,137	14,279	169,239
Due to other funds	-	394,618	-	-	394,618
Due to other governments	-	7,008	5,852	931	13,791
Unearned revenue	1,648	8,862	11,660	-	22,170
Compensated absences	20,408	47,200	18,353	1,344	87,305
Total OPEB liability	470	1,108	795	-	2,373
Total current liabilities	<u>46,918</u>	<u>587,741</u>	<u>229,409</u>	<u>47,061</u>	<u>911,129</u>
Noncurrent liabilities					
Compensated absences	30,612	70,800	27,530	2,015	130,957
Total OPEB liability	19,093	45,039	32,311	-	96,443
Net pension liability	54,361	286,504	182,262	60,928	584,055
Total noncurrent liabilities	<u>104,066</u>	<u>402,343</u>	<u>242,103</u>	<u>62,943</u>	<u>811,455</u>
Total liabilities	<u>150,984</u>	<u>990,084</u>	<u>471,512</u>	<u>110,004</u>	<u>1,722,584</u>
<b>Deferred Inflows of Resources</b>					
OPEB deferred inflows	6,798	16,035	11,504	-	34,337
Pension deferred inflows	36,715	193,502	123,098	41,150	394,465
Total deferred intflows of resources	<u>43,513</u>	<u>209,537</u>	<u>134,602</u>	<u>41,150</u>	<u>428,802</u>
<b>Net Position</b>					
Net investment in capital assets	16,044	1,128,044	1,588,601	3,967,066	6,699,755
Unrestricted	<u>39,041</u>	<u>(901,543)</u>	<u>531,570</u>	<u>1,420,057</u>	<u>1,089,125</u>
Total net position	<u>\$ 55,085</u>	<u>\$ 226,501</u>	<u>\$ 2,120,171</u>	<u>\$ 5,387,123</u>	<u>\$ 7,788,880</u>

City of Edina  
Combining Statement of Revenues, Expenses, and Changes  
in Net Position - Nonmajor Proprietary Funds  
For the Year Ended December 31, 2025

	Art Center	Edinborough Park	Centennial Lakes	Braemar Field	Total Nonmajor Proprietary Funds
<b>Operating Revenues</b>					
Sales - retail	\$ -	\$ 5,241	\$ -	\$ -	\$ 5,241
Sales - concessions	-	72,311	50,530	-	122,841
Memberships	-	140,717	-	30,996	171,713
Admissions	-	758,273	-	-	758,273
Building rental	-	218,295	86,148	494,310	798,753
Rental of equipment	-	-	437,326	-	437,326
Greens fees	-	-	316,737	-	316,737
Class registration and other fees	137,911	216,196	315,394	288	669,789
Total operating revenues	<u>137,911</u>	<u>1,411,033</u>	<u>1,206,135</u>	<u>525,594</u>	<u>3,280,673</u>
<b>Operating Expenses</b>					
Cost of sales and services	-	31,924	16,161	-	48,085
Personal services	279,013	1,217,225	869,625	250,366	2,616,229
Contractual services	62,572	404,106	388,078	258,241	1,112,997
Commodities	20,616	133,764	144,291	5,620	304,291
Internal Services	53,639	180,095	147,321	37,410	418,465
Depreciation	3,780	266,986	165,357	528,577	964,700
Total operating expenses	<u>419,620</u>	<u>2,234,100</u>	<u>1,730,833</u>	<u>1,080,214</u>	<u>5,464,767</u>
Operating income (loss)	(281,709)	(823,067)	(524,698)	(554,620)	(2,184,094)
<b>Nonoperating Revenues (Expenses)</b>					
Investment income	3,220	8,728	19,828	88,434	120,210
Gain (loss) on sale of capital assets	-	-	5,002	-	5,002
Donations	8,891	-	26,701	-	35,592
Miscellaneous	7,035	-	-	-	7,035
Total nonoperating revenue (expenses)	<u>19,146</u>	<u>8,728</u>	<u>51,531</u>	<u>88,434</u>	<u>167,839</u>
Income before transfers	(262,563)	(814,339)	(473,167)	(466,186)	(2,016,255)
Transfers In	<u>301,672</u>	<u>17,928</u>	<u>769,922</u>	<u>1,355</u>	<u>1,090,877</u>
Change in net position	39,109	(796,411)	296,755	(464,831)	(925,378)
Net Position - Beginning	<u>15,976</u>	<u>1,022,912</u>	<u>1,823,416</u>	<u>5,851,954</u>	<u>8,714,258</u>
Net position - ending	<u>\$ 55,085</u>	<u>\$ 226,501</u>	<u>\$ 2,120,171</u>	<u>\$ 5,387,123</u>	<u>\$ 7,788,880</u>

City of Edina  
Combining Statement of Cash Flows - Nonmajor Proprietary Funds  
Year Ended December 31, 2025

	Art Center	Edinborough Park	Centennial Lakes	Braemar Field	Total Nonmajor Proprietary Funds
<b>Cash Flows - Operating Activities</b>					
Receipts from customers and users	\$ 136,088	\$ 1,316,406	\$ 1,207,118	\$ 526,518	\$ 3,186,130
Payments to suppliers	(140,846)	(801,124)	(606,989)	(313,611)	(1,862,570)
Payments to employees	(294,306)	(1,221,354)	(932,906)	(249,035)	(2,697,601)
Net cash flows - operating activities	<u>(299,064)</u>	<u>(706,072)</u>	<u>(332,777)</u>	<u>(36,128)</u>	<u>(1,374,041)</u>
<b>Cash Flows - Noncapital Financing Activities</b>					
Grants and contributions	15,926	-	26,701	-	42,627
Change in due to other funds	-	394,618	-	-	394,618
Transfer from other funds	301,672	17,928	769,922	1,355	1,090,877
Net cash flows - noncapital financing activities	<u>317,598</u>	<u>412,546</u>	<u>796,623</u>	<u>1,355</u>	<u>1,528,122</u>
<b>Cash Flows - Capital and Related Financing Activities</b>					
Interest paid on debt	-	-	(1,308)	-	(1,308)
Proceeds from disposal of capital assets	-	-	5,002	-	5,002
Net cash flows - capital and related financing activities	<u>-</u>	<u>-</u>	<u>3,694</u>	<u>-</u>	<u>3,694</u>
<b>Cash Flows - Investing Activities</b>					
Interest and dividends received	3,201	11,730	19,420	89,553	123,904
Net change in cash and cash equivalents	21,735	(281,796)	486,960	54,780	281,679
Cash and cash equivalents, January 1	184,857	281,796	529,059	1,485,336	2,481,048
Cash and cash equivalents, December 31	<u>\$ 206,592</u>	<u>\$ -</u>	<u>\$ 1,016,019</u>	<u>\$ 1,540,116</u>	<u>\$ 2,762,727</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Flows - Operating Activities</b>					
Operating income (loss)	\$ (281,709)	\$ (823,067)	\$ (524,698)	\$ (554,620)	\$ (2,184,094)
Adjustments to reconcile operating income (loss) to net cash flows - operating activities					
Depreciation expense	3,780	266,986	165,357	528,577	964,700
Accounts receivable	(1,219)	(94,725)	1,716	934	(93,294)
Due from other governments	(604)	98	(733)	(10)	(1,249)
Prepaid items	-	-	1,982	-	1,982
Accounts payable	(3,960)	(47,942)	87,195	(2,260)	33,033
Due to other governmental units	(59)	(3,293)	(315)	(10,080)	(13,747)
Salaries payable	2,371	2,865	11,101	2,044	18,381
OPEB	1,899	4,478	3,214	-	9,591
Pension related activity	(23,220)	(14,916)	(77,425)	(1,424)	(116,985)
Compensated absences payable	3,657	3,444	(171)	711	7,641
Total adjustments	<u>(17,355)</u>	<u>116,995</u>	<u>191,921</u>	<u>518,492</u>	<u>810,053</u>
Net cash flows - operating activities	<u>\$ (299,064)</u>	<u>\$ (706,072)</u>	<u>\$ (332,777)</u>	<u>\$ (36,128)</u>	<u>\$ (1,374,041)</u>

## City of Edina Fiduciary Funds

### **Custodial Funds**

Custodial funds are used to report resources held by the City in a purely custodial capacity. The following are custodial funds:

#### **Police Seizure Fund**

This fund accounts for assets seized by the Police Department.

#### **Public Safety Training Facility**

This fund accounts for assets and liabilities of the South Metro Public Safety Training Facility, which is a joint venture that the City has fiduciary responsibilities for.

#### **Minnesota Task Force 1**

This fund accounts for assets and liabilities of the Minnesota Task Force 1, which is comprised of personnel and equipment from public safety and specialist personnel from supporting entities that operates as part of a joint powers agreement that the City has administrative responsibilities for.

City of Edina  
Combining Statement of Fiduciary Net Position  
Custodial Funds  
December 31, 2025

	Police Seizure	Public Safety Training Facility	Minnesota Task Force 1	Total
<b>Assets</b>				
Cash and investments	\$ 3,541	\$ 287,259	\$ -	\$ 290,800
Accounts receivable	-	11	-	11
Due from other governments	-	83,196	817,288	900,484
Total assets	<u>3,541</u>	<u>370,466</u>	<u>817,288</u>	<u>1,191,295</u>
<b>Liabilities</b>				
Cash overdraft	-	-	519,320	519,320
Accounts payable	-	49,246	-	49,246
Salaries payable	-	14,256	12,027	26,283
Due to other governments	-	321	206,933	207,254
Unearned revenue	-	5,087	-	5,087
Total liabilities	<u>-</u>	<u>68,910</u>	<u>738,280</u>	<u>807,190</u>
<b>Net Position</b>				
Held in custody for other governmental units	<u>\$ 3,541</u>	<u>\$ 301,556</u>	<u>\$ 79,008</u>	<u>\$ 384,105</u>

City of Edina  
Combining Statement of Changes Fiduciary Net Position  
Custodial Funds  
Year Ended December 31, 2025

	Police Seizure	Public Safety Training Facility	Minnesota Task Force 1	Total
<b>Additions</b>				
Collections on behalf of others	\$ -	\$ 1,137,920	\$ 1,610,752	\$ 2,748,672
<b>Deductions</b>				
Payments on behalf of others	<u>-</u>	<u>1,065,102</u>	<u>1,565,872</u>	<u>2,630,974</u>
Change in net position	-	72,818	44,880	117,698
<b>Net Position</b>				
Beginning of year	<u>3,541</u>	<u>228,738</u>	<u>34,128</u>	<u>266,407</u>
End of year	<u>\$ 3,541</u>	<u>\$ 301,556</u>	<u>\$ 79,008</u>	<u>\$ 384,105</u>

City of Edina  
Schedule of Balance Sheet Accounts -  
Tax Increment Financing Districts  
December 31, 2025

	Centennial District No. 1203	Southdale 2 District No. 1208	Pentagon Park District No. 1211	Grandview 2 District No. 1212 and 1213	66th West District No. 1214	50th and France 2 District No. 1215	44th and France 2 District No. 1216	West 76th Street District No. 1217	Amundson Avenue District No. 1219	Eden/Wilson District No. 1222	Total
<b>Assets</b>											
Cash and investments	\$ 796,984	\$ 6,423,200	\$ 3,546,506	\$ 1,764,354	\$ 21,134	\$ 630,009	\$ 177,093	\$ 25,520	\$ 161,188	\$ 830,244	\$ 14,376,232
Accrued interest	13,107	43,815	16,103	1,748	9,237	374	999	125	125	1,388	87,021
Loans receivable	-	5,669,809	-	-	-	-	-	-	-	-	5,669,809
Due from other districts	5,850,000	169,037	-	-	-	-	-	-	-	-	6,019,037
Due from other governments	-	-	137,063	-	-	-	-	-	-	-	137,063
<b>Total assets</b>	<b>\$ 6,660,091</b>	<b>\$ 12,305,861</b>	<b>\$ 3,699,672</b>	<b>\$ 1,766,102</b>	<b>\$ 30,371</b>	<b>\$ 630,383</b>	<b>\$ 178,092</b>	<b>\$ 25,645</b>	<b>\$ 161,313</b>	<b>\$ 831,632</b>	<b>\$ 26,289,162</b>
<b>Liabilities</b>											
Accounts payable	\$ -	\$ -	\$ 274,882	\$ -	\$ -	\$ 404,928	\$ 126,954	\$ 15,129	\$ -	\$ 214,537	\$ 1,036,430
Due to other districts	-	-	-	500,000	169,037	4,150,000	-	-	-	1,200,000	6,019,037
Due to other governments	-	100,000	4,519	2,202	590	2,190	1,100	637	640	138,277	250,155
Salaries and benefits payable	-	-	2,271	226	-	445	226	-	-	2,045	5,213
Unearned revenue	13,000	-	-	-	-	-	-	-	-	-	13,000
<b>Total liabilities</b>	<b>13,000</b>	<b>100,000</b>	<b>281,672</b>	<b>502,428</b>	<b>169,627</b>	<b>4,557,563</b>	<b>128,280</b>	<b>15,766</b>	<b>640</b>	<b>1,554,859</b>	<b>7,323,835</b>
<b>Fund Balances</b>											
Restricted	6,647,091	12,205,861	3,418,000	1,263,674	(139,256)	(3,927,180)	49,812	9,879	160,673	(723,227)	18,965,327
<b>Total liabilities and fund balances</b>	<b>\$ 6,660,091</b>	<b>\$ 12,305,861</b>	<b>\$ 3,699,672</b>	<b>\$ 1,766,102</b>	<b>\$ 30,371</b>	<b>\$ 630,383</b>	<b>\$ 178,092</b>	<b>\$ 25,645</b>	<b>\$ 161,313</b>	<b>\$ 831,632</b>	<b>\$ 26,289,162</b>

City of Edina  
Schedule of Revenues, Expenditures, and Changes in Fund Balances -  
Tax Increment Financing Districts  
Year Ended December 31, 2025

	Centennial District No. 1203	Southdale 2 District No. 1208	Pentagon Park District No. 1211	Grandview 2 District No. 1212 and 1213	66th West District No. 1214	50th and France 2 District No. 1215	44th and France 2 District No. 1216	West 76th Street District No. 1217	Amundson Avenue District No. 1219	Eden/Wilson District No. 1222	Total
<b>Revenues</b>											
Tax increments	\$ -	\$ -	\$ 2,092,482	\$ 583,264	\$ 10,511	\$ 899,840	\$ 282,120	\$ 33,621	\$ 30,326	\$ 885,238	\$ 4,817,402
Investment income	102,646	341,845	102,082	37,980	46,914	5,038	6,143	902	1,980	45,804	691,334
Total revenues	<u>102,646</u>	<u>341,845</u>	<u>2,194,564</u>	<u>621,244</u>	<u>57,425</u>	<u>904,878</u>	<u>288,263</u>	<u>34,523</u>	<u>32,306</u>	<u>931,042</u>	<u>5,508,736</u>
<b>Expenditures</b>											
<b>Current</b>											
General government	29,383	100,000	589,219	29,467	591	843,286	267,943	32,208	641	688,501	2,581,239
Capital outlay											
General government	-	-	-	-	-	-	-	-	-	1,134,638	1,134,638
Total expenditures	<u>29,383</u>	<u>100,000</u>	<u>589,219</u>	<u>29,467</u>	<u>591</u>	<u>843,286</u>	<u>267,943</u>	<u>32,208</u>	<u>641</u>	<u>1,823,139</u>	<u>3,715,877</u>
Excess of revenues over (under) expenditures	73,263	241,845	1,605,345	591,777	56,834	61,592	20,320	2,315	31,665	(892,097)	1,792,859
<b>Other Financing Sources (Uses)</b>											
Transfers out	-	-	-	(466,450)	-	-	-	-	-	(119,898)	(586,348)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(466,450)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(119,898)</u>	<u>(586,348)</u>
Net change in fund balances	73,263	241,845	1,605,345	125,327	56,834	61,592	20,320	2,315	31,665	(1,011,995)	1,206,511
<b>Fund Balances</b>											
Beginning of year	<u>6,573,828</u>	<u>11,964,016</u>	<u>1,812,655</u>	<u>1,138,347</u>	<u>(196,090)</u>	<u>(3,988,772)</u>	<u>29,492</u>	<u>7,564</u>	<u>129,008</u>	<u>288,768</u>	<u>17,758,816</u>
End of year	<u>\$ 6,647,091</u>	<u>\$ 12,205,861</u>	<u>\$ 3,418,000</u>	<u>\$ 1,263,674</u>	<u>\$ (139,256)</u>	<u>\$ (3,927,180)</u>	<u>\$ 49,812</u>	<u>\$ 9,879</u>	<u>\$ 160,673</u>	<u>\$ (723,227)</u>	<u>\$ 18,965,327</u>

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## STATISTICAL SECTION

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**City of Edina  
Statistical Section (Unaudited)**

This part of the City of Edina's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

**Financial Trends**

*These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.*

- Table 1 - Net Position by Component
- Table 2 - Changes in Net Position
- Table 3 - Fund Balances of Governmental Funds
- Table 4 - Changes in Fund Balances of Governmental Funds

**Revenue Capacity**

*These schedules contain information to help the reader assess the government's most significant local revenue source, property taxes.*

- Table 5 - Taxable and Estimated Market Values of Taxable Property
- Table 6 - Property Tax Rates - Direct and Overlapping Governments
- Table 7 - Principal Property Taxpayers
- Table 8 - Property Tax Levies and Collations

**Debt Capacity**

*These schedules present information to help the reader assess the affordability of the government's current level of outstanding debt and the government's ability to issue additional debt in the future.*

- Table 9 - Legal Debt Margin Information
- Table 10 - Ratios of Outstanding Debt by Type
- Table 11 - Ratios of General Bonded Debt Outstanding
- Table 12 - Direct and Overlapping Governmental Activities Debt

**Demographic and Economic Information**

*These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.*

- Table 13 - Demographic and Economic Statistics
- Table 14 - Principal Employers
- Table 15 - Full-Time City Government Employees by Function
- Table 16 - Operating Indicators by Function
- Table 17 - Capital Asset Statistics by Function

**City of Edina**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
*(accrual basis of accounting)*

Table 1

	Fiscal Year									
	2016	2017	2018 <sup>a</sup>	2019	2020	2021	2022	2023	2024	2025
<b>Governmental Activities</b>										
Net Investment in Capital Assets	\$ 93,247,973	\$ 96,149,011	\$ 107,133,225	\$ 110,670,335	\$ 117,052,475	\$ 116,754,295	\$ 102,453,359	\$ 112,750,230	\$ 131,971,012	\$ 161,526,746
Restricted	20,892,680	22,840,869	25,017,586	36,999,647	60,063,244	76,262,266	70,035,114	67,750,386	88,258,611	91,216,438
Unrestricted	22,146,168	26,412,441	31,277,308	27,680,337	16,475,796	15,308,966	29,841,435	32,417,853	15,417,004	21,311,659
Total Governmental Activities Net Position	<u>\$ 136,286,821</u>	<u>\$ 145,402,321</u>	<u>\$ 163,428,119</u>	<u>\$ 175,350,319</u>	<u>\$ 193,591,515</u>	<u>\$ 208,325,527</u>	<u>\$ 202,329,908</u>	<u>\$ 212,918,469</u>	<u>\$ 235,646,627</u>	<u>\$ 274,054,843</u>
<b>Business-Type Activities</b>										
Net Investment in Capital Assets	\$ 85,158,869	\$ 82,338,560	\$ 81,980,815	\$ 80,452,583	\$ 81,135,647	\$ 86,975,121	\$ 90,405,666	\$ 96,982,508	\$ 102,429,959	\$ 107,715,617
Restricted	804,393	1,338,276	1,360,336	1,360,336	1,268,479	1,225,093	-	1,245,001	1,243,768	1,241,704
Unrestricted	17,300,872	22,443,806	27,285,949	32,045,171	33,086,023	32,253,873	43,289,552	43,770,784	48,450,455	54,320,092
Total Business-Type Activities Net Position	<u>\$ 103,264,134</u>	<u>\$ 106,120,642</u>	<u>\$ 110,627,100</u>	<u>\$ 113,858,090</u>	<u>\$ 115,490,149</u>	<u>\$ 120,454,087</u>	<u>\$ 133,695,218</u>	<u>\$ 141,998,293</u>	<u>\$ 152,124,182</u>	<u>\$ 163,277,413</u>
<b>Primary Government</b>										
Net Investment in Capital Assets	\$ 178,406,842	\$ 178,487,571	\$ 189,114,040	\$ 191,122,918	\$ 198,188,122	\$ 203,729,416	\$ 192,859,025	\$ 209,732,738	\$ 234,400,971	\$ 269,242,363
Restricted	21,697,073	24,179,145	26,377,922	38,359,983	61,331,723	77,487,359	70,035,114	68,995,387	89,502,379	92,458,142
Unrestricted	39,447,040	48,856,247	58,563,257	59,725,508	49,561,819	47,562,839	73,130,987	76,188,637	63,867,459	75,631,751
Total Primary Government Net Position	<u>\$ 239,550,955</u>	<u>\$ 251,522,963</u>	<u>\$ 274,055,219</u>	<u>\$ 289,208,409</u>	<u>\$ 309,081,664</u>	<u>\$ 328,779,614</u>	<u>\$ 336,025,126</u>	<u>\$ 354,916,762</u>	<u>\$ 387,770,809</u>	<u>\$ 437,332,256</u>

<sup>a</sup> The City implemented GASB 75 in fiscal year 2018. Prior year information has not been restated as a result of this change in accounting principle.

**City of Edina**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
*(accrual basis of accounting)*

Table 2

	Fiscal Year									
	2016	2017	2018 <sup>a</sup>	2019	2020 <sup>b</sup>	2021	2022	2023	2024	2025
<b>Expenses</b>										
<b>Governmental Activities:</b>										
General Government	\$ 9,587,567	\$ 9,164,272	\$ 10,964,266	\$ 11,252,538	\$ 11,698,533	\$ 14,844,785	\$ 19,199,880	\$ 19,505,673	\$ 19,817,993	\$ 13,080,465
Public Safety	20,243,209	21,815,101	20,971,184	27,496,563	27,058,719	24,288,956	29,290,638	32,790,034	32,565,377	35,649,598
Public Works	19,444,472	17,750,505	14,170,463	10,979,180	16,117,060	11,497,445	23,018,094	18,755,764	17,270,199	20,630,137
Parks	3,822,716	4,222,431	7,235,405	7,554,919	6,798,866	7,365,756	7,928,925	8,354,807	9,035,898	10,217,789
Interest on Long-Term Debt	2,133,474	1,996,354	1,726,901	1,999,318	1,561,462	1,282,299	1,709,865	2,058,881	1,993,206	4,457,837
Total Governmental Activities Expenses	55,231,438	54,948,663	55,068,219	59,282,518	63,234,640	59,279,241	81,147,402	81,465,159	80,682,673	84,035,826
<b>Business-Type Activities:</b>										
Water	16,780,474	17,361,659	18,045,516	19,303,212	9,592,913	9,094,274	7,449,657	7,500,796	6,908,508	7,630,315
Sewer	-	-	-	-	7,641,660	7,690,708	8,612,892	9,155,586	9,258,115	10,022,477
Stormwater	-	-	-	-	3,424,049	3,146,475	2,735,091	4,031,428	4,597,085	5,115,530
Recycling	-	-	-	-	1,392,003	1,956,546	1,838,148	1,671,424	1,884,856	1,810,261
Liquor	12,130,254	12,007,885	11,995,159	11,970,986	11,500,971	13,435,305	13,725,070	12,990,487	12,182,004	10,695,186
Aquatic Center	915,560	1,015,328	996,871	979,376	386,026	1,052,346	1,218,383	1,336,122	1,411,631	1,376,667
Golf Course	3,041,169	3,469,121	2,464,563	4,009,097	4,257,484	4,822,338	5,282,761	5,889,718	5,664,944	5,551,162
Arena	2,842,660	2,961,787	2,996,844	2,982,674	2,876,897	2,882,067	3,214,462	3,522,909	3,374,912	3,632,146
Community Activity Centers	3,853,091	4,095,309	4,096,452	4,286,773	3,412,784	3,231,622	4,537,612	5,004,952	5,266,795	5,428,159
Total Business-Type Activities Expenses	39,563,208	40,911,089	40,595,205	43,532,118	44,484,787	47,311,681	48,614,076	51,003,422	50,548,850	51,261,923
Total Primary Government Expenses	\$ 94,794,646	\$ 95,859,752	\$ 95,663,424	\$ 102,814,636	\$ 107,719,427	\$ 106,590,922	\$ 129,761,478	\$ 132,468,581	\$ 131,231,523	\$ 135,297,729
<b>Program Revenues</b>										
<b>Governmental Activities:</b>										
Charges for Services:										
General Government	\$ 1,453,009	\$ 1,142,120	\$ 2,395,535	\$ 1,204,947	\$ 4,172,729	\$ 2,207,889	\$ 5,873,349	\$ 1,893,976	\$ 2,626,044	\$ 3,541,521
Public Safety	8,996,046	9,627,122	9,978,816	9,747,031	10,152,772	9,970,031	11,909,539	11,324,457	11,224,257	12,547,310
Other Activities	1,289,770	1,288,452	1,202,732	1,265,918	1,007,903	1,351,458	1,670,253	1,490,859	1,762,209	2,126,337
Operating Grants and Contributions	2,751,495	2,194,336	4,028,247	4,271,243	7,626,236	2,721,724	6,792,587	6,926,971	5,653,563	6,615,771
Capital Grants and Contributions	15,252,861	9,775,184	6,695,172	6,625,040	7,318,687	4,030,108	4,943,744	4,673,918	10,997,515	18,093,522
Total Governmental Activities Program Revenues	29,743,181	24,027,214	24,300,502	23,114,179	30,278,327	20,281,210	31,189,472	26,310,181	32,263,588	44,924,461
<b>Business-Type Activities:</b>										
Charges for Services:										
Water	19,505,905	21,361,972	22,697,468	21,875,655	9,236,665	10,302,974	12,717,867	12,483,445	12,108,941	13,473,414
Sewer	-	-	-	-	10,622,411	10,732,193	12,706,062	10,438,055	11,744,821	12,220,680
Stormwater	-	-	-	-	4,773,432	5,207,295	5,389,214	6,349,139	6,349,555	6,937,782
Recycling	-	-	-	-	1,148,338	1,447,226	1,485,925	1,584,965	1,740,862	1,763,551
Liquor	12,937,092	12,991,764	13,401,754	13,094,407	12,117,414	14,280,055	14,427,474	13,330,018	12,641,168	11,074,302
Aquatic Center	956,068	962,857	997,727	996,778	10,152,772	9,970,031	11,909,539	11,324,457	11,224,257	12,547,310
Golf Course	2,809,702	1,254,412	1,396,173	3,395,815	3,968,529	5,290,109	6,080,771	6,306,176	6,289,801	6,328,908
Arena	2,314,892	2,508,192	2,629,945	2,516,629	1,638,011	2,347,678	2,551,853	2,749,483	2,861,737	2,813,362
Community Activity Centers	3,190,775	3,348,628	3,303,278	3,240,000	1,499,060	2,106,088	2,979,493	3,123,525	3,377,410	3,314,409
Operating Grants and Contributions	445,464	179,086	545,682	44,953	47,780	404,419	271,640	428,035	225,531	210,066
Capital Grants and Contributions	-	904,201	-	692,281	396,103	-	-	-	-	54,999
Total Business-Type Activities Program Revenues	42,159,898	43,511,112	44,972,027	45,856,518	45,447,743	53,189,729	59,754,868	57,498,439	58,462,514	59,334,547
Total Primary Government Program Revenues	\$ 71,903,079	\$ 67,538,326	\$ 69,272,529	\$ 68,970,697	\$ 75,726,070	\$ 73,470,939	\$ 90,944,340	\$ 83,808,620	\$ 90,726,102	\$ 104,259,008
<b>Net (Expense) Revenue</b>										
Governmental Activities	\$ (25,488,257)	\$ (30,921,449)	\$ (30,767,717)	\$ (36,168,339)	\$ (32,956,313)	\$ (38,998,031)	\$ (49,957,930)	\$ (55,154,978)	\$ (48,419,085)	\$ (39,111,365)
Business-Type Activities	2,596,690	2,600,023	4,376,822	2,324,400	962,956	5,878,048	11,140,792	6,495,017	7,913,664	8,072,644
Total Primary Government Net Expense	\$ (22,891,567)	\$ (28,321,426)	\$ (26,390,895)	\$ (33,843,939)	\$ (31,993,357)	\$ (33,119,983)	\$ (38,817,138)	\$ (48,659,961)	\$ (40,505,421)	\$ (31,038,721)
<b>General Revenues and Other Changes in Net Position</b>										
<b>Governmental Activities:</b>										
Property Taxes	\$ 31,396,421	\$ 33,665,029	\$ 35,616,432	\$ 37,133,269	\$ 39,545,279	\$ 41,826,967	\$ 45,074,974	\$ 49,210,670	\$ 53,412,154	\$ 57,829,251
Tax Increment Collections	2,779,097	3,422,898	4,997,706	5,447,108	6,452,819	8,295,756	1,720,243	2,078,687	3,176,176	4,817,402
Franchise Taxes	2,346,423	2,408,884	2,559,443	2,881,726	3,071,392	3,090,322	3,071,551	3,111,525	3,322,639	3,652,054
Lodging Taxes	22,624	21,006	25,298	24,119	8,313	17,214	25,751	28,675	30,240	31,552
General Sales Tax	-	-	-	-	-	-	-	5,501,492	6,537,828	7,427,094
Unrestricted Investment Earnings	344,277	514,073	901,405	2,037,306	1,835,870	(372,080)	(2,903,247)	5,324,618	3,949,750	6,388,002
Gain on Disposal of Capital Assets	65,044	-	5,032,815	408,659	-	101,404	53,576	124,585	394,009	262,622
Transfers	99,573	5,059	305,428	158,352	283,836	772,460	(3,080,537)	363,287	40,144	(101,688)
Total Governmental Activities	37,053,459	40,036,949	49,438,527	48,090,539	51,197,509	53,732,043	43,962,311	65,743,539	70,862,940	80,306,289
<b>Business-Type Activities:</b>										
Lodging Taxes	-	-	-	-	-	-	-	-	-	4,875
Unrestricted Investment Earnings	136,208	254,990	481,754	1,064,942	945,580	(141,650)	(980,198)	2,142,983	1,830,869	2,959,530
Gain (Loss) on Disposal of Capital Assets	35,946	6,554	-	-	7,359	-	-	28,362	52,607	19,369
Transfers	(99,573)	(5,059)	(305,428)	(158,352)	(283,836)	(772,460)	3,080,537	(363,287)	(40,144)	101,688
Total Business-Type Activities	72,581	256,485	176,326	906,590	669,103	(914,110)	2,100,339	1,808,058	1,848,207	3,080,587
Total Primary Government	\$ 37,126,040	\$ 40,293,434	\$ 49,614,853	\$ 48,997,129	\$ 51,866,612	\$ 52,817,933	\$ 46,062,650	\$ 67,551,597	\$ 72,711,147	\$ 83,386,876
<b>Change in Net Position</b>										
Governmental Activities	\$ 11,565,202	\$ 9,115,500	\$ 18,670,810	\$ 11,922,200	\$ 18,241,196	\$ 14,734,012	\$ (5,995,619)	\$ 10,588,561	\$ 22,443,855	\$ 41,194,924
Business-Type Activities	2,669,271	2,856,508	4,553,148	3,230,990	1,632,059	4,963,938	13,241,131	8,303,075	9,761,871	11,153,231
Total Primary Government	\$ 14,234,473	\$ 11,972,008	\$ 23,223,958	\$ 15,153,190	\$ 19,873,255	\$ 19,697,950	\$ 7,245,512	\$ 18,891,636	\$ 32,205,726	\$ 52,348,155

<sup>a</sup> The City completed a major departmental reorganization in 2018, moving parks maintenance activities from public works to parks. The City also implemented GASB 75 in fiscal year 2018. Prior year information has not been restated as a result of either change.

<sup>b</sup> The City broke out the various functions within the utilities fund for the first time in 2020. Prior year information has not been restated.

City of Edina  
Fund Balances of Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

Table 3

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>General Fund</b>										
Nonspendable	\$ 27,643	\$ 13,124	\$ -	\$ 28,403	\$ 28,403	\$ 85,083	\$ 80,509	\$ 96,823	\$ 157,932	\$ 168,043
Restricted	927,673	961,133	961,133	58,086	58,086	58,086	58,086	58,086	58,086	48,430
Assigned	1,612,240	1,739,079	2,105,741	2,093,760	6,679,877	5,627,113	5,592,639	5,684,253	5,247,146	4,494,920
Unassigned	14,624,755	15,656,518	16,812,851	16,411,412	20,476,747	18,003,259	19,904,228	21,240,417	25,474,747	31,253,577
<b>Total General Fund</b>	<u>\$ 17,192,311</u>	<u>\$ 18,369,854</u>	<u>\$ 19,879,725</u>	<u>\$ 18,591,661</u>	<u>\$ 27,243,113</u>	<u>\$ 23,773,541</u>	<u>\$ 25,635,462</u>	<u>\$ 27,079,579</u>	<u>\$ 30,937,911</u>	<u>\$ 35,964,970</u>
<b>All Other Governmental Funds</b>										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 71,784	\$ 1,479	\$ 2,196	\$ 12,960	\$ 10,832
Restricted, Reported in:										
Special Revenue Funds	12,673,995	14,453,556	14,755,259	18,653,029	26,862,127	42,538,152	37,788,867	33,803,725	39,512,182	40,121,667
Debt Service Funds	11,187,468	17,000,806	7,871,858	8,341,996	9,727,306	11,178,492	6,702,038	6,724,091	24,354,318	7,640,287
Construction Funds	209,510	78,702	30,072	-	-	-	-	3,419,009	46,999,685	59,846,146
Assigned, Reported in:										
Capital Projects Funds	13,109,438	15,710,621	19,726,343	21,927,249	19,634,745	25,778,679	29,480,869	33,553,682	9,399,794	10,837,047
Unassigned, Reported in:										
Special Revenue Funds	(190,845)	-	-	-	(50,610)	-	-	-	(95,754)	(401,623)
<b>Total all Other Governmental Funds</b>	<u>\$ 36,989,566</u>	<u>\$ 47,243,685</u>	<u>\$ 42,383,532</u>	<u>\$ 48,922,274</u>	<u>\$ 56,173,568</u>	<u>\$ 79,567,107</u>	<u>\$ 73,973,253</u>	<u>\$ 77,502,703</u>	<u>\$ 120,183,185</u>	<u>\$ 118,054,356</u>

**City of Edina**  
**Changes in Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*

Table 4

	Fiscal Year					Fiscal Year				
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Revenues</b>										
General Property Taxes	\$ 31,354,023	\$ 33,696,550	\$ 35,613,883	\$ 37,093,074	\$ 39,509,239	\$ 41,796,463	\$ 45,096,245	\$ 49,156,931	\$ 53,549,123	\$ 57,822,395
Tax Increment Collections	2,779,097	3,422,898	4,997,706	5,447,108	6,452,819	8,295,756	1,720,243	2,078,687	3,176,176	4,817,402
Franchise Taxes	2,346,423	2,408,884	2,559,443	2,881,726	3,071,392	3,090,322	3,071,551	3,111,525	3,322,639	3,652,054
Lodging Fees	22,624	21,006	25,298	24,119	8,313	17,214	25,751	28,675	30,240	31,552
General Sales Tax	-	-	-	-	-	-	-	5,450,871	6,537,828	7,427,094
Special Assessments	5,276,194	5,330,766	4,747,205	4,741,557	4,629,551	4,130,703	4,426,156	3,609,885	4,761,838	4,854,785
License and Permits	5,268,519	5,403,222	5,912,757	5,183,754	6,454,749	6,077,446	7,482,098	5,716,734	6,011,119	6,843,434
Intergovernmental	5,775,114	3,687,262	5,124,573	3,687,620	11,218,739	3,321,222	6,459,627	7,718,968	6,147,909	25,364,284
Charges for Services	4,689,389	4,917,173	4,898,548	5,431,941	4,968,288	5,980,258	6,254,411	7,121,548	7,969,574	7,854,660
Fines and Forfeitures	1,016,817	1,135,986	1,122,426	1,097,122	485,472	460,914	359,680	488,872	621,837	773,992
Investment Income	344,344	512,448	889,550	1,989,881	1,835,870	(372,080)	(2,903,247)	5,324,618	3,949,750	6,388,002
Rental of Property	514,955	459,099	632,011	487,797	479,148	491,579	711,100	34,017	465,411	615,976
Parkland Dedication	1,250,000	33,460	-	-	-	-	-	-	-	-
Other Revenues	2,599,830	761,281	990,277	600,905	3,069,269	704,558	4,737,252	975,653	635,253	2,415,545
<b>Total Revenues</b>	<b>63,237,329</b>	<b>61,790,035</b>	<b>67,513,677</b>	<b>68,666,604</b>	<b>82,182,849</b>	<b>73,994,355</b>	<b>77,440,867</b>	<b>90,816,984</b>	<b>97,178,697</b>	<b>128,861,175</b>
<b>Expenditures</b>										
General Government	6,815,725	7,065,729	8,630,290	8,973,194	8,577,452	12,236,821	17,968,839	14,514,601	14,666,367	13,978,947
Public Safety	18,554,507	19,233,386	20,323,076	21,701,254	25,612,596	25,694,255	26,526,855	28,873,158	30,266,189	33,782,488
Public Works	10,474,008	11,524,896	8,682,928	8,998,768	8,843,557	10,718,078	11,502,009	12,807,448	13,214,290	13,173,866
Parks	1,529,384	1,695,397	5,202,962	5,453,778	4,878,372	5,917,562	6,471,305	6,887,573	7,471,126	8,166,870
Capital Outlay	16,787,575	11,053,212	19,752,836	18,558,023	13,056,078	12,203,492	29,567,796	26,544,647	36,473,132	49,486,525
Debt Service:										
Principal	5,246,375	5,496,375	5,523,369	5,778,476	5,865,000	8,326,000	9,247,829	4,642,939	5,225,676	22,734,750
Interest and Other Charges	2,360,827	2,359,551	2,099,594	1,923,526	2,007,730	1,892,346	2,048,560	2,828,936	2,749,901	4,328,375
<b>Total Expenditures</b>	<b>61,768,401</b>	<b>58,428,546</b>	<b>70,215,055</b>	<b>71,387,019</b>	<b>68,840,785</b>	<b>76,988,554</b>	<b>103,333,193</b>	<b>97,099,302</b>	<b>110,066,681</b>	<b>145,651,821</b>
<b>Revenues Over (Under)</b>										
<b>Expenditures</b>	1,468,928	3,361,489	(2,701,378)	(2,720,415)	13,342,064	(2,994,199)	(25,892,326)	(6,282,318)	(12,887,984)	(16,790,646)
<b>Other Financing Sources (Uses)</b>										
Utility Contributions from Other Funds	-	-	37,978	115,494	-	-	-	-	-	-
Transfers In	3,504,542	5,130,405	5,464,771	6,738,864	6,260,386	8,408,356	3,823,898	4,775,548	4,086,582	3,860,308
Transfers Out	(3,404,969)	(5,057,263)	(5,139,771)	(6,604,736)	(5,976,550)	(7,639,656)	(3,515,998)	(4,429,444)	(4,064,122)	(3,984,644)
Sale of Capital Assets	65,044	84,388	6,201,630	1,172,391	251,670	3,000,821	106,406	77,700	394,009	262,622
Loans Issued	-	-	-	750,000	-	-	-	-	-	-
Bonds Issued	3,940,000	1,995,000	2,210,000	5,000,000	1,991,000	16,820,000	29,610,000	1,180,000	55,620,000	21,360,000
Refunding Bonds Issued	3,635,000	8,955,000	-	-	-	-	-	-	-	-
Premium on Bonds Issued	450,409	798,791	74,787	799,080	34,176	2,329,645	1,691,560	95,608	3,390,329	977,298
Discount on Bonds Issued	(16,805)	(51,148)	(18,299)	-	-	-	-	-	-	-
Payment to Refunding Escrow	-	(3,785,000)	(9,480,000)	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>8,173,221</b>	<b>8,070,173</b>	<b>(648,904)</b>	<b>7,971,093</b>	<b>2,560,682</b>	<b>22,919,166</b>	<b>31,715,866</b>	<b>1,699,412</b>	<b>59,426,798</b>	<b>22,475,584</b>
<b>Net Change in Fund Balances</b>	<b>\$ 9,642,149</b>	<b>\$ 11,431,662</b>	<b>\$ (3,350,282)</b>	<b>\$ 5,250,678</b>	<b>\$ 15,902,746</b>	<b>\$ 19,924,967</b>	<b>\$ 5,823,540</b>	<b>\$ (4,582,906)</b>	<b>\$ 46,538,814</b>	<b>\$ 5,684,938</b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>										
	16.2%	15.9%	14.6%	13.8%	13.2%	15.6%	15.2%	10.2%	10.8%	28.2%

**City of Edina  
Assessed Value, Actual Value and Tax Capacity of Taxable Property  
Last Ten Fiscal Years**

**Table 5**

Fiscal Year	Market Value (In Thousands) <sup>a</sup>			Tax Capacity (In Thousands)			City Tax Capacity Rate	City Referendum Rate	Estimated Direct Rate <sup>b</sup>
	Estimated	Limited	Taxable	Total	Used for Rate	Adjusted Net			
2016	\$ 10,420,339	\$ 10,420,339	\$ 10,296,342	\$ 125,664	\$ 112,491	\$ 115,128	27.137%	0.00550%	2.998
2017	10,902,621	10,902,621	10,785,198	132,180	116,854	119,756	28.271%	0.00000%	3.105
2018	11,655,318	11,655,318	11,547,520	141,934	125,242	128,453	27.849%	0.00000%	3.069
2019	12,370,205	12,370,205	12,271,673	151,279	132,609	136,083	27.499%	0.00000%	3.025
2020	12,879,164	12,879,164	12,785,798	157,910	137,611	141,311	28.082%	0.00000%	3.081
2021	13,344,357	13,344,357	13,255,470	164,716	141,273	145,322	28.939%	0.00000%	3.151
2022	13,796,381	13,796,381	13,713,197	169,928	151,491	155,998	29.947%	0.00000%	3.386
2023	15,461,411	15,461,411	15,386,401	190,473	172,188	176,690	28.056%	0.00000%	3.206
2024	16,647,041	16,647,041	16,576,598	205,646	185,733	190,715	28.412%	0.00000%	3.255
2025	17,218,965	17,218,965	17,105,865	211,470	189,264	194,635	30.236%	0.00000%	3.418

<sup>a</sup> Property in the City is assessed annually. Assessed value is equal to market value, although taxable value may be different, as shown. The City receives reports from Hennepin County showing total market value, but not separated by property classification.

<sup>b</sup> This value is estimated by the City Finance Department by taking City taxes as a rate of estimated market value (rate per \$1,000 of assessed value). The property tax system in Minnesota uses a tax capacity system whereby each parcel is assigned a tax capacity based on taxable value and class. In Minnesota, local taxes are usually expressed as a percentage of this calculated tax capacity (see column titled "City Tax Capacity Rate"). Therefore, this rate is only theoretical and shown for comparative purposes only.

Source: Hennepin County Taxpayer Services.

**City of Edina  
Direct and Overlapping Tax Capacity Rates  
Last Ten Fiscal Years**

**Table 6**

Fiscal Year	City Rates					Overlapping Rates				Total Direct and Overlap
	Basic Rate	Debt Rate	HRA Rate	Total Tax Capacity	RMV	Hennepin	ISD #273 Edina		Other	
							Tax Cap.	RMV		
2016	23.223%	3.914%	0.000%	27.137%	0.006%	45.356%	34.898%	0.201%	11.254%	118.645%
2017	24.348%	3.841%	0.082%	28.271%	0.000%	44.087%	34.798%	0.188%	11.057%	118.213%
2018	24.187%	3.564%	0.098%	27.849%	0.000%	42.808%	30.972%	0.222%	10.667%	112.296%
2019	23.992%	3.388%	0.119%	27.499%	0.000%	41.861%	30.589%	0.210%	9.714%	109.663%
2020	24.690%	3.255%	0.137%	28.082%	0.000%	41.084%	30.589%	0.219%	9.330%	109.085%
2021	26.264%	2.515%	0.160%	28.939%	0.000%	38.210%	31.474%	0.211%	8.833%	107.456%
2022	26.863%	2.073%	0.152%	29.088%	0.000%	38.535%	29.975%	0.219%	8.830%	106.428%
2023	26.229%	1.827%	0.138%	28.194%	0.000%	34.542%	28.093%	0.222%	7.879%	98.708%
2024	26.591%	1.821%	0.132%	28.544%	0.000%	34.681%	28.248%	0.205%	7.733%	99.206%
2025	27.468%	2.768%	0.134%	30.370%	0.000%	37.081%	29.110%	0.204%	8.411%	104.972%

RMV: Referendum Market Value

Geographic boundaries for overlapping district are not identical to the City's boundaries. City boundaries contain six different school districts but only ISD #273 is shown here. Other districts include Mosquito Control, Met Council, Metro Transit, Hennepin Parks, Park Museum and Regional Railroad Authority. In addition, there are two watershed districts in the City, Nine Mile Creek and Minnehaha Creek, and rates for Nine Mile are included in Other. Total rates do not include RMV rates.

Source: Hennepin County Taxpayer Services.

**City of Edina  
Principal Property Tax Payers  
Current Year and Nine Years Ago**

**Table 7**

Taxpayer	2025			2016		
	Tax Capacity	Rank	Percentage of Total Capacity	Tax Capacity	Rank	Percentage of Total Capacity
Galleria Shopping Center	\$ 3,176,910	1	1.50%	\$ 2,257,995	2	1.80%
Southdale Shopping Center	2,669,250	2	1.26%	2,727,650	1	2.17%
Centennial Lakes Office	2,382,374	3	1.13%	DNA	DNA	DNA
Centennial Lakes Plaza	1,319,250	4	0.62%	DNA	DNA	DNA
The Fred	1,236,250	5	0.58%	DNA	DNA	DNA
Southdale Medical Building	1,209,084	6	0.57%	1,491,755	3	1.19%
Cedars of Edina	1,202,515	7	0.57%	DNA	DNA	DNA
The Bower Residences	1,121,250	8	0.53%	DNA	DNA	DNA
Nolan Mains	949,838	9	0.45%	DNA	DNA	DNA
71 France Apartments	916,011	10	0.43%	DNA	DNA	DNA
Southdale Office Center	DNA	DNA	DNA	906,994	4	0.72%
Centennial Lakes Retail	DNA	DNA	DNA	859,250	5	0.68%
Centennial Lakes Phase V	DNA	DNA	DNA	703,404	6	0.56%
Centennial Lakes Phase IV	DNA	DNA	DNA	689,778	7	0.55%
7700 France	DNA	DNA	DNA	543,365	8	0.43%
The District	DNA	DNA	DNA	534,756	9	0.43%
Westin Galleria	DNA	DNA	DNA	507,449	10	0.40%
Totals	<u>\$ 16,182,732</u>		7.65%	<u>\$ 11,222,396</u>		8.93%

DNA: Data is not available

Source: City of Edina Assessing Office

**City of Edina  
Property Tax Levies and Collections  
Last Ten Fiscal Years**

**Table 8**

Taxes Payable	Total Tax Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2016	\$ 31,799,123	\$ 31,383,415	98.69%	\$ 47,887	\$ 31,431,302	98.84%
2017	33,822,369	33,645,085	99.48%	(49,937)	33,595,148	99.33%
2018	35,784,777	35,551,096	99.35%	(30,283)	35,520,813	99.26%
2019	37,431,021	37,104,274	99.13%	71,278	37,175,552	99.32%
2020	39,659,543	39,392,703	99.33%	(14,193)	39,378,510	99.29%
2021	42,018,271	41,704,258	99.25%	(65,773)	41,638,485	99.10%
2022	45,367,336	45,005,400	99.20%	6,557	45,011,957	99.22%
2023	49,855,000	49,423,644	99.13%	343,910	49,767,554	99.82%
2024	54,418,565	53,715,582	98.71%	347,497	54,063,079	99.35%
2025	59,010,154	57,996,702	98.28%	-	57,996,702	98.28%

Source: Hennepin County Taxpayer Services.

City of Edina  
Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years  
(dollars in thousands, except per capita)

Table 9

Fiscal Year	Governmental Activities								Business-Type Activities			Total Primary Government	Percentage of Personal Income <sup>a</sup>	Per Capita <sup>a</sup>
	General Obligation Debt	Public Project Revenue	Tax Increment Bonds	Permanent Improvement Revolving	EEEE Revenue Bonds	Notes Payable	Leases Liability	Subscriptions Liability	Rec. Facility Bonds	Utility Revenue Bonds	Leases Payable			
2016	\$ 28,560	\$ 20,395	\$ -	\$ 26,874	\$ 28	\$ -	\$ -	\$ -	\$ 7,677	\$ 36,691	\$ -	\$ 120,225	3.68%	\$ 2,321
2017	31,748	19,485	-	26,772	17	-	-	-	16,946	38,661	-	133,629	3.75%	2,545
2018	20,115	18,434	-	26,415	13	-	-	-	14,696	36,768	-	116,441	3.35%	2,216
2019	21,211	17,495	-	26,323	-	750	-	-	12,423	39,230	-	117,432	3.16%	2,205
2020	18,917	16,363	-	25,559	-	750	-	-	12,945	39,618	-	114,152	2.78%	2,134
2021	19,087	14,071	8,293	29,502	-	750	-	-	14,241	31,733	-	117,677	3.04%	2,197
2022	43,000	12,976	8,252	28,167	-	750	11	-	10,841	41,025	34	145,057	3.45%	2,684
2023	41,108	11,894	7,935	27,375	-	750	9	365	9,799	46,224	18	145,476	3.20%	2,692
2024	73,418	26,103	13,434	28,475	-	750	6	124	8,736	47,416	638	199,100	4.11%	3,655
2025	73,593	24,889	13,087	28,660	-	750	3	534	7,647	52,554	465	202,181	3.96%	3,690

Details regarding the City's outstanding debt may be found in the notes to the financial statements. All figures are presented net of related premiums, discounts, and adjustments if applicable.

<sup>a</sup> Population and personal income data from U.S. Census Bureau/Metropolitan Council.

**City of Edina**  
**Ratio of General Bonded Debt Outstanding**  
**Last Ten Fiscal Years**  
(dollars in thousands, except per capita)

Table 10

Fiscal Year	General Obligation Debt <sup>a</sup>	Less: Amounts Available in Debt Service Fund <sup>b</sup>	Total	Percentage of Property Value <sup>c</sup>	Per Capita <sup>d</sup>
2016	\$ 27,935	\$ 11,187	\$ 16,748	0.16%	\$ 323
2017	30,630	17,001	13,629	0.13%	260
2018	19,155	7,872	11,283	0.10%	215
2019	19,905	8,342	11,563	0.09%	217
2020	18,917	9,727	9,190	0.07%	172
2021	19,087	11,178	7,909	0.06%	148
2022	43,000	6,702	36,298	0.26%	672
2023	41,108	6,724	34,384	0.22%	636
2024	73,418	24,354	49,064	0.29%	901
2025	73,593	7,640	65,953	0.38%	1,204

Details regarding the City's outstanding debt may be found in the notes to the financial statements.

<sup>a</sup> Presented net of related premiums, discounts, and adjustments.

<sup>b</sup> This is the amount restricted for debt service principal payments.

<sup>c</sup> See statistical schedule titled "Assessed Value, Actual Value and Tax Capacity of Taxable Property" for estimated property value data.

<sup>d</sup> Population from U.S. Census Bureau/Metropolitan Council.

**City of Edina**  
**Direct and Overlapping Governmental Activities Debt**  
**As of December 31, 2025**

**Table 11**

	Net General Obligation Bonded Debt Outstanding	Percentage Applicable in City <sup>a</sup>	City Share of Debt
<b>Overlapping Debt</b>			
Hennepin County	\$ 1,210,482,117	7.28%	\$ 88,123,098
Hennepin Suburban Park District	51,775,077	9.80%	5,073,958
Hennepin Regional Rail Authority	71,548,562	7.28%	5,208,735
<b>School Districts</b>			
ISD No. 273 (Edina)	145,229,446	99.09%	143,907,858
ISD No. 270 (Hopkins)	119,349,532	8.29%	9,894,076
ISD No. 271 (Bloomington)	163,631,388	0.01%	16,363
ISD No. 272 (Eden Prairie)	95,454,751	0.95%	906,820
ISD No. 280 (Richfield)	113,833,182	29.02%	33,034,389
ISD No. 283 (St. Louis Park)	228,707,113	0.03%	68,612
Metro Council	73,513,264	3.86%	2,837,612
<b>Total Overlapping Debt</b>	<b>\$ 2,273,524,432</b>		<b>\$ 289,071,522</b>
<b>Direct Debt</b>			
City of Edina	\$ 141,516,571	100.00%	\$ 141,516,571
<b>Total Overlapping and Direct Debt</b>	<b>\$ 2,415,041,003</b>		<b>\$ 430,588,093</b>
<b>Debt Ratios</b>			
Ratio of Debt Per Capita (54,785 Population)			\$ 7,860
Ratio of Debt to Estimated Market Valuation of \$17,218,965,000			2.50%

<sup>a</sup> The percentage of overlapping debt applicable is estimated using tax capacity. Applicable percentages were estimated by determining the portion of another governmental unit's tax capacity that is within the City's boundaries and dividing it by each unit's total tax capacity.

Source: Hennepin County Taxpayer Services

City of Edina  
**Legal Debt Margin Information**  
**Last Ten Fiscal Years**  
(dollars in thousands)

Table 12

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Debt Limit	\$ 308,890	\$ 323,556	\$ 346,426	\$ 368,150	\$ 383,574	\$ 400,331	\$ 413,891	\$ 463,842	\$ 499,411	\$ 516,569
Total Net Debt Applicable to Limit	48,325	50,115	37,595	37,265	33,970	31,705	53,460	50,910	85,230	84,370
Legal Debt Margin	<u>\$ 260,565</u>	<u>\$ 273,441</u>	<u>\$ 308,831</u>	<u>\$ 330,885</u>	<u>\$ 349,604</u>	<u>\$ 368,626</u>	<u>\$ 360,431</u>	<u>\$ 412,932</u>	<u>\$ 414,181</u>	<u>\$ 432,199</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	15.64%	15.49%	10.85%	10.12%	8.86%	7.92%	12.92%	10.98%	17.07%	16.33%

**Legal Debt Margin Calculation for Fiscal Year 2025**

Market Value (After Fiscal Disparities)	\$17,218,964,600
Debt Limit (3% of Market Value)	516,568,938
Debt Applicable to Limit:	
General Obligation Bonds	60,590,000
Public Project Revenue Bonds	<u>23,780,000</u>
Total Debt Applicable to Limit	<u>84,370,000</u>
Legal Debt Margin	<u>\$ 432,198,938</u>

City of Edina  
Pledged Revenue Coverage  
Last Ten Fiscal Years

Table 13

Fiscal Year	Less:		Net Available Revenue	Debt Service Requirements			Coverage
	Revenue	Operating Expenses		Principal	Interest	Total	
<b>Public Project Revenue Bonds (Annual Appropriation Lease Revenue)</b>							
2016	\$ 2,499,521	\$ -	\$ 2,499,521	\$ 900,000	\$ 654,473	\$ 1,554,473	1.61
2017	2,496,500	-	2,496,500	905,000	633,527	1,538,527	1.62
2018	2,507,700	-	2,507,700	1,045,000	607,148	1,652,148	1.52
2019	2,510,900	-	2,510,900	1,080,000	574,566	1,654,566	1.52
2020	2,506,300	-	2,506,300	1,115,000	540,690	1,655,690	1.51
2021	1,554,400	-	1,554,400	1,145,000	521,504	1,666,504	0.93
2022	1,560,000	-	1,560,000	1,040,000	428,269	1,468,269	1.06
2023	1,558,000	-	1,558,000	1,070,000	400,194	1,470,194	1.06
2024	1,560,700	-	1,560,700	1,100,000	367,644	1,467,644	1.06
2025	1,563,000	-	1,563,000	1,135,000	672,590	1,807,590	0.86
<b>Tax Increment Bonds</b>							
2016	2,779,097	-	2,779,097	-	-	-	-
2017	3,422,898	-	3,422,898	-	-	-	-
2018	4,997,706	-	4,997,706	-	-	-	-
2019	5,447,108	-	5,447,108	-	-	-	-
2020	6,452,819	-	6,452,819	-	-	-	-
2021	8,295,756	-	8,295,756	-	-	-	-
2022	1,720,243	-	1,720,243	-	245,092	245,092	7.02
2023	2,078,687	-	2,078,687	250,000	217,250	467,250	4.45
2024	3,176,176	-	3,176,176	260,000	207,050	467,050	6.80
2025	4,680,338	-	4,680,338	270,000	434,750	704,750	6.64
<b>Permanent Improvement Revolving Bonds (Special Assessment)</b>							
2016	4,727,881	-	4,727,881	1,925,000	705,628	2,630,628	1.80
2017	4,746,414	-	4,746,414	2,105,000	745,783	2,850,783	1.66
2018	4,121,203	-	4,121,203	2,480,000	746,023	3,226,023	1.28
2019	4,097,625	-	4,097,625	2,630,000	745,697	3,375,697	1.21
2020	4,075,208	-	4,075,208	2,570,000	771,215	3,341,215	1.22
2021	2,338,866	-	2,338,866	1,961,000	699,572	2,660,572	0.88
2022	2,167,201	-	2,167,201	2,133,000	840,238	2,973,238	0.73
2023	2,410,414	-	2,410,414	1,817,000	872,103	2,689,103	0.90
2024	2,302,560	-	2,302,560	1,794,000	858,888	2,652,888	0.87
2025	2,510,093	-	2,510,093	1,940,000	1,025,870	2,965,870	0.85
<b>Utility Bond</b>							
2016	19,472,645	16,222,211	3,250,434	4,925,000	814,238	5,739,238	0.57
2017	21,360,262	16,718,288	4,641,974	5,040,000	930,123	5,970,123	0.78
2018	22,757,745	17,411,983	5,345,762	4,980,000	1,049,101	6,029,101	0.89
2019	21,846,239	18,457,754	3,388,485	5,685,000	999,754	6,684,754	0.51
2020	25,731,887	21,401,340	4,330,547	4,580,000	1,169,779	5,749,779	0.75
2021	27,663,593	21,984,700	5,678,893	6,920,000	1,143,996	8,063,996	0.70
2022	32,297,449	19,942,083	12,355,366	6,112,000	939,616	7,051,616	1.75
2023	30,426,494	21,429,025	8,997,469	4,292,000	1,491,444	5,783,444	1.56
2024	31,943,249	22,556,198	9,387,051	4,735,000	1,759,127	6,494,127	1.45
2025	34,391,208	23,572,288	10,818,920	4,995,000	1,843,138	6,838,138	1.58
<b>Recreational Facility Bonds</b>							
2016	6,080,529	6,593,312	(512,783)	375,000	231,285	606,285	(0.85)
2017	4,724,288	6,247,649	(1,523,361)	500,000	217,958	717,958	(2.12)
2018	5,019,374	6,069,584	(1,050,210)	2,197,000	494,192	2,691,192	(0.39)
2019	6,908,708	7,516,553	(607,845)	849,000	430,733	1,279,733	(0.47)
2020	5,585,853	7,213,408	(1,627,555)	876,000	404,703	1,280,703	(1.27)
2021	8,801,478	8,759,248	42,230	909,000	376,723	1,285,723	0.03
2022	9,740,702	9,505,749	234,953	992,000	353,691	1,345,691	0.17
2023	10,171,227	10,579,708	(408,481)	939,000	314,108	1,253,108	(0.33)
2024	10,263,489	10,715,730	(452,241)	832,000	245,850	1,077,850	(0.42)
2025	10,283,136	10,480,898	(197,762)	1,009,000	248,744	1,257,744	(0.16)

**City of Edina  
Demographic and Economic Statistics  
Last Ten Fiscal Years**

**Table 14**

Fiscal Year	Population	Estimated Personal Income (In thousands)	Per Capita Personal Income	High School Graduation Rate	Unemployment Rate
2016	51,804	\$ 3,264,895	\$ 63,024	97.7%	3.08%
2017	52,497	3,567,906	67,964	97.9%	2.83%
2018	52,535	3,480,339	66,248	98.0%	2.26%
2019	53,268	3,711,714	69,680	98.2%	2.63%
2020	53,494	4,111,335	76,856	98.2%	5.10%
2021	53,572	3,873,041	72,296	98.4%	2.50%
2022	54,048	4,209,637	77,887	98.5%	2.10%
2023	54,048	4,542,680	84,049	98.4%	2.30%
2024	54,480	4,841,529	88,868	98.5%	2.50%
2025	54,785	5,106,510	93,210	98.3%	3.20%

**Sources:**

*Population data from U.S. Census Bureau/Metropolitan Council. 2024 is the most recent.*  
*Personal income and per capita income estimates based on MN Department of Employment and Economic Development Quarterly Census of Employment and Wages. 2024 is the most recent.*  
*High school graduation rate data from U.S. Census Bureau for the City of Edina.*  
*Unemployment rate data from State of Minnesota Department of Employment and Economic Development.*

**City of Edina  
Principal Employers  
Current Year and Nine Years Ago**

**Table 15**

Employer	2025			2016		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Edina Realty and Edina Realty Title	2,394	1	9.19%	400	6	1.66%
Edina Public Schools ISD #273	1,713	2	6.58%	1,245	2	5.18%
Fairview Southdale Hospital	1,624	3	6.23%	2,613	1	10.87%
City of Edina	1,019	4	3.91%	814	5	3.39%
BI Worldwide	754	5	2.89%	1,000	3	4.16%
Western National Insurance Company	624	6	2.40%	DNA	DNA	DNA
Lund Food Holdings, Inc	500	7	1.92%	360	9	1.50%
Minneapolis Garage Door Experts	500	8	1.92%	DNA	DNA	DNA
Dow Water & Process Solutions	375	9	1.44%	DNA	DNA	DNA
Target	375	10	1.44%	DNA	DNA	DNA
Regis Corporation	DNA	DNA	DNA	900	4	3.75%
International Dairy Queen Inc.	DNA	DNA	DNA	400	7	1.66%
FilmTec Corporation	DNA	DNA	DNA	375	8	1.56%
JC Penny Co.	DNA	DNA	DNA	276	10	1.15%
<b>Totals</b>	<b>9,878</b>		<b>37.92%</b>	<b>8,383</b>		<b>34.88%</b>

DNA: Data is not available

*Sources:*

*Data Axle Reference Solutions, written and telephone survey,  
and the Minnesota Department of Employment and Economic Development.  
2016 data from previous ACFR.*

**City of Edina**  
**Full-Time Equivalent City Government Employees by Function**  
**Last Ten Fiscal Years**

**Table 16**

Function	Budgeted Full-Time Employees for Fiscal Year <sup>a</sup>									
	2016 b	2017 b	2018	2019	2020 b	2021	2022	2023	2024	2025
<b>Administration</b>										
General Fund	5.00	5.00	5.00	5.00	7.00	7.00	8.00	8.00	8.00	8.00
<b>Communications</b>										
General Fund	6.00	6.00	6.00	6.00	6.80	6.80	7.00	7.00	7.00	7.00
Internal Services	-	-	-	-	0.20	0.20	-	-	-	-
<b>Information Technology Services</b>										
Internal Services	5.00	5.00	6.00	6.00	7.00	7.00	9.00	9.00	9.00	9.00
<b>Community Development</b>										
General Fund	12.00	12.00	12.00	12.00	12.00	12.00	12.00	13.00	13.00	13.00
HRA Fund	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
<b>Engineering</b>										
General Fund	11.00	11.00	12.00	12.00	17.30	17.30	15.00	15.00	15.00	15.00
PACS Fund	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Utilities Fund	1.00	1.00	1.00	1.00	1.35	1.35	1.00	1.00	1.00	1.00
CAS Fund	1.00	1.00	1.00	1.00	1.00	1.00	1.00	2.00	2.00	2.00
Construction Fund	1.10	1.10	1.10	1.10	1.00	1.00	-	-	-	-
Internal Services	-	-	-	-	4.35	5.35	8.00	8.00	8.00	8.00
<b>Finance</b>										
General Fund	5.00	5.00	6.00	6.00	6.00	6.00	7.00	8.00	8.00	8.00
Utilities Fund	1.00	1.00	1.00	1.00	1.00	2.00	2.00	2.00	2.00	2.00
Liquor Fund	-	-	-	-	-	-	-	-	-	-
<b>Fire Protection</b>										
General Fund	45.90	45.90	45.80	49.80	63.35	63.35	66.55	71.55	71.55	77.55
Utilities Fund	-	-	-	-	1.65	1.65	1.45	1.45	1.45	1.45
<b>Human Resources</b>										
General Fund	5.00	5.00	5.00	5.00	4.00	5.00	5.00	5.00	5.00	5.00
Internal Services	-	-	-	-	1.00	1.00	1.00	1.00	1.00	1.00
<b>Parks &amp; Recreation</b>										
General Fund	25.05	25.05	25.30	25.30	24.65	24.65	24.00	25.00	25.50	26.00
Aquatic Center	0.60	0.60	0.70	0.70	0.70	0.70	0.33	1.03	1.05	1.08
Golf Course	8.05	8.05	9.00	9.00	11.00	11.18	12.15	12.15	12.34	12.50
Arena	4.85	4.85	6.25	6.25	5.95	6.03	6.58	7.08	7.15	7.23
Sports Dome	0.15	0.15	1.00	1.00	1.05	1.08	0.53	0.03	0.03	0.03
Art Center	2.00	2.00	2.00	2.00	2.00	2.08	2.08	1.08	1.08	1.08
Edinborough Park	5.80	5.80	5.65	5.65	5.65	5.75	6.80	5.10	5.20	5.30
Centennial Lakes	5.00	5.00	5.05	5.05	5.00	5.03	5.03	5.03	5.05	5.08
Liquor Fund	9.00	9.00	9.00	9.00	8.50	9.50	9.50	9.50	9.60	9.70
Enterprise Funds	-	-	-	-	0.50	-	-	-	-	-
<b>Police Protection</b>										
General Fund	72.55	72.55	76.55	76.55	77.00	78.00	78.00	80.00	84.00	86.00
<b>Public Works</b>										
General Fund	25.40	25.40	23.30	23.30	19.15	19.15	24.00	26.00	26.00	26.00
Utilities Fund	16.85	16.85	18.65	18.65	19.05	20.05	15.00	16.00	16.00	17.00
Internal Services	10.25	10.25	10.20	10.20	6.60	6.60	7.00	7.00	7.00	7.00
Enterprise Funds	-	-	-	-	0.20	0.20	-	-	-	-
<b>Other</b>										
Other	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>286.55</b>	<b>286.55</b>	<b>296.55</b>	<b>300.55</b>	<b>324.00</b>	<b>330.00</b>	<b>337.00</b>	<b>349.00</b>	<b>354.00</b>	<b>364.00</b>

<sup>a</sup> Full-time employee counts do not include Council members, part-time, contract or seasonal employees. In a typical year the City will employ an additional 700-800 people in these categories.

<sup>b</sup> The City completed departmental reorganizations that are reflected on this chart between years 2013-2014, 2016-2017, and 2020. In some cases, data for years before the reorganization has been modified from what was originally reported to improve comparisons.

**City of Edina  
Operating Indicators by Function  
Last Ten Fiscal Years**

**Table 17**

Function	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>General Government</b>										
Total City Employees	1,155	1,067	1,136	1,174	953	1,021	1,099	1,148	1,226	1,175
Votes Cast <sup>a</sup>	31,986	11,440	30,774	10,990	36,088	14,881	29,250	5,928	54,801	-
<b>Public Works</b>										
Asphalt Placed (Tons)	9,298	11,176	14,419	9,847	10,593	10,962	10,300	12,664	9,193	9,656
Concrete (cu. yds.)	897	708	868	963	816	435	455	525	484	469
<b>Public Safety</b>										
Fire Calls	1,276	1,220	1,321	1,600	1,265	1,419	1,431	1,577	1,514	1,571
Medical Calls	4,063	4,508	4,572	4,727	4,288	5,337	5,811	5,643	5,802	5,922
Police Calls for Service <sup>d</sup>	61,325	71,738	62,981	60,975	47,833	48,757	46,191	36,350	37,699	42,388
<b>Internal Services</b>										
Vehicle Fixes	2,721	2,478	2,336	1,910	1,780	1,555	1,048	1,414	1,565	1,660
<b>Utilities</b>										
Daily Consumption <sup>b</sup>	6,047	5,950	6,101	5,394	5,785	6,705	6,587	6,768	5,762	5,767
<b>Aquatic Center</b>										
Attendance	108,609	89,318	88,342	83,499	-	88,217	81,184	80,225	70,686	75,179
<b>Golf Course</b>										
Total Rounds Played <sup>c</sup>	61,256	23,241	20,679	60,561	74,180	76,383	75,437	75,684	77,782	81,508

N/A Data not available

<sup>a</sup> The City elections department runs general elections in even-numbered years and school district elections in odd-numbered years. Number of votes cast tend to vary between even and odd-numbered years and based on presidential election cycles.

<sup>b</sup> Daily average of water pumped from city wells, measured in thousands of gallons.

<sup>c</sup> 27-hole golf course was closed and reconstructed into an 18-hole championship course from 2017-2018

<sup>d</sup> Changed from Crimes reported to provide full data of police service calls. In 2023, changed system where only serviced calls are tracked.

Source: Various City departments

**City of Edina  
Capital Asset Statistics by Function  
Last Ten Fiscal Years**

**Table 18**

Function	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Public Works</b>										
Miles of Streets	224	224	224	224	224	224	224	224	230	230
City Parking Ramps	4	4	4	4	4	4	4	4	4	4
<b>Public Safety</b>										
Fire Stations	2	2	2	2	2	2	2	2	2	2
<b>Parks and Recreation</b>										
City Parks	40	40	40	40	40	40	40	40	40	40
Acreage of Parks	1,553	1,553	1,553	1,553	1,553	1,553	1,553	1,553	1,553	1,553
Park Buildings	27	27	27	27	27	27	27	27	27	27
<b>Utilities</b>										
Wells	18	18	18	18	18	18	18	18	18	18
Watermain Miles	199	199	199	199	199	199	199	199	225	225
Sanitary Sewer Miles	186	186	186	186	186	186	186	186	200	200
Sewer Connections	13,979	13,979	13,979	13,979	13,979	13,979	13,979	13,979	13,889	13,889
<b>Arena</b>										
Ice Sheets	4	4	4	4	4	4	4	4	4	4

Source: Various City departments





**City of Edina  
Hennepin County, Minnesota**

**Communications Letter**

**December 31, 2025**

**City of Edina  
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## Report on Matters Identified as a Result of the Audit of the Basic Financial Statements

Honorable Mayor and Members  
of the City Council  
City of Edina  
Edina, Minnesota

In planning and performing our audit of the basic financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Edina, Minnesota, as of and for the year ended December 31, 2025, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that have not been identified. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error, or fraud may occur and not be detected by such controls. However, as discussed below, we identified a certain deficiency in internal control that we consider to be a material weakness.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the City's basic financial statements will not be prevented, or detected and corrected, on a timely basis. A reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

- *Reasonably possible*. The chance of the future event or events occurring is more than remote but less than likely.
- *Probable*. The future event or events are likely to occur.

The material weakness identified is stated within this letter.

The City's written response to the material weakness identified in our audit has not been subjected to audit procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

The accompanying memorandum also includes financial analysis provided as a basis for discussion. The matters discussed herein were considered by us during our audit and they do not modify the opinion expressed in our Independent Auditor's Report dated June 5, 2026, on such statements.

The purpose of this communication, which is an integral part of our audit, is to describe for the Members of the City Council and management and others within the City and state oversight agencies the scope of our testing of internal control and the results of that testing. Accordingly, this communication is not intended to be and should not be used for any other purpose.

*Bergank DV, Ltd.*

Minneapolis, Minnesota  
June 5, 2026

**City of Edina  
Material Weakness**

**Prior Period Restatement**

During the audit, a prior period restatement was required to adjust beginning net position and fund balance to correct an error in the prior period financial statements related to the HIA loan receivable balance that was overstated as of December 31, 2024. This could adversely affect the City's ability to present financial statements that are free of material misstatement.

**City of Edina  
Required Communication**

We have audited the basic financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City as of and for the year ended December 31, 2025. Professional standards require that we advise you of the following matters related to our audit.

**Our Responsibility in Relation to the Financial Statement Audit**

As communicated in our engagement letter, our responsibility, as described by professional standards, is to form and express opinions about whether the basic financial statements prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the basic financial statements does not relieve you or management of its respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the basic financial statements are free of material misstatement. An audit of the basic financial statements includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, as part of our audit, we considered the internal control of the City solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgement, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Generally accepted accounting principles provide for certain Required Supplementary Information (RSI) to supplement the basic financial statements. Our responsibility with respect to the RSI, which supplements the basic financial statements, is to apply certain limited procedures in accordance with generally accepted auditing standards. However, the RSI was not audited and, because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance, we do not express an opinion or provide any assurance on the RSI.

Our responsibility for the supplementary information accompanying the basic financial statements, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the basic financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Our responsibility with respect to the other information in documents containing the audited basic financial statements and auditor's report does not extend beyond the basic financial information identified in the report. We have no responsibility for determining whether this other information is properly stated. This other information was not audited, and we do not express an opinion or provide any assurance on it.

## **City of Edina Required Communication**

### **Our Responsibility in Relation to *Government Auditing Standards***

As communicated in our engagement letter, part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we performed tests of the City's compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of basic financial statement amounts. However, the objective of our tests was not to provide an opinion on compliance with such provisions.

### **Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

### **Compliance with All Ethics Requirements Regarding Independence**

The engagement team, others in our firm, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence.

### **Significant Risks**

We addressed the following significant risks of material misstatement identified in our planning procedures:

- **Management Override of Controls** - Management override of internal control is considered a risk in substantially all engagements as management may be incentivized to produce better results.
- **Misappropriation of Assets** - If duties cannot be appropriately segregated, there is a risk of unauthorized disbursements being made by the City. In addition, generally this results in less review taking place as transactions are recorded in the financial statements.
- **Improper Revenue Recognition** - Revenue recognition is considered a fraud risk on substantially all engagements as it generally has a significant impact on the results of the government's operations. In addition, complexities exist surrounding the calculation and recording of various revenue sources.
- **Pension Valuation** - Net Pension Liability, Deferred Outflows of Resources Related to Pensions, and Deferred Inflows of Resources Related to Pensions are generally material to the financial statements and involve significant estimates.
- **OPEB Valuation** - Total OPEB Liability, Deferred Outflows of Resources Related to OPEB, and Deferred Inflows of Resources Related to OPEB are generally material to the financial statements and involve significant estimates.
- **Lease Valuation** - Lease receivable and related deferred inflows of resources are material to the financial statements and involve significant estimates.
- **Lease Valuation** - Lease liability and right-to-use assets are material to the financial statements and involve significant estimates.

### **Qualitative Aspects of the City's Significant Accounting Practices**

#### *Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the City is included in the notes to the basic financial statements. There have been no initial selection of accounting policies and no changes to significant accounting policies or their application during 2025. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

**City of Edina  
Required Communication**

**Qualitative Aspects of the City's Significant Accounting Practices (Continued)**

*Significant Accounting Estimates and Related Disclosures*

Accounting estimates and related disclosures are an integral part of the basic financial statements prepared by management and are based on management's current judgements. Those judgements are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the basic financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgements. The most sensitive estimates affecting the basic financial statements relate to:

Total Other Post Employment Benefits (OPEB) Liability, Deferred Outflows of Resources Related to OPEB and Deferred Inflows of Resources Related to OPEB - These balances are based on an actuarial study using the estimates of future obligations of the City for post employment benefits.

Net Pension Liability, Deferred Outflows of Resources Related to Pensions and Deferred Inflows of Resources Related to Pensions - These balances are based on an allocation by the pension plans using estimates based on contributions.

Lease Receivable, Deferred Inflows of Resources, Lease Liability and Right-to-Use Lease Assets - These balances are based on estimates and judgments determined by the City related to the discount rate, lease term, and lease payments.

Subscription Liability and Right-to-Use Subscription Assets - These balances are based on estimates and judgments determined by the City related to the discount rate, subscription term, and subscription payments.

We evaluated the key factors and assumptions used to develop the accounting estimates and determined that they are reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

*Financial Statement Disclosures*

Certain basic financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The basic financial statement disclosures are neutral, consistent, and clear.

**Significant Difficulties Encountered during the Audit**

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

**Uncorrected and Corrected Misstatements**

For the purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effects of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the basic financial statements taken as a whole and each applicable opinion unit. Management did not identify, and we did not notify them of any uncorrected financial statement misstatements.

**City of Edina  
Required Communication**

**Uncorrected and Corrected Misstatements (Continued)**

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. None of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the basic financial statements taken as a whole.

**Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the City's basic financial statements or the auditor's report. No such disagreements arose during the course of our audit.

**Representations Requested from Management**

We have requested certain written representations from management, which are included in the management representation letter.

**Management's Consultations with Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management has informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

**Other Significant Matters, Findings, or Issues**

In the normal course of our professional association with the City, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the City, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the City's auditor.

**Other Information Included in Annual Reports**

Pursuant to professional standards, our responsibility as auditors for other information, whether financial or nonfinancial, included in the City's annual reports, does not extend beyond the information identified in the audit report, and we are not required to perform any procedures to corroborate such other information.

We applied certain limited procedures to the RSI that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the basic financial statements or to the basic financial statements themselves.

**City of Edina  
Required Communication**

**Other Information Included in Annual Reports (Continued)**

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the basic financial statements.

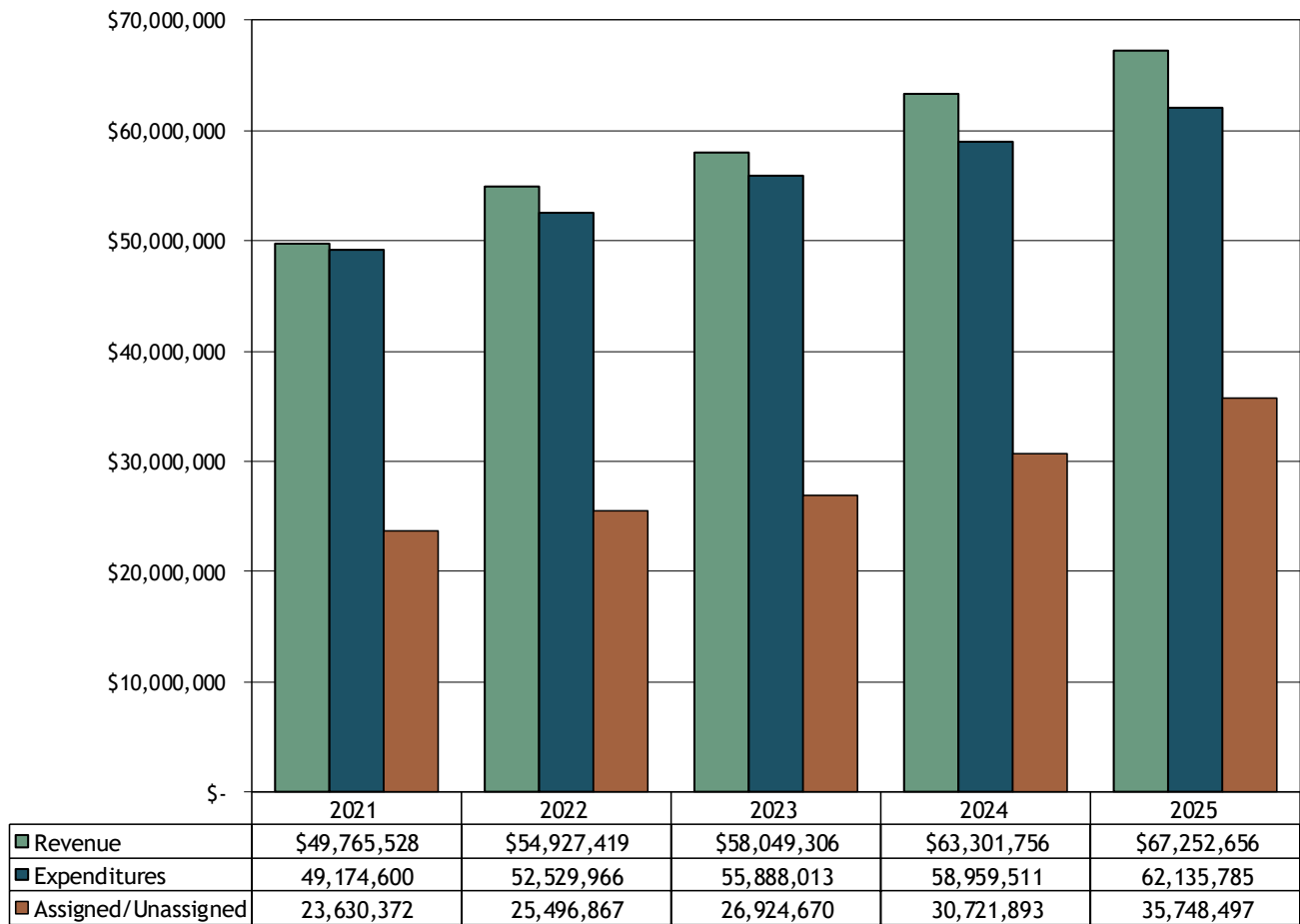
## City of Edina Financial Analysis

The following pages provide graphic representation of select data pertaining to the financial position and operations of the City for the past five years. Our analysis of each graph is presented to provide a basis for discussion.

### General Fund

At December 31, 2025, the General Fund unassigned/assigned fund balance was \$35,748,497, an increase of 16.4%, or \$5,026,604, from the 2024 unassigned/assigned fund balance. The components of fund balance for the General Fund and fund balance as a percent of subsequent years' budget are depicted in the graphs below and on the following page.

### General Fund



## City of Edina Financial Analysis

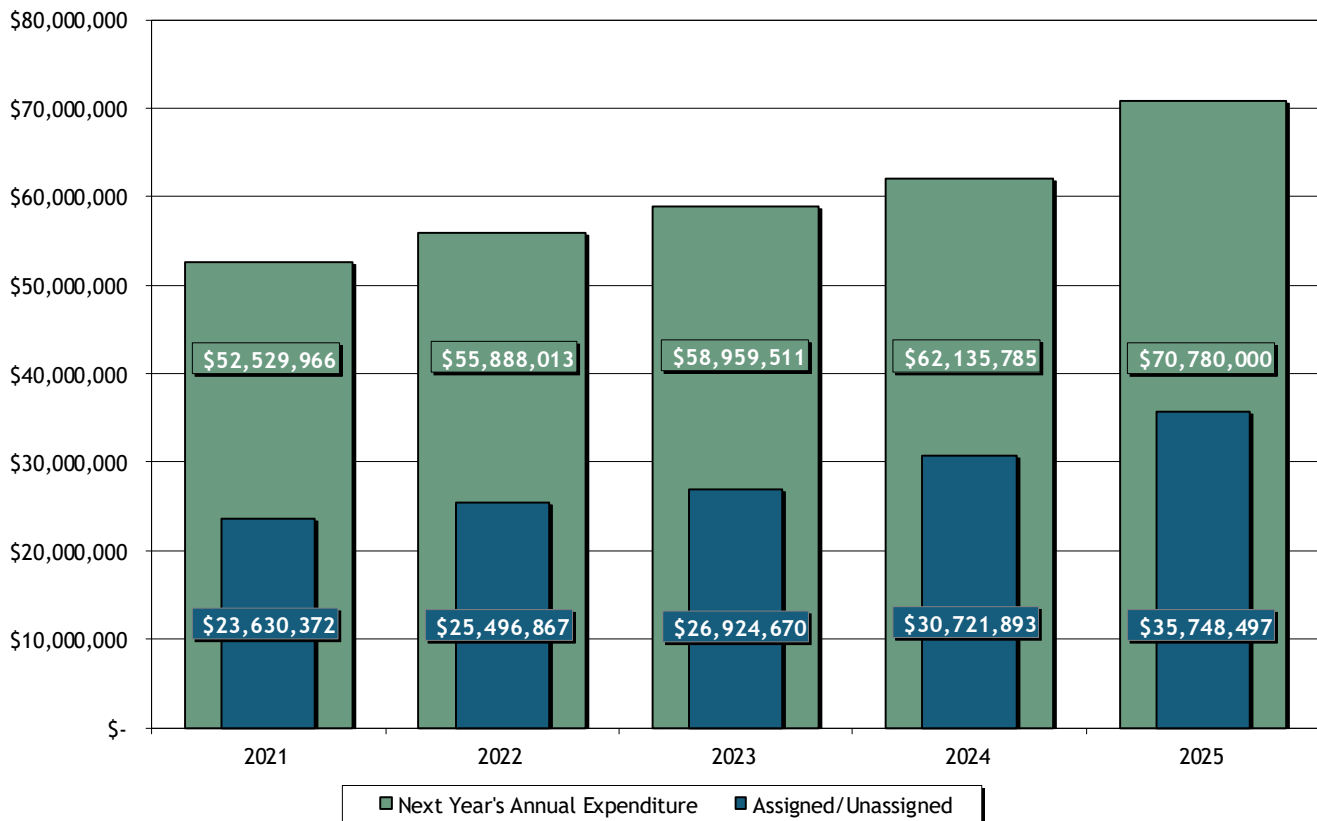
### Fund Balance

The table and graph below shows the percentage of the next year's expenditures covered by the General Fund's unreserved fund balance for the past five years. (Note: The next year's annual expenditures for 2025 are based on budgeted expenditures for 2026.)

**Assigned and Unassigned General Fund Balance  
Compared to Annual Expenditures**

Year Ended December 31,	Assigned and Unassigned Fund Balance	Next Year's Annual Expenditures	Percentage of Expenditures
2021	\$ 23,630,372	\$ 52,529,966	45.0%
2022	25,496,867	55,888,013	45.6%
2023	26,924,670	58,959,511	45.7%
2024	30,721,893	62,135,785	49.4%
2025	35,748,497	70,780,000	50.5%

**Unassigned/Assigned General Fund Balance  
Compared to Annual Expenditures**



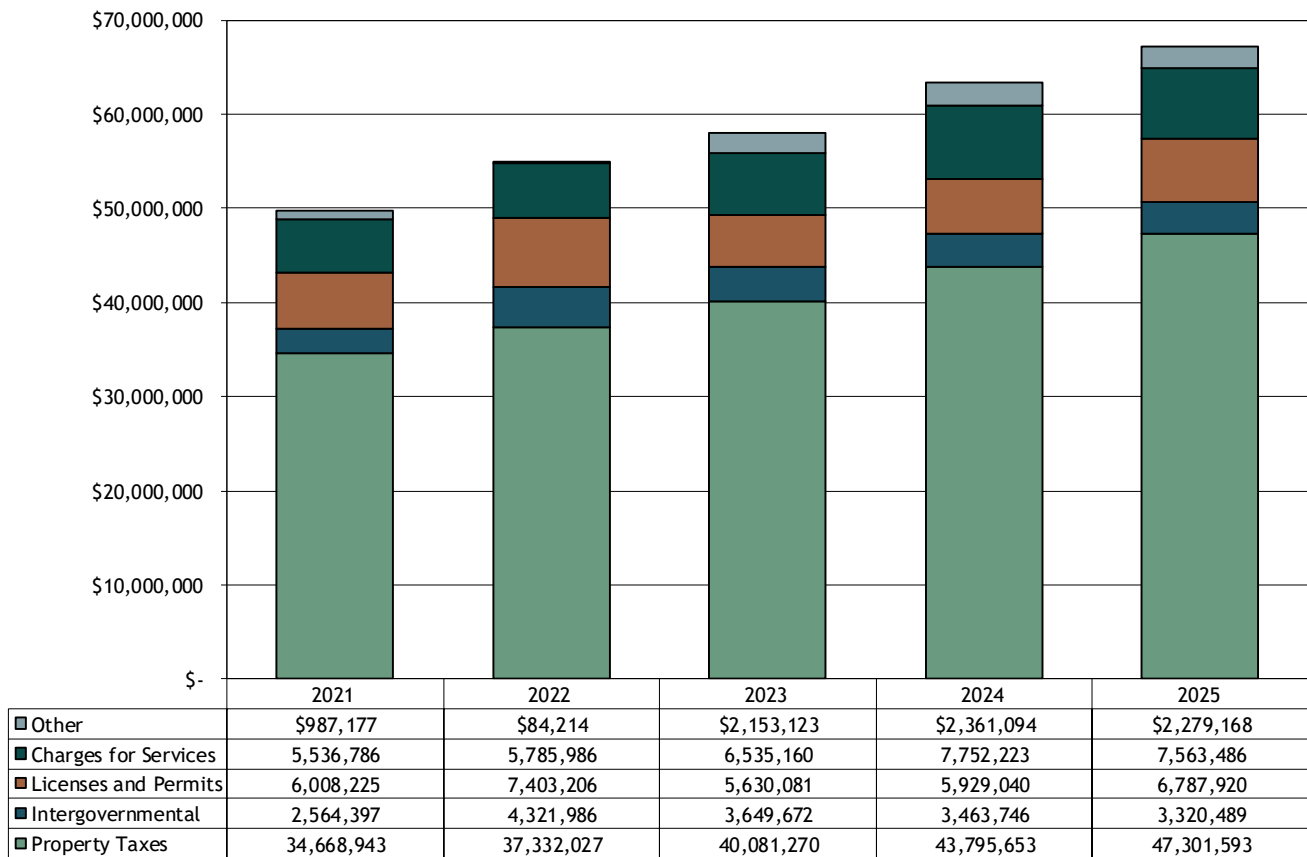
## City of Edina Financial Analysis

### General Fund Revenues

The chart below depicts the General Fund revenues by source for the past five years. Overall, revenues increased \$3,950,900, or 6.2%, from the prior year, increasing from \$63,301,756 to \$67,252,656.

Property tax revenue increased by \$3,505,940 due primarily to an increase in the tax levy. Property taxes are the main source of revenue for the General Fund and with fluctuations in other sources; these funds are more heavily relied upon. Licenses and permits revenue increased \$858,880 due to an increase in building permits and rental licenses in 2025. All other categories stayed consistent with the prior years.

**General Fund Revenues**



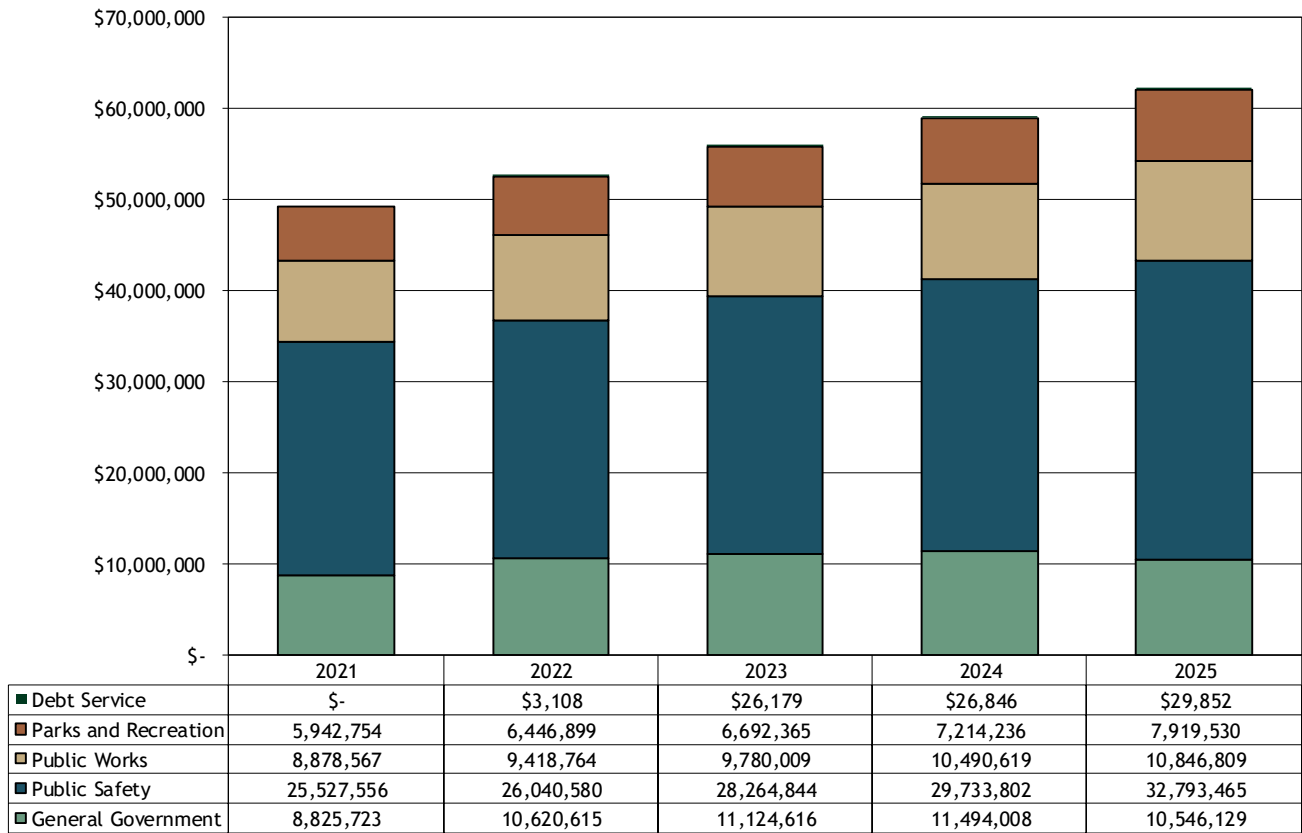
## City of Edina Financial Analysis

### General Fund Expenditures

The chart below presents General Fund expenditures by function for the past five years. In the past year, General Fund expenditures increased by \$3,176,274, or 5.4%, from \$58,959,511 to \$62,135,785.

Public safety had the largest increase in expenditures of \$3,059,663, or 10.3%, as a result of filling vacant police and fire positions as well as increases in salaries. General government decreased \$947,879 due to the deed grant repayment ending in 2024 as well as Lincoln and Londonderry Small Area Plan consulting ending in 2024. Parks and recreation increased \$705,294 as a result of hiring a new facilities coordinator and a digital marking coordinator. There were also significantly more part-time rink attendants and part-time maintenance hours paid in 2025. All other categories stayed consistent with the prior years.

**General Fund Expenditures**



**City of Edina  
Financial Analysis**

**General Fund Budget to Actual**

For the year ended December 31, 2025, the City budgeted for expenditures and transfers out from the General Fund to exceed revenues and transfers in by \$1,000,000. Actual revenues and transfers in exceeded expenditures and transfers out by \$5,027,059.

Revenues were over budgeted by \$2,743,785, or 4.3%. Taxes and assessment revenue was under budget \$1,361,622 due to delinquent balances and less franchise taxes than anticipated. Charges for services revenue were over budget \$1,250,930 as a result of conservative budgeting. Licenses and permit revenue and intergovernmental revenue exceeded the budget by \$965,962 and \$866,529, respectively due to conservative budgeting. Miscellaneous and investment income was over budget by \$1,021,986 due to better investment earnings than anticipated in the budget.

Overall, expenditures were \$3,180,086, or 4.9% under budget. Public works expenditures were under budget by \$1,452,449 due to conservative budgeting for increasing costs. Public safety expenditures were under budget by \$1,092,770 as a result of staff vacancies during the year. The other sources of expenditures were relatively consistent with the 2025 budget.

	Final Budget	Actual Amounts	Over (Under) Budget	Budget Variance
<b>Revenue</b>				
Taxes and assessments	\$ 48,663,215	\$ 47,301,593	\$ (1,361,622)	-2.8%
Licenses and permits	5,821,958	6,787,920	965,962	16.6%
Intergovernmental	2,453,960	3,320,489	866,529	35.3%
Charges for services	6,312,556	7,563,486	1,250,930	19.8%
Miscellaneous and investment Income	1,257,182	2,279,168	1,021,986	81.3%
<b>Total revenue</b>	<b>64,508,871</b>	<b>67,252,656</b>	<b>2,743,785</b>	<b>4.3%</b>
<b>Expenditures</b>				
General government	10,887,802	10,546,129	(341,673)	-3.1%
Public works	12,299,258	10,846,809	(1,452,449)	-11.8%
Public safety	33,886,235	32,793,465	(1,092,770)	-3.2%
Park and recreation	8,242,576	7,919,530	(323,046)	-3.9%
Debt Service	-	29,852	29,852	NA
<b>Total expenditures</b>	<b>65,315,871</b>	<b>62,135,785</b>	<b>(3,180,086)</b>	<b>-4.9%</b>
<b>Other Financing Sources (Uses)</b>				
Proceeds from sale of capital assets	-	34,524	34,524	NA
Net transfers in (out)	(193,000)	(124,336)	68,664	-35.6%
	<b>(193,000)</b>	<b>(89,812)</b>	<b>103,188</b>	<b>(0)</b>
<b>Net Change in Fund Balance</b>	<b>\$ (1,000,000)</b>	<b>\$ 5,027,059</b>	<b>\$ 6,027,059</b>	<b>NA</b>

## City of Edina Financial Analysis

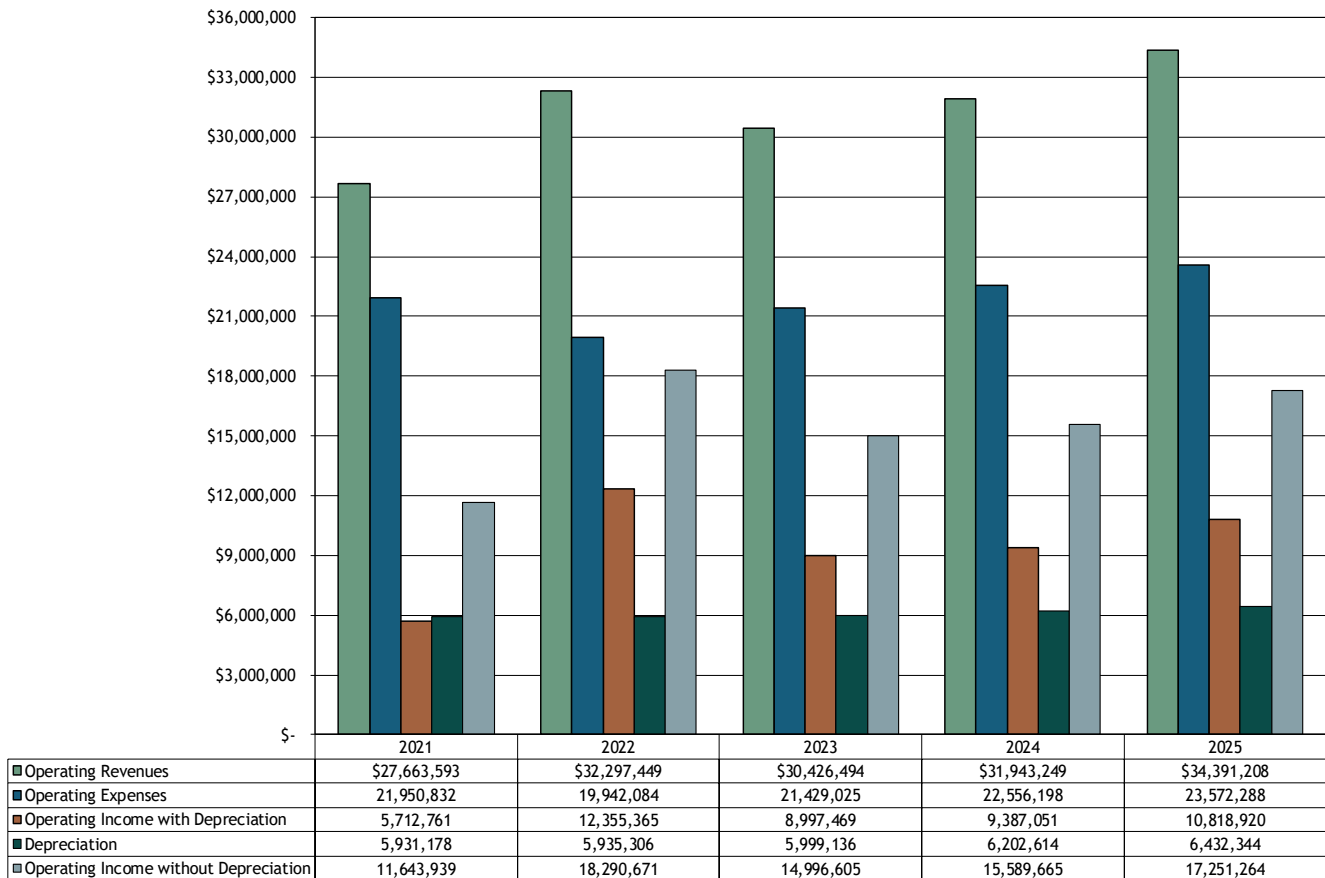
### Utilities Operations

The following graph illustrates the current operations of the Utilities Fund for the past five years. Operating income is shown with and without depreciation below.

Operating revenue increased \$2,447,959, or 7.7%, from 2024 due to an increase in rates and consumption. Operating expenses increased by \$1,016,090 or 4.5%. The increase is mainly due to an increase in sewer rates to Met Council, the York Ave pond improvement, and annual storm inspections. The net effect of the increased revenues and expenses is an operating income of \$10,818,920. This was an increase of \$1,431,869 in the operating income reported in 2024.

Enterprise funds may be used to account for any activity in which a fee is charged. It is not required to have the fee support the entire activity; however, the basic premise in establishing an enterprise fund is that the activity will be operated similar to a business. Therefore, it is expected the enterprise fund would at least be able to meet its obligations currently and into the future.

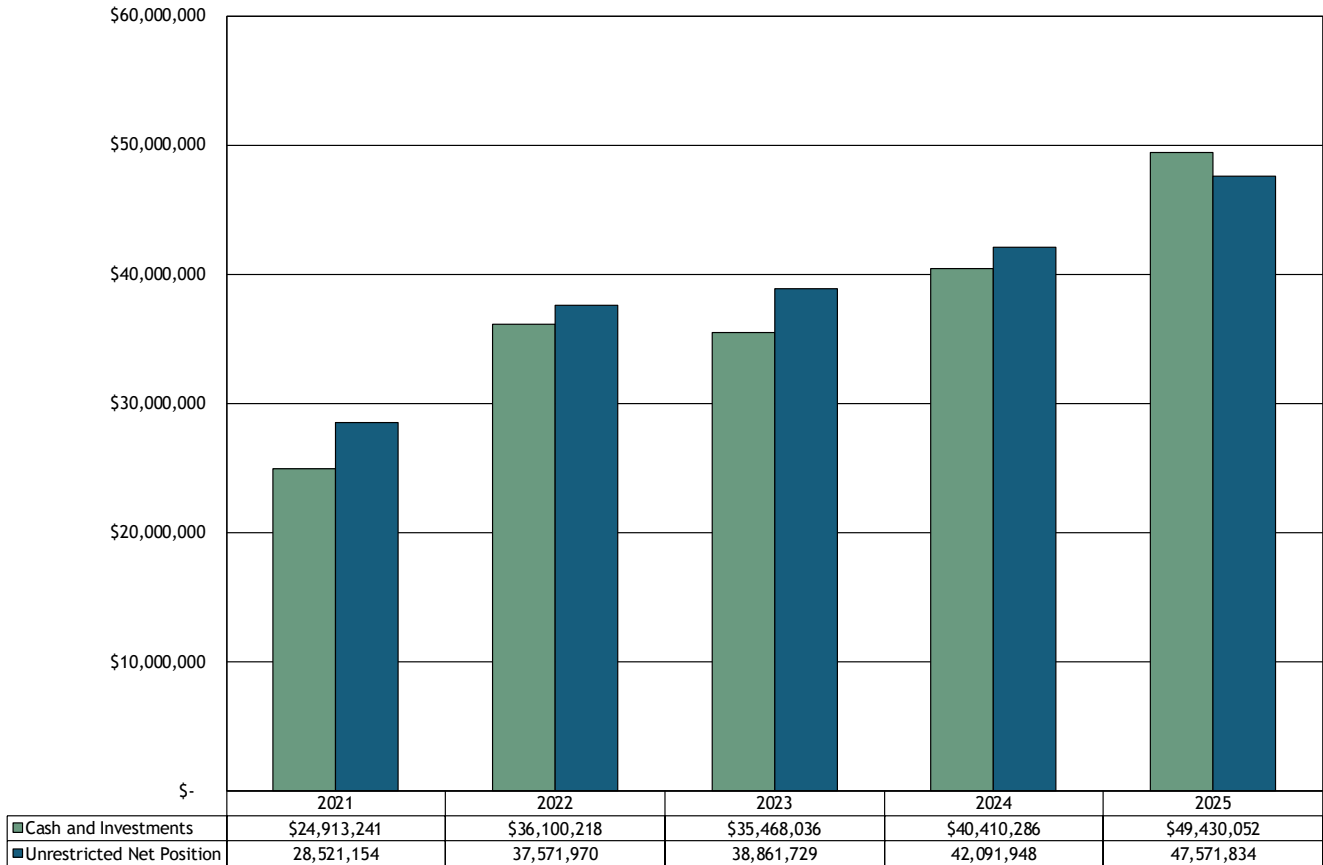
### Utilities Operations



**City of Edina  
Financial Analysis**

**Utilities Fund**

**Utilities Fund**



The above graph shows the cash and investment and unrestricted net position balances as of December 31, for the last five years. The Utilities Fund cash and investment balance has increased \$24,516,811 since 2021. The cash and investment balance increased \$9,019,766 during 2025 while the unrestricted net position for the Utilities Fund increased \$5,479,886 during the same time period. Cash and investments exceeded unrestricted net position due to unspent bond proceeds at the end of the year related to capital projects.

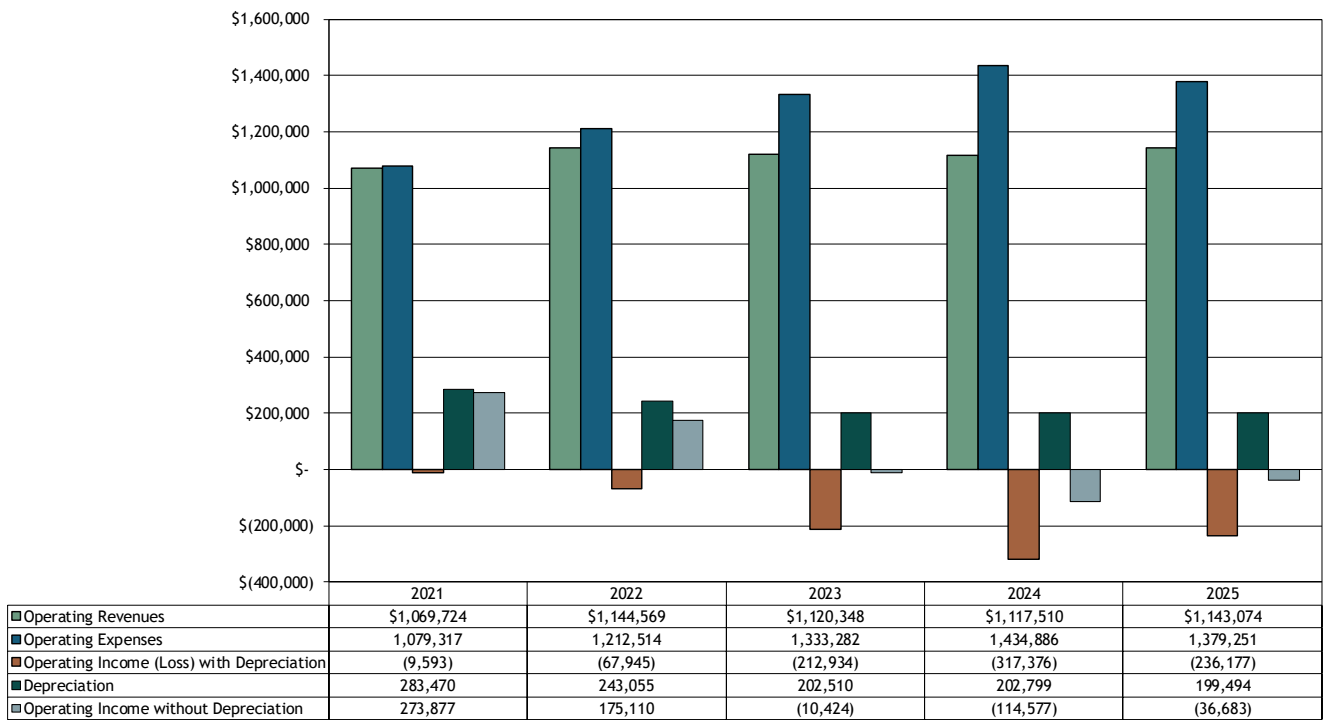
## City of Edina Financial Analysis

### Aquatic Center Operations

The following graph illustrates the current operations of the Aquatic Center for the past five years. Operating income is shown with and without depreciation below.

The Aquatic Center has shown an operating loss in all five years presented. In 2025, the Fund showed an operating loss of \$236,177. This is a decrease of \$81,199 in the operating loss compared to 2024. The Fund experienced an increase in operating revenue of \$25,564 as a result of more concession sales during the year. The expenses decreased \$55,635 due to repainting the pool and pool locker rooms in 2024 and not having a similar expense in 2025.

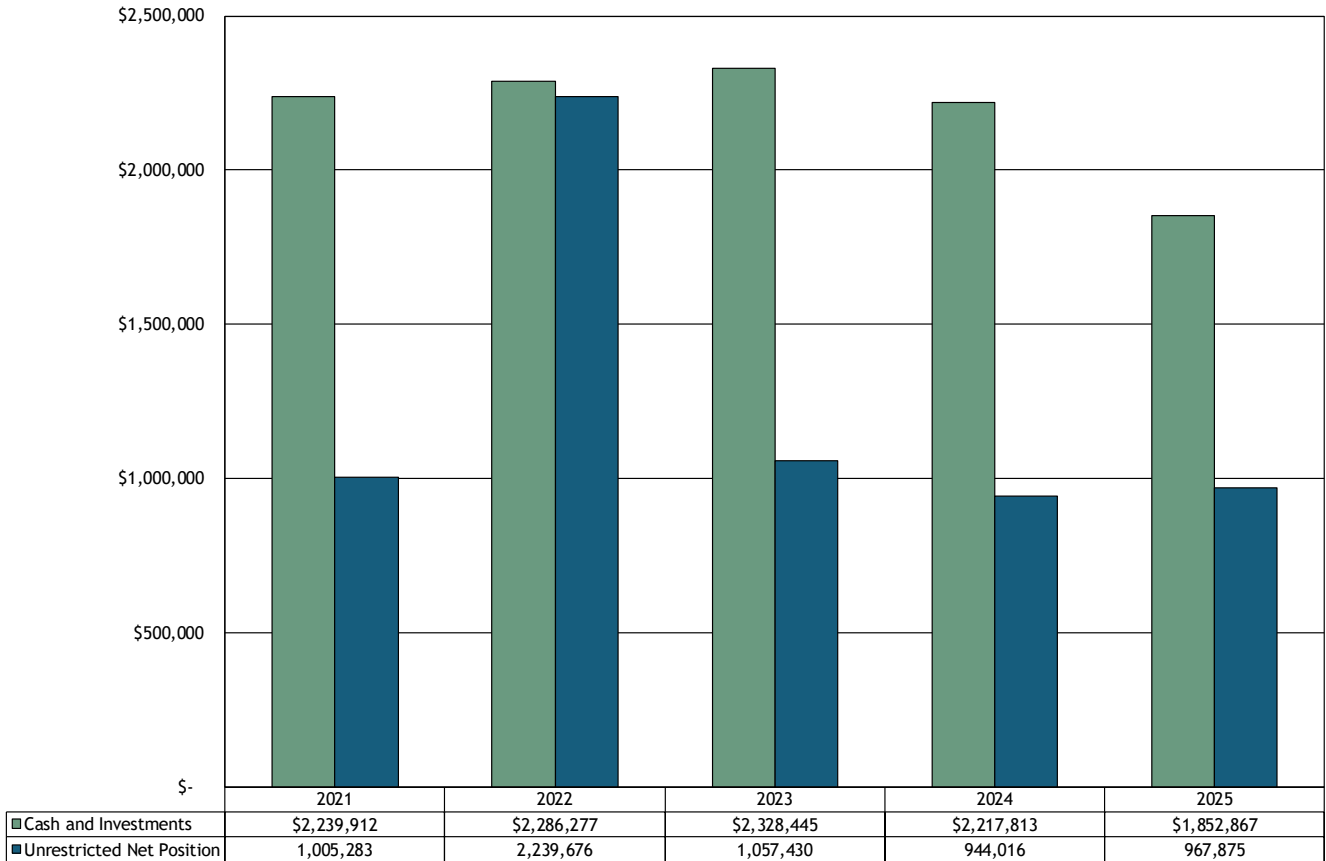
**Aquatic Center Operations**



**City of Edina  
Financial Analysis**

**Aquatic Center Fund**

**Aquatic Center**



The graph above shows the cash and investment and unrestricted net position balances as of December 31, for the last five years. The Aquatic Center cash and investment balance has decreased \$387,045 since 2021. In 2025, the Aquatic Center cash and investment balance decreased \$364,946 while the unrestricted net position increased \$23,859.

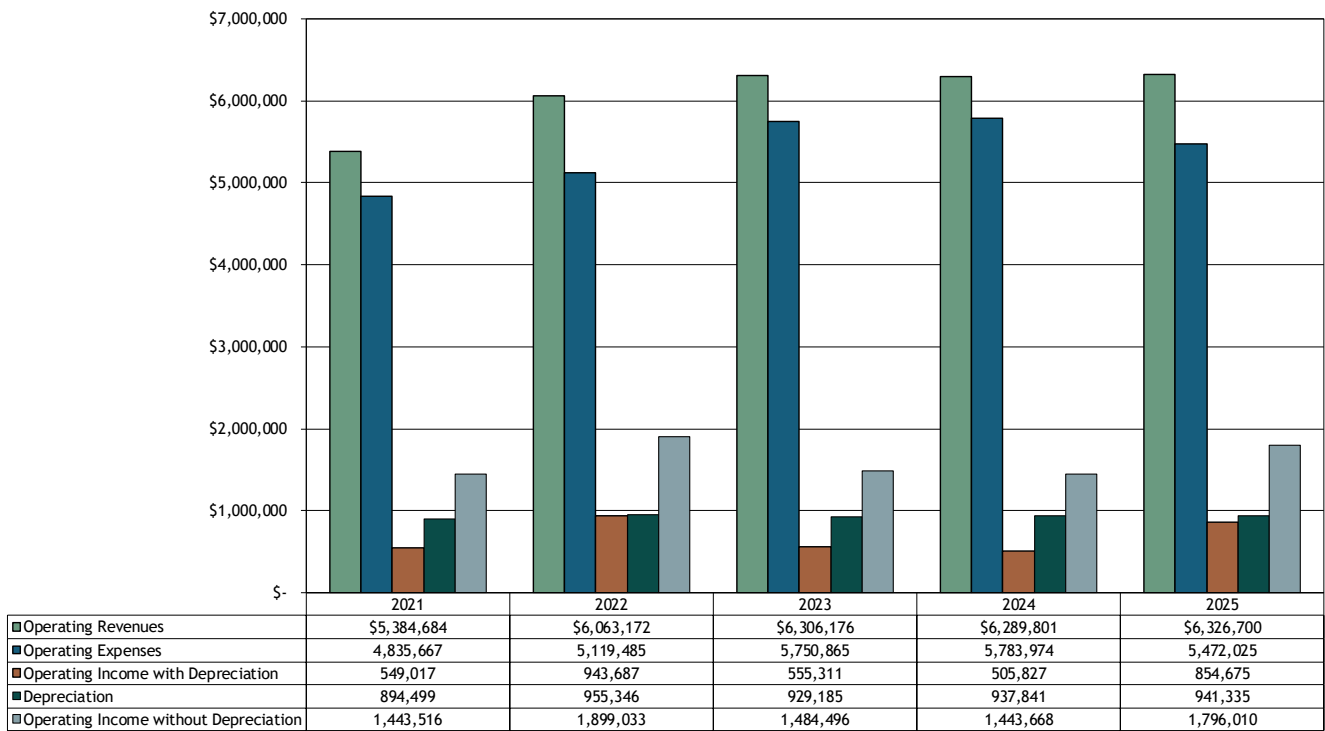
## City of Edina Financial Analysis

### Golf Course Operations

The following graph illustrates the current operations of the Golf Course for the past five years. Operating income is shown with and without depreciation below.

The Golf Course has shown an operating income in all five years presented. In 2025, the Fund showed an operating income of \$854,675. This is an increase of \$348,848 in the operating income from 2024. The Fund experienced an increase in operating revenue of \$36,899 as a result of an early Spring weather and a demand for outdoor golf. The expenses decreased \$311,949 due to negative pension expense in 2025 as well as less uniform costs.

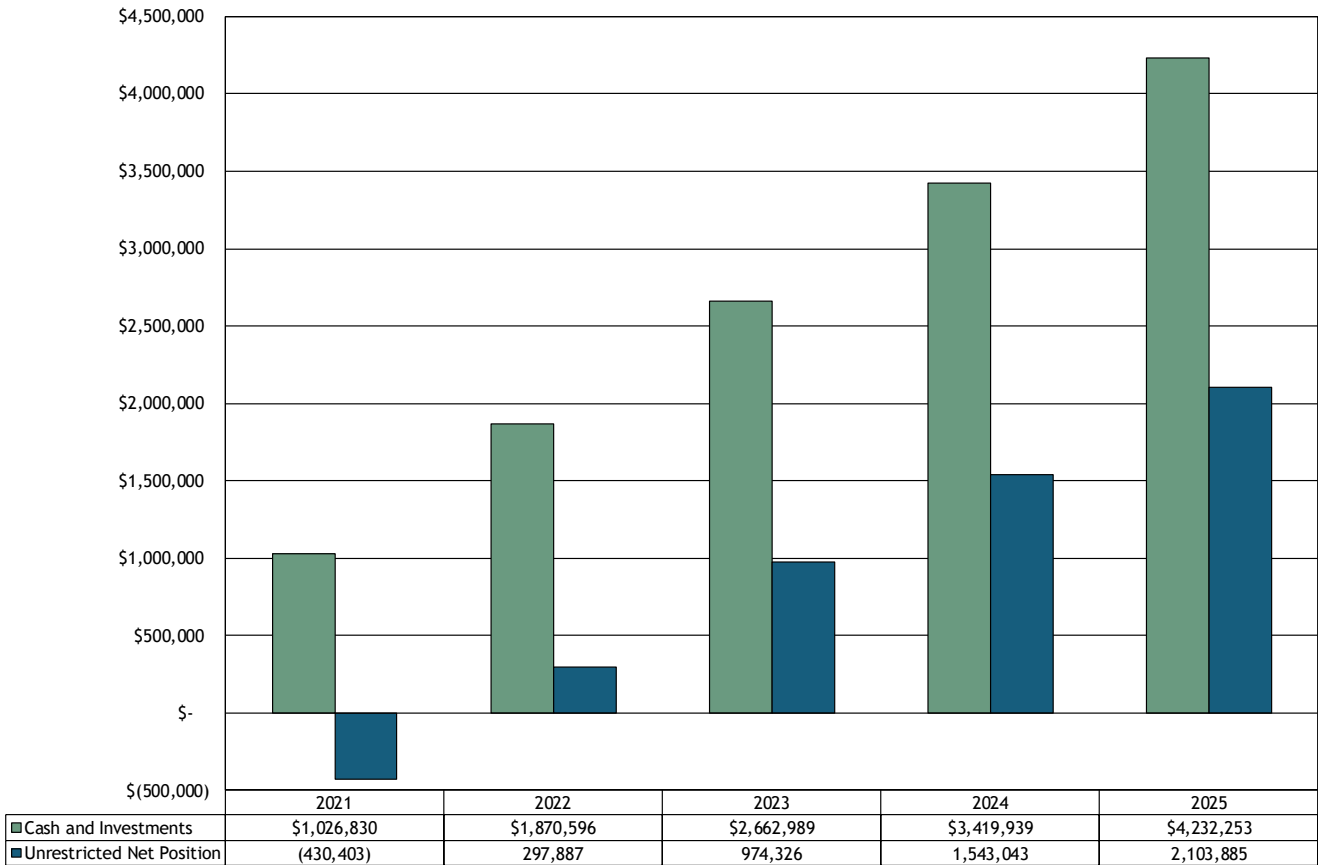
**Golf Course Operations**



**City of Edina  
Financial Analysis**

**Golf Course Fund**

**Golf Course**



The graph above shows the cash and investment and unrestricted net position balances as of December 31, for the last five years. The Golf Course cash and investment balance has increased \$3,205,423 since 2021. In 2025, the Golf Course cash and investment balance increased \$812,314 while the unrestricted net position increased \$560,842.

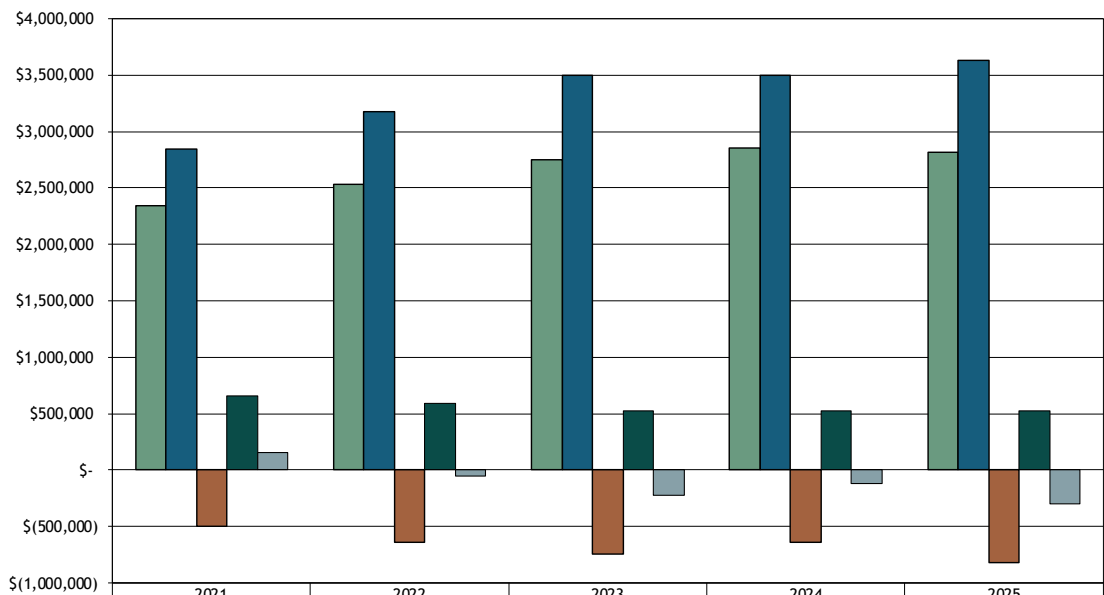
## City of Edina Financial Analysis

### Arena Operations

The following graph illustrates the current operations of the Arena for the past five years. Operating income is shown with and without depreciation below.

The Arena has shown an operating loss in all five years presented. In 2025, the Fund showed an operating loss of \$816,260. This is an increase of \$173,360 in the operating loss from 2024. The Fund experienced a decrease in operating revenue of \$40,608 due to a decrease in ice rentals as well as a decrease in concession sales. The Arena expenses increased \$132,752 as a result of additional repairs and maintenance needs in 2025.

**Arena Operations**

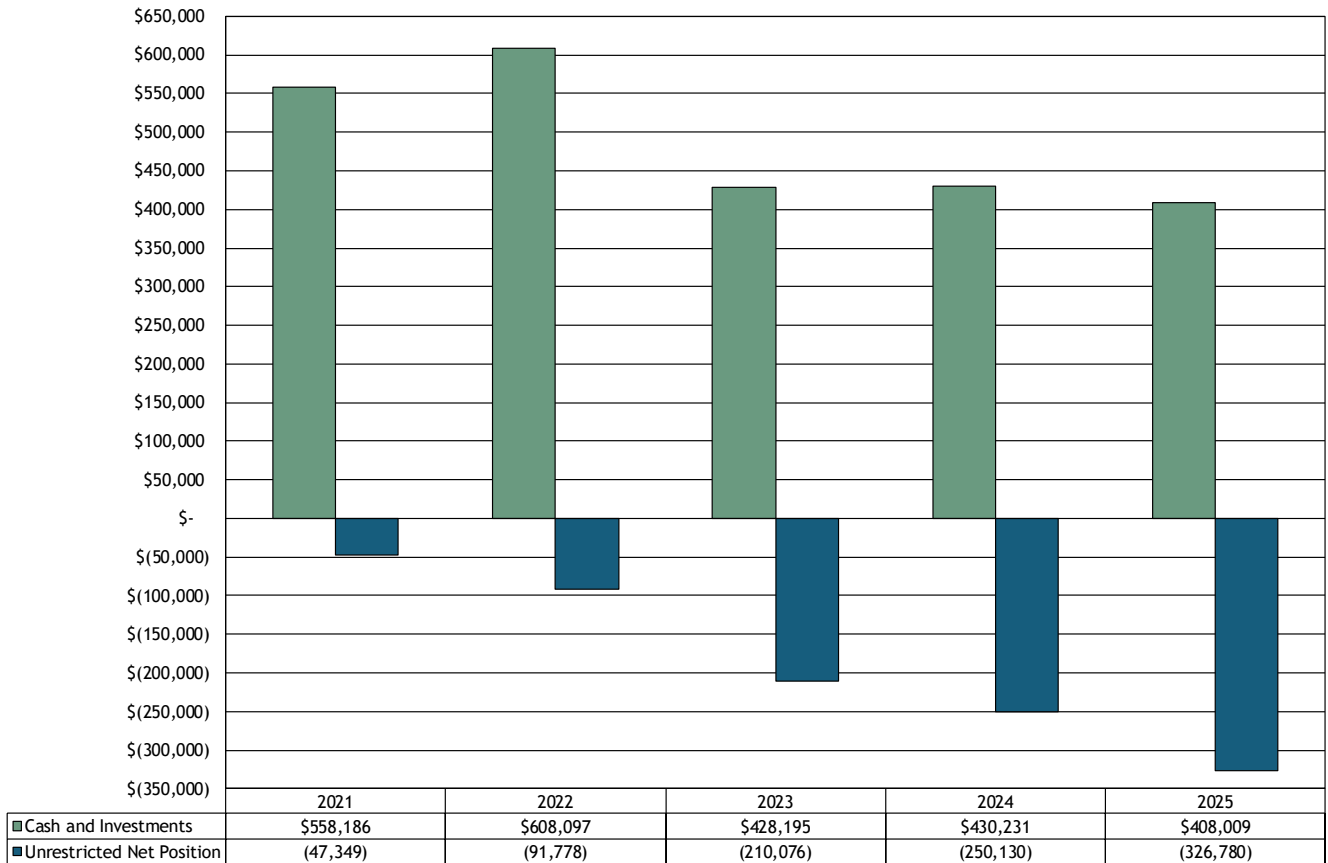


	2021	2022	2023	2024	2025
Operating Revenues	\$2,347,070	\$2,532,961	\$2,748,733	\$2,853,970	\$2,813,362
Operating Expenses	2,846,078	3,173,750	3,495,561	3,496,870	3,629,622
Operating Income (Loss) with Depreciation	(499,008)	(640,789)	(746,828)	(642,900)	(816,260)
Depreciation	657,745	590,898	522,451	525,837	520,248
Operating Income without Depreciation	158,737	(49,891)	(224,377)	(117,063)	(296,012)

**City of Edina  
Financial Analysis**

**Arena Fund**

**Arena**



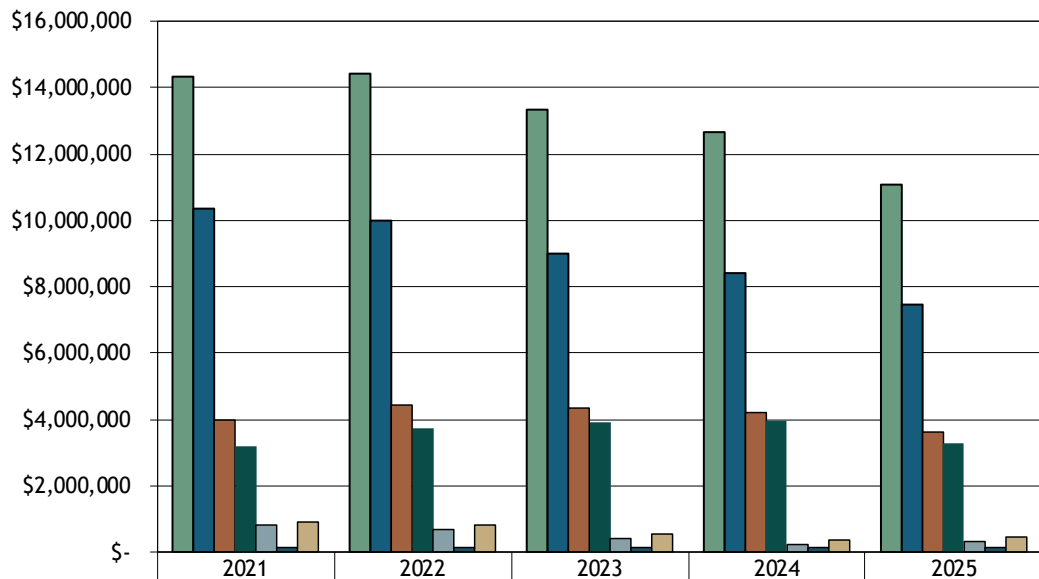
The graph above shows the cash and investment and unrestricted net position balances as of December 31, for the last five years. The Arena cash and investment balance has decreased \$150,177 since 2021. In 2025, the Arena cash and investment balance decreased \$22,222 while the unrestricted net position decreased \$76,650. In addition to operations, the fund received transfers from other funds of \$531,362 in 2025.

## City of Edina Financial Analysis

### Liquor Operations

The City's liquor stores reported a decrease of \$1,566,866, or 12.4%, in sales from 2024 to 2025. Costs of sales decreased by 11.4% or \$964,229. Operating expenses in the Liquor Fund decreased \$703,561 due to significantly reducing staff in response to the decline in sales and post-covid job market patterns. The City's gross profit percentage remained consistent from 2024 to 2025. The City's gross profit percentage is higher than all the metro stores presented below.

### Liquor Operations



	2021	2022	2023	2024	2025
■ Sales and Operating Revenue	\$14,313,232	\$14,427,474	\$13,330,018	\$12,641,168	\$11,074,302
■ Cost of Sales	10,353,194	10,010,262	9,005,523	8,431,072	7,466,843
■ Gross Profit	3,960,038	4,417,212	4,324,495	4,210,096	3,607,459
■ Operating Expenses	3,166,585	3,723,521	3,910,170	3,976,001	3,272,440
■ Operating Income	793,453	693,691	414,325	234,095	335,019
■ Depreciation	120,830	125,293	125,314	125,136	123,366
■ Operating Income without Depreciation	914,283	818,984	539,639	359,231	458,385

	2025		2024		
	City of Edina*	City of Edina*	City of Eden Prairie**	City of Richfield*	City of Savage*
Sales and operating revenue	\$ 11,074,302	\$ 12,641,168	\$ 11,967,286	\$ 14,024,984	\$ 6,989,478
Costs of sales	7,466,843	8,431,072	8,314,546	9,920,096	5,072,494
Gross profit	3,607,459	4,210,096	3,652,740	4,104,888	1,916,984
Operating expenses	3,272,440	3,976,001	2,456,519	2,769,762	1,561,298
Operating income	335,019	234,095	1,196,221	1,335,126	355,686
Gross profit percentage	32.6%	33.3%	30.5%	29.3%	27.4%

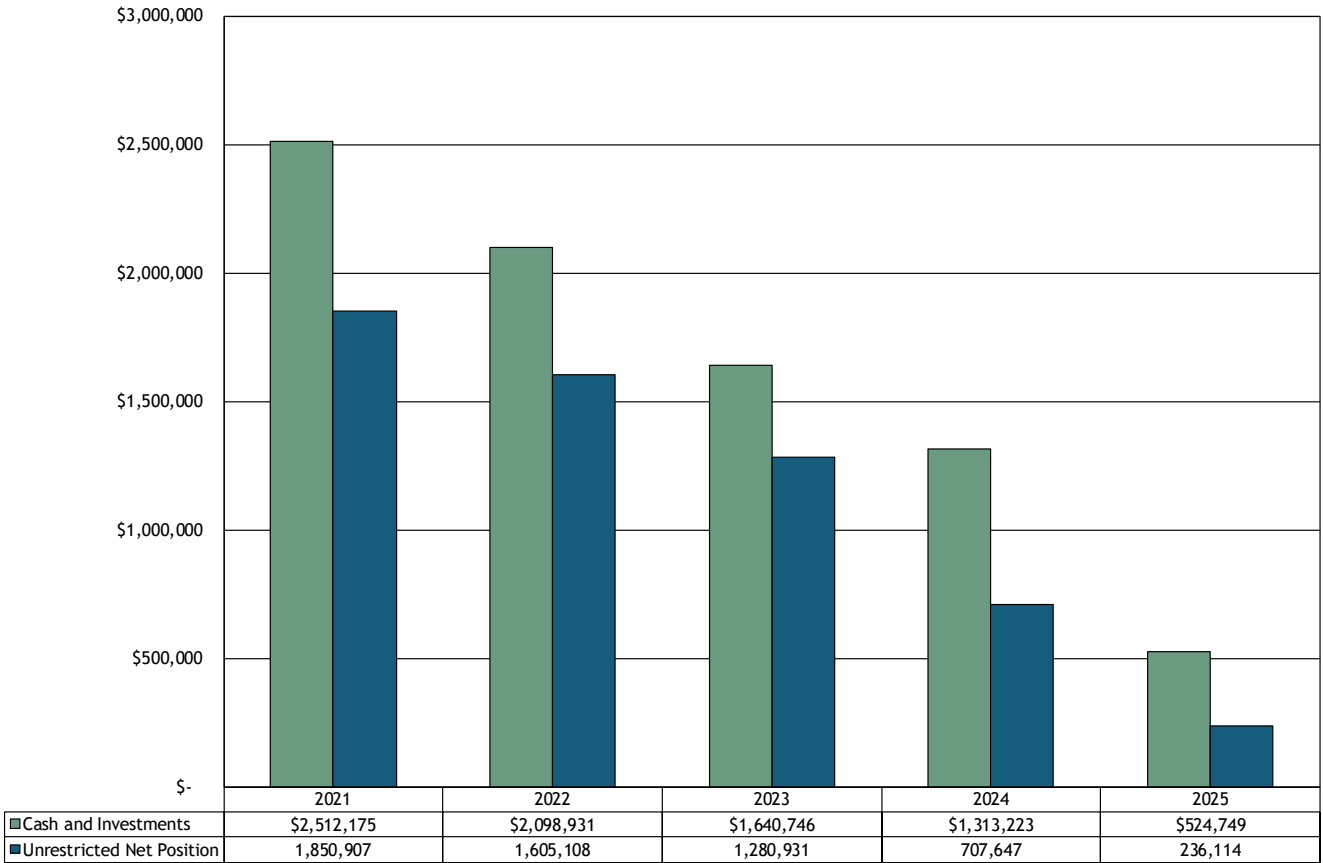
\* Individual metro municipal cities' data obtained from each city's respective 2024 Annual Comprehensive Financial Report.

\*\* Includes building lease activity which can affect comparability of information presented above.

**City of Edina  
Financial Analysis**

**Liquor Fund**

**Liquor Fund**



The graph above shows the cash and investment and unrestricted net position balances as of December 31, for the last five years. The Liquor Fund cash and investment balance has decreased \$1,987,426 since 2021. In 2025, the Liquor Fund cash and investment balance decreased \$788,474 while the unrestricted net position decreased \$471,533. In addition to operations, the fund made transfers to other funds of \$1,000,000 in 2025.

**City of Edina  
Financial Analysis**

**Per Capita Revenues and Expenditures**

Below is a chart of the per capita trends in selected revenue and expenditure line items. In 2025, the intergovernmental revenue per capita increased due to more construction related grants. The property taxes per capita for 2025 increased due to an increase in property tax levy. Current and total expenditures per capita increased in 2025.

**Per Capita Trends**

	City of Edina	
	2024**	2025***
Intergovernmental revenues per capita	\$ 113	\$ 463
Property taxes per capita *	983	1,055
Total revenue per capita	\$ 1,784	\$ 2,352
Expenditures per capita (less debt service and capital)	\$ 1,204	\$ 1,261
Total expenditures per capita	\$ 2,020	\$ 2,659
Population	54,480	54,785

\* Property taxes exclude tax increments

\*\* 2024 per capita data uses 2023 population forecast from Metropolitan Council

\*\*\* 2025 per capital data uses 2024 population forecast from the Metropolitan Council

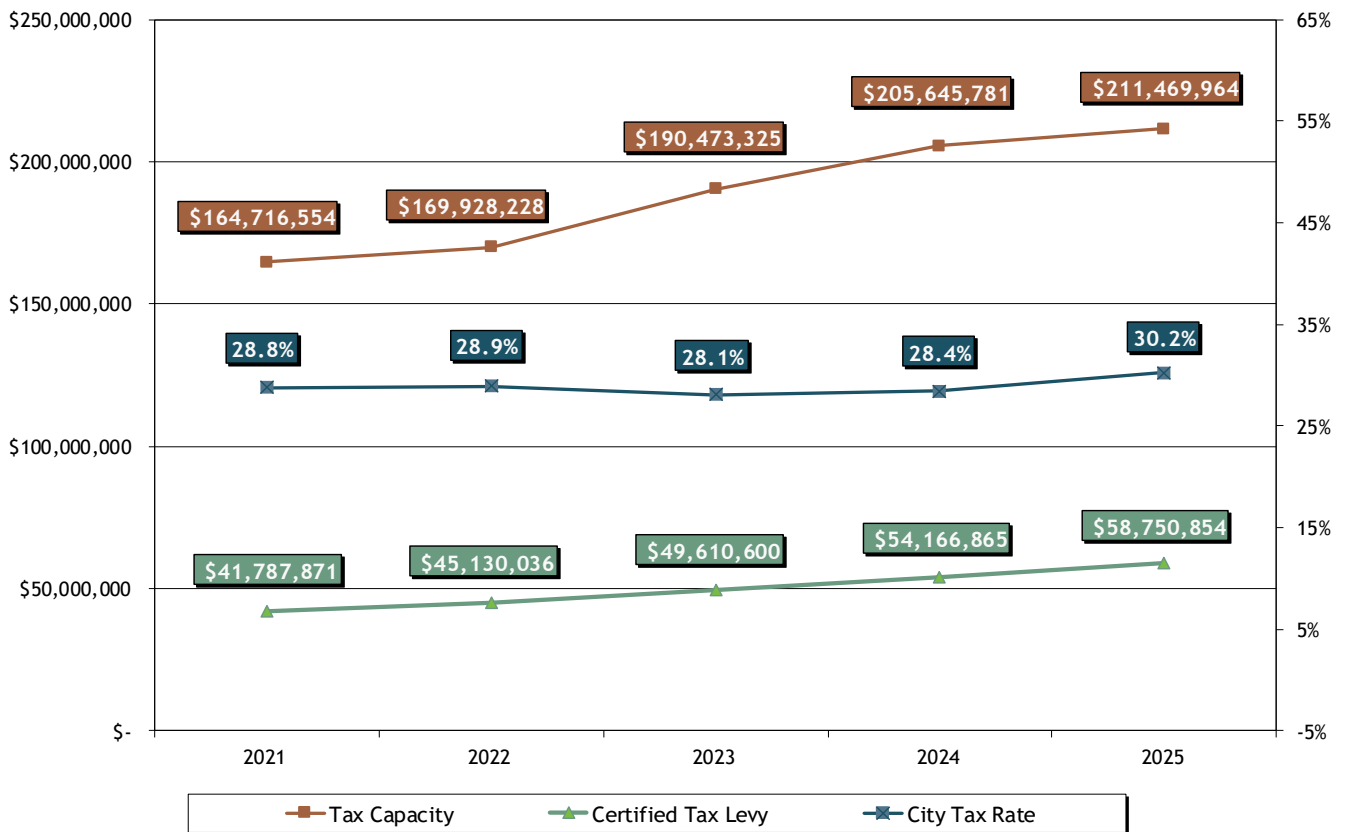
## City of Edina Financial Analysis

### Tax Capacity, Certified Tax Levy, and City Tax Rate

The chart below graphs the tax capacity, certified tax levy, and City tax rate for 2021 through 2025. The tax capacity is based on total tax capacity, prior to adjustments for captured Tax Increment Financing (TIF) and fiscal disparities. The certified tax levy amount is also prior to fiscal disparity adjustments.

With market values continuing to climb, the City's tax capacity increased from 2024 to 2025, by \$5,824,183 or 2.8%. With certified levy increasing at a similar rate to the taxable market value over the last five years, the City's tax rate has increased slightly from 28.8% in 2021 to 30.2% in 2025.

**Tax Capacity, Certified Levy, and City Tax Rate**



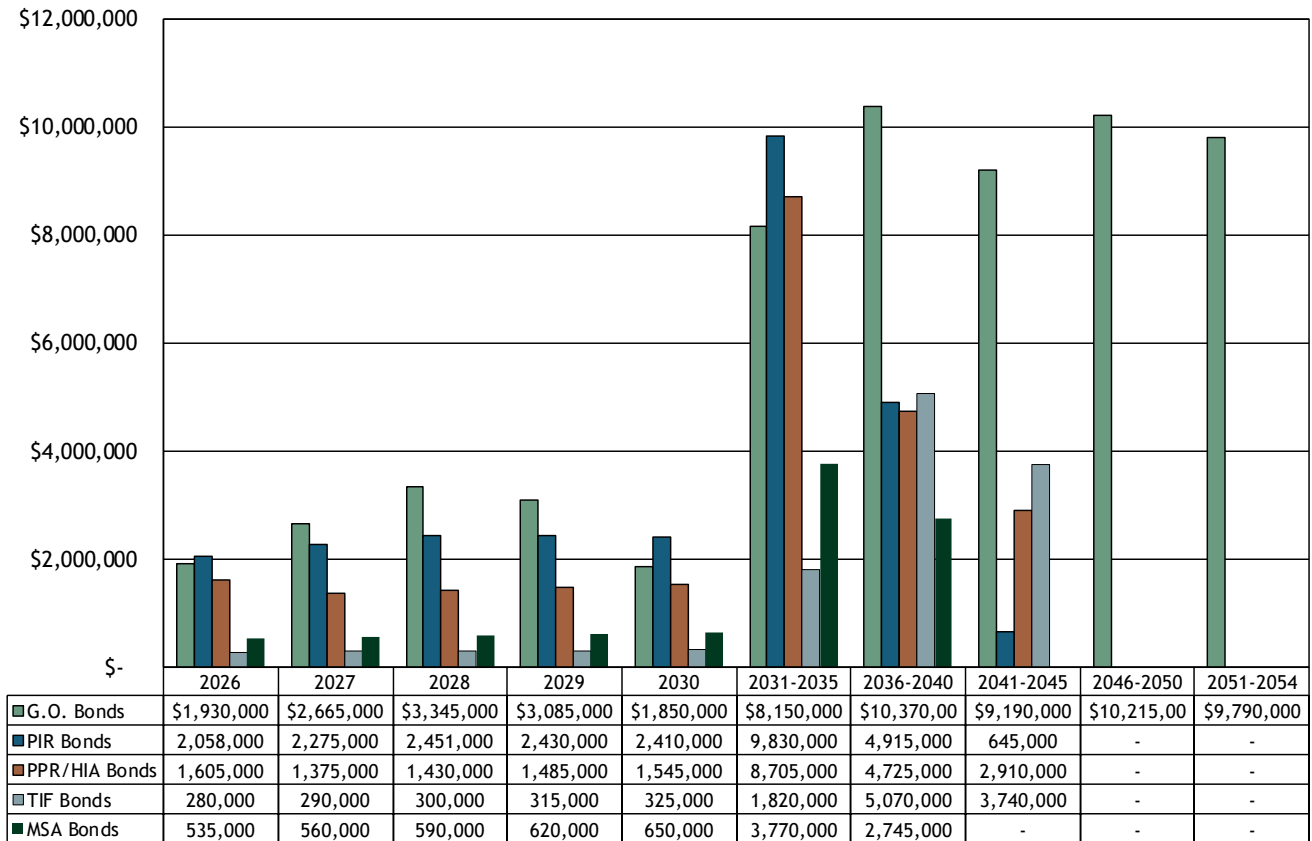
\* Tax capacity and city tax rate obtained from Hennepin County taxing district information

## City of Edina Financial Analysis

### Governmental Activities

The chart below presents the minimum annual principal payments required to retire long-term liabilities.

**Debt Service Funds - Maturities**



## City of Edina Emerging Issues

### Executive Summary

The following is an executive summary of financial related updates to assist you in staying current on emerging issues in accounting and finance. This summary will give you a preview of the new standards that have been recently issued and what is on the horizon for the near future. The most recent and significant updates include:

- **Accounting Standard Update - GASB Statement No. 103 - *Financial Reporting Model Improvements***

GASB has issued GASB Statement No. 103 relating to changes in financial reporting requirements. The changes provide clarity, enhance the relevance of information, provide more useful information for decision-making, and provide for greater comparability amongst government entities.

- **Accounting Standard Update - GASB Statement No. 104 - *Disclosure of Certain Capital Assets***

GASB has issued GASB Statement No. 104 relating to capital asset disclosures. The disclosures required by this Statement provide users of the financial statements with essential information about certain types of capital assets.

The following are extensive summaries of the current updates. As your continued business partner, we are committed to keeping you informed of new and emerging issues. We are happy to discuss these issues with you further and their applicability to your City.

## City of Edina Emerging Issues

### **Accounting Standard Update - GASB Statement No. 103 - *Financial Reporting Model Improvements***

The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues.

This Statement addresses 5 areas of the financial statements (1) Management's Discussion and Analysis (MD&A), (2) Unusual or Infrequent Items, (3) Presentation of the Proprietary Fund Statement of Revenues, Expenses, and Changes in Fund Net Position, (4) Major Component Unit Information, and (5) Budgetary Comparison Information.

This Statement continues the requirement that the MD&A precede the basic financial statements as part of the Required Supplementary Information (RSI). This Statement requires that the information presented in MD&A be limited to the related topics discussed in five sections: (1) Overview of the Financial Statements, (2) Financial Summary, (3) Detailed Analyses, (4) Significant Capital Asset and Long-Term Financing Activity, and (5) Currently Known Facts, Decisions, or Conditions. The Statement stresses that detailed analyses should explain why balances and results of operations changed, rather than stating amounts and "boilerplate" discussions.

This Statement describes unusual or infrequent items as transactions and other events that are either unusual in nature or infrequent in occurrence. Furthermore, governments are required to display the inflows and outflows related to each unusual or infrequent item separately as the last presented flow(s) of resources prior to the net change in resource flows in the government-wide, governmental fund, and proprietary fund statements of resource flows.

This Statement requires that the proprietary fund statement of revenues, expenses, and changes in fund net position continue to distinguish between operating and nonoperating revenues and expenses. The Statement provides clarification regarding operating and nonoperating revenues and expenses. Also, this Statement requires that a subtotal for operating income (loss) and noncapital subsidies be presented before reporting other nonoperating revenues and expenses.

This Statement requires governments to present each major component unit separately in the reporting entity's statement of net position and statement of activities if it does not reduce the readability of the statements. If the readability of those statements would be reduced, combining statements of major component units should be presented after the fund financial statements.

This Statement requires governments to present budgetary comparison information using a single method of communication - RSI. Governments also are required to present (1) variances between original and final budget amounts and (2) variances between final budget and actual amounts. An explanation of significant variances is required to be presented in notes to RSI.

GASB Statement No. 103 is effective for fiscal years beginning after June 15, 2025. Earlier application is encouraged.

Information provided above was obtained from [www.gasb.org](http://www.gasb.org).

**City of Edina  
Emerging Issues**

**Accounting Standard Update - GASB Statement No. 104 - *Disclosure of Certain Capital Assets***

The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets.

This Statement requires certain types of capital assets continue to be disclosed separately in the capital assets note disclosures including presentation of capital assets by major class and separate disclosure of lease assets, subscription assets, and intangible right-to-use assets.

This Statement requires additional disclosures for capital assets held for sale. A capital asset is held for sale if (a) the government has decided to pursue the sale of the capital asset and (b) it is probable that the sale will be finalized within one year of the financial statement date.

Governments should disclose (1) the ending balance of capital assets held for sale, with separate disclosure for historical cost and accumulated depreciation by major class of asset, and (2) the carrying amount of debt for which the capital assets held for sale are pledged as collateral for each major class of asset.

GASB Statement No. 104 is effective for fiscal years beginning after June 15, 2025. Earlier application is encouraged.

Information provided above was obtained from [www.gasb.org](http://www.gasb.org).

**City of Edina  
Hennepin County, Minnesota**

**Reports on Internal Control and Compliance with  
*Government Auditing Standards* and  
Legal Compliance**

**December 31, 2025**



**City of Edina  
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**Report on Internal Control over Financial Reporting  
and on Compliance and Other Matters Based on an Audit of  
Financial Statements Performed in Accordance with  
*Government Auditing Standards***

**Independent Auditor's Report**

Honorable Mayor and Members  
of the City Council  
City of Edina  
Edina, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Edina, Minnesota as of and for the year ended December 31, 2025, and the related notes to financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 5, 2026.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Responses on Internal Control that we consider to be a material weakness as audit finding 2025-001.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**City's Response to Finding**

*Government Auditing Standards* requires the auditor to perform limited procedures on the City's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Responses on Internal Control. The City's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BerganKDV, Ltd.

Minneapolis, Minnesota  
June 5, 2026



## Minnesota Legal Compliance

Honorable Mayor and Members  
of the City Council  
City of Edina  
Edina, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Edina, Minnesota as of and for the year ended December 31, 2025, and the related notes to financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 5, 2026.

In connection with our audit, we noted that the City failed to comply with provisions of the claims and disbursements of the Minnesota Legal Compliance Audit Guide for Cities, promulgated by the State Auditor pursuant to *Minnesota Statutes* § 6.65, insofar as they relate to accounting matters as described in the Schedule of Findings and Responses on Internal Control as item 2025-002. Also, in connection with our audit, nothing came to our attention that caused us to believe that the City failed to comply with the provisions of the contracting - bid laws, depositories of public funds and public investments, conflicts of interest, public indebtedness, miscellaneous provisions, and tax increment financing sections of the Minnesota Legal Compliance Audit Guide, insofar as they relate to accounting matters.

*Government Auditing Standards* requires the auditor to perform limited procedures on the City's response to the legal compliance finding identified in our audit and described in the accompanying Schedule of Findings and Responses on Internal Control. The City's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

The purpose of this report is solely to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on compliance. Accordingly, this communication is not suitable for any other purpose.

*BerganKDV, Ltd.*

Minneapolis, Minnesota  
June 5, 2026

**City of Edina**  
**Schedule of Findings and Responses on Internal Control and Legal Compliance**

**CURRENT YEAR INTERNAL CONTROL FINDING:**

**Audit Finding 2025-001**

*Criteria:*

Internal control that supports the City's ability to initiate record, process and report financial data consistent with the assertions of management in the financial statements requires adequate segregation of accounting duties.

*Condition:*

During the audit, a prior period restatement was required to adjust beginning net position and fund balance to correct an error in the prior period financial statements related to the HIA loan receivable balance that was overstated as of December 31, 2024. This could adversely affect the City's ability to present financial statements that are free of material misstatement.

*Context:*

This finding impacts the internal control for all significant accounting functions.

*Cause:*

The review of revenue balances, activity, and related financial statement presentation did not identify an error that resulted in a prior period restatement.

*Effect or Potential Effect:*

Internal controls affected the City's ability to initiate, record, process, and report financial data consistent with the assertions of management in the basic financial statements as a prior period restatement was required. Financial information could contain inaccurate information if reconciliations are not reviewed timely.

*Recommendation:*

We recommend management review all accounts closely at year-end to detect and correct misstatements of balances.

*Views of Responsible Officials:*

The City will review the financial statement closing and reporting process and improve internal controls over financial reporting to better identify material misstatements.

**City of Edina**  
**Schedule of Findings and Responses on Internal Control and Legal Compliance**

**PRIOR YEAR INTERNAL CONTROL FINDING:**

**Audit Finding 2024-001**

During the course of our 2024 engagement, we proposed material audit adjustments that would not have been identified as a result of the City's existing internal control system and, therefore, could have resulted in material misstatements of the City's financial statements.

In order to ensure financial statements were free from material misstatement, audit adjustments were required to adjust revenues, due from other governments and deferred inflows of resources related to municipal state aid.

During the course of our 2025 engagement, no material adjustments were needed.

**City of Edina**  
**Schedule of Findings and Responses on Internal Control and Legal Compliance**

**CURRENT AND PRIOR YEAR LEGAL COMPLIANCE FINDING:**

**Audit Finding 2025-002**

*Criteria:*

*Minnesota Statute* § 471.425 requires municipalities to pay each vendor obligation according to the terms of the contract, or if no contract terms apply, within the standard payment period, which is defined as within 35 days from the date of the receipt for municipalities which have regularly scheduled board meetings at least once a month.

*Condition:*

We noted two invoices in our testing sample that were not paid by the City within the standard payment period, as defined by *Minnesota Statutes*.

*Context:*

Two of the twenty-five disbursements we selected for testing were not in compliance with Minnesota Statute § 471.425.

*Cause:*

The vendor did not provide the necessary tax identification information, W9, in a timely manner, which caused a delay in processing the payment.

*Effect or Potential Effect:*

The City was not in compliance with state statutes related to payment of local government bills.

*Recommendation:*

We recommend the City work with all departments to ensure invoices are remitted to the finance department for prompt payments.

*Views of Responsible Officials:*

The City will work with all departments to ensure invoices are remitted to the finance department for prompt payment.

# City of Edina

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## Audit Presentation

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# The Audit

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# Independent Auditor's Report

- ◆ Unmodified opinion on the City's basic financial statements which comprise the City's governmental activities, business-type activities, each major fund, and the aggregate remaining fund information.
- ◆ Financial Statements present fairly, in all material respects, the financial position and changes in the financial position of the governmental activities, business-type activities, each major fund and the aggregate remaining funds.

# Audit Communications

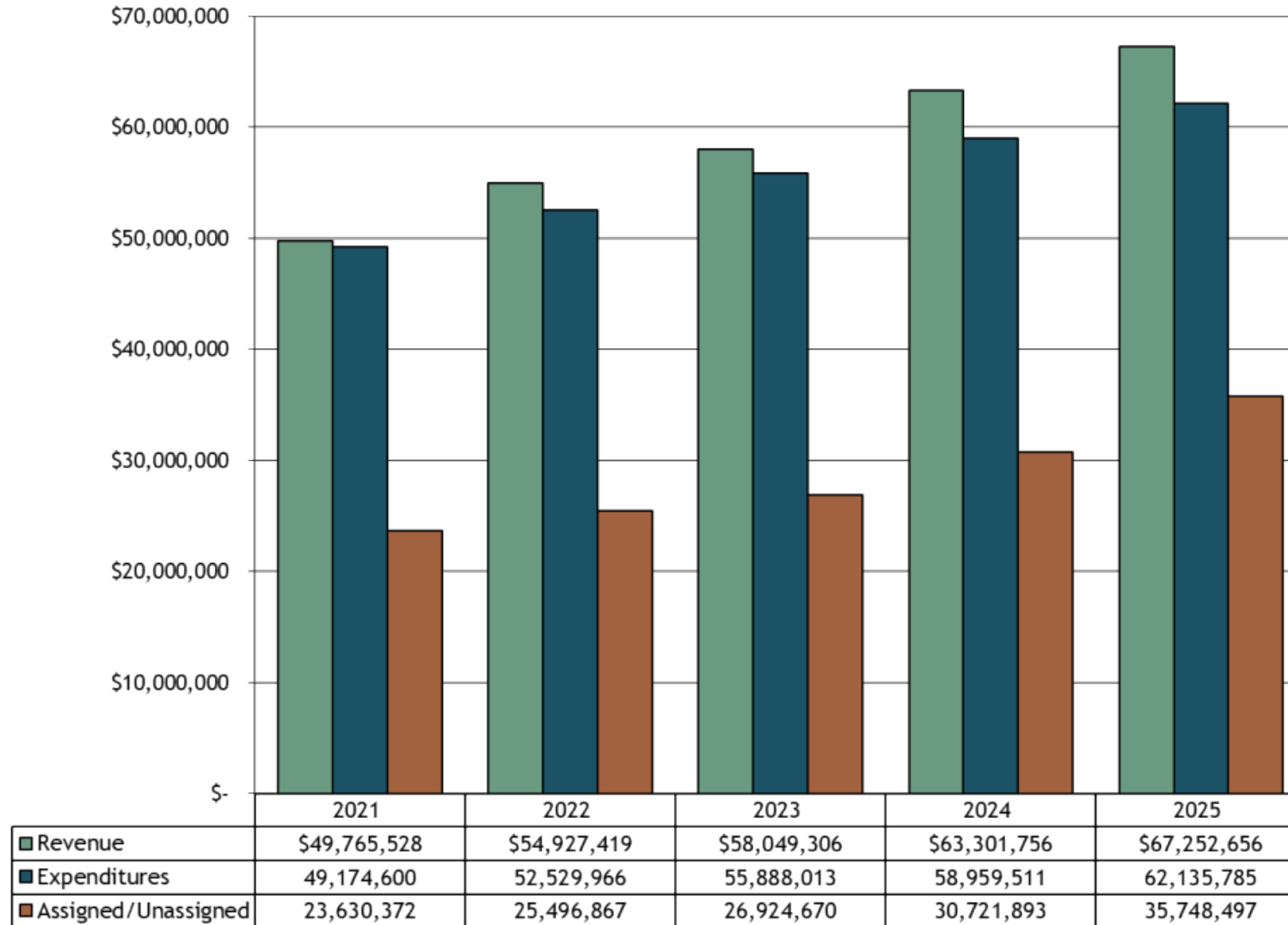
- ◆ Report in Accordance with Government Auditing Standards
  - ◇ Internal Control Finding
    - ❖ Prior Period Restatement
- ◆ Report on Compliance for Each Major Federal Program and on Internal Control over Compliance Required by the Uniform Guidance
  - ❖ No findings reported
- ◆ Report on Minnesota Legal Compliance
  - ◇ Findings on compliance with legal provisions contained in the Minnesota Legal Compliance Audit Guide for Local Government
    - ❖ Payments outside of standard payment period
- ◆ Communications Letter

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# Financial Communications

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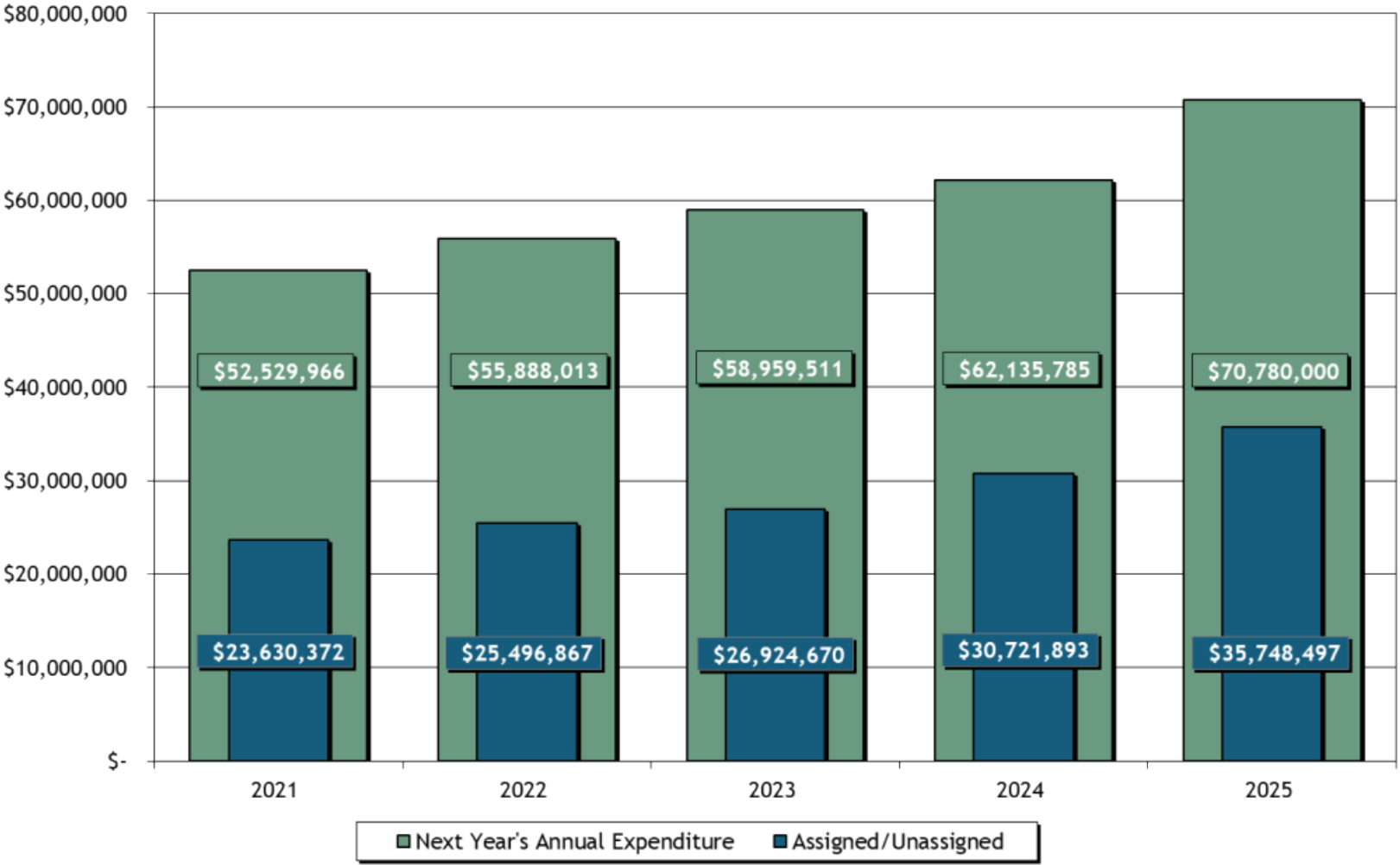
# General Fund



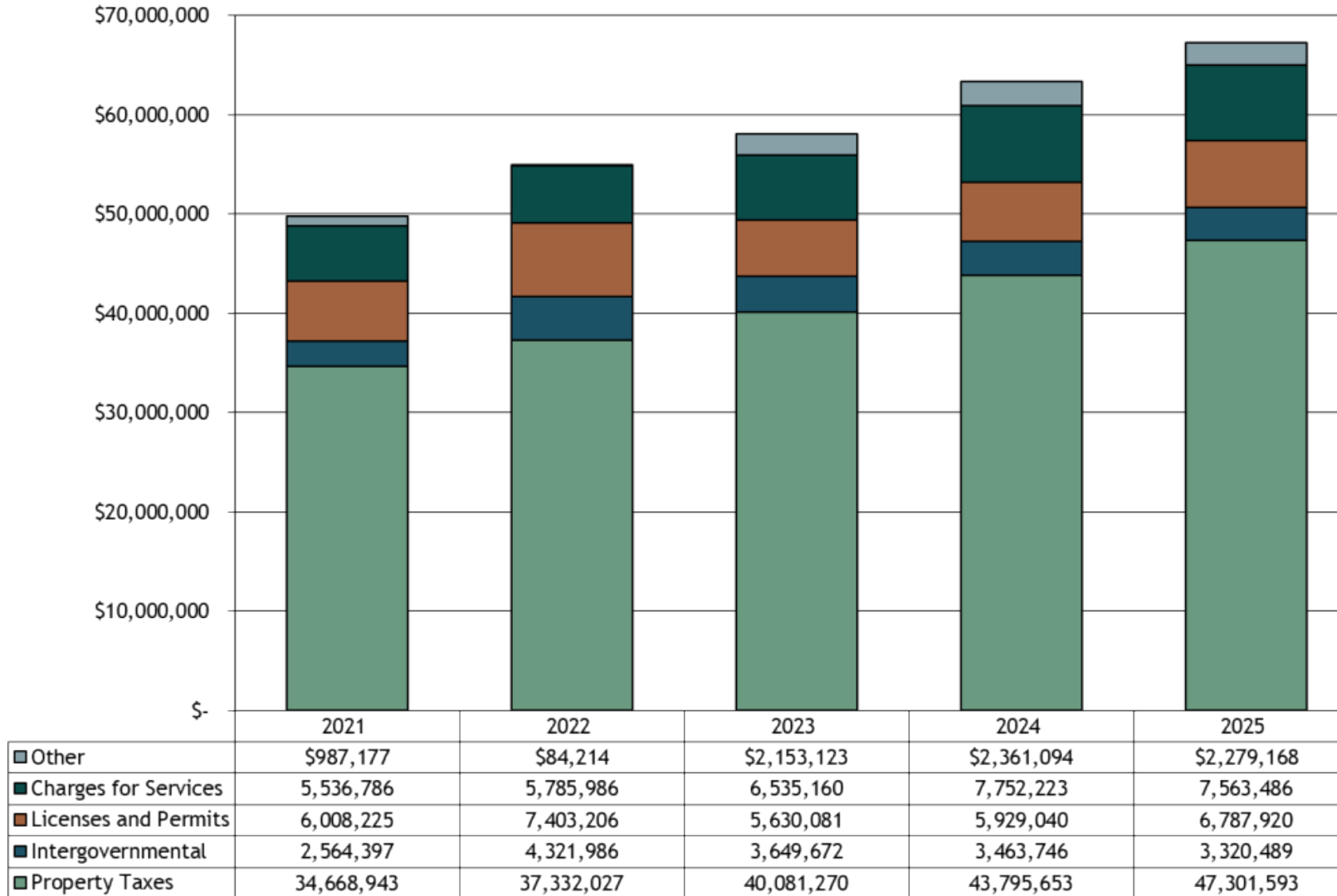
# Assigned and Unassigned General Fund Balance Compared to Annual Expenditures

Year Ended December 31,	Assigned and Unassigned Fund Balance	Next Year's Annual Expenditures	Percentage of Expenditures
2021	\$ 23,630,372	\$ 52,529,966	45.0%
2022	25,496,867	55,888,013	45.6%
2023	26,924,670	58,959,511	45.7%
2024	30,721,893	62,135,785	49.4%
2025	35,748,497	70,780,000	50.5%

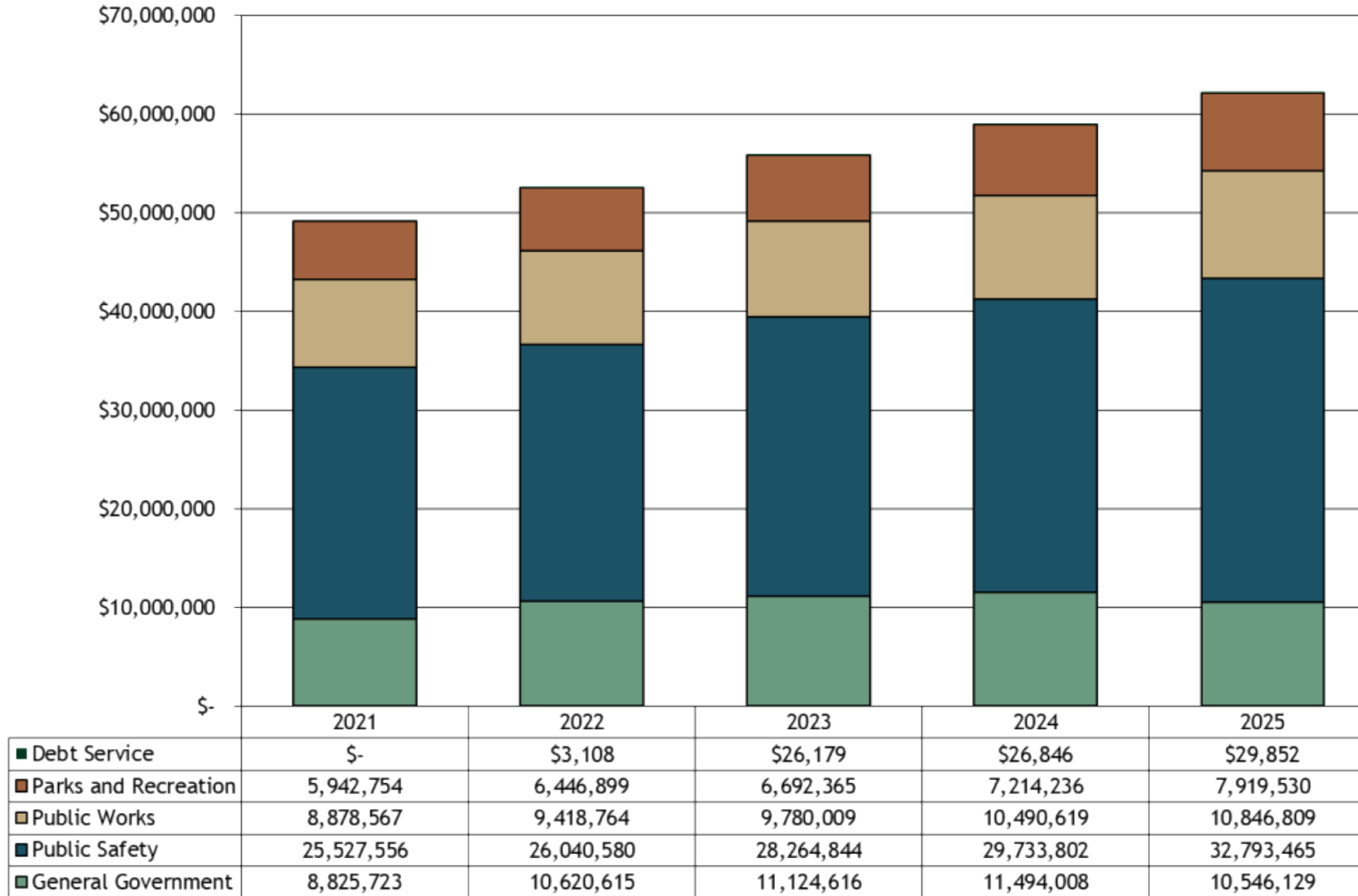
# Assigned and Unassigned General Fund Balance Compared to Annual Expenditures



# General Fund Revenues



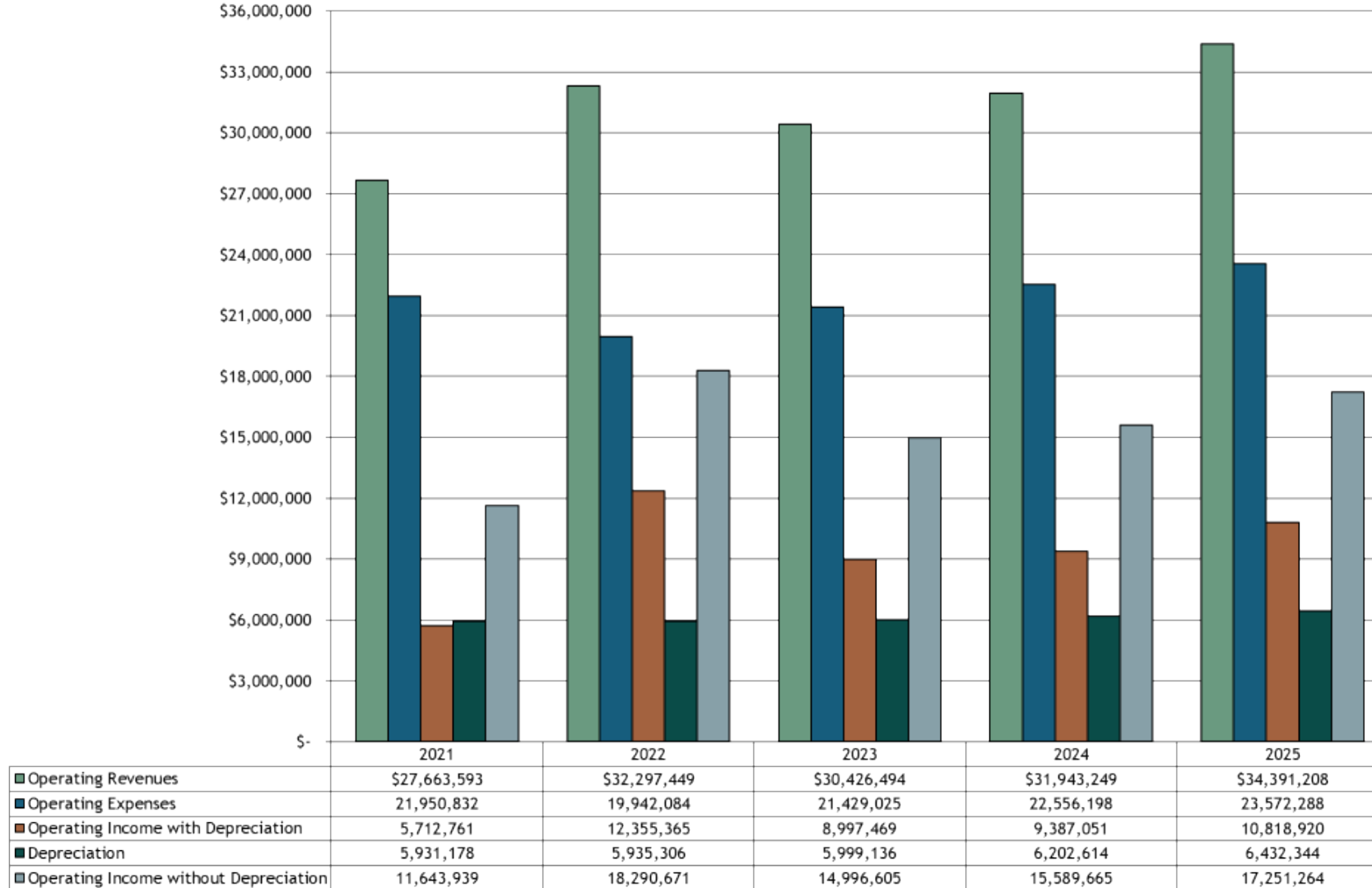
# General Fund Expenditures



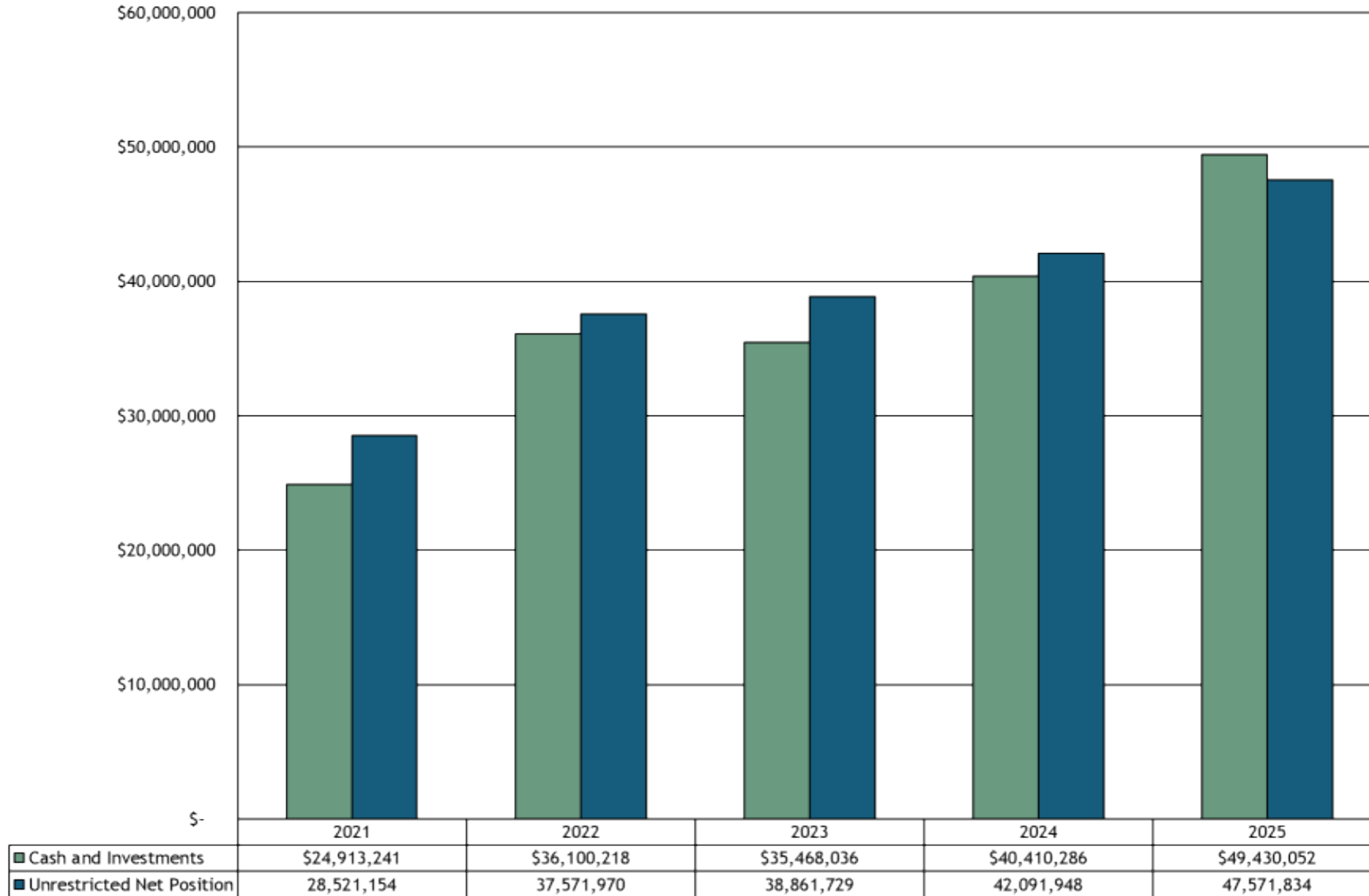
# General Fund Budget and Actual

	Final Budget	Actual Amounts	Over (Under) Budget	Budget Variance
<b>Revenue</b>				
Taxes and assessments	\$ 48,663,215	\$ 47,301,593	\$ (1,361,622)	-2.8%
Licenses and permits	5,821,958	6,787,920	965,962	16.6%
Intergovernmental	2,453,960	3,320,489	866,529	35.3%
Charges for services	6,312,556	7,563,486	1,250,930	19.8%
Miscellaneous and investment income	1,257,182	2,279,168	1,021,986	81.3%
Total revenue	64,508,871	67,252,656	2,743,785	4.3%
<b>Expenditures</b>				
General government	10,887,802	10,546,129	(341,673)	-3.1%
Public works	12,299,258	10,846,809	(1,452,449)	-11.8%
Public safety	33,886,235	32,793,465	(1,092,770)	-3.2%
Park and recreation	8,242,576	7,919,530	(323,046)	-3.9%
Debt Service	-	29,852	29,852	NA
Total expenditures	65,315,871	62,135,785	(3,180,086)	-4.9%
<b>Other Financing Sources (Uses)</b>				
Proceeds from sale of capital assets	-	34,524	34,524	NA
Net transfers in (out)	(193,000)	(124,336)	68,664	-35.6%
	(193,000)	(89,812)	103,188	(0)
<b>Net Change in Fund Balance</b>	\$ (1,000,000)	\$ 5,027,059	\$ 6,027,059	NA

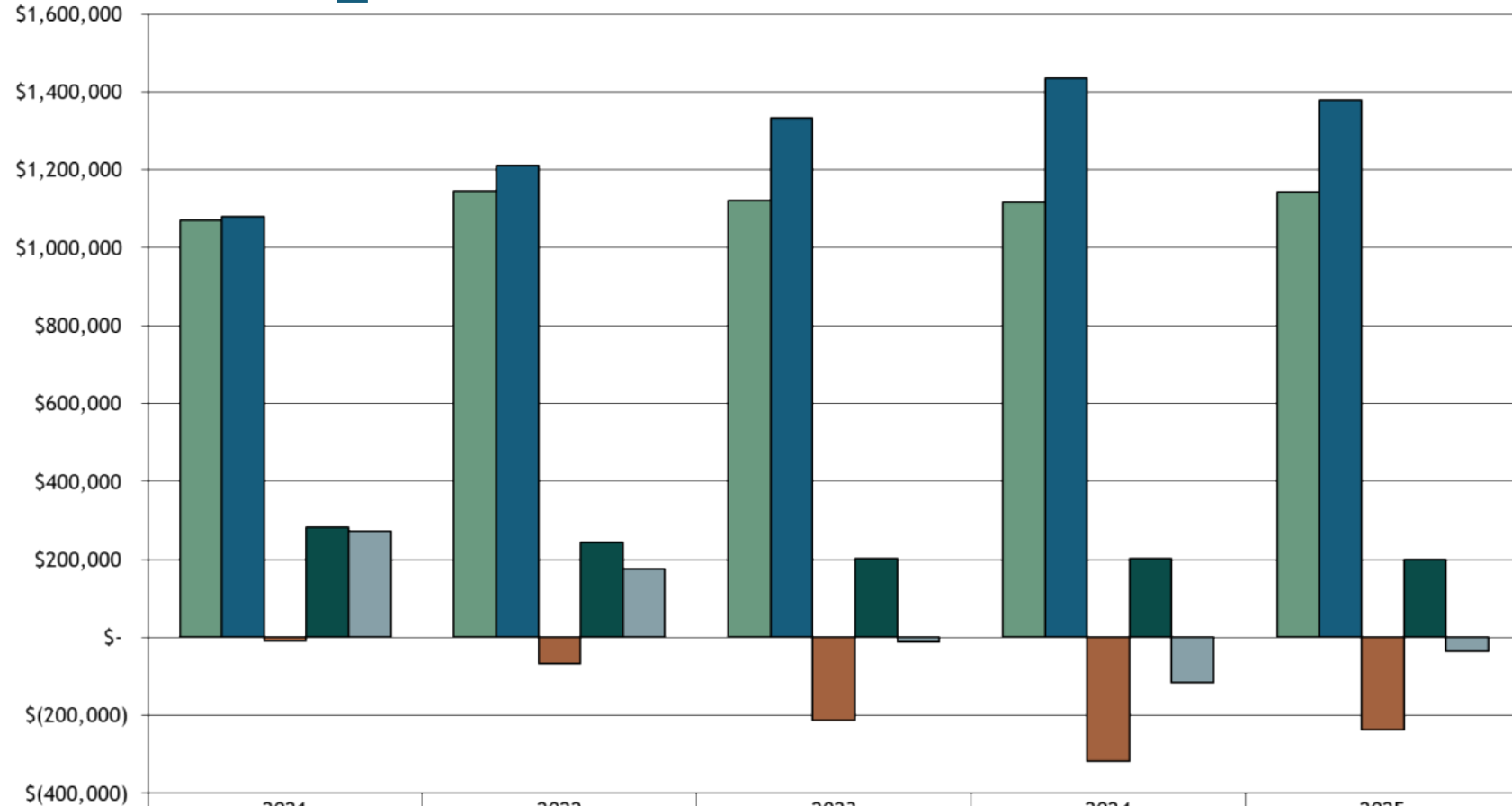
# Utilities Operations



# Utilities Fund

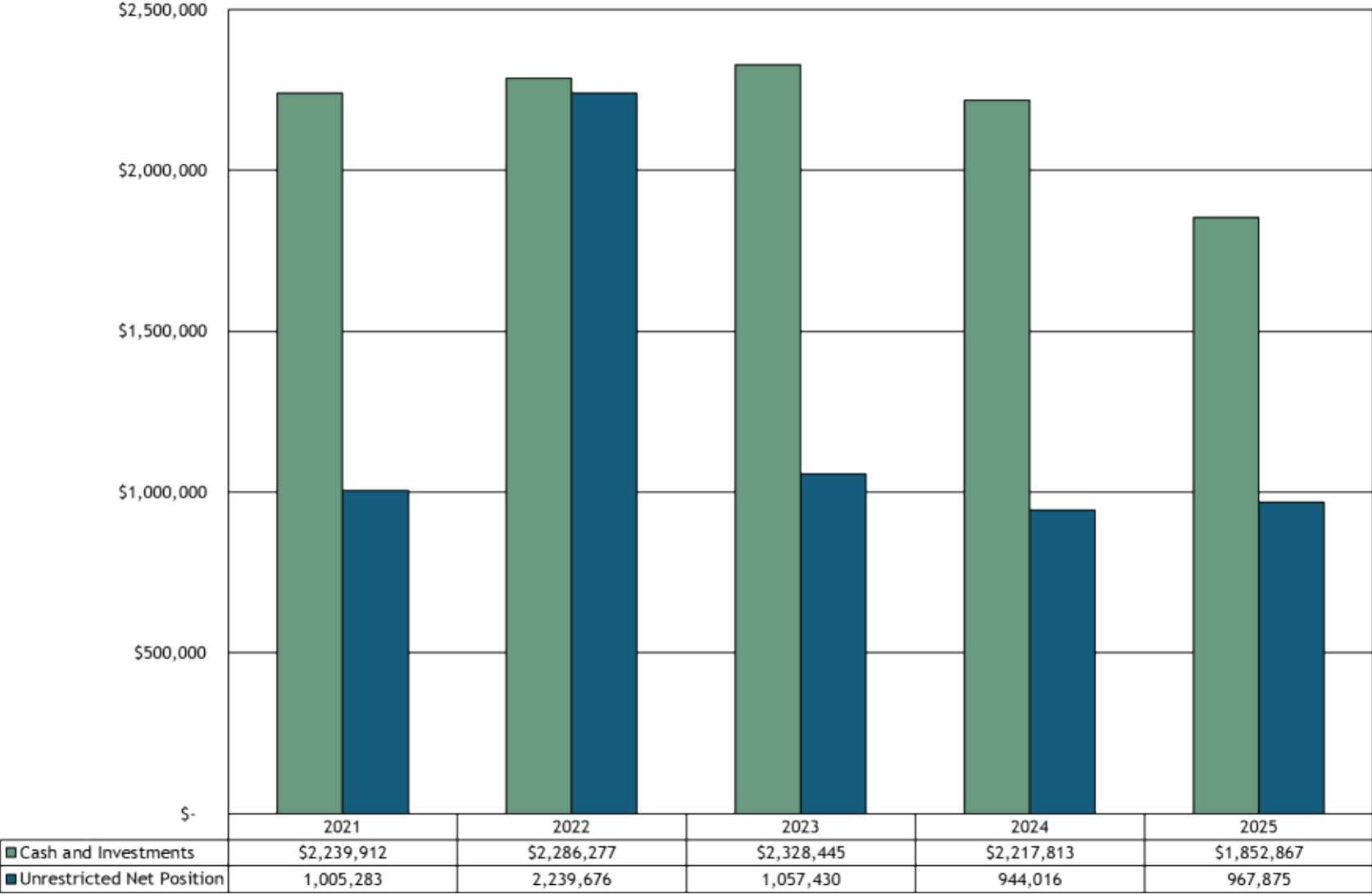


# Aquatic Center Operations

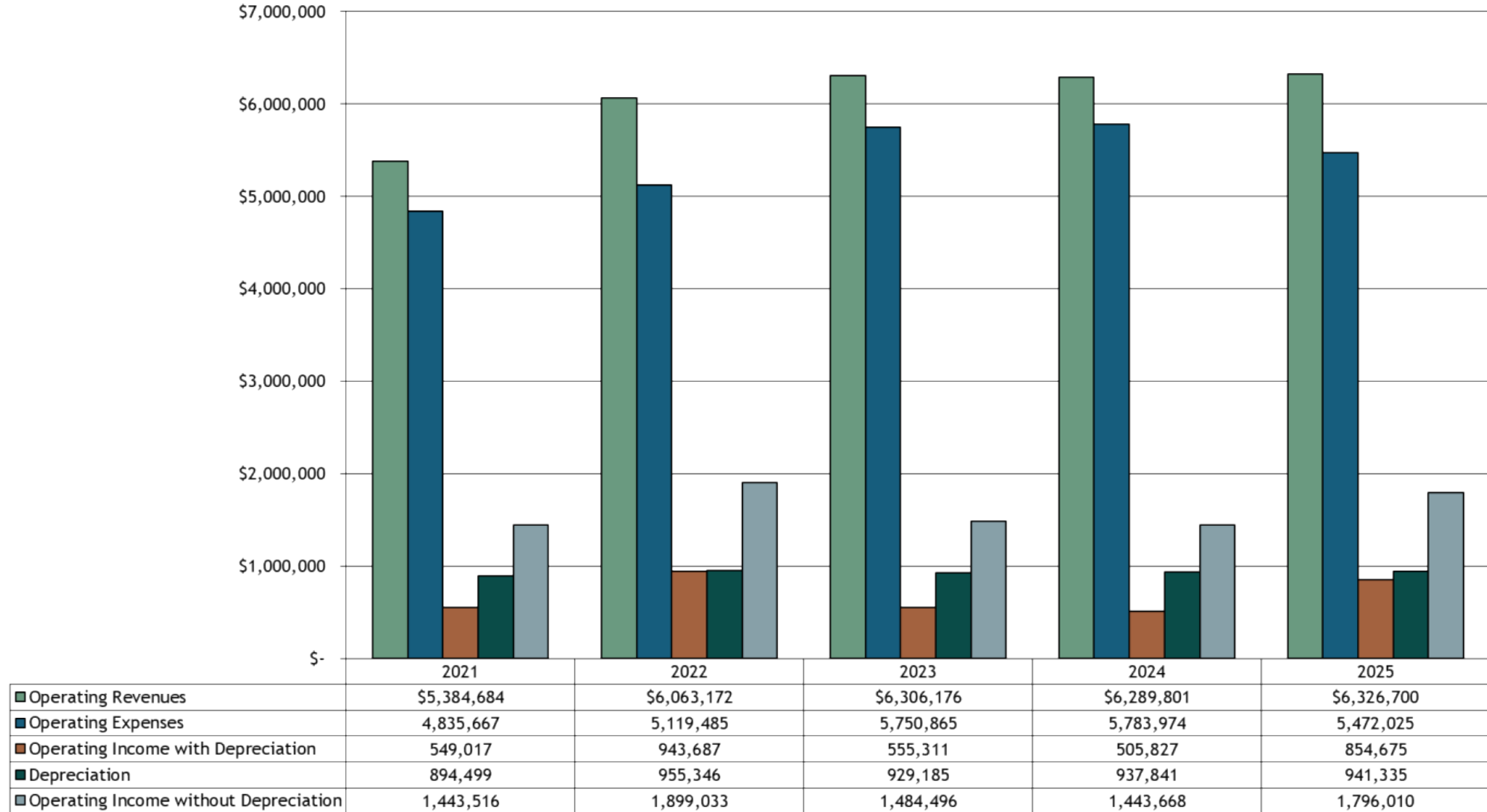


	2021	2022	2023	2024	2025
Operating Revenues	\$1,069,724	\$1,144,569	\$1,120,348	\$1,117,510	\$1,143,074
Operating Expenses	1,079,317	1,212,514	1,333,282	1,434,886	1,379,251
Operating Income (Loss) with Depreciation	(9,593)	(67,945)	(212,934)	(317,376)	(236,177)
Depreciation	283,470	243,055	202,510	202,799	199,494
Operating Income without Depreciation	273,877	175,110	(10,424)	(114,577)	(36,683)

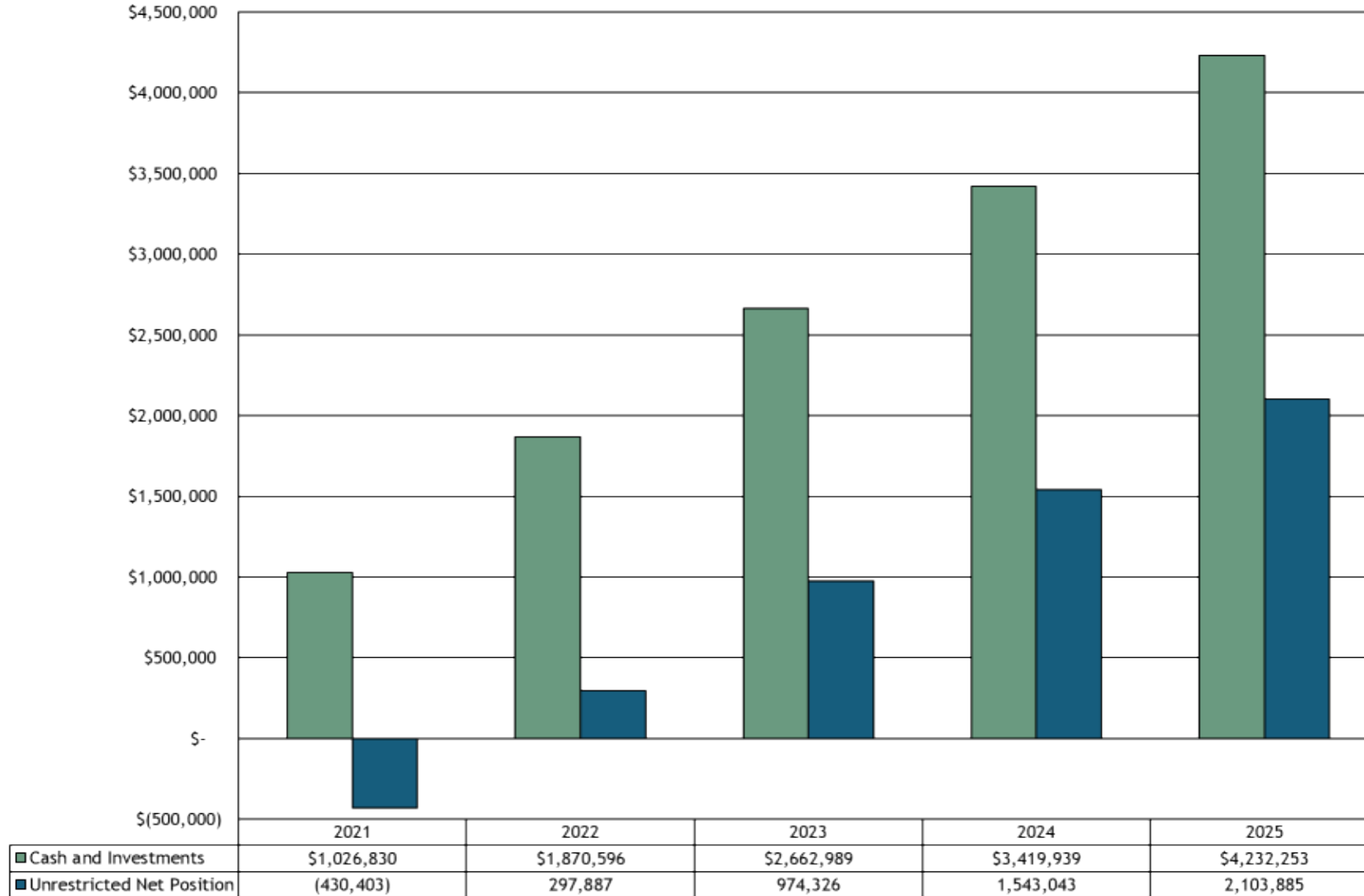
# Aquatic Center



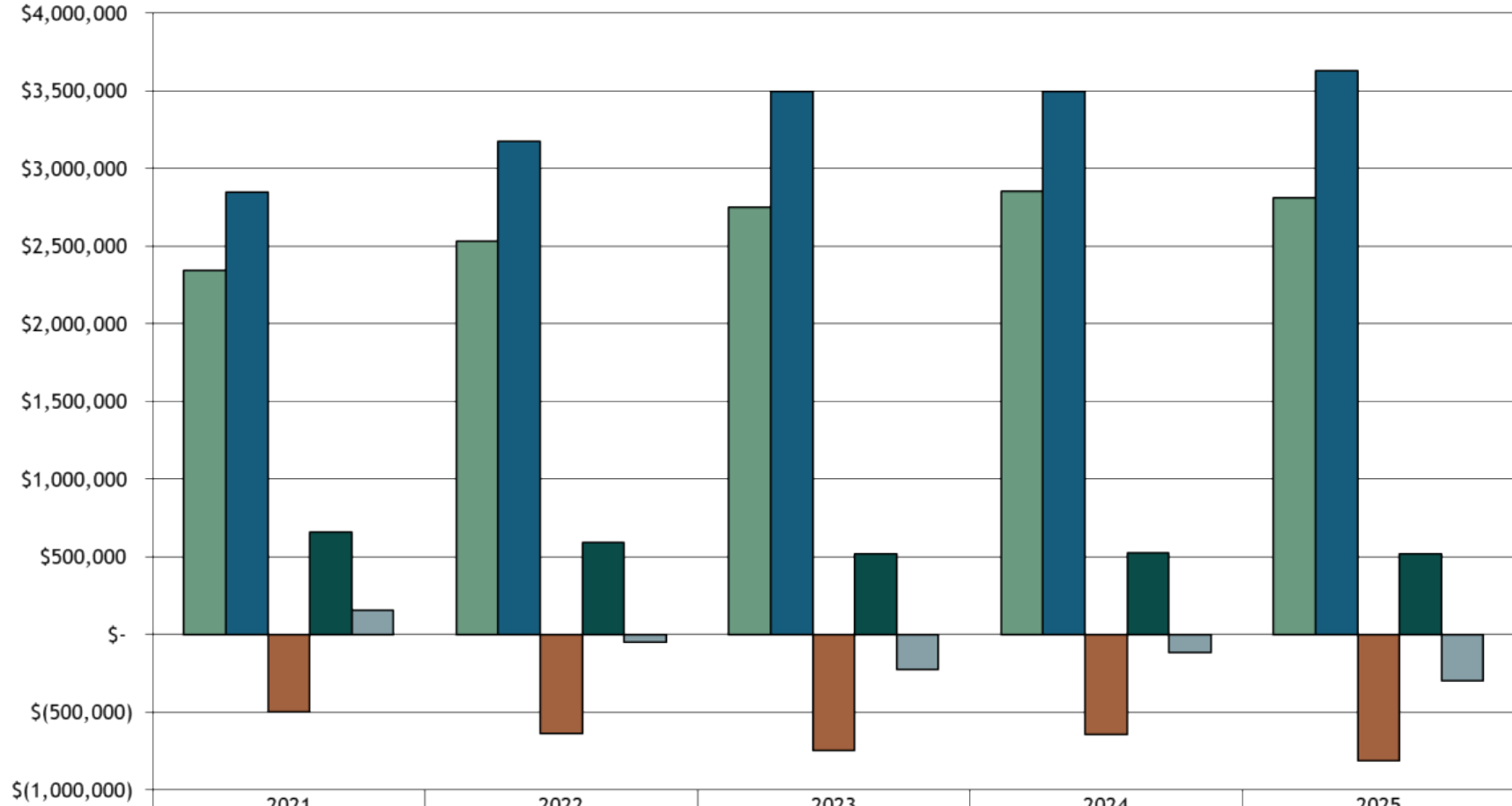
# Golf Course Operations



# Golf Course

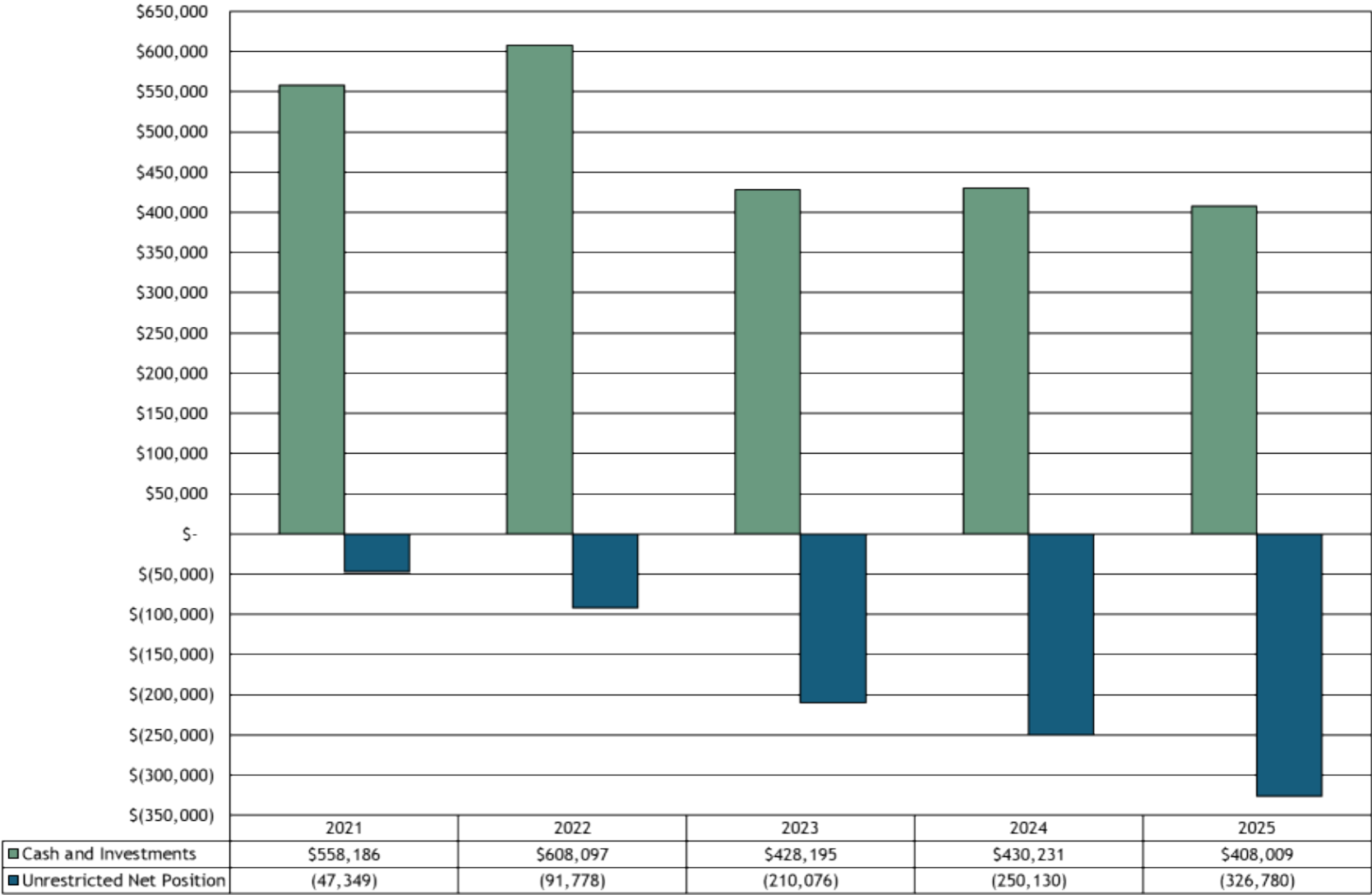


# Arena Operations

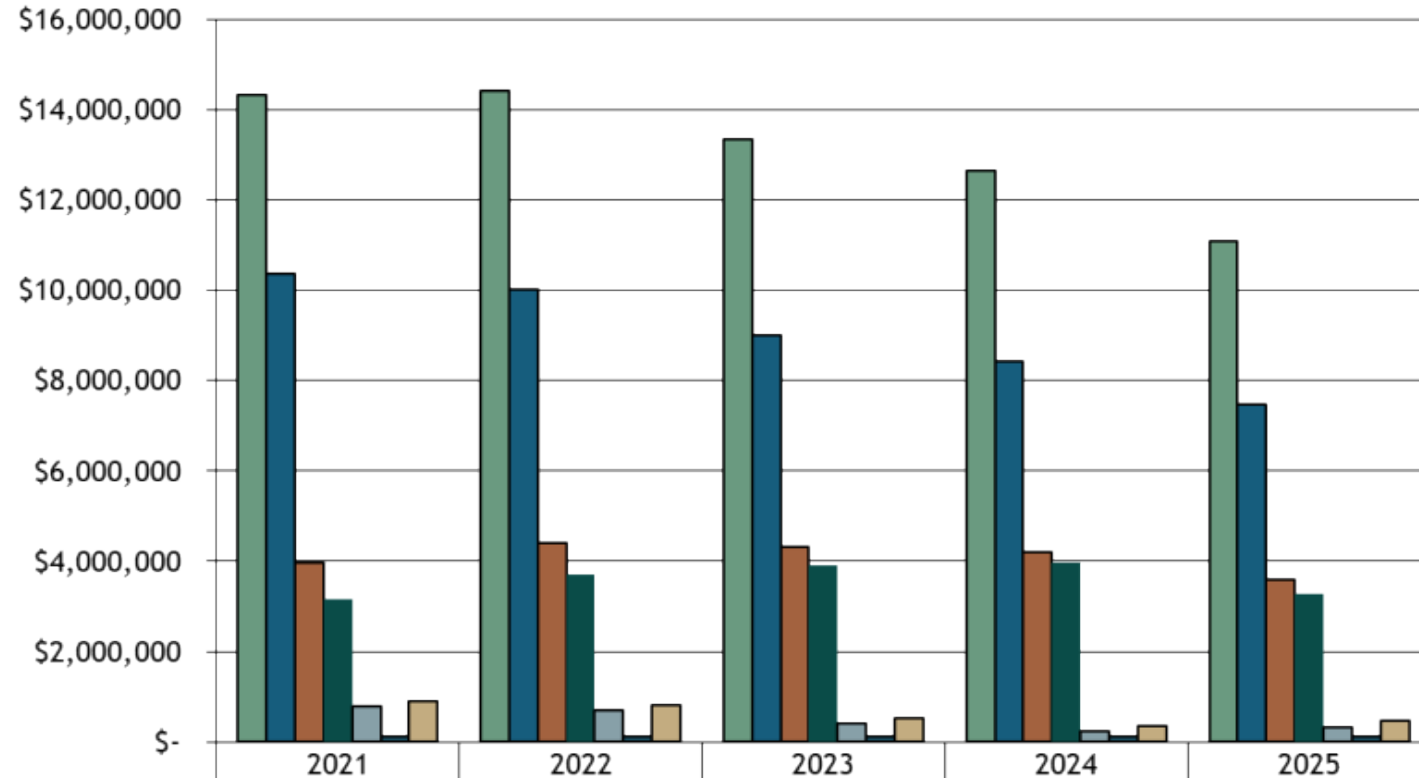


	2021	2022	2023	2024	2025
Operating Revenues	\$2,347,070	\$2,532,961	\$2,748,733	\$2,853,970	\$2,813,362
Operating Expenses	2,846,078	3,173,750	3,495,561	3,496,870	3,629,622
Operating Income (Loss) with Depreciation	(499,008)	(640,789)	(746,828)	(642,900)	(816,260)
Depreciation	657,745	590,898	522,451	525,837	520,248
Operating Income without Depreciation	158,737	(49,891)	(224,377)	(117,063)	(296,012)

# Arena



# Liquor Operations

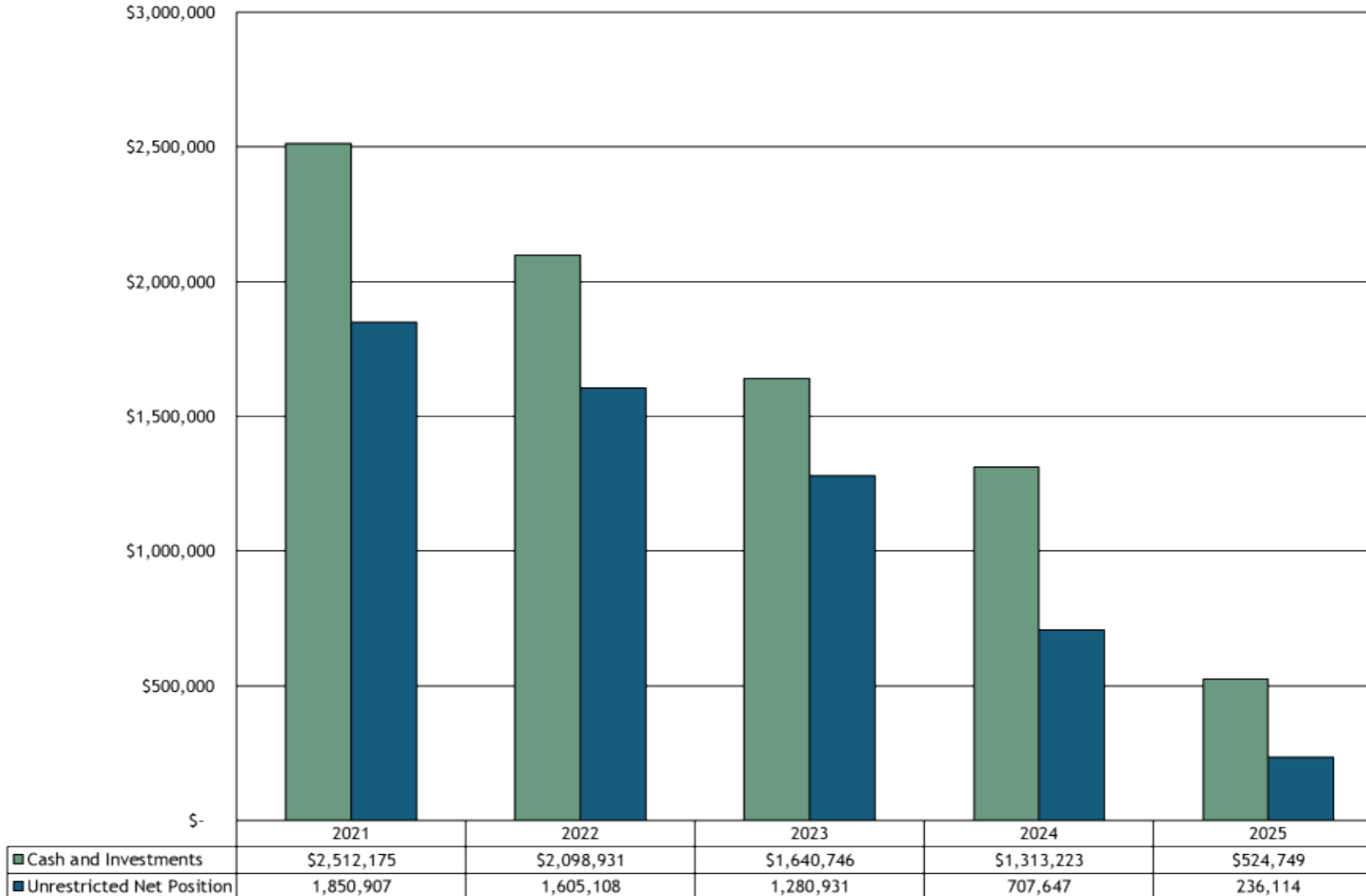


	2021	2022	2023	2024	2025
■ Sales and Operating Revenue	\$14,313,232	\$14,427,474	\$13,330,018	\$12,641,168	\$11,074,302
■ Cost of Sales	10,353,194	10,010,262	9,005,523	8,431,072	7,466,843
■ Gross Profit	3,960,038	4,417,212	4,324,495	4,210,096	3,607,459
■ Operating Expenses	3,166,585	3,723,521	3,910,170	3,976,001	3,272,440
■ Operating Income	793,453	693,691	414,325	234,095	335,019
■ Depreciation	120,830	125,293	125,314	125,136	123,366
■ Operating Income without Depreciation	914,283	818,984	539,639	359,231	458,385

# Liquor Operations

	2025		2024		
	City of Edina*	City of Edina*	City of Eden Prairie**	City of Richfield*	City of Savage*
Sales and operating revenue	\$ 11,074,302	\$ 12,641,168	\$ 11,967,286	\$ 14,024,984	\$ 6,989,478
Costs of sales	7,466,843	8,431,072	8,314,546	9,920,096	5,072,494
Gross profit	3,607,459	4,210,096	3,652,740	4,104,888	1,916,984
Operating expenses	3,272,440	3,976,001	2,456,519	2,769,762	1,561,298
Operating income	335,019	234,095	1,196,221	1,335,126	355,686
Gross profit percentage	32.6%	33.3%	30.5%	29.3%	27.4%

# Liquor Fund



# Per Capita Revenues and Expenditures

	City of Edina	
	2024**	2025***
Intergovernmental revenues per capita	\$ 113	\$ 463
Property taxes per capita *	983	1,055
Total revenue per capita	\$ 1,784	\$ 2,352
Expenditures per capita (less debt service and capital)	\$ 1,204	\$ 1,261
Total expenditures per capita	\$ 2,020	\$ 2,659
Population	54,480	54,785

\* Property taxes exclude tax increments

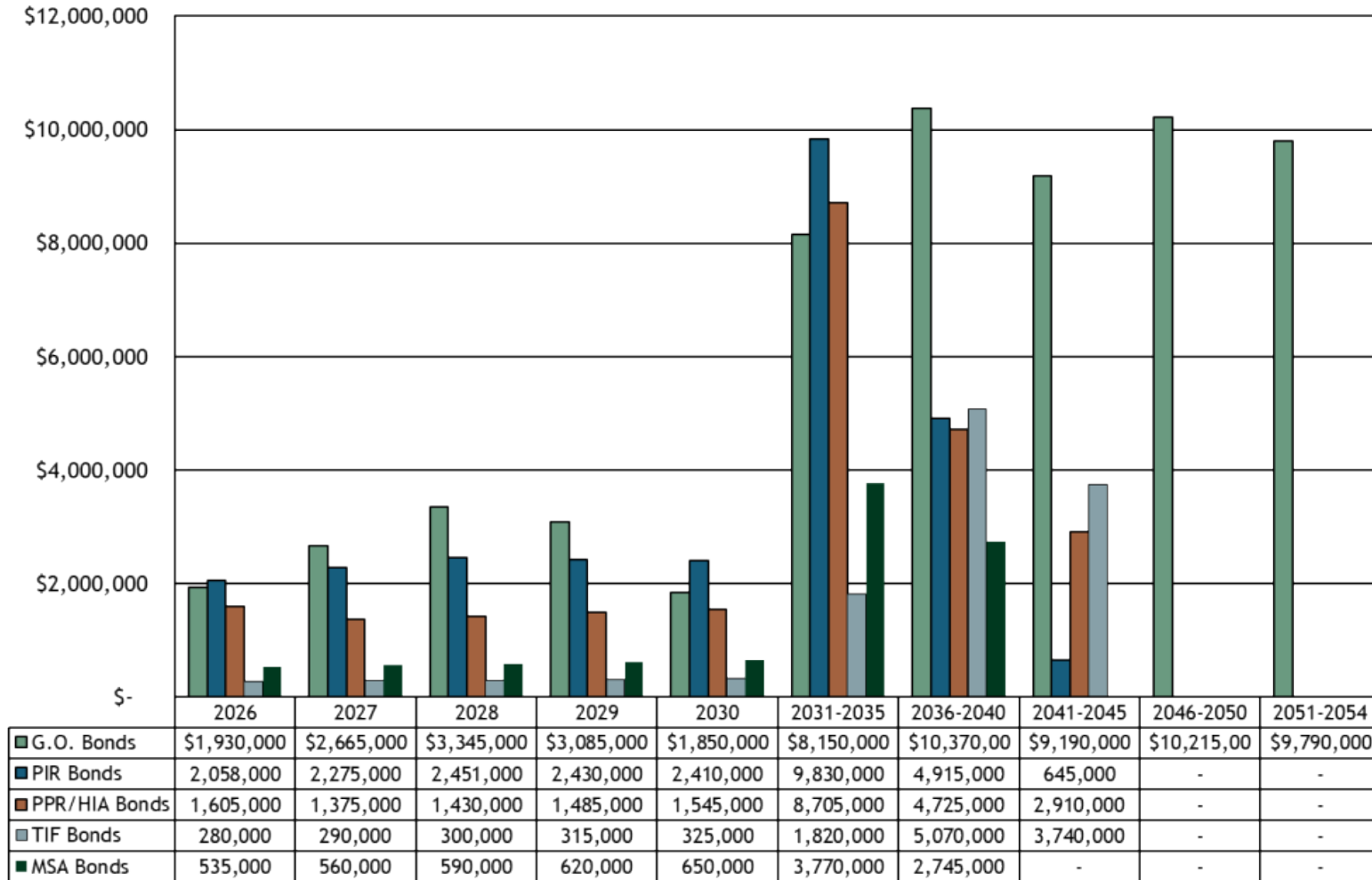
\*\* 2024 per capita data uses 2023 population forecast from Metropolitan Council

\*\*\* 2025 per capital data uses 2024 population forecast from the Metropolitan Council

# Tax Capacity, Certified Levy, and City Tax Rate



# Governmental Activities Debt Service Funds - Maturities



# Thank You

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# Auditor

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# Andrew Grice

AUDIT SHAREHOLDER

952-563-6862

ANDY.GRICE@CREATIVEPLANNING.COM



This commentary is provided for general information purposes only, should not be construed as investment, tax or legal advice, and does not constitute an attorney/client relationship. Past performance of any market results is no assurance of future performance. The information contained herein has been obtained from sources deemed reliable but is not guaranteed.



**Item Number:** 9.3

**Department:** Finance

**Item Activity:** Action

**Prepared By:** Pa Thao, Finance Director

**Item Title:** Resolution 2026-31: Awarding the Sale of \$9,315,000 General Obligation Bonds, Series 2026A

**Action Requested:**

Approve Resolution 2026-31 awarding the sale of \$9,315,000 General Obligation Bonds, Series 2026A.

**Information/Background:**

The issuance of the City's General Obligation Bonds, Series 2016A has two purposes:

- \$3.3 million for the street reconstruction project of the Prospect Knolls A, C, and D; Parklawn and 72nd Street Sanitary expansion improvement projects. Payable from assessments over a 15-year term.
- \$6.4 million for water, sanitary sewer and stormwater costs of the street reconstruction projects and various other utility capital improvements. Payable from the three utility fund revenues over a 10-year term.

Bids will be received and tabulated by the City's financial advisor, Ehlers & Associates, Inc., on Tuesday, June 16, and the results presented to the City Council that evening.

The City requested bond ratings from both Moody's and S&P. Both agencies assigned "AAA" rating to this issuance. Credit strengths highlighted as "exceptionally strong" include:

- Affluent and robust economic base
- Very strong resident income ratio (slightly above 150% of the national median)
- Ongoing commercial and residential redevelopment that continues to grow the tax base

A credit challenge mentioned by S&P is moderate leverage likely to grow further because of outstanding capital needs. Both S&P's and Moody's credit reports are available upon request.

A final resolution will be provided June 16th once the bond sale has been completed.

**Resources/Financial Impacts:**

Annual debt levy, assessments and utility revenue.

**Relationship to City Policies/Plans/Budget Pillars:**



**Values Impact:**



Stewardship

Replacing aging infrastructure at the appropriate time is sound management practice.

**Supporting Documentation:**

Documents marked with "Board Portal" do not meet [ADA Web Content Accessibility Guidelines \(URL\)](#) and are not included in the public packet. To request a board portal document, please [submit a data request \(URL\)](#).

1. Bond Resolution 2026-31 - GO Bonds 2026A (Board Portal)
2. Moody's Ratings Report - City of Edina, MN (Board Portal)
3. S&P Global Ratings Report - City of Edina, MN (Board Portal)



**Item Number:** 9.4

**Department:** Finance

**Item Activity:** Action

**Prepared By:** Pa Thao, Finance Director

**Item Title:** Resolution 2026-32: Awarding the Sale of \$12,215,000 Taxable General Obligation Sales Tax Revenue Bonds, Series 2026B

**Action Requested:**

Approve Resolution No. 2026-32 awarding the sale of \$12,215,000 Taxable General Obligation Sales Tax Revenue Bonds, Series 2026B.

**Information/Background:**

The issuance of the City's Taxable General Obligation Bonds, Series 2026B has one purpose:

\$12,215,000 Sales Tax Revenue Bonds to fund various projects as authorized by the Sales Tax Legislation, including improvements to Fred Richards and Braemar Parks, including Courtney Field, and to Braemar Arena in the City and paying costs of issuance of the bonds payable with sales tax collection over a 10-year term.

Bids will be received and tabulated by the City's financial advisor, Ehlers & Associates, Inc., on Tuesday, June 16, and the results presented to the City Council that evening.

The City requested bond ratings from both Moody's and S&P. Both agencies assigned an "AAA" rating to this issuance. Credit strengths highlighted as "resilient and strong economic base that continues to grow and supports exceptional financial stability" include:

- Affluent, robust and diverse economic base
- Very strong resident income ratio (slightly above 150% of the national median)
- Economic resilience and integration into the Minneapolis–St. Paul region
- Ongoing commercial and residential redevelopment that continues to grow the tax base

A credit challenge mentioned by both rating agencies is moderate but rising debt and long-term liabilities as major capital plans continue. Both S&P's and Moody's credit reports are available upon request.

A final resolution will be provided June 16th once the bond sale has been completed.

**Resources/Financial Impacts:**

Local Sales Tax Revenue

**Relationship to City Policies/Plans/Budget Pillars:**



Strong Foundation

**Values Impact:**



Stewardship

Replacing aging infrastructure at the appropriate time is sound management practice.

**Supporting Documentation:**

Documents marked with "Board Portal" do not meet [ADA Web Content Accessibility Guidelines \(URL\)](#) and are not included in the public packet. To request a board portal document, please [submit a data request \(URL\)](#).

1. Bond Resolution 2026-32 - Edina 2026B (Board Portal)
2. Moody's Ratings Report - City of Edina, MN (Board Portal)
3. S&P Global Ratings Report - City of Edina, MN (Board Portal)



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**Item Number:** 9.5

**Department:** Community Development

**Item Activity:** Action

**Prepared By:** Cary Teague, Community Development Director

**Item Title:** Zoning Ordinance Amendment, Rezoning & Site Plan for 4200 76<sup>th</sup> Street West (Salvation Army)

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**Action Requested:**

Waive second reading and approve the Ordinance Amendment, and the Resolution granting approval of the Rezoning and Site Plan.

**Information/Background:**

The Salvation Army is proposing to remodel and reuse the existing 28,000 square foot building at 4200 76<sup>th</sup> Street West into an 18,425 square foot Salvation Army retail store with a 9,434 square foot warehouse and indoor drop off. There are no plans to alter the site plan or exterior of the existing building. The request requires the following:

1. Zoning Ordinance Amendment to allow secondhand stores to exceed 2,500 square feet in size in the PCD-Planned Commercial District.
2. Rezoning the site from PID, Planned Industrial District to a PCD, Planned Commercial District.
3. Site Plan Review.

Staff supports the Planning Commission recommendation to amend the Ordinance to allow secondhand stores to exceed 2,500 square feet in the PCD-2 and PCD-3 Districts, and leave the restriction on the size requirement in the PCD-1 District.

[4200 76th Street, Salvation Army-Ordinance Amendment, Rezoning and Site Plan Review | Better Together Edina](#)

**Supporting Documentation:**

Documents marked with "Board Portal" do not meet [ADA Web Content Accessibility Guidelines \(URL\)](#) and are not included in the public packet. To request a board portal document, please [submit a data request \(URL\)](#).

1. Staff Report to Planning Commission, May 13, 2026
2. Proposed Plans
3. Applicant Narrative (Board Portal)
4. Traffic and Parking Study (Board Portal)
5. Staff Presentation



**Date:** May 13, 2026

**To:** Planning Commission

**From:** Cary Teague, Community Development Director

**Subject:** Zoning Ordinance Amendment, Rezoning & Site Plan – 4200 76<sup>th</sup> Street West - (Salvation Army)

Staff Recommendation: Approval of the Zoning Ordinance Amendment, Rezoning and Site Plan for Salvation Army.

### Information/Background:

The Salvation Army is proposing to remodel and reuse the existing 28,000 square foot building at 4200 76<sup>th</sup> Street West into an 18,425 square foot Salvation Army retail store with a 9,434 square foot warehouse and indoor drop off. There are no plans to alter the site plan or exterior of the existing building. The request requires the following:

1. Zoning Ordinance Amendment to allow secondhand stores to exceed 2,500 square feet in size in the PCD-Planned Commercial District.
2. Rezoning the site from PID, Planned Industrial District to a PCD, Planned Commercial District.
3. Site Plan Review.

## SUPPORTING INFORMATION

### Surrounding Land Uses

Northerly: Multi-family Condominiums; Zoned PRD-4, Planned Residential District and guided High Density Residential.

Easterly: Multi-family Apartments; Zoned PUD, Planned Industrial and guided Office-Residential.

Southerly: LA Fitness & the Edina Fire Station; Zoned PID, Planned Industrial and guided Office-Residential.

Westerly: Office/Bank; Zoned PID, Planned Industrial and guided Office-Residential.

### Existing Site Features

The subject property is 2 acres in size, contains a single-story office building built in 1969 with a large surface parking lot.



# The CITY of EDINA

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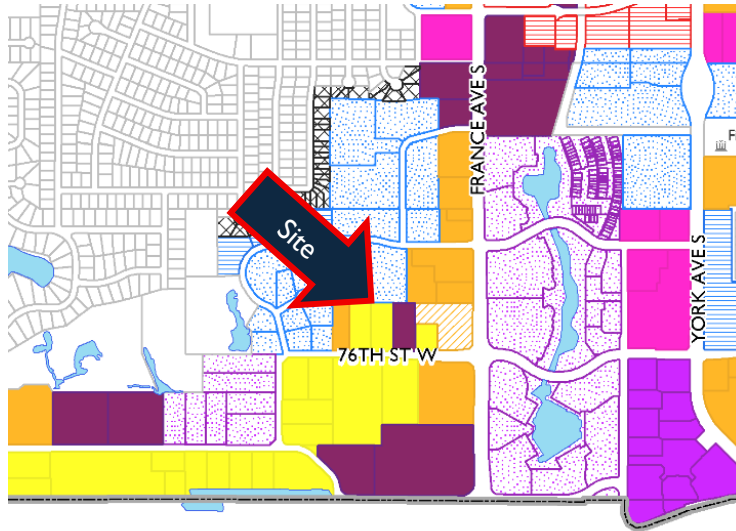
## Planning

Guide Plan designation: OR, Office Residential  
Zoning: PID, Planned Industrial

### ***Issues/Considerations:***

## **Rezoning**

As demonstrated below there is a mixture of zoning districts on this portion of 76<sup>th</sup> Street. The property to the east is a multifamily residential PUD; to the south is property zoned PID but consist of an Edina Fire Station and LA fitness (similar to a commercial use, but allowing in PID); and to the west is a bank zoned PID (banks are also allowed in a commercial zoning district). The proposed use would be consistent with the existing uses on the block.



Per Section 36-216 of the City Code, the Commission may recommend approval by the council based upon, but not limited to, the factors below.

### ***Is consistent with the comprehensive plan.***

The proposed rezoning is consistent with the Comprehensive Plan. The Comprehensive Plan guides this site for OR, Office Residential land uses. The following page describes the land use, development character and density. Limited retail is considered a secondary use.



# The CITY of EDINA

**CITY GOALS:**  Strong Foundation  Reliable Service  Livable City  Better Together

Categories	Description, Land Uses	Development Character and Guidelines	Density and Intensity
OR Office Residential	<p>Transitional areas along major thoroughfares or between higher intensity districts and residential districts. Many existing highway-oriented commercial areas are anticipated to transition to this more mixed-use character.</p> <p>Primary uses are offices, attached or multifamily housing. Secondary uses: Limited retail and service uses (not including "big box" retail), limited industrial (fully enclosed), institutional uses, parks and open space.</p>	<p>Upgrade existing streetscape and building appearance, improve pedestrian and transit environment.</p> <p>Encourage structured parking and open space linkages where feasible; emphasize the enhancement of the pedestrian environment.</p>	20 – 75 residential dwelling units/acre

The Salvation Army is not a big-box retailer. It is a non-profit charitable organization that operates thrift stores rather than large-format retail superstores.

***Will not be detrimental to properties surrounding the tract.***

The site plan and building would not change. The existing building would be utilized as well as the existing parking lot. Landscaping will be added to enhance the site. There are several uses in the area that are somewhat similar to retail, including a bank to the west and a health club to the south.

***Will not result in an overly intensive land use.***

The building size would remain the same, a large portion would be used for storage and drop off. The parking requirements would be met. A traffic and parking study was done by Stantec and concludes that the existing roadways would support the project, and there would be enough parking. (See page 7-1 in the attached traffic study.) The proposed secondhand store and donation drop off would generate less traffic than the existing LA fitness located across the street.

***Will not result in undue traffic congestion or traffic hazards.***

Traffic study was done by Stantec and concludes that the existing roadways can support the project. (See attached traffic study.)

***Conforms to the provisions of this section and other applicable provisions of this Code.***

Assuming the change to the Zoning Ordinance to allow the proposed use, the project would conform to the PCD-2 ordinance standards. The side yard setback is an existing condition.



***Provides a proper relationship between the proposed improvements, existing structures, open space and natural features.***

There would be no building alteration or change in the parking lot. There will be added landscaping to enhance the appearance of the site.

**Zoning Ordinance Amendment.** Per Sec. 36-608 (47) of the Edina Zoning Ordinance “Secondhand stores, not exceeding 2,500 square feet of gross floor area, but excluding pawn shops” are a permitted use in the PCD I-3, Planned Commercial Zoning districts.

The applicant is proposing a Zoning Ordinance Amendment that would allow secondhand stores to exceed 2,500 square feet in size in the PCD-Planned Commercial District. Below is the proposed amendment; it would apply to all PCD Zoning Districts.

**Section I.** Chapter 36, Article VIII, Division 8, Sec. 36-608 is hereby amended as follows:

Sec. 36-608. - Principal uses in the PCD-I subdistrict.

(47) Secondhand stores, ~~not exceeding 2,500 square feet of gross floor area,~~ but excluding pawn shops.

Staff supports the ordinance amendment; secondhand stores, like Salvation Army or Goodwill, function the same as any other retail use.

Staff conducted contacted Eden Prairie, St. Louis Park, Richfield and Bloomington. All allow secondhand stores in their commercial zoning districts. They do not differentiate new vs. secondhand retail. Eden Prairie allows retail in an industrial zone with a PUD with limited retail square feet. Edina is the only city among our neighboring border cities that limit square feet and call out secondhand stores as a distinct retail category.



### Compliance Table

	City Standard (PCD-2)	Proposed
Setbacks (Structure)		
Front (76th)	50 feet	50 feet
Side (West)	20 feet	15 feet (existing condition)
Side (East)	25 feet	20 feet (existing condition)
Rear	25 feet	95 feet
Parking Stalls	Retail - 1/250 s.f. (74 required) Warehouse – 1/2000 s.f. (5 required) 79 stalls required	80 stalls existing
FAR	1.5%	.32%
Building Coverage	30%	32% (existing condition)

### Site Plan Review

#### Parking

Based on the City Code requirement, Section 36-1311, the proposed parking spaces meet City Code. An 18,425 square foot retail store with a 9,434 square foot warehouse would require 79 parking stalls. The existing site provides 80 parking stalls. The parking study concludes that 54 parking stalls would be adequate.

#### Site Circulation/Access/Traffic

Primary access to the proposed development would be off 76<sup>th</sup> Street. No changes are proposed from the existing conditions. Stantec conducted a traffic study. The study concludes that the proposal can be supported by the existing roadways. (See attached traffic study.)

#### Landscaping

Based on the perimeter of the site, 32 overstory trees would be required. The proposed plans show 32 existing and proposed overstory trees on site. A full complement of understory shrubs and bushes are also proposed.



## Living Streets/Multi-Modal Consideration

### Sec. 36-1274. - Sidewalks, trails and bicycle facilities.

- (a) In order to promote and provide safe and effective sidewalks and trails in the City and encourage the use of bicycles for recreation and transportation, the following improvements are required, as a condition of approval, on developments requiring the approval of a final development plan or the issuance of a conditional use permit pursuant to article V of this chapter:
- (1) It is the policy of the City to require the construction of sidewalks and trails wherever feasible so as to encourage pedestrian and bicycle connectivity throughout the City. Therefore, developments shall provide sidewalks and trails which adjoin the applicant's property:
    - a. In locations shown on the City's sidewalk and trail plan; and
    - b. In other locations where the council finds that the provision of such sidewalks and trails enhance public access to mass transit facilities or connections to other existing or planned sidewalks, trails or public facilities.
  - (2) Developments shall provide sidewalks between building entrances and sidewalks or trails which exist or which will be constructed pursuant to this section.
  - (3) Developments shall provide direct sidewalk and trail connections with adjoining properties where appropriate.
  - (4) Developments must provide direct sidewalk and trail connections to transit stations or transit stops adjoining the property.
  - (5) Design standards for sidewalks and trails shall be prescribed by the engineer.
  - (6) Nonresidential developments having an off-street automobile parking requirement of 20 or more spaces must provide off-street bicycle parking spaces where bicycles may be parked and secured from theft by their owners. The minimum number of bicycle parking spaces required shall be five percent of the automobile parking space requirement. The design and placement of bicycle parking spaces and bicycle racks used to secure bicycles shall be subject to the approval of the city engineer. Whenever possible, bicycle parking spaces shall be located within 50 feet of a public entrance to a principal building.
- (b) The expense of the improvements set forth in subsection (a) of this section shall be borne by the applicant.

The City's Comprehensive Plan identifies a new sidewalk on the north side of 76<sup>th</sup> Street. Therefore, a boulevard-style sidewalk should be installed on the site. This shall be made a condition of approval.



## PRIMARY ISSUES/STAFF RECOMMENDATION

### Primary Issues

For this project, the City of Edina has complete discretion to approve or deny this request. A case can be made for both approval and denial of this project. Findings for both approval and denial of this project are provided for the Planning Commission and City Council to consider.

- **Is the Zoning Ordinance Amendment Reasonable?**

Yes. Staff would support the Ordinance Amendment for the following reasons:

1. Secondhand stores are currently allowed in the PCD zoning district at a limited scale.
2. Secondhand stores, like Salvation Army or Goodwill, function the same as any other retail use.
3. The adjacent Cities of Eden Prairie, St. Louis Park, Richfield and Bloomington, all allow secondhand stores in their commercial zoning districts. They do not differentiate between new vs. secondhand retail.
4. Pawnshops would continue to be prohibited.

- **Is the Proposed Rezoning to PCD-2 Reasonable?**

Yes. Staff supports the request for the following reasons:

1. The findings for rezoning per Section 36-216 of the City Code would be met.
2. The Rezoning would not be detrimental to properties surrounding this site.
3. The site plan and building would not change. The existing building would be utilized as well as the existing parking lot. Landscaping will be added to enhance the site.
4. There are several uses on 76<sup>th</sup> Street that are similar to retail, including a bank to the west and a health club to the south.
5. Would not result in an overly intensive land use.



## Options for Consideration

As mentioned, for this project, the City of Edina has complete discretion to approve or deny this request. A case can be made for both approval and denial of this project. The following outlines alternatives for approval and denial for the Planning Commission and City Council to consider.

## Denial

### Zoning Ordinance Amendment

Recommend the City Council deny the Zoning Ordinance Amendment to allow secondhand stores in the PCD districts at any size.

### Rezoning and Site Plan Review

Recommend the City Council deny the Rezoning and Site Plan based on the following findings:

1. The proposed land use is not appropriate for this site.
2. Retail sales and other uses allowed in the PCD-2 Zoning District are not appropriate for this area.

## Approval

### Zoning Ordinance Amendment

Recommend the City Council approve the Zoning Ordinance Amendment to allow secondhand stores in the PCD districts at any size. Approval is based on the following findings:

1. Secondhand stores are currently allowed in the PCD zoning district at a limited scale.
2. Secondhand stores, like Salvation Army or Goodwill, function the same as any other retail use.
3. Edina's regulations on secondhand store would be consistent with adjacent cities of Eden Prairie, St. Louis Park, Richfield and Bloomington.
4. Pawnshops would continue to be prohibited.

### Rezoning and Site Plan Review

Recommend the City Council approve the Rezoning and Site Plan based on the following findings:

1. The findings for rezoning per Section 36-216 of the City Code would be met.



# The CITY of EDINA

## CITY GOALS:



Strong  
Foundation



Reliable  
Service



Livable  
City



Better  
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2. Would not be detrimental to properties surrounding the tract.
3. The site plan and building would not change. The existing building would be utilized as well as the existing parking lot. Landscaping will be added to enhance the site.
4. There are several uses in the area that are similar to retail, including a bank to the west and a health club to the south.
5. Would not result in an overly intensive land use.

Approval is subject to the following Conditions:

1. The Final Site Plans must be consistent with the plans date stamped March 20, 2026.
2. The Final Landscape Plan must be consistent with the approved plan and meet all minimum landscaping requirements per Chapter 36 of the Zoning Ordinance. A performance bond, letter-of-credit, or cash deposit must be submitted for one and one-half times the cost amount for completing the required landscaping, screening, or erosion control measures at the time of any building permit. The property owner is responsible for replacing any required landscaping that dies after the project is built.
3. All donations must be dropped off and stored inside the building.
4. There shall be no outside storage or outside collection areas, including collection boxes, and temporary trailers used for collection.
5. A boulevard-style sidewalk must be constructed along 76<sup>th</sup> Street. Sidewalk must be 6 feet minimum width with a 5-foot minimum width boulevard, subject to approval of the city engineer.
6. No truck loading shall be allowed on 76<sup>th</sup> Street.

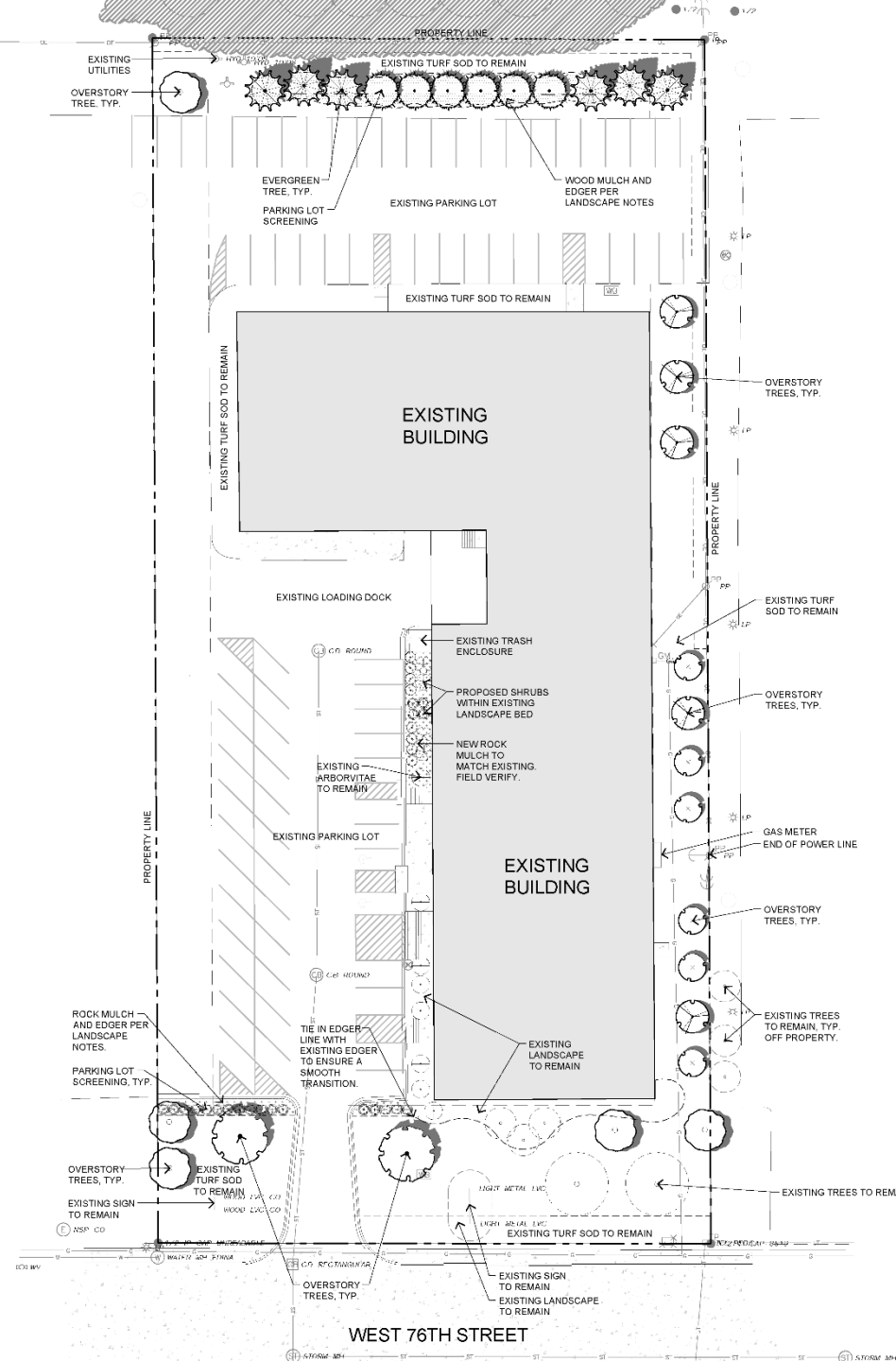
## **Staff Recommendation**

Staff recommends approval of the Ordinance Amendment, Rezoning and Site Plan subject to the findings and conditions above.

**Deadline for a City decision: July 21, 2026**

# Proposed Site Plan





**PLANT SCHEDULE**

SYMBOL	CODE	BOTANICAL NAME	COMMON NAME	SIZE	CONTAINER	QTY
<b>EVERGREEN TREES</b>						
	AB	Atlas balsamed	Balsam Fir	6' Hgt	6x8	6
	J1	Juniperus virginiana Taylor	Taylor Essum Red cedar	6' Hgt	6x8	6
<b>OVERSTORY TREES</b>						
	AC	Acer glaberrimum Columnare	Columnar Norway Maple	2.5' Cal.	6x8	5
	B.2	Eubalaia albertiana	Alberta Spruce	2.5' Cal.	6x8	6
	GD	Gleditsia triacanthos Inermis	Smooth Cord Red Honey Locust	2.5' Cal.	6x8	2
	QC	Quercus	Chickory Sp. Oak	2.5' Cal.	6x8	5
<b>SHRUBS</b>						
	CS	Cornus sericea	Red Dogwood	3 gal.	Flat	4
	TC	Taxus canadensis	Dwarf Blue Hemlock	3 gal.	Flat	8
	JF	Juniperus chinensis	Sea Green Juniper	5 gal.	Flat	21

**TREE DIVERSITY MATRIX:**

BOTANICAL GENUS:	QUANTITY	% OF TOTAL	CLASSIFICATION
Acer sp.	7	22%	Deciduous Tree
Betula sp.	5	15%	Deciduous Tree
Clethra sp.	2	6%	Deciduous Tree
Quercus sp.	5	15%	Deciduous Tree
Abies sp.	6	19%	Coniferous Tree
Juniperus sp.	8	25%	Coniferous Tree
<b>TOTAL TREES:</b>	<b>32</b>		

**CITY OF EDINA LANDSCAPE REQUIREMENTS:**

**SITE ZONING:** PCD-2 - Commercial

**DIVISION 5 - LANDSCAPING AND SCREENING**  
 Sec. 36-1438. - Minimum Requirements

All open areas of a lot which are not used and improved for required parking areas, drives or storage shall be landscaped with a combination of overstory trees, understory trees, shrubs, flowers and ground cover materials.

- (1) **Minimum number of overstory trees.** The number of overstory trees on the lot or tract shall be not less than the perimeter of the lot or tract as measured in feet divided by 40.
- (2) **Understory trees and shrubs.** In addition to the required number of overstory trees, a full complement of understory trees and shrubs shall be provided to complete a quality landscape treatment of the site.
- (3) **Minimum size and root condition of required overstory trees.**
- (4) **Not more than 50 percent of the required number of overstory trees shall be composed of one species.**
- (5) **Credit for existing trees.** The total number of required new overstory trees may be offset by the retention of existing overstory trees on the lot provided that the trees satisfy the requirements of this division as to the size and species.

Subdivision III. - Screening

- (3) **Off-street parking facilities containing six or more spaces and all loading facilities shall be screened from streets located within 50 feet, and from lots which are used for and residential purpose which are located within 50 feet.**

**LANDSCAPE REQUIREMENTS CALCULATIONS:**

Site Perimeter: 1,270 Linear Feet / 40 = 32 Trees Required  
 2 Existing Trees as Credit (32 - 2) = 30 Trees Required after applied Credit.

Trees Proposed: 30  
 Total Trees on Site: 32 Overstory Trees to meet the minimum requirements

1200 Twelve Oaks Center Drive  
 Suite 200, Wayzata, MN 55391  
 T: 952-426-7400  
 F: 952-426-7440

MohagenHansen.com

**PRELIMINARY**

THIS PLAN IS PRELIMINARY AND NOT FOR CONSTRUCTION. IT IS SUBJECT TO CHANGE WITHOUT NOTICE. THE USER SHALL BE RESPONSIBLE FOR VERIFYING THE ACCURACY OF ALL INFORMATION AND DATA PROVIDED HEREON. THE USER SHALL OBTAIN ALL NECESSARY PERMITS AND APPROVALS FROM ALL APPLICABLE AGENCIES AND AUTHORITIES. THE USER SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM ALL APPLICABLE AGENCIES AND AUTHORITIES. THE USER SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM ALL APPLICABLE AGENCIES AND AUTHORITIES.

**CALYX DESIGN GROUP**  
 1815 Hennepin Avenue  
 Minneapolis, MN 55403  
 Phone: 612-338-1111  
 Website: www.calyxdesign.com

**BUILDING PERMIT SET**

**SALVATION ARMY FIT PLAN**

**4200 WEST 76TH ST.**  
**EDINA, MN 55435**

NO.	DESCRIPTION	DATE

PROJECT NUMBER: 25115  
 DRAWN BY: A. LEONARD  
 CHECKED BY: H. HOFFMANN  
 DATE: 02/05/2025



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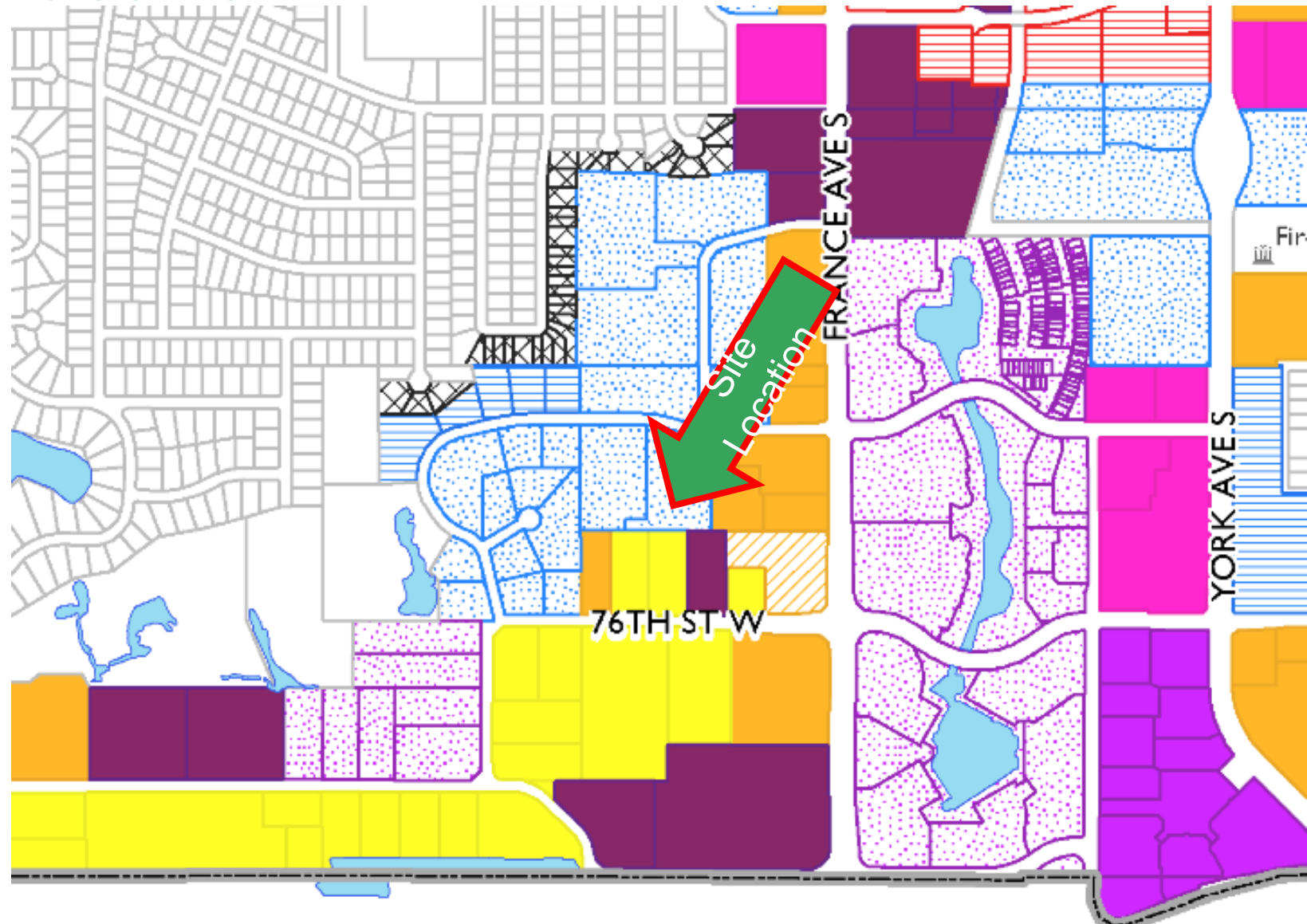
# **Ordinance Amendment, Rezoning, & Site Plan 4200 76<sup>th</sup> Street West (Salvation Army)**

EdinaMN.gov



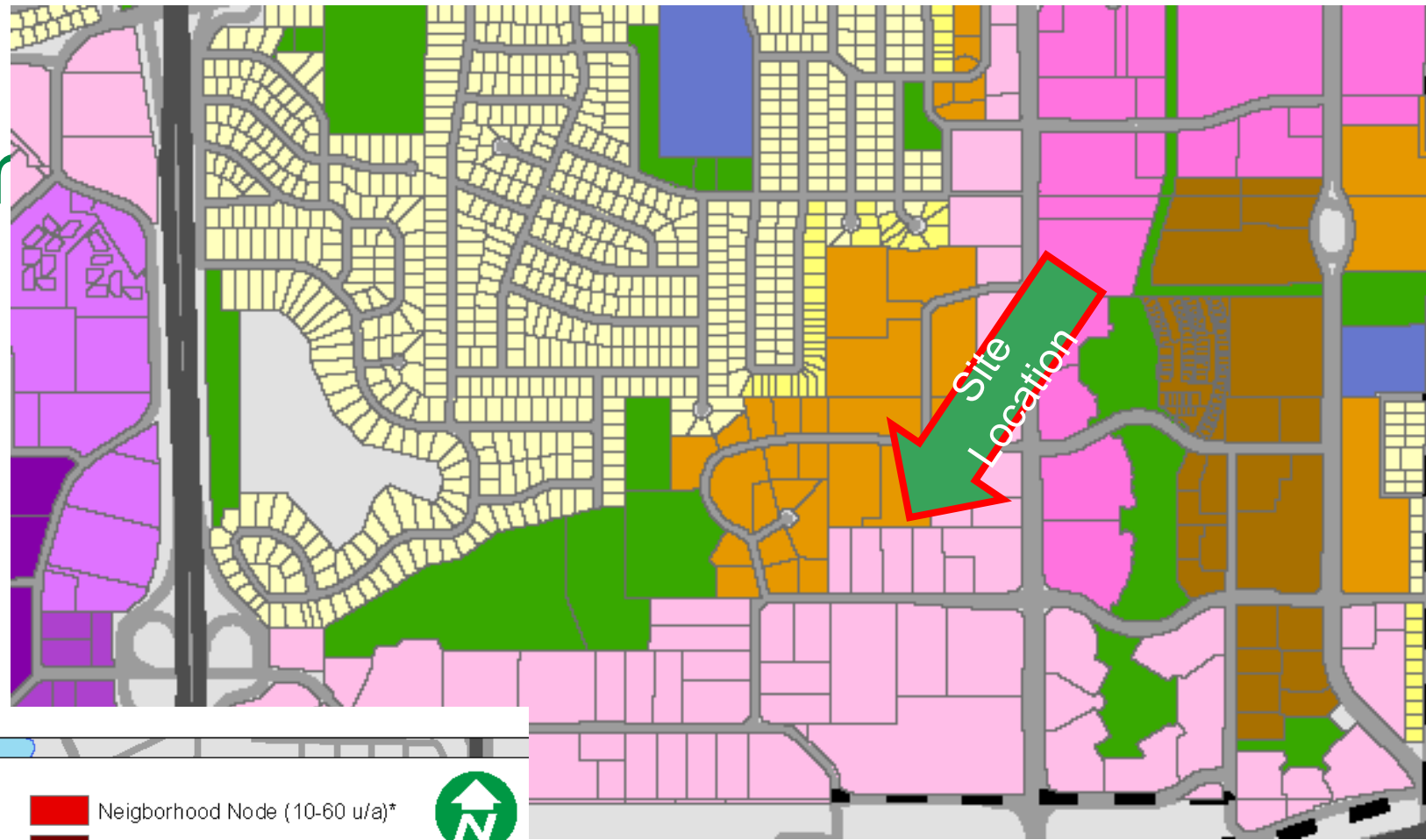
# Zoning Map & Site Location

## Zoning Map



















- Legend**
- R-1 - Single Dwelling Unit
  - ▨ R-2 - Double Dwelling Unit
  - PRD-1 - Planned Residence
  - ▨ PRD-2 - Planned Residence
  - ▨ PRD-3 - Planned Residence
  - ▨ PRD-4 - Planned Residence
  - ▨ PRD-5 - Planned Residence
  - PCD-1 - Planned Commercial
  - ▨ PCD-2 - Planned Commercial
  - ▨ PCD-3 - Planned Commercial
  - ▨ PCD-4 - Planned Commercial
  - POD-1 - Planned Office
  - ▨ POD-2 - Planned Office
  - RMD - Regional Medical
  - PID - Planned Industrial
  - POD - Planned Unit Development
  - APD - Automotive Parking
  - PSR-4 - Planned Residence
  - MDD-4 - Mixed Development
  - MDD-5 - Mixed Development
  - MDD-6 - Mixed Development
  - Lakes
  - Creeks
  - Edina Boundary
  - Railroad
  - Public Building
  - Public School
  - Private School

# Land Use Map & Site Location



## Legend

- |   |   |  |
|---|---|--|
|  Low Density Residential (1-5 u/a)                     |  Neighborhood Node (10-60 u/a)*           |  |
|  Low Density Attached Residential (4-8 u/a)           |  Mixed Use Center (12-100 u/a)*          |  |
|  Medium Density Residential (5-12 u/a)               |  Community Activity Center (90-150 u/a) |  |
|  High Density Residential (12-60 u/a)                |  Industrial                             |  |
|  Greater Southdale District Residential (50-100 u/a) |  Open Space and Parks                   |  |
|  Office Residential (20-75 u/a)                      |  Public/Semi Public                     |  |
|  Office  |  Regional Medical (50-100 u/a)          |  |
|   |  City Limits                            |  |



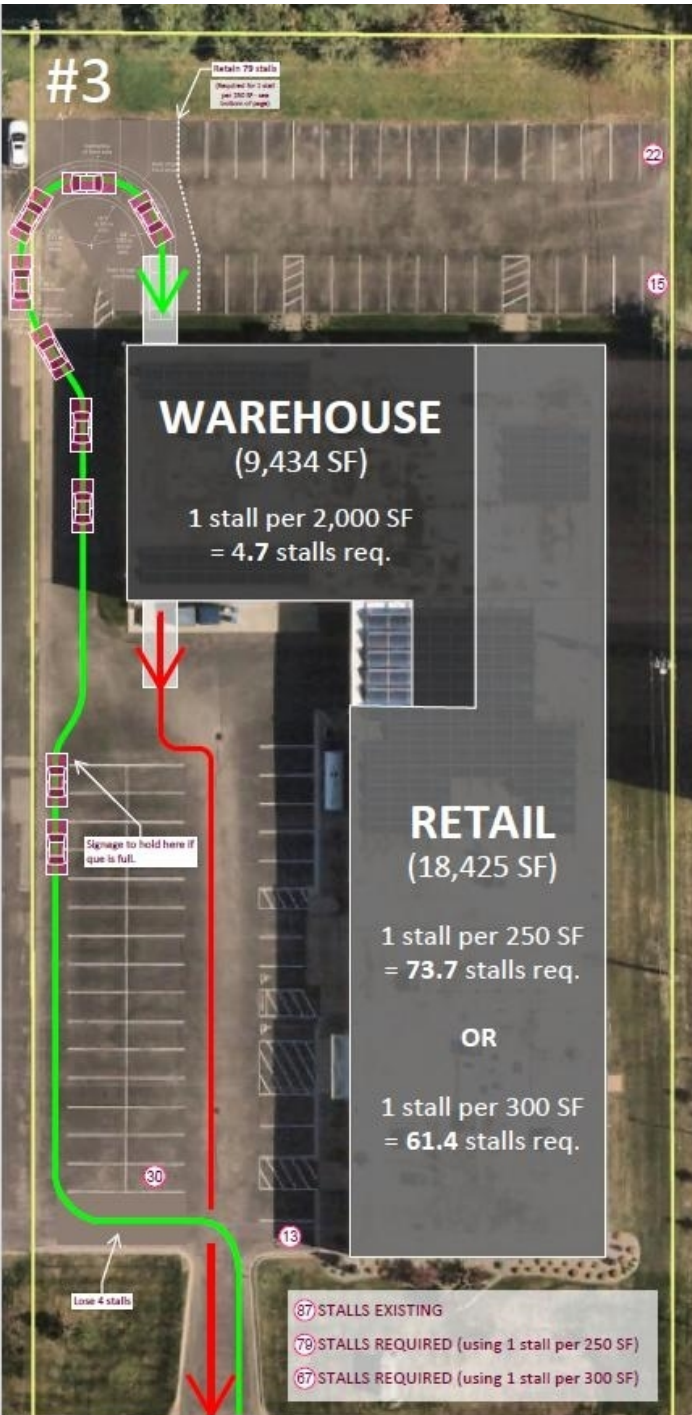
Source: City of Edina, Hennepin County, MetCouncil, MnDOT  
 \*Density within these categories varies by subarea. See Table 3.6

# Existing Building

EXISTING PHOTO



# Proposed Site Plan



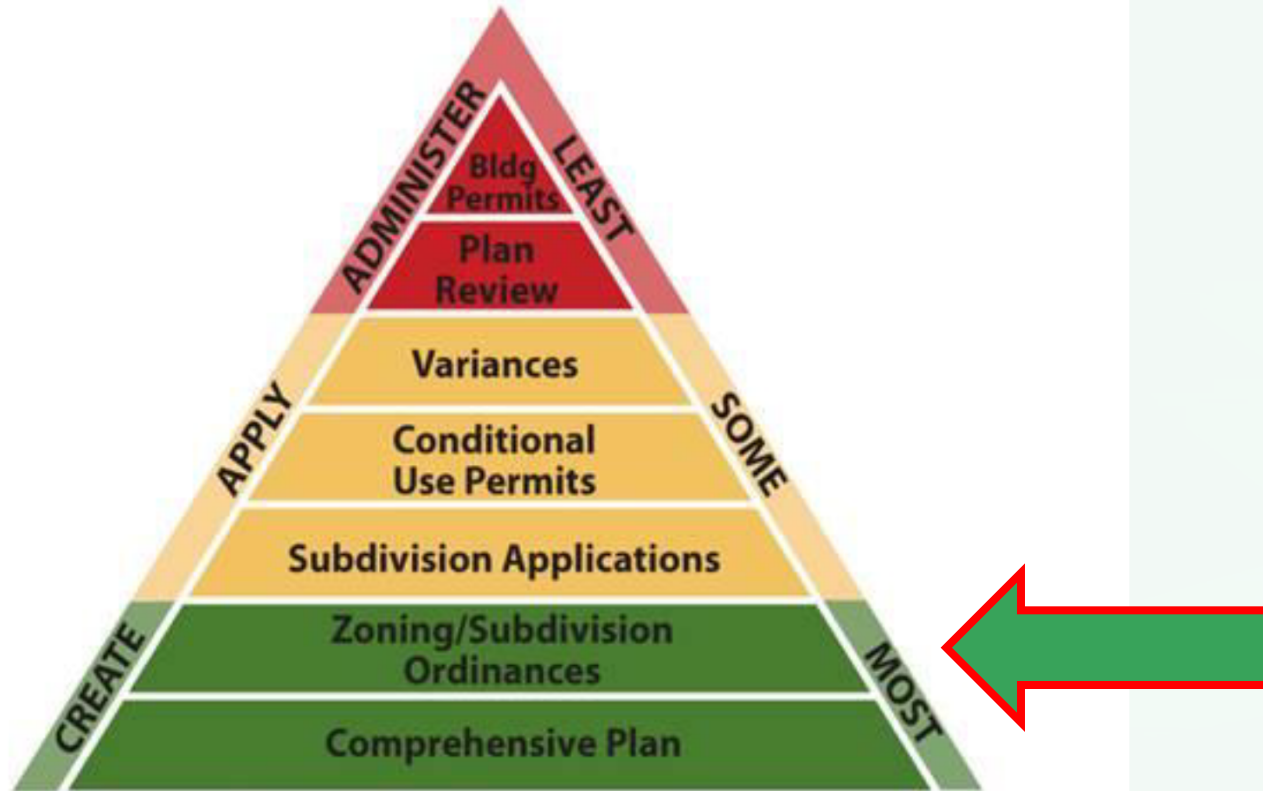


# Request Requires

- Zoning Ordinance Amendment to allow secondhand stores to exceed 2,500 square feet in size in the PCD-Planned Commercial District.
- Rezoning the site from PID, Planned Industrial District to a PCD, Planned Commercial District.
- Site Plan Review.

## Appendix A: The pyramid of discretion

The pyramid framework illustrates how much discretion the city has to make land use decisions based on the role it is playing.



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# Zoning Ordinance Compliance Table

	City Standard (PCD-2)	Proposed
Setbacks (Structure)		
Front (76th)	50 feet	50 feet
Side (West)	20 feet	15 feet (existing condition)
Side (East)	25 feet	20 feet (existing condition)
Rear	25 feet	95 feet
Parking Stalls	Retail - 1/250 s.f. (74 required) Warehouse – 1/2000 s.f. (5 required) 79 stalls required	80 stalls existing
FAR	1.5%	.32%
Building Coverage	30%	32% (existing condition)

# Primary Issues

- **Is the Zoning Ordinance Amendment Reasonable?**
- **Is the Proposed Rezoning to PCD-2 Reasonable?**

# Land Use Description for Office Residential

Categories	Description, Land Uses	Development Character and Guidelines	Density and Intensity
<p>OR Office Residential</p>	<p>Transitional areas along major thoroughfares or between higher intensity districts and residential districts. Many existing highway-oriented commercial areas are anticipated to transition to this more mixed-use character.</p> <p>Primary uses are offices, attached or multifamily housing. Secondary uses: Limited retail and service uses (not including "big box" retail), limited industrial (fully enclosed), institutional uses, parks and open space.</p>	<p>Upgrade existing streetscape and building appearance, improve pedestrian and transit environment.</p> <p>Encourage structured parking and open space linkages where feasible; emphasize the enhancement of the pedestrian environment.</p>	<p>20 – 75 residential dwelling units/acre</p>

# Staff Recommendation

Motion to close the public hearing on June 7, 2026, and continue action to the June 26, 2026, City Council agenda.



The City Of Edina Ordains:

Section 1. Chapter 36, Article VIII, Division 8, Sec. 36-609 is hereby amended to add the following:

Sec. 36-609. Principal uses in the PCD-2 subdistrict.

(42) Secondhand stores but excluding pawn shops.

Section 2. This ordinance is effective immediately.

**Summary for Publication:**

n/a



**BE IT RESOLVED** by the City Council of the City of Edina, Minnesota, as follows:

**Section 1. BACKGROUND**

- 1.01. The Salvation Army is proposing to remodel and reuse the existing 28,000 square foot building at 4200 76th Street West into an 18,425 square foot Salvation Army retail store with a 9,434 square foot warehouse and indoor drop off. There are no plans to alter the site plan or exterior of the existing building.
- 1.02. The subject property is legally described as Tract 1, Registered Land Survey No. 1129, Hennepin County Minnesota
- 1.03. To accommodate the request, the following is requested:
  - Rezoning the site from PID, Planned Industrial District to a PCD-2, Planned Commercial District.
  - Site Plan Review
- 1.04. On May 13, 2026, the Planning Commission held a public hearing and recommended approval of the Rezoning. Vote: 4 Ayes and 2 Nays.
- 1.05. On June 2, 2026, the City Council held a public hearing and considered the requests.
- 1.06. On June 16, 2026, the City Council approved the requests.

**Section 2. FINDINGS**

- 2.01. Approval is based on the following findings:
  - 1. The findings for rezoning per Section 36-216 of the City Code would be met.
  - 2. Would not be detrimental to properties surrounding the tract.
  - 3. The site plan and building would not change. The existing building would be utilized as well as the existing parking lot. Landscaping will be added to enhance the site.
  - 4. There are several uses in the area that are similar to retail, including a bank to the west and a health club to the south.
  - 5. Would not result in an overly intensive land use.

**Section 3. APPROVAL**

**NOW THEREFORE**, it is hereby resolved by the City Council of the City of Edina, approves the Rezoning and Site Plan as proposed. Approval is subject to the following conditions:

1. The Final Site Plans must be consistent with the plans date stamped March 20, 2026.
2. The Final Landscape Plan must be consistent with the approved plan and meet all minimum landscaping requirements per Chapter 36 of the Zoning Ordinance. A performance bond, letter-of-credit, or cash deposit must be submitted for one and one-half times the cost amount for completing the required landscaping, screening, or erosion control measures at the time of any building permit. The property owner is responsible for replacing any required landscaping that dies after the project is built.
3. All donations must be dropped off and stored inside the building.
4. There shall be no outside storage or outside collection areas, including collection boxes, and temporary trailers used for collection.
5. A boulevard-style sidewalk must be constructed along 76th Street. Sidewalk must be 6 feet minimum width with a 5-foot minimum width boulevard, subject to approval of the city engineer.
6. No truck loading shall be allowed on 76th Street.

Adopted by the City Council June 16, 2026.



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**Item Number:** 9.6

**Department:** Community Development

**Item Activity:** Action

**Prepared By:** Cary Teague, Community Development Director

**Item Title:** Ordinance 2026-10 Amendment Regarding Reasonable Accommodations

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**Action Requested:**

Grant first reading of the Ordinance Amendment.

**Information/Background:**

The Americans with Disability Act (ADA) and Federal Fair Housing Act (FHA) require cities to ensure individuals who have disabilities have equal access to housing and city programs or services. The ADA requires equal access to city-provided programs, services, or property. The FHA applies to equal opportunity to use and enjoy housing. Courts have interpreted the FHA to require consideration of accommodation from zoning requirements if that may afford the individual the opportunity to live in a residential dwelling.

If a specific disability-related barrier prevents an individual from achieving either of these goals, the individual is permitted under the applicable federal law to request accommodation to address the barrier they face. They may request a waiver or modification of city regulations, policies, services, programs, or procedures, including zoning and housing regulations. Federal law sets the standard for evaluating these requests and cities are not required to grant requests for reasonable accommodation if they do not meet legal standards. However, federal law does not contain specific instructions for how a city must process these requests. The purpose of this ordinance is to establish a formal process for handling accommodation requests according to federal legal standards. This will provide clarity to the public regarding how individuals may submit a reasonable accommodation request.

**Supporting Documentation:**

None



**The City Council of Edina, Minnesota Ordains:**

**Section 1.** Chapter 2 – ADMINISTRATION of the Edina City Code is hereby amended to add a new Article XI to read as follows:

**Article XI – REASONABLE ACCOMMODATION**

**Sec. 2-796. – Policy and intent.**

The city has authority and a legitimate interest to impose regulations, policies, and procedures protecting the public health, safety, and welfare, including regulating the use of land and housing within its boundaries, and to establish programs and services beneficial to its community. It is the policy and intent of the city to ensure that persons with disabilities have a process by which to seek reasonable accommodation when programs or services may not be equally accessible to them or when the application of city regulations, policies, or procedures may not allow fair and equal access to housing pursuant to the Americans with Disabilities Act and the Federal Fair Housing Act, including any amendments to such Acts.

**Sec. 2-797. – Definitions.**

The following words, terms, and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

*Disability* means those disabilities or handicaps [\[PA1\]](#) which are recognized under the Americans with Disabilities Act or the Federal Fair Housing Act, including amendments to such Acts, as applicable.

*Person* means an individual with a disability.

*Reasonable accommodation* means a waiver or modification to the city's regulations, policies, services, programs, or procedures, including zoning and housing regulations, that is reasonable and necessary to allow a person to have equal opportunity to use and enjoy housing and city programs and services without fundamentally altering the nature of the city's regulations, policies, services, programs, or procedures or otherwise imposing an undue financial or administrative burden on the city.

**Sec. 2-798. – Process.**

- a. *Application.* A person or their authorized representative, or an organization, company, corporation, or other legal entity providing or owning housing for the benefit of a person(s) may apply for a reasonable accommodation on an application form provided by the city. Forms must be submitted to the City Community Development Director. The application

shall include a detailed explanation of the specific modification or waiver sought and how that modification or waiver is both reasonable and necessary to provide a person with a qualifying disability with equal access or use of city programs or services, or fair and equal access to the specific housing available to the person, as applicable. If there is a request to exceed any City zoning regulations, the application shall include an updated survey per City Policy for surveys. The applicant should address the factors outlined in part (b) of this section. If the request requires additional city reviews or approvals, the applicant shall file the reasonable accommodation request concurrently with those other applications.

- b. *City Review.* Within 15 business days of receiving an application, city staff, in consultation with the city attorney, shall determine whether an application is complete or if additional information is needed, contact the applicant for such information before deeming such application complete. Within sixty (60) days of receipt of a completed application, City shall mail to the applicant a decision granting or denying the accommodation requested, or granting an alternative reasonable accommodation, based on the following factors:
1. Whether there is a qualifying disability under the applicable federal law;
  2. Whether the request is necessary to allow the person equal opportunity to use and enjoy a dwelling or live in a particular residential neighborhood as individuals without disabilities, or to allow a person equal access and use of city programs or services as individuals without disabilities, as applicable;
  3. Whether the request is reasonable in scope and nature considering:
    - i. Whether the request would constitute a fundamental alteration of the nature of a city's regulations, policies, services, programs, or procedures applicable to the request, including as to the request's impact on surrounding uses;
    - ii. Whether the request would impose an undue financial or administration burden on the city;
    - iii. Any alternatives that may meet the need of the person without causing undue financial or administrative burden on the city or a fundamental alteration of the city's regulations, policies, services, programs, or procedures applicable to the request; and
  4. Any other information that may have bearing on the request, as determined by the city in compliance with applicable law. Applicants may supplement their application with additional information bearing on the request at any time before the City issues its written decision.
- c. *Written Decision.* The City's decision shall be in writing and include notice of the right to appeal the decision pursuant to part (d) of this section. The decision shall be mailed to the applicant and, if a zoning-related decision, mailed to all owners of property immediately adjacent to the property that is the subject of the request a maximum of 10 days following the decision.

- d. *Conditions.* A granted reasonable accommodation does not run with the land unless the city identifies in its written decision that the accommodation would be physically integrated into the residential structure such that it cannot be easily removed or altered. If a future owner or occupant desires to keep a reasonable accommodation not running with the land, they must apply to the city under part (a) of this section. The city may also require in its written decision that the applicant record a covenant agreeing to comply with certain conditions related to the factors for approval for a reasonable accommodation granted with respect to the use of real property.
- e. *Appeal.* An applicant or immediately adjacent property owner receiving notice of a reasonable accommodation decision may appeal to the city council by submitting a written request setting forth fully the grounds for appeal to the City Community Development Director within 10 days after the decision is mailed to the aggrieved party. The City Council will hold a public hearing within sixty (60) days of receiving a written request for appeal to reconsider the decision based on the factors outlined in part (b) of this section. The applicant and the appealing party may present testimony or evidence at this hearing.
- f. *No Fees.* No fees shall be charged for an application for a reasonable accommodation or an appeal thereof.
- g. *Noncompliance.* Failure to apply for a reasonable accommodation prior to initiating any use of property that is in violation of city code does not preclude the city from taking any criminal or civil action to enforce such violations of city code. [\[PA2\]](#) The City Community Development Director may also at any time revoke or modify a granted reasonable accommodation if any of the conditions of such accommodation are violated. Revocation or modification of a granted reasonable accommodation is appealable within 10 days after notice of revocation or modification as set forth in part (e) of this section.

**Section 2.** Effective date. This ordinance becomes effective immediately upon its passage and publication.

First reading: June 16, 2026

Second reading:

Published:

**Summary for Publication:**

The Americans with Disability Act (ADA) and Federal Fair Housing Act (FHA) require cities to ensure individuals with disabilities have equal access to housing and city programs or services. The ADA requires equal access to city-provided programs, services, or property. The purpose of this ordinance is to establish a formal process for handling reasonable accommodation requests according to federal standards. This will provide clarity to the public regarding how individuals may submit a reasonable accommodation request.

The full ordinances are available by contacting the City Clerk at [sallison@EdinaMN.gov](mailto:sallison@EdinaMN.gov).

Approved for summary publication by the Edina City Council June 16, 2026.



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**Item Number:** 10.1

**Department:** Public Works

**Item Activity:** Information

**Prepared By:** Andrew Scipioni, Transportation Planner

**Item Title:** Advisory Communication: Wooddale Avenue Bike Lane Project

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**Action Requested:**

None.

**Information/Background:**

Approved by the Transportation Commission May 28, 2026

**Approved Work Plan Item:** No

**Council Charge:** N/A

**Recommendation:**

Wooddale Avenue is a major north-south corridor and presents an opportunity to invest in our community's bike network. Council has and will hear concerns about the overlay options provided by staff. The ETC would like to provide our support of the project and an important consideration when moving forward. Specifically, the ETC recommends that Council adopt a protected bike lane, which includes both a vertical and horizontal separation element. In particular, the section between Wooddale Lane and W 56th Street sees the highest traffic and is the most important to protect. This protected bike lane aspect of the project is critical to increase ridership, enhance safety, and ensure the project meets its full potential.

*Items not on the approved work plan: Council action is rarely taken mid-year for items not on the current approved work plan. Action is only taken if Council chooses to discuss the Advisory Communication at the Council meeting and provides specific direction through a Council vote. Commissions are encouraged to submit new initiative proposals through the annual work plan process.*

**Supporting Documentation:**

Documents marked with "Board Portal" do not meet [ADA Web Content Accessibility Guidelines \(URL\)](#) and are not included in the public packet. To request a board portal document, please [submit a data request \(URL\)](#).

None