

CITY OF MAPLE PLAIN
FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2024



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INTRODUCTORY SECTION

**CITY OF MAPLE PLAIN
ELECTED AND APPOINTED OFFICIALS
AS OF DECEMBER 31, 2024**

	<u>Elected Officials</u>	<u>Year Term Expires</u>
Julie Maas-Kusske	Mayor	12/31/24
Michael DeLuca	Council Member	12/31/24
John Fay	Council Member	12/31/24
Andrew Burak	Council Member	12/31/26
Connie Francis	Council Member	12/31/26
	<u>Appointed</u>	
Jacob Kolander	City Administrator	

FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

Mayor and City Council
City of Maple Plain
Maple Plain, 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 Maple Plain (the City), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City'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, as of December 31, 2024, 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 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'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.

Auditors' 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, the Schedule of City's and Nonemployer Proportionate Share of Net Pension Liability – GERS Retirement Fund, Schedule of City's and Nonemployer Contributions, Public Employees Retirement Fund, the Schedule of Changes in the Fire Relief Association's Net Pension Liability (Asset) and Related Ratios, Schedule of Employer's Fire Relief Association Contributions, the Notes to the Required Information, and the respective budgetary comparison for the General Fund and Fire Partnership to 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 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 for the year ended December 31, 2024 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining, individual fund statements, and summary financial report for the year ended December 31, 2024 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended December 31, 2024 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 combining and individual fund statements and summary financial report are fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended December 31, 2024.

The City of Maple Plain's basic financial statements for the year ended December 31, 2023 (not presented herein), were audited by other auditors whose report thereon dated April 23, 2024, expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. The report of the other auditors dated April 23, 2024 stated that the summary financial report for the year ended December 21, 2023 was subjected to the auditing procedures applied in the audit of the 2023 basic financial statements and certain additional auditing procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those basic financial statements or the those basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and, in their opinion, was fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended December 31, 2023.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section 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 May 12, 2025 on our consideration of the City'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'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 the City's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Minneapolis, Minnesota
May 12, 2025

**CITY OF MAPLE PLAIN
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
YEAR ENDED DECEMBER 31, 2024**

As management of the City of Maple Plain (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, 2024.

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 \$15,359,845 (net position). Of this amount, \$6,850,539 (unrestricted net position) may be used to meet the government's ongoing costs to citizens and creditors.
- The City's total net position increased by \$1,626,271. The increase is primarily due to an increase in governmental activities of \$1,021,000.
- At the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$4,674,717, a increase of \$297,712 in comparison with the prior year. Approximately 74.19% of this total amount, or \$3,468,015 is available for use within the City's constraints and policies in committed, assigned, or unassigned.
- At the end of the current fiscal year, the unassigned fund balance for the General Fund was \$964,140 or 49.93% of 2024 budgeted expenditures.
- The City's outstanding bonded debt increased by \$3,882,000 during the current fiscal year. This increase was the result of the issuance of \$4,670,000 of bonds, Series 2024A offset by principal payments of \$788,000.

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 are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. In addition, this report also contains detail on nonmajor funds and other supplementary information in addition to the basic financial statements themselves.

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.

- 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 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.

**CITY OF MAPLE PLAIN
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
YEAR ENDED DECEMBER 31, 2024**

The ***Statement of Activities*** presents information showing how the government'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 result in cash flows in future fiscal periods (e.g. uncollected taxes and accrued interest payable).

Both of the government-wide financial statements distinguish functions of the City as follows: ***governmental activities*** are principally supported by taxes and intergovernmental revenues and ***business-type activities*** are functions that are intended to recover all or a significant portion of costs through user fees and charges. Although program revenues are aligned with program expenses in governmental activities, the revenue is not intended to cover costs without taxes. The governmental activities of the City include general government, public safety, culture & recreation services, economic development and interest on long-term debt. The business-type activities of the City include water, sewer and storm water.

The government-wide financial statements can be found in the Financial Section of this report under the Basic Financial Statements.

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 of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

- ***Governmental funds.*** Governmental funds are used to account for essentially the same functions as 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 financing 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 statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decision. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

**CITY OF MAPLE PLAIN
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
YEAR ENDED DECEMBER 31, 2024**

The City maintains numerous individual governmental funds, seven of which are debt service funds. Information is presented separately in the Governmental Funds Balance Sheet and in the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, Fire Partnership, Capital Project, 2024 Street Reconstruction and the Debt Service funds, all of which are considered to be major funds. Data from the other nonmajor governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements as well as individual statements elsewhere in this report.

The City adopts an annual budget for its General Fund and Fire Partnership Funds. Budgetary schedules have been provided for these funds to demonstrate compliance with their budgets.

The basic governmental fund financial statements can be found in the Basic Financial Statements Section of this report.

- ***Proprietary funds.*** The City maintains one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water, sewer and storm water operations.

Proprietary funds provide the same type of information as included in the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water, sewer and storm water, all of which are considered to be major funds of the City.

The basic proprietary fund financial statements can be found in the Basic Financial Statements Section of this report.

Notes to the 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. The notes to the financial statements can be found in the Basic Financial Statements Section of this report.

Required Supplementary Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City of Maple Plain's share of net pension liabilities (assets) for defined benefits plans, schedules of contributions, and progress in funding its obligation to provide pension benefits to its employees, and budget to actual schedules for the General fund and Fire Partnership fund.

Supplementary information. In addition to the basic financial statements and accompanying notes, this report also presents the combining statements referred to earlier in connection with the nonmajor governmental funds which can be found in the Combining and Individual Statements and Schedules portion of the Financial Section of this report.

**CITY OF MAPLE PLAIN
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
YEAR ENDED DECEMBER 31, 2024**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a City's financial position. In the case of the City, total assets and deferred outflows of resources exceeded total liabilities and deferred inflows of resources by \$15,359,845 at the close of the most recent fiscal year compared to \$13,733,574 at the end of 2023.

By far, the largest portion of the City's net position (38.37%) reflects its net investment in capital assets (e.g., land, buildings, machinery and equipment); less any related outstanding debt used to acquire those assets. 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.

City of Maple Plain's Summary of Net Position

	Governmental Activities		Business-Type Activities		Totals	
	2024	2023	2024	2023	2024	2023
Assets						
Current and Other Assets	\$ 7,175,648	\$ 6,224,490	\$ 3,859,670	\$ 2,207,396	\$ 11,035,318	\$ 8,431,886
Capital Assets, Net of Depreciation	11,033,130	7,850,136	8,355,646	8,706,986	19,388,776	16,557,122
Total Assets	<u>\$ 18,208,778</u>	<u>\$ 14,074,626</u>	<u>\$ 12,215,316</u>	<u>\$ 10,914,382</u>	<u>\$ 30,424,094</u>	<u>\$ 24,989,008</u>
Deferred Outflows of Resources						
Pension Plan Deferments - PERA	276,942	328,295	-	-	276,942	328,295
Liabilities						
Noncurrent Liabilities	7,732,848	4,514,930	6,017,231	5,310,913	13,750,079	9,825,843
Other Liabilities	587,902	665,738	104,318	114,973	692,220	780,711
Total Liabilities	8,320,750	5,180,668	6,121,549	5,425,886	14,442,299	10,606,554
Deferred Inflows of Resources						
Pension Plan Deferments - PERA	210,532	252,586	-	-	210,532	252,586
Leases	688,360	724,589	-	-	688,360	724,589
Total Deferred Inflows of Resources	<u>898,892</u>	<u>977,175</u>	<u>-</u>	<u>-</u>	<u>898,892</u>	<u>977,175</u>
Net Position						
Net Investment in Capital Assets	3,374,182	3,489,615	2,627,572	3,457,425	6,001,754	6,947,040
Restricted	2,253,565	1,747,518	-	-	2,253,565	1,747,518
Unrestricted	3,638,331	3,007,945	3,466,195	2,031,071	7,104,526	5,039,016
Total Net Position	<u>\$ 9,266,078</u>	<u>\$ 8,245,078</u>	<u>\$ 6,093,767</u>	<u>\$ 5,488,496</u>	<u>\$ 15,359,845</u>	<u>\$ 13,733,574</u>

The City's restricted net position (12.72%) represents resources that are subject to external restrictions on how they may be used. The remaining balance represents unrestricted net position that 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 categories of net position, 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.

The government's total net position increased by \$1,626,271. The increase is primarily due to an increase in governmental activities of \$1,021,000 and business-type activities of \$605,271 which resulted from increased special assessment revenue.

**CITY OF MAPLE PLAIN
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
YEAR ENDED DECEMBER 31, 2024**

Condensed statements of revenues, expenses, and changes in net position are as follows for the year ended December 31, 2024.

City of Maple Plain's Changes in Net Position

	Governmental Activities		Business-Type Activities		Totals	
	2024	2023	2024	2023	2024	2023
Revenues						
Program Revenues:						
Charges for Services	\$ 462,926	\$ 455,718	\$ 1,180,012	\$ 1,064,042	\$ 1,642,938	\$ 1,519,760
Operating Grants and Contributions	138,102	182,908	30,131	56,946	168,233	239,854
Capital Grants and Contributions	861,403	67,103	368,042	231,647	1,229,445	298,750
General Revenues:						
Taxes	1,743,316	1,738,070	-	-	1,743,316	1,738,070
Grants and Contributions Not Restricted to Specific Programs	512,458	224,355	-	-	512,458	224,355
Unrestricted Investment Earnings	308,229	63,090	86,490	28,332	394,719	91,422
Miscellaneous	34,601	14,712	72,006	-	106,607	14,712
Total Revenues	4,061,035	2,745,956	1,736,681	1,380,967	5,797,716	4,126,923
Expenses						
General Government	666,672	417,115	-	-	666,672	417,115
Public Safety	1,257,728	1,695,739	-	-	1,257,728	1,695,739
Public Works	706,590	648,674	-	-	706,590	648,674
Culture and Recreation	119,285	156,798	-	-	119,285	156,798
Economic Development	2,500	29,555	-	-	2,500	29,555
Interest on Long-Term Debt	287,260	123,697	-	-	287,260	123,697
Water	-	-	668,265	725,089	668,265	725,089
Sewer	-	-	370,786	407,964	370,786	407,964
Storm Water Drainage	-	-	92,359	110,796	92,359	110,796
Total Expenses	3,040,035	3,071,578	1,131,410	1,243,849	4,171,445	4,315,427
Change in Net Position	1,021,000	(325,622)	605,271	137,118	1,626,271	(188,504)
Net Position - Beginning of Year	8,245,078	8,570,700	5,488,496	5,351,378	13,733,574	13,922,078
Net Position - End of Year	<u>\$ 9,266,078</u>	<u>\$ 8,245,078</u>	<u>\$ 6,093,767</u>	<u>\$ 5,488,496</u>	<u>\$ 15,359,845</u>	<u>\$ 13,733,574</u>

Governmental activities. Governmental activities increased the City's net position by \$1,021,000. Key elements of this increase are as follows:

- The increase in Capital Grants and Contribution revenue of \$794,301 is due to new special assessments in 2024.
- The increase in Investment Earnings of \$245,139 is due to increased purchases of investments in 2024.
- The increase in Operating Grants and Contributions is due to ARPA funds being used in 2024.

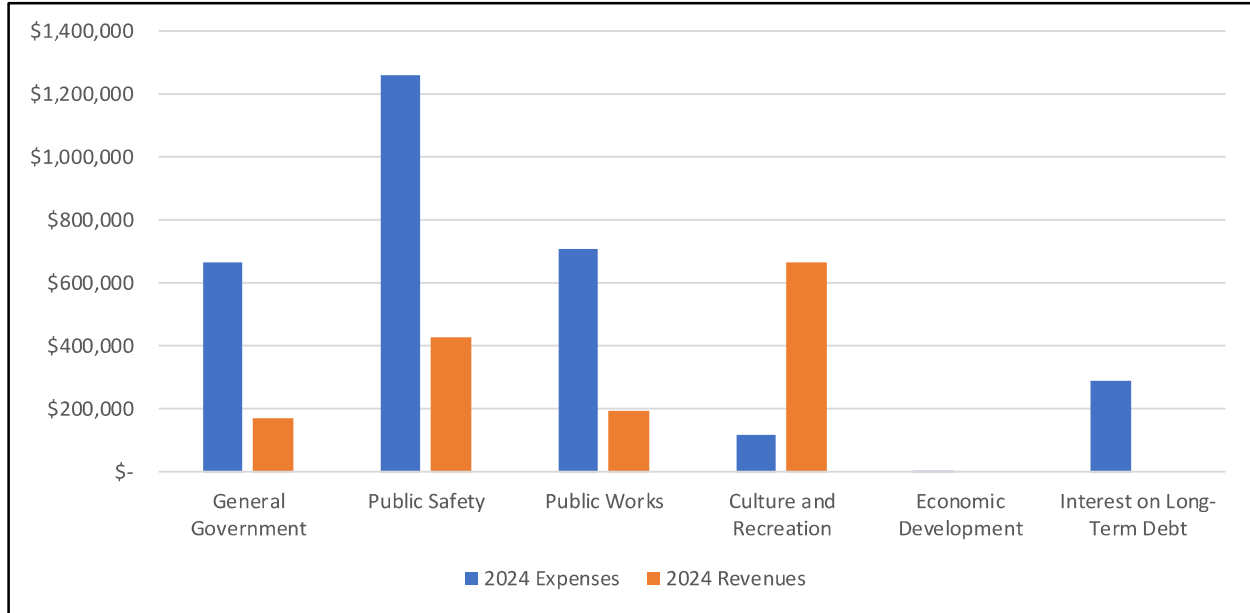
Business-type activities. Business-type activities increased the City's net position by \$605,271. Key elements of this increase are as follows:

- Program expenses decreased in 2024 for Water, Sewer and Storm funds, for a total decrease of \$112,439.
- Program revenues increased \$355,714 primarily due to increases in charges for services that result from increased usage and rates.

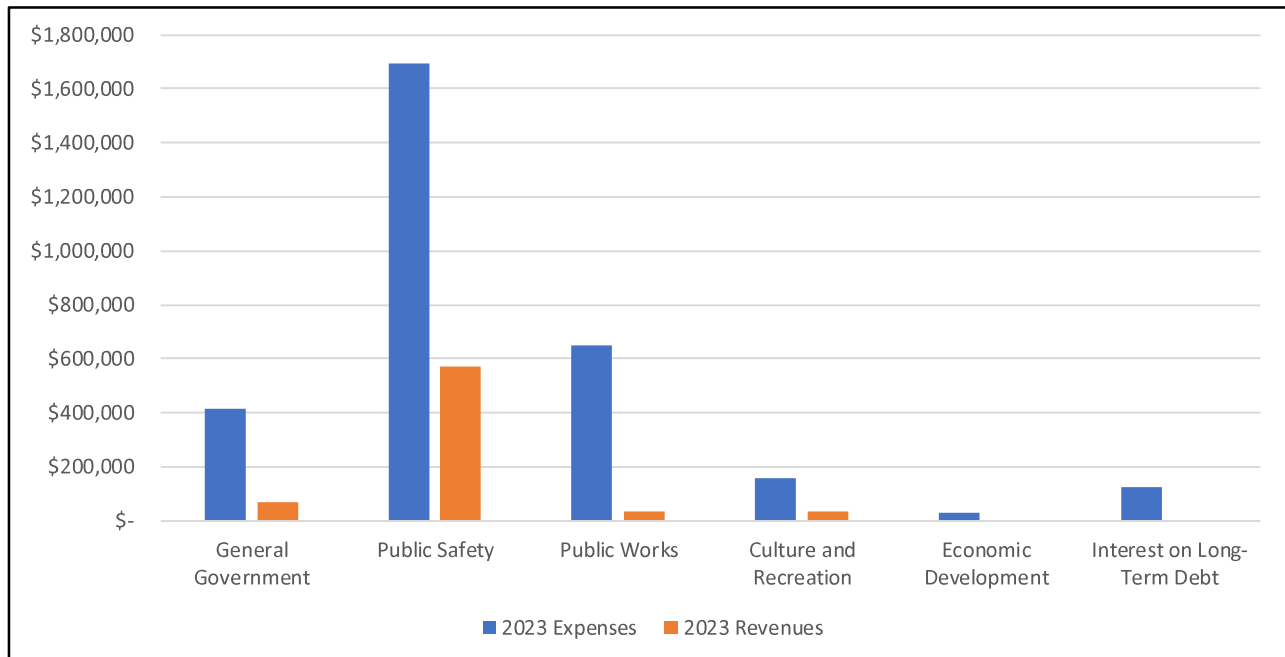
**CITY OF MAPLE PLAIN
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
YEAR ENDED DECEMBER 31, 2024**

Below are specific graphs that provide comparisons of the governmental activities' direct program revenues with their expenses. Any shortfalls in direct revenues are primarily supported by property tax levy or general state aid.

**2024
Expenses and Program Revenues - Governmental Activities**

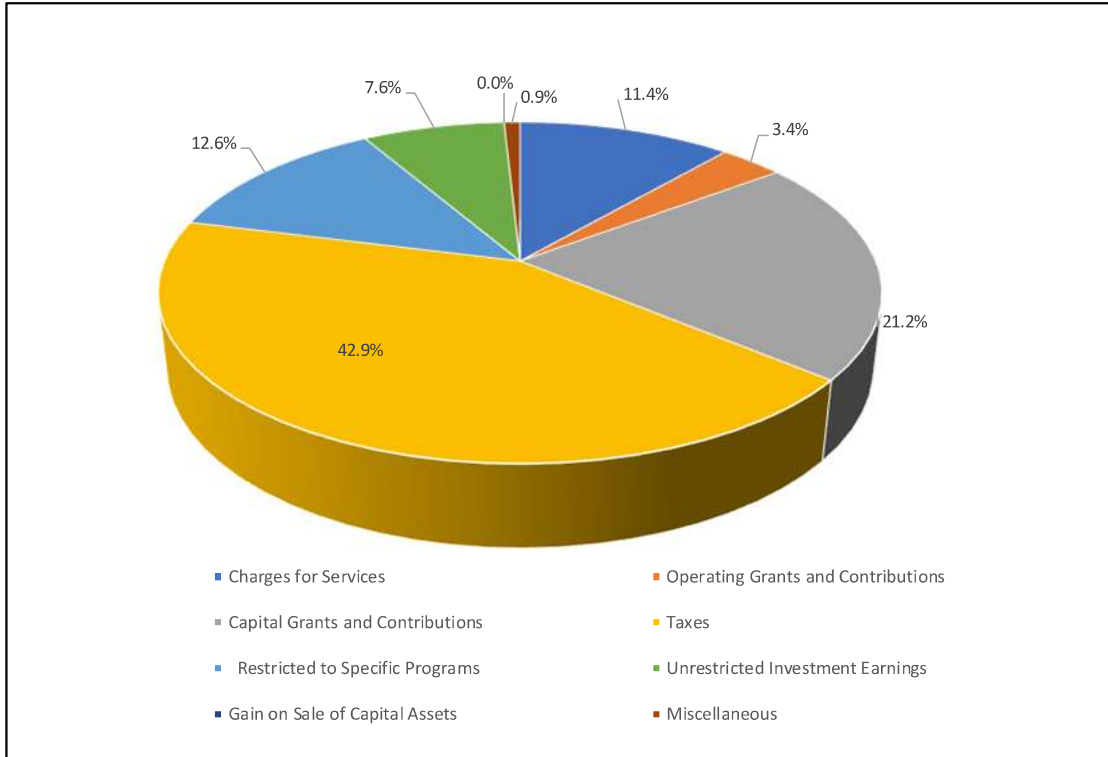


**2023
Expenses and Program Revenues - Governmental Activities**

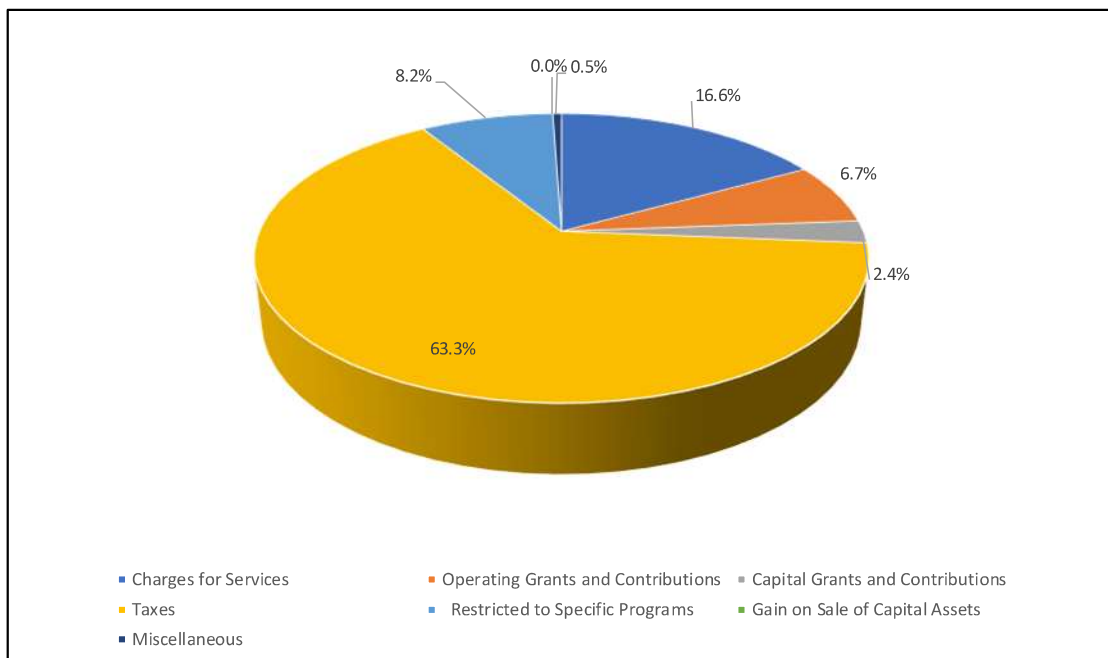


**CITY OF MAPLE PLAIN
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
YEAR ENDED DECEMBER 31, 2024**

**2024
Revenues by Source - Governmental Activities**



**2023
Revenues by Source - Governmental Activities**



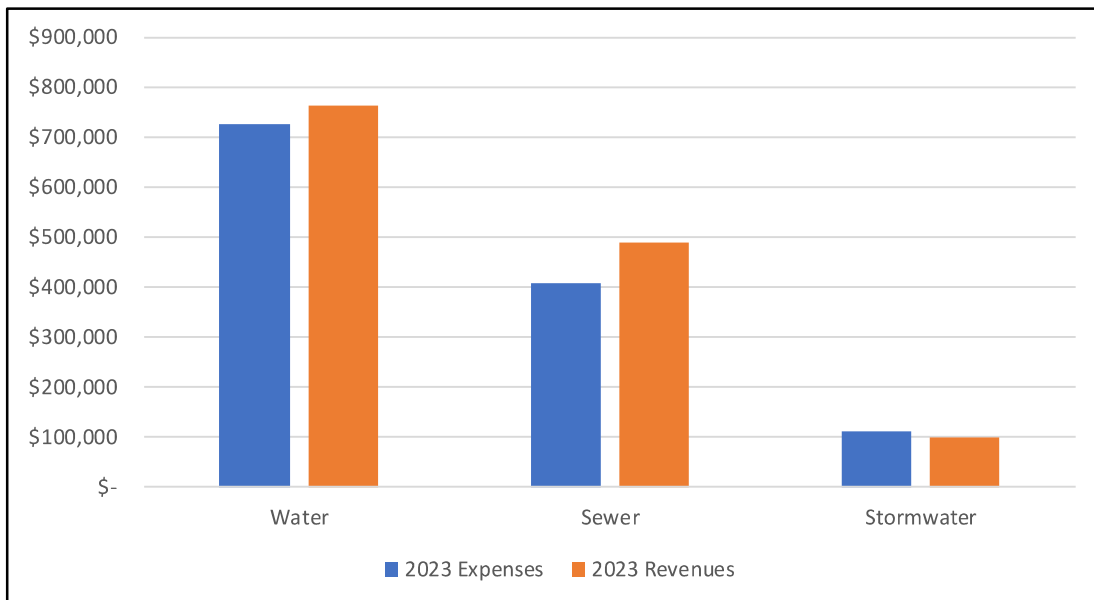
**CITY OF MAPLE PLAIN
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
YEAR ENDED DECEMBER 31, 2024**

Below are specific graphs that provide comparisons of the business-type activities' direct program revenues with their expenses. Excess revenues are retained within each fund until such time that capital replacement is needed.

**2024
Expenses and Program Revenues – Business-Type Activities**

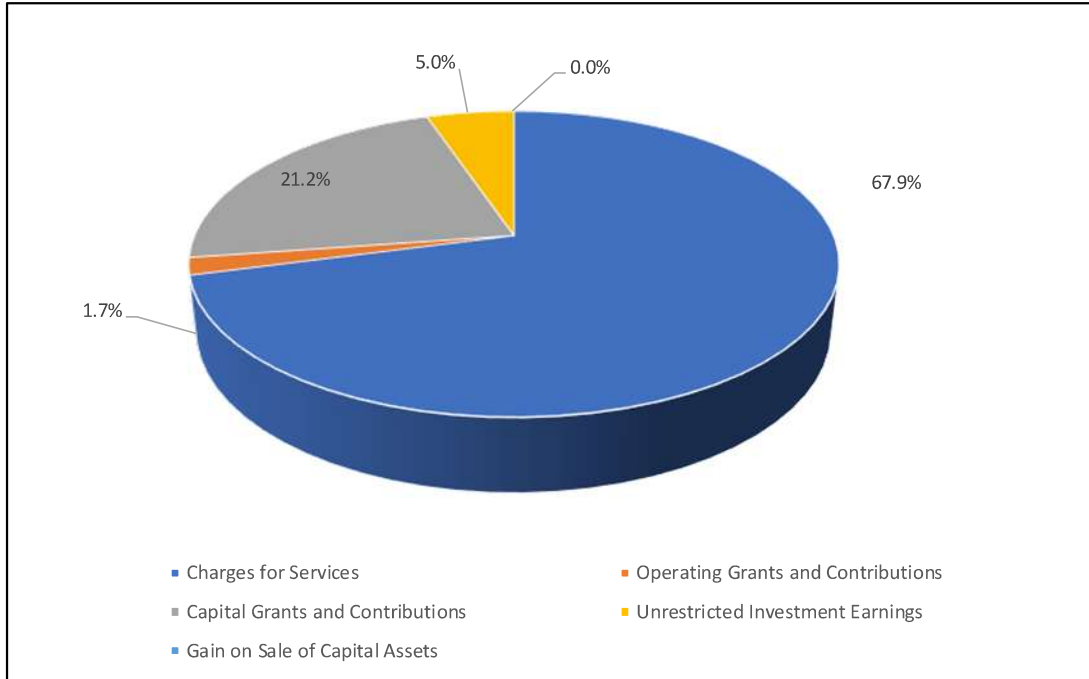


**2023
Expenses and Program Revenues – Business-Type Activities**

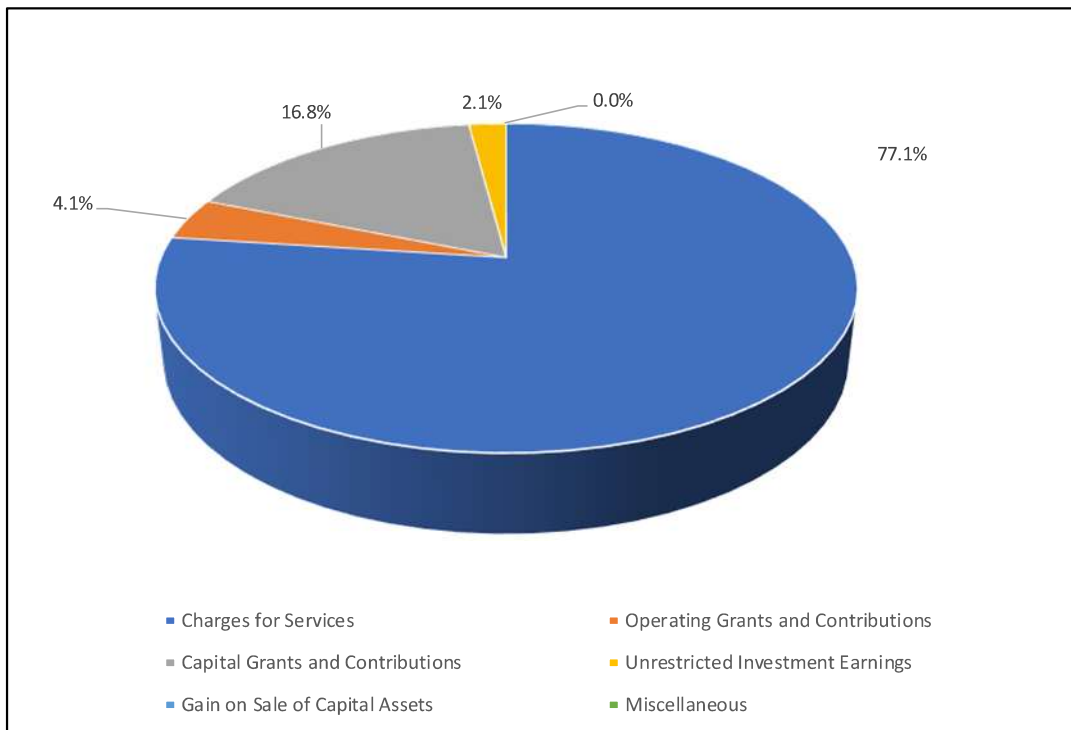


**CITY OF MAPLE PLAIN
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
YEAR ENDED DECEMBER 31, 2024**

**2024
Revenues by Source – Business-Type Activities**



**2023
Revenues by Source – Business-Type Activities**



**CITY OF MAPLE PLAIN
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
YEAR ENDED DECEMBER 31, 2024**

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 \$4,674,717, a decrease of \$297,712 in comparison with 2023. The City reported unassigned fund balance in the amount of \$964,140. The remainder of fund balance is nonspendable, restricted, committed, or assigned to indicate that it is not available for new spending. At December 31, 2024 fund balances were as follows:

	General Fund	Fire Partnership	Capital Project	Debt Service	2024 Street Reconstruction	Other Governmental Funds	Total	Prior Year Total	Increase/ (Decrease)
Fund Balances									
Nonspendable	\$ 13,890	\$ 1,111	\$ -	\$ -	\$ -	\$ -	\$ 15,001	\$ 139,605	\$ (124,604)
Restricted for	68,303	-	19,324	28,690	1,075,384	-	1,191,701	1,023,354	168,347
Committed for	-	307,459	-	-	-	81,865	389,324	490,039	(100,715)
Assigned for	-	-	2,027,689	-	-	86,862	2,114,551	2,143,186	(28,635)
Unassigned	964,140	-	-	-	-	-	964,140	580,821	383,319
Total	\$ 1,046,333	\$ 308,570	\$ 2,047,013	\$ 28,690	\$ 1,075,384	\$ 168,727	\$ 4,674,717	\$ 4,377,005	\$ 297,712

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, the fund balance of the General fund is shown in the table above. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. The total unassigned fund balance as a percent of total fund expenditures is shown in the chart below along with total fund balance as a percent of total expenditures.

	Current Year Ending Balance	Prior Year Ending Balance	Increase/ (Decrease)
General Fund Fund Balances			
Nonspendable	\$ 13,890	\$ 139,305	\$ (125,415)
Restricted	68,303	127,539	(59,236)
Assigned	-	1,537	(1,537)
Unassigned	964,140	831,127	133,013
	\$ 1,046,333	\$ 1,099,508	\$ (53,175)
General Fund Expenditures	2,135,966	1,944,210	
Unassigned as a percent of expenditures	45.1%	42.7%	
Total Fund Balance as a percent of expenditures	49.0%	56.6%	

The fund balance of the City's General Fund increased during the current fiscal year as shown in the table above. The decrease can be attributed to a significant increase in revenues such as charges for services and intergovernmental revenue during the year.

**CITY OF MAPLE PLAIN
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
YEAR ENDED DECEMBER 31, 2024**

Other major governmental fund analysis is show below:

	December 31, 2024	December 31, 2023	Increase/ (Decrease)
Fire Partnership	<u>\$ 308,570</u>	<u>\$ 412,144</u>	<u>\$ (103,574)</u>
Capital Project fund	<u>\$ 2,047,013</u>	<u>\$ 2,165,472</u>	<u>\$ (118,459)</u>
Debt Service fund	<u>\$ 1,075,384</u>	<u>\$ 871,992</u>	<u>\$ 203,392</u>
2024 Street Reconstruction	<u>\$ 28,690</u>	<u>\$ (70,577)</u>	<u>\$ 99,267</u>

- The Fire Partnership decrease in fund balance can be mainly attributed to increased equipment purchases for 2024.
- The Capital Project fund decrease in fund balance was due to higher project costs compared to revenues received in 2024.
- The Debt Service fund decrease in fund balance was due to increase in costs related to new debt issued in 2024.
- The 2024 Street Reconstruction fund increase in fund balance due to an increase in investment earnings in 2024.

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

	Ending Net Position 2024	Ending Net Position 2023	Increase/ (Decrease)
Water Utility	<u>\$ 3,622,488</u>	<u>\$ 3,398,909</u>	<u>\$ 223,579</u>
Sewer Utility	<u>\$ 1,461,526</u>	<u>\$ 1,155,623</u>	<u>\$ 305,903</u>
Storm Water Utility	<u>\$ 1,009,753</u>	<u>\$ 933,964</u>	<u>\$ 75,789</u>

- The increase in the Water Utility fund net position is primarily related to a decrease in expenses for 2024 and an increase in special assessment revenue.
- The increase in the Sewer Utility fund can be mainly attributed to an increase in utility rates for the year.
- The increase in the Storm Water Utility fund can be mainly attributed to an increase in investment earnings and special assessment revenue.

**CITY OF MAPLE PLAIN
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
YEAR ENDED DECEMBER 31, 2024**

General Fund Budgetary Highlights

	Original Budgeted Amounts	Budget Amendments	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues	\$ 1,986,140	\$ -	\$ 1,986,140	\$ 2,222,991	\$ 236,851
Expenditures	1,930,916	-	1,930,916	2,135,966	(205,050)
Excess of Revenues Over Expenditures	55,224	-	55,224	87,025	(31,801)
Other Financial Sources (Uses)					
Transfers Out	(122,000)	-	(122,000)	(140,500)	18,500
Net Change in Fund Balances	(177,224)	-	(177,224)	(227,525)	50,301
Fund Balances, January 1	1,099,808	-	1,099,808	1,099,808	-
Fund Balances, December 31	<u>\$ 1,099,808</u>	<u>\$ -</u>	<u>\$ 1,099,808</u>	<u>\$ 1,046,333</u>	<u>\$ (53,475)</u>

General Fund revenues were over the final budget by \$236,851 primarily due to amounts over budget for intergovernmental revenue of \$63,620, charges for services over budget by \$76,487 and investment income over budget by \$43,431.

Expenditures were over the final budget by \$205,050 primarily due to amounts over budget for general government other services & charges by \$169,572, and culture and recreation other services & changes by \$129,393.

Fire Partnership Budgetary Highlights

	Original Budgeted Amounts	Budget Amendments	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues	\$ 43,500	\$ -	\$ 43,500	\$ 609,036	\$ 565,536
Expenditures	469,928	-	469,928	712,610	(242,682)
Net Change in Fund Balances	426,428	-	426,428	103,574	322,854
Fund Balances, January 1	412,144	-	412,144	412,144	-
Fund Balances, December 31	<u>\$ 412,144</u>	<u>\$ -</u>	<u>\$ 412,144</u>	<u>\$ 308,570</u>	<u>\$ (103,574)</u>

Fire Partnership revenues were over the final budget by \$57,865 primarily due to amounts over budget for intergovernmental revenue of \$21,670 and investment income over budget of \$13,570.

Expenditures were over the final budget by \$242,682 primarily due to amounts over budget for public safety of \$131,656 and culture and recreation equipment of \$121,026.

**CITY OF MAPLE PLAIN
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
YEAR ENDED DECEMBER 31, 2024**

Capital Asset and Debt Administration

Capital assets. The City's net investment in capital assets for its governmental and business type activities as of December 31, 2024 amounts to \$19,338,418 (net of accumulated depreciation). This investment in capital assets includes land, buildings, other improvements, machinery and equipment, park facilities, and roads and other infrastructure.

Major capital asset events during 2024 include the following:

- Construction of street projects totaling \$3,301,702 added to construction in progress.
- Capital equipment purchases totaling \$251,292 were completed and capitalized during 2024.

**City of Maple Plain's Capital Assets
(net of accumulated depreciation)**

	Governmental Activities		Business-Type Activities		Totals	
	2024	2023	2024	2023	2024	2023
Land	\$ 2,190,661	\$ 2,190,661	\$ -	\$ -	\$ 2,190,661	\$ 2,190,661
Buildings and Structures	14,842	5,842	-	-	14,842	5,842
Improvements other than Buildings	779,152	828,673	135,510	-	914,662	828,673
Machinery and Equipment	653,227	461,512	102,579	6,661	755,806	468,173
Infrastructure	4,043,188	4,295,317	8,117,557	8,700,325	12,160,745	12,995,642
Construction in Progress	3,449,653	-	-	-	3,449,653	-
Leased Building (Intangible Right to Use Asset)	50,358	68,131	-	-	-	-
Total	<u>\$ 11,181,081</u>	<u>\$ 7,850,136</u>	<u>\$ 8,355,646</u>	<u>\$ 8,706,986</u>	<u>\$ 19,486,369</u>	<u>\$ 16,488,991</u>

Additional information on the City's capital assets can be found in Note 3 of the notes to the financial statements.

**CITY OF MAPLE PLAIN
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
YEAR ENDED DECEMBER 31, 2024**

Long-term debt. At the end of the current fiscal year, the City had total bonded debt outstanding of \$13,311,000. Of this amount, \$7,431,359 comprises special assessment supported debt, \$5,879,641 is revenue supported debt. All outstanding debt carries the general obligation backing for which the City is liable in the event of default by the property owners subject to the specific taxes, special assessments, or revenues pledged to the retirement of the debt.

City of Maple Plain's Outstanding Bonded Debt

The City's outstanding bonded debt increased by \$3,882,000 during the current fiscal year. This increase was the result of the issuance of \$4,670,000 of bonds, Series 2024A offset by principal payments of \$788,000.

	Governmental Activities		Business-Type Activities	
	2024	2023	2024	2023
Lease Payable	\$ 33,135	\$ 71,058	\$ -	\$ -
G.O. Special Assessment Bonds	7,431,359	4,226,522	-	-
G.O. Revenue Bonds	-	-	5,879,641	5,202,478
Unamortized Premium	194,454	62,941	137,590	108,435
Total	<u>\$ 7,658,948</u>	<u>\$ 4,360,521</u>	<u>\$ 6,017,231</u>	<u>\$ 5,310,913</u>

Additional information on the City's long-term debt can be found in Note 3 of the notes to the financial statements.

Economic Factors and Next Year's Budgets and Rates

- LGA will increase by approximately \$396 for 2025 for a total of \$266,397.
- The total 2025 tax levy is proposed to increase \$132,233 or 7.54% from 2024.
 - The general levy increased \$2,062 or .14%.
 - The debt levy increased by \$130,171 or 45.05%.
 - All employees are projected to receive a COLA increase of 4%.
 - The City estimates a -7% decrease in Workers Compensation, and no increase or decrease for General Property Insurance due to the League of MN Cities recommendations.

All of these factors were considered in preparing the City's budget for 2025 and will be for the 2026 fiscal year as well.

Requests for Information

This financial report is designed to provide a general overview of the City of Maple Plain'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 City Administrator, City of Maple Plain, 5050 Independence Street, Maple Plain, Minnesota 55359.

BASIC FINANCIAL STATEMENTS

**CITY OF MAPLE PLAIN
STATEMENT OF NET POSITION
DECEMBER 31, 2024**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 4,896,168	\$ 2,694,397	\$ 7,590,565
Taxes Receivable	7,611	-	7,611
Accounts Receivable	32,272	322,992	355,264
Lease Receivable	732,540	-	732,540
Accrued Interest Receivable	9,855	-	9,855
Special Assessments Receivable	1,255,846	777,738	2,033,584
Due from Other Governments	1,057	-	1,057
Inventories	2,960	34,308	37,268
Prepaid Items	12,041	30,235	42,276
Net Pension Asset	225,298	-	225,298
Capital Assets			
Depreciation:			
Capital Assets, Nondepreciable	5,640,314	-	5,640,314
Capital Assets (Net of Accumulated Depreciation)	5,490,409	8,355,646	13,846,055
Capital Assets Right-to-Use-Assets (Net of Accumulated Amortization)	50,358	-	50,358
Total Assets	18,356,729	12,215,316	30,572,045
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Pensions Resources	276,942	-	276,942
LIABILITIES			
Accounts Payable	\$ 129,903	\$ 24,781	\$ 154,684
Salaries Payable	32,770	-	32,770
Contracts Payable	147,951	-	147,951
Accrued Interest Payable	115,075	79,404	194,479
Due to Other Governments	4,094	133	4,227
Investment in Joint Venture Deficit	140,599	-	140,599
Unearned Revenue	17,510	-	17,510
Noncurrent Liabilities:			
Due Within One Year			
Long-Term Liabilities	293,613	552,037	845,650
Due in More than One Year			
Long-Term Liabilities	7,369,849	5,465,194	12,835,043
Net Pension Liability	69,386	-	69,386
Total Liabilities	8,320,750	6,121,549	14,442,299
DEFERRED INFLOWS OF RESOURCES			
Deferred Lease Resources	688,360	-	688,360
Deferred Pensions Resources	210,532	-	210,532
Total Deferred Inflows of Resources	898,892	-	898,892
NET POSITION			
Net Investment in Capital Assets	3,550,823	2,399,767	5,950,590
Restricted for:			
Fire Relief Pension	225,298	-	225,298
Public Safety	68,303	-	68,303
Park Improvements	19,324	-	19,324
Debt Service	2,165,938	-	2,165,938
Unrestricted	3,384,343	3,694,000	7,078,343
Total Net Position	9,414,029	6,093,767	15,507,796
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 18,633,671	\$ 12,215,316	\$ 30,848,987

See accompanying Notes to Basic Financial Statements.

**CITY OF MAPLE PLAIN
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024**

Functions/Programs	Expenses	Program Revenues		Net Revenue (Expense) and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	
					Governmental Activities	Business-Type Activities
PRIMARY GOVERNMENT						
Governmental Activities:						
General Government	\$ 666,672	\$ 96,133	\$ 222,835	\$ -	\$ (347,704)	\$ -
Public Safety	1,257,728	366,493	62,603	-	(828,632)	-
Public Works	558,639	-	-	195,653	(362,986)	-
Culture and Recreation	119,285	-	-	665,750	546,465	-
Economic Development	2,500	-	-	-	(2,500)	-
Interest and Fiscal Charges on Long-Term Debt	287,260	-	-	-	(287,260)	-
Total Governmental Activities	2,892,084	462,626	285,438	861,403	(1,282,617)	-
Business-Type Activities:						
Water	668,265	558,912	28,590	176,696	-	95,933
Sewer	370,786	531,051	890	139,030	-	300,185
Storm Water Drainage	92,359	90,049	651	52,316	-	50,657
Total Business-Type Activities	1,131,410	1,180,012	30,131	368,042	-	446,775
Total Primary Government	\$ 4,023,494	\$ 1,642,638	\$ 315,569	\$ 1,229,445	(1,282,617)	446,775
						(835,842)
GENERAL REVENUES						
Taxes:						
Property Taxes Collected for General Purposes					1,442,247	-
Property Taxes Collected for Debt Services					288,973	-
Franchise Taxes					12,096	-
Grants and Contributions Not Restricted to Specific Programs					301,567	-
Unrestricted Investment Earnings					308,229	86,490
Miscellaneous					98,456	72,006
Transfers					-	-
Total General Revenues					2,451,568	158,496
						2,610,064
CHANGE IN NET POSITION						
Net Position - Beginning of Year					1,168,951	605,271
					8,245,078	5,488,496
NET POSITION - END OF YEAR					\$ 9,414,029	\$ 6,093,767
						\$ 15,507,796

See accompanying Notes to Basic Financial Statements.

**CITY OF MAPLE PLAIN
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2024**

	Major Funds					
	General	Fire Partnership	Capital Project	2024 Street Reconstruction	Debt Service	Other Governmental Funds
						Total
ASSETS						
Cash and Cash Equivalents	\$ 1,040,167	\$ 380,512	\$ 2,047,958	\$ 185,281	\$ 1,074,583	\$ 4,896,168
Taxes Receivable	7,611	-	-	-	-	7,611
Accounts Receivable	31,212	-	-	-	-	32,272
Accrued Interest Receivable	9,855	-	-	-	-	9,855
Special Assessments Receivable	49,416	-	-	-	1,206,430	1,255,846
Lease Receivable	732,540	-	-	-	-	732,540
Due from Other Governments	1,057	-	-	-	-	1,057
Inventories	2,960	-	-	-	-	2,960
Prepaid Items	10,930	1,111	-	-	-	12,041
Total Assets	\$ 1,885,748	\$ 381,623	\$ 2,047,958	\$ 185,281	\$ 2,281,013	\$ 6,950,350
LIABILITIES						
Accounts Payable	\$ 77,337	\$ 42,981	\$ 945	\$ 156,591	\$ -	\$ 277,854
Salaries Payable	4,683	28,087	-	-	-	32,770
Due to Other Governments	2,109	1,985	-	-	-	4,094
Unearned Revenue	17,510	-	-	-	-	17,510
Total Liabilities	101,639	73,053	945	156,591	-	332,228
DEFERRED INFLOWS OF RESOURCES						
Unavailable Revenue - Special Assessments	49,416	-	-	-	1,205,629	1,255,045
Leases	688,360	-	-	-	-	688,360
Total Deferred Inflows of Resources	737,776	-	-	-	1,205,629	1,943,405
FUND BALANCES						
Nonspendable	13,890	1,111	-	-	-	15,001
Restricted	68,303	-	19,324	28,690	1,075,384	1,191,701
Committed	-	307,459	-	-	-	81,865
Assigned	-	-	2,027,689	-	-	86,862
Unassigned	964,140	-	-	-	-	964,140
Total Fund Balances	1,046,333	308,570	2,047,013	28,690	1,075,384	4,674,717
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 1,885,748	\$ 381,623	\$ 2,047,958	\$ 185,281	\$ 2,281,013	\$ 6,950,350

See accompanying Notes to Basic Financial Statements.

**CITY OF MAPLE PLAIN
RECONCILIATION OF THE BALANCE SHEET
TO THE STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2024**

Total Governmental Fund Balances		\$ 4,674,717
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Amounts reported for governmental activities in the statement of net position are different because:

Governmental funds do not report a liability for equity interest in the joint venture deficit		(140,599)
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Long-term assets from pensions reported in governmental activities are not financial resources and therefore are not reported as assets in the governmental funds.		225,298
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Governmental Capital Assets	\$ 15,885,879	
Less: Accumulated Depreciation/Amortization	(4,704,798)	
Total		11,181,081

Some receivables are not available soon enough to pay for current-period expenditures and, therefore, are reported as unavailable revenue in the funds.

Deferred Special Assessments		1,255,045
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Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Bonds and Certificate Payable (Net of Unamortized Discount/Premium)	(7,625,813)	
Lease Payable	(33,135)	
Net Pension Liability	(69,386)	
Accrued Interest Payable	(115,075)	
Compensated Absences	(4,514)	
Total		(7,847,923)

The recognition of certain revenues and expenses/expenditures differ between the full accrual governmental activities financial statements and the modified accrual governmental fund financial statements.

Deferred Outflow of Resources - Pensions	276,942	
Deferred Inflow of Resources - Pensions	(210,532)	
Total		66,410

Net Position of Governmental Activities		\$ 9,414,029
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See accompanying Notes to Basic Financial Statements.

**CITY OF MAPLE PLAIN
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2024**

	Major Funds					
	General	Fire Partnership	Capital Project	2024 Street Reconstruction	Debt Service	Governmental Funds
REVENUES						Total
Taxes	\$ 1,468,142	\$ -	\$ -	\$ -	\$ 288,973	\$ -
Franchise Taxes	12,096	-	-	-	-	-
Special Assessments	1,479	-	-	-	226,480	1,448
Licenses and Permits	81,689	-	-	-	-	-
Fines and Forfeitures	11,831	-	-	-	-	-
Investment Earnings	43,431	13,570	113,752	102,019	29,840	38,169
Intergovernmental	452,377	65,170	57,364	-	-	-
Charges for Services	128,262	521,152	-	-	-	-
Miscellaneous	23,684	9,144	-	-	-	10,465
Total Revenues	2,222,991	609,036	171,116	102,019	545,293	50,082
EXPENDITURES						Total
Current:						
General Government	658,850	-	-	-	-	-
Public Safety	1,001,541	-	-	-	-	-
Public Works	218,083	589,584	-	17,888	-	-
Culture and Recreation	215,126	-	-	-	-	-
Economic Development	2,500	-	-	-	-	-
Capital Outlay						
General Government	351	-	75,285	-	-	-
Public Safety	-	123,026	4,175	-	-	-
Public Works	-	-	121,887	3,440,405	-	-
Culture and Recreation	892	-	8,249	-	-	-
Debt Service:						
Principal Retirement	37,923	-	-	-	250,963	-
Interest and Fiscal Charges	700	-	-	259	236,603	-
Total Expenditures	2,135,966	712,610	209,596	3,458,552	487,566	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	87,025	(103,574)	(38,480)	(3,356,533)	57,727	50,082
OTHER FINANCING SOURCES (USES)						
Debt Issuance	-	-	-	3,455,800	-	-
Premiums on Debt Issued	-	-	-	-	145,665	-
Transfers In	-	-	110,000	-	-	220,479
Transfers Out	(140,500)	-	(189,979)	-	-	-
Total Other Financing Sources (Uses)	(140,500)	-	(79,979)	3,455,800	145,665	220,479
NET CHANGE IN FUND BALANCE	(53,475)	(103,574)	(118,459)	99,267	203,392	270,561
Fund Balance - Beginning of Year, as Previously Presented	1,099,808	412,144	2,165,472	-	871,992	(172,411)
Change Within Financial Reporting Entity (Nonmajor to Major Fund)	-	-	-	(70,577)	-	70,577
FUND BALANCE - END OF YEAR	<u>\$ 1,046,333</u>	<u>\$ 308,570</u>	<u>\$ 2,047,013</u>	<u>\$ 28,690</u>	<u>\$ 1,075,384</u>	<u>\$ 168,727</u>
						<u>\$ 4,674,717</u>

See accompanying Notes to Basic Financial Statements.

CITY OF MAPLE PLAIN
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2024

Net Change In Fund Balances - Total Governmental Funds			\$ 297,712
Amounts reported for governmental activities in the statement of activities are different because:			
Governmental funds do not report income or loss in a joint venture			76,424
Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation and amortization expense.			
Capital Outlay	\$ 3,668,839		
Current Year Depreciation/Amortization	(337,894)		
Total			3,330,945
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of 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 report 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. This amount is the net effect of these differences in the treatment of long-term debt and related items.			
Debt Issued	(3,455,800)		
Premium on Debt Issued	(145,665)		
Principal Repayments	288,886		
Current Year Amortization of Discounts/Premiums and Refunding Losses	14,152		
Total			(3,298,427)
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. This includes the change in accrued interest payable.			(64,109)
The recognition of certain revenues and expenses/expenditures differ between the full accrual governmental activities financial statements and the modified accrual governmental fund financial statements.			
Compensated Absences			4,506
Pension Expense as it relates to PERA			132,905
Revenues and expenses in the statement of activities that do not provide current financial resources are not reported as revenues and expenditures in the governmental funds. The effect on the change in net position is the change in the year-end balances of deferred outflows and deferred inflows of resources.			
Deferred Inflows of Resources, Property Taxes and special assessments			688,995
Changes In Net Position of Governmental Activities			<u><u>\$ 1,168,951</u></u>

See accompanying Notes to Basic Financial Statements.

**CITY OF MAPLE PLAIN
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2024**

	Business-Type Activities - Enterprise Funds			
	Water	Sewer	Storm Water Drainage	Total
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 1,411,510	\$ 606,346	\$ 676,541	\$ 2,694,397
Accounts Receivable	147,635	151,420	23,937	322,992
Special Assessments Receivable	47,950	42,161	21,985	112,096
Inventories	34,308	-	-	34,308
Prepaid Items	6,400	23,347	488	30,235
Total Current Assets	1,647,803	823,274	722,951	3,194,028
Noncurrent Assets:				
Special Assessments Receivable	314,021	227,805	123,816	665,642
Capital Assets:				
Equipment and Machinery	18,239	158,612	-	176,851
Other Improvements	-	-	238,654	238,654
Infrastructure	8,358,878	3,114,881	1,260,536	12,734,295
Construction in Progress	-	-	-	-
Total Capital Assets	8,377,117	3,273,493	1,499,190	13,149,800
Less: Accumulated Depreciation	(3,280,080)	(1,121,237)	(392,837)	(4,794,154)
Total Capital Assets (Net of Accumulated Depreciation)	5,097,037	2,152,256	1,106,353	8,355,646
Total Noncurrent Assets	5,411,058	2,380,061	1,230,169	9,021,288
Total Assets	7,058,861	3,203,335	1,953,120	12,215,316
LIABILITIES				
Current Liabilities:				
Accounts Payable	\$ 24,438	\$ 196	\$ 147	\$ 24,781
Due to Other Governments	133	-	-	133
Accrued Interest Payable	42,783	25,098	11,523	79,404
Current Maturities of Long-Term Debt	386,378	115,659	50,000	552,037
Total Current Liabilities	453,732	140,953	61,670	656,355
Noncurrent Liabilities:				
Bonds Payable (Net of Current Maturities and Unamortized (Discount)/Premium)	2,982,641	1,600,856	881,697	5,465,194
Total Liabilities	3,436,373	1,741,809	943,367	6,121,549
NET POSITION				
Net Investment in Capital Assets	1,756,019	469,092	174,656	2,399,767
Unrestricted	1,866,469	992,434	835,097	3,694,000
Total Net Position	3,622,488	1,461,526	1,009,753	6,093,767
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 7,058,861	\$ 3,203,335	\$ 1,953,120	\$ 12,215,316

See accompanying Notes to Basic Financial Statements.

**CITY OF MAPLE PLAIN
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2024**

	Business-Type Activities - Enterprise Funds			
	Water	Sewer	Storm Water	Total
OPERATING REVENUES				
Charges for Services	\$ 558,912	\$ 531,051	\$ 90,049	\$ 1,180,012
OPERATING EXPENSES				
Supplies	12,403	1,228	98	13,729
Repairs and Maintenance	120,254	(2,808)	10,887	128,333
Depreciation	243,205	90,656	49,586	383,447
Professional Services	135,885	217,817	3,954	357,656
Contracted Services	-	16,488	4,080	20,568
Insurance	13,872	2,577	-	16,449
Utilities	44,104	2,796	-	46,900
Other	21,181	3,892	137	25,210
Total Operating Expenses	590,904	332,646	68,742	992,292
OPERATING INCOME (LOSS)	(31,992)	198,405	21,307	187,720
NONOPERATING REVENUES (EXPENSES)				
Investment Earnings (Loss)	57,140	5,718	23,632	86,490
Intergovernmental Revenue	28,590	890	651	30,131
Interest and Fiscal Charges	(77,361)	(38,140)	(23,617)	(139,118)
Miscellaneous	70,506	-	1,500	72,006
Total Nonoperating Revenues (Expenses)	78,875	(31,532)	2,166	49,509
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	46,883	166,873	23,473	237,229
Capital Contributions				
Special Assessments	174,576	139,030	52,316	365,922
Connection Fees	2,120	-	-	2,120
Total Capital Contributions	176,696	139,030	52,316	368,042
CHANGE IN NET POSITION	223,579	305,903	75,789	605,271
Net Position - Beginning of Year	3,398,909	1,155,623	933,964	5,488,496
NET POSITION - END OF YEAR	<u>\$ 3,622,488</u>	<u>\$ 1,461,526</u>	<u>\$ 1,009,753</u>	<u>\$ 6,093,767</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF MAPLE PLAIN
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2024**

	Business-Type Activities - Enterprise Funds			
	Water	Sewer	Storm Water Drainage	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received from Customers	\$ 538,946	\$ 492,747	\$ 96,523	\$ 1,128,216
Cash Paid for Services	(292,447)	(254,033)	(31,706)	(578,186)
Net Cash Provided (Used) by Operating Activities	246,499	238,714	64,817	550,030
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Intergovernmental	28,590	890	651	30,131
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Connection Fees Received	2,120	-	-	2,120
Acquisition and Construction of Capital Assets	(18,239)	(13,867)	-	(32,106)
Special Assessments	45,865	34,483	22,878	103,226
Bond Proceeds	607,100	467,000	140,100	1,214,200
Premium on Bond Proceeds	25,590	19,684	5,905	51,179
Principal Paid on Revenue Bonds	(376,378)	(110,659)	(50,000)	(537,037)
Interest Paid on Revenue Bonds	(81,620)	(40,551)	(21,756)	(143,927)
Net Cash Provided (Used) by Capital and Related Financing Activities	204,438	356,090	97,127	657,655
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on Investments	57,140	5,718	23,632	86,490
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	536,667	601,412	186,227	1,324,306
Cash and Cash Equivalents - Beginning of Year	874,843	4,934	490,314	1,370,091
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 1,411,510</u>	<u>\$ 606,346</u>	<u>\$ 676,541</u>	<u>\$ 2,694,397</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating Income (Loss)	\$ (31,992)	\$ 198,405	\$ 21,307	\$ 187,720
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	243,205	90,656	49,586	383,447
Other Income	70,506	-	1,500	72,006
Changes in Assets, Deferred Outflows of Resources, Liabilities, and Deferred Inflows of Resources:				
(Increase) Decrease in Accounts Receivable	(19,966)	(38,304)	4,974	(53,296)
(Increase) Decrease in Inventories	(272)	-	-	(272)
(Increase) Decrease in Prepaid Items	(5,965)	(5,252)	(488)	(11,705)
Increase (Decrease) in Accounts Payable	(9,233)	(6,791)	(12,062)	(28,086)
Increase (Decrease) in Due to Other Governments	216	-	-	216
Total Adjustments	278,491	40,309	43,510	362,310
Net Cash Provided (Used) By Operating Activities	<u>\$ 246,499</u>	<u>\$ 238,714</u>	<u>\$ 64,817</u>	<u>\$ 550,030</u>
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES				
Amortization of Bond Premium/Discount	<u>\$ 11,935</u>	<u>\$ 9,753</u>	<u>\$ 337</u>	<u>\$ 22,025</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF MAPLE PLAIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Maple Plain operates under the "Optional Plan A" form of government according to applicable State of Minnesota Statutes. Under this plan, the government of the City is directed by a City Council composed of an elected Mayor and four elected City Council members. The City Council exercises legislative authority and determines all matters of policy.

The accounting policies of the City conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governments. The following is a summary of the City's more significant accounting policies.

A. The Financial Reporting Entity

The City's financial reporting entity consists of the City of Maple Plain (the primary government) and the Maple Plain Economic Development Authority (EDA) (a component unit).

Blended Component Unit

The EDA is included in the City's reporting entity because of the significance of its operational and financial relationship with the City. The EDA is presented as a "blended component unit" and, therefore, the individual fund balances and transactions of the EDA Fund are blended into the financial statements.

The EDA was created by the City in 2006 pursuant to Minnesota statutes 469.090 through 469.108 to carry out the economic and industrial development and redevelopment activities in the City of Maple Plain consistent with policies established by the City Council. It is comprised of the members of the City Council and two members at large with a December 31 year end. The EDA activities are blended and reported as a special revenue fund due to substantively the same governing board and the financial benefit/burden relationship. Separate financial statements for the EDA are not issued for this component unit.

B. Basis of Presentation - 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 primary government and its component units. All fiduciary activities are reported only in the fund financial statements. *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 to external customers for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

**CITY OF MAPLE PLAIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Presentation - Fund Financial Statements

The statement of activities demonstrates the degree to which the direct expenses of a given function or activity are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or 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 segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's enterprise funds and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The operating revenues of the City of Maple Plain's enterprise funds are charges for services to customers for sales and services. The City also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The City reports the following major governmental funds:

General Fund

The General 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.

Fire Partnership Fund

The Fire Partnership Fund is a special revenue fund which accounts for charges for service that are committed for activities of the fire partnership agreement with the City of Independence.

**CITY OF MAPLE PLAIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Presentation - Fund Financial Statements (Continued)

Capital Project Fund

The Capital Project Fund accounts for the resources accumulated and payments made for purchases of capital projects

2024 Street Reconstruction Fund

The 2024 Street Reconstruction Fund accounts for the resources accumulated and payments made for the 2024 Street Reconstruction project

Debt Service Fund

The Debt Service Fund accounts for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources and special assessment bond principal and interest from special assessment levies when the City is obligated in some manner for the payment.

The City reports the following major proprietary funds:

Water Fund

The Water Fund accounts for costs associated with the City's water system and ensure that user charges are sufficient to pay for those costs.

Sewer Fund

The Sewer Fund accounts for the costs associated with the City's sewer system and ensure that user charges are sufficient to pay for those costs.

Storm Water Drainage Fund

The Storm Water Drainage Fund accounts for the operation, maintenance, and capital improvements of the City's storm water system.

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of recognition in the financial statements of various kinds of transactions or events.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. 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.

**CITY OF MAPLE PLAIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they have been earned and 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 of Maple Plain considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service principal and interest expenditures on general long-term debt, including lease liabilities, as well as expenditures related to compensated absences, and claims and judgments, postemployment benefits and asset retirement obligations are recognized based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions, including entering into contracts giving the City of Maple Plain the right to use lease assets, are reported as expenditures in governmental funds. Issuance of long-term debt and financing through leases are reported as other financing sources.

Property taxes, utilities taxes, licenses, interest, and charges for services 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.

E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Balance

1. Cash and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with maturities of three months or less at the time of purchase.

For purposes of the statement of cash flows, the City of Maple Plain's proprietary funds consider demand deposits and all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents

Cash balances from all funds are combined and invested to the extent available in investments authorized by state statutes and the City's investment policy. Earnings from such investments are allocated to the respective funds on the basis of applicable cash balance participation by each fund.

**CITY OF MAPLE PLAIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Balance (Continued)

2. Property Taxes Receivable

The City Council annually adopts a tax levy and certifies it to the County in December for collection in the following year. The County is responsible for collecting all property taxes for the City. These taxes attach an enforceable lien on taxable property within the City on January 1 and are payable by the property owners in two installments. The taxes are collected by the County and tax settlements are made to the City during January, June and November each year. Revenues are accrued and recognized in the year collectible, net of delinquencies.

Taxes which remain unpaid at December 31 are classified as delinquent taxes receivable, and are fully offset by deferred inflows of resources for taxes not received within 60 days after year-end in the governmental fund financial statements.

3. Accounts Receivable

Accounts receivable include amounts billed for services provided before year-end. To the extent considered necessary, the City annually certifies delinquent water, sewer, and storm drainage accounts to the County for collection in the following year.

4. Special Assessments Receivable

Special assessments represent the financing for public improvements paid for by benefiting property owners. These assessments are recorded as receivable upon certification to the County. The City typically adopts the assessment rolls when the individual projects are complete or substantially complete. The assessments are collectible over a term of years generally consistent with the term of years of the related bond issue. Collection of annual installments (including interest) is handled by the County in the same manner as property taxes. Property owners are allowed to prepay total future installments without interest or prepayment penalties.

Special assessments which remain unpaid at December 31 are classified as current, delinquent, deferred, and other special assessments receivable and are fully offset by deferred inflows of resources, except for current, in the governmental fund financial statements because they are not known to be available to finance current expenditures.

**CITY OF MAPLE PLAIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Balance (Continued)

5. Inventory, and Prepaid Items

All inventories are valued at lower of cost or market using the first-in/first-out (FIFO) method.

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. Prepaid items are recorded under the consumption method on the fund financial statements.

6. Lease Receivable

The City's lease receivable is measured at the present value of lease payments expected to be received during the lease term.

A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

7. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

Capital assets are defined by the City as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if the original cost is not available. Donated capital assets are recorded at estimated acquisition value at the date of donation. For financial statement purposes only, a capitalization threshold is established for each capital asset category as follows:

Assets	Amount
Land and Land Improvements	\$ 10,000
Other Improvements	25,000
Buildings	25,000
Building Improvements	25,000
Machinery and Equipment	5,000
Vehicles	5,000
Infrastructure	100,000
Other Assets	5,000

**CITY OF MAPLE PLAIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Balance (Continued)

7. Capital Assets (Continued)

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities) the City chose to include all such items regardless of their acquisition date or amount. The City was able to estimate the historical cost for the initial reporting of these assets through back trending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year). As the City constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity of efficiency of the item or extend its useful life beyond the original estimate. In the case of donations, the City values these capital assets at the estimated acquisition value of the item at the date of its 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.

Land and construction in progress are not depreciated. Property, plant, and equipment are depreciated using the straight-line method applied over the following estimated useful lives of the assets.

Land Improvements	15 to 30 Years
Other Improvements	10 to 20 Years
Buildings	20 to 40 Years
Machinery and Equipment	3 to 15 Years
Infrastructure	20 to 60 Years
Vehicles	25 to 75 Years

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.

**CITY OF MAPLE PLAIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

8. Deferred Outflows of Resources

In addition to assets, statements of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense) until then. The City has one item that qualifies for reporting in this category. Accordingly, the item, deferred pension resources, is reported only in the statement of net position. This item results from actuarial calculations and current year pension contributions made subsequent to the measurement date.

9. Pension Plans

Public Employees Retirement Association

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

Fire Relief Association

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the defined benefit plan administered by Maple Plain Fire Department Relief Association and additions to and deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. Investments are reported at fair value. The General fund is typically used to liquidate the government net pension liability.

The total pension expense for the General Employees Plan is (\$126) and Fire Relief Association is \$15,086.

10. Compensated Absences

The liability for compensated absences reported in the government-wide and proprietary fund statements consists of leave that has not been used that is attributable to services already rendered, accumulates and is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The liability also includes amounts for leave that has been used for time off but has not yet been paid in cash or settled through noncash means and certain other types of leave.

**CITY OF MAPLE PLAIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (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 bonds using the effective-interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as an expense in the period incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while 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 Inflows of Resources

In addition to liabilities, the statement of net position and fund financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has one type of item, which arises only under a modified accrual basis of accounting that qualifies as needing to be reporting in this category. Accordingly, the item, unavailable revenues, is reported only in the governmental fund balance sheet. The governmental funds report unavailable revenue from two sources: property taxes and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The City also recognizes a deferred lease receivable, which is reported under both the modified accrual and full accrual basis. Furthermore, the City has an additional item which qualifies for reporting in this category. The item, deferred pension resources, is reported only in the statement of net position and results from actuarial calculations.

**CITY OF MAPLE PLAIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Balance (Continued)

13. Net Position

In the government-wide and proprietary fund financial statements, net position represents the difference between assets and deferred outflows of resources and 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 any outstanding debt attributable to acquire 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, laws, or regulations of other governments.

Unrestricted Net Position – All other net position balances 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 use restricted resources first, then unrestricted resources as they are needed.

14. Fund Balance Classifications

In the fund financial statements, fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of resources reported in the governmental funds. These classifications are defined as follows:

Nonspendable – Amounts that cannot be spent because they are not in spendable form, such as prepaid items, inventory, due from other funds, and advances to other funds.

Restricted – Amounts related to externally imposed constraints established by creditors, grantors, or contributors; or constraints imposed by state statutory provisions.

Committed – Amounts constrained for specific purposes that are internally imposed by formal action (resolution) of the City Council, which is the City’s highest level of decision-making authority. Committed amounts cannot be used for any other purpose unless the City Council modifies or rescinds the commitment by resolution.

**CITY OF MAPLE PLAIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Balance (Continued)

14. Fund Balance Classifications (Continued)

Assigned – Amounts constrained for specific purposes that are internally imposed. In governmental funds other than the General fund, assigned fund balance represents all remaining amounts that are not classified as nonspendable and are neither restricted nor committed. In the General fund, assigned amounts represent intended uses established by the City Council itself or by an official to which the governing body delegates the authority. The City Council has adopted a fund balance policy which delegates the authority to assign amounts for specific purposes to the Finance Director.

Unassigned – The residual classification for the General fund and also negative residual amounts in other funds.

The City considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available. Additionally, the City would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The City has formally adopted a fund balance policy for the General fund. The City's policy is to maintain a minimum unassigned fund balance of 60% of budgeted expenditures for cash-flow timing needs.

15. Use of Estimates

The preparation of financial statements, in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the amounts reported in the financial statements during the reporting period. Actual results could differ from those estimates.

**CITY OF MAPLE PLAIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Adoption of New Accounting Standards

GASB Statement No. 100, Accounting Changes and Error Corrections

Effective January 1, 2024, the City implemented GASB Statement No. 100, Accounting Changes and Error Corrections. This statement required the City to evaluate and disclose the nature and effects of accounting changes and error corrections in the financial statements. The City adopted the requirements of the guidance effective January 1, 2024, and has applied the provisions of this standard to the beginning of the period of adoption.

GASB Statement No. 101, Compensated Absences

Effective January 1, 2024, the City implemented GASB Statement No. 101, Compensated Absences. This statement updated the recognition and measurement guidance for compensated absences and associated salary-related payments and amended certain previously required disclosures. The City adopted the requirements of the guidance effective January 1, 2024, and has applied the provisions of this standard to the beginning of the period of adoption.

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the General, Special Revenue, and Debt Service funds. The capital project funds adopt project length budgets. Annual unused appropriations lapse at year-end for all funds.

On or before July 1 of each year, all departments of the City submit requests for appropriations to the City Administrator so that a budget may be prepared. Before September 30, the proposed budget is presented to the City Council for review. The City Council holds public hearings and a final budget is prepared and adopted in December.

The appropriated budget is prepared by fund, function and department. The City's department heads, with the approval of the City Administrator, may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the City Council. The legal level of budgetary control is the department level. There were no budget amendments made during 2024.

**CITY OF MAPLE PLAIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

B. Excess of Expenditures over Appropriations

For the year ended December 31, 2024, expenditures exceeded budget in the following funds:

	Adopted Budget Expenditures	Actual Expenditures	Expenditures Over (Under) Adopted Budget
General	\$ 1,930,916	\$ 2,135,966	\$ 205,050
Fire Partnership	469,928	712,610	242,682

These expenditures were funded by excess fund balance and current year revenues.

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Deposits

Custodial Credit Risk - Deposits

Custodial credit risk for deposits and investments is the risk that in the event of a bank failure, the City's deposits and investments may not be returned, or the City will not be able to recover collateral securities in the possession of an outside party. In accordance with Minnesota statutes and as authorized by the City Council, the City maintains deposits at those depository banks, all of which are members of the Federal Reserve System.

Minnesota statutes require that all City deposits be protected by insurance, surety bond or collateral. The market value of collateral pledged must equal 110% of the deposits not covered by insurance, bonds, or irrevocable standby letters of credit from Federal Home Loan Banks.

Minnesota statutes require that all collateral shall be placed in safekeeping in a restricted account at a 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 selection should be approved by the City.

At year-end, \$34,675 bank balance of the City's deposits was covered by federal depository insurance.

**CITY OF MAPLE PLAIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (Continued)

Investments

The Minnesota Municipal Money Market Fund is regulated by Minnesota statutes and the Board of Directors of the League of Minnesota Cities and is an external investment pool not registered with the Securities Exchange Commission (SEC) that follows the regulatory rules of the SEC. In accordance with GASB Statement No. 79, the City's investment in this pool is valued at amortized cost, which approximates fair value. There are no restrictions or limitations on withdrawals from the 4M Liquid Asset Fund. Investments in the 4M Plus must be deposited for a minimum of 14 calendar days. Withdrawals prior to the 14-day restriction period will be subject to a penalty equal to seven days interest on the amount withdrawn. Seven days' notice of redemption is required for withdrawals of investments in the 4M Term Series withdrawn prior to the maturity date of that series. A penalty could be assessed as necessary to recoup the Series for any charges, losses, and other costs attributable to the early redemption. Financial statements of the 4M Fund can be obtained by contracting RBC Global Management at 100 South Fifth Street, Suite 2300, Minneapolis, MN 55402-1240.

At year end, the City's investment balances were as follows:

<u>Types of Investments</u>	<u>Credit Quality/Ratings</u>	<u>Segmented Time Distribution (1)</u>	<u>Amount</u>
Investments at Amortized Costs			
Minnesota Municipal Money Market Fund	N/A	Less than 6 months	<u>\$ 7,604,936</u>

The investments of the City are subject to the following risks:

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. Ratings are provided by various credit rating agencies and where applicable, indicate associated credit risk.

Custodial Credit Risk

Custodial credit risk for investments, custodial credit risk is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments that are in the possession of an outside party.

Concentration of Credit Risk

The concentration of credit risk is the risk of loss that may be caused by the City of Maple Plain's investment in a single issuer.

The City does not currently have a formal investment policy that addresses the above mentioned risks.

CITY OF MAPLE PLAIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. Lease Receivable

As of December 31, 2024, the City had the following lease receivable:

Description	Original Asset Amount	Discount Rate	Current Year Inflow of Resources	Balance at Year End
T-Mobile Antenna Lease Agreement	1/1/2017	1.3%	\$ 35,470	\$ 732,540

Under the T-Mobile Antenna Lease Agreement, T-Mobile pays the City monthly for 228 remaining months in exchange for a site upon which to operate communication facilities supporting telecommunications. The monthly receipt amount for 2024 was \$2,956.

C. Capital Assets

Capital asset activity for the year ended December 31, 2024, was as follows:

	Beginning Balance	Increases	Decreases	Transfers/ Reclassifications	Ending Balance
Governmental Activities:					
Capital Assets, Not Being Depreciated					
Land	\$ 2,190,661	\$ -	\$ -	\$ -	\$ 2,190,661
Construction in Process	-	3,449,653	-	-	3,449,653
Total Capital Assets, Not Being Depreciated	2,190,661	3,449,653	-	-	5,640,314
Capital Assets, Being Depreciated:					
Buildings	545,200	-	-	-	545,200
Improvements other than Buildings	1,198,504	-	-	-	1,198,504
Machinery and Equipment	2,922,511	219,186	-	-	3,141,697
Infrastructure	5,217,709	-	-	-	5,217,709
Total Capital Assets, Being Depreciated	9,883,924	219,186	-	-	10,103,110
Accumulated Depreciation for:					
Buildings	539,358	873	-	(9,873)	530,358
Improvements other than Buildings	369,831	54,802	-	(5,281)	419,352
Machinery and Equipment	2,460,999	69,300	-	(41,829)	2,488,470
Infrastructure	922,392	195,146	-	56,983	1,174,521
Total Accumulated Depreciation	4,292,580	320,121	-	-	4,612,701
Total Capital Assets, Being Depreciated, Net	5,591,344	(100,935)	-	-	5,490,409
Right-to-Use Assets, Being Amortized:					
Leased Building	142,455	-	-	-	142,455
Accumulated Amortization for:					
Leased Building	74,324	17,773	-	-	92,097
Total Right-to-Use Assets, Being Amortized, Net	68,131	17,773	-	-	85,904
Governmental Activities Capital Assets, Net	\$ 7,850,136	\$ 3,366,491	\$ -	\$ -	\$ 11,181,081
	Beginning Balance	Increases	Decreases	Transfers/ Reclassifications	Ending Balance
Business-Type Activities:					
Capital Assets, Being Depreciated:					
Buildings and Other Improvements	\$ -	\$ -	\$ -	\$ 238,654	\$ 238,654
Improvements Other Than Buildings	144,744	32,107	-	-	176,851
Machinery and Equipment	12,972,949	-	-	(238,654)	12,734,295
Infrastructure	13,117,693	32,107	-	-	13,149,800
Total Capital Assets, Being Depreciated	13,117,693	32,107	-	-	13,149,800
Accumulated Depreciation for:					
Buildings and Other Improvements	-	5,766	-	97,378	103,144
Improvements Other Than Buildings	-	8,526	72,337	-	74,272
Machinery and Equipment	138,083	8,526	72,337	-	74,272
Infrastructure	4,272,624	369,155	25,041	-	4,616,738
Total Accumulated Depreciation	4,410,707	383,447	97,378	97,378	4,794,154
Total Capital Assets, Being Depreciated, Net	8,706,986	(351,340)	(97,378)	(97,378)	8,355,646
Business-Type Capital Assets, Net	\$ 8,706,986	\$ (351,340)	\$ (97,378)	\$ (97,378)	\$ 8,355,646

**CITY OF MAPLE PLAIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets (Continued)

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

General Government	\$ 71,594
Public Safety	39,608
Public Works	218,567
Culture and Recreation	<u>8,125</u>
Total Depreciation and Amortization Expense, Governmental Activities	<u><u>\$ 337,894</u></u>

Depreciation expense was charged to proprietary funds as follows:

Water	\$ 243,205
Sewer	90,656
Storm	<u>49,586</u>
Total Depreciation Expense, Business-Type Activities	<u><u>\$ 383,447</u></u>

D. Interfund Transfers

The composition of interfund balances as of December 31, 2024, is as follows:

Fund	Transfers In		Total
	Capital Project Fund	Other Governmental Funds	
Transfers Out			
General	\$ 110,000	\$ 30,500	\$ 140,500
Capital Project Fund	<u>-</u>	<u>189,979</u>	<u>189,979</u>
Total	<u><u>\$ 110,000</u></u>	<u><u>\$ 220,479</u></u>	<u><u>\$ 330,479</u></u>

The City annually budgets for transfers between funds. These annual budgeted transfers are made to cover administrative fees, fund certain capital improvement projects, and debt service, including a transfer from the General fund to the Capital Project fund, Park Improvement fund and Equipment Replacement fund. Additionally, the City transferred funds from the Capital Project fund to the Metropolitan Grant fund.

**CITY OF MAPLE PLAIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-term Debt

General Obligation Special Assessment Bonds

The following bonds were used to finance infrastructure improvements. They will be repaid with ad valorem taxes, special assessments levied against the properties. The bonds are backed by the full faith and credit of the City.

Description	Authorized and Issued	Interest Rate	Issue Rate	Maturity Rate	Balance at Year End
G.O. Improvement Bonds					
Bonds of 2014A	\$ 1,710,000	2.00 - 3.375%	6/25/2014	2/1/2035	\$ 920,000
Bonds of 2016	710,000	1.00 - 3.00	7/28/2016	2/1/2037	495,000
Bonds of 2018	1,015,000	3.00 - 3.375	5/15/2018	2/1/2039	815,000
Bonds of 2021A	970,000	1.00 - 2.00	6/10/2021	2/1/2042	880,000
Bonds of 2021B	240,350	5.00	6/10/2021	2/1/2028	90,559
Bonds of 2022	815,000	4.00	7/14/2022	2/1/2038	775,000
Bonds of 2024A	3,455,800	5.50	6/24/2024	2/1/2045	3,455,800
Total G.O. Special Assessment Bonds					<u>\$ 7,431,359</u>

Annual requirement to maturity for general obligation special assessment bonds are as follows:

Years Ending December 31,	Governmental Activities		
	Principal	Interest	Total
2025	\$ 255,963	\$ 266,742	\$ 522,705
2026	374,101	253,243	627,344
2027	382,340	240,032	622,372
2028	403,555	226,209	629,764
2029	385,800	212,425	598,225
2030 - 2034	2,141,500	842,641	2,984,141
2035 - 2039	1,961,500	451,500	2,413,000
2040 - 2044	1,278,700	169,156	1,447,856
2045	247,900	4,958	252,858
Total	<u>\$ 7,431,359</u>	<u>\$ 2,666,906</u>	<u>\$ 9,845,407</u>

General Obligation Revenue Bonds

The City issued G.O. revenue bonds for business-type activities to provide funds for the acquisition and construction of major capital facilities. These bonds are reported in the proprietary funds since they are expected to be repaid from proprietary fund revenues. The following bonds were issued to finance capital improvements in the enterprise funds. They will be repaid from future revenues pledged from the Water and Sewer funds and are backed by the taxing power of the City.

Annual principal and interest payments on the bonds are expected to require over 83 and 30 percent of revenues from the Water and Sewer funds, respectively. For 2024, principal and interest paid and total customer revenues for the Water fund were \$371,486 and \$558,917, respectively. For 2024, principal and interest paid and total customer revenues for the Sewer fund were \$61,913 and \$531,051 respectively.

**CITY OF MAPLE PLAIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-term Debt (Continued)

Description	Authorized and Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End
G.O. Revenue Bonds					
G.O. Water Revenue Note of 2007	\$ 3,468,767	2.15%	7/9/2007	8/20/2026	\$ 441,000
G.O. Improvement Bonds of 2014	1,290,000	2.00 - 3.375	6/25/2014	2/1/2035	920,000
G.O. Improvement Bonds of 2016	975,000	1.00 - 3.00	7/28/2016	2/1/2037	690,000
G.O. Improvement Bonds of 2018	935,000	3.00 - 3.375	5/15/2018	2/1/2039	735,000
G.O. Improvement Bonds of 2021A	1,035,000	1.00 - 2.00	6/10/2021	2/1/2042	950,000
G.O. Improvement Bonds of 2021B	804,650	5.00	6/10/2021	2/1/2028	449,441
G.O. Improvement Bonds of 2022	500,000	4.00	7/14/2022	2/1/2038	480,000
G.O. Improvement Bonds of 2024A	1,074,100	5.50	6/24/2024	2/1/2045	1,214,200
Total G.O. Special Assessment Bonds					<u>\$ 5,879,641</u>

Annual requirement to maturity for general obligation revenue bonds are as follows:

Years Ending December 31,	Business-type Activities		
	Principal	Interest	Total
2025	\$ 552,037	\$ 183,007	\$ 735,044
2026	603,899	164,963	768,862
2027	387,660	146,704	534,364
2028	421,444	132,501	553,945
2029	299,200	120,785	419,985
2030 - 2034	1,633,500	460,442	2,093,942
2035 - 2039	1,338,500	206,924	1,545,424
2040 - 2044	556,300	62,644	440,194
2045	87,101	1,742	-
Total	<u>\$ 5,879,641</u>	<u>\$ 1,479,712</u>	<u>\$ 7,091,760</u>

Lease Payable

Lease agreements are summarized as follows:

Description	Original Asset Amount	Interest Rate	Issue Date	Maturity Date	Balance at Year End
Discovery Center - Office Space	\$ 142,455	1.3%	10/31/2019	10/31/2025	<u>\$ 33,136</u>

On October 16, 2014, the City entered into a lease agreement with the Orono Independent School District No. 278 for the period of October 1, 2014 through October 31, 2019. On October 31, 2019, the City amended the lease and extended the term through October 31, 2021. On October 1, 2021, the lease was amended to extend the term through October 31, 2024 at a fixed interest rate of 1.30%. The lease can be renewed for one additional year beyond the end date. The leased premises consist of City Office Space and Council Chambers.

**CITY OF MAPLE PLAIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-term Debt (Continued)

Annual requirements to amortize long-term obligations and related interest are as follows:

Year Ending December 31,	Governmental Activities	
	Principal	Interest
2025	\$ 33,135	\$ 198

Changes in Long-term Liabilities

Long-term liability activity for the year ended December 31, 2024 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds Payable:					
G.O. Special Assessment Bonds	\$ 4,226,522	\$ 3,455,800	\$ 250,963	\$ 7,431,359	\$ 255,963
Unamortized Bond Premium	62,941	145,665	14,152	194,454	-
Total Bonds Payable	4,289,463	3,601,465	265,115	7,625,813	255,963
Lease Payable	71,058	-	37,923	33,135	33,136
Compensated Absences	9,020	-	4,506	4,514	4,514
Governmental Activities Long-Term Liabilities	<u>\$ 4,369,541</u>	<u>\$ 3,601,465</u>	<u>\$ 307,544</u>	<u>\$ 7,663,462</u>	<u>\$ 293,613</u>
Business-Type Activities:					
Bonds Payable:					
G.O. Revenue Bonds	\$ 5,202,478	\$ 1,214,200	\$ 537,037	\$ 5,879,641	\$ 552,037
Unamortized Bond Premium	108,435	51,179	22,024	137,590	-
Business-Type Activities Long-term Liabilities	<u>\$ 5,310,913</u>	<u>\$ 1,265,379</u>	<u>\$ 559,061</u>	<u>\$ 6,017,231</u>	<u>\$ 552,037</u>

Conduit Debt Obligations

The City has issued Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from private-sector entity revenues. The City is not obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of December 31, 2024 there was one revenue bond outstanding with Haven Homes with a principal amount of \$37,160,000.

**CITY OF MAPLE PLAIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Components of Fund Balance

At December 31, 2024, a summary of the governmental fund balance classifications are as follows:

Purpose	General	Fire Partnership	Capital Project Fund	2024 Street Reconstruction	Debt Service Fund	Other Governmental Funds	Total
Nonspendable:							
Inventories	\$ 2,960	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,960
Prepaid Items	10,930	1,111	-	-	-	-	12,041
Total							
Nonspendable	<u>\$ 13,890</u>	<u>\$ 1,111</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,001</u>
Restricted for:							
Debt Service	\$ -	\$ -	\$ -	\$ -	\$ 1,075,384	\$ -	\$ 1,075,384
Park Improvements	-	-	19,324	-	-	-	19,324
Capital Projects	-	-	-	28,690	-	-	28,690
Public Safety	68,303	-	-	-	-	-	68,303
Total							
Restricted	<u>\$ 68,303</u>	<u>\$ -</u>	<u>\$ 19,324</u>	<u>\$ 28,690</u>	<u>\$ 1,075,384</u>	<u>\$ -</u>	<u>\$ 1,191,701</u>
Committed for:							
Fire Protection Services	\$ -	\$ 307,459	\$ -	\$ -	\$ -	\$ -	\$ 307,459
Economic Development	-	-	-	-	-	81,865	81,865
Total							
Committed	<u>\$ -</u>	<u>\$ 307,459</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 81,865</u>	<u>\$ 389,324</u>
Assigned for:							
Capital Projects	\$ -	\$ -	\$ 2,027,689	\$ -	\$ -	\$ 76,198	\$ 2,103,887
Gambling Proceeds	-	-	-	-	-	10,664	10,664
Total Assigned	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,027,689</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 86,862</u>	<u>\$ 2,114,551</u>
Unassigned	964,140	-	-	-	-	-	964,140
Total	<u>\$ 1,046,333</u>	<u>\$ 308,570</u>	<u>\$ 2,047,013</u>	<u>\$ 28,690</u>	<u>\$ 1,075,384</u>	<u>\$ 168,727</u>	<u>\$ 4,674,717</u>

**CITY OF MAPLE PLAIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 4 DEFINED BENEFIT PENSION PLANS – STATEWIDE

A. Plan Description

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

General Employees Retirement Plan (GERF)

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

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.

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 five 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 the 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 percent of the highest average salary for each of the first 10 years of service and 1.7 percent for each additional year. Under the Level formula, General Plan members receive 1.7 percent of 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 percent for each month under age 65. Members with 30 or more years of service can retire at any age with a reduction of .25 percent 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 MAPLE PLAIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 4 DEFINED BENEFIT PENSION PLANS – STATEWIDE (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 percent of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1 percent and a maximum of 1.5 percent. The 2024 annual increase was 1.5 percent. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase will receive the full increase. Recipients receiving the annuity or benefit for at least one month but less than a full year as of the June 30 before the effective date of the increase will receive a prorated increase.

C. Contributions

Minnesota Statutes, Chapter 353 sets the rates for employer and employee contributions. Contribution rates can only be modified by the State Legislature.

General Employees Fund Contributions

General Plan members were required to contribute 6.50% of their annual covered salary in fiscal year 2024 and the City was required to contribute 7.50% for General Plan members. The City's contributions to the General Employees Fund for the year ended December 31, 2024, were \$17,462. The City's contributions were equal to the required contributions as set by state statute.

D. Pension Costs

General Employees Fund Pension Costs

At December 31, 2024, the City reported a liability of \$69,386 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 nonemployer 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 \$1,794.

The net pension liability was measured as of June 30, 2024, 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, 2023 through June 30, 2024, relative to the total employer contributions received from all of PERA's participating employers. The City's proportionate share was 0.0019% at the end of the measurement period and 0.0026% for the beginning of the period.

**CITY OF MAPLE PLAIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 4 DEFINED BENEFIT PENSION PLANS – STATEWIDE (CONTINUED)

D. Pension Costs (Continued)

General Employees Fund Pension Costs (Continued)

	City
Proportionate Share of the Net Pension Liability	\$ 69,386
State of Minnesota's Proportionate Share of the Net Pension Liability Associated with the Entity	1,794
Total	<u>\$ 71,180</u>

For the year ended December 31, 2024, the City recognized pension expense of (\$126) for its proportionate share of the General Employees Plan's pension expense. In addition, the City recognized an additional (\$3,192) 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.

At December 31, 2024, 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:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	\$ 6,524	\$ -
Changes in Actuarial Assumptions	339	26,261
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	20,149
Changes in Proportion and Differences Between City Contributions and Proportionate Share of Contributions	27,853	34,079
City Contributions Subsequent to the Measurement Date	8,047	-
Total	<u>\$ 42,763</u>	<u>\$ 80,489</u>

The \$8,047 reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2025. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31,	Pension Expense Amount
2025	\$ (14,522)
2026	(6,072)
2027	(19,861)
2028	(5,318)

**CITY OF MAPLE PLAIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 4 DEFINED BENEFIT PENSION PLANS – STATEWIDE (CONTINUED)

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 Stocks	33.5 %	5.10 %
International Stocks	16.5	5.30
Private Markets	25.0	5.90
Fixed Income	25.0	0.75
Unallocated Cash	-	-
Totals	100.0 %	

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, 2024, 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%. The 7% assumption is based on a review of inflation and investment 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% is within that range.

- Inflation is assumed to be 2.25% for the General Employees Plan, Police & Fire Plan, and the Correctional Plan.
- Benefit increases after retirement are assumed to be 1.25% for the General Employees Plan, 1% for the Police & Fire Plan, and 2% for the Correctional Plan.

Salary growth assumptions in the General Employees Plan range in annual increments from 10.25% after one year of service to 3% after 27 years of service. In the Police & Fire Plan, salary growth assumptions range in annual increments from 11.75% after one year of service to 3% after 24 years of service. In the Correctional Plan, salary growth assumptions range from 11% at age 20 to 3% at age 60.

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

**CITY OF MAPLE PLAIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 4 DEFINED BENEFIT PENSION PLANS – STATEWIDE (CONTINUED)

F. Actuarial Methods and Assumptions (Continued)

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 & Fire Plan and Correctional Plan were reviewed in 2024. PERA anticipates the experience study will be approved by the Legislative Commission on Pensions and Retirement and become effective with the July 1, 2025 actuarial valuation.

The following changes in actuarial assumptions and plan provisions occurred in 2024:

General Employees Fund

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.

G. Discount Rate

The discount rate used to measure the total pension liability in 2024 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 Fund and the Police and Fire Fund were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**CITY OF MAPLE PLAIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 4 DEFINED BENEFIT PENSION PLANS – STATEWIDE (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:

Description	1% Decrease in Discount Rate	Current Discount Rate	1% Increase in Discount Rate
<u>GERF Discount Rate</u>	6.00%	7.00%	8.00%
City's Proportionate Share of the GERF Net Pension Liability	\$ 151,550	\$ 69,386	\$ 1,798

I. Pension Plan Fiduciary Net

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.

NOTE 5 PUBLIC EMPLOYEES DEFINED CONTRIBUTION PENSION PLAN

Five Council members of the City are covered by the Defined Contribution Plan, a multiple-employer deferred compensation plan administered by PERA. The Defined Contribution Plan is a tax qualified plan under Section 401(a) of the Internal Revenue Code and all contributions by or on behalf of employees are tax deferred until time of withdrawal.

Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses. 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% 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' contributions must be a fixed percentage 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 25-hundredths of 1% (0.25%) of the assets in each member's account annually.

**CITY OF MAPLE PLAIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 5 PUBLIC EMPLOYEES DEFINED CONTRIBUTION PENSION PLAN (CONTINUED)

Total contributions made by the City during fiscal year 2024 were:

Contribution Amount		Percentage of Covered Payroll		Required Rate
Employee	Employer	Employee	Employer	
\$ 1,666	\$ 1,666	5.0%	5.0%	5.0%

The City's contributions to the DCP Plan for the years ended December 31, 2024, 2023 and 2022 were \$1,666, \$1,197 and \$1,150 respectively. The City's contributions were equal to the contractually required contributions for each year as set by Minnesota statutes.

NOTE 6 DEFINED BENEFIT PENSION PLANS – FIRE RELIEF ASSOCIATION

A. Plan Description

All members of the Maple Plain Fire Department (the Department) are covered by a single employer defined benefit plan administered by Maple Plain Fire Department Relief Association (the Association). As of December 31, 2023, the plan covered 25 active firefighters and 3 vested terminated fire fighters whose pension benefits are deferred. The plan is a single employer retirement plan and is established and administered in accordance with Minnesota statute, chapter 69.

The Association maintains a separate Special fund to accumulate assets to fund the retirement benefits earned by the Department's membership. Funding for the Association is derived from an insurance premium tax in accordance with the Volunteer Firefighter's Relief Association Financing Guidelines Act of 1971 (chapter 261 as amended by chapter 509 of Minnesota statutes 1980). Funds are also derived from investment income.

B. Benefits Provided

A firefighter who completes at least 20 years as an active member of the Department is entitled, after age 50, to a full service pension upon retirement. The bylaws of the Association also provide for an early vested service pension for a retiring member who has completed fewer than 20 years of service. The reduced pension, available to members with 10 years of service, shall be equal to 60 percent of the pension as prescribed by the bylaws. This percentage increases 4 percent per year so that at 20 years of service, the full amount prescribed is paid. Members who retire with less than 20 years of service and have reached the age of 50 years and have completed at least 10 years of active membership are entitled to a reduced service pension not to exceed the amount calculated by multiplying the member's service pension for the completed years of service times the applicable non-forfeitable percentage of pension.

**CITY OF MAPLE PLAIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 6 DEFINED BENEFIT PENSION PLANS – FIRE RELIEF ASSOCIATION (CONTINUED)

C. Contributions

Minnesota statutes, chapters 424 and 424A authorize pension benefits for volunteer fire relief associations. The plan is funded by fire state aid, investment earnings and, if necessary, employer contributions as specified in Minnesota statutes and voluntary City contributions (if applicable). The State of Minnesota contributed \$38,576, \$35,089 and \$32,683 and in 2023, 2022, and 2021, respectively, in fire state aid to the plan on behalf of the City Fire Department, which was recorded as a revenue within the City's financial statements. The City's statutorily required contributions to the plan for the years ended December 31, 2024, 2023, and 2022 were \$101,867, \$86,971 and \$79,889 to the required contributions as set by Minnesota statute. The City made no voluntary contributions to the plan. The firefighter has no obligation to contribute to the plan.

D. Pension Costs

At December 31, 2024, the City reported a net pension liability (asset) of (\$225,298) for the Volunteer Firefighter Fund. The net pension asset was measured as of December 31, 2024. The total pension liability used to calculate the net pension asset in accordance with GASB 68 was determined by PERA, applying an actuarial formula to specific census data certified by the Department. The following table presents the changes in net pension liability (asset) during the year:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a-b)
Total Pension Asset			
Beginning Balance January 1, 2024	<u>\$ 1,285,554</u>	<u>\$ 1,444,651</u>	<u>\$ (159,097)</u>
Changes for the Year			
Service Cost	35,201	-	35,201
Interest Cost	68,782	-	68,782
Plan Changes	46,239	-	46,239
Municipal Contributions	-	48,395	(48,395)
Nonemployer Contributions	-	42,567	(42,567)
Projected Investment Return	-	78,521	(78,521)
Gain or Loss	-	46,940	(46,940)
Benefit Payments	(249,089)	(249,089)	-
Total Net Changes	<u>(98,867)</u>	<u>(32,666)</u>	<u>(66,201)</u>
Ending Balance December 31, 2024	<u>\$ 1,186,687</u>	<u>\$ 1,411,985</u>	<u>\$ (225,298)</u>

For the year ended December 31, 2024, the City recognized pension expense of \$15,086.

**CITY OF MAPLE PLAIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 6 DEFINED BENEFIT PENSION PLANS – FIRE RELIEF ASSOCIATION (CONTINUED)

D. Pension Costs (Continued)

At December 31, 2024, the City reported deferred outflows of resources and its contributions subsequent to the measurement date related to pension from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	\$ -	\$ 93,552
Changes in Actuarial Assumptions	13,000	36,491
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	119,312	-
City Contributions Subsequent to the Measurement Date	101,867	-
Total	<u>\$ 234,179</u>	<u>\$ 130,043</u>

Deferred outflows of resources totaling \$101,867 related to pensions resulting from the City's contributions to the plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2025. Other amounts reported as deferred outflows of resources related to the plan will be recognized in pension expense as follows:

Year Ended December 31,	Pension Expense Amount
2024	\$ 12,668
2025	18,048
2026	26,818
2027	(22,553)
2028	(12,552)
Thereafter	(20,160)

E. Actuarial Assumptions

The total pension liability at December 31, 2024 was determined using the entry age normal actuarial cost method and the following actuarial assumptions:

ASSUMPTIONS FROM ACTUARIAL REPORT

Valuation Date	1/1/2023
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar
	Closed Basis
Actuarial Assumptions:	
Discount Rate	5.75%
Investment Rate of Return	5.75%
20-Year Municipal Bond Yield	N/A (No unfunded liabilities)
Salary Increases	2.50%
Age of Service Retirement	50% at age 50, 20% at ages 51-56, 100% thereafter

**CITY OF MAPLE PLAIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 6 DEFINED BENEFIT PENSION PLANS – FIRE RELIEF ASSOCIATION (CONTINUED)

E. Actuarial Assumptions (Continued)

The following changes in plan provisions occurred in 2024:

- The Benefit Level changes from \$3,700 to \$3,850

The City's contributions were equal to the required contributions as set by state statute. The City made no voluntary contributions to the plan. 5.75 percent long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimates for expected future real rates of return (expected returns, net of inflation) were developed for each asset class using the plan's target investment allocation along with long-term return expectations by asset class. Inflation expectations were applied to derive the nominal rate of return for the portfolio.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Nominal Rate of Return
Cash	9.00 %	2.00 %
Fixed Income	33.00	3.00
Equities	58.00	7.90
Total Portfolio	100.00 %	

F. Discount Rate

The discount rate used to measure the total pension liability was 5.75 percent. The projection of cash flows used to determine the discount rate assumed that contributions to the plan will be made as specified in statute. Based on that assumption and considering the funding ratio of the plan, the fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive 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.

G. Pension Asset Sensitivity

The following presents the City's net pension asset for the plan, calculated using the discount rate disclosed in the preceding paragraph, as well as what the City's net pension asset would be if it were calculated using a discount rate one percent lower or one percent higher than the current discount rate:

	1% Decrease	Selected Discount Rate	1% Increase
Net Pension Liability (Asset)	\$ (202,058)	\$ (225,298)	\$ (247,886)
Discount Rate	4.75 %	5.75 %	6.75 %

**CITY OF MAPLE PLAIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 6 DEFINED BENEFIT PENSION PLANS – FIRE RELIEF ASSOCIATION (CONTINUED)

H. Pension Plan Fiduciary Net Position

The Association issues a publicly available financial report. The report may be obtained by writing to the Maple Plain Fire Department Relief Association, 5050 Independence Street, Maple Plain, MN 55359.

NOTE 7 JOINT VENTURES

Joint Ventures

West Hennepin Public Safety Department

In 1995, the Cities of Maple Plain and Independence, Minnesota, formed the West Hennepin Public Safety Department (the Department). The City participates in a joint powers agreement, which establishes the Department for the purpose of providing police protection within the two communities. The agreement creates a Board of Commissioners (the Board), composed of representatives from each member city, consisting of four members. The Board exercises legislative authority and determines all matters of policy. The Board appoints personnel responsible for the proper administration of all affairs relating to the Department's activities. The Board must, on or before August 15th each year, prepare and submit a detailed budget of the Department's needs for the next calendar year to the governing body of each city in the Department with a statement of the proportion of the budget to be provided by each city. The governing body of each city in the Department shall review and approve the budget by November 1st.

The following financial information is taken from the Department's audited financial statements for the year ended December 31, 2024

Total Assets and Deferred Outflows of Resources	\$ 2,850,013
Total Liabilities and Deferred Inflows of Resources	3,307,240
Total Net Position	(457,227)
Total Revenue	2,752,559
Total Expense	2,512,179

The City's equity interest and its share of the net income (loss) of the Department are added to the value of the "Investment in Joint Venture" deficit in the government-wide financial statement under governmental activities. As of December 31, 2024 the amount reported as investment in joint venture deficit was \$140,599.

According to a formula in the agreement, the City's share of the Department's budget is approximately 31 percent. Payments to the Department in 2024 totaled \$688,348. The Department's financial statements for the period ending December 31, 2024 are available at the City's Municipal Center.

**CITY OF MAPLE PLAIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 7 JOINT VENTURES (CONTINUED)

Joint Ventures (Continued)

Maple Plain – Independence Fire Services Partnership

On December 31, 2002 the Maple Plain-Independence Fire Services Partnership (the "Fire Partnership") was established under a joint powers agreement among the Cities of Maple Plain and Independence to provide fire protection in the fire service area of the two cities. Maple Plain is considered the managing partner.

The governing body consists of a 4 member Board. Two individuals, the Mayor and another City Council Member from each City, are appointed by their respective City Council to serve on the Board. The Fire Partnership does not have any component units.

As provided for in the joint powers agreement, in the event of termination, all real and personal property and cash held by the Fire Partnership would be divided among the members. The managing partner shall, at its sole discretion either sell interest or purchase the partnership interest Independence has in any capital assets of the partnership.

The governmental fund financial activity of the Fire Partnership are currently reported in a special revenue fund in the basic financial statements and the capital assets and related long-term liabilities are recorded within the governmental activities in the statement of net position. The City of Maple Plain contributed \$224,305 to the Fire Partnership in 2024. The City of Independence holds a 53.50 percent equity interest in the Fire Partnership.

Jointly Governed Organizations

Pioneer - Sarah Creek Watershed Management Commission

The Pioneer-Sarah Creek Watershed Management Commission is a joint powers watershed management organization formed under Minnesota statutes 103B.201-103B.255 and Minnesota Rules Chapter 8410. The Pioneer-Sarah Creek watershed covers about 70.5 square miles in northwestern Hennepin County. The six cities in the watershed jointly manage the water resources in this area through the Commission. The member cities are Maple Plain, Loretto, Independence, Medina, Minnetrista and Greenfield. The goal of the Commission is to enhance the water quality of the water resources within the watershed. The Commission seeks to carry out this goal through public information and education, analysis of the causes of harmful impacts on the water resources, regulation of the use of water bodies and their beds, regulation of land use, and capital improvement projects.

The City remitted \$21,499 to the Commission in 2024. The contribution was reported in the City's Storm Water fund.

Complete financial statements can be obtained at the Commission's web site: <http://pioneersarahcreek.org>.

**CITY OF MAPLE PLAIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 8 RESTATEMENT OF BEGINNING FUND BALANCE

Change in Fund Presentation from Nonmajor to Major

The 2024 Street Reconstruction Fund previously met the criteria to be reported as a nonmajor governmental fund. However, effective January 1, 2024, the fund no longer met the criteria to be reported as a nonmajor fund and is reported as a major governmental fund for the fiscal year ended December 31, 2024. The effect of that change to or within the financial reporting entity is shown in the table below.

	2024 Street Reconstruction Fund	Nonmajor Governmental Funds	Total
December 31, 2023, As Previously Reported	\$ -	\$ (70,577)	\$ (70,577)
Change in Fund Presentation from Nonmajor to Major	(70,577)	70,577	-
January 1, 2024, As Adjusted or Restated	<u>\$ (70,577)</u>	<u>\$ -</u>	<u>\$ (70,577)</u>

NOTE 9 OTHER INFORMATION

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 for which the City carries insurance. The City obtains insurance through participation in the League of Minnesota Cities Insurance Trust (LMCIT) which is a risk sharing pool with approximately 800 other governmental units. The City pays an annual premium to LMCIT for its workers compensation and property and casualty insurance. The LMCIT is self-sustaining through member premiums and will reinsure for claims above a prescribed dollar amount for each insurance event of the past three fiscal years. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities, if any, include an amount for claims that have been incurred but not reported (IBNRs). The City's management is not aware of any incurred but not reported claims.

B. Legal Debt Margin

The City's statutory debt limit is computed as 3 percent of the taxable market value of property within the City. Long-term debt issued and financed partially or entirely by special assessments or the net revenues of enterprise fund operations is excluded from the debt limit computation. The City's applicable debt does not exceed the limit.

C. Concentrations

The City receives a significant amount of its annual General fund revenue from the State of Minnesota from the Local Government Aid (LGA). The amount received in 2024 was \$266,001. This accounted for 12 percent of General fund revenues.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF MAPLE PLAIN
PUBLIC EMPLOYEES RETIREMENT ASSOCIATION
DEFINED BENEFIT PENSION PLANS
SCHEDULE OF CITY'S AND NONEMPLOYER PROPORTIONATE SHARE OF NET PENSION LIABILITY
PUBLIC EMPLOYEES GENERAL EMPLOYEES RETIREMENT FUND
YEAR ENDED DECEMBER 31, 2024

Plan Year Ending	City's Proportion of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability	City's Proportionate Share of the State of Minnesota's Proportionate Share of the Net Pension Liability	Proportionate Share of the Net Proportionate Share of the Net Pension Liability and the City's Share of the State of Minnesota's Share of the Net Pension Liability	City's Covered Payroll	Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
6/30/2024	0.0019 %	\$ 69,386	\$ 1,798	\$ 71,184	\$ 194,284	35.7 %	89.1 %
6/30/2023	0.0026	145,389	4,050	149,439	214,550	67.8	83.1
6/30/2022	0.0020	158,401	4,737	163,138	154,218	102.7	76.7
6/30/2021	0.0013	55,516	1,645	57,161	80,918	68.6	87.0
6/30/2020	0.0022	131,900	4,125	136,025	159,243	82.8	79.0
6/30/2019	0.0045	248,795	7,833	256,628	319,508	77.9	70.2
6/30/2018	0.0046	255,189	8,281	263,470	308,163	82.8	79.5
6/30/2017	0.0041	261,741	3,306	265,047	256,354	102.1	75.9
6/29/2016	0.0043	349,139	-	349,139	266,607	131.0	68.9
6/29/2015	0.0039	202,118	-	202,118	224,153	90.2	78.2

Note: This schedule is intended to present 10-year trend information. Additional years will be added as they become available.

CITY OF MAPLE PLAIN
PUBLIC EMPLOYEES RETIREMENT ASSOCIATION
DEFINED BENEFIT PENSION PLANS
SCHEDULE OF CITY'S AND NONEMPLOYER CONTRIBUTIONS
PUBLIC EMPLOYEES GENERAL EMPLOYEES RETIREMENT FUND
YEAR ENDED DECEMBER 31, 2024

Fiscal Year Ending	Contributions in Related to the		Contribution Deficiency (Excess) (a-b)	City Covered Payroll (d)	Contributions as a Percentage of Covered Payroll (b/d)
	Statutorily Required Contribution (a)	Statutorily Required Contribution (b)			
12/31/2024	\$ 17,462	\$ 17,462	\$ -	\$ 232,821	7.50
12/31/2023	12,967	12,967	-	172,894	7.50
12/31/2022	13,616	13,616	-	181,548	7.50
12/31/2021	10,350	10,350	-	138,005	7.50
12/31/2020	7,662	7,662	-	102,155	7.50
12/31/2019	18,801	18,801	-	250,686	7.50
12/31/2018	23,768	23,768	-	316,912	7.50
12/31/2017	20,913	20,913	-	278,837	7.50
12/30/2016	19,011	19,011	-	253,485	7.50
12/30/2015	17,983	17,983	-	239,770	7.50

Note: This schedule is intended to present 10-year trend information. Additional years will be added as they become available.

**CITY OF MAPLE PLAIN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
GENERAL EMPLOYEES RETIREMENT PLAN
DECEMBER 31, 2024**

NOTE 1 PENSION INFORMATION

General Employees Retirement Fund

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 and single discount rates were changed from 6.5% to 7.00%

Changes in Plan Provisions

- An additional one-time direct state aid contribution of \$170.1 million will be 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 percent minus the actual 2024 adjustment will be payable in a lump-sum for calendar year 2024 by March 31, 2024.

2022 Changes

Changes in Actuarial Assumptions:

- The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021.

**CITY OF MAPLE PLAIN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
GENERAL EMPLOYEES RETIREMENT PLAN
DECEMBER 31, 2024**

NOTE 1 PENSION INFORMATION (CONTINUED)

General Employees Retirement Fund (Continued)

2021 Changes

Changes in Actuarial Assumptions:

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

2020 Changes

Changes in Actuarial Assumptions

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

**CITY OF MAPLE PLAIN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
GENERAL EMPLOYEES RETIREMENT PLAN
DECEMBER 31, 2024**

NOTE 1 PENSION INFORMATION (CONTINUED)

General Employees Retirement Fund (Continued)

2020 Changes (Continued)

Changes in Plan Provisions:

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

2019 Changes

Changes in Actuarial Assumptions:

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

Changes in Plan Provisions:

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

2018 Changes

Changes in Actuarial Assumptions:

- The mortality projection scale was changed from MP-2015 to MP-2017.
- The assumed benefit increase was changed from 1.00% per year through 2044 and 2.50% 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.
- Postretirement benefit 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; 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.

**CITY OF MAPLE PLAIN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
GENERAL EMPLOYEES RETIREMENT PLAN
DECEMBER 31, 2024**

NOTE 1 PENSION INFORMATION (CONTINUED)

General Employees Retirement Fund (Continued)

2017 Changes

Changes in Actuarial Assumptions:

- The Combined Service Annuity (CSA) loads were changed from 0.8% for active members and 60% for vested and nonvested deferred members. The revised CSA loads are now 0.0% for active member liability, 15.0% for vested deferred member liability, and 3.0% for nonvested deferred member liability.
- The assumed postretirement benefit 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.

2016 Changes

Changes in Actuarial Assumptions:

- The assumed postretirement 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 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, and inflation were decreased by 0.25% to 3.25% for payroll growth and 2.5% for inflation.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2015 Changes

Changes in Actuarial Assumptions:

- The assumed postretirement benefit increase rate was changed from 1.0% per year through 2030 and 2.5% per year thereafter to 1.0% per year through 2035 and 2.5% per year thereafter.

Changes in Plan Provisions:

- On January 1, 2015, the Minneapolis Employees Retirement Fund was merged into the General Employees Fund, which increased the total pension liability by \$1.1 billion and increased the fiduciary plan net position by \$892 million. Upon consolidation, state and employer contributions were revised.

CITY OF MAPLE PLAIN
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE FIRE RELIEF
ASSOCIATION'S NET PENSION LIABILITY (ASSET)
AND RELATED RATIOS
YEAR ENDED DECEMBER 31, 2024

	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability									
Service Cost	\$ 35,201	\$ 33,644	\$ 30,010	\$ 30,874	\$ 28,113	\$ 31,245	\$ 30,483	\$ 39,565	\$ 37,413
Interest	68,782	69,655	63,362	57,732	53,612	49,207	49,395	53,188	43,559
Assumption Changes	-	-	-	(17,946)	-	32,497	-	-	-
Plan Changes	46,239	56,397	81,387	49,554	62,919	57,915	-	-	72,040
Changes of Assumptions	-	(6,444)	-	-	-	-	-	(75,938)	-
Gain or Loss	-	(62,026)	-	(31,489)	-	(38,625)	(86,800)	(40,193)	-
Benefit Payments, Including Refunds of Employee Contributions	(249,089)	(76,978)	(50,954)	(130,000)	-	(82,000)	-	-	-
Net Change in Total Pension Liability	(98,867)	14,248	123,805	(41,274)	144,644	50,239	(6,922)	(23,378)	153,012
Total Pension Liability - January 1	1,285,554	1,271,306	1,147,501	1,188,775	1,044,131	993,892	1,000,814	1,024,192	871,180
Total Pension Liability - December 31 (a)	\$ 1,186,687	\$ 1,285,554	\$ 1,271,306	\$ 1,147,501	\$ 1,188,775	\$ 1,044,131	\$ 993,892	\$ 1,000,814	\$ 1,024,192
Plan Fiduciary Net Position									
Contributions - Employer	\$ 48,395	\$ 45,875	\$ 44,800	\$ 44,800	\$ 40,000	\$ 38,000	\$ 31,851	\$ 27,026	\$ 26,520
Contributions - State	42,567	36,089	33,683	32,025	26,488	26,857	36,043	34,714	24,408
Net Investment Income	78,521	90,818	82,964	71,160	61,093	64,308	58,002	52,901	52,385
Gain or Loss	46,940	(299,642)	43,848	26,901	133,593	(153,279)	86,154	27,703	(98,405)
Benefit Payments, Including Refunds of Employee Contributions	(249,089)	(76,978)	(50,954)	(130,000)	-	(82,000)	(86,800)	-	-
Administrative Expense	-	(511)	(24)	-	-	-	-	-	-
Net Change in Plan Fiduciary Net Position	(32,666)	(204,349)	154,317	44,886	261,174	(106,114)	125,250	142,344	4,908
Total Pension Liability - January 1	1,444,651	1,649,000	1,494,683	1,449,797	1,188,623	1,294,737	1,169,487	1,027,143	1,022,235
Total Pension Liability - December 31 (b)	\$ 1,411,985	\$ 1,444,651	\$ 1,649,000	\$ 1,494,683	\$ 1,449,797	\$ 1,188,623	\$ 1,294,737	\$ 1,169,487	\$ 1,027,143
Fire Relier's Net Pension Liability (Asset) - December 31 (a-b)	\$ (225,298)	\$ (159,097)	\$ (377,694)	\$ (347,182)	\$ (261,022)	\$ (144,492)	\$ (300,845)	\$ (168,673)	\$ (2,951)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (b/a)									
Covered-Employee Payroll	118.99%	112.38%	129.71%	130.26%	121.96%	113.84%	130.27%	116.85%	100.29%
Fire Relier's Net Pension Liability (Asset) as a Percentage of Covered-Employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Note: This schedule is intended to present 10-year trend information. Additional years will be added as they become available.

CITY OF MAPLE PLAIN
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER'S FIRE RELIEF ASSOCIATION CONTRIBUTIONS
YEAR ENDED DECEMBER 31, 2024

Fiscal Year Ending	Contributions in Related to the		Contribution Deficiency (Excess) (a-b)
	Statutorily Required Contribution (a)	Statutorily Required Contribution (b)	
12/31/2024	\$ 49,027	\$ 101,867	\$ (52,840)
12/31/2023	38,576	86,971	(48,395)
12/31/2022	35,089	79,889	(44,800)
12/31/2021	32,683	76,825	(44,142)
12/31/2020	31,025	66,488	(35,463)
12/31/2019	26,488	67,488	(41,000)
12/31/2018	26,857	64,857	(38,000)
12/31/2017	26,043	57,894	(31,851)
12/31/2016	24,714	51,740	(27,026)

Note: This schedule is intended to present 10-year trend information. Additional years will be added as they become available.

**CITY OF MAPLE PLAIN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FIRE RELIEF ASSOCIATION
DECEMBER 31, 2024**

NOTE 1 PENSION INFORMATION

Fire Relief Association

Changes in Actuarial Assumptions:

2016 - The retirement age changed from Age 50 to a graded schedule based on age. The interest rate used for deferred benefit increases subject to the rate chosen by the relief association is assumed to be zero. Previously, it was assumed this rate would be equal to the 4.00% rate chosen for other deferred benefit increases.

2015 - In 2015, amounts reported as changes of assumptions resulted primarily from adjustments to expected retirement ages of general employees. In 2015, amounts reported as changes of assumptions resulted primarily from adjustments to expected retirement ages of public safety employees. In 2015, amounts reported as changes of assumptions resulted primarily from adjustments to assumed life expectancies as a result of adopting the RP-2000 Healthy Annuitant Mortality Table for purposes of developing mortality rates.

Changes in Plan Provisions:

2022 - The benefit terms were modified to base public safety employee pensions on a final three-year average salary instead of a final five-year average salary. In 2022, the benefit fee increased from \$3,200 to \$3,500.

2024 – In 2024, the Benefit Level changed from \$3,700 to \$3,850.

NOTE 2 BUDGETS

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the General, Special Revenue, and Debt Service funds. The capital project funds adopt project length budgets. Annual unused appropriations lapse at year-end for all funds.

Budgetary control is maintained at the object of expenditure category level within each activity. Budgeted amounts are as originally adopted, or as amended by the City Council. The budget may be amended by a majority of the Council by resolution. Management may not amend the budget without Council approval. Budgeted appropriations lapse at year-end.

**CITY OF MAPLE PLAIN
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2024**

	Original	Final	Actual Amounts	Variance with Final Budget Positive/ (Negative)
REVENUES				
Taxes	\$ 1,479,228	\$ 1,479,228	\$ 1,480,238	\$ 1,010
Licenses and permits	50,880	50,880	81,689	30,809
Intergovernmental	388,757	388,757	452,377	63,620
Charges for Services	51,775	51,775	128,262	76,487
Fines and Forfeitures	12,500	12,500	11,831	(669)
Special Assessments	-	-	1,479	1,479
Interest on Investments	3,000	3,000	43,431	40,431
Miscellaneous	-	-	23,684	23,684
Total Revenues	<u>1,986,140</u>	<u>1,986,140</u>	<u>2,222,991</u>	<u>236,851</u>
EXPENDITURES				
Current				
General Government:	507,567	507,567	658,850	(151,283)
Public Safety:	950,511	950,511	1,001,541	(51,030)
Public Works:	386,420	386,420	218,083	168,337
Culture and Recreation:	86,418	86,418	215,126	(128,708)
Economic Development	-	-	2,500	(2,500)
Capital Outlay				-
General Government	-	-	351	(351)
Culture and Recreation	-	-	892	(892)
Debt Service				
Principal	-	-	37,923	(37,923)
Interest and Other	-	-	700	(700)
Total Expenditures	<u>1,930,916</u>	<u>1,930,916</u>	<u>2,135,966</u>	<u>(205,050)</u>
EXCESS OF REVENUES OVER EXPENDITURES	55,224	55,224	87,025	31,801
OTHER FINANCING SOURCES (USES)				
Transfers Out	<u>(122,000)</u>	<u>(122,000)</u>	<u>(140,500)</u>	<u>(18,500)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (66,776)</u>	<u>\$ (66,776)</u>	<u>(53,475)</u>	<u>\$ 13,301</u>
Fund Balance - Beginning of Year			<u>1,099,808</u>	
FUND BALANCE - END OF YEAR			<u><u>\$ 1,046,333</u></u>	

**CITY OF MAPLE PLAIN
FIRE PARTNERSHIP
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2024**

	Original	Final	Actual Amounts	Variance with Final Budget Positive/ (Negative)
REVENUES				
Intergovernmental	\$ 43,500	\$ 43,500	\$ 65,170	\$ 21,670
Charges for Services	507,671	507,671	521,152	13,481
Interest on Investments	-	-	13,570	13,570
Miscellaneous	-	-	9,144	9,144
Total Revenues	<u>551,171</u>	<u>551,171</u>	<u>609,036</u>	<u>57,865</u>
EXPENDITURES				
Current				
Public Safety:	467,928	467,928	589,584	121,656
Capital Outlay				
Culture and Recreation	2,000	2,000	123,026	121,026
Total Expenditures	<u>469,928</u>	<u>469,928</u>	<u>712,610</u>	<u>242,682</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>\$ 81,243</u>	<u>\$ 81,243</u>	(103,574)	<u>\$ (184,817)</u>
Fund Balance - Beginning of Year			<u>412,144</u>	
FUND BALANCE - END OF YEAR			<u>\$ 308,570</u>	

**CITY OF MAPLE PLAIN
COMBINING BALANCE SHEET
GOVERNMENTAL FUND TYPES (NONMAJOR FUNDS)
DECEMBER 31, 2024**

	Special Revenue	Capital Projects	Total
ASSETS			
Cash and Cash Equivalents	\$ 91,469	\$ 76,198	\$ 167,667
Accounts Receivable	<u>1,060</u>	<u>-</u>	<u>1,060</u>
Total Assets	<u><u>\$ 92,529</u></u>	<u><u>\$ 76,198</u></u>	<u><u>\$ 168,727</u></u>
FUND BALANCES			
Committed	81,865	-	81,865
Assigned	<u>10,664</u>	<u>76,198</u>	<u>86,862</u>
Total Fund Balances	<u><u>92,529</u></u>	<u><u>76,198</u></u>	<u><u>168,727</u></u>
 Total Liabilities and Fund Balances	 <u><u>\$ 92,529</u></u>	 <u><u>\$ 76,198</u></u>	 <u><u>\$ 168,727</u></u>

CITY OF MAPLE PLAIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND TYPES (NONMAJOR FUNDS)
YEAR ENDED DECEMBER 31, 2024

	Special Revenue	Capital Projects	Total
REVENUES			
Special Assessments	\$ -	\$ 1,448	\$ 1,448
Interest on Investments	4,169	34,000	38,169
Other	10,465	-	10,465
Total Revenues	<u>14,634</u>	<u>35,448</u>	<u>50,082</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	14,634	35,448	50,082
OTHER FINANCING SOURCES			
Transfers In	<u>-</u>	<u>220,479</u>	<u>220,479</u>
NET CHANGE IN FUND BALANCE	14,634	255,927	270,561
Fund Balance - Beginning of Year, as Previously Presented	<u>77,895</u>	<u>(250,306)</u>	<u>(172,411)</u>
Change Within Financial Reporting Entity (Nonmajor to Major Fund)	<u>-</u>	<u>70,577</u>	<u>70,577</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 92,529</u></u>	<u><u>\$ 76,198</u></u>	<u><u>\$ 168,727</u></u>

**CITY OF MAPLE PLAIN
SPECIAL REVENUE NONMAJOR FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2024**

	Economic Development Fund	Gambling Proceeds Fund	Total
ASSETS			
Cash and Investments	\$ 81,865	\$ 9,604	\$ 91,469
Accounts Receivable	-	1,060	1,060
Total Assets	<u>\$ 81,865</u>	<u>\$ 10,664</u>	<u>\$ 92,529</u>
FUND BALANCES			
Assigned	-	10,664	10,664
Committed	81,865	-	81,865
Total Fund Balances	<u>81,865</u>	<u>10,664</u>	<u>92,529</u>
 Total Liabilities and Fund Balances	 <u>\$ 81,865</u>	 <u>\$ 10,664</u>	 <u>\$ 92,529</u>

**CITY OF MAPLE PLAIN
SPECIAL REVENUE NONMAJOR FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
YEAR ENDED DECEMBER 31, 2024**

	Economic Development Fund	Gambling Proceeds Fund	Total
REVENUES			
Investment Earnings	\$ 3,970	\$ 199	\$ 4,169
Other	-	10,465	10,465
Total Revenues	<u>3,970</u>	<u>10,664</u>	<u>14,634</u>
OTHER FINANCING SOURCES			
Transfers In	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	3,970	10,664	14,634
Fund Balance - Beginning of Year	<u>77,895</u>	<u>-</u>	<u>77,895</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 81,865</u></u>	<u><u>\$ 10,664</u></u>	<u><u>\$ 92,529</u></u>

**CITY OF MAPLE PLAIN
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2024**

	Park Improvement Fund	Downtown Development Fund	2021 Street Reconstruction Fund	2022 Street Project Fund	City Hall Development Fund	Equipment Repair Fund
ASSETS						
Cash and Temporary Investments	<u>\$ 53,996</u>	<u>\$ -</u>	<u>\$ 49</u>	<u>\$ 97</u>	<u>\$ 10,056</u>	<u>\$ 12,000</u>
FUND BALANCES						
Assigned	<u>\$ 53,996</u>	<u>\$ -</u>	<u>\$ 49</u>	<u>\$ 97</u>	<u>\$ 10,056</u>	<u>\$ 12,000</u>
Total Fund Balances	<u>53,996</u>	<u>-</u>	<u>49</u>	<u>97</u>	<u>10,056</u>	<u>12,000</u>
Total Liabilities and Fund Balances	<u>\$ 53,996</u>	<u>\$ -</u>	<u>\$ 49</u>	<u>\$ 97</u>	<u>\$ 10,056</u>	<u>\$ 12,000</u>

**CITY OF MAPLE PLAIN
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
YEAR ENDED DECEMBER 31, 2024**

	Park Improvement Fund	Downtown Development Fund	2021 Street Reconstruction Fund	2022 Street Project Fund	2024 Street Reconstruction Fund	City Hall Development Fund	Equipment Repair Fund	Total
REVENUES								
Special Assessments								
Interest on Investments	\$ 1,246	\$ -	\$ 49	\$ 97	\$ -	\$ 56	\$ -	\$ 1,448
Other	24,000	-	-	-	-	10,000	-	34,000
Total Revenues	25,246	-	49	97	-	10,056	-	35,448
OTHER FINANCING SOURCES								
Transfers In	28,750	179,729	-	-	-	-	12,000	220,479
NET CHANGE IN FUND BALANCE	53,996	179,729	49	97	-	10,056	12,000	255,927
Fund Balance - Beginning of Year, as Previously Presented	-	(179,729)	-	-	(70,577)	-	-	(250,306)
Change Within Financial Reporting Entity (Nonmajor to Major Fund)	-	-	-	-	70,577	-	-	70,577
FUND BALANCE - END OF YEAR	<u>\$ 53,996</u>	<u>\$ -</u>	<u>\$ 49</u>	<u>\$ 97</u>	<u>\$ -</u>	<u>\$ 10,056</u>	<u>\$ 12,000</u>	<u>\$ 76,198</u>

**CITY OF MAPLE PLAIN
DEBT SERVICE FUNDS
COMBINING BALANCE SHEET – BY DEBT ISSUANCE
DECEMBER 31, 2024**

	2012A G.O. Bonds	2013A G.O. Bonds	2014A G.O. Bonds	2016A G.O. Bonds	2018A G.O. Bonds	2021A G.O. Bonds	2022A G.O. Bonds	2024A G.O. Bonds	Total
ASSETS									
Cash and Investments	\$ 82,682	\$ (174)	\$ 200,183	\$ 85,561	\$ 152,858	\$ 288,422	\$ 95,886	\$ 169,165	\$ 1,074,583
Special Assessments Receivable	12,714	-	81,507	73,758	129,874	160,032	-	748,545	1,206,430
Total Assets	<u>\$ 95,396</u>	<u>\$ (174)</u>	<u>\$ 281,690</u>	<u>\$ 159,319</u>	<u>\$ 282,732</u>	<u>\$ 448,454</u>	<u>\$ 95,886</u>	<u>\$ 917,710</u>	<u>\$ 2,281,013</u>
DEFERRED INFLOWS OF RESOURCES									
Unavailable Revenue - Special Assessments	\$ 12,714	\$ -	\$ 81,232	\$ 73,540	\$ 129,566	\$ 160,032	\$ -	\$ 748,545	\$ 1,205,629
FUND BALANCES									
Restricted	<u>82,682</u>	<u>(174)</u>	<u>200,458</u>	<u>85,779</u>	<u>153,166</u>	<u>288,422</u>	<u>95,886</u>	<u>169,165</u>	<u>1,075,384</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 95,396</u>	<u>\$ (174)</u>	<u>\$ 281,690</u>	<u>\$ 159,319</u>	<u>\$ 282,732</u>	<u>\$ 448,454</u>	<u>\$ 95,886</u>	<u>\$ 917,710</u>	<u>\$ 2,281,013</u>

**CITY OF MAPLE PLAIN
DEBT SERVICE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE – BY DEBT ISSUANCE
YEAR ENDED DECEMBER 31, 2024**

	2012A G.O. Bonds	2013A G.O. Bonds	2014A G.O. Bonds	2016A G.O. Bonds	2018A G.O. Bonds	2021A G.O. Bonds	2022A G.O. Bonds	2024A G.O. Bonds	Total
REVENUES									
Taxes	\$ 25,988	\$ -	\$ 69,563	\$ 30,926	\$ 48,938	\$ 39,008	\$ 74,550	\$ -	\$ 288,973
Special Assessments	4,236	-	26,355	8,284	27,528	21,723	-	138,354	226,480
Investment Earnings	3,011	-	3,952	2,942	5,183	12,308	2,411	33	29,840
Total Revenues	33,235	-	99,870	42,152	81,649	73,039	76,961	138,387	545,293
EXPENDITURES									
Debt Service:									
Principal Retirement	20,963	-	70,000	35,000	40,000	45,000	40,000	-	250,963
Interest and Fiscal Charges	5,051	475	30,612	12,562	26,831	13,910	32,275	114,887	236,603
Total Expenditures	26,014	475	100,612	47,562	66,831	58,910	72,275	114,887	487,566
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	7,221	(475)	(742)	(5,410)	14,818	14,129	4,686	23,500	57,727
OTHER FINANCING SOURCES									
Premiums on Debt Issued	-	-	-	-	-	-	-	145,665	145,665
NET CHANGE IN FUND BALANCE	7,221	(475)	(742)	(5,410)	14,818	14,129	4,686	169,165	203,392
Fund Balance - Beginning of Year	75,461	301	201,200	91,189	138,348	274,293	91,200	-	871,992
FUND BALANCE - END OF YEAR	<u>\$ 82,682</u>	<u>\$ (174)</u>	<u>\$ 200,458</u>	<u>\$ 85,779</u>	<u>\$ 153,166</u>	<u>\$ 288,422</u>	<u>\$ 95,886</u>	<u>\$ 169,165</u>	<u>\$ 1,075,384</u>

**CITY OF MAPLE PLAIN, MINNESOTA
SUPPLEMENTARY INFORMATION
SUMMARY FIANCIAL REPORT
REVENUES AND EXPENDITURES FOR GENERAL OPERATIONS- GOVERNMENTAL FUNDS
FOR YEARS ENDED DECEMBER 31, 2024 AND 2023**

	Totals		Percent Increase (Decrease)
	2024	2023	
Revenues			
Taxes	\$ 1,769,211	\$ 1,733,217	2.1 %
Special Assessments	227,959	78,600	190.0
Licenses and Permits	81,689	67,194	21.6
Intergovernmental	574,911	405,399	41.8
Charges for Services	649,414	579,012	12.2
Fines and Forfeits	11,831	12,976	(8.8)
Interest on Investments	308,229	63,090	388.6
Miscellaneous	77,293	22,315	246.4
Total Revenues	<u>\$ 3,700,537</u>	<u>\$ 2,961,803</u>	0.2 %
Per Capita	<u>\$ 1,959</u>	<u>\$ 1,519</u>	0.3 %
Expenditures			
Current			
General Government	\$ 658,850	\$ 633,362	4.0 %
Public Safety	1,591,125	1,419,129	12.1
Public Works	235,971	231,476	1.9
Culture and Recreation	215,126	82,265	161.5
Economic Development	2,500	10,255	(75.6)
Capital Outlay			
General Government	75,636	50	151,172.0
Public Safety	127,201	11,162	1,039.6
Public Works	3,562,292	250,708	1,320.9
Culture and Recreation	9,141	30,694	(70.2)
Economic Development	-	19,300	N/A
Debt Service			
Principal	288,886	284,865	1.4
Interest and Other Charges	237,562	135,236	75.7
Total Expenditures	<u>\$ 7,004,290</u>	<u>\$ 3,108,502</u>	125.3 %
Per Capita	<u>\$ 3,708</u>	<u>\$ 1,594</u>	132.6 %
Total Long-Term Indebtedness	\$ 7,464,494	\$ 4,297,580	73.7 %
Per Capita	3,952	2,204	79.3 %
General Fund Balance - December 31	\$ 1,046,333	\$ 1,099,808	(4.9)%
Per Capita	554	564	(1.8)%



**INDEPENDENT AUDITORS' 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***

City Council
City of Maple Plain
Maple Plain, Minnesota

We have audited, in accordance with the 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 City of Maple Plain, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City of Maple Plain's basic financial statements, and have issued our report thereon dated May 12, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered City of Maple Plain'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 City of Maple Plain's internal control. Accordingly, we do not express an opinion on the effectiveness of City of Maple Plain'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 entity'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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Maple Plain'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*.

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 results of that testing, and not to provide an opinion on the effectiveness of the entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Minneapolis, Minnesota
May 12, 2025



MINNESOTA LEGAL COMPLIANCE

Independent Auditor's Report

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 Maple Plain, Minnesota (the City), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated May 12, 2025.

In connection with our audit, nothing came to our attention that caused us to believe that the City of Maple Plain failed to comply with the provisions of the contracting – bid laws, depositories of public funds and public investments, conflicts of interest, public indebtedness, claims and disbursements, and miscellaneous provisions sections of the *Minnesota Legal Compliance Audit Guide for Cities*, promulgated by the State Auditor pursuant to Minn. Stat. § 6.65, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the City's noncompliance with the above referenced provisions, insofar as they relate to accounting matters.

This report is intended solely for the information and use of those charged with governance and management of City of Maple Plain and the State Auditor and is not intended to be, and should not be, used by anyone other than these specified parties.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Minneapolis, Minnesota
May 12, 2025

