



2024 Annual Comprehensive Financial Report

City of Champlin, Minnesota
For the Year Ended December 31, 2024



- This page intentionally left blank -

ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED
DECEMBER 31, 2024

CITY OF CHAMPLIN, MINNESOTA

PREPARED BY: FINANCE DEPARTMENT

- This page intentionally left blank -

CITY OF CHAMPLIN, MINNESOTA
TABLE OF CONTENTS

	<u>Reference</u>	<u>Page No.</u>
I. INTRODUCTORY SECTION		
Letter of Transmittal		3
Certificate of Achievement for Excellence in Financial Reporting		9
Organizational Chart		11
List of Elected and Appointed Officials		13
II. FINANCIAL SECTION		
Independent Auditor's Report		17
Management's Discussion and Analysis		21
Basic Financial Statements:		
Government-Wide Financial Statements:		
Statement of Net Position	Statement 1	33
Statement of Activities	Statement 2	34
Fund Financial Statements:		
Balance Sheet - Governmental Funds	Statement 3	36
Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds	Statement 4	38
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	Statement 5	40
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	Statement 6	41
Statement of Net Position - Proprietary Funds	Statement 7	42
Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds	Statement 8	43
Statement of Cash Flows - Proprietary Funds	Statement 9	44
Notes to Financial Statements		45
Required Supplementary Information:		
Schedule of Changes in the Total OPEB Liability and Related Ratios	Statement 10	80
Schedule of Pension Contributions - Public Employees General Retirement Fund Pension Plan	Statement 11	81
Schedule of Proportionate Share of Pension Liability - Public Employees General Retirement Fund Pension Plan	Statement 12	82
Schedule of Pension Contributions - Public Employees Police and Fire Fund Pension Plan	Statement 13	83
Schedule of Proportionate Share of Pension Liability - Public Employees Police and Fire Fund Pension Plan	Statement 14	84
Notes to RSI		85

CITY OF CHAMPLIN, MINNESOTA
TABLE OF CONTENTS

Combining and Individual Fund Statements and Schedules:

Combining Balance Sheet - Nonmajor Governmental Funds	Statement 15	98
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - Nonmajor Governmental Funds	Statement 16	100
Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual		
Economic Development Authority	Statement 17	102
Technology	Statement 18	103
Ice forum	Statement 19	104
Combining Statement of Net Position - Internal Service Funds	Statement 20	105
Combining Statement of Revenues, Expenses and Changes in Fund Net Position - Internal Service Funds	Statement 21	106
Combining Statement of Cash Flows - Internal Service Funds	Statement 22	107

III. STATISTICAL SECTION (UNAUDITED)

Financial Trends:

Net Positions	Table 1	112
Changes in Net Position	Table 2	114
Governmental Activities Tax Revenue by Source	Table 3	119
Fund Balances - Governmental Funds	Table 4	120
Changes in Fund Balances - Governmental Funds	Table 5	122

Revenue Capacity:

Tax Capacity and Estimated Actual Value of All Taxable Property	Table 6	124
Property Tax Rates - Direct and Overlapping Governments	Table 7	125
Principal Property Taxpayers	Table 8	126
Property Tax Levies and Collections	Table 9	127

Debt Capacity:

Ratios of Outstanding Debt by Type	Table 10	128
Ratios of General Bonded Debt Outstanding	Table 11	130
Direct and Overlapping Governmental Activities Debt	Table 12	133
Legal Debt Margin Information	Table 13	134
Pledged Revenue Coverage	Table 14	136

Demographic and Economic Information:

Demographic and Economic Statistics	Table 15	138
Principal Employers	Table 16	139

Operating Information:

Full-Time Equivalent City Government Employees by Function	Table 17	140
Operating Indicators by Function	Table 18	142
Capital Asset Statistics by Function	Table 19	144

I. INTRODUCTORY SECTION

- This page intentionally left blank -



April 22, 2025

To the Citizens of the City of Champlin,
Honorable Mayor and Council Members

State law requires that all general-purpose local governments publish, within six months of the close of each fiscal year, a complete set of audited financial statements. Pursuant to that requirement, we hereby issue the annual comprehensive financial report of the City of Champlin for the fiscal year ended December 31, 2024.

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

The City of Champlin's financial statements have been audited by Redpath and Company, a firm of licensed certified public accountants. The auditor has issued an unmodified ("clean") opinion of the City of Champlin's financial statements for the year ended December 31, 2024. The independent auditor's report is located at the front of the financial section of this report.

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

PROFILE OF THE CITY

The City of Champlin is located in the northern part of Hennepin County and is approximately nine square miles in size. Champlin has an estimated 2024 population of 24,065 and is considered a third ring metropolitan suburb, about 20 miles from the Minneapolis Central Business District. Champlin is bordered to the north by Anoka, to the west by Dayton, to the south by Maple Grove and Brooklyn Park and to the east by Coon Rapids. The City is located entirely within the Metropolitan Urban Services Area (MUSA).

Champlin is a community dominated by detached single family residential neighborhoods. Champlin is known as a suburban “bedroom community” as many residents find employment outside of the community. Champlin’s residents appreciate the benefits of suburban living with a “small-town” atmosphere, as well as the convenience of its proximity to the more urbanized regions of the metropolitan area. Champlin is bounded by the 4,900-acre Elm Creek Park Reserve to the west and the Mississippi River creating the northern border, which provide important ecological and recreational benefits for the community and the region.

The City of Champlin has been a municipal corporation since 1947 and operates as a statutory city. The Champlin City Council is charged with exercising legislative power and determining local policy. The Council is comprised of the Mayor, who serves a four-year term of office, and four council members who serve staggered four-year terms. The four council members are elected by ward and the mayor is elected at large.

The City operates under a Council/Administrator form of government where the City Administrator is the chief administrative officer directly accountable to the Council for all matters of municipal operation.

This report encompasses all funds of the City of Champlin. The City offers a comprehensive range of services to its residents, including, but not limited to, police and fire protection, the construction and maintenance of roads, streets, and infrastructure, cultural and recreational programs, and general administrative services. Additionally, this report includes the Economic Development Authority (EDA), which, although a legally separate entity, operates as a functional department of the City and is therefore presented as an integral component of the City's financial statements. Further details regarding this legally separate entity are provided in Note 1A of the financial statement notes.

The annual budget is a key component of the City of Champlin’s financial planning and control process. Each year, all City departments are required to submit appropriation requests to the Finance Director by early July. These requests are compiled and forwarded to the Administrator, who uses them as the foundation for developing the proposed budget. The proposed budget is then presented to the City Council for review before the adoption of the preliminary budget and levy, which occurs prior to September 30. The Council is required to hold public hearings on the proposed budget and adopt the final budget and levy no later than five working days after December 20.

The appropriated budget is organized by fund and department. The Administrator has the authority to make transfers within a department, while transfers between departments require approval from the City Council. Budget-to-actual comparisons are provided in this report for each individual governmental fund with an adopted annual budget. For the General Fund, this comparison is presented on page 41 as part of the basic financial statements for the governmental funds. For other governmental funds with appropriated annual budgets, the comparison is included in the governmental fund section of this report, starting on page 102.

FACTORS AFFECTING FINANCIAL CONDITION

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Champlin operates.

Local Economy

The City of Champlin has been influenced by the broader national economic climate, though local indicators consistently outperform the national average. When compared to the broader Twin Cities metropolitan area, Champlin exhibits a moderate growth rate in both its residential and commercial tax bases. While growth in these sectors experienced a significant decline between 2009 and 2014, a recovery began in 2015, and this positive trend is expected to continue into 2024. Currently, the City is 97% developed, with full development projected to be reached by 2030.

Hennepin County, in which the City of Champlin is located, has a labor force of approximately 704,086 and an unemployment rate of 2.3% (data source: U.S. Bureau of Labor Statistics Dec. 2024). This unemployment rate is comparable to the state average and more favorable than the national averages of 2.8% and 4.1% respectively. Due to the fact that the City is a suburb of the Twin Cities metropolitan area, Hennepin County demographic statistics are considered a good indicator of economic trends in the area.

Although the Federal Reserve lowered interest rates in 2024, high inflation and the potential for a recession remain significant concerns for the economy. Inflationary pressures, coupled with uncertainty surrounding federal policies, continue to affect Champlin residents, local businesses, and all areas of the City's operations.

Future Mandates

The City continues to face budget challenges due to actions by the state legislature. The City does not receive a Local Government Aid (LGA) allocation and receives a fiscal disparities distribution of approximately \$1.5 million. A discussion point for future budget processes will be to continue developing a long-range plan for the elimination of the City's dependence on fiscal disparities.

Long-Term Financial Planning

The City Council places a high priority on long-term financial planning for the City. The City maintains a Financial Management Plan that contains financial policies and long-term projections of capital equipment, facility and infrastructure needs and a mechanism for funding replacement with minimal commitment of debt. A comprehensive update to that plan was completed in 2021 with adjustments to account for changes in the economic outlook. This plan document is scheduled for another comprehensive update in 2026 to align with the 2025-2027 Strategic Plan adoption.

Each year the City develops a ten-year capital improvement plan to forecast capital needs into the future. This tool helps assure resources are available to support initiatives and is instrumental in the budget process.

As the City matures and becomes fully developed, it's important to protect property values and maintain a strong tax base. To help accomplish this, the City continues to focus on quality of life improvements in the community. These initiatives include revitalized parks, expanding the City's trail system, and the continual rehabilitation of the City's aging infrastructure. In addition, the Council has directed staff to increase communication between City representatives and the public. This is done through an increased number of public events designed to engage the community and continually improve current City services.

Major Initiatives

Each year the City schedules rehabilitation of several miles of street and utility infrastructure. In 2025, nearly \$16 million in projects is planned that includes improvements to 3.3 miles of roadway, completing a large section of sanitary sewer lining, and water treatment plant improvements. The financing of these projects will be a combination of grants, annual levy, special assessments, the issuance of G.O. backed debt, interest earnings from the Permanent Improvement Fund and utility user fees.

The City of Champlin's development initiatives are primarily concentrated in the Mississippi Crossings area, which spans 120 acres adjacent to Trunk Highway 169 and borders the Mississippi River. Recently, construction commenced on a 9,500-square-foot riverfront restaurant featuring an expansive outdoor dining patio. Additionally, the City owns prime real estate within Mississippi Crossings that offers significant development potential. It is projected that this area will experience continued development over the next five years, gradually completing the development of the remaining acreage.

While the City anticipates being fully developed by 2030, there remains several "shovel-ready" commercially zoned vacant sites along the Highway 169 corridor and approximately 30 acres of undeveloped property zoned single-family residential in the City's northwest area. Recently, development in the northwest area is highlighted by a 100-lot subdivision that is nearly built out with move-up single-family housing.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Champlin for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended December 31, 2023. In order to be granted a Certificate of Achievement, the City published an easily readable and efficiently organized ACFR. This report satisfied both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current report conforms to the Certificate of Achievement Program requirements and it will be submitted to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the finance department. Specific recognition for the preparation of this report needs to go to Reidun Zollicoffer and Lindsay Jacobs.

The Finance Department wishes to express our appreciation to the City Administrator and the members of the City Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Champlin's finances.

Respectfully submitted,



Bret Heitkamp
City Administrator



Shelly Peterson
Finance Director

- This page intentionally left blank -



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Champlin
Minnesota**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2023

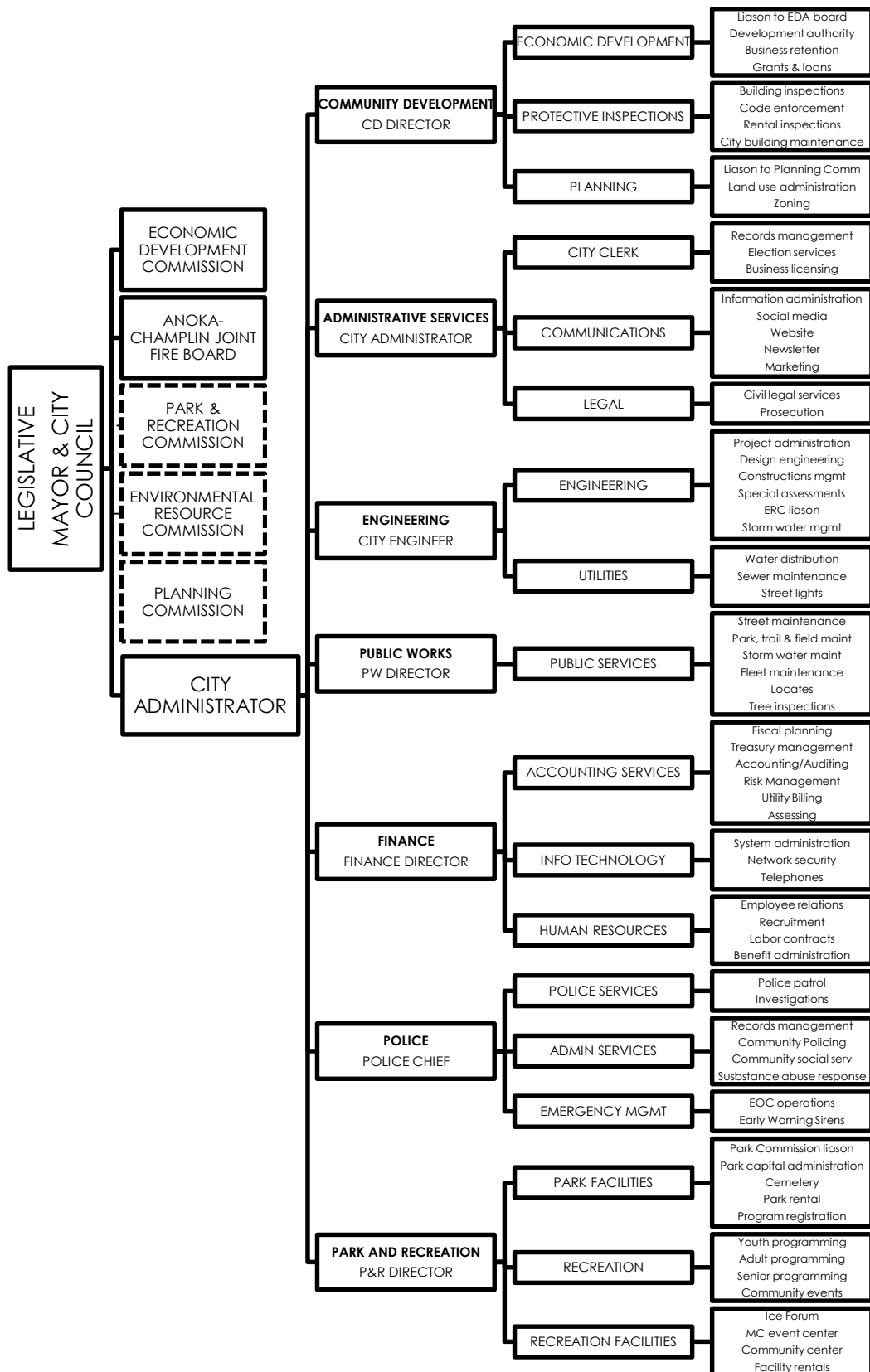
Christopher P. Morill

Executive Director/CEO

- This page intentionally left blank -

City of Champlin

2024 Organizational Chart



- This page intentionally left blank -

CITY OF CHAMPLIN, MINNESOTA
LIST OF ELECTED AND APPOINTED OFFICIALS
December 31, 2024

Name	Official Title
Mayor and Council:	
Ryan Sabas	Mayor (term expires 12/31/2026)
Jessica Tesdall	Councilmember, Ward 1 (term expires 12/31/2026)
Tom Moe	Councilmember, Ward 2 (term expires 12/31/2026)
Nate Truesdell	Councilmember, Ward 3 (term expires 12/31/2024)
Tim LaCroix	Councilmember, Ward 4 (term expires 12/31/2024)
Administration:	
Bret Heitkamp	City Administrator
David Schaps	City Attorney
Julie Tembreull	City Clerk
Shelly Peterson	Finance Director
Glen Schneider	Police Chief
Heather Nelson	City Engineer
Scott Schulte	Community Development Director
Chris Rachner	Public Works Director
Ted Massicotte	Fire Chief

- This page intentionally left blank -

II. FINANCIAL SECTION

- This page intentionally left blank -



INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and
Members of the City Council
City of Champlin, 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 Champlin, Minnesota, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City of Champlin, Minnesota's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Champlin, Minnesota, as of December 31, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 generally accepted auditing standards and *Governmental 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 of Champlin, Minnesota'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 of Champlin, Minnesota'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, and the schedules of OPEB and pension information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Champlin, Minnesota's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 22, 2025 on our consideration of the City of Champlin, Minnesota's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Champlin, Minnesota'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 of Champlin, Minnesota's internal control over financial reporting and compliance.

Redpath and Company LLC

REDPATH AND COMPANY, LLC
St. Paul, Minnesota

April 22, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Champlin, we offer readers of the City of Champlin's financial statements this narrative overview and analysis of the financial activities of the City of Champlin for the fiscal year ended December 31, 2024. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 3-7 of this report.

Financial Highlights

- The assets and deferred outflows of resources of the City of Champlin exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$235 million (net position). Of this amount, \$73 million (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$8.9 million.
- As of the close of the current fiscal year, the City of Champlin's governmental funds reported combining ending fund balances of \$53.3 million, an increase of \$6.4 million when compared to the prior year. Approximately 90% of this total amount, \$48.2 million, is available for spending at the City's discretion (assigned and unassigned fund balances).
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$6.6 million, approximately 53% of total General Fund expenditures.
- The City of Champlin's total debt increased by \$895,000 during the current fiscal year, primarily due to new debt issuances and scheduled payments on existing bond obligations.

Overview of the Financial Statements

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

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

The statement of net position presents information on all of the City of Champlin's assets and liabilities, with the difference between the two 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 of Champlin is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the City of Champlin that are principally supported by tax revenues (governmental activities) from other functions that intend to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of Champlin include general government, public safety, public works, community development, and parks and recreation. The business-type activities of the City of Champlin include water and sewer utilities, refuse, recycling and storm water.

The government-wide financial statements include not only the City of Champlin itself (known as the primary government), but also a legally separate Economic Development Authority (EDA) for which the City of Champlin is financially accountable. The EDA, although legally separate, functions for all practical purposes as a department of the City of Champlin, and therefore has been included as an integral part of the primary government.

The government-wide financial statements can be found on pages 33 - 35 of this report.

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 of Champlin, 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 of Champlin can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term 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 City's near-term financing decisions. Both the governmental fund balance sheet and governmental statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Champlin maintains sixteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund, general obligation bonds, tax increment projects, permanent improvement, and park reserve funds, all of which are considered to be major funds. Data from the other eleven 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 elsewhere in this report. The City of Champlin adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 36 - 41 of this report.

Proprietary funds. The City of Champlin maintains five different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Champlin uses enterprise funds to account for its sewer and water utilities, refuse and recycling collection, and storm water activity. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City of Champlin's various functions. The City of Champlin uses internal service funds to account for its property, liability, and workers' compensation insurance activities, geographical information services (GIS), employee benefits, and compensated absences. Because these services predominantly benefit governmental rather than business-type functions, the internal service funds have been included within governmental activities in the government-wide financial statements.

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

The basic proprietary fund statements can be found on pages 42 - 44 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 on pages 45 - 77 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the Required Supplementary Information. Combining and individual fund statements and schedules can be found on pages 98 - 107 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the City's financial position. In the case of the City of Champlin, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$235 million at the close of the most recent fiscal year.

A large portion of the City of Champlin's net position (65.5%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment) less any related debt used to acquire those assets that is still outstanding. The City of Champlin uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Champlin'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 cannot themselves be used to liquidate these liabilities.

An additional portion of the City of Champlin's net position (3.2%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$73.3 million) may be used to meet the City's ongoing obligations to citizens and creditors.

CITY OF CHAMPLIN NET POSITION

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Current and other assets	\$66,863,437	\$60,573,520	\$29,996,684	\$28,170,686	\$96,860,121	\$88,744,206
Capital assets	127,105,718	124,973,844	43,807,579	44,341,225	170,913,297	169,315,069
Total assets	<u>\$193,969,155</u>	<u>\$185,547,364</u>	<u>\$73,804,263</u>	<u>\$72,511,911</u>	<u>\$267,773,418</u>	<u>\$258,059,275</u>
Total deferred outflows of resources	\$5,211,471	\$6,733,199	\$34,014	\$24,952	\$5,245,485	\$6,758,151
Long-term liabilities outstanding	18,383,131	21,369,501	3,666,253	2,259,012	22,049,384	23,628,513
Other liabilities	5,593,130	4,760,762	578,904	552,197	6,172,034	5,312,959
Total liabilities	<u>\$23,976,261</u>	<u>\$26,130,263</u>	<u>\$4,245,157</u>	<u>\$2,811,209</u>	<u>\$28,221,418</u>	<u>\$28,941,472</u>
Total deferred inflows of resources	\$10,194,787	\$10,223,938	\$17,306	\$22,340	\$10,212,093	\$10,246,278
Net Position:						
Net investment in capital assets	113,560,107	110,935,660	40,127,285	42,094,251	153,687,392	153,029,911
Restricted	7,547,767	7,699,058	-	-	7,547,767	7,699,058
Unrestricted	43,901,704	37,291,644	29,448,529	27,609,063	73,350,233	64,900,707
Total net position	<u>\$165,009,578</u>	<u>\$155,926,362</u>	<u>\$69,575,814</u>	<u>\$69,703,314</u>	<u>\$234,585,392</u>	<u>\$225,629,676</u>

The City adopted accounting guidance, GASB Statement No. 68, Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement No. 27 in 2016. Essentially, the standard required the unfunded portion of defined benefit pension plans to be reported by all participating employers. Recording the net pension liability and the pension related deferred outflows and inflows of resources do not change the City's future funding requirements or obligations under the plans, which are determined by Minnesota statutes. Net position was negatively impacted by \$6.7 million at December 31, 2024 due to the assumption changes and investment earnings projections from the Public Employees Retirement Association's (PERA) own actuarial study.

Pension-related amounts included in the above schedule related to the standard are as follows:

Deferred outflows of resources	\$4,623,101
Deferred inflows of resources	(6,510,760)
Pension liability	(4,798,784)
Total	<u>(\$6,686,443)</u>

At the end of the current fiscal year, the City of Champlin is able to report positive balances in all three 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.

CITY OF CHAMPLIN CHANGE IN NET POSITION

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program revenues:						
Charges for services	\$4,582,356	\$3,997,829	\$9,621,371	\$9,467,252	\$14,203,727	\$13,465,081
Operating grants and contributions	964,108	1,779,226	625,664	305,058	1,589,772	2,084,284
Capital grants and contributions	3,617,422	3,767,761	207,150	385,193	3,824,572	4,152,954
General revenues:						
Property taxes	15,603,483	13,983,054	-	-	15,603,483	13,983,054
Tax increments	1,176,762	1,029,105	-	-	1,176,762	1,029,105
Other taxes	1,108,030	1,080,634	-	-	1,108,030	1,080,634
Unrestricted investment earnings	2,097,167	2,086,315	1,215,196	1,131,652	3,312,363	3,217,967
Grants and contributions not restricted to specific pr	-	-	71,820	-	71,820	-
Gain on sale of capital asset	31,127	27,251	34,600	-	65,727	27,251
Miscellaneous	-	-	-	91,396	-	91,396
Total revenues	29,180,455	27,751,175	11,775,801	11,380,551	40,956,256	39,131,726
Expenses:						
General government	3,908,097	3,740,063	-	-	3,908,097	3,740,063
Public safety	6,947,799	6,870,951	-	-	6,947,799	6,870,951
Public works	6,464,353	6,332,338	-	-	6,464,353	6,332,338
Parks and recreation	2,853,740	2,638,610	-	-	2,853,740	2,638,610
Interest on long-term debt	345,250	349,277	-	-	345,250	349,277
Water	-	-	4,349,642	3,313,282	4,349,642	3,313,282
Sewer	-	-	3,484,731	3,342,310	3,484,731	3,342,310
Refuse	-	-	1,510,763	1,419,043	1,510,763	1,419,043
Recycling	-	-	538,130	526,165	538,130	526,165
Storm Water	-	-	1,598,035	1,185,988	1,598,035	1,185,988
Total expenses	20,519,239	19,931,239	11,481,301	9,786,788	32,000,540	29,718,027
Change in net position before transfers	8,661,216	7,819,936	294,500	1,593,763	8,955,716	9,413,699
Transfers	422,000	426,600	(422,000)	(426,600)	-	-
Change in net position	9,083,216	8,246,536	(127,500)	1,167,163	8,955,716	9,413,699
Net position - January 1	155,926,362	147,679,826	69,703,314	68,536,151	225,629,676	216,215,977
Net position - December 31	\$165,009,578	\$155,926,362	\$69,575,814	\$69,703,314	\$234,585,392	\$225,629,676

Governmental activities. Governmental activities increased the City's net position by \$9.1 million, thereby accounting for 101% of the total increase in the net position of the City of Champlin. Key elements of this increase are as follows:

- Operating grants and contributions decreased \$815,118 million primarily related to a State one-time public safety grant received in 2023.
- Property taxes increased \$1.6 million (11.59%) during the year as compared to an increase of \$969,441 (7.4%) for the prior year to support budgeted operations and debt obligations.
- Charges for services increased \$584,527 primarily related to right-of-way permitting revenue from a one-time project that started in 2024.

Business-type activities. Business-type activities decreased the City's net position by \$127,500. Key elements of this decrease are as follows:

- Water expenses increased by \$1 million with the rehabilitation of a water tower and maintenance performed with the 2024 street improvement project.
- Storm Water expenses increased by \$412,047 with the Elm Creek phase V restoration project in 2024.

Financial Analysis of the City's Funds

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

Governmental funds. The focus of the City of Champlin'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 of Champlin's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a city's net resources available for spending at the end of the fiscal year.

As of the close of the current fiscal year, the City of Champlin's governmental funds reported combining ending fund balances of \$53.3 million, an increase of \$6.4 million in comparison with the prior year. Approximately 90% of this total amount (\$48.2 million) constitutes assigned and unassigned fund balance, which is available for spending at the City's discretion. The remainder of fund balance is not available for new spending because it is restricted 1) to pay debt service (\$3.0 million), 2) to generate income to pay for the perpetual care of the municipal cemetery (\$107,626), 3) for public safety grant and forfeiture funds (\$817,331), 4) because of its form, land held for resale (\$856,000), or it is considered nonspendable because of its form (i.e. prepayments and inventories) or there is a legal or contractual commitment requiring it to be maintained intact.

The General Fund is the chief operating fund of the City of Champlin. At the end of the current fiscal year, unassigned fund balance of the general fund was \$6.6 million, while the total fund balance reached \$6.8 million. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 53% of total general fund expenditures, while total fund balance represents 54% of that same amount.

The City of Champlin's general fund balance increased by \$381,338 during the current fiscal year. The General Fund's property taxes accounted for nearly 83% of the budgeted revenue supporting operations, that levy increased by almost \$1.2 million to support budgeted operations.

The fund balance in the general obligation bond fund increased by \$833,638 resulting in a balance of \$3,025,019 at the close of the fiscal year. The fund balance in this fund is primarily the receipt of property taxes and special assessments collected to pay the annual debt service obligations. These two revenue sources increased by \$798,798 compared to 2023 to support future debt. The total fund balance is restricted for debt service.

The tax increment project fund has a fund balance of \$105,088 which reflects an increase of \$582,995 over the prior year. Of this balance, \$346,000 is for land inventory and is considered restricted and the remainder is unrestricted fund deficit of (\$240,912). This deficit is due to the acquisition of land and an internal loan with the Permanent Improvement Fund. The primary funding source for this fund is tax increment which is relatively consistent year over year and is the primary funding source to pay down the internal loan.

The Permanent Improvement Fund has a fund balance of \$28.5 million, an increase of \$2.1 million. The increase is attributable to \$1.2 million more in intergovernmental funds than the previous year and \$2.4 million less in capital expenditures compared to the prior year.

The Park Reserve Fund has a fund balance of \$4 million, an increase of \$277,305. The primary funding source for this fund is an annual transfer from the General Fund. Capital Outlay in 2023 was \$316,418 more than 2024 allowing for an increase in fund balance to support future projects.

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

Unrestricted net position of the proprietary funds of the City of Champlin and the growth in net position are as follows:

	Beginning Balance	Additions (Deductions)	Ending Balance
Water utility	\$ 31,675,218	\$ (1,181,477)	\$ 30,493,741
Sewer utility	17,835,552	416,722	18,252,274
Refuse	1,763,391	116,913	1,880,304
Recycling	268,235	91,782	360,017
Stom Water	18,160,918	428,560	18,589,478
	<u>\$ 69,703,314</u>	<u>\$ (127,500)</u>	<u>\$ 69,575,814</u>

Other factors concerning the finances of these funds have already been addressed in the discussion of the City of Champlin's business-type activities.

General Fund Budgetary Highlights

During the year, revenues exceeded budgetary estimates by \$750,415. Key factors contributing to this increase include:

- Licenses and permitting revenue surpassed the budget by \$511,018, primarily due to right-of-way permitting fees collected for a one-time project.
- Investment income exceeded budget projections by \$184,925, along with a net increase of \$71,646 in the fair value of investments, driven by a stronger-than-expected year for investments.
- Intergovernmental revenue fell short of budget assumptions by (\$69,173), largely due to the suspension of the school liaison officer program for part of the 2024-2025 school year.

Expenditures were \$1,066,989 under budget. Key factors contributing to this savings include:

- Assessing costs were \$121,044 under budget due to the County's cancellation of the contract mid-year and the subsequent shift of these services to the county moving forward.
- Public Safety expenditures came in \$518,622 under budget, primarily due to staffing vacancies throughout the year.
- Public Works expenditures were \$346,016 under budget, as a milder winter resulted in lower snow removal costs.
- A one-time transfer of \$1.5 million to the Capital Equipment Fund was approved for the purchase of two major pieces of street equipment scheduled for 2026. This transfer helped realign the fund balance within policy guidelines and will eliminate the need for borrowing in 2026.

Capital Asset and Debt Administration

Capital assets. The City of Champlin's investment in capital assets for its governmental and business-type activities as of December 31, 2024, amounts to \$170.9 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, improvements other than buildings, machinery and equipment, park facilities, roads, highways, and bridges. The total increase in the City of Champlin's investment in capital assets for the current fiscal year was 1% (a 2% increase for governmental activities and a 1% decrease for business-type activities).

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land	\$43,424,193	\$43,424,193	\$611,532	\$611,532	\$44,035,725	\$44,035,725
Buildings	16,305,724	17,022,676	2,549,244	2,805,070	18,854,968	19,827,746
Improvements other than buildings	60,936,361	53,373,163	38,627,123	38,936,928	99,563,484	92,310,091
Machinery and equipment	4,682,911	4,445,606	1,943,998	1,746,262	6,626,909	6,191,868
Construction in progress	1,756,529	6,708,206	75,682	241,433	1,832,211	6,949,639
Total	<u>\$127,105,718</u>	<u>\$124,973,844</u>	<u>\$43,807,579</u>	<u>\$44,341,225</u>	<u>\$170,913,297</u>	<u>\$169,315,069</u>

Major capital asset projects completed during the current fiscal year include the following:

- Street and infrastructure reconstruction
 - E & W of Winnetka Blvd (114th to 109th) \$5.5 million
 - Mississippi Drive (Shores Park to Vera Cruz) \$3 million
- Public Works equipment
 - Backhoe \$155,375
 - Wheel loader \$347,084
- Park improvements
 - Chandler parking lot \$860,269
- Utilities
 - Mississippi Drive (Shores Park to Vera Cruz) sewer replacement \$574,700
 - Lining of manholes (1/2 city) \$156,528

Additional information on the City of Champlin's capital assets can be found in Note 7 on pages 61 - 62 of this report.

Long-term debt. At the end of the current fiscal year, the City of Champlin had total bonded debt outstanding of \$13 million. All of the bonded debt is backed by the full faith and credit of the City. The only bonds subject to tax levy are the obligation bonds.

	Governmental activities	
	2024	2023
General obligation bonds	\$12,960,000	\$13,350,000
Net pension liability	4,798,784	6,856,236
Net OPEB liability	1,281,668	1,079,054
Total	<u>\$19,040,452</u>	<u>\$21,285,290</u>

The City's total bonded debt decreased by \$390,000 due to bond issuances and payments.

The City of Champlin bond rating from Standard and Poor's was affirmed in 2024 as "AA+" due to "the city's stable financial operations, very strong reserves and strong financial management assessment (FMA)" and the City continues to maintain that rating.

State statutes limit the amount of net general obligation debt a governmental entity may issue to 3% of the taxable market value. Net debt is the amount remaining after deducting from its gross debt the amount of current revenues which are applicable to the payment of any debt and the aggregate principal of debt that is paid from other proceeds such as tax increments, special assessments, utility revenue, etc. The debt limitation for the City of Champlin is currently \$110 million which is significantly in excess of the City's outstanding general obligation debt.

Additional information on the City of Champlin's long-term debt can be found in Note 9 on pages 62 - 64 of this report.

Economic Factors and Next Year's Budgets and Rates

- Champlin is located in Hennepin County which continues to have unemployment levels within state and national averages as shown in the following schedule:

	February 2025		February 2024	
	Unemployment		Unemployment	
	Labor Force	Rate	Labor Force	Rate
Hennepin County	717,807	3.1%	711,401	2.9%
Minnesota	3,146,747	390.0%	3,104,333	3.6%
United States	170,116,000	4.5%	167,285,000	4.2%

Source: Minnesota Employment and Economic Development Department.

- Inflationary trends in the region compare favorably to national indices although federal policy uncertainty and inflationary pressures could have a significant impact Minnesota's economic stability.
- In 2024, the State of Minnesota's real GDP grew by 2% although some areas, like manufacturing, saw a decline. Workforce shortages and cost pressures remain a concern.
- The State of Minnesota currently faces significant fiscal challenges. The City of Champlin receives minimal state aid from the State of Minnesota and does not budget to receive any state aids so there is no impact on the City's operating budget. However, any changes the State may make to the fiscal disparities program could have a significant impact on the City. The City is scheduled to receive \$1.8 million from this program in 2025 which reduces the amount of taxes paid by residents.

During the current fiscal year, the unassigned fund balance in the General Fund increased by \$379,018, remaining within the established fund balance policy guidelines.

The 2025 General Fund budget reflects a 7.5% increase in both budgeted revenues and expenditures compared to 2024. While non-tax revenues are expected to remain stable, the General Fund levy is projected to increase by 8.9%. The 2025 budget also includes a 16% increase in the City's share of the joint fire department allocation, primarily to address staffing and coverage challenges. Additionally, the budget provides for the hiring of a Public Works Service Worker, an Environmental Specialist, and a Recreational Coordinator. Furthermore, contract negotiations with the City's largest union resulted in market adjustments for police officers.

The year 2025 will be historic for street improvement projects and capital expenditures, with nearly \$26 million planned across all capital and enterprise funds. Of this total, over \$19 million is allocated to street improvements, with \$13 million in grants to help offset the costs.

Modest rate increases will be implemented across all enterprise funds to support ongoing operations and capital rehabilitation. Specifically, water rates will increase by 6%, while sewer rates will rise by 5.75%.

Requests for Information

This financial report is designed to provide a general overview of the City of Champlin's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, City of Champlin, 11955 Champlin Drive, Champlin, MN 55316.

BASIC FINANCIAL STATEMENTS

- This page intentionally left blank -

	Primary Government		
	Governmental Activities	Business-Type Activities	Totals
Assets:			
Cash and investments	\$56,421,817	\$26,975,089	\$83,396,906
Receivables:			
Accounts	458,221	1,016,535	1,474,756
Special assessments	5,266,829	583,199	5,850,028
Taxes	142,337	-	142,337
Lease	3,417,143	-	3,417,143
Interest	312,431	168,390	480,821
Due from other governmental units	470,656	349,757	820,413
Internal balances	(655,126)	655,126	-
Prepayments	145,994	153,709	299,703
Inventory - at cost	27,135	94,879	122,014
Land held for resale	856,000	-	856,000
Capital assets - net of accumulated depreciation			
Land	43,424,193	611,532	44,035,725
Buildings	16,305,724	2,549,244	18,854,968
Improvements other than buildings	60,936,361	38,627,123	99,563,484
Machinery and equipment	4,682,911	1,943,998	6,626,909
Construction in progress	1,756,529	75,682	1,832,211
Total assets	193,969,155	73,804,263	267,773,418
Deferred outflows of resources			
Deferred outflows of resources - pension related	4,623,101	-	4,623,101
Deferred outflows of resources - other post employment benefits related	588,370	34,014	622,384
Total deferred outflows of resources	5,211,471	34,014	5,245,485
Liabilities:			
Accounts payable	848,112	198,941	1,047,053
Contracts payable - retained percentage	149,340	48,385	197,725
Accrued salaries and withholdings payable	307,174	-	307,174
Due to other governmental units	126,995	113,478	240,473
Unearned revenue	1,938,268	-	1,938,268
Accrued interest payable	156,366	54,854	211,220
Deposits	174,647	4,000	178,647
Noncurrent liabilities:			
Due within one year	1,892,228	159,246	2,051,474
Due in more than one year	18,383,131	3,666,253	22,049,384
Total liabilities	23,976,261	4,245,157	28,221,418
Deferred inflows of resources			
Deferred inflows of resources - related to leases	3,417,143	-	3,417,143
Deferred inflows of resources - pension related	6,510,760	-	6,510,760
Deferred inflows of resources - other post employment benefits related	266,884	17,306	284,190
Total deferred inflows of resources	10,194,787	17,306	10,212,093
Net position:			
Net investment in capital assets	113,560,107	40,127,285	153,687,392
Restricted for:			
Debt service	5,765,230	-	5,765,230
Public safety	817,331	-	817,331
Scholarships	7,390	-	7,390
Affordable housing	101,816	-	101,816
Economic development	856,000	-	856,000
Unrestricted	43,901,704	29,448,529	73,350,233
Total net position	\$165,009,578	\$69,575,814	\$234,585,392

The accompanying notes are an integral part of these financial statements.

CITY OF CHAMPLIN, MINNESOTA
STATEMENT OF ACTIVITIES
For The Year Ended December 31, 2024

<u>Functions/Programs</u>	<u>Program Revenues</u>	
	<u>Expenses</u>	<u>Charges For Services</u>
Governmental activities:		
General government	\$3,908,097	\$607,801
Public safety	6,947,799	772,218
Public works	6,464,353	1,149,805
Parks and recreation	2,853,740	2,052,532
Interest on long-term debt	345,250	-
Total governmental activities	<u>20,519,239</u>	<u>4,582,356</u>
Business-type activities:		
Water	4,349,642	2,706,486
Sewer	3,484,731	3,663,558
Refuse collection	1,510,763	1,676,179
Recycling	538,130	515,695
Storm Water	1,598,035	1,059,453
Total business-type activities	<u>11,481,301</u>	<u>9,621,371</u>
Total government	<u>\$32,000,540</u>	<u>\$14,203,727</u>

The accompanying notes are an integral part of these financial statements.

Program Revenues		Net (Expense) Revenue and Changes in Net Position Primary Government		
Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Totals
\$271,027	\$ -	(\$3,029,269)	\$ -	(\$3,029,269)
367,528	-	(5,808,053)	-	(5,808,053)
325,553	3,261,873	(1,727,122)	-	(1,727,122)
-	355,549	(445,659)	-	(445,659)
-	-	(345,250)	-	(345,250)
964,108	3,617,422	(11,355,353)	0	(11,355,353)
-	207,150	-	(1,436,006)	(1,436,006)
-	-	-	178,827	178,827
-	-	-	165,416	165,416
102,931	-	-	80,496	80,496
522,733	-	-	(15,849)	(15,849)
625,664	207,150	0	(1,027,116)	(1,027,116)
\$1,589,772	\$3,824,572	(11,355,353)	(1,027,116)	(12,382,469)
General revenues:				
Property taxes		15,603,483	-	15,603,483
Tax increments		1,176,762	-	1,176,762
Other taxes		1,108,030	-	1,108,030
Unrestricted investment earnings		2,097,167	1,215,196	3,312,363
Miscellaneous		-	71,820	71,820
Gain on sale of capital asset		31,127	34,600	65,727
Transfers		422,000	(422,000)	-
Total general revenues and transfers		20,438,569	899,616	21,338,185
Change in net position		9,083,216	(127,500)	8,955,716
Net position - January 1		155,926,362	69,703,314	225,629,676
Net position - December 31		\$165,009,578	\$69,575,814	\$234,585,392

The accompanying notes are an integral part of these financial statements.

CITY OF CHAMPLIN, MINNESOTA
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2024

	General Fund	General Obligation Bonds	Tax Increment Project
Assets			
Cash and investments	\$7,223,985	\$3,023,358	\$1,611,630
Receivables:			
Accounts	60,922	-	-
Special assessments	23,591	2,896,577	-
Taxes	132,720	2,245	2,512
Interest	60,129	-	11,640
Lease	1,109,850	-	-
Due from other funds	-	-	-
Due from other governmental units	4,517	-	-
Prepayments	128,345	-	-
Inventory - at cost	27,135	-	-
Land held for resale	-	-	346,000
Total assets	\$8,771,194	\$5,922,180	\$1,971,782
Liabilities, Deferred Inflows of Resources, and Fund Balances			
Liabilities:			
Accounts payable	\$168,687	\$584	\$78
Contracts payable - retained percentage	-	-	-
Accrued salaries and withholdings payable	307,174	-	-
Due to other funds	-	-	1,862,584
Due to other governmental units	29,240	-	4,032
Unearned revenue	102,975	-	-
Deposits	160,138	-	-
Total liabilities	768,214	584	1,866,694
Deferred inflows of resources:			
Leases	1,109,850	-	-
Unavailable revenue	125,358	2,896,577	-
Total deferred inflows of resources	1,235,208	2,896,577	0
Fund balances:			
Nonspendable	155,480	-	-
Restricted	-	3,025,019	346,000
Assigned	-	-	-
Unassigned	6,612,292	-	(240,912)
Total fund balances	6,767,772	3,025,019	105,088
Total liabilities, deferred inflows of resources and fund balances	\$8,771,194	\$5,922,180	\$1,971,782

Fund balance reported above

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds.

Other long-term assets are not available to pay for current-period expenditures, and therefore, are reported as unavailable revenue in the funds.

Delinquent taxes and taxes not yet due

Delinquent special assessments and special assessments not yet due

Deferred outflows of resources related to other post employment benefits are not reported in the statement of net position.

Long-term liabilities, including bonds payable, are not due and payable in the current period, and therefore, are not reported in the funds.

Bonds payable and unamortized bond premium

Accrued interest payable

Other post employment benefits

Deferred inflows of resources related to other post employment benefits

Internal service funds are used by management to charge the cost of insurance and pension benefits to individual funds.

The assets and liabilities are included in the governmental statement of net position.

Net position of governmental activities

The accompanying notes are an integral part of these financial statements.

Statement 3

Permanent Improvement Fund	Park Reserve	Other Governmental Funds	Intra-Activity Elimination	Total Governmental Funds
\$29,117,321	\$3,926,130	\$10,277,216	\$ -	\$55,179,640
229,516	4,708	162,351	-	457,497
2,346,198	-	463	-	5,266,829
-	-	4,860	-	142,337
161,537	23,446	49,070	-	305,822
-	2,307,293	-	-	3,417,143
1,862,584	-	-	(1,862,584)	-
244,648	182,636	38,855	-	470,656
-	-	8,649	-	136,994
-	-	-	-	27,135
510,000	-	-	-	856,000
<u>\$34,471,804</u>	<u>\$6,444,213</u>	<u>\$10,541,464</u>	<u>(\$1,862,584)</u>	<u>\$66,260,053</u>
\$464,894	\$25,653	\$179,327	\$ -	\$839,223
41,376	105,779	2,185	-	149,340
-	-	-	-	307,174
655,126	-	-	(1,862,584)	655,126
88,132	-	5,591	-	126,995
1,810,293	-	25,000	-	1,938,268
-	14,009	500	-	174,647
<u>3,059,821</u>	<u>145,441</u>	<u>212,603</u>	<u>(1,862,584)</u>	<u>4,190,773</u>
-	2,307,293	-	-	3,417,143
2,346,198	-	3,787	-	5,371,920
<u>2,346,198</u>	<u>2,307,293</u>	<u>3,787</u>	<u>0</u>	<u>8,789,063</u>
-	-	116,275	-	271,755
510,000	-	926,537	-	4,807,556
28,555,785	3,991,479	9,286,886	-	41,834,150
-	-	(4,624)	-	6,366,756
<u>29,065,785</u>	<u>3,991,479</u>	<u>10,325,074</u>	<u>0</u>	<u>53,280,217</u>
<u>\$34,471,804</u>	<u>\$6,444,213</u>	<u>\$10,541,464</u>	<u>(\$1,862,584)</u>	<u>\$66,260,053</u>
				\$53,280,217
				127,105,718
				105,554
				5,266,366
				588,370
				(13,396,271)
				(156,366)
				(1,281,668)
				(266,884)
				(6,235,458)
				<u>\$165,009,578</u>

The accompanying notes are an integral part of these financial statements.

CITY OF CHAMPLIN, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
For The Year Ended December 31, 2024

	General Fund	General Obligation Bonds	Tax Increment Project
Revenues:			
Taxes:			
Property	\$13,790,258	\$962,916	\$ -
Tax increments	-	-	1,176,762
Other	-	-	-
Special assessments	7,228	1,022,851	-
Licenses and permits	925,018	-	-
Intergovernmental	367,527	-	-
Charges for services	1,260,821	-	-
Fines and forfeitures	202,468	-	-
Investment income	196,925	48,457	56,944
Net increase (decrease) in the fair value of investments	71,646	22,655	-
Lease income	169,826	-	-
Other revenues	114,698	-	3,051
Total revenues	<u>17,106,415</u>	<u>2,056,879</u>	<u>1,236,757</u>
Expenditures:			
Current:			
General government	1,942,542	-	653,762
Public safety	6,642,454	-	-
Public works	2,419,032	-	-
Parks and recreation	1,135,131	-	-
Cemetery	32,494	-	-
Contingencies	399,158	-	-
Capital outlay	-	-	-
Debt service:			
Principal	-	820,000	-
Interest and fiscal charges	-	403,241	-
Total expenditures	<u>12,570,811</u>	<u>1,223,241</u>	<u>653,762</u>
Revenues over (under) expenditures	<u>4,535,604</u>	<u>833,638</u>	<u>582,995</u>
Other financing sources (uses):			
Bonds issued	-	-	-
Premium on bonds issued	-	-	-
Transfers in	401,334	-	-
Transfers out	(4,555,600)	-	-
Proceeds from sale of capital asset	-	-	-
Total other financing sources (uses)	<u>(4,154,266)</u>	<u>0</u>	<u>0</u>
Net change in fund balance	381,338	833,638	582,995
Fund balance - January 1	<u>6,386,434</u>	<u>2,191,381</u>	<u>(477,907)</u>
Fund balance - December 31	<u><u>\$6,767,772</u></u>	<u><u>\$3,025,019</u></u>	<u><u>\$105,088</u></u>

The accompanying notes are an integral part of these financial statements.

Statement 4

Permanent Improvement Fund	Park Reserve	Other Governmental Funds	Intra-Activity Elimination	Total Governmental Funds
\$245,528	\$ -	\$521,449	\$ -	\$15,520,151
-	-	-	-	1,176,762
1,108,030	-	-	-	1,108,030
1,413,502	-	170	-	2,443,751
-	-	-	-	925,018
1,471,857	355,549	103,882	-	2,298,815
-	23,679	1,061,025	-	2,345,525
-	-	-	-	202,468
764,093	112,629	225,436	-	1,404,484
383,925	59,721	117,231	-	655,178
-	92,292	-	-	262,118
317,225	240,271	171,982	-	847,227
5,704,160	884,141	2,201,175	0	29,189,527
31,803	58	589,223	-	3,217,388
-	-	348,584	-	6,991,038
451,156	90,024	527,992	-	3,488,204
-	124,453	615,313	-	1,874,897
-	-	-	-	32,494
-	-	-	-	399,158
3,786,784	942,301	1,795,988	-	6,525,073
-	-	-	-	820,000
-	-	17,058	-	420,299
4,269,743	1,156,836	3,894,158	0	23,768,551
1,434,417	(272,695)	(1,692,983)	0	5,420,976
-	-	430,000	-	430,000
-	-	38,076	-	38,076
965,000	550,000	3,674,960	(5,169,294)	422,000
(339,360)	-	(274,334)	5,169,294	-
-	-	48,278	-	48,278
625,640	550,000	3,916,980	0	938,354
2,060,057	277,305	2,223,997	-	6,359,330
27,005,728	3,714,174	8,101,077	-	46,920,887
\$29,065,785	\$3,991,479	\$10,325,074	\$0	\$53,280,217

The accompanying notes are an integral part of these financial statements.

CITY OF CHAMPLIN, MINNESOTA

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For The Year Ended December 31, 2024

Statement 5

Amounts reported for governmental activities in the statement of activities (Statement 2) are different because:

Total net change in fund balance - governmental funds (Statement 4)	\$6,359,330
---	-------------

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense:

Capital outlay	6,525,073
Capital outlay not capitalized	(527,400)
Contributed capital	80,000
Depreciation expense	(3,928,648)

The net effect of various transactions involving capital asset (i.e., sales, trade-ins, and donations) is to increase (decrease) net position

(17,151)

Certain revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:

Change in delinquent taxes	83,332
Change in special assessments	(408,181)

The issuance of long-term debt (e.g. bonds) provides current financial resources for governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The amounts of these differences are:

Bonds issued, including bond premium	(468,076)
Principal payments on long-term debt	820,000
Amortization of bond premium/discounts	44,754

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. Expenses reported in the statement of activities include the effects of the changes in these expense accruals as follows:

Change in accrued interest payable	30,295
Change in other post-employment benefits	(14,005)

Internal service funds are used by management to charge the cost of certain activities to individual funds.

Net revenues (expenses) of certain activities of internal service funds are reported within the governmental activities statement of activities

503,893

Change in net position of governmental activities (Statement 2)

\$9,083,216

CITY OF CHAMPLIN, MINNESOTA

GENERAL FUND

Statement 6

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

For The Year Ended December 31, 2024

	Budgets Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$13,854,500	\$13,854,500	\$13,790,258	(\$64,242)
Special assessments	-	-	7,228	7,228
Licenses and permits	376,400	414,000	925,018	511,018
Intergovernmental	436,700	436,700	367,527	(69,173)
Charges for services	1,271,500	1,271,500	1,260,821	(10,679)
Fines and forfeiture	155,900	155,900	202,468	46,568
Investment income	12,000	12,000	196,925	184,925
Net increase (decrease) in the fair value of investments	-	-	71,646	71,646
Lease income	166,800	166,800	169,826	3,026
Cemetery	10,000	10,000	30,535	20,535
Other revenues	34,600	34,600	84,163	49,563
Total revenues	16,318,400	16,356,000	17,106,415	750,415
Expenditures:				
General government:				
Mayor and council	86,700	86,700	82,272	4,428
Administration	236,000	236,000	274,813	(38,813)
Government services	468,000	468,000	432,227	35,773
Finance	371,100	371,100	388,087	(16,987)
Management information services	290,100	290,100	283,236	6,864
Assessing	241,000	241,000	119,956	121,044
Legal	87,400	137,400	137,596	(196)
Community development	167,800	167,800	167,201	599
Elections	77,600	77,600	57,154	20,446
Total general government	2,025,700	2,075,700	1,942,542	133,158
Public safety:				
Police	5,606,300	5,630,900	5,112,278	518,622
Fire	828,300	828,300	828,227	73
Code enforcement	204,900	204,900	164,092	40,808
Protective inspection	382,600	420,200	460,273	(40,073)
Civil defense	55,400	55,400	77,584	(22,184)
Total public safety	7,077,500	7,139,700	6,642,454	497,246
Public works:				
Engineering	240,200	240,200	215,548	24,652
Maintenance	2,550,100	2,550,100	2,203,484	346,616
Total public works	2,790,300	2,790,300	2,419,032	371,268
Other departments:				
Parks and recreation	1,160,100	1,160,100	1,135,131	24,969
Cemetery	30,200	30,200	32,494	(2,294)
Contingencies	508,800	441,800	399,158	42,642
Total other departments	1,699,100	1,632,100	1,566,783	65,317
Total expenditures	13,592,600	13,637,800	12,570,811	1,066,989
Revenues over (under) expenditures	2,725,800	2,718,200	4,535,604	1,817,404
Other financing sources (uses):				
Transfers in	329,800	329,800	401,334	71,534
Transfers out	(3,055,600)	(3,055,600)	(4,555,600)	(1,500,000)
Total other financing sources (uses)	(2,725,800)	(2,725,800)	(4,154,266)	(1,428,466)
Net change in fund balance	\$0	(\$7,600)	381,338	\$388,938
Fund balance - January 1			6,386,434	
Fund balance - December 31			\$6,767,772	

The accompanying notes are an integral part of these financial statements.

	Business-Type Activities - Enterprise Funds						Governmental Activities- Internal Service Funds
	Water	Sewer	Refuse Collection	Recycling	Storm Water	Totals	
Assets							
Current assets:							
Cash and cash equivalents	\$14,613,245	\$8,184,775	\$1,748,641	\$329,879	\$2,098,549	\$26,975,089	\$1,242,177
Receivables:							
Accounts	223,062	388,311	235,414	56,445	113,303	1,016,535	724
Special assessments	505,308	49,929	4,742	4,932	18,288	583,199	-
Due from other governments	-	-	-	-	349,757	349,757	-
Interest	89,438	50,406	10,505	1,982	16,059	168,390	6,609
Due from other funds	-	-	-	-	-	-	-
Prepayments	1,508	152,201	-	-	-	153,709	9,000
Inventory - at cost	94,879	-	-	-	-	94,879	-
Total current assets	15,527,440	8,825,622	1,999,302	393,238	2,595,956	29,341,558	1,258,510
Noncurrent assets:							
Due from other funds	655,126	-	-	-	-	655,126	-
Capital assets:							
Land	208,860	5,000	-	-	397,672	611,532	-
Buildings	9,270,811	-	-	-	-	9,270,811	-
Improvements other than buildings	23,074,721	18,016,706	-	-	24,124,653	65,216,080	-
Machinery and equipment	3,358,893	518,251	-	-	-	3,877,144	-
Construction in process	-	75,682	-	-	-	75,682	-
Total	35,913,285	18,615,639	0	0	24,522,325	79,051,249	0
Less: accumulated depreciation	(19,765,250)	(9,072,791)	-	-	(6,405,629)	(35,243,670)	-
Net capital assets	16,148,035	9,542,848	0	0	18,116,696	43,807,579	0
Total noncurrent assets	16,803,161	9,542,848	0	0	18,116,696	44,462,705	0
Total assets	32,330,601	18,368,470	1,999,302	393,238	20,712,652	73,804,263	1,258,510
Deferred outflows of resources							
Deferred outflows of resources - pension related	-	-	-	-	-	-	4,623,101
Deferred outflows of resources - other post employment benefits related	17,007	17,007	-	-	-	34,014	-
Total deferred outflows of resources	17,007	17,007	0	0	0	34,014	4,623,101
Liabilities							
Current liabilities:							
Accounts payable	77,942	21,235	46,040	33,221	20,503	198,941	8,889
Contracts payable - retained percentage	43,886	-	-	-	4,499	48,385	-
Due to other governmental units	34,000	6,520	72,958	-	-	113,478	-
Deposits	4,000	-	-	-	-	4,000	-
Accrued interest payable	41,179	-	-	-	13,675	54,854	-
Other post employment benefits liability	4,623	4,623	-	-	-	9,246	-
Compensated absences	-	-	-	-	-	-	303,537
Bonds payable - current portion	-	-	-	-	150,000	150,000	-
Total current liabilities	205,630	32,378	118,998	33,221	188,677	578,904	312,426
Noncurrent liabilities:							
Compensated absences	30,572	30,572	-	-	-	61,144	495,099
Net pension liability	-	-	-	-	-	-	4,798,784
Other post employment benefits liability	61,600	61,600	-	-	-	123,200	-
Bonds payable	1,547,412	-	-	-	1,934,497	3,481,909	-
Total noncurrent liabilities	1,639,584	92,172	0	0	1,934,497	3,666,253	5,293,883
Total liabilities	1,845,214	124,550	118,998	33,221	2,123,174	4,245,157	5,606,309
Deferred inflows of resources							
Deferred inflows of resources - pension related	-	-	-	-	-	-	6,510,760
Deferred inflows of resources - other post employment benefits related	8,653	8,653	-	-	-	17,306	-
Total deferred inflows of resources	8,653	8,653	0	0	0	17,306	6,510,760
Net position:							
Net investment in capital assets	14,556,737	9,542,848	-	-	16,027,700	40,127,285	-
Unrestricted	15,937,004	8,709,426	1,880,304	360,017	2,561,778	29,448,529	(6,235,458)
Total net position	30,493,741	18,252,274	1,880,304	360,017	18,589,478	69,575,814	(6,235,458)
Total deferred inflows of resources, liabilities and net position	\$32,347,608	\$18,385,477	\$1,999,302	\$393,238	\$20,712,652	\$73,838,277	\$5,881,611

CITY OF CHAMPLIN, MINNESOTA
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For The Year Ended December 31, 2024

Statement 8

	Business-Type Activities - Enterprise Funds						Governmental Activities- Internal Service Funds
	Water	Sewer	Refuse Collection	Recycling	Storm Water	Totals	
Operating revenues:							
Charges for services:							
Customer service	\$23,539	\$ -	\$ -	\$ -	\$ -	\$23,539	\$1,753,796
Penalties	33,771	52,281	26,091	7,423	12,472	132,038	-
Sewer service charges	-	3,610,803	-	-	-	3,610,803	-
Refuse collection	-	-	1,649,866	-	-	1,649,866	-
Recycling collection	-	-	-	508,118	-	508,118	-
Storm water charges	-	-	-	-	1,043,610	1,043,610	-
Charges for sales:							
Water	2,610,302	-	-	-	-	2,610,302	-
Total operating revenues	2,667,612	3,663,084	1,675,957	515,541	1,056,082	9,578,276	1,753,796
Operating expenses:							
Personal services	599,385	548,122	114,061	50,695	325,625	1,637,888	771,080
Supplies	349,603	25,477	161	10	862	376,113	-
Other services and charges	2,407,198	2,512,249	1,396,541	487,425	778,507	7,581,920	708,569
Depreciation	904,705	398,883	-	-	468,705	1,772,293	-
Total operating expenses	4,260,891	3,484,731	1,510,763	538,130	1,573,699	11,368,214	1,479,649
Net income (loss) from operations	(1,593,279)	178,353	165,194	(22,589)	(517,617)	(1,789,938)	274,147
Nonoperating revenues (expenses):							
Special assessment interest and penalties	38,874	474	222	154	3,371	43,095	-
Intergovernmental	-	-	-	102,931	522,733	625,664	167,145
Investment income	431,835	238,947	50,129	7,745	68,003	796,659	25,208
Net increase (decrease) in the fair value of investments	227,384	126,099	26,368	3,541	35,145	418,537	12,297
Gain on disposal of capital assets	13,550	21,050	-	-	-	34,600	-
Interest expense	(88,751)	-	-	-	(24,336)	(113,087)	-
Miscellaneous revenue (expense)	39,060	299	-	-	32,461	71,820	25,096
Total nonoperating revenues (expenses)	661,952	386,869	76,719	114,371	637,377	1,877,288	229,746
Income (loss) before contributions and transfers	(931,327)	565,222	241,913	91,782	119,760	87,350	503,893
Capital contributions	207,150	-	-	-	-	207,150	-
Transfers:							
Transfers in	-	-	-	-	308,800	308,800	-
Transfers out	(457,300)	(148,500)	(125,000)	-	-	(730,800)	-
Total contributions and transfers	(250,150)	(148,500)	(125,000)	0	308,800	(214,850)	0
Change in net position	(1,181,477)	416,722	116,913	91,782	428,560	(127,500)	503,893
Total net position - January 1	31,675,218	17,835,552	1,763,391	268,235	18,160,918	69,703,314	(6,739,351)
Total net position - December 31	\$30,493,741	\$18,252,274	\$1,880,304	\$360,017	\$18,589,478	\$69,575,814	(\$6,235,458)

The accompanying notes are an integral part of these financial statements.

	Business-Type Activities - Enterprise Funds					Governmental Activities- Internal Service Funds
	Water	Sewer	Refuse Collection	Recycling	Storm Water	Totals
Cash flows from operating activities:						
Receipts from customers and users	\$2,908,843	\$3,697,431	\$1,681,872	\$512,817	\$778,637	\$9,579,600
Receipts from interfund services provided	-	-	-	-	-	-
Payment to suppliers	(2,798,348)	(2,523,431)	(1,395,089)	(491,022)	(789,405)	(7,997,295)
Payment to employees	(597,109)	(545,846)	(114,061)	(50,695)	(325,625)	(1,633,336)
Miscellaneous revenue	77,934	773	222	103,085	558,565	740,579
Net cash flows from operating activities	(408,680)	628,927	172,944	74,185	222,172	689,548
Cash flows from noncapital financing activities:						
Transfers in from other funds	-	-	-	-	308,800	308,800
Transfers (out) to other funds	(457,300)	(148,500)	(125,000)	-	-	(730,800)
Net cash flows from noncapital financing activities	(457,300)	(148,500)	(125,000)	0	308,800	(422,000)
Cash flows from capital and related financing activities:						
Bond proceeds, including premium	1,500,206	-	-	-	-	1,500,206
Principal paid on debt	-	-	-	-	(145,000)	(145,000)
Interest paid on long-term debt	-	-	-	-	(34,270)	(34,270)
Proceeds from sale of capital assets	13,550	21,050	-	-	-	34,600
Connection fees	192,150	-	-	-	-	192,150
Acquisition of capital assets	(210,730)	(438,217)	-	-	(574,700)	(1,223,647)
Net cash flows from capital and related financing activities	1,495,176	(417,167)	0	0	(753,970)	(1,176,167)
Cash flows from investing activities:						
Investment income	624,515	346,956	72,479	10,282	98,171	1,152,403
Net cash flows from investing activities	624,515	346,956	72,479	10,282	98,171	1,152,403
Net increase (decrease) in cash and cash equivalents	1,253,711	410,216	120,423	84,467	(124,827)	1,743,990
Cash and cash equivalents - January 1	13,359,534	7,774,559	1,628,218	245,412	2,223,376	25,231,099
Cash and cash equivalents - December 31	\$14,613,245	\$8,184,775	\$1,748,641	\$329,879	\$2,098,549	\$26,975,089
Reconciliation of operating income to net cash provided (used) by operating activities:						
Operating income (loss)	(\$1,593,279)	\$178,353	\$165,194	(\$22,589)	(\$517,617)	(\$1,789,938)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:						
Depreciation expense	904,705	398,883	-	-	468,705	1,772,293
Intergovernmental revenue	-	-	-	102,931	522,733	625,664
Miscellaneous revenue	77,934	773	222	154	35,832	114,915
Decrease (increase) in accounts receivable	17,495	24,527	6,628	1,340	(279,706)	(229,716)
Decrease (increase) in special assessments receivable	19,961	9,820	(713)	(4,064)	2,261	27,265
Decrease (increase) in due from other funds	203,775	-	-	-	-	203,775
Decrease (increase) in prepayments and inventory	(17,246)	(3,792)	-	-	-	(21,038)
Increase (decrease) in accounts payable and deposits	(49,720)	17,636	2,392	(3,587)	(5,917)	(39,196)
Increase (decrease) in accrued salaries and withholdings payable	1,752	1,752	-	-	-	3,504
Increase (decrease) in contracts payable	43,886	-	-	-	(4,119)	39,767
Increase (decrease) in due to other governmental units	(18,467)	451	(779)	-	-	(18,795)
Increase (decrease) in other post employment benefits liability	7,572	7,572	-	-	-	15,144
Decrease (Increase) in deferred outflows of resources	(4,531)	(4,531)	-	-	-	(9,062)
Increase (decrease) in pension liability	-	-	-	-	-	-
Increase (decrease) in deferred inflows of resources	(2,517)	(2,517)	-	-	-	(5,034)
Total adjustments	1,184,599	450,574	7,750	96,774	739,789	2,479,486
Net cash provided by (used in) operating activities	(\$408,680)	\$628,927	\$172,944	\$74,185	\$222,172	\$689,548
Noncash capital and related financing activities:						
Contributions of capital assets from developers	\$15,000	\$0	\$0	\$0	\$0	\$15,000

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Champlin, Minnesota (the City) was incorporated in 1947 and operates as a statutory city. The governing body consists of an elected mayor and four-member council.

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

A. FINANCIAL REPORTING ENTITY

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

COMPONENT UNITS

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

The Economic Development Authority (EDA) is an entity legally separate from the City. However, for financial reporting purposes, the EDA is reported as if it were part of the City's operations because the members of the City Council serve as EDA Board Members and its purpose is to promote development within the City.

Complete financial statements for the EDA may be obtained at City Hall.
Economic Development Authority
11955 Champlin Drive
Champlin, MN 55316

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from discretely presented component units for which the primary government is financially accountable.

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

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers all revenues, except reimbursement grants, to be available if they are collected within 60 days of the end of the current fiscal period. Reimbursement grants are considered available if they are collected within one year of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

The City reports the following major governmental funds:

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

The General Obligation Bond Fund accounts for bonded indebtedness that is repaid from property taxes.

The Tax Increment Project Fund accounts for the development projects in the City that are financed with tax increment revenues.

The Permanent Improvement Fund accounts for the costs of certain public improvements such as residential streets and other improvement projects.

Park Reserve Fund accounts for park dedications received from developers in lieu of parkland donations. Resources of this fund may be used only for parkland purchases or permanent park improvements.

The City reports the following major proprietary funds:

The Water Fund accounts for the financial transactions relating to providing water to the residents of the City.

The Sewer Fund accounts for the financial transactions relating to providing sewer service to the residents of the City.

The Refuse Collection Fund accounts for the financial transactions relating to providing refuse services to the residents of the City.

The Recycling Fund accounts for operations associated with recycling. Resources of this fund may be used only for educating the public on the importance of recycling.

The Storm Water Fund accounts for operations relating to storm sewer services and infrastructure replacement for the residents.

Additionally, the City reports the following fund type:

The City has four internal service funds: one to account for property, liability and workers' compensation insurance premiums and deductibles for all departments of the City, a second to account for Geographical Information System (GIS) services provided to all departments of the City, a third to account for pension benefits, and a fourth to account for compensated absences.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are transactions between the City's enterprise funds and various other functions of government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges for service. Operating expenses for 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.

When both restricted and unrestricted resources are available for an allowable use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

D. BUDGETARY INFORMATION

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets are legally adopted for the General and Special Revenue Funds.

The City Administrator submits to the City Council a proposed operating budget for the fiscal year commencing on January 1 of the following year. At least one special Council meeting is conducted to obtain public comments as required by the State Truth in Taxation Law.

The City Council annually adopts budgets prior to January 1 for the general and special revenue funds. Special revenue funds for which budgets are not prepared include The Grant Fund, Police Forfeiture, Scholarship and Local Housing Aid. The budgets are prepared by fund, function and activity. The budgets are adopted on a basis consistent with generally accepted accounting principles and all appropriations lapse at the end of the budget year to the extent that they have not been expended. Total expenditures appropriated in the budget resolution may not legally exceed estimated revenues available from various sources. Formal budgetary integration is not employed for Debt Service Funds because effective budgetary control is alternatively achieved through general obligation bond indenture provisions. Budgetary control for Capital Projects Funds is accomplished through the use of project controls.

Formal budgetary integration is employed as a management control device during the year. Budget revisions between activities may be made by the City Administrator. Budget revisions at the department and fund levels are authorized by the City Council. The legal level of budgetary control is therefore at the department level.

The City does not use encumbrance accounting.

E. CASH AND INVESTMENTS

Cash and investment balances from all funds are pooled and invested to the extent available in authorized investments. Earnings from investments are allocated to individual funds on the basis of the fund's equity in the cash and investment pool.

Investments are stated at fair value, except for investments in external investment pools that meet GASB 79 requirements, which are stated at amortized cost. Investment income is accrued at the balance sheet date.

For purposes of the statement of cash flows the Enterprise Funds consider all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. All of the cash and investments allocated to the Enterprise Funds have original maturities of 90 days or less. Therefore, the entire balance in the fund is considered cash equivalents.

F. PROPERTY TAX REVENUE RECOGNITION

The City Council annually adopts a tax levy and certifies it to the County in December (levy/assessment date) of each year for collection in the following year. The County is responsible for billing and collecting all property taxes for itself, the City, the local School District and other taxing authorities. Such taxes become a lien on January 1 and are recorded as receivables by the City at that date. Real property taxes are payable (by property owners) on May 15 and October 15 of each calendar year. Personal property taxes are payable by taxpayers on February 28 and June 30 of each year. These taxes are collected by the County and remitted to the City on or before July 7 and December 2 of the same year. Delinquent collections for

November and December are received the following January. The City has no ability to enforce payment of property taxes by property owners. The County possesses this authority.

Government-Wide Financial Statements

The City recognizes property tax revenue in the period for which the taxes were levied. Uncollectible property taxes are not material and have not been reported.

Governmental Fund Financial Statements

The City recognizes property tax revenue when it becomes both measurable and available to finance expenditures of the current period. In practice, current and delinquent taxes, and State credits received by the City in July, December and January are recognized as revenue for the current year. Taxes collected by the County by December 31 (remitted to the City the following January) and taxes and credits not received at year end are classified as delinquent and due from County taxes receivable. The portion of delinquent taxes not collected by the City in January is fully offset by deferred inflows of resources because they are not available to finance current expenditures.

G. SPECIAL ASSESSMENT REVENUE RECOGNITION

Special assessments are levied against benefited properties for the cost or a portion of the cost of special assessment improvement projects in accordance with State Statutes. These assessments are collectible by the City over a term of years usually consistent with the term of the related bond issue. Collection of annual installments (including interest) is handled by the County Auditor in the same manner as property taxes. Property owners are allowed to (and often do) prepay future installments without interest or prepayment penalties.

Once a special assessment roll is adopted, the amount attributed to each parcel is a lien upon that property until full payment is made or the amount is determined to be excessive by the City Council or court action. If special assessments are allowed to go delinquent, the property is subject to tax forfeit sale. Proceeds of sales from tax forfeit properties are remitted to the City in payment of delinquent special assessments. Pursuant to State Statutes, a property shall be subject to a tax forfeit sale after three years unless it is homesteaded, agricultural or seasonal recreational land in which event the property is subject to such sale after five years.

Government-Wide Financial Statements

The City recognizes special assessment revenue in the period that the assessment roll was adopted by the City Council. Uncollectible special assessments are not material and have not been reported.

Governmental Fund Financial Statements

Revenue from special assessments is recognized by the City when it becomes measurable and available to finance expenditures of the current fiscal period. In practice, current and delinquent special assessments received by the City are recognized as revenue for the current year. Special assessments that are collected by the County by December 31 (remitted to the City the following January) are also recognized as revenue for the current year. All remaining delinquent, deferred and special deferred assessments receivable in governmental funds are completely offset by deferred inflows of resources.

H. RECEIVABLES AND PAYABLES

Activity between funds that are representative of outstanding balances at the end of the fiscal year are referred to as "due to/from other funds" (i.e., the current portion of interfund loans). Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

I. INVENTORIES AND PREPAID ITEMS

All inventories are valued at cost using the first-in, first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements and are recorded as expenditures when consumed rather than when purchased.

J. LEASE RECEIVABLE

The City's lease receivable is measured at the present value of lease payments expected to be received during the lease term. Under the lease agreement, the City may receive variable lease payments that are dependent upon the lessee's revenue/the lessee's usage levels.

A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the commencement of the lease in an amount equal to the initial recording of the lease receivable and is recognized as revenue over the lease term.

K. LAND HELD FOR RESALE

Land is acquired for subsequent resale for development purposes. Land held for resale is valued at the lower of cost or estimated realizable value. Due to the nature of redevelopment activities, cost is frequently higher than the market value. Market values are determined using appraised values or estimated actual sales price.

L. CAPITAL ASSETS

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

The City defines capital assets as items with a useful life of more than two years and an initial individual cost exceeding the following capitalization thresholds:

Assets	Threshold
Land	\$ -
Vehicles	10,000
Machinery and equipment	10,000
Furniture and office equipment	10,000
Recreational equipment	10,000
Building, and building improvements	25,000
Land Improvement	25,000
Infrastructure	50,000

Capital assets are recorded at historical cost or, if historical cost is not available, at estimated historical cost. Donated capital assets are recorded at their acquisition value on the date of donation.

Routine maintenance and repairs that do not increase the value of the asset or significantly extend its useful life are expensed as incurred.

Major capital outlays and improvements are capitalized as construction progresses.

Property, plant, and equipment are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Vehicles	3 - 15
Machinery and equipment	10 - 25
Furniture and equipment	3 - 10
Park buildings	20
Building	25 - 40
Building improvements	5 - 20
Land improvements	10 - 20
Infrastructure	15 - 50

M. COMPENSATED ABSENCES

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Non-union and sergeant employees shall receive a percentage of their unused accrued sick time to a maximum of 500 hours paid out upon retirement/separation of employment, provided the employee has three or more years of service and leaves in good standing. Sick severance along with all vacation pay that is attributable to services already rendered, accumulates, and is more likely than not to be used for time off or otherwise paid, is accrued in the government-wide and proprietary fund financial statements.

N. 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.

In the fund financial statements, governmental fund types recognize bond premiums and discounts 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.

O. FUND BALANCE CLASSIFICATIONS

In the fund financial statements, governmental funds report fund balance in classifications that disclose constraints for which amounts in those funds can be spent. These classifications are as follows:

Nonspendable - consists of the amounts that are not in spendable form, such as prepaid items.

Restricted - consists of amounts related to externally imposed constraints established by creditors, grantors or contributors; or constraints imposed by state statutory provisions.

Committed - consists of internally imposed constraints. These constraints are established by Resolution of the City Council and may only be removed by resolution of the City Council.

Assigned - consists of internally imposed constraints. These constraints reflect the specific purpose for which it is the City's intended use. These constraints are established by resolution of the City Council and/or management. The City's Administrator and Finance Director are authorized to establish assignments of fund balance.

Unassigned - is the residual classification for the General Fund and also reflects negative residual amounts in other funds.

Fund balance flow assumptions

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

CITY OF CHAMPLIN, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

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

	General Fund	General Obligation Bonds	Tax Increment Project	Permanent Improvement Fund	Park Reserve Fund	Other Govt. Funds	Total Govt. Funds
Nonspendable:							
Prepayments	\$128,345	\$ -	\$ -	\$ -	\$ -	\$8,649	\$136,994
Inventory	27,135	-	-	-	-	-	27,135
Perpetual care	-	-	-	-	-	107,626	107,626
Total	155,480	0	0	0	0	116,275	271,755
Restricted for:							
Public safety	-	-	-	-	-	817,331	817,331
Recreation scholarships	-	-	-	-	-	7,390	7,390
Debt service	-	3,025,019	-	-	-	-	3,025,019
Affordable housing	-	-	-	-	-	101,816	101,816
Economic development	-	-	346,000	510,000	-	-	856,000
Total	0	3,025,019	346,000	510,000	0	926,537	4,807,556
Assigned to:							
Economic development	-	-	-	-	-	1,177,560	1,177,560
Communications	-	-	-	-	-	116,795	116,795
Ice Forum	-	-	-	-	-	1,356,280	1,356,280
Capital projects	-	-	-	28,555,785	3,991,479	6,636,251	39,183,515
Total	0	0	0	28,555,785	3,991,479	9,286,886	41,834,150
Unassigned	6,612,292	-	(240,912)	-	-	(4,624)	6,366,756
Total	\$6,767,772	\$3,025,019	\$105,088	\$29,065,785	\$3,991,479	\$10,325,074	\$53,280,217

The City Council has formally adopted a fund balance policy for the General Fund. The policy establishes a year end targeted unassigned fund balance amount for cash-flow timing needs (working capital) in the range of 35%-45% of the subsequent year's budgeted expenditures and contingencies (1%-2%).

At December 31, 2024, the actual unassigned fund balance for the General Fund was as follows:

Working capital	\$6,486,584	44%
Contingencies	\$125,708	1%

Net position flow assumption

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted - net position in the government-wide and proprietary fund statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted - net position to have been depleted before unrestricted - net position is applied.

The specific revenue source of each special revenue fund and the specific purposes for which they are assigned are as follows:

Fund	Specific Revenue Sources	Restricted To:
Grant Fund	Grants	Grant program requirements
Police Forfeiture	Sale of confiscated vehicles	Non-budgeted public safety expenditures
Scholarship	Donations	Subsidize park and recreation program fees for low income participants
Local Housing Aid	Local Housing Aid	Affordable housing
		Committed to:
Ice Forum	Charges for services	Operations of Ice Forum
Communication	QCTV revenues	Communication and Technology purposes
		Assigned to:
Economic Development Authority	Taxes	Redevelopment as specified in grant agreements

P. USE OF ESTIMATES

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates that affect amounts reported in the financial statements during the reporting period. Actual results could differ from such estimates.

Q. DEFINED BENEFIT PENSION PLANS

For purposes of measuring the net pension liability, deferred outflows and inflows of resources, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and additions to and 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..

R. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The government has one item that qualifies for reporting in this category. It is the pension related deferred outflows of resources reported on the government-wide Statement of Net Position and the proprietary funds Statement of Net Position.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The government has pension related deferred inflows of resources reported in the government-wide Statement of Net Position and the proprietary funds Statement of Net Position. The government also has a type of item, which arises only under a modified accrual basis of accounting, which qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental fund balance sheet. The governmental funds report unavailable revenues from the following sources: property taxes, special assessments, due from component units, land held for resale, and notes receivable. The City also reports deferred inflows of resources related to lease receivables.

Note 2 DEPOSITS AND INVESTMENTS

A. DEPOSITS

In accordance with Minnesota Statutes, the City maintains deposits at those depository banks authorized by the City Council, 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 or bonds.

Minnesota Statutes require that securities pledged as collateral be held in safekeeping by the City Treasurer or in a financial institution other than that furnishing the collateral. Minnesota Statute 118A.03 identifies allowable forms of collateral.

At December 31, 2024 the carrying amount of the City's deposits with financial institutions was \$3,827,660.

Custodial credit risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require that insurance, surety bonds or collateral protect all City deposits. The market value of collateral pledged must equal 110% of deposits not covered by insurance or bonds. As of December 31, 2024, the bank balance of the City's deposits was \$3,833,108 all of which was either insured by the Federal Deposit Insurance Corporation (FDIC) or covered by perfected pledged collateral held in the City's name.

B. INVESTMENTS

Subject to rating, yield, maturity and issuer requirements as prescribed by statute, Minnesota Statutes 118A.04 and 118A.05 authorized the City to invest in United States securities, state and local securities, commercial paper, time deposits, temporary general obligation bonds, repurchase agreements, Minnesota joint powers investment trust and guaranteed investment contracts.

As of December 31, 2024, the City had the following investments:

Investment Type	Rating	Fair Value	Less than 1	1-5	6-10
U.S. Agency securities	AAA-AA+	37,309,160	\$6,451,861	\$29,935,405	\$921,894
Municipal bonds	AAA-AA-	24,349,542	6,825,114	15,922,868	1,601,560
Brokered certificates of deposit	NR	8,845,801	2,912,345	5,933,456	-
Money market mutual funds	NR	4,814,621	4,814,621	-	-
External investment pool - 4M Fund	AAAm	3,710,215	3,710,215	-	-
External investment pool - 4M Fund - 4MP	AAAm	536,182	536,182	-	-
Total fair value		<u>\$79,565,521</u>	<u>\$25,250,338</u>	<u>\$51,791,729</u>	<u>\$2,523,454</u>
NR - Not Rated			Total investments		\$79,565,521
			Deposits		3,827,660
			Petty cash		3,725
			Total cash and investments		<u>\$83,396,906</u>

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The hierarchy has three levels. Level 1 investments are valued using inputs that are based on quoted market prices. Level 2 investments are valued using inputs that are based on matrix pricing models. Level 3 investments are valued using inputs that are unobservable.

Notes issued by U.S. government agencies, municipal bonds and negotiable certificates of deposit are valued using Level 2 inputs, significant other observable inputs.

Money market mutual funds are investments not categorized.

The 4M fund is an external investment pool which is regulated by Minnesota Statutes and the Board of Directors of the League of Minnesota Cities.

For the 4M Multi-Class Fund (which includes the Liquid Asset Class and the PLUS Class), the fair value of the position in the pool is the same as the value of pool shares. The pool is managed to maintain a portfolio weighted average maturity of no greater than 60 days and seeks to maintain a constant net asset value (NAV) of \$1 per share. Investments are measured at amortized cost in accordance with GASB Statement No. 79. The 4M Liquid Asset Class has no redemption requirements. The 4M PLUS (4MP) Class requires funds to be deposited for a minimum of 14 calendar days. Withdrawals prior to the 14-day restriction period are subject to penalty equal to 7 days interest on the amount withdrawn.

C. INVESTMENT RISKS

Interest rate risk. Interest rate risk is the risk that changes in interest rates of debt investments could adversely affect the fair value of an investment. In accordance with its investment policy, the City manages its exposure to declines in fair values by:

- Structuring the investment portfolio so that no more than 50% of the portfolio is placed in long-term investments that have maturities exceeding five years, and no more than 25% of the portfolio is placed in long-term investments that have maturities exceeding seven years.
- At least 5% of the City's portfolio is kept in investments that are available on a daily basis without loss of principal.

CITY OF CHAMPLIN, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

Credit risk. Credit risk is the risk that an issuer or other counterparty to an investment will be unable to fulfill its obligation to the holder of the investment. The City limits its investments to only those investment instruments authorized by Minnesota Statutes. In accordance with its formal written investment policy, it is the City's policy to diversify its portfolio by type of investment, issuer and maturity date to protect against changes in the market.

Concentration of credit risk. Concentration of credit risk is the risk of loss that may be attributed to the magnitude of a government's investment in a single issuer. Not more than \$2,000,000 or 30% of the City's portfolio will be placed in any one institution, other than the United States government or its agencies.

Custodial credit risk - investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. It is the City's policy that all investments shall be kept at the broker/dealers in the City's name. The broker/dealer must provide assets protection of \$500,000 through the Securities Investor Protection Corporation (SIPC) and at least another \$49,500,000 supplemental insurance protection.

Note 3 RECEIVABLES

Receivables as of year-end for the City's individual major funds, non-major funds, and internal services in the aggregate including the applicable allowance for uncollectible accounts, are as follows:

	Accounts	Special Assessments	Taxes	Interest	Lease	Intergovernmental	Total Receivables
General	\$60,922	\$23,591	\$132,720	\$60,129	\$1,109,850	\$4,517	\$1,391,729
General obligation bonds	-	2,896,577	2,245	-	-	-	2,898,822
Tax increment project	-	-	2,512	11,640	-	-	14,152
Permanent improvement	229,516	2,346,198	-	161,537	-	244,648	2,981,899
Park reserve fund	4,708	-	-	23,446	2,307,293	182,636	2,518,083
Water utility	223,062	505,308	-	89,438	-	-	817,808
Sewer utility	388,311	49,929	-	50,406	-	-	488,646
Refuse	235,414	4,742	-	10,505	-	-	250,661
Recycling	56,445	4,932	-	1,982	-	-	63,359
Storm water	113,303	18,288	-	16,059	-	349,757	497,407
Internal service	724	-	-	6,609	-	-	7,333
Nonmajor and other funds	162,351	463	4,860	49,070	-	38,855	255,599
Total	<u>\$1,474,756</u>	<u>\$5,850,028</u>	<u>\$142,337</u>	<u>\$480,821</u>	<u>\$3,417,143</u>	<u>\$820,413</u>	<u>\$12,185,498</u>
	\$457,497	\$5,266,829	\$142,337	\$312,431	\$3,417,143	\$470,656	
	1,016,535	583,199	-	168,390	-	349,757	

The receivables not expected to be collected within one year are \$4,443,864 of special assessment receivables reported in the permanent improvement and general obligation bond funds, \$1,019,094 of lease receivables in the general fund and \$2,281,450 of lease receivable in the Park reserve fund.

CITY OF CHAMPLIN, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

In December 2024, the Champlin EDA entered into a forgivable business subsidy loan agreement with Mississippi Crossing Real Estate LLC to support the construction of a restaurant. The agreement includes a \$1.3 million promissory note, which will be fully forgiven provided that all terms of the agreement are met by December 2034. As the loan is not expected to be collected, it is not reflected in the financial statements.

Note 4 LEASE RECEIVABLE

The City reports lease receivables for multiple antenna leases with telecommunications companies. The antenna leases relate to the use of City-owned land and infrastructure to install and operate antennas, with terms as follows:

Lease Name	Annual Payment*	Current End Date of Lease	Extension Terms
AT&T antenna lease	40,858	6/30/2026	1, 5 year extension available
T-Mobile antenna lease	52,150	12/31/2027	1, 5 year extension available
Verizon antenna lease	40,131	6/30/2029	None remaining

* Future annual increases of 3%-4% will occur in accordance with the lease agreement

The antenna leases are measured at the present value of future minimum lease payments expected to be received during the lease term at discount rates ranging from 4.00% - 6.52% as specified in the applicable agreements.

The City also reports a lease receivable for the use of City-owned land by a media company for billboard placement. The lease agreement calls for annual payments of \$86,994 - \$143,787 through September 20, 2039, with a 10 year extension option available.

The land lease is measured at the present value of future minimum lease payments expected to be received during the lease term at a discount rate of 3.00% as stated in the lease agreement.

At December 31, 2024, the City recorded \$3,417,143 in leases receivable and deferred inflows of resources for these arrangements. Total revenue recognized in relation to these leases is as follows:

	For the year ended 12/31/2024
Lease receipts and amortization of lease-related deferred inflows:	
Antenna leases	\$123,920
Other leases	22,401
Total revenue recognized resulting from deferred inflow amortization	146,321
Variable lease revenue	-
Interest revenue	119,242
Other lease revenues	-
Total revenue recognized in relation to leased assets	\$265,563

Note 5 UNAVAILABLE REVENUES/DEFERRED INFLOWS

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At December 31, 2024, the various components of deferred inflows of resources and unearned revenue reported in the governmental funds were as follows:

	<u>Related to leases</u>	<u>Unavailable</u>	<u>Unearned</u>
Delinquent property taxes receivable:			
General fund	\$ -	\$101,767	\$ -
Nonmajor funds	-	3,787	-
Special assessments not yet due:			
General fund	-	23,591	-
General obligation bonds	-	2,883,313	-
Permanent improvement fund	-	2,341,220	-
Delinquent special assessments receivable:			
General fund	-	-	-
General obligation bonds	-	13,264	-
Permanent improvement fund	-	4,978	-
License/rent/other revenue/lease receivable:			
General fund	1,109,850	-	102,975
Park reserve	2,307,293	-	-
Permanent improvement fund	-	-	1,810,293
Nonmajor funds	-	-	25,000
	<hr/>	<hr/>	<hr/>
Total deferred inflows of resources/unearned revenue for governmental funds	<u>\$3,417,143</u>	<u>\$5,371,920</u>	<u>\$1,938,268</u>

CITY OF CHAMPLIN, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

Note 6 INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Amounts reported as due to/from other funds at December 31, 2024, is as follows:

Receivable Fund	Payable Fund	Amount	Purpose
Water	Permanent Improvement	\$655,126	Facilities
Permanent Improvement	Tax Increment Project	1,862,584	Purchase of property
Total		<u>\$2,517,710</u>	

The amount not expected to be collected within one year is \$444,217 and \$1,647,584 for the Water Fund receivables and Permanent Improvement Fund receivable, respectively.

Amounts reported as interfund transfers at December 31, 2024 are as follows:

	General Fund	Permanent Improvement	Park Reserve	Nonmajor Governmental	Storm Water	Total Transfers Out	Purpose
General Fund	\$ -	\$840,000	\$550,000	\$3,165,600	\$ -	\$4,555,600	Budgeted Transfers, Council approved transfers
Permanent Improvement	-	-	-	339,360	-	339,360	Budgeted Transfer and Project Closures
Nonmajor Governmental	274,334	-	-	-	-	274,334	Administration, Budgeted Transfers, ARPA eligible projects
Water	63,500	-	-	85,000	308,800	457,300	Budgeted Transfer
Sewer	63,500	-	-	85,000	-	148,500	Budgeted Transfer
Refuse	-	125,000	-	-	-	125,000	Budgeted Transfer
Total transfers in	<u>\$401,334</u>	<u>\$965,000</u>	<u>\$550,000</u>	<u>\$3,674,960</u>	<u>\$308,800</u>	<u>\$5,900,094</u>	

CITY OF CHAMPLIN, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

Note 7 CAPITAL ASSETS

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$43,424,193	\$ -	\$ -	\$43,424,193
Construction in progress	6,708,206	4,533,581	9,485,258	1,756,529
Total capital assets, not being depreciated	50,132,399	4,533,581	9,485,258	45,180,722
Capital assets, being depreciated:				
Buildings	26,384,390	147,732	-	26,532,122
Improvements other than buildings	91,942,980	10,188,756	-	102,131,736
Machinery and equipment	9,588,897	692,862	354,114	9,927,645
Total capital assets, being depreciated	127,916,267	11,029,350	354,114	138,591,503
Less accumulated depreciation for:				
Buildings	9,361,714	864,684	-	10,226,398
Improvement other than buildings	38,569,817	2,625,558	-	41,195,375
Machinery and equipment	5,143,291	438,406	336,963	5,244,734
Total accumulated depreciation	53,074,822	3,928,648	336,963	56,666,507
Total capital assets, being depreciated, net	74,841,445	7,100,702	17,151	81,924,996
Governmental activities capital assets, net	\$124,973,844	\$11,634,283	\$9,502,409	\$127,105,718
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$611,532	\$ -	\$ -	\$611,532
Construction in progress	241,433	121,736	287,487	75,682
Total capital assets, not being depreciated	852,965	121,736	287,487	687,214
Capital assets, being depreciated:				
Buildings	9,270,811	-	-	9,270,811
Improvements other than buildings	64,182,021	1,052,954	18,895	65,216,080
Machinery and equipment	3,661,437	351,444	135,737	3,877,144
Total capital assets, being depreciated	77,114,269	1,404,398	154,632	78,364,035
Less accumulated depreciation for:				
Buildings	6,465,741	255,826	-	6,721,567
Improvements other than buildings	25,245,093	1,362,759	18,895	26,588,957
Machinery and equipment	1,915,175	153,708	135,737	1,933,146
Total accumulated depreciation	33,626,009	1,772,293	154,632	35,243,670
Total capital assets, being depreciated, net	43,488,260	(367,895)	0	43,120,365
Business-type activities capital assets, net	\$44,341,225	(\$246,159)	\$287,487	\$43,807,579

CITY OF CHAMPLIN, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

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

Governmental activities:	
General government	\$236,572
Public safety	209,471
Public works	2,480,125
Parks and recreation	1,002,480
Total depreciation expense - governmental activities	<u>\$3,928,648</u>
Business-type activities:	
Water	\$904,705
Sewer	398,883
Storm water	468,705
Total depreciation expense - business-type activities	<u>\$1,772,293</u>

Note 8 CONSTRUCTION COMMITMENTS

The City has an active construction project as of December 31, 2024. At year end the City's commitment with the contractor is as follows:

Project	Spent-to-Date	Remaining Commitment
2024 Mississippi Drive	\$4,137,578	\$25,531
Tower #2 Inspection and Repair	877,726	26,773
Elm Creek Restoration Phase V	449,902	43,247

Note 9 LONG-TERM DEBT

General Obligation Bonds

The City issues general obligation bonds and general obligation capital notes to provide funds for the acquisition and construction of major capital facilities and equipment. General obligation bonds and capital notes have been issued for governmental activities and business-type funds. The original amount of general obligation bonds and capital notes issued in prior years was \$18,895,000.

On March 20, 2024, the City issued \$1,860,000 series 2024A general obligation equipment and utility revenue bonds. The bonds will mature on February 1, 2035, have an interest rate of 4%, and will be repaid with proceeds from ad valorem taxes, general taxes, and water utility revenues.

For the current year, principal and interest paid and total property tax revenues and special assessment were \$820,000, \$403,241, and \$1,985,767 respectively.

CITY OF CHAMPLIN, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

General obligation bonds are direct obligations and pledge the full faith and credit of the City. These bonds generally are issued as 20-year serial bonds with varying amounts of principal due each year. General obligation bonds currently outstanding are as follows:

Purpose	Interest Rates	Amount
Refunding	2.00 - 2.50%	\$1,365,000
Improvement, equipment, and utility	1.00 - 2.00%	7,185,000
Street Improvements	3.62 - 4.00%	5,970,000
Equipment and utility	4.00%	1,860,000

Annual debt service requirements for general obligation bonds are as follows:

Governmental Activities			Business-type Activities		
Year Ending December 31, 2024	Principal	Interest	Year Ending December 31, 2024	Principal	Interest
2025	\$1,465,000	\$342,923	2025	\$150,000	\$109,334
2026	1,525,000	292,070	2026	275,000	83,070
2027	1,545,000	245,620	2027	280,000	75,070
2028	1,090,000	204,558	2028	290,000	66,820
2029	1,110,000	168,908	2029	295,000	58,320
2030-2034	3,740,000	528,778	2030-2034	1,605,000	162,163
2035-2039	2,485,000	150,186	2035-2039	525,000	8,318
Total	<u>\$12,960,000</u>	<u>\$1,933,043</u>	Total	<u>\$3,420,000</u>	<u>\$563,095</u>

Conduit Debt Obligations

From time to time the City of Champlin 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. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City of Champlin, the State of Minnesota, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2024, there were four series of Revenue Bonds outstanding with an aggregate principal amount payable of \$54,384,165.

CITY OF CHAMPLIN, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

Pledged Revenue

Bond Issue	Use of Proceeds	Revenue Pledged				Remaining Principal	Current Year	
		Type	Percent of Total Debt Service	Debt Service as a % of Net Revenues	Term of Pledge		Principal and Interest Paid	Pledged Revenue Received
2013A	Refunding	Property Taxes	100%	100%	2013-2027	\$1,365,000	\$472,634	\$497,348
2020 Equipment Certificates	Equipment	Property Taxes	100%	100%	2020-2036	1,220,000	110,995	115,600
2020A Improvement	Infrastructure	Special Assessments	100%	100%	2020-2036	3,975,000	363,450	503,130
2020A Utility	Storm Water Improvements	Storm Water Net Revenue	100%	80%	2020-2036	1,990,000	179,270	144,096
2023A Street Improvement	Street Improvements	Property Taxes Special Assessments	100%	100%	2023-2039	5,970,000	268,688	519,721
2024A Equipment Certificates	Equipment	Property Taxes	100%	100%	2024-2035	430,000	-	-
2024A Utility	Water Improvements	Water Net Revenue	100%	0%	2024-2035	1,430,000	-	-

Changes in long-term liabilities

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

Governmental activities:	Beginning	Additions	Reductions	Ending Balance	Due Within One Year
Bonds payable:					
General obligation bonds	\$13,350,000	\$430,000	\$820,000	\$12,960,000	\$1,465,000
Issuance discounts/premiums	442,949	38,076	44,754	436,271	-
Total bonds payable	13,792,949	468,076	864,754	13,396,271	1,465,000
Compensated absences*	722,351	76,285	-	798,636	303,537
Net OPEB liability	1,079,054	202,614	-	1,281,668	123,691
Net pension liability	6,856,236	-	2,057,452	4,798,784	-
Governmental activity long-term liabilities	<u>\$22,450,590</u>	<u>\$746,975</u>	<u>\$2,922,206</u>	<u>\$20,275,359</u>	<u>\$1,892,228</u>
Business-type activities:	Ending Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds payable:					
General obligation bonds	\$2,135,000	\$1,430,000	\$145,000	\$3,420,000	\$150,000
Issuance Discounts/premiums	103,356	126,931	18,378	211,909	-
Compensated absences*	57,640	3,504	-	61,144	-
Net OPEB liability	117,302	15,144	-	132,446	9,246
Business-type activities long-term liabilities	<u>\$2,413,298</u>	<u>\$1,575,579</u>	<u>\$163,378</u>	<u>\$3,825,499</u>	<u>\$159,246</u>

* The change in compensated absences is presented as a net change.

Compensated absences for the governmental funds are accounted for as a portion of the unrestricted net position of the Compensated Absences Internal Service Fund. Net pension liability for the governmental funds are accounted for as a portion of the unrestricted net position of the Employee Benefits Internal Service Fund. Net OPEB liabilities for the governmental funds are accounted for as a portion of the unassigned fund balance of the General Fund.

Note 10 DEFINED BENEFIT PENSION PLANS - PERA

A. PLAN DESCRIPTION

The City participates in the following cost-sharing multiple-employer defined benefit pension plans administered by the Public Employees Retirement Association of Minnesota (PERA). Plan provisions are established and administered according to Minnesota Statutes, Chapters 353, 353D, 353E, 353G and 356. Minnesota Statutes chapter 356 defines each plan's financial reporting requirements. PERA's defined benefit pension plans are tax qualified plans under Section 401(a) of the Internal Revenue Code.

1. General Employees Retirement Plan (General Plan)

Membership in the General Plan includes employees of counties, cities, townships, schools in non-certified positions, and other governmental entities whose revenues are derived from taxation, fees, or assessments. Plan membership is required for any employee who is expected to earn more than \$425 in a month, unless the employee meets exclusion criteria.

2. Public Employees Police and Fire Retirement Plan (Police and Fire Plan)

Membership in the Police and Fire Plan includes full-time, licensed police officers and firefighters who meet the membership criteria defined in Minnesota Statutes section 353.64 and who are not earning service credit in any other PERA retirement plan or local relief association for the same service. Employers can provide Police and Fire Plan coverage for part-time positions and certain other public safety positions by submitting a resolution adopted by the entity's governing body. The resolution must state that the position meets plan requirements.

B. BENEFITS PROVIDED

PERA provides retirement, disability, and death benefits. Benefit provisions are established by state statute and can only be modified by the state legislature. Vested, terminated employees who are entitled to benefits but are not receiving them yet, are bound by the provisions in effect at the time they last terminated their public service. When a member is "vested," they have earned enough service credit to receive a lifetime monthly benefit after leaving public service and reaching an eligible retirement age. Members who retire at or over their Social Security full retirement age with at least one year of service qualify for a retirement benefit.

1. General Employees Plan Benefits

The 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% of the highest average salary for each of the first ten years of service and 1.7% for each additional year. Under the Level formula, General Plan members receive 1.7% of the highest average salary for all years of service. For members hired prior to July 1, 1989, a full retirement benefit is available when age plus years of service equal 90 and normal retirement age is 65. Members can receive a reduced requirement benefit as early as age 55 if they have three or more years of service. Early retirement benefits are reduced by 0.25% for each month under age 65. Members with 30 or more years of service can retire at any age with a reduction of 0.25% for each month the member is younger than age 62. The Level formula allows General Plan members to

receive a full retirement benefit at age 65 if they were first hired before July 1, 1989 or at age 66 if they were hired on or after July 1, 1989. Early retirement begins at age 55 with an actuarial reduction applied to the benefit.

Benefit increases are provided to benefit recipients each January. The postretirement increase is equal to 50% of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1% and a maximum of 1.5%. The 2024 annual increase was 1.5%. 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.

2. Police and Fire Plan Benefits

Benefits for Police and Fire Plan members hired before July 1, 2010, are vested after three years of service. Members hired on or after July 1, 2010, are 50% vested after five years and 100% vested after ten years. After five years, vesting increased by 10% each full year of service until members are at 100% vested after ten years. Police and Fire Plan members receive 3% of highest average salary for all years of service. Police and Fire Plan members receive a full retirement benefit when they are age 55 and vested, or when their age plus their years of service equals 90 or greater if they were first hired before July 1, 1989. Early retirement starts at age 50, and early retirement benefits are reduced by 0.417% each month members are younger than age 55.

Benefit increases are provided to benefit recipients each January. The postretirement increase is fixed at 1%. Recipients that have been receiving the annuity or benefit for at least 36 months as of the June 30 before the effective date of the increase will receive the full increase. Recipients receiving the annuity or benefit for at least 25 months but less than 36 months as of the June 30 before the effective date of the increase will receive a prorated increase.

C. CONTRIBUTIONS

Minnesota Statutes Chapters 353, 353E, 353G, and 356 set the rates for employer and employee contributions. Contribution rates can only be modified by the state legislature.

1. 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 \$385,212. The City's contributions were equal to the required contributions as set by state statute.

2. Police and Fire Fund Contributions

Police and Fire Plan members were required to contribute 11.80% of their annual covered salary in fiscal year 2024 and the City was required to contribute 17.70% for Police and Fire Plan members. The City's contributions to the Police and Fire Fund for the year ended December 31, 2024 were \$543,384. The City's contributions were equal to the required contributions as set by state statute.

D. PENSION COSTS

1. General Employees Fund Pension Costs

At December 31, 2024, the City reported a liability of \$2,135,707 for its proportionate share of the General Employee's Fund net pension liability. The City's net pension liability reflected a reduction due to the State of Minnesota's contribution of \$16 million. The State of Minnesota is considered a non-employer contributing entity and the state's contribution meets the definition of a special funding situation. The State of Minnesota's proportionate share of the net pension liability associated with the City totaled \$55,225.

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 proportion 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 0.0578% at the end of the measurement period and 0.0585% for the beginning of the period.

For the year ended December 31, 2024, the City recognized pension expense of \$215,720 for its proportionate share of the General Plan's pension expense. In addition, the City recognized an additional \$1,481 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.

During the plan year ended June 30, 2024, the State of Minnesota contributed \$170.1 million to the General Employees Fund. The State of Minnesota is not included as a non-employer contributing entity in the General Employees Plan pension allocation schedules for the \$170.1 million in direct state aid because this contribution was not considered to meet the definition of a special funding situation. The City recognized \$98,318 for the year ended December 31, 2024 as revenue and an offsetting reduction of net pension liability for its proportionate share of the State of Minnesota's on-behalf contributions to the General Employees Fund.

At December 31, 2024, the City reported General Employees Fund deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$200,733	\$ -
Changes in actuarial assumptions	10,361	808,334
Net difference between projected and actual earnings on pension plan investments	-	613,626
Changes in proportion	6,240	46,110
Employer contributions subsequent to the measurement date	195,052	-
Total	<u>\$412,386</u>	<u>\$1,468,070</u>

The \$195,052 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2025. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31,	Pension Expense
2025	(\$677,590)
2026	(134,151)
2027	(275,305)
2028	(163,690)
2029	-
Thereafter	-

2. Police and Fire Fund Pension Costs

At December 31, 2024, the City reported a liability of \$2,663,077 for its proportionate share of the Police and Fire Fund's net pension liability. 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 0.2024% at the end of the measurement period and 0.2076% for the beginning of the period.

The State of Minnesota contributed \$37.4 million to the Police and Fire Fund during the plan fiscal year ended June 30, 2024. The contribution consisted of \$9 million in direct state aid that meets the definition of a special funding situation, additional one-time direct state aid contribution of \$19.4 million, and \$9 million in supplemental state aid that does not meet the definition of a special funding situation. Additionally, \$9 million supplemental state aid was paid on October 1, 2024. Thereafter, by October 1 of each year, the state will pay \$9 million to the Police and Fire Fund until full funding is reached or July 1, 2048, whichever is earlier. The \$9 million in supplemental state aid will continue until the fund is 90% funded, or until the State Patrol Plan (administered by the Minnesota State Retirement System) is 90% funded, whichever occurs later. The State of Minnesota's proportionate share of the net pension liability associated with the City totaled \$101,515.

City's proportionate share of the net pension liability	\$2,663,077
State of Minnesota's proportionate share of the net pension liability associated with the City	101,515
Total	<u>\$2,764,592</u>

For the year ended December 31, 2024, the City recognized pension expense of \$449,472 for its proportionate share of the Police and Fire Plan's pension expense. The City recognized an additional \$9,858 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of \$9 million to the Police and Fire Fund special funding situation.

The State of Minnesota is not included as a non-employer contributing entity in the Police and Fire Pension Plan pension allocation schedules for the \$28.4 million in supplemental state aid, because this contribution was not considered to meet the definition of a special funding situation. The City recognized \$57,488 for the year ended December 31, 2024 as revenue

and an offsetting reduction of net pension liability for its proportionate share of the State of Minnesota's on-behalf contributions to the Police and Fire Fund.

At December 31, 2024, the City reported Police and Fire Fund deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$1,031,254	\$ -
Changes in actuarial assumptions	2,870,558	3,920,124
Net difference between projected and actual earnings on pension plan investments	-	821,898
Changes in proportion	24,818	300,668
Employer contributions subsequent to the measurement date	284,085	-
Total	<u>\$4,210,715</u>	<u>\$5,042,690</u>

The \$284,085 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2025. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31,	Pension Expense
2025	(\$165,845)
2026	593,041
2027	(473,140)
2028	(1,096,247)
2029	26,131
Thereafter	-

The net pension liability will be liquidated by the general, water, sewer, storm water, refuse and recycling funds.

E. ACTUARIAL ASSUMPTIONS

The total pension liability in the June 30, 2024 actuarial valuation was determined using the entry-age normal actuarial cost method and the following actuarial assumptions:

Inflation	2.25% per year
Investment Rate of Return	7.00%

The long-term investment rate of return 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 7.00% is within that range.

Benefit increases after retirement are assumed to be 1.25% for the General Plan and 1.00% for the Police and Fire Plan.

Salary growth assumptions in the General Plan range in annual increments from 10.25% after one year of service to 3.0% after 27 years of service. In the Police and Fire Plan, salary growth assumptions range in annual increments from 11.75% after one year of service to 3.0% after 24 years of service.

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

Actuarial assumptions for General Plan are reviewed every four years. The General Plan was last reviewed in 2022. The assumption changes were adopted by the board and became effective with the July 1, 2023 actuarial valuation. The Police and Fire Plan was reviewed in 2024. 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.

Police and Fire Fund

Changes in Plan Provisions:

- The State contribution of \$9.0 million per year will continue until the earlier of 1) both the Police & Fire Plan and the State Patrol Retirement Fund attain 90 percent funded status for three consecutive years (on an actuarial value of assets basis) or 2) July 1, 2048. The contribution was previously due to expire after attaining a 90 percent funded status for one year.
- The additional \$9.0 million contribution will continue until the Police & Fire Plan is fully funded for a minimum of three consecutive years on an actuarial value of assets basis, or July 1, 2048, whichever is earlier. This contribution was previously due to expire upon attainment of fully funded status on an actuarial value of assets basis for one year (or July 1, 2048 if earlier).

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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	33.5%	5.10%
International equity	16.5%	5.30%
Fixed income	25%	0.75%
Private markets	25%	5.90%
Total	100%	

F. DISCOUNT RATE

The discount rate used to measure the total pension liability in 2024 was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates set in Minnesota Statutes. Based on these assumptions, the fiduciary net position of the General Plan and Police and Fire Plan 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.

G. PENSION LIABILITY SENSITIVITY

The following presents the City's proportionate share of the net pension liability, calculated using the discount rate disclosed in the preceding paragraph, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current discount rate:

	<u>1% Decrease in Discount Rate</u>	<u>Current Discount Rate</u>	<u>1% Increase in Discount Rate</u>
Proportionate share of the General Plan net pension liability	\$4,664,727	\$2,135,707	\$55,357
Proportionate share of the Police and Fire Plan net pension liability	\$6,293,371	\$2,663,077	(\$318,154)

H. PENSION PLAN FIDUCIARY NET POSITION

Detailed information about each pension plan's fiduciary net position is available in a separately-issued PERA financial report that includes financial statements and required supplementary information. That report may be obtained at www.mnpera.org.

I. PENSION EXPENSE

Pension expense recognized by the City for the year ended December 31, 2024 is as follows:

General Plan	\$217,201
Police and Fire Plan	459,330
Total	<u>\$676,531</u>

Note 11 OTHER POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

A. PLAN DESCRIPTION

The City provides post-employment health care and life insurance benefits (OPEB) for retired employees through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the City and can be amended by the City through its personnel manual and union contracts. The OPEB plan issues a separate report that includes required supplementary information and trend information. This report can be obtained from the Finance Director at 11955 Champlin Drive, Champlin, MN 55316. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB statement No. 75.

B. BENEFITS PROVIDED

The City provides post-employment health care and life insurance benefits to its retirees. To be eligible for benefits, an employee must qualify for retirement under one of the City's retirement plans.

All health care benefits are provided through the City's contracted health insurance plan. The benefit levels are the same as those provided to active employees. Benefits include general inpatient and outpatient medical services, vision care, dental care and prescriptions. Upon a retiree reaching 65 years of age, Medicare becomes the primary insurer, and the retiree is no longer covered under the City's plan.

Funding policy - The City negotiates the contribution percentages between the City and employees through the union contracts and personnel policy. For law enforcement employees and sergeants, the retirees contribute 50% of the bargaining unit's employer contribution toward single medical premiums until age 65 and the City contributes the remainder. The City provides single coverage to public safety personnel meeting the definition of injured in the line of duty per Minnesota statute 299A.465 until reaching age 65. For all others, the retirees contribute 100% of the medical premiums. For the fiscal year ended December 31, 2024, retirees contributed approximately \$47,797 and the City contributed \$114,507. Active employees do not contribute to the plan until retirement.

C. PARTICIPANTS

As of the January 1, 2023 actuarial valuation date, participants of the plan consisted of:

Retirees and beneficiaries currently receiving benefits	7
Active employees	75
Spouses receiving payments	2
Total	<u>84</u>

D. TOTAL OPEB LIABILITY AND CHANGES IN TOTAL OPEB LIABILITY

The City's total OPEB liability of \$1,434,076 was measured as of January 1, 2024, and was determined by an actuarial valuation dated January 1, 2023. Changes in the total OPEB liability during 2024 were:

Balances at January 1, 2024	<u>\$1,196,356</u>
Service cost	48,281
Interest cost	47,809
Assumption changes	25,263
Differences between expected and actual experience	196,224
Benefit payments	<u>(99,819)</u>
Total net changes	<u>217,758</u>
Balances at December 31, 2024	<u>\$1,414,114</u>

There were no plan changes since the measurement date of January 1, 2024.

E. ACTUARIAL ASSUMPTIONS AND OTHER INPUTS

The total OPEB liability in the actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial cost method	Entry age, level percentage of pay
Amortization method	Average of expected remaining service on a closed basis
Inflation rate	2.50%
Projected salary increases	Increase rates vary by service and contract group
Discount rate	3.70%
20-year municipal bond yield	3.70%
Healthcare cost trend rate	6.25% grading to 5.00% over 5 years and then to 4.00%

Since the plan is funded on a pay-as-you-go basis, both the discount rate and the investment rate of return was based on published rate information for 20-year, tax exempt, municipal bonds as of the measurement date.

Mortality rates were based on the Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables (General, Safety) with MP-2021 generational improvements scale (Blue Collar tables for Police and Fire Personnel).

The actuarial assumptions used in the January 1, 2024 valuation are similar to those used to value pension liabilities for Minnesota public employees. The state pension plans base their assumptions on periodic experience studies.

F. SENSITIVITY OF THE TOTAL OPEB LIABILITY TO CHANGES IN THE DISCOUNT RATE

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1% lower (2.70%) or 1% higher (4.70%) than the current discount rate:

	1% Decrease (2.70%)	Discount Rate (3.70%)	1% Increase (4.70%)
Total OPEB liability	\$1,502,253	\$1,414,114	\$1,331,990

G. SENSITIVITY OF THE TOTAL OPEB LIABILITY TO CHANGES IN THE HEALTHCARE COST TREND RATES

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower (5.25% decreasing to 4.00%) or 1% higher (7.25% decreasing to 6.00%) than the current healthcare cost trend rates:

	1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	\$1,300,255	\$1,414,114	\$1,544,787

H. OPEB EXPENSE AND DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES RELATED TO OPEB

For the year ended December 31, 2024, the City recognized \$129,559 of OPEB expense. At December 31, 2024, the City reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$453,109	\$203,326
Changes in actuarial assumptions	54,769	80,864
Contributions subsequent to the measurement date	114,507	-
Total	<u>\$622,385</u>	<u>\$284,190</u>

The \$114,507 reported as deferred outflows of resources related to OPEB resulting from City contributions after the measurement date will be recognized as a reduction of the OPEB liability in the year ended December 31, 2025. Amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31,	OPEB Expense Amount
2025	\$45,988
2026	45,991
2027	38,463
2028	64,182
2029	(2,577)
Thereafter	31,641

Note 12 CONTINGENCIES

A. LITIGATION

Existing and pending lawsuits, claims and other actions in which the City is a defendant are either covered by insurance; of an immaterial amount; or, in the judgment of the City management, remotely recoverable by plaintiffs.

B. FEDERAL AND STATE FUNDS

Amounts received or receivable from federal and state agencies are subject to agency audit and adjustment. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. As of December 31, 2024, the City had entered into a purchase agreement for property at a cost of \$857,500. The funding for this purchase is contingent on approval of State Bonding Funds. The amount, if any, of funds which may be disallowed by the agencies cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

C. TAX INCREMENT DISTRICTS

The City's tax increment districts are subject to review by the State of Minnesota Office of the State Auditor (OSA). Any disallowed claims or misuse of tax increments could become a liability of the applicable fund. Management has indicated that they are not aware of any instances of noncompliance which would have a material effect on the financial statements.

Note 13 PAY AS YOU GO TAX INCREMENTS – TAX ABATEMENT

The EDA provides tax abatements pursuant to Minnesota Statutes 469.174 to 469.1794 (Tax Increment Financing) through a pay-as-you-go note program. Tax increment financing (TIF) can be used to encourage private development, redevelopment, renovation and renewal, growth in low-to-moderate-income housing, and economic development within the City. TIF captures the increase in tax capacity and property taxes from development or redevelopment to provide funding for the related project.

The EDA has one tax increment pay-as-you-go agreement. The agreement is not a general obligation of the City or the EDA and is payable solely from available tax increment. Accordingly, this agreement is not reflected in the financial statements of the City or EDA. Details of the pay-as-you-go note is as follows:

TIF District #2405 – Mississippi Crossings:

Issued in 2022 in the principal sum of \$10,500,000 with an interest rate of 4.50%. Principal and interest shall be paid on August 1st 2022 and each February 1st and August 1st thereafter up to and including February 1, 2050. Payments are payable solely from available tax increment derived from developed/redeveloped property and paid to the EDA. The pay-as-you-go note provides for payment to the developer equal to 90% of all tax increment received in the prior six months. The payment reimburses the developer for certain public development costs. The current year abatement (TIF note payments) amounted to \$517,544. At December 31, 2024, the principal amount outstanding on the note was \$10,500,000.

Note 14 JOINT VENTURES

Anoka-Champlin Fire Department

The City participates in a joint venture with the City of Anoka, Minnesota to provide fire protection services to the residents of the respective cities. The Anoka-Champlin Joint Fire Department was created pursuant to an agreement dated March 20, 1985. The terms of the agreement provide for a 48% and 52% undivided equity interest for the City of Champlin and the City of Anoka, respectively.

The City of Anoka is responsible for the administration and daily operations of the fire department. Each City is responsible for their proportionate share of the cost of the fire department's operations. Separate financial statements of the joint venture are available at the City of Anoka, 2015 1st Avenue, Anoka, MN 55398 or 763-576-2771.

Pets Under Police Security

The City is a member of Pets Under Police Security (PUPS), which was established by a joint and cooperative agreement between several area cities. PUPS is governed by its board of directors, which consists of one board member appointed from each participating city.

The board adopts an annual budget prior to July 1 of each year. Charges for capital, administrative and other costs of PUPS are billed to its member cities on a pro-rata basis. In the event of dissolution, and following the payment of all outstanding obligations, the assets of PUPS will be distributed among the then existing member cities in direct proportion to their cumulative annual membership contributions. Separate financial statements of the joint venture are available at the City of Maple Grove, P.O. Box 1180, Maple Grove, MN 55311-6180.

Note 15 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; employee health and dental; and natural disasters for which the City carries commercial insurance policies. The City retains risk for the deductible portions of the insurance policies and for any exclusions from the insurance policies.

Past experience indicates that incurred but not reported claims, in aggregate, of the Insurance Management Internal Service Fund do not represent a material amount and, therefore, have not been accrued at year-end. There were no significant reductions in insurance coverage from the previous year. There were no settlements in excess of insurance for any of the prior three years.

The City's worker's compensation and general liability policies are retrospectively rated. With this type of policy, final premiums are determined after loss experience is known. The amount of premium adjustment, if any, is considered immaterial and is not recorded until received or paid.

Note 16 RECENTLY ISSUED ACCOUNTING STANDARDS

The Governmental Accounting Standards Board (GASB) recently approved the following statements which were not implemented for these financial statements:

Statement No. 102 *Certain Risk Disclosures*. The provisions of this Statement are effective for fiscal years beginning after June 15, 2024.

Statement No. 103 *Financial Reporting Model Improvements*. The provisions of this Statement are effective for reporting periods beginning after June 15, 2025.

Statement No. 104 *Disclosure of Certain Capital Assets*. The provisions of this Statement are effective for Reporting periods beginning after June 15, 2025.

The effect these standards may have on future financial statements is not determinable at this time.

Note 17 SUBSEQUENT EVENTS

Subsequent events have been evaluated for recognition or disclosure through April 22, 2025, the date the financial statements were available to be issued.

- This page intentionally left blank -

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF CHAMPLIN, MINNESOTA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS

Last Ten Years*

Statement 10

	2018	2019	2020	2021	2022	2023	2024
Total OPEB liability:							
Service cost	\$49,048	\$59,967	\$72,951	\$67,715	\$67,106	\$44,517	\$48,281
Interest	28,239	30,060	39,320	33,741	19,466	28,860	47,809
Assumption changes	-	(11,181)	68,145	17,653	-	(109,301)	25,263
Differences between expected and actual experience	-	71,360	-	(257,315)	467,387	(130,273)	196,224
Benefit payments	(29,535)	(36,577)	(42,224)	(50,631)	(51,945)	(71,523)	(99,819)
Net change in total OPEB liability	47,752	113,629	138,192	(188,837)	502,014	(237,720)	217,758
Total OPEB liability - beginning	821,326	869,078	982,707	1,120,899	932,062	1,434,076	1,196,356
Total OPEB liability - ending	<u>\$869,078</u>	<u>\$982,707</u>	<u>\$1,120,899</u>	<u>\$932,062</u>	<u>\$1,434,076</u>	<u>\$1,196,356</u>	<u>\$1,414,114</u>
Covered-employee payroll	\$5,655,193	\$6,005,486	\$6,185,651	\$6,571,046	\$6,671,926	\$6,720,080	\$6,921,682
Total OPEB liability as a percentage of covered-employee pay	15.4%	16.4%	18.1%	14.2%	21.5%	17.8%	20.4%

* The schedule is provided prospectively beginning with the City's fiscal year ended December 31, 2018 and is intended to show a ten year trend. Additional years will be added as they become available.

See accompanying notes to the required supplementary information.

CITY OF CHAMPLIN, MINNESOTA**REQUIRED SUPPLEMENTARY INFORMATION****Statement 11****SCHEDULE OF PENSION CONTRIBUTIONS - PUBLIC EMPLOYEES GENERAL RETIREMENT FUND PENSION PLAN**

Last Ten Years

Fiscal Year Ending (for the Financial Reporting Period)	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	Covered Payroll (d)	Contributions as a Percentage of Covered Payroll (b/d)
December 31, 2015	\$258,754	\$258,754	\$ -	\$3,450,045	7.50%
December 31, 2016	262,283	262,283	-	3,497,100	7.50%
December 31, 2017	269,268	269,268	-	3,590,236	7.50%
December 31, 2018	279,664	279,664	-	3,728,864	7.50%
December 31, 2019	291,163	291,163	-	3,882,180	7.50%
December 31, 2020	316,125	316,125	-	4,214,986	7.50%
December 31, 2021	316,477	316,477	-	4,219,689	7.50%
December 31, 2022	333,075	333,075	-	4,440,996	7.50%
December 31, 2023	357,253	357,253	-	4,763,368	7.50%
December 31, 2024	385,212	385,212	-	5,136,148	7.50%

See accompanying notes to the required supplementary information.

Measurement Date June 30	Fiscal Year Ending December 31	City's Proportionate Share (Percentage) of the Net Pension Liability	City's Proportionate Share (Amount) of the Net Pension Liability (Asset) (a)	State's Proportionate Share (Amount) of the Net Pension liability Associated with the City (b)	City's Proportionate Share of the Net Pension Liability and the State's Proportionate Share of the Net Pension Liability Associated with City (a+b)	Covered Payroll (c)	City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Payroll ((a+b)/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	2015	0.0582%	\$3,016,226	\$ -	\$3,016,226	\$3,364,840	89.64%	78.19%
2016	2016	0.0556%	4,514,444	17,603	4,532,047	3,452,825	131.26%	68.91%
2017	2017	0.0553%	3,530,316	44,378	3,574,694	3,561,525	100.37%	75.90%
2018	2018	0.0542%	3,006,794	23,009	3,029,803	3,641,446	83.20%	79.50%
2019	2019	0.0542%	2,996,597	92,996	3,089,593	3,833,212	80.60%	80.20%
2020	2020	0.0550%	3,297,501	101,690	3,399,191	3,923,217	86.64%	79.10%
2021	2021	0.0582%	2,485,401	759,228	3,244,629	4,191,376	77.41%	87.00%
2022	2022	0.0593%	4,696,580	137,828	4,834,408	4,442,966	108.81%	76.70%
2023	2023	0.0585%	3,271,254	90,158	3,361,412	4,650,058	72.29%	83.10%
2024	2024	0.0578%	2,135,707	55,225	2,190,932	4,889,361	44.81%	89.08%

CITY OF CHAMPLIN, MINNESOTA**REQUIRED SUPPLEMENTARY INFORMATION****Statement 13****SCHEDULE OF PENSION CONTRIBUTIONS - PUBLIC EMPLOYEES POLICE AND FIRE FUND PENSION PLAN**

Last Ten Years

Fiscal Year Ending (for the Financial Reporting Period)	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	Covered Payroll (c)	Contributions as a Percentage of Covered Payroll (b/c)
December 31, 2015	\$361,903	\$361,903	\$ -	\$2,233,972	16.20%
December 31, 2016	378,616	378,616	-	2,337,135	16.20%
December 31, 2017	362,654	362,654	-	2,238,605	16.20%
December 31, 2018	380,281	380,281	-	2,347,409	16.20%
December 31, 2019	410,096	410,096	-	2,419,450	16.95%
December 31, 2020	479,906	479,906	-	2,711,335	17.70%
December 31, 2021	472,012	472,012	-	2,666,731	17.70%
December 31, 2022	489,844	489,844	-	2,767,481	17.70%
December 31, 2023	472,476	472,476	-	2,669,356	17.70%
December 31, 2024	543,384	543,384	-	3,069,964	17.70%

See accompanying notes to the required supplementary information.

CITY OF CHAMPLIN, MINNESOTA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF PROPORTIONATE SHARE OF PENSION LIABILITY -

PUBLIC EMPLOYEES POLICE AND FIRE FUND PENSION PLAN

Last Ten Years

Statement 14

Measurement Date June 30	Fiscal Year Ending December 31	City's Proportionate Share (Percentage) of the Net Pension Liability	City's Proportionate Share (Amount) of the Net Pension Liability (Asset) (a)	State's Proportionate Share (Amount) of the Net Pension liability Associated with the City (b)	City's Proportionate Share of the Net Pension Liability and the State's Proportionate Share of the Net Pension Liability Associated with City (a+b)	Covered Payroll (c)	City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered- Payroll (a/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	2015	0.2390%	\$2,715,599	\$ -	\$2,715,599	\$2,126,518	127.70%	86.61%
2016	2016	0.2400%	9,631,618	-	9,631,618	2,313,087	416.40%	63.88%
2017	2017	0.2260%	3,051,269	-	3,051,269	2,315,291	131.79%	85.43%
2018	2018	0.2146%	2,287,415	-	2,287,415	2,262,007	101.12%	88.80%
2019	2019	0.2252%	2,397,481	-	2,397,481	2,376,297	100.89%	89.30%
2020	2020	0.2243%	2,956,514	69,655	3,026,169	2,530,487	116.84%	87.20%
2021	2021	0.2233%	1,723,639	77,477	1,801,116	2,638,829	65.32%	93.70%
2022	2022	0.2322%	10,104,427	441,338	10,545,765	2,820,639	358.23%	70.50%
2023	2023	0.2076%	3,584,982	144,431	3,729,413	2,726,481	131.49%	86.47%
2024	2024	0.2024%	2,663,077	101,515	2,764,592	2,803,012	95.01%	90.17%

See accompanying notes to the required supplementary information.

OPEB INFORMATION

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits.

2024 Changes:

- The discount rate was changed from 4.00% to 3.70%

2023 Changes:

- The mortality tables were updated from the Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables (General, Safety) with MP-2020 Generational Improvement Scale to the Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables (General, Safety) with MP-2021 Generational Improvement Scale.
- The retirement, withdrawal, and salary increase rates for public safety employees were updated to reflect the latest experience study.
- The inflation rate was changed from 2.00% to 2.50%.
- The discount rate was changed from 2.00% to 4.00%.

2021 Changes:

- The discount rate was changed from 2.90% to 2.00%.
- The retirement and termination rates for non-Police and Fire employees were updated.
- The salary increase rates were changed from a flat 3.00% per year for all employees to rates which vary by service and contract group.
- The retirement and termination rates for non-Police and Fire employees were updated.
- The mortality tables were updated from the RP-2014 Mortality Tables (Blue Collar for Public Safety, White Collar for Others) with MP-2018 Generational Improvement Scale to the Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables (General, Safety) with MP-2020 Generational Improvement Scale.
- The inflation rate was changed from 2.50% to 2.00%.

2020 Changes:

- The discount rate was changed from 3.80% to 2.90%.

2019 Changes:

- Changes since prior valuation
- The health care trend rates were changed to better anticipate short term and long term medical increases.
- The mortality tables were updated from the RP-2014 White Collar Mortality Tables with MP-2016 Generational Improvement Scale (with Blue Collar adjustment for Police and Fire Personnel) to the RP-2014 White Collar Mortality Tables with MP-2018 Generational Improvement Scale (with Blue Collar adjustment for Police and Fire Personnel).
- The retirement and withdrawal tables for Police and Fire Personnel were updated.
- The discount rate was changed from 3.30% to 3.80%.

PENSION INFORMATION

PERA – General Employees Retirement Fund

2024 Changes in Actuarial Assumptions:

The following changes in assumptions are effective with the July 1, 2024 valuation, as recommended in the most recent experience study (dated June 29, 2023):

- 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.

2024 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 in Actuarial Assumptions:

- The investment return assumption and single discount rate were changed from 6.50% to 7.00%.

2023 Changes in Plan Provisions:

- An additional one-time direct state aid contribution of \$170.1 million was contributed to the Plan on October 1, 2023.
- The vesting period of those hired after June 30, 2010, was changed from five years of allowable service to three years of allowable service.
- The benefit increase delay for early retirements on or after January 1, 2024, was eliminated.
- A one-time, non-compounding benefit increase of 2.50% minus the actual 2024 adjustment will be payable in a lump sum for calendar year 2024 by March 31, 2024.

2022 Changes in Actuarial Assumptions:

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

2021 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 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 decreased 0.25% and assumed rates of retirement were changed resulting in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements. Assumed rates of termination and disability were also changed.
- Base mortality tables were changed from RP-2014 tables to Pub-2010 tables, with adjustments.
- The mortality improvement scale was changed from Scale MP-2018 to Scale MP-2019.
- The 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.

2020 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 in Actuarial Assumptions:

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

2019 Changes in the 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 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.

2017 Changes in Actuarial Assumptions:

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

2016 Changes in Actuarial Assumptions:

- The assumed post-retirement benefit increase rate was changed from 1.0% per year through 2035 and 2.5% per year thereafter to 1.0% per year for all future years.
- The assumed investment return was changed from 7.9% to 7.5%. The single discount rate was changed from 7.9% to 7.5%.
- Other assumptions were changed pursuant to the experience study dated June 30, 2015. The assumed future salary increases, payroll growth, and inflation were decreased by 0.25% to 3.25% for payroll growth and 2.50% for inflation.

PERA – Public Employees Police and Fire Fund

2024 Changes in Plan Provisions:

- The State contribution of \$9.0 million per year will continue until the earlier of 1) both the Police & Fire Plan and the State Patrol Retirement Fund attain 90 percent funded status for three consecutive years (on an actuarial value of assets basis) or 2) July 1, 2048. The contribution was previously due to expire after attaining a 90 percent funded status for one year.
- The additional \$9.0 million contribution will continue until the Police & Fire Plan is fully funded for a minimum of three consecutive years on an actuarial value of assets basis, or July 1, 2048, whichever is earlier. This contribution was previously due to expire upon attainment of fully funded status on an actuarial value of assets basis for one year (or July 1, 2048 if earlier).

2023 Changes in Actuarial Assumptions:

- The investment return assumption was changed from 6.50% to 7.00%.
- The single discount rate changed from 5.40% to 7.00%

2023 Changes in Plan Provisions:

- An additional one-time direct state aid contribution of \$19.4 million was contributed to the Plan on October 1, 2023.
- Vesting requirement for new hires after June 30, 2014, was changed from a graded 20-year vesting schedule to a graded 10-year vesting schedule, with 50% vesting after five years, increasing incrementally to 100% after 10 years.
- A one-time, non-compounding benefit increase of 3.00% will be payable in a lump sum for calendar year 2024 by March 31, 2024.
- Psychological treatment is required effective July 1, 2023, prior to approval for a duty disability benefit for a psychological condition relating to the member's occupation.
- The total and permanent duty disability benefit was increased, effective July 1, 2023.

2022 Changes in Actuarial Assumptions:

- The single discount rate changed from 6.50% to 5.4%.
- The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021.

2021 Changes in Actuarial Assumptions:

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

2020 Changes in Actuarial Assumptions:

- The mortality projection scale was changed from MP-2018 to MP-2019.

2019 Changes in Actuarial Assumptions:

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

2018 Changes in Actuarial Assumptions:

- The mortality projection scale was changed from MP-2016 to MP-2017.

2017 Changes in Actuarial Assumptions:

- The single discount rate was changed from 5.6% to 7.5%.
- Assumed salary increases were changed as recommended in the June 30, 2016 experience study. The net effect is proposed rates that average 0.34% lower than the previous rates.
- Assumed rates of retirement were changed, resulting in fewer retirements.
- The Combined Service Annuity (CSA) load was 30% for vested and non-vested deferred members. The CSA was changed to 33% for vested members and 2% for non-vested members.
- The base mortality table for healthy annuitants was changed from the RP-2000 fully generational table to the RP-2014 fully generational table (with a base year of 2006), with male rates adjusted by a factor of 0.96. The mortality improvement scale was changed from Scale AA to Scale MP-2016. The base mortality table for disabled annuitants was changed from the RP-2000 disabled mortality table to the mortality tables assumed for healthy retirees.
- Assumed termination rates were decreased to 3% for the first three years of service. Rates beyond the select period of three years were adjusted, resulting in more expected terminations overall.
- Assumed percentage of married female members was decreased from 65% to 60%.
- Assumed age difference was changed from separate assumptions for male members (wives assumed to be three years younger) and female members (husbands assumed to be four years older) to the assumption that males are two years older than females.
- The assumed percentage of female members electing Joint and Survivor annuities was increased.
- The assumed post-retirement benefit increase rate was changed from 1.00% for all years to 1.00% per year through 2064 and 2.50% thereafter.

2016 Changes in Actuarial Assumptions:

- The assumed post-retirement benefit increase rate was changed from 1.0% per year through 2037 and 2.5% per year thereafter to 1.0% per year for all future years.
- The assumed investment return was changed from 7.9% to 7.5%. The single discount rate changed from 7.9% to 5.6%.
- The assumed future salary increases, payroll growth, and inflation were decreased by 0.25% to 3.25% for payroll growth and 2.50% for inflation.

- This page intentionally left blank -

**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

- This page intentionally left blank -

NONMAJOR GOVERNMENTAL FUNDS

- This page intentionally left blank -

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

The Special Revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

Grant Fund – this fund was established to account for grants received by the City.

Police Forfeiture Fund – this fund was established to account for revenues associated with the sale of confiscated vehicles from drug or driving under the influence cases.

Communication Fund – this fund was established to account for revenues from QCTV that are to be used specifically for communication and technology purposes.

Economic Development Authority Fund – this fund was established to account for revenues received in the form of grants and tax increments. Resources of this fund may be used only for redevelopment as specified in grant agreements.

Ice Forum Fund – this fund was established to account for the financial transactions relating to the operation of a City-owned ice arena.

Scholarship Fund – this fund was established to account for donations received to subsidize park and recreation program fees for low income participants.

Local Housing Aid Fund – this fund was established to account for Minnesota aid to develop and preserve affordable housing within the city.

CAPITAL PROJECTS FUNDS

The Capital Project funds account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds and Trust Funds).

Street Light Fund – this fund was established to account for revenues and expenditures for the provision of street and signal light utility infrastructure for the residents.

Capital Equipment Fund – this fund was established to account for all revenues and expenditures for capital equipment in the governmental funds.

Infrastructure Replacement Fund – this fund was established to account for the receipt of local government aid to be used for infrastructure replacement at the discretion of the City Council.

- This page intentionally left blank -

PERMANENT FUND

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the City's programs.

Cemetery Perpetual Care Trust Fund – this fund was established to account for the revenues received for the continuing care of the cemetery. Interest received by this fund may be transferred to the General Fund as needed to cover cemetery maintenance expenditures.

INTERNAL SERVICE FUNDS

Internal Service funds are used to account for the financing of services provided by one department to other departments on a cost reimbursement basis.

Insurance Management Fund – was established for the purpose of taking advantage of substantial premium costs savings available through increased levels of self-insurance on the City's property and liability coverage.

Geographical Information Systems (GIS) Fund – was established for the purpose of establishing and maintaining a City-wide geographical information system for use by all departments.

Employee Benefits Fund – used to account for the expenses associated with providing pension benefits.

Compensated Absences Fund – used to account for the expenses associated with providing compensated absences.

CITY OF CHAMPLIN, MINNESOTA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2024

	Special Revenue				
	Grant Fund	Police Forfeiture	Communications	Economic Development Authority	Ice Forum
Assets					
Cash and investments	\$771,336	\$46,049	\$116,369	\$1,181,138	\$1,304,192
Receivables:					
Accounts	-	-	-	-	103,888
Special assessments	-	-	-	-	-
Taxes	-	-	-	4,860	-
Interest	-	-	699	7,098	7,831
Due from other governmental units	-	-	-	-	38,855
Prepayments	-	-	6,695	1,954	-
Total assets	\$771,336	\$46,049	\$123,763	\$1,195,050	\$1,454,766
Liabilities					
Accounts payable	\$ -	\$54	\$273	\$11,711	\$71,184
Contracts payable - retained percentage	-	-	-	-	-
Due to other governmental units	-	-	-	38	1,802
Unearned revenue	-	-	-	-	25,000
Deposits	-	-	-	-	500
Total liabilities	0	54	273	11,749	98,486
Deferred inflows of resources:					
Unavailable revenue	-	-	-	3,787	-
Fund balance:					
Nonspendable:					
Prepayments	-	-	6,695	1,954	-
Perpetual care	-	-	-	-	-
Restricted:					
Public safety	771,336	45,995	-	-	-
Recreation scholarships	-	-	-	-	-
Affordable housing	-	-	-	-	-
Assigned	-	-	116,795	1,177,560	1,356,280
Unassigned	-	-	-	-	-
Total fund balance	771,336	45,995	123,490	1,179,514	1,356,280
Total liabilities, deferred inflows of resources and fund balance	\$771,336	\$46,049	\$123,763	\$1,195,050	\$1,454,766

Special Revenue			Capital Projects				Permanent Fund	Total
Scholarship	Local Housing Aid	Total	Street Light	Capital Equipment	Infrastructure Replacement	Total	Cemetery Perpetual Care	Nonmajor Governmental Funds
\$7,390	\$103,882	\$3,530,356	\$1,951,067	\$4,317,241	\$376,164	\$6,644,472	\$102,388	\$10,277,216
-	-	103,888	47,597	10,866	-	58,463	-	162,351
-	-	-	463	-	-	463	-	463
-	-	4,860	-	-	-	-	-	4,860
-	-	15,628	13,644	16,924	2,260	32,828	614	49,070
-	-	38,855	-	-	-	-	-	38,855
-	-	8,649	-	-	-	-	-	8,649
<u>\$7,390</u>	<u>\$103,882</u>	<u>\$3,702,236</u>	<u>\$2,012,771</u>	<u>\$4,345,031</u>	<u>\$378,424</u>	<u>\$6,736,226</u>	<u>\$103,002</u>	<u>\$10,541,464</u>
\$ -	\$2,066	\$85,288	\$10,891	\$83,148	\$ -	\$94,039	\$ -	\$179,327
-	-	-	2,185	-	-	2,185	-	2,185
-	-	1,840	3,751	-	-	3,751	-	5,591
-	-	25,000	-	-	-	-	-	25,000
-	-	500	-	-	-	-	-	500
<u>0</u>	<u>2,066</u>	<u>112,628</u>	<u>16,827</u>	<u>83,148</u>	<u>0</u>	<u>99,975</u>	<u>0</u>	<u>212,603</u>
-	-	3,787	-	-	-	-	-	3,787
-	-	8,649	-	-	-	-	-	8,649
-	-	-	-	-	-	-	107,626	107,626
-	-	817,331	-	-	-	-	-	817,331
7,390	-	7,390	-	-	-	-	-	7,390
-	101,816	101,816	-	-	-	-	-	101,816
-	-	2,650,635	1,995,944	4,261,883	378,424	6,636,251	-	9,286,886
-	-	-	-	-	-	-	(4,624)	(4,624)
<u>7,390</u>	<u>101,816</u>	<u>3,585,821</u>	<u>1,995,944</u>	<u>4,261,883</u>	<u>378,424</u>	<u>6,636,251</u>	<u>103,002</u>	<u>10,325,074</u>
<u>\$7,390</u>	<u>\$103,882</u>	<u>\$3,702,236</u>	<u>\$2,012,771</u>	<u>\$4,345,031</u>	<u>\$378,424</u>	<u>\$6,736,226</u>	<u>\$103,002</u>	<u>\$10,541,464</u>

CITY OF CHAMPLIN, MINNESOTA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS

For The Year Ended December 31, 2024

	Special Revenue				
	Grant Fund	Police Forfeiture	Communications	Economic Development Authority	Ice Forum
Revenues:					
Taxes:					
Ad valorem	\$ -	\$ -	\$ -	\$521,449	\$ -
Special assessments	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Charges for services	-	-	-	-	557,967
Investment income	-	-	3,657	29,382	35,729
Net increase (decrease) in the fair value of investments	-	-	2,061	14,380	18,804
Other revenues:					
Miscellaneous	-	9,254	-	28,000	51,193
Contributions	-	-	20,000	-	-
Total revenues	0	9,254	25,718	593,211	663,693
Expenditures:					
Current:					
General government	-	-	163,417	352,585	-
Public safety	170,686	2,806	-	-	-
Public works	-	-	-	-	-
Park and recreation	-	-	-	-	615,313
Capital outlay	27,059	-	-	-	48,219
Debt service:					
Interest and fiscal charges	-	-	-	-	-
Total expenditures	197,745	2,806	163,417	352,585	663,532
Revenues over (under) expenditures	(197,745)	6,448	(137,699)	240,626	161
Other financing sources (uses):					
Transfers in	-	-	143,800	-	286,800
Transfers out	(71,534)	-	-	(63,500)	-
Bonds issued	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-
Proceeds from sale of capital asset	-	-	-	-	-
Total other financing sources (uses)	(71,534)	0	143,800	(63,500)	286,800
Net increase (decrease) in fund balance	(269,279)	6,448	6,101	177,126	286,961
Fund balance - January 1	1,040,615	39,547	117,389	1,002,388	1,069,319
Fund balance - December 31	\$771,336	\$45,995	\$123,490	\$1,179,514	\$1,356,280

Special Revenue			Capital Projects				Permanent Fund	Total
Scholarship	Local Housing Aid	Total	Street Light	Capital Equipment	Infrastructure Replacement	Total	Cemetery Perpetual Care	Nonmajor Governmental Funds
\$ -	\$ -	\$521,449	\$ -	\$ -	\$ -	\$ -	\$ -	\$521,449
-	-	-	170	-	-	170	-	170
-	103,882	103,882	-	-	-	-	-	103,882
-	-	557,967	463,768	-	35,380	499,148	3,910	1,061,025
-	-	68,768	63,573	79,959	10,187	153,719	2,949	225,436
-	-	35,245	33,526	41,783	5,122	80,431	1,555	117,231
-	-	88,447	57,122	5,306	-	62,428	-	150,875
1,107	-	21,107	-	-	-	-	-	21,107
1,107	103,882	1,396,865	618,159	127,048	50,689	795,896	8,414	2,201,175
-	2,066	518,068	-	71,155	-	71,155	-	589,223
-	-	173,492	-	175,092	-	175,092	-	348,584
-	-	-	480,355	47,637	-	527,992	-	527,992
-	-	615,313	-	-	-	-	-	615,313
-	-	75,278	729,380	991,330	-	1,720,710	-	1,795,988
-	-	-	-	17,058	-	17,058	-	17,058
-	2,066	1,382,151	1,209,735	1,302,272	-	2,512,007	-	3,894,158
1,107	101,816	14,714	(591,576)	(1,175,224)	50,689	(1,716,111)	8,414	(1,692,983)
-	-	430,600	614,360	2,630,000	-	3,244,360	-	3,674,960
-	-	(135,034)	-	(135,000)	-	(135,000)	(4,300)	(274,334)
-	-	-	-	430,000	-	430,000	-	430,000
-	-	-	-	38,076	-	38,076	-	38,076
-	-	-	-	48,278	-	48,278	-	48,278
0	0	295,566	614,360	3,011,354	0	3,625,714	(4,300)	3,916,980
1,107	101,816	310,280	22,784	1,836,130	50,689	1,909,603	4,114	2,223,997
6,283	-	3,275,541	1,973,160	2,425,753	327,735	4,726,648	98,888	8,101,077
\$7,390	\$101,816	\$3,585,821	\$1,995,944	\$4,261,883	\$378,424	\$6,636,251	\$103,002	\$10,325,074

CITY OF CHAMPLIN, MINNESOTA**SPECIAL REVENUE FUND - ECONOMIC DEVELOPMENT AUTHORITY****Statement 17****SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -****BUDGET AND ACTUAL**

For The Year Ended December 31, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$524,000	\$524,000	\$521,449	(\$2,551)
Investment income	3,000	3,000	29,382	26,382
Net increase (decrease) in the fair value of investments	-	-	14,380	14,380
Miscellaneous	24,000	24,000	28,000	4,000
Total revenues	<u>551,000</u>	<u>551,000</u>	<u>593,211</u>	<u>42,211</u>
Expenditures:				
Current:				
Personal services	296,000	296,000	289,446	6,554
Other services and charges	83,400	83,400	63,139	20,261
Total expenditures	<u>379,400</u>	<u>379,400</u>	<u>352,585</u>	<u>26,815</u>
Revenues over (under) expenditures	171,600	171,600	240,626	69,026
Other financing sources (uses):				
Transfers out	<u>(63,500)</u>	<u>(63,500)</u>	<u>(63,500)</u>	<u>-</u>
Net change in fund balance	<u>\$108,100</u>	<u>\$108,100</u>	177,126	<u>\$69,026</u>
Fund balance - January 1			<u>1,002,388</u>	
Fund balance - December 31			<u>\$1,179,514</u>	

CITY OF CHAMPLIN, MINNESOTA**SPECIAL REVENUE FUND - COMMUNICATIONS****Statement 18****SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -****BUDGET AND ACTUAL**

For The Year Ended December 31, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$500	\$500	\$3,657	\$3,157
Net increase (decrease) in the fair value of investments	-	-	2,061	2,061
Other revenues:				
Contributions	20,000	20,000	20,000	-
Total revenues	20,500	20,500	25,718	5,218
Expenditures:				
Current:				
Other services and charges	164,400	164,400	163,417	983
Total expenditures	164,400	164,400	163,417	983
Revenues over (under) expenditures	(143,900)	(143,900)	(137,699)	4,235
Other financing sources (uses):				
Transfers in	143,800	143,800	143,800	-
Net change in fund balance	(\$100)	(\$100)	6,101	\$4,235
Fund balance - January 1			117,389	
Fund balance - December 31			\$123,490	

CITY OF CHAMPLIN, MINNESOTA

SPECIAL REVENUE FUND - ICE FORUM

Statement 19

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -

BUDGET AND ACTUAL

For The Year Ended December 31, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Ad valorem taxes	-	-	\$ -	\$ -
Charges for services	566,100	566,100	557,967	(8,133)
Investment income	3,500	3,500	35,729	32,229
Net increase (decrease) in the fair value of investments	-	-	18,804	18,804
Other revenues:				
Contributions	50,000	50,000	50,000	-
Miscellaneous	-	-	1,193	1,193
Total revenues	<u>619,600</u>	<u>619,600</u>	<u>663,693</u>	<u>44,093</u>
Expenditures:				
Current:				
Personal services	479,600	479,600	333,869	145,731
Supplies	21,600	21,600	17,197	4,403
Other services and charges	250,000	250,000	264,247	(14,247)
Capital outlay	140,500	105,500	48,219	57,281
Total expenditures	<u>891,700</u>	<u>856,700</u>	<u>663,532</u>	<u>193,168</u>
Revenues over (under) expenditures	<u>(272,100)</u>	<u>(237,100)</u>	<u>161</u>	<u>237,261</u>
Other financing sources (uses):				
Transfers in - General Fund	286,800	286,800	286,800	-
Total other financing sources (uses)	<u>286,800</u>	<u>286,800</u>	<u>286,800</u>	<u>0</u>
Net change in fund balance	<u>\$14,700</u>	<u>\$49,700</u>	286,961	<u>\$237,261</u>
Fund balance - January 1			<u>1,069,319</u>	
Fund balance - December 31			<u>\$1,356,280</u>	

CITY OF CHAMPLIN, MINNESOTA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
December 31, 2024

Statement 20

	Insurance	GIS	Employee Benefits	Compensated Absences	Total
Assets					
Cash and cash equivalents	\$368,441	\$79,496	\$ -	\$794,240	\$1,242,177
Receivables:					
Accounts	724	-	-	-	724
Interest	2,213	-	-	4,396	6,609
Prepayments	9,000	-	-	-	9,000
Total assets	<u>380,378</u>	<u>79,496</u>	<u>0</u>	<u>798,636</u>	<u>1,258,510</u>
Deferred outflows of resources - pension related	-	-	4,623,101	-	4,623,101
Liabilities					
Current liabilities:					
Accounts payable	-	8,889	-	-	8,889
Compensated absences	-	-	-	303,537	303,537
Noncurrent liabilities:					
Compensated absences	-	-	-	495,099	495,099
Net pension liability	-	-	4,798,784	-	4,798,784
Total liabilities	<u>0</u>	<u>8,889</u>	<u>4,798,784</u>	<u>798,636</u>	<u>5,606,309</u>
Deferred inflows of resources - pension related	-	-	6,510,760	-	6,510,760
Net position:					
Unrestricted	380,378	70,607	(6,686,443)	-	(6,235,458)
Total net position	<u>\$380,378</u>	<u>\$70,607</u>	<u>(\$6,686,443)</u>	<u>\$0</u>	<u>(\$6,235,458)</u>

CITY OF CHAMPLIN, MINNESOTA
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS

For The Year December 31, 2024

Statement 21

	Insurance	GIS	Employee Benefits	Compensated Absences	Total
Operating revenues:					
Charges for services:					
Customer service	\$705,100	\$120,100	\$928,596	\$ -	\$1,753,796
Operating expenses:					
Personal services	32,121	38,603	676,534	23,822	771,080
Other services and charges	656,586	51,983	-	-	708,569
Total operating expenses	688,707	90,586	676,534	23,822	1,479,649
Net income (loss) from operations	16,393	29,514	252,062	(23,822)	274,147
Nonoperating revenues (expenses):					
Intergovernmental	-	-	167,145	-	167,145
Investment income	3,868	-	-	21,340	25,208
Net increase (decrease) in the fair value of investments	908	-	-	11,389	12,297
Miscellaneous revenue	25,096	-	-	-	25,096
Total nonoperating revenues (expenses)	29,872	0	167,145	32,729	229,746
Change in net position	46,265	29,514	419,207	8,907	503,893
Total net position - January 1	334,113	41,093	(7,105,650)	(8,907)	(6,739,351)
Total net position - December 31	\$380,378	\$70,607	(\$6,686,443)	\$0	(\$6,235,458)

CITY OF CHAMPLIN, MINNESOTA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For The Year Ended December 31, 2024

Statement 22

	Insurance	GIS	Employee Benefits	Compensated Absences	Total
Cash flows from operating activities:					
Receipts from interfund services provided	\$704,376	\$120,100	\$928,596	\$ -	\$1,753,072
Payments to suppliers	(675,073)	(54,771)	-	-	(729,844)
Payments to employees	(32,121)	(38,603)	(1,095,741)	52,463	(1,114,002)
Miscellaneous revenue	25,096	-	167,145	-	192,241
Net cash flows from operating activities	22,278	26,726	0	52,463	101,467
Cash flows from noncapital financing activities:					
Transfer in	-	-	-	-	-
Cash flows from investing activities:					
Investment income	3,926	-	-	30,127	34,053
Net increase (decrease) in cash and cash equivalents	26,204	26,726	-	82,590	135,520
Cash and cash equivalents - January 1	342,237	52,770	-	711,650	1,106,657
Cash and cash equivalents - December 31	\$368,441	\$79,496	\$0	\$794,240	\$1,242,177
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	16,393	29,514	252,062	(23,822)	274,147
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Miscellaneous revenue	25,096	-	167,145	-	192,241
Decrease (Increase) in accounts receivable	(724)	-	-	-	(724)
Decrease (Increase) in prepayments	0	-	-	-	-
Increase (decrease) in accounts payable	(18,487)	(2,788)	-	-	(21,275)
Increase (decrease) in compensated absences payable	-	-	-	76,285	76,285
Decrease (increase) in deferred outflow of resources	-	-	1,642,986	-	1,642,986
Increase (decrease) in pension liability	-	-	(2,057,452)	-	(2,057,452)
Increase (decrease) in deferred inflows of resources	-	-	(4,741)	-	(4,741)
Total adjustments	5,885	(2,788)	(252,062)	76,285	(172,680)
Net cash provided (used) by operating activities	\$22,278	\$26,726	\$0	\$52,463	\$101,467

- This page intentionally left blank -

III. STATISTICAL SECTION (UNAUDITED)

- This page intentionally left blank -

STATISTICAL SECTION

(Unaudited)

This part of the City's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the City's overall financial health.

Contents	Tables
Financial Trends <i>These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.</i>	1 - 5
Revenue Capacity <i>These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.</i>	6 - 9
Debt Capacity <i>These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.</i>	10 - 14
Demographic and Economic Information <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.</i>	15 - 16
Operating Information <i>These schedules present information to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.</i>	17 - 19

CITY OF CHAMPLIN, MINNESOTA
NET POSITION
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	2015	2016	2017	2018
Governmental activities:				
Net investment in capital assets	\$92,656,080	\$95,670,891	\$102,197,175	\$101,839,522
Restricted	394,355	458,392	1,866,238	2,219,533
Unrestricted	23,272,520	22,237,666	17,747,866	20,399,336
Total governmental activities net position	<u>\$116,322,955</u>	<u>\$118,366,949</u>	<u>\$121,811,279</u>	<u>\$124,458,391</u>
Business-type activities:				
Net investment in capital assets	\$18,141,341	\$18,255,056	\$19,260,634	\$19,776,458
Unrestricted	24,536,642	26,224,739	27,511,331	27,497,343
Total business-type activities net position	<u>\$42,677,983</u>	<u>\$44,479,795</u>	<u>\$46,771,965</u>	<u>\$47,273,801</u>
Primary government:				
Net investment in capital assets	\$110,797,421	\$113,925,947	\$121,457,809	\$121,615,980
Restricted	394,355	458,392	1,866,238	2,219,533
Unrestricted	47,809,162	48,462,405	45,259,197	47,896,679
Total primary government net position	<u>\$159,000,938</u>	<u>\$162,846,744</u>	<u>\$168,583,244</u>	<u>\$171,732,192</u>

Table 1

Fiscal Year					
2019	2020	2021	2022	2023	2024
\$106,572,591	\$93,262,850	\$97,091,790	\$109,360,068	\$110,935,660	\$113,560,107
2,064,223	2,013,325	2,503,327	5,030,325	7,699,058	7,547,767
22,328,487	32,872,261	35,776,145	33,289,433	37,291,644	43,957,707
<u>\$130,965,301</u>	<u>\$128,148,436</u>	<u>\$135,371,262</u>	<u>\$147,679,826</u>	<u>\$155,926,362</u>	<u>\$165,065,581</u>
\$19,671,420	\$34,571,658	\$35,823,518	\$41,204,736	\$42,094,251	\$40,127,285
28,136,469	26,310,740	28,058,619	27,331,415	27,609,063	29,448,529
<u>\$47,807,889</u>	<u>\$60,882,398</u>	<u>\$63,882,137</u>	<u>\$68,536,151</u>	<u>\$69,703,314</u>	<u>\$69,575,814</u>
\$126,244,011	\$127,834,508	\$132,915,308	\$150,564,804	\$153,029,911	\$153,687,392
2,064,223	2,013,325	2,503,327	5,030,325	7,699,058	7,547,767
50,464,956	59,183,001	63,834,764	60,620,848	64,900,707	73,406,236
<u>\$178,773,190</u>	<u>\$189,030,834</u>	<u>\$199,253,399</u>	<u>\$216,215,977</u>	<u>\$225,629,676</u>	<u>\$234,641,395</u>

CITY OF CHAMPLIN, MINNESOTA
CHANGES IN NET POSITION
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	2015	2016	2017	2018
Expenses				
Governmental activities:				
General government	\$2,917,903	\$2,511,888	\$5,069,725	\$5,149,232
Public safety	5,156,564	6,769,313	5,174,933	5,523,728
Public works	6,487,068	6,610,898	8,919,506	10,600,434
Parks and recreation	2,260,221	1,839,951	1,806,974	1,859,900
Interest on long-term debt	400,805	289,922	118,899	78,615
Total governmental activities expenses	17,222,561	18,021,972	21,090,037	23,211,909
Business-type activities:				
Water	2,032,333	1,872,649	1,950,458	2,009,199
Sewer	2,244,719	2,334,758	2,300,505	2,487,739
Refuse	1,316,819	1,154,620	1,144,636	1,222,351
Recycling	409,145	405,101	415,155	424,193
Storm water	-	-	-	-
Total business-type activities expenses	6,003,016	5,767,128	5,810,754	6,143,482
Total primary government expenses	<u>\$23,225,577</u>	<u>\$23,789,100</u>	<u>\$26,900,791</u>	<u>\$29,355,391</u>
Program Revenues				
Governmental activities:				
Charges for services:				
General government	\$1,062,899	\$883,305	\$1,722,051	\$1,619,714
Public safety	868,543	975,132	999,078	761,641
Public works	2,717,076	3,565,846	3,836,434	2,295,852
Parks and recreation	1,423,969	1,717,560	1,341,800	818,241
Operating grants and contributions	690,058	669,021	682,199	4,239,627
Capital grants and contributions	2,139,176	1,153,130	3,359,202	1,338,789
Total governmental activities program revenues	8,901,721	8,963,994	11,940,764	11,073,864
Business-type activities:				
Water	2,227,928	3,205,934	2,531,693	2,552,519
Sewer	2,604,958	2,808,093	2,790,645	2,814,478
Refuse	1,364,430	1,275,663	1,281,529	1,377,964
Recycling	352,420	353,287	356,473	339,185
Storm water	-	-	-	-
Operating grants and contributions	65,240	61,112	55,931	47,816
Capital grants and contributions	-	-	1,429,517	1,041,251
Total business-type activities program revenues	6,614,976	7,704,089	8,445,788	8,173,213
Total primary government program revenues	<u>\$15,516,697</u>	<u>\$16,668,083</u>	<u>\$20,386,552</u>	<u>\$19,247,077</u>
Net (expense) revenue:				
Governmental activities	(\$8,320,840)	(\$9,057,978)	(\$9,149,273)	(\$12,138,045)
Business-type activities	611,960	1,936,961	2,635,034	2,029,731
Total primary government net revenue (expense)	<u>(\$7,708,880)</u>	<u>(\$7,121,017)</u>	<u>(\$6,514,239)</u>	<u>(\$10,108,314)</u>

Fiscal Year					
2019	2020	2021	2022	2023	2024
\$3,748,911	\$3,541,101	\$2,723,427	\$3,008,150	\$3,740,063	\$3,908,097
4,909,665	6,275,899	5,540,663	6,815,052	6,870,951	6,947,799
7,090,174	4,633,805	5,058,001	5,221,662	6,332,338	6,464,353
2,823,112	1,729,745	2,064,972	2,243,468	2,638,610	2,853,740
77,010	236,359	100,648	177,860	349,277	345,250
18,648,872	16,416,909	15,487,711	17,466,192	19,931,239	20,519,239
2,106,801	4,852,267	2,733,287	2,759,525	3,313,282	4,349,642
2,646,048	2,883,320	2,799,448	2,968,911	3,342,310	3,484,731
1,215,414	1,330,505	1,315,827	1,348,667	1,419,043	1,510,763
426,096	456,790	474,301	496,358	526,165	538,130
-	1,140,530	1,153,196	2,193,245	1,185,988	1,598,035
6,394,359	10,663,412	8,476,059	9,766,706	9,786,788	11,481,301
\$25,043,231	\$27,080,321	\$23,963,770	\$27,232,898	\$29,718,027	\$32,000,540
\$1,561,484	\$416,400	\$741,554	\$700,534	\$704,428	\$607,801
609,652	854,627	701,211	671,333	680,478	772,218
1,530,621	1,034,332	931,860	1,025,784	957,779	1,149,805
1,110,869	1,187,848	1,930,817	2,344,072	1,655,144	2,052,532
2,275,278	2,536,380	659,873	786,821	1,779,226	964,108
3,370,002	4,982,219	5,093,799	8,518,830	3,767,761	3,617,422
10,457,906	11,011,806	10,059,114	14,047,374	9,544,816	9,163,886
2,247,183	2,262,429	2,652,212	2,584,756	2,950,791	2,706,486
2,870,465	2,699,054	3,271,862	3,323,914	3,501,117	3,663,558
1,409,677	1,377,025	1,478,928	1,563,262	1,621,318	1,676,179
370,171	379,561	419,552	459,641	487,358	515,695
-	708,239	812,408	787,875	906,668	1,059,453
40,927	369,615	385,500	1,083,844	305,058	625,664
-	1,446,530	512,996	4,615,491	385,193	207,150
6,938,423	9,242,453	9,533,458	14,418,783	10,157,503	10,454,185
\$17,396,329	\$20,254,259	\$19,592,572	\$28,466,157	\$19,702,319	\$19,618,071
(\$8,190,966)	(5,405,103)	(5,428,597)	(3,418,818)	(10,386,423)	(11,355,353)
544,064	(1,420,959)	1,057,399	4,652,077	370,715	(1,027,116)
(\$7,646,902)	(\$6,826,062)	(\$4,371,198)	\$1,233,259	(\$10,015,708)	(\$12,382,469)

CITY OF CHAMPLIN, MINNESOTA
CHANGES IN NET POSITION
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	2015	2016	2017	2018
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes:				
Property taxes	\$8,808,587	\$9,042,111	\$9,617,649	\$10,201,173
Tax increments	166,053	179,938	209,762	201,239
Other taxes	659,617	848,293	924,529	956,540
Unrestricted grants and contributions	230,332	233,819	-	-
Gain (loss) on sale of capital asset	1,659,982	9,100	-	2,140
Investment earnings	392,463	204,875	383,329	338,645
Insurance reimbursements	-	-	240,766	-
Miscellaneous	-	-	479,767	1,106,930
Transfers	494,881	583,836	737,801	1,978,490
Total governmental activities	<u>12,411,915</u>	<u>11,101,972</u>	<u>12,593,603</u>	<u>14,785,157</u>
Business-type activities:				
Investment earnings	244,034	448,687	317,619	373,168
Miscellaneous	-	-	77,318	77,427
Gain (loss) on sale of capital asset	-	-	-	-
Transfers	(494,881)	(583,836)	(737,801)	(1,978,490)
Total business-type activities	<u>(250,847)</u>	<u>(135,149)</u>	<u>(342,864)</u>	<u>(1,527,895)</u>
Total primary government	<u>\$12,161,068</u>	<u>\$10,966,823</u>	<u>\$12,250,739</u>	<u>\$13,257,262</u>
Change in Net Position				
Governmental activities	\$4,091,075	\$2,043,994	\$3,444,330	\$2,647,112
Business-type activities	361,113	1,801,812	2,292,170	501,836
Total primary government	<u>\$4,452,188</u>	<u>\$3,845,806</u>	<u>\$5,736,500</u>	<u>\$3,148,948</u>

Fiscal Year					
2019	2020	2021	2022	2023	2024
\$10,777,092	\$11,571,475	\$12,205,616	\$13,013,613	\$13,983,054	\$15,603,483
202,508	355,194	509,983	557,722	1,029,105	1,176,762
973,447	996,905	1,040,590	1,068,236	1,080,634	1,108,030
-	-	-	2,360,370	-	-
-	1,742,642	-	22,735	27,251	31,127
830,093	642,364	(204,034)	(1,547,449)	2,086,315	2,097,167
-	-	-	-	-	-
1,026,916	697,094	407,926	-	-	-
887,820	2,199,720	(1,308,658)	(283,452)	426,600	422,000
14,697,876	18,205,394	12,651,423	15,191,775	18,632,959	20,438,569
793,586	582,180	(117,254)	(907,363)	1,131,652	1,215,196
84,258	628,342	120,817	123,398	91,396	71,820
-	7,185	-	-	-	34,600
(887,820)	(2,199,720)	1,308,658	283,452	(426,600)	(422,000)
(9,976)	(982,013)	1,312,221	(500,513)	796,448	899,616
\$14,687,900	\$17,223,381	\$13,963,644	\$14,691,262	\$19,429,407	\$21,338,185
\$6,506,910	\$12,800,291	\$7,222,826	\$11,772,957	\$8,246,536	\$9,083,216
534,088	(2,402,972)	2,369,620	4,151,564	1,167,163	(127,500)
\$7,040,998	\$10,397,319	\$9,592,446	\$15,924,521	\$9,413,699	\$8,955,716

- This page intentionally left blank -

CITY OF CHAMPLIN, MINNESOTA
GOVERNMENTAL ACTIVITIES TAX REVENUE BY SOURCE
 Last Ten Fiscal Years
 (accrual basis of accounting)

Table 3

<u>Fiscal Year</u>	<u>Property Tax</u>	<u>Tax Increments</u>	<u>Other Taxes</u>	<u>Total</u>
2015	8,808,587	166,053	659,617	9,634,257
2016	9,042,111	179,938	848,293	10,070,342
2017	9,617,649	209,762	924,529	10,751,940
2018	10,193,503	201,239	956,540	11,351,282
2019	10,777,092	202,508	973,447	11,953,047
2020	11,571,475	355,194	996,905	12,923,574
2021	12,205,616	509,983	1,040,590	13,756,189
2022	13,013,613	557,722	1,068,236	14,639,571
2023	13,992,451	1,029,105	1,080,634	16,102,190
2024	15,520,151	1,176,762	1,108,030	17,804,943

CITY OF CHAMPLIN, MINNESOTA
FUND BALANCES - GOVERNMENTAL FUNDS
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

	Fiscal Year			
	2015	2016	2017	2018
General fund:				
Nonspendable	\$135,172	\$125,719	\$700,311	\$104,767
Unassigned	4,136,926	4,220,179	4,628,787	4,262,733
Total general fund:	<u>\$4,272,098</u>	<u>\$4,345,898</u>	<u>\$5,329,098</u>	<u>\$4,367,500</u>
All other governmental funds:				
Nonspendable	\$4,627,663	\$4,623,865	\$2,221,379	\$83,984
Restricted	4,696,257	4,755,621	1,991,738	2,332,967
Committed	813,607	945,270	734,293	1,009,151
Assigned	20,483,857	20,593,745	20,272,261	23,569,682
Unassigned	(2,591,384)	(2,533,440)	(2,099,911)	(4,496,209)
Total all other governmental funds	<u>\$28,030,000</u>	<u>\$28,385,061</u>	<u>\$23,119,760</u>	<u>\$22,499,575</u>

Table 4

Fiscal Year					
2019	2020	2021	2022	2023	2024
\$72,985	\$40,698	\$165,363	\$164,328	\$153,160	\$155,480
4,966,713	4,702,514	5,101,257	5,588,886	6,233,274	6,612,292
<u>\$5,039,698</u>	<u>\$4,743,212</u>	<u>\$5,266,620</u>	<u>\$5,753,214</u>	<u>\$6,386,434</u>	<u>\$6,767,772</u>
\$95,534	\$102,481	\$108,896	\$128,624	\$114,246	\$116,275
2,101,901	2,050,703	2,572,724	2,605,202	4,133,826	4,807,556
1,152,654	2,249,505	161,219	-	-	-
22,915,477	31,180,926	33,424,762	32,829,216	37,115,116	41,834,150
(4,005,180)	(2,034,160)	(1,964,887)	(1,550,617)	(828,735)	(245,536)
<u>\$22,260,386</u>	<u>\$33,549,455</u>	<u>\$34,302,714</u>	<u>\$34,012,425</u>	<u>\$40,534,453</u>	<u>\$46,512,445</u>

CITY OF CHAMPLIN, MINNESOTA
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year			
	2015	2016	2017	2018
Revenues				
Taxes:				
Property	\$8,922,554	\$9,083,806	\$9,604,479	\$10,193,503
Tax increments	166,053	179,938	209,762	201,239
Other	659,617	848,293	924,529	956,540
Special assessments	785,477	1,323,479	785,077	963,270
Licenses and permits	533,640	609,397	786,337	588,212
Intergovernmental	3,022,374	1,940,365	2,292,673	5,549,908
Charges for services	4,284,831	4,421,736	4,812,517	2,734,236
Fines and forfeits	258,895	257,335	202,470	230,330
Investment income	389,088	202,657	380,216	336,091
Lease income	-	-	-	-
Other revenues	256,277	240,214	458,643	1,074,749
Total revenues	19,278,806	19,107,220	20,456,703	22,828,078
Expenditures				
General government	2,211,220	1,937,179	4,302,798	3,804,931
Public safety	4,745,456	5,105,555	4,924,630	5,059,913
Public works	3,739,007	5,074,348	6,059,675	7,379,041
Parks and recreation	1,364,246	1,265,947	1,304,042	1,313,755
Cemetery	18,626	18,750	12,307	14,433
Other	176,135	169,582	196,593	210,726
Capital outlay	5,051,274	4,943,681	3,617,639	7,582,411
Debt service				
Principal	2,780,000	460,000	4,850,000	385,000
Interest and fiscal charges	447,374	297,276	226,258	90,681
Bond issuance costs	-	-	-	-
Total expenditures	20,533,338	19,272,318	25,493,942	25,840,891
Excess of revenues over (under) expenditures	(1,254,532)	(165,098)	(5,037,239)	(3,012,813)
Other financing sources (uses)				
Transfers in	8,192,429	3,677,140	737,801	1,978,490
Transfers out	(7,697,548)	(3,093,304)	-	(549,600)
Proceeds from sale of land	-	-	-	-
Bond proceeds	-	-	-	-
Premium on bonds issued	-	-	-	-
Bond issuance costs	-	-	-	-
Capital lease issued	-	-	-	-
Proceeds from sale of capital assets	3,103,115	9,100	-	2,140
Total other financing sources (uses)	3,597,996	592,936	737,801	1,431,030
Net change in fund balances	\$2,343,464	\$427,838	(\$4,299,438)	(\$1,581,783)
Debt service as a percentage of noncapital expenditures	8.06%	20.85%	5.29%	2.01%

Table 5

Fiscal Year					
2019	2020	2021	2022	2023	2024
\$10,776,859	\$11,603,353	\$12,202,793	\$13,018,773	\$13,992,451	\$15,520,151
202,508	355,194	509,983	557,722	1,029,105	1,176,762
973,447	996,905	1,040,590	1,068,236	1,080,634	1,108,030
1,215,695	2,192,389	2,076,566	1,843,542	2,531,549	2,443,751
475,166	705,535	572,754	582,715	633,932	925,018
3,277,897	2,859,649	4,504,488	8,180,317	2,169,676	2,298,815
2,988,954	4,128,340	2,780,470	2,592,370	2,411,426	2,345,525
200,479	152,722	174,188	155,225	133,918	202,468
807,863	626,996	(200,010)	(1,516,993)	2,054,549	2,059,662
-	-	-	250,194	262,844	262,118
873,279	696,927	752,259	1,151,546	546,779	847,227
21,792,147	24,318,010	24,414,081	27,883,647	26,846,863	29,189,527
1,853,187	2,290,750	2,423,468	2,443,797	2,804,131	3,217,388
5,199,861	6,164,157	5,791,166	6,183,439	6,162,692	6,991,038
3,685,200	2,694,617	2,934,245	3,445,041	3,257,643	3,488,204
1,364,469	1,202,945	1,421,669	1,540,304	1,949,242	1,874,897
19,245	17,402	27,711	28,126	28,300	32,494
172,872	188,315	253,407	255,805	353,038	399,158
9,474,244	8,641,448	8,456,869	12,629,032	10,486,931	6,525,073
395,000	415,837	433,264	745,000	805,000	820,000
82,880	171,943	177,527	167,327	267,702	420,299
-	-	-	-	-	-
22,246,958	21,787,414	21,919,326	27,437,871	26,114,679	23,768,551
(454,811)	2,530,596	2,494,755	445,776	732,184	5,420,976
887,820	7,065,516	3,817,647	6,098,636	376,890	5,591,294
-	(6,948,315)	(5,126,305)	(6,382,088)	(100,290)	(5,169,294)
-	1,720,000	-	-	-	-
-	6,285,000	-	-	5,970,000	430,000
-	346,367	-	-	149,213	38,076
-	-	-	-	-	-
-	110,452	73,845	-	-	-
-	22,642	16,725	33,981	27,251	48,278
887,820	8,601,662	(1,218,088)	(249,471)	6,423,064	938,354
\$433,009	\$11,132,258	\$1,276,667	\$196,305	\$7,155,248	\$6,359,330
2.96%	4.06%	4.60%	4.81%	7.95%	7.19%

CITY OF CHAMPLIN, MINNESOTA
TAX CAPACITY AND ESTIMATED ACTUAL VALUE
OF ALL TAXABLE PROPERTY
Last Ten Fiscal Years

Table 6

Fiscal Year	Real Property		Personal Property (b)		Total		Total Direct Tax Rate	Percent of Total Tax Capacity Value to Total Estimated Actual Value
	Tax Capacity Value	Estimated Actual Value (a)	Tax Capacity Value	Estimated Actual Value	Tax Capacity Value	Estimated Actual Value		
2015	18,063,772	1,786,805,900	231,102	11,857,600	18,294,874	1,798,663,500	0.41240	1.02%
2016	18,694,964	1,838,839,000	241,173	12,450,400	18,936,137	1,851,289,400	0.42749	1.02%
2017	20,216,498	1,971,618,100	252,540	13,020,000	20,469,038	1,984,638,100	0.43002	1.03%
2018	22,302,070	2,159,639,900	281,873	14,484,900	22,583,943	2,174,124,800	0.41185	1.04%
2019	24,588,720	2,373,210,400	300,813	15,358,400	24,889,533	2,388,568,800	0.39611	1.04%
2020	26,731,015	2,557,752,400	288,727	14,754,600	27,019,742	2,572,507,000	0.39560	1.05%
2021	28,019,319	2,676,838,500	343,976	17,592,800	28,363,295	2,694,431,300	0.40776	1.05%
2022	29,602,839	2,822,436,900	197,894	10,251,700	29,800,733	2,832,688,600	0.40628	1.05%
2023	36,420,388	3,432,729,100	210,347	10,875,100	36,630,735	3,443,604,200	0.36656	1.06%
2024	39,153,805	3,658,803,800	219,895	11,354,000	39,373,700	3,670,157,800	0.38766	1.07%

(a) Estimated Market Values are established by the City Assessor on January 2 of each year using the mass appraisal method. Tax Capacity Value is calculated using a formula specified by legislative action.

(b) Tax Capacity Values for Personal Property have been adjusted for tax increment and fiscal disparities. Estimated Market Value for personal property has not been adjusted for these items.

Source: Hennepin County Property Tax Division
Hennepin County Assessor

CITY OF CHAMPLIN, MINNESOTA
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
Last Ten Fiscal Years

Table 7

Year	City of Champlin			Overlapping Rates		Total
	Operating	Debt	Total	School	County and Special Districts (a)	
2015	0.38728	0.02512	0.41240	0.22482	0.57759	1.21481
2016	0.40243	0.02506	0.42749	0.20885	0.56490	1.20124
2017	0.40695	0.02307	0.43002	0.18590	0.53406	1.14998
2018	0.39172	0.02013	0.41185	0.18392	0.51900	1.11477
2019	0.37767	0.01844	0.39611	0.16330	0.50465	1.06406
2020	0.37844	0.01716	0.39560	0.16893	0.49363	1.05816
2021	0.38734	0.02042	0.40776	0.16087	0.46371	1.03234
2022	0.38692	0.01936	0.40628	0.16341	0.46498	1.03467
2023	0.35041	0.01615	0.36656	0.13671	0.41617	0.91944
2024	0.36359	0.02407	0.38766	0.13592	0.41528	0.93886

(a) Includes Mosquito Control, Met Council, Metro Transit, Park Museum, Regional Railroad Authority (HCCRA), and West Mississippi Watershed.

Source: Hennepin County Property Tax Division

Taxpayer	Type of Business	2024			2015		
		Tax Capacity Value	% of Total City Tax Capacity Value	Rank	Tax Capacity Value	% of Total City Tax Capacity Value	Rank
MC Housing LLC	Apartment	708,513	1.80%	1			
B9 Champlin DC LLC	Industrial	387,810	0.98%	2			
Opus Properties LLC	Industrial	373,310	0.95%	3			
Eagle Partners IV LLC	Industrial	329,250	0.84%	4			
Target Corporation	Commercial	244,530	0.62%	5	249,196	1.36%	1
OIRE Minnesota LLC	Industrial	221,880	0.56%	6			
Amira Choice Champlin LLC	Apartment	210,500	0.53%	7			
GKI Industrial Mpls LLC	Industrial	206,950	0.53%	8			
OIRE Minnesota LLC	Industrial	206,920	0.53%	9			
Lock One Investments LLC	Industrial	165,570	0.42%	10			
Liberty Property Ltd Partnership	Industrial				174,451	0.95%	2
MIAP (MN) LLC	Industrial				145,095	0.79%	3
Opus Real Estate Continental	Industrial				144,993	0.79%	4
Inland Champlin Marketplace	Commerical				123,410	0.67%	5
Wilcox Paper Company	Industrial				107,763	0.59%	6
Engelsma Ltd Partnership	Commerical				105,743	0.58%	7
HCP SH ELP3 Properties LLC	Apartment				101,376	0.55%	8
Lifetime Fitness	Commerical				95,809	0.52%	9
OIRE National Minnesota LLC	Industrial				86,200	0.47%	10
Total Principal Taxpayers		<u>\$3,055,233</u>	<u>7.76%</u>		<u>\$1,334,036</u>	<u>7.27%</u>	

Source: Hennepin County Assessors Office

CITY OF CHAMPLIN, MINNESOTA
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years

Table 9

Fiscal Year Ended December 31	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2015	9,022,342	8,760,464	97.1%	261,878	9,022,342	100.00%
2016	9,313,686	9,067,876	97.4%	245,810	9,313,686	100.00%
2017	9,864,571	9,815,453	99.5%	49,118	9,864,571	100.00%
2018	10,427,325	10,338,972	99.2%	88,353	10,427,325	100.00%
2019	10,988,592	10,881,762	99.0%	106,830	10,988,592	100.00%
2020	11,865,885	10,936,289	92.2%	922,778	11,859,066	99.94%
2021	12,884,876	12,776,832	99.2%	105,367	12,882,199	99.98%
2022	13,567,745	13,531,495	99.7%	31,459	13,562,954	99.96%
2023	15,077,479	15,009,496	99.5%	42,343	15,051,839	99.83%
2024	16,768,270	16,688,973	99.5%	-	16,688,973	99.53%

Source: Hennepin County Property Tax Division

CITY OF CHAMPLIN, MINNESOTA
RATIOS OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years

Fiscal Year	Governmental Activities						Premium/ (Discount)
	General Obligation Bonds	Special Assessment Bonds (a)	Tax Increment Bonds	Improvement Bonds	Housing Development Bonds	Capital Leases	
2015	8,915,000		-	630,000	-	-	119,638
2016	8,605,000		-	480,000	-	-	112,910
2017	4,235,000		-	-	-	-	87,602
2018	3,850,000		-	-	-	-	78,744
2019	3,455,000		-	-	-	-	69,886
2020	4,530,000	4,810,000	-	-	-	99,102	407,395
2021	4,120,000	4,810,000	-	-	-	149,683	375,445
2022	3,625,000	4,560,000	-	-	-	-	343,495
2023	7,084,823	6,265,177	-	-	-	-	442,949
2024	6,989,823	5,970,177	-	-	-	-	436,271

Source: Champlin Finance Department

(a) General Obligation special assessments and road reconstruction bonds which are supported by special assessments.

Table 10

Business-Type Activities		Total Primary Government	Population	Per Capita	As a % of Personal Income
Enterprise Bonds	Premium/ (Discount)				
-	-	9,664,638	22,741	425	1.2%
-	-	9,197,910	23,343	394	1.1%
-	-	4,322,602	23,690	182	0.5%
-	-	3,928,744	23,927	164	0.4%
-	-	3,524,886	24,231	145	0.4%
2,405,000	132,886	12,384,383	23,919	518	1.3%
2,405,000	121,074	11,981,202	23,786	504	1.1%
2,280,000	112,215	10,920,710	24,007	455	0.9%
2,135,000	103,356	16,031,305	24,975	642	1.3%
3,420,000	211,909	17,028,180	24,065	708	1.4%

CITY OF CHAMPLIN, MINNESOTA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
 Last Ten Fiscal Years

Fiscal Year	Population	Tax Capacity Value	Taxable Market Value	General Obligation Bonds (a)
2015	22,741	18,294,874	1,798,663,500	8,915,000
2016	23,343	18,936,137	1,851,289,400	8,605,000
2017	23,690	20,469,038	1,984,638,100	4,235,000
2018	23,927	22,583,943	2,174,124,800	3,850,000
2019	24,231	24,889,533	2,388,568,800	3,455,000
2020	23,919	27,019,742	2,572,507,000	4,530,000
2021	23,786	28,363,295	2,694,431,300	4,120,000
2022	24,007	29,800,733	2,832,688,600	3,625,000
2023	24,975	36,630,735	3,443,604,200	7,084,823
2024	24,065	39,373,700	3,670,157,800	6,989,823

(a) Excludes general obligation special assessments and road reconstruction bonds which are supported by special assessments.

(b) The years 2013 to 2015 include crossover refunding bonds and the amounts held in escrow to pay the refunded bonds.

Source: Hennepin County Taxpayers Department
 Champlin Finance Department

Table 11

Premium/ (Discount)	Less: Amounts Available in Debt Service Fund (b)	Total	As a Percent Of		Per Capita
			Tax Capacity Value	Market Value	
119,638	4,265,858	4,768,780	26.07%	0.27%	210
112,910	4,721,459	3,996,451	21.10%	0.22%	171
87,602	183,770	4,138,832	20.22%	0.21%	175
78,744	206,046	3,722,698	16.48%	0.17%	156
69,886	194,045	3,330,841	13.38%	0.14%	137
407,395	558,601	4,378,794	16.21%	0.17%	183
375,445	1,352,099	3,143,346	11.08%	0.12%	132
343,495	1,735,058	2,233,437	7.49%	0.08%	93
442,949	2,191,381	5,336,391	14.57%	0.15%	214
436,271	3,025,019	4,401,075	11.18%	0.12%	183

- This page intentionally left blank -

CITY OF CHAMPLIN, MINNESOTA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

As of December 31, 2024

Table 12

	Net General Obligation Debt Being Paid from Taxes	Percentage Applicable to City (c)	Amount Applicable to City of Champlin Share of Debt
Direct debt:			
City of Champlin (a)	\$13,396,271	100.00%	\$13,396,271
Overlapping debt:			
Hennepin County	1,192,537,479 a	1.29%	15,393,403
School District #11	231,070,000 b	9.50%	21,945,905
Three Rivers Park District	48,916,041 c	1.29%	631,414
Hennepin Regional Railroad Authority	76,774,733 d	1.37%	1,053,158
Metropolitan Council (b)	40,609,929 e	1.29%	524,548
Total overlapping debt	<u>1,589,908,182</u>		<u>39,548,428</u>
Total direct and overlapping debt	<u>\$1,603,304,453</u>		<u>\$52,944,699</u>

(a) Includes general obligation special assessment bonds and premium (discount).

(b) Includes debt for Metropolitan Council Transit Operations.

(c) The percentage of overlapping debt applicable is estimated by using the portion of taxable tax capacity of the City of Champlin that is within the boundaries of the various local governmental units' boundaries and dividing it by the total taxable tax capacity value of the local governmental unit.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Champlin. The process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

Source: Hennepin County Auditor
Anoka County Auditor

CITY OF CHAMPLIN, MINNESOTA
LEGAL DEBT MARGIN INFORMATION
 Last Ten Fiscal Years

	Fiscal Year			
	2015	2016	2017	2018
Debt limit	\$54,405,059	\$55,538,682	\$59,539,143	\$65,223,744
Total net debt applicable to limit	4,649,142	3,883,541	4,051,230	3,643,954
Legal debt margin	<u>\$49,755,917</u>	<u>\$51,655,141</u>	<u>\$55,487,913</u>	<u>\$61,579,790</u>
Total net debt applicable to the limit as a percentage of debt limit	9.34%	7.52%	7.30%	5.92%

Note: Under state statute, the City's outstanding general obligation debt should not exceed 3% of the total market value of taxable property beginning in 2008. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

Source: Hennepin County Taxpayers Department
 City of Champlin Finance Department

Table 13

Fiscal Year					
2019	2020	2021	2022	2023	2024
\$71,657,064	\$77,175,210	\$80,832,939	\$84,980,658	\$103,308,126	\$110,104,734
3,260,955	3,971,399	7,508,504	8,729,942	4,893,442	3,964,804
<u>\$68,396,109</u>	<u>\$73,203,811</u>	<u>\$73,324,435</u>	<u>\$76,250,716</u>	<u>\$98,414,684</u>	<u>\$106,139,930</u>
4.77%	5.43%	10.24%	11.45%	4.97%	3.74%

Legal Debt Margin Calculation for Fiscal Year 2024

Market value	\$3,670,157,800
Debt limit (3% of market value)	110,104,734
Debt applicable to limit:	
General Obligation Bonds	6,989,823
Less: Amount set aside for repayment of general obligation debt	<u>3,025,019</u>
Total net debt applicable to limit	<u>3,964,804</u>
Legal debt margin	\$106,139,930

CITY OF CHAMPLIN, MINNESOTA

PLEDGED REVENUE COVERAGE

Last Ten Fiscal Years

Fiscal Year	Utility Fund Revenue (a)	Less: Operating Expenses (b)	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2015	-	-	-	-	-	N/A
2016	-	-	-	-	-	N/A
2017	-	-	-	-	-	N/A
2018	-	-	-	-	-	N/A
2019	-	-	-	-	-	N/A
2020	1,047,185	750,741	296,444	-	-	N/A
2021	1,183,511	716,754	466,757	-	43,147	10.82
2022	1,809,661	1,720,295	89,366	125,000	31,144	0.57
2023	1,178,061	725,449	452,612	145,000	26,194	2.64
2024	4,746,265	4,461,180	285,085	145,000	89,124	1.22

Source: City of Champlin Finance Department

Note: In 2020 through 2023, debt was backed with pledged revenue from the Storm Water fund and Special Assessments.

Note: In 2024, debt was backed with pledged revenue from the Water fund, Storm Water fund and Special Assessments.

- (a) Debt backed with pledged revenue from business type activities, including investment income and intergovernmental
- (b) Depreciation is not included in this amount
- (c) General Obligation special assessments and road reconstruction bonds which are supported by special assessments.

Table 14

Special Assessment Collections (c)	Debt Service		Coverage
	Principal	Interest	
-	-	-	N/A
-	-	-	N/A
-	-	-	N/A
-	-	-	N/A
-	-	-	N/A
373,114	-	-	N/A
828,575	-	98,445	8.42
668,891	250,000	56,605	2.18
568,934	290,000	74,300	1.56
1,022,851	295,000	330,612	1.63

CITY OF CHAMPLIN, MINNESOTA

DEMOGRAPHIC AND ECONOMIC STATISTICS³

Last Ten Fiscal Years

Table 15

Fiscal Year	Population ¹	Personal Income	Per Capita Personal Income ¹	Median Age ²	School Enrollment ³	Unemployment Rate ⁵
2015	22,741	786,065,406	34,566	36.0	36,556	3.40%
2016	23,343	813,993,753	34,871	37.0	37,200	3.30%
2017	23,690	864,329,650	36,485	38.4	37,062	3.00%
2018	23,927	916,380,173	38,299	39.4	37,008	2.50%
2019	24,231	984,117,834	40,614	39.6	37,386	2.80%
2020	23,919	983,142,657	41,103	39.3	36,325	6.50%
2021	23,786	1,065,113,294	44,779	38.4	37,719	3.60%
2022	24,007	1,167,724,487	48,641	39.3	38,230	2.30%
2023	24,975	1,245,228,525	49,859	41.3	38,590	2.50%
2024	24,065	1,199,856,835	49,859	41.1	38,631	2.80%

¹ Source: Metropolitan Council. 2020 population is the United States Census. 2024 estimated.

² Source: United States Census Bureau. 2024 estimated.

³ School enrollment statistics are for Anoka-Hennepin District 11 of which the City of Champlin is a part. Enrollment statistics are as of October 1st of the year listed.

⁴ The City of Champlin is part of the contiguous Twin City metropolitan area. Demographic and economic statistics are used for Hennepin County. Most residents work and shop outside the boundaries of the City and Hennepin County information is more relevant.

⁵ DEED, Labor Market Information Office, Local Area Unemployment Statistics

CITY OF CHAMPLIN, MINNESOTA
PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

Table 16

Employer	2024			2015		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
I.S.D. No. 11 (Anoka-Hennepin)	509	1	24.04%	671	1	34.64%
Super Target	320	2	15.12%	300	2	15.49%
Egan Companies	279	3	13.18%			
City of Champlin	278	4	13.13%	97	9	5.01%
Crown Lift Trucks	150	5	7.09%			
Cardinal Health	130	6	6.14%	85	10	4.39%
First Student	125	7	5.90%	120	5	6.20%
Cub Foods	125	8	5.90%	115	6	5.94%
States Manufacturing	123	9	5.81%			
Life Time Fitness, Inc.	78	10	3.68%	200	3	10.33%
Rapid Packaging				150	4	7.74%
Automatic Garage Door and Fireplace, Inc.				100	7	5.16%
Champlin Shores				99	8	5.11%
Total Principal Employers	<u>2,117</u>			<u>1,937</u>		

Source: Champlin Community Development Department

CITY OF CHAMPLIN, MINNESOTA**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION**

Last Ten Fiscal Years

Function	Full-time Equivalent			
	2015	2016	2017	2018
General government	12.76	12.76	12.86	12.86
Public safety				
Police				
Officers	26.00	26.00	26.00	26.00
Civilians	5.50	5.50	5.50	5.50
Protective Inspections	3.50	3.50	3.58	3.58
Highways and streets				
Engineering	2.00	2.00	2.00	2.00
Maintenance	17.00	17.00	17.00	17.00
Culture and recreation	5.00	5.00	5.00	5.00
Utilities	4.00	4.00	4.00	4.00
Total	<u>75.76</u>	<u>75.76</u>	<u>75.94</u>	<u>75.94</u>

Source: City of Champlin Finance Department Budget Document

Table 17

Employees as of December 31					
2019	2020	2021	2022	2023	2024
12.86	14.12	13.80	14.80	14.80	14.80
26.00	26.00	26.00	27.00	30.00	29.00
5.50	5.50	5.50	5.50	5.50	5.50
3.58	3.70	3.70	3.70	3.70	3.70
2.00	2.00	2.00	2.00	3.00	3.00
18.00	18.00	18.00	18.00	18.00	19.00
5.00	5.00	5.00	5.00	6.00	6.00
4.00	4.00	4.00	4.00	4.00	5.00
76.94	78.32	78.00	80.00	85.00	86.00

CITY OF CHAMPLIN, MINNESOTA
OPERATING INDICATORS BY FUNCTION
Last Ten Fiscal Years

Function ²	Fiscal Year			
	2015	2016	2017	2018
Public safety				
Police				
Citations issued	4,544	4,620	3,093	3,987
Calls for service	7,875	6,887	7,968	8,081
Building				
Number of building permits issued	579	632	1,641	1,255
Valuation of building permits issued	\$27,861,008	\$49,509,292	\$49,566,143	\$16,980,711
Highways and streets ¹				
Sealcoating (in miles)	-	-	-	-
Mill and overlay (in miles)	0.43	0.42	1.55	-
Reclamation	-	0.78	1.87	1.40
Reconstruction	-	-	-	-
Water				
Total connections	7,457	7,453	7,662	7,702
Gallons pumped (in millions)	755	768	846	860

¹ The engineering department does sealcoating and mill and overlay projects on alternate years.
Mill and overlay projects are completed on an as needed basis.

² Indicators are not available for the general government function

Source: City of Champlin

Table 18

Fiscal Year					
2019	2020	2021	2022	2023	2024
3,497	2,705	2,390	2,316	2,371	3,354
10,701	13,369	10,160	11,713	10,733	10,062
767	768	766	919	1,275	1,316
\$14,904,047	\$61,410,945	\$32,893,078	\$26,233,328	\$27,824,593	\$23,199,771
-	-	-	-	-	-
1.70	-	2.78	-	-	-
2.50	1.91	0.90	0.51	6.40	3.60
-	-	0.17	2.65	-	-
7,744	7,874	7,918	7,999	8,022	8,054
757	879	997	997	1,100	854

CITY OF CHAMPLIN, MINNESOTA
CAPITAL ASSET STATISTICS BY FUNCTION
 Last Ten Fiscal Years

Function ¹	Fiscal Year			
	2015	2016	2017	2018
Public safety				
Police				
Stations	1	1	1	1
Patrol units	12	12	12	12
Fire stations	1	1	1	1
Highways and streets				
Streets (miles)	97	98	98	98
Street lights	1,053	1,067	1,103	1,322
Culture and recreation				
Parks	26	26	30	30
Ice Forum	1	1	1	1
Community centers	1	1	1	1
Mississippi Crossings Event Center				
Water				
Wells	9	9	9	9
Sewer				
Lift stations	9	9	8	8

¹ No capital asset indicators are available for the general government function

Source: City of Champlin Finance Department

Table 19

Fiscal Year					
2019	2020	2021	2022	2023	2024
1	1	1	1	1	1
12	12	12	12	13	13
1	1	1	1	1	1
98	98	98	101	101	101
1,437	1,570	1,610	1,621	1,682	1,765
30	30	30	30	30	30
1	1	1	1	1	1
1	1	1	1	1	1
				1	1
9	9	9	9	9	9
8	8	8	8	8	8

- This page intentionally left blank -