



AGENDA
CHASKA CITY COUNCIL
CHASKA CITY HALL - COUNCIL CHAMBERS & ZOOM
Monday, December 19, 2022
7:00 PM

1. Call to Order
2. Pledge of Allegiance
3. Roll Call
4. Adopt Agenda
5. Visitor Presentation
 - 5.A. Stephanie Poppler - Daughter of Bill Schalow
6. Approve Previous Meeting Minutes
 - 6.A. Approve the November 17th, November 21st and December 5th City Council Meeting Minutes
7. Consent Items
 - 7.A. License Agreement between the City of Chaska and Metro Fibernet LLC
 - 7.B. Municipal Tort Liability Limits
 - 7.C. Adopt Resolution No. 2022-143 MnDOT Agreement for Federal Funds
 - 7.D. Lease Agreement with Chaska Historical Society
 - 7.E. Adopt Resolution No. 2022-145 Interfund Loan Financing of Capital Equipment Replacement and Capital Improvement Projects
 - 7.F. Letter of Support: City of Chaska Quick-Build / Demonstration Project Technical Assistance Application
 - 7.G. Adopt Resolution 2022-148, Establish 2022 Interfund Tax Increment Financing
8. Action Items

- 8.A. PUBLIC HEARING: Adopt Resolution No. 2022-144 Approving the Right of Way Easement Vacation within Downtown Block 16/City of Chaska/PC #2022-60
- 8.B. Adopt Resolution No. 2022-147 - 2023 Tax Levy and General/Enterprise Fund Budgets
- 8.C. Establish 2023 Utility Rates
 - 8.C.i. Adopt Ord. No 2022-1028 Electric Rates for 2023 and RES No. 2022-149 Summary Publication
 - 8.C.i. Ord. No 2022-1028
 - 8.C.ii. Adopt Ord. No 2022-1027 Water & Sewer Rates for 2023 and RES 2022-150 Summary Publication
 - 8.C.ii. Ord. No. 2022-1027
 - 8.C.iii. Adopt RES No. 2022-151 Stormwater Utility Residential Equivalency Factor
- 9. Bills
 - 9.A. ACCOUNTS PAYABLE CLAIMS ROSTER 12-19-2022
- 10. Other Business
 - 10.A. City Administrator's Report
 - 10.A.i. Biweekly 12-19-2022
 - 10.B. Monthly Financial Reports as of 10/31/22
- 11. Adjourn

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**- MINUTES -
CHASKA CITY COUNCIL
DECEMBER 5, 2022**

1. Call to Order

The meeting was called to order by Mayor Windschitl at 7 p.m.

2. Pledge of Allegiance

3. Roll Call

Roll call was taken. Present: Mayor Windschitl and Councilmembers Grau, Hatfield, Hubbard, and Huang.

Absent: None.

Also Present: Matt Podhradsky, City Administrator; Noel Graczyk, Administrative Services Director; Kevin Wright, Communication Director; Elise Durbin, Assistant Administrator; Marshall Grange, Parks and Recreation Director; Nate Kabat, Community Development Director; Liz Hanson, City Planner; Matt Haefner, Water and Sewer Director; and Matt Clark, City Engineer.

4. Adopt the Agenda

Motion by Councilmember Hatfield, second by Councilmember Hubbard to adopt the agenda as presented. Motion carried.

5. Visitor Presentation

5.A. Lost and Found Cat Volunteer – Linda Hoffman

Linda Hoffman provided a presentation about lost and found cats. There is not currently a program in Chaska supporting lost cats and reunification. Police Chief Ryan Seibert provided information about a trial program the City previously attempted with cats.

City Administrator Matt Podhradsky stated he would take the information and research it.

Councilmember Hatfield noted she helped implement a similar program in Chanhassen. It was very labor-intensive and expensive. They have since moved to a Humane Society model with more collaboration.

Michelle McKune suggested contacting PetCo for a partnership as they are open everyday and have several cages. Alternatively, local vet clinics may be interested in a partnership.

Nicole Peterson added it takes two months to surrender a cat to the Humane Society. If the cat has an owner, it would only take a few days.

Councilmember Hatfield stated cats can pass diseases along to one another, especially feline leukemia. Ms. Peterson stated if a cat is neutered or spayed and has feline leukemia, it is very rare to pass along the disease.

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Ms. Hoffman stated 4 Paws charges a flat fee of around \$500 to board a lost animal. Mayor Windschitl asked who would pay for the fee if the animal is a stray.

Mr. Podhradsky explained the City contracts with 4 Paws, and they have said they will not board cats. Also, dogs have a high return rate, unlike cats. The City pays the fee if there isn't a person who claims the animal. It is difficult to find a contractor who is willing to board cats.

Councilmember Hatfield added it could be helpful to offer creative measures such as spaying and neutering clinics, affordable chipping efforts, and the like to help with the population.

Councilmember Grau thanked Ms. Hoffman for presenting the issue to the Council and for her efforts in the community.

Marcy Zierman shared an experience with stray cats and returning them to their homes.

6. Approve Previous Meeting Minutes

7. Consent Agenda

Councilmember Hatfield asked for more information on Consent Agenda Item D. Resolution 2022-141 in Support of a Pre-Development Application to the Carver County CDA.

Assistant City Administrator Elise Durbin explained the City will eventually annexing part of Lake Town Township, so there was a request for Chaska to review the sewer system. Other cities will also support the township in its efforts.

Mayor Windschitl asked if Consent Agenda Item B. Letters of Support for Corridors of Commerce Program—Highway 212 and Highway 5 is sent individually or as a packet. Mr. Podhradsky stated Staff sends the letters as both a packet and individually.

Councilmember Hatfield asked what happens with the outstanding business licenses in Consent Agenda Item C. 2023 Business License Renewals. Mr. Podhradsky stated they continue to reach out to the businesses asking them to apply. There is an ultimate deadline where the business would no longer be able to provide services without the license renewal.

Motion by Councilmember Grau, second by Councilmember Hubbard to approve the Consent Agenda Items A through E:

A. 2023 Development Fees, Planning Application Fees, Building and Fire Permit Fees
Motion to adopt Ordinance 2022-1026, establishing the 2023 Development, Planning Application, Building Inspection, and Fire Fees.

B. Letters of Support for Corridors of Commerce Program—Highway 212 and Highway 5
Motion to authorize the Mayor to sign letters of support for both the Highway 212 and Highway 5 applications to the Corridors of Commerce program.

C. 2023 Business License Renewals

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Motion to approve the 2023 Business Licenses to include games of skill, refuse haulers, massage therapists, tobacco sales, solicitors/peddlers/transients and golf cart permits effective January 1, 2023 through December 31, 2023.

D. Resolution 2022-141 in Support of a Pre-Development Application to the Carver County CDA

Motion to adopt Resolution 2022-141 in support of a pre-development application to the Carver County CDA.

E. Grant Application for Circle the Brick Regional Trail

Motion to adopt Resolution No. 2022-142 to pursue a grant as part of the 2022 Minnesota Active Transportation Infrastructure Program for the Circle the Brick Trail.

Motion carried.

8. Action Items

8.A. Truth in Taxation Public Hearing

City Administrator Podhradsky introduced the item to the Council and provided a presentation on it. Police Chief Ryan Seibert provided additional information.

Councilmember Grau noted retention and recruitment is challenging in law enforcement.

Mayor Windschitl added there is difficulty with the exits from the Police Department and could pose a safety issue if there were to be civil unrest.

Councilmember Hatfield pointed out there is an issue of equity with the location of the Police Department where they can respond more quickly to nearby neighborhoods. Mr. Podhradsky explained the Fire Department is central to the entire City, and there is enough room for both a Police Department and a Fire Department on that land.

Councilmember Hubbard asked if a collaborative public safety campus has been considered. Chief Seibert stated the two Departments have a good relationship, and there is opportunity for collaboration between the two. There would be opportunities for shared resources, storage, and training. Mayor Windschitl agreed there could be cost savings with a partnership.

Fire Chief Stephen Kraus continued with the Staff presentation.

Councilmember Hubbard asked if Chaska were to switch to a full-time duty crew, if the radius of where firefighters must live would increase. Chief Kraus stated that could be on the table. They are currently issues losing qualified firefighters because of moving outside of the 12-minute radius.

Fire Chief Kraus continued with the Staff presentation and provided more information on retention efforts.

Councilmember Hatfield noted the importance of the physical and mental health of firefighters.

Mayor Windschitl asked how long the training process is. Fire Chief Kraus stated the Department is down to a one-year probationary period.

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Mr. Podhradsky concluded the Staff presentation.

Mayor Windschitl opened the Public Hearing at 9:49 p.m.

Jay Roe, 3621 Cavallo Pass, explained he has done door-knocking in the community, and he has heard concerns about the rising tax burden. The priority before the past year was City Square West, but the project wasn't funded. However, the City has now introduced a \$115 million project. The sum of several other recent projects pale in comparison cost-wise.

Mr. Roe suggested more information provided regarding the decision process and education on how the taxes impact individual households. The budget needs to drive the plan than listening to consultants. There are projects in the School District also impact taxes of residents. Ultimately, the Council should consider a neutral levy.

Renae Frensko, 1300 Valley Street, stated there was an increase in taxes in 2008, and this is a similar issue. Many community members are pained with the suggested budget. The Council needs to spend responsibly for its citizens.

Ms. Frensko asked what the partnership is between the Police Department and the libraries. Mr. Podhradsky stated Chaska has its own Police Department, so they don't contract with the County for services beyond the basics.

Mr. Podhradsky added the City did not increase the levy in 2008-2012. Ms. Frensko stated the taxes still went up.

Chris Pauley, 2151 Schindler Crossing, noted multiple entities receive a handout from the taxes. He added he didn't know how many issues there are with the Police Department, and it shows poor planning. The community members don't have the money currently. Chaska used to be more forward-thinking.

Mayor Windschitl explained the public safety building would have been built already if it weren't for COVID-19. A ten-year plan would cost the City more money, so they opted for a shorter plan.

Mr. Pauley pointed out the City Park for \$500,000 seems expensive. Mayor Windschitl stated all of the trails are in dire need of repair and the gazebo needs attention. At some point, the community will have to pay for the improvements, be it now or in the future.

Mr. Pauley noted either the assessed value or the market value of a home could be taxed on. Mr. Podhradsky explained sales data and home additions are used to assess homes, and the Statutes determine the process.

Mr. Pauley stated the current trends will push residents out of the community and lower the tax base. He suggested the City focus more on building up businesses than single-family homes.

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Mr. Podhradsky noted businesses are a focus for the City, and upcoming projects will create around 5000 more jobs.

Mr. Pauley asked if the City will receive the local government aid. Mr. Podhradsky stated the State has said they will not provide the funds, even despite the surplus. He explained in 2004 the City used growth to accommodate the budget rather than levying for it. The City hadn't done anything to replace it, and it set them up for a difficult circumstances. In 2012, once the recession plateaued, they started to rebuild the fund. He explained the long-term planning process.

Councilmember Hubbard added the City is at a point in its growth to plan for the future population. Although the time isn't great in terms of finances, it is a great time in the scheme of the City's development.

Mayor Windschitl pointed out the process to find a location for the public safety center has allowed the City to learn about other programs that can be run more effectively and prevent other planned projects by using City-owned land.

Councilmember Hubbard stated there are informational videos about the issues in the current facilities that may be helpful.

Neil Whatcott, 287 Brickyard Drive, explained the valuation of a home isn't a bank account one can dip into. It is inaccessible until he sells his home. Just because the City can charge more in taxes doesn't mean it should.

Mayor Windschitl noted the Council's understanding of issues with the increased property assessments. They are also homeowners and are facing increases. However, there are issues with facilities that need to be addressed. Chaska has a bright future, and the Council is trying to plan for it.

Mr. Podhradsky added there is benefit to breaking up the project into four phases. If the City were to run into another issue such as COVID-19, the City can pause the projects between phases. Maple Grove recently passed a referendum for \$147 million for a community center. Chaska paid for their Community Center in 1991 for \$22.5 million, and it is now valued at \$145 million.

Mr. Palm asked if Costco was offered increment financing to build in Chaska. Mr. Podhradsky stated the City had responsibility for their portion of the roundabout. The City used tax abatement to pay for the roundabout, and Costco pays the same amount of taxes.

Mr. Podhradsky added the project will go out for bid in 2024, and a slowing market would benefit the bid process. The estimates were created in a hot market, and contractors are getting hungrier as the market slows.

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Councilmember Huang noted inflation is hurting everyone. The longer they wait to do the bigger projects, the more exponentially the costs will increase. The Council has not taken the projects lightly as it impacts everyone in the community, particularly those with lower incomes.

Councilmember Hubbard stated it would be easier for the Council to not do anything. The perspectives of the public matter, but the Council has to be brave and forward-thinking.

Mayor Windschitl closed the Public Hearing at 10:33 p.m.

Councilmember Grau agreed some people leave communities due to taxes or increased costs, but people also leave cities due to issues with public safety. He explained it is a hard ask, but it is a worthy, well-planned ask. He thanked the commenters for their time.

Councilmember Hatfield thanked the commenters for representing the voices of their neighbors. The Council could take the more popular position by putting off the projects, but it is not the right position. She added her experience in talking with community members was not entirely unsupportive of the levy.

Councilmember Hatfield noted she has lost sleep over the impact on some people in the community, such as those with fixed income. Ultimately, the projects are the right choice for the Councilmembers in ten years and for the community long-term.

Councilmember Huang thanked the commenters for their participation and for creating meaningful conversations. The proposed levy will serve the community for several years to come.

8.B. Temporary Transfer Authority Public Hearing and Resolution 2022-140

City Administrator Podhradsky introduced the item to the Council and Assistant City Administrator Elise Durbin provided a presentation on it.

Councilmember Huang asked why the funds are unobligated. Mr. Podhradsky stated the funds were obligated before going through the Housing Improvement Program. The funds came from three districts including the apartments by the Fire Station, the Clover Ridge neighborhood, and Chaska Heights near Kohl's.

Councilmember Huang stated the report implies the distribution needs to be determined before the end of the year. Mr. Podhradsky stated the distribution can be vague, so the State accepted the area of downtown as the distribution. The Housing Improvement Program can be used anywhere in the City. The goal is to create flexibility. The funds are available for two more years.

Ms. Durbin pointed out the plan was reviewed by an attorney and approved it.

Mayor Windschitl opened the public hearing at 10:55 p.m.

No one wished to address the Council.

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Mayor Windschitl closed the hearing at 10:56 p.m.

Motion by Councilmember Huang, second by Councilmember Hubbard to adopt Resolution 2022-140.

Motion carried.

9. Bills

9.A. Accounts Payable Claims Roster 5-December-2022

The Council requested further information about bills on pages 5 and 9.

City Administrator Podhradsky provided further information regarding those bills.

Motion by Councilmember Huang, second by Councilmember Grau to approve the bills as presented. Roll call was taken. Voting aye: Councilmembers Hatfield, Hubbard, Huang, Grau and Mayor Windschitl. Voting nay: None
Motion carried.

10. Other Business

10.A. City Administrator's Report

10.A.i. Bi-Weekly Report 5-December-2022

Councilmember Hatfield:

- Stated Citizen's Academy is coming back on Wednesday nights January-March.
- Noted Coffee with a Cop is December 15 at Dunkin' Donuts, and the food distribution is the same day at noon.
- Pointed out Commission appointments are coming up and encouraged community members to apply.

Councilmember Hubbard:

- Noted she attended the Tree Lighting events.
- Added the Chaska Parks and Recreation guide is out for the winter and enrolment is open.

Councilmember Huang:

- Noted he also attended the well-attended Tree Lighting events.
- Agreed the Commissions are a great way to get involved with the community.

City Administrator Podhradsky:

- Pointed out the Metropolitan Council still has openings, and he encouraged members of the City Council to reach out to community members to represent Chaska on the Metropolitan Council. The current representative lives in Scott County.

Mayor Windschitl:

- Stated the City needs to plan for a new Christmas tree in the coming years.

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- Suggested there be a raffle for residents to decorate the trees and be responsible for the whole process.
- Added the parade will be December 21, 2022.
- Noted the next few meetings are December 19, 2022, January 9, 2023, and January 23, 2023.

11. Adjourn

Motion by Councilmember Hatfield, second by Councilmember Hubbard to adjourn the meeting at 11:16 p.m.

Motion carried.

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**- MINUTES -
CHASKA CITY COUNCIL
NOVEMBER 17, 2022**

1. Call to Order

The meeting was called to order by Mayor Windschitl at 5:35 p.m.

2. Pledge of Allegiance

3. Roll Call

Roll call was taken. Present: Mayor Windschitl and Councilmembers Grau, Hatfield, and Huang.

Absent: Councilmember Hubbard.

Also Present: Matt Podhradsky, City Administrator; and Elise Durbin, Assistant Administrator.

4. Adopt the Agenda

Motion by Councilmember Huang, second by Councilmember Hatfield to adopt the agenda as presented. Motion carried.

5. Action Items

5.A. Adopt Resolution 2022-138 Certifying the 2022 City of Chaska Election Results

City Administrator Podhrasky presented the item.

Motion by Councilmember Huang, second by Councilmember Hatfield to adopt Resolution No. 2022-138 Certifying the Results of the November 8, 2022 City of Chaska Election Results.
Motion Carried.

6. Adjourn

Motion by Councilmember Grau, second by Councilmember Huang to adjourn the meeting at 5:50 p.m.
Motion carried.

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**- MINUTES -
CHASKA CITY COUNCIL
NOVEMBER 21, 2022**

1. Call to Order

The meeting was called to order by Mayor Windschitl at 7 p.m.

2. Pledge of Allegiance

3. Roll Call

Roll call was taken. Present: Mayor Windschitl and Councilmembers Grau, Hatfield, Hubbard, and Huang.

Absent: None.

Also Present: Matt Podhradsky, City Administrator; Noel Graczyk, Administrative Services Director; Kevin Wright, Communication Director; Elise Durbin, Assistant Administrator; Marshall Grange, Parks and Recreation Director; Nate Kabat, Community Development Director; Liz Hanson, City Planner; Jake Sauflay, City Attorney; Matt Haefner, Water and Sewer Director; and Matt Clark, City Engineer.

4. Adopt the Agenda

Motion by Councilmember Hatfield, second by Councilmember Hubbard to adopt the agenda as presented. Motion carried.

5. Proclamation

5.A. Proclamation Recognizing TEL US As a Military Veteran Friendly Company

Mayor Windschitl read in full a Proclamation recognizing TEL US As a Military Veteran Friendly Company. Rob Squire provided a summary of TEL US and thanked the Council for the recognition.

6. Presentation

No one wished to present to the Council.

7. Approve Previous Meeting Minutes

7.A. Approve the November 7, 2022 City Council Meeting Minutes

Motion by Councilmember Hubbard, second by Councilmember Hatfield to approve the minutes of the November 7, 2022 City Council meeting.

Motion carried.

8. Consent Agenda

Mayor Windschitl asked if Consent Agenda 8.A. Resolution 2022-134 Consenting to the Assignment of a Subrecipient Agreement is just a name transfer. Assistant City Administrator Elise Durbin stated it is a formality of sorts, and the project is going to be under a different name.

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Motion by Councilmember Hatfield, second by Councilmember Grau to approve the Consent Agenda Items A through C:

A. Resolution 2022-134 Consenting to the Assignment of a Subrecipient Agreement
Motion to adopt Resolution 2022-134 consenting to the assignment of the subrecipient agreement with Community Asset Foundation for the West Creek Apartments to West Creek Apartments, LLC.

B. Oak Ridge Development - TH 41 Roundabout and Highway Improvements Cooperative Agreement

Motion to approve the Cooperative Construction Agreement with the State of Minnesota Department of Transportation for the Oak Ridge Development - TH 41 Roundabout and Highway Improvements Project for the Mayor and Administrator to execute.

C. Adopt Resolution No. 2022-137 Approving the Lot Split for Club West Partners/Tradition Development/PC #2022-59

Motion to adopt Resolution 2022-137, approving the Lot Split on PID 300061120, subject to the stipulations included in said resolution and the following conditions:

1. Approvals shall be based on the following graphic exhibits:

a. Lot Split Exhibit, prepared by Alliant Engineering, dated October 14, 2022

Motion carried.

9. Action Items

9.A. Adopt Resolution No. 2022-135 and Ordinance No. 1024 Approving the Preliminary Site & Building Plan, Preliminary Plat and Zoning Ordinance Amendment (ZOA) for Structures, Inc./Jeremy Banken/PC #2022-57

City Administrator Podhradsky introduced the item to the Council and City Planner Liz Hanson provided a presentation on it.

Mayor Windschitl asked which building will include vehicle maintenance. Jeremy Banken, President at Structures Hardscapes Specialists, stated vehicle maintenance will be on the ends.

Councilmember Grau asked what the long-term view of the road is. Mr. Podhradsky stated it was originally a County road. If it were reconstructed, it would include curb and gutters.

Motion by Councilmember Huang, second by Councilmember Grau to adopt Resolution No. 2022-135 Approving the Preliminary Site & Building Plan and Preliminary Plat for Structures, Inc. (PC #2022-57).

Mayor Windschitl asked when construction would start. Mr. Banken stated construction would start in the spring.

Motion carried.

9.A.i. Ordinance No. 1024

Motion by Councilmember Hatfield, second by Councilmember Huang to adopt Ordinance No. 1024 Approving the Zoning Ordinance Amendment to PID-9. Motion carried.

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9.B. Adopt Resolution No. 2022-136 and Ordinance No. 1025 Approving the Preliminary Site & Building Plan and Rezoning for the Northern Water Treatment Plant/City of Chaska/PC #2022-58

City Administrator Podhradsky introduced the item to the Council and City Planner Liz Hanson provided a presentation on it.

Councilmember Huang asked what volume of water can be processed through the facility. Water and Sewer Director Matt Haefner stated about 2.5 million gallons could be processed each day.

Councilmember Huang asked how that compares to the current facility. Mr. Haefner stated the current facility processes 12.8 million gallons per day.

Councilmember Huang asked if the new site would be a backup or if it is meant to be used simultaneously. Mr. Haefner stated it will run every day and will allow the City to do significant maintenance to the primary facility as needed.

Councilmember Huang asked what the timeline is for the loop well. Mr. Haefner stated that is well beyond ten years out.

Councilmember Huang asked if the drilling he saw was a test. Mr. Haefner stated they drilled down to test for Well 10 and see which aquifer they would access. They want to pull from a different well than Well 7. Well 10 is deeper than Well 7 and will be on the north side of the building. The future well is up near the loop.

Mayor Windschitl asked for the timeline on the project. Mr. Haefner stated the hope is to return to the Council with the final plan, go out for bid in the spring, and construction in early summer 2023.

Mayor Windschitl asked how much the project will cost. Mr. Haefner stated it would cost \$6-7 million for the treatment plant. The well is under a different project, and the projects depend on where the funding comes from.

Mayor Windschitl asked how maintenance has been able to happen without a secondary treatment center. Mr. Haefner stated they drain one side or filter down to access the areas that need maintenance. There hasn't been a need for significant maintenance that requires more long-term work. The current plant is 98.5 percent efficient.

Mayor Windschitl asked if there are multiple companies that can complete the project which would allow the City to receive competitive bids. Mr. Haefner stated there are a number of companies that can do the work.

Councilmember Grau noted the building is good-looking.

Motion by Councilmember Huang, second by Councilmember Hubbard to adopt Resolution No. 2022-136 approving the Preliminary Site & Building Plan and Preliminary Plat for the North Water Treatment Plant (PC #2022-58).

Motion carried.

9.B.i. Ordinance No. 1025

Motion by Councilmember Grau, second by Councilmember Hatfield to adopt Ordinance No. 1025 approving the rezoning from Open (O) to P2 – Public Buildings.

Motion carried.

9.C. Request for Proposals for Architectural and Engineering Services for a Public Safety Facility
City Administrator Podhradsky introduced the item to the Council and Assistant City Administrator Elise Durbin provided a presentation on it.

Mayor Windschitl asked if the requests are sent to certain groups or if there is a hope for the best companies to submit a bid. Mr. Podhradsky stated they submit requests to recommended companies, and the City will likely receive other bids as well.

Motion by Councilmember Hubbard, second by Councilmember Huang to approve issuing a Request for Proposals for Architectural and Engineering Services for a Public Safety Facility.
Motion carried.

10. Bills

10.A. Accounts Payable Claims Roster 21-November-2022

The Council requested further information about bills on pages 1, 10, 11

City Administrator Podhradsky provided further information regarding those bills.

Motion by Councilmember Huang, second by Councilmember Hatfield to approve the bills as presented. Roll call was taken. Voting aye: Councilmembers Hatfield, Hubbard, Huang, Grau and Mayor Windschitl. Voting nay: None
Motion carried.

11. Other Business

11.A. City Administrator's Report

11.A.i. Bi-Weekly Report 21-November-2022

Councilmember Grau:

- Congratulated fellow Councilmembers and Mayor Windschitl on reelection
- Noted there are a number of open Commissioner roles, which are great opportunities to get involved; he suggested the City reach out to unreached populations
- Read a quote from the local newspaper regarding Jacob Shay, Chaska graduate, had the opportunity to be commissioned and play for a live professional

Councilmember Hubbard:

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- Congratulated fellow Councilmembers and Mayor Windschitl on reelection
- Stated she attended the Veteran's Program at the Chaska Middle School, and it was well-attended
- Pointed out she presented the State of the City at the last luncheon
- Wished everyone a Happy Thanksgiving and encouraged folks to support small businesses during holiday shopping
- Noted Hometown Holidays will be celebrated December 3, 2022 with a tree lighting at 5:00.
- Pointed out another tree lighting is December 4, 2022 at 6:00 PM.

Councilmember Huang:

- Stated he attended the Veteran's Program at the Chaska Middle School, and it was well-done
- Thanked the veterans for their service
- Congratulated fellow Councilmembers and Mayor Windschitl on reelection
- Noted there was a strong voter turnout in both the City and the County
- Wished everyone a Happy Thanksgiving

Councilmember Hatfield:

- Thanked election judges for their work
- Encouraged community members to shop locally for Small Business Saturday
- Noted there were differing times are advertised on the Hometown Holiday Facebook event
- Added the next City Council meeting is the truth in taxation hearing

Mayor Windschitl:

- Thanked the community for the support and reelection
- Thanked the election judges for their hard work and summarized some of the voting issues within the County
- Pointed out the girls' volleyball team competed in the State Tournament and congratulated
- Noted Brad Hand, Chaska graduate, pitched in the World Series
- Thanked Councilmember Hubbard for presenting at the luncheon
- Noted the Arboretum lost \$10 million in funding
- Stated the next Council meeting is December 5, 2022 with the truth in taxation meeting
- Added December 19, 2022 is the meeting when the final budget is adopted
- Commented January 9, 2023 is the first meeting of the new year, which will include three people being sworn in
- Wished everyone a Happy Thanksgiving

11.B. Approve Human Rights Meeting Minutes 7-28-2022, 8-25-2022 and 9-22-2022

11.C. 3rd-Qtr 2022 Investment Report dated November 21st, 2022

11.D. Monthly Financial Reports as of 9/30/22

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12. Adjourn

Motion by Councilmember Hatfield, second by Councilmember Grau to adjourn the meeting at 8:35 p.m.

Motion carried.

**REQUEST FOR ACTION
CHASKA CITY COUNCIL
12/05/2022**

Subject: Pole attachment license agreement between the City of Chaska and Metro Fibernet LLC.

Prepared By: Pete Wyffels, Electric Director

Metro Fibernet LLC intends to build out their fiber network in the City of Chaska. Metro Fibernet has asked to attach to the City of Chaska electric utility poles and an agreement is necessary to share that space. Attached you will find an agreement that has been vetted by Metro Fibernet, the City Attorney's Office and City Staff to accommodate the pole attachments.

Metro Fibernet LLC will be required to pay \$16.00 per joint use pole per year with a 3% adder each year thereafter for existing and new attachments.

CITY COUNCIL ACTION REQUESTED

Motion to approve the attached pole attachment license agreement between the City of Chaska and Metro Fibernet LLC.

CITY OF CHASKA
POLE ATTACHMENT LICENSE AGREEMENT

THIS AGREEMENT (this “**Agreement**”) is dated _____ (the “**Effective Date**”) and is between the City of Chaska, a Minnesota municipal corporation (the “**City**”) and Metro Fibernet LLC, a Nevada limited liability company authorized to do business in the State of Minnesota (the “**Licensee**”).

RECITALS

WHEREAS, the City owns, operates and maintains poles for the purpose of furnishing electrical service to its customers; and

WHEREAS, Licensee is authorized by the Federal Communications Commission and the State of Minnesota to provide telecommunications services; and

WHEREAS, Licensee desires to install and maintain certain lines, transmitters, appliances or related equipment on certain electrical poles owned or controlled by the City in connection with Licensee’s communications network; and

WHEREAS, Section 224(a) of the Federal Communications Act of 1934, as amended (47 U.S.C §224(a)), generally exempts municipal entities from federal regulation of pole attachments; and

WHEREAS, the City is willing to permit Licensee to place pole attachments on the City’s poles (some of which may be in public right-of-ways) pursuant to the terms of this Agreement and in compliance with applicable law; and

WHEREAS, by action of the City’s City Council on _____, the City has approved the City entering into this Agreement;

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions set forth below, the parties covenant and agree as follows:

TERMS

1. DEFINITIONS

The following terms, whether in the singular or in the plural, shall have the following meanings:

1.1 “**Code Requirements**” means, collectively, the requirements of: i) the National Electrical Safety Code, as amended; ii) the rules, regulations and specifications issued by the

Minnesota Public Utilities Commission, as amended, and iii) all applicable federal, state and local laws, regulations, ordinances, rules and orders.

1.2 **“Joint Use Pole”** means a Pole on which the City has approved the placement of a Pole Attachment by Licensee pursuant to Section 5.4 of this Agreement.

1.3 **“Make-Ready Work”** means any work required to accommodate Licensee’s Pole Attachments including, but not limited to, rearrangements and transfers of existing facilities and pole replacements and additions (including disposal of old pole).

1.4 **“Pole”** means any electric pole owned by the City or any pole owned by another on which the City has the right to permit others to attach in the communications space of the pole.

1.5 **“Pole Attachment”** means any attachment to a Pole, including overlashed attachments.

2. TERM OF AGREEMENT

2.1 **Term.** The initial term of this Agreement (the **“Initial Term”**) shall commence on the Effective Date and continue for a period of five (5) years, unless sooner terminated pursuant to the provisions of this Agreement. For purposes of this Agreement, **“Term of this Agreement”** means the Initial Term together with any Renewal Terms (as defined below) that actually occur.

2.2 **Automatic Renewals.** The Term of this Agreement shall automatically renew for successive five (5) year periods (individually, a **“Renewal Term;”** collectively, the **“Renewal Terms”**) until either party gives written notice to the other party of its intention to let the Term of the Agreement expire, which notice must be given not less than one hundred twenty (120) days prior to the end of the Initial Term or then current Renewal Term, as applicable.

2.3 **Termination if Service Ceases.** If the Pole Attachments installed by Licensee have been installed to facilitate the provision of services provided by Licensee pursuant to a franchise, license or permit granted by the City, either party may terminate this Agreement early by giving not less than forth-five (45) advanced written notice of termination to the other party if such franchise, license or permit terminates for any reason and Licensee is required to cease services.

2.4 **Termination for Cause.** The City may terminate this Agreement for cause as provided by Section 12.1 of this Agreement.

3. LICENSE

3.1 **Grant.** Pursuant to the terms, conditions and limitations of this Agreement, the City grants Licensee a nonexclusive, revocable license to install, maintain and operate Pole Attachments on Joint Use Poles together with a non-exclusive, revocable license to use public right-of-ways then owned or controlled by the City for the purpose of installing, maintaining and

operating Licensee's Pole Attachments on Joint Use Poles. The rights granted hereunder are personal to Licensee, are limited to those expressly described in this Agreement, and shall not be expanded or enlarged by implication.

3.2 City Retains Ownership of Poles/No Easements. All Poles and rights-of-way shall, at all times, remain the property of the City. Licensee is not granted, nor shall it claim, any ownership or easement rights.

3.3 Easements and Rights-of-Way. In connection with any license granted by the City, the City does not warrant or assure to Licensee any right-of-way privilege or easement. If Licensee is, at any time, prevented by a private property owner from placing or maintaining its Pole Attachments on the City's Poles, the City shall not be liable in any respect. The Licensee is responsible for obtaining its own easements and rights-of-way.

3.4 Right of the City to Grant Licenses and Rights to Others. Nothing herein shall be construed to limit the right of the City, by contract or otherwise, to confer upon others, not parties to this Agreement, rights or privileges to use the Joint Use Poles covered by this Agreement.

4. LICENSE FEE AND COST ALLOCATIONS

4.1 License Fee for Use of Joint Use Poles. For calendar year 2022, the Joint Use Pole license rate is \$16.00 per Joint Use Pole, per calendar year (the "**Annual Rate**"). The Annual Rate shall increase on January 1st of each year thereafter by three percent (3%) over the previous year's rate (e.g., \$16.48 for 2023, \$16.97 for 2024, etc.). Each calendar year during the Term of this Agreement, Licensee shall pay the license fee to the City as required by Sections 4.2 and 4.3 below.

4.2 Licensee Fee for Newly Approved Joint Use Poles. Each time the City approves an application for Pole Attachments, Licensee shall pay the City a sum equal to the Annual Rate then in effect, multiplied by the number of new Joint Use Poles approved as part of the Project (as defined below). Such amount shall be paid to the City before any Pole Attachments described in the application are installed.

4.3 Tabulation of Existing Joint Use Poles and Pole Attachments. On or about March 1st of each calendar year during the Term of this Agreement, the parties, acting in cooperation, shall tabulate the total number of Joint Use Poles as of the preceding day. Thereafter, the City shall invoice Licensee for a sum equal to the Annual Rate then in effect, multiplied by the number of Joint Use Poles calculated in the tabulation (provided Licensee shall receive a credit for any newly approved Joint Use Poles for which Licensee has already made payment for such calendar year pursuant to Section 4.2 above). Further, upon the City's request, which such request shall not be more frequent than once every five (5) years, the parties shall make a joint field check to verify the accuracy of Joint Use Pole records. If any Pole Attachments owned or controlled by Licensee are found on any City Poles for which licenses have not been granted by the City, the City may assess an unauthorized use fee equal to five times the Annual Rate then in effect for

each unauthorized Pole Attachment owned or controlled by Licensee and, without prejudice to its other rights or remedies under this Agreement, the City may require Licensee to submit, within sixty (60) days, a license application for any unauthorized Pole Attachments owned or controlled by Licensee. If such application is not received by the City within the specified time period, Licensee shall immediately remove its unauthorized Pole Attachments. No act or failure to act by the City with regard to any unauthorized Pole Attachments shall constitute a waiver of the City's right to enforce this Agreement. Further should the City subsequently issue any license, such license shall not operate retroactively or constitute a waiver by the City of any of its rights or privileges under this Agreement; provided, however, that Licensee shall be subject to all liabilities, obligations and responsibilities of this Agreement from its inception with regard to unauthorized Pole Attachments.

4.4 Renewal Rates. One hundred and eighty (180) days prior to the expiration the Initial Term or the then current Renewal Term, as applicable, Licensor may provide written notice to negotiate a new annual rate and/or escalation per Joint Use Pole for the upcoming Renewal Term. Promptly after the City issues such notice: i) the parties shall agree on the number of Joint Use Poles at that time, or if requested by either party, the parties shall make a joint field check to determine the number of Joint Use Poles, and (ii) the parties shall meet to negotiate a new annual rate and/or escalation per Joint Use Pole for the upcoming Renewal Term, provided such rate shall be just and reasonable and applied on a non-discriminatory basis. If the parties cannot agree on a new annual rate and/or escalation at least one hundred and twenty (120) prior to the upcoming expiration date, then either party may give notice pursuant to Section 2.2 above of its intent to let the Term of the Agreement expire.

4.5 Electrical Service for Pole Attachments. If Licensee requires electricity to power any Pole Attachment, the City shall supply such electricity pursuant to its then current Pole Attachment electrical service rates. Licensee agrees that such rate may be based on metered usage, per device, or both, as determined by the City. Further, the City shall install, at Licensee's expense, all equipment required to provide such electrical service. Prior to any such installation, Licensee shall deposit with the City an amount equal to the estimated cost of the labor and equipment required to complete the installation, as determined by the City.

4.6 Taxes and Assessments. Any tax or assessment levied on Joint Use Poles solely because of their use by Licensee shall be paid by Licensee. Otherwise, each party shall pay all taxes and assessments levied on its own property.

4.7 Tree Trimming. Any tree trimming necessary or desirable for Licensee to install or maintain Pole Attachments shall be performed by Licensee, or its contractors, at Licensee's expense. Any tree trimming the City elects to perform shall be performed at the City's expense.

4.8 Other Cost Allocations. Other provisions of this Agreement allocate costs between the parties. In regard to such provisions, if the City is entitled to receive payment or reimbursement from Licensee, or Licensee is obligated to pay any expense incurred by the City, the City shall send a written invoice to Licensee itemizing the expenses to be paid. Further, in regard to any work performed by the City at Licensee's expense, Licensee shall reimburse the

City for the City's reasonable and actual cost of such work, including the value of any labor or materials provided by City employees. References in this Agreement to "costs" shall include "expenses" and vice versa.

4.9 **Payment Terms.** Any invoice from the City for license fees or any other amount due under this Agreement (e.g., amounts payable in regard to erection, rearrangement, relocation or abandonment) shall be due and payable in full thirty (30) days from the date of Licensee's receipt of the invoice. Past due amounts shall incur interest at the rate of 1½% per month, or the highest rate then permitted by law.

5. POLE ATTACHMENT PROCEDURE

5.1 **Application.** Before Licensee uses a Pole, Licensee shall submit a written Pole Attachment application to the City. Each application may cover one or more Poles. Further, Licensee may submit applications from time to time throughout the Term of this Agreement. All applications shall be processed by the City on a nondiscriminatory basis, except as otherwise provided below.

5.2 **Application Submissions.** Each application submitted by Licensee shall include: i) a map indicating the Poles on which Licensee desires to install Pole Attachments; ii) a description of the Pole Attachments planned for each Pole; iii) an engineering report verifying that each Pole can withstand the additional weight of the proposed Pole Attachments and verifying compliance with National Electrical Safety Code requirements; iv) a description of any anticipated Make Ready Work; and vii) schematic design drawings and plans for the proposed work. The City shall promptly inform Licensee, in writing, if the City considers an application incomplete and shall further inform Licensee of any items needed to make the application complete.

5.3 **City Review of Application.** After receiving a complete application, the City shall review it. The City may have its engineers and consultants participate in such review for purposes of advising the City. The City shall have the right to reject Licensee's application, in whole or in part if the City determines the grant of a permit: i) would adversely affect the provision of public services, duties or obligations; or ii) have an adverse effect on the economy, safety or future needs of the City. In addition, the City shall not grant any application when Licensee is in default of this Agreement beyond any applicable cure period. Further, the City may request changes to the plans and specifications submitted by Licensee if the City reasonably determines the requested change would either eliminate an undesirable use or would address any other concern of the City. If a change is requested, Licensee shall promptly revise its submittals to address the requested change and resubmit them to the City for review.

5.4 **City Decision.** Within forty-five (45) days after the date the City receives a complete application from Licensee, the City shall notify Licensee in writing whether the application is approved or rejected, which approval or rejection may be in whole or in part. In the event the City rejects an application, it will provide Licensee with the reason(s) for such rejection.

5.5 **Construction Plans.** If Licensee's application is approved by the City, Licensee shall promptly furnish the City with detailed construction drawings and plans (the "**Plans**") for the City's review and approval. The Plans shall address each Pole Attachment and any related Make-Ready Work contemplated by Licensee's application submittals (the "**Project**"). Further, with the construction plans the Licensee shall submit proof that it has secured all legally necessary permits and consents from federal, state, and county authorities to construct, maintain, and operate Licensee's Pole Attachments.

5.6 **Security.** Intentionally deleted.

5.7 **Construction.** Except as otherwise agreed to by the parties, Licensee shall install all Pole Attachments and perform all related Project Make-Ready Work at Licensee's expense and in full compliance with all Code Requirements, including, but not limited to any required additions, modifications, rearrangements or relocations of existing Pole Attachments, provided however, that Licensee shall not be responsible for correcting existing violations caused by other users or the City. If Licensee intends to use a third-party contractor, Licensee shall obtain the City's prior approval of such contractor. Licensee shall perform Make-Ready Work in the communications space or make arrangements with any third-party user to rearrange their facilities, at Licensee's expense, to accommodate Licensee's facilities. Further, Licensee or its contractor shall install, at Licensee's expense and in compliance with Code Requirements, all guys and anchors necessary to sustain any unbalanced loads caused by Licensee's Pole Attachments. No tag, brand, or other device showing Licensee's name or insignia shall be placed on, or attached to, any Joint Use Pole unless the City has consented to the same, in writing.

5.8 **Inspection.** Once a Project has been substantially completed, Licensee shall give written notice to the City requesting inspection. Thereafter, the City shall inspect the Project and prepare a punch list of items requiring completion or correction. Once the City provides the punch list to Licensee, Licensee shall promptly complete/correct the items on the punch list and request another inspection by the City. This process shall repeat until the City approves the completed Project.

5.9 **As-Built Plans.** Within sixty (60) days after the City approves a completed Project, Licensee shall deliver as-built plans showing the actual location of each Pole Attachment.

6. MAINTENANCE OF JOINT USE POLES AND POLE ATTACHMENTS

6.1 **Ongoing Maintenance of Joint Use Poles.** Except as otherwise provided in this Agreement, the City shall at all times maintain the Joint Use Poles in good condition and repair at the City's expense.

6.2 **Ongoing Maintenance of Licensee's Pole Attachments.** Licensee shall at all times maintain Licensee's Pole Attachments in compliance with all Code Requirements. If Licensee breaches such obligation and fails to correct the breach within thirty (30) days after the City gives Licensee written notice of the breach, the City may elect to perform such work at Licensee's expense and invoice Licensee for the City's reasonable and actual cost.

6.3 Repair, Replacement and Relocation of Joint Use Poles. Whenever the City determines it is necessary to repair, replace or relocate a Joint Use Pole, the work shall be performed by the City at its expense, except each party shall bear the cost of moving each party's own Pole Attachments, as necessary, to facilitate the repair, replacement or relocation. Before making any such repair, replacement or relocation, the City shall give Licensee sixty (60) days' notice in writing (except in cases of emergency, when verbal notice shall be given and subsequently confirmed in writing) specifying in such notice the time of such proposed repair, replacement or relocation. The Licensee shall, at the time so specified, temporarily remove and replace its Pole Attachments, or transfer them in case of replacement, at Licensee's expense. If Licensee fails to perform Licensee's obligations under the Section 6.3, the City may elect to do such work at Licensee's expense and invoice Licensee for the City's reasonable and actual costs.

6.4 Safety Rules. In the event the City adopts a specific rule or practice solely for the purpose of addressing reasonable and necessary safety considerations regarding Licensee's use (or proposed use) of the Joint Use Poles, the City shall give Licensee written notice of such rule or practice and Licensee shall, at its expense, make such changes or alterations to the installations or maintenance of its Pole Attachments as may be required in order to fully comply with the provisions of such notice. In the absence of a contrary provision in said notice providing additional time, Licensee agrees to make all required changes or alterations within one hundred eighty (180) days after receipt. If Licensee fails to perform Licensee's obligations under this Section 6.4, the City may elect to do such work at Licensee's expense and invoice Licensee for the City's Cost.

7. VOLUNTARY REARRANGEMENT, RELOCATION OR REMOVAL OF POLE ATTACHMENTS

7.1 Procedure. If either party desires to modify, rearrange, relocate or remove existing Pole Attachments on a Joint Use Pole, such party shall provide the other party with thirty (30) days' advance written notification prior to performing any work.

7.2 Allocation of Costs.

7.2.1 If Licensee requests the addition, modification, rearrangement or relocation of Pole Attachments on a Joint Use Pole, Licensee shall bear the entire cost of such addition, modification, rearrangement, or relocation.

7.2.2 If the City requests the modification, rearrangement, relocation or removal of Licensee's Pole Attachments, the City shall bear the entire cost of such modification, rearrangement, relocation or removal, except as follows:

7.2.2.1 If the modification, rearrangement, relocation or removal of Licensee's facilities is necessary, in the City's reasonable judgment, to allow the City to furnish service to its electrical customers, Licensee shall bear the entire cost of the modification.

7.2.2.2 If Licensee elects to add to or modify its Pole Attachments after receiving notice of the City's desire to perform the City's work, Licensee shall bear a proportionate and equitable share of the total cost of the work.

7.2.3 If the City requests any modification, rearrangement, relocation or removal of Licensee's Pole Attachments to accommodate the Pole Attachment of a third party, the City shall require the third party to bear the entire cost of the modification, rearrangement, relocation or removal.

7.2.4 Notwithstanding the foregoing provisions, if the City is required to relocate its facilities underground, subject to Section 8 herein, Licensee shall bear the entire cost of removing Licensee's Pole Attachments from the Joint Use Poles and relocating or installing its own facilities underground.

7.3 **Collection from Third Parties.** In no event shall the City be responsible for collecting, on Licensee's behalf, reimbursement of proportionate costs from any third party that benefit from any addition, modification, rearrangement, relocation or removal described herein.

8. REMOVAL AND ABANDONMENT OF JOINT USE POLES

8.1 **Abandonment of Joint Use Pole by City.** If the City desires at any time to remove or abandon any Joint Use Pole, it shall give Licensee notice in writing as soon as practicable but in no event less than ninety (90) days prior to the date that it intends to remove or abandon such Joint Use Pole. Before the expiration of such period, Licensee shall, at its expense, remove its facilities and relocate them to other available Poles or underground, if the other Poles are to be removed. If, at the expiration of such period, the City has no Pole Attachments on the applicable Joint Use Pole but Licensee has not removed all of its Pole Attachments, such Joint Use Pole shall become the property of Licensee, and Licensee shall hold harmless the City from every obligation, liability or cost, and from all damages, expenses or charges incurred thereafter, arising out of, or because of, the presence of or the condition of such pole or any Pole Attachments. Further, the City may remove the Licensee's Pole Attachments at Licensee's expense or exercise any other remedy available to the City. If the City removes Licensee's Pole Attachments, Licensee shall reimburse the City for all storage costs.

8.2 **Abandonment of Joint Use Pole by Licensee.** The Licensee may, at any time, abandon the use of any Joint Use Pole by giving the City written notice of such abandonment, in which case Licensee shall remove all of Licensee's Pole Attachments from the Pole. In regard to such Joint Use Pole, Licensee shall pay the City the full license fee for the calendar year in which the abandonment occurs; no prorated refund shall be given.

9. SURRENDER

Upon the expiration or earlier termination of this Agreement, Licensee shall remove its Pole Attachments from the Joint Use Poles within one hundred twenty (120) days after the

expiration or termination date. If Licensee fails to timely remove its Pole Attachments within such period, the City may elect to do such work and Licensee shall pay the City the City's actual and reasonable cost of such work and any storage costs.

10. RISK, INDEMNIFICATION, INSURANCE, AND LIABILITY LIMITATIONS

10.1 Assumption of Risk. Notwithstanding anything to the contrary in this Agreement, Licensee assumes responsibility for determining the condition of all Joint Use Poles to be climbed by its employees, contractors or employees of contractors. Licensee further assumes all risk and responsibility for damage that may be caused, or in any way contributed to, by Licensee's operations or the location of its Pole Attachments, whether such damage is sustained by the Licenser or others with the exception of any loss, cost or damage caused by City's negligence or willful misconduct. If the City elects to perform any work on Licensee's behalf, the City shall not be liable for any loss or damage to Licensee's Pole Attachments, except to the extent such loss or damage is directly caused by the City's negligence or willful misconduct. The City specifically disclaims any representation or warranty, express or implied, regarding the condition of the City's Poles or the suitability of the City's Poles for Licensee's use, including any warranties of merchantability and of fitness for a particular purpose.

10.2 Indemnification. Indemnification. Licensee shall defend, indemnify, protect, and save harmless the City and its elected officials, officers, directors, employees, successors, assigns, agents, affiliates, representatives and contractors from and against any and all claims and demands for damages to property and injury or death to persons, including payments made under any worker's compensation law or under any plan for employees' disability and death benefits, which may arise out of or be caused: i) by the erection, maintenance, presence, use, or removal of the Licensee's cable, equipment, and facilities or by the proximity of the cables, equipment, and facilities of the parties to this Agreement; or ii) by any act on or in the vicinity of the City poles and conduit system, in the performance of this Agreement. Licensee shall also shall also indemnify, protect, and save harmless the City: i) from any and all claims and demands that arise directly or indirectly from the operation of the Licensee's facilities including taxes, special charges by others, claims, and demands (a) for damages or loss for infringement of copyright, (b) for libel and slander, (c) for unauthorized use of television broadcast programs, and (d) for unauthorized use of other program material; and ii) from and against all claims and demands for infringement of patents with respect to the manufacture, use, and operation of the Pole Attachments in combination with the City's poles, conduit systems, or otherwise. Nothing contained in this section relieves the City from liability for the negligence or willful misconduct of the City or anyone acting under its direction and control.

10.3 Insurance

10.3.1 Licensee shall procure and at all times during the Term of this Agreement carry and maintain the kinds and amounts of insurance described below:

Property insurance covering Licensee's Pole Attachments and other personal property against loss or damage by wind, rain, fire, vandalism, and malicious mischief in an amount not less than the full insurable value of such property on a replacement cost basis.

Commercial general liability insurance covering claims for bodily injury, death and property damage, including contractual liability coverage, with a coverage amount of not less than \$1,000,000.00 per occurrence and \$2,000,000.00 annual aggregate.

Worker's compensation insurance (or self-insurance) as required by Minnesota law.

Commercial Automobile Liability insurance covering all owned, leased and non-owned vehicles used in connection with the scope of work with limits of \$1,000,000 Combined Single Limit.

10.3.2 Licensee shall pay all of the premiums and deductibles for the insurance required of Licensee, as listed above. No deductible shall be greater than that normally maintained under similar circumstances in the State of Minnesota.

10.3.3 The City may require the coverage limits set forth in this Section 10.3 be increased, from time to time, to amounts that are just and reasonable in the marketplace at such point in time. Adjustments, however, shall not occur more frequently than every five (5) years.

10.3.4 The insurance required of Licensee shall be written by companies authorized to do insurance business in the State of Minnesota. All policies shall name the City as an "additional insured."

10.3.5 Licensee shall deliver a certificate of insurance to the City with Licensee's first application for Pole Attachments evidencing the insurance coverage required by this Section 10.2. If Licensee changes insurers or coverage, Licensee shall provide an updated certificate to the City. Each certificate provided to the City shall, to the extent commercially available, obligate the insurer to endeavor to give the City (and any other party the City requests) not less than thirty (30) days' written notice before any policy is modified or cancelled (except for ten (10) days' notice of cancellation due to nonpayment of premium).

10.3.6 Licensee shall require each of its contractors performing any work under this Agreement to obtain and maintain, at no cost to the City, the insurance required under this Section 10.2 and to list the City as an "additional insured."

10.3.7 Licensee shall promptly advise the City, in writing, of any injury or damage to any person or property allegedly arising out of the presence of Licensee's Pole Attachments on the Joint Use Poles.

10.3.8 Notwithstanding anything in this Agreement to the contrary, neither party shall be liable to the other party for consequential or punitive damages, whether arising in tort, contract or otherwise. Further, nothing in this Agreement shall constitute a waiver or limitation of the City's statutory limits on, or immunities from, liability under Minnesota Statutes, Chapter 466. Except as limited above, both the City and Licensee may seek any and all remedies available at law or in equity.

10.4 **Survival.** Section 10 shall survive the expiration or earlier termination of the Lease Term.

11. COMPLIANCE

11.1 **General.** The parties shall at all times observe and comply with, and the provisions of this Agreement are subject to, the laws, ordinances, and rules that in any manner affect the rights and obligations of the parties, so long as the laws, ordinances, or rules remain in effect. As such, such laws, ordinances, and rules shall automatically supersede the provisions hereof and the parties agree to modify, in writing, the affected term(s) and condition(s) of this Agreement to bring them into compliance with such laws ordinances and rules.

11.2 **Government Data.** The parties acknowledge this Agreement is considered public data not on individuals and is accessible to the public under Minnesota Statutes, Section 13.03. The City and Licensee each agree to abide by the applicable provisions of the Minnesota Government Data Practice Act, Minnesota Statutes, Chapter 13, and all other applicable state or federal rules, regulations or orders pertaining to privacy or confidentiality.

12. DEFAULTS

12.1 **City's Right to Terminate.** If Licensee fails to comply with any provision of this Agreement or is default of any of its obligations under this Agreement, the City may give Licensee written notice of such noncompliance or default. If Licensee fails to correct such noncompliance or default within forty-five (45) days after such notice is deemed given the City may, at its option, with written notice to Licensee: i) cure the default as described in Section 12.2 below; ii) declare this Agreement to be immediately terminated in its entirety; or iii) terminate the permit(s) covering the Joint Use Poles in respect to which such noncompliance or default relates.

12.2 **City's Right to Cure.** If Licensee fails to comply with any provision of this Agreement or is default of any of its obligations under this Agreement the City may, at its option, elect to cure the noncompliance or default and to invoice Licensee for the City's actual and reasonable cost of such work.

13. MISCELLANEOUS

13.1 **Notices.**

13.1.1 Any notice or communication that Licensee may desire to give, or is required to give, to the City shall be deemed sufficiently given or rendered if in writing and i) personally delivered to the City at the address listed after the City's signature on this Agreement ("the City's Address"); ii) sent to the City's Address via overnight courier with item tracking; or iii) sent to the City's Address via registered or certified U.S. Mail. Any such notice or communication shall be deemed given on the day of delivery in the case of personal delivery or the day after the same is deposited with an overnight courier or with the U.S. Postal Service in the case of the other permitted forms of delivery. The City may change its address for notice at any time by giving Licensee notice of the change.

13.1.2 Any invoice, notice or communication that the City may desire to give, or is required to give, to Licensee shall be deemed sufficiently given or rendered if in writing and i) personally delivered to Licensee at the address listed after Licensee's signature on this Agreement ("Licensee's Address"); ii) sent to Licensee's Address via overnight courier with item tracking; or iii) sent to Licensee's Address via registered or certified U.S. Mail. Any such notice or communication shall be deemed given on the day of delivery in the case of personal delivery or the day after the same is deposited with an overnight courier or with the U.S. Postal Service in the case of the other permitted forms of delivery. Licensee may change its address for notice at any time by giving the City notice of the change.

13.2 Assignment of Agreement. The Licensee may assign or collaterally assign its rights, interests and obligations hereunder to any party controlling or controlled by Licensee, to any party purchasing all or substantially all of Licensee's assets, or to any party providing financing to Licensee (collectively, "Permitted Transferees") without the consent of the City provided that all of the following conditions are met: i) the Permitted Transferee agrees in writing to assume, without limitation, all of Licensee's obligations under this Agreement; and ii) the City is provided with an executed original of such assumption agreement within sixty (60) days after any such assignment occurs.

13.3 Construction of Agreement. The City and Licensee have participated jointly in the negotiation and drafting of this Agreement and no presumption or burden of proof shall arise favoring or disfavoring any party. The word "including" shall mean including without limitation. The parties intend each representation, warranty, and covenant contained in this Agreement to have independent significance. The captions used in this Agreement are for convenience only and do not constitute terms of the Agreement. In case any one or more of the provisions contained in this Agreement shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein and any other application thereof shall not in any way be affected or impaired thereby.

13.4 Time. All references in this Agreement to "days" shall mean calendar days unless expressly referred to as "business days." If the day for performance of any obligation under this Agreement is a Saturday, Sunday or legal holiday recognized by the City, then the time for performance of that obligation shall be extended to the first following day that is not a Saturday, Sunday or legal holiday. Time is of the essence.

13.5 No Agency, Partnership or Joint Venture. This Agreement does not create any partnership, joint venture, association, or principal and agent relationship between the City and Licensee.

13.6 No Waiver Implied. The failure of either party to enforce or insist upon compliance with any of the terms or conditions of this Agreement shall not constitute a general waiver or relinquishment of any such terms or conditions, but such conditions and terms shall be and remain at all times in full force and effect.

13.7 Entire Agreement. All preliminary negotiations are merged into and incorporated in this Agreement. This Agreement can only be modified or amended by another written agreement signed by both the City and Licensee.

13.8 Successors and Assigns. Subject to Section 13.2, this Agreement shall bind and inure to the benefit of the respective heirs, successors and assigns of the parties.

13.9 Attorneys' Fees and Court Costs. In any dispute or litigation between the City and Licensee arises concerning a default or alleged default by either party under this Agreement, the prevailing party shall be entitled to request the court to order reimbursement from the other party for all reasonable attorneys' fees and court costs incurred by the prevailing party in such dispute or litigation.

13.10 Law. This Agreement is governed by and shall be construed according to Minnesota law, exclusive of choice of law rules.

13.11 Recitals and Exhibits. The provisions contained in the introductory paragraph and any recitals of this Agreement are also incorporated as terms of the Agreement. Further, any exhibits attached to this Agreement and the provisions contained in such exhibits are incorporated by reference as terms of the Agreement.

13.12 Counterparts and Facsimile Signatures. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, and together which shall constitute one and the same document. Signatures transmitted by fax, email or other electronic means shall be deemed binding, delivered and enforceable.

13.13 Agreement Only Effective upon Full Execution. Submission of this document for examination does not constitute an offer or option. This Agreement shall become effective only upon full execution and delivery by the City and Licensee.

[Signature page follows.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates set forth below to be effective as of the day and year first written above.

CITY:	LICENSEE:
City of Chaska, Minnesota	Metro Fibernet LLC
By: _____	By: _____
Its: _____	Its: _____
Date: _____	Date: _____
Address: City of Chaska Electric Department 660 Victoria Drive Chaska, MN 55318 Phone: 952-448-4335 Fax: 952-448-7356	Address: Metro Fibernet LLC Attn: President 3701 Communications Way Evansville, IN 47715 With required copy to: Metro Fibernet, LLC Attn: Legal Department 8837 Bond St Overland Park, KS 66214 Tel: 812-213-1095

REQUEST FOR ACTION CHASKA CITY COUNCIL 12/19/2022

Subject: Municipal Tort Liability Limits

Prepared By: Denise Beebe, Senior Clerk

In 2007, the Legislature made a change to the municipal tort liability limits. The impact of the statute change was that the maximum damage claim an individual can obtain against a municipality for 2022 is \$500,000, or \$1,500,000 if there are multiple injuries in a single claim.

When establishing these limits, municipalities were given the option to waive their statutory liability limits. If we were to waive this coverage, we would need to purchase additional property and liability insurance to protect the City from a higher financial risk.

For several years, the City has purchased its liability insurance from the League of Minnesota Cities Insurance Trust. In renewing insurance coverage, the trust is requesting that each City Council make a formal decision on whether or not the City elects to waive their statutory limit payments.

The decision to waive or not waive the statutory limit has the following effects:

- ✓ *If the City does not waive the statutory tort limits*, an individual claimant would be able to recover no more than \$500,000 on any claim to which the statutory tort limits apply. The total which all claimants would be able to recover for a single occurrence to which the statutory tort limits apply would be limited to \$1,500,000. These statutory tort limits would apply regardless of whether or not the City purchases the optional excess liability coverage.
- ✓ *If the City waives the statutory tort limits and does not purchase excess liability coverage*, a single claimant could potentially recover up to \$1,500,000 on a single occurrence. The total which all claimants would be able to recover for a single occurrence to which the statutory tort limits apply would also be limited to \$1,500,000, regardless of the number of claimants.

- ✓ *If the City waives the statutory tort limits and purchases excess liability coverage*, a single claimant could potentially recover an amount up to the limit of the coverage purchased. The total which all claimants would be able to recover for a single occurrence to which the statutory tort limits apply would also be limited to the amount of coverage purchased, regardless of the number of claimants. The City has previously not purchased excess liability coverage.

In reviewing this option, it is Staff's recommendation that the City Council elect **not to waive** the monetary limits as established by Minnesota Statutes. This has been the City's position in the past, as we have maintained insurance coverage up to the statutory limits. In discussion with the League of Minnesota Cities staff, they have indicated that most cities have elected **not** to waive the statutory limits.

CITY COUNCIL ACTION REQUESTED

Motion to direct the City Administrator to inform the League of Minnesota Cities Insurance Trust that the City of Chaska elects not to waive the monetary limits on municipal tort liability established by Minnesota Statute.

**REQUEST FOR ACTION
CHASKA CITY COUNCIL
12/19/2022**

Subject: MnDOT Agency Agreement for Federal Projects

Prepared By: Matt Clark, City Engineer

Chaska routinely works with MnDOT on joint effort and project partnerships for improvements to the trunk highway and the local transportation system. The City currently has a Master Partnership Contract that allows both MnDOT and the City to enter in work share arrangements to undertake collaborative efforts for the design, construction, maintenance, and operations of state and local roads. All of which are to assist both the City and State with administrative and technical assistance on all facets of service provided by the department of transportation.

Projects that include federal funding where the City is the lead agency requires a separate Delegated Partnership Agreement which is attached. The partnership agreement is not project specific and covers all federally funded projects. To maintain the partnership for receiving and dispersing federal funding with current and future projects the agreement needs to be in place.

CITY COUNCIL ACTION REQUESTED

Motion to Adopt a Resolution 2022-143 Authorizing MnDOT to Accept Federal Funds on Behalf of the City of Chaska.

**CITY OF CHASKA
CARVER COUNTY, MINNESOTA**

RESOLUTION

DATE 12/19/2022 RESOLUTION NO. 2022-143

MOTION BY COUNCILMEMBER _____ SECOND BY COUNCILMEMBER _____

**A RESOLUTION AUTHORIZING MnDOT TO ACCEPT FEDERAL FUNDS ON BEHALF OF THE CITY
OF CHASKA**

WHEREAS, that pursuant to Minnesota Stat. Sec. 161.36, the Commissioner of Transportation be appointed as Agent of the City of Chaska to accept as its agent, federal aid funds which may be made available for eligible transportation related projects.; and

NOW, THEREFORE BE IT RESOLVED the Mayor and the City Engineer are hereby authorized and directed for and on behalf of the City of Chaska to execute and enter into an agreement with the Commissioner of Transportation prescribing the terms and conditions of said federal aid participation as set forth and contained in "Minnesota Department of Transportation Agency Agreement No. 1052177", a copy of which said agreement was before the City Council and which is made a part hereof by reference.

Passed and adopted by the City Council of the City of Chaska, Minnesota, this 19th day of December 2022.

Mark Windschitl, Mayor

State of Minnesota
City of Chaska

CERTIFICATION

I hereby certify that the foregoing Resolution is a true and correct copy of the Resolution presented to and adopted by the city of Chaska at a duly authorized meeting thereof held on the 19th day of December 2022, as shown by the minutes of said meeting in my possession.

Attest: _____
Chaska Deputy Clerk

Notary Public
My Commission expires _____



STATE OF MINNESOTA

AGENCY AGREEMENT

for

FEDERAL PARTICIPATION IN CONSTRUCTION

This Agreement is entered into by and between City of Chaska ("Local Government") and the State of Minnesota acting through its Commissioner of Transportation ("MnDOT").

RECITALS

1. Pursuant to Minnesota Statutes Section 161.36, the Local Government desires MnDOT to act as the Local Government's agent in accepting federal funds on the Local Government's behalf for the construction, improvement, or enhancement of transportation financed either in whole or in part by Federal Highway Administration ("FHWA") federal funds, hereinafter referred to as the "Project(s)"; and
2. This Agreement is intended to cover all federal aid projects initiated by the Local Government and therefore has no specific State Project number associated with it, and
 - 2.1. The Assistance Listing Number (ALN) is 20.205, 20.224, 20.933 or another Department of Transportation ALN as listed on SAM.gov and
 - 2.2. This project is for construction, not research and development.
 - 2.3. MnDOT requires that the terms and conditions of this agency be set forth in an agreement.

AGREEMENT TERMS

1. Term of Agreement; Prior Agreement

- 1.1. **Effective Date.** This Agreement will be effective on the date that MnDOT obtains all required signatures under Minn. Stat. §16C.05, Subd. 2. This Agreement will remain effective until it is superseded or terminated pursuant to section 14.
- 1.2. **Prior Agreement.** This Agreement supersedes the prior agreement between the parties, MnDOT Contract Number 1048176.

2. Local Government's Duties

- 2.1. **Designation.** The Local Government designates MnDOT to act as its agent in accepting federal funds on its behalf made available for the Project(s). Details on the required processes and procedures are available on the State Aid Website.
- 2.2. **Staffing.**
 - 2.2.1. The Local Government will furnish and assign a publicly employed and licensed engineer, ("Project Engineer"), to be in responsible charge of the Project(s) and to supervise and direct the work to be performed under any construction contract let for the Project(s). In the alternative, where the Local Government elects to use a private consultant for construction engineering services, the Local Government will provide a qualified, full-time public employee of the Local Government to be in responsible charge of the Project(s). The services of the Local Government to be performed hereunder may not be assigned, sublet, or transferred unless the Local Government is notified in writing by MnDOT that such action is permitted under 23 CFR 1.33 and 23 CFR 635.105 and state law. This

written consent will in no way relieve the Local Government from its primary responsibility for performance of the work.

2.2.2. During the progress of the work on the Project(s), the Local Government authorizes its Project Engineer to request in writing specific engineering and/or technical services from MnDOT, pursuant to Minnesota Statutes Section 161.39. Such services may be covered by other technical service agreements. If MnDOT furnishes the services requested, and if MnDOT requests reimbursement, then the Local Government will promptly pay MnDOT to reimburse the state trunk highway fund for the full cost and expense of furnishing such services. The costs and expenses will include the current MnDOT labor additives and overhead rates, subject to adjustment based on actual direct costs that have been verified by audit. Provision of such services will not be deemed to make MnDOT a principal or co-principal with respect to the Project(s).

2.3. **Pre-letting.** The Local Government will prepare construction contracts in accordance with Minnesota law and applicable Federal laws and regulations.

2.3.1. The Local Government will solicit bids after obtaining written notification from MnDOT that the FHWA has authorized the Project(s). Any Project(s) advertised prior to authorization **without permission** will not be eligible for federal reimbursement.

2.3.2. The Local Government will prepare the Proposal for Highway Construction for the construction contract, which will include all federal-aid provisions supplied by MnDOT.

2.3.3. The Local Government will prepare and publish the bid solicitation for the Project(s) as required by state and federal laws. The Local Government will include in the solicitation the required language for federal-aid construction contracts as supplied by MnDOT. The solicitation will state where the proposals, plans, and specifications are available for the inspection of prospective bidders and where the Local Government will receive the sealed bids.

2.3.4. The Local Government may not include other work in the construction contract for the authorized Project(s) without obtaining prior notification from MnDOT that such work is allowed by FHWA. Failure to obtain such notification may result in the loss of some or all of the federal funds for the Project(s). All work included in a federal contract is subject to the same federal requirements as the federal project.

2.3.5. The Local Government will prepare and sell the plan and proposal packages and prepare and distribute any addenda, if needed.

2.3.6. The Local Government will receive and open bids.

2.3.7. After the bids are opened, the Local Government will consider the bids and will award the bid to the lowest responsible bidder or reject all bids. If the construction contract contains a goal for Disadvantaged Business Enterprises (DBEs), the Local Government will not award the bid until it has received certification of the Disadvantaged Business Enterprise participation from the MnDOT Office of Civil Rights.

2.3.8. The Local Government must disclose in writing any potential conflict of interest to the Federal awarding agency or MnDOT in accordance with applicable FHWA policy.

2.4. **Contract Administration.**

2.4.1. The Local Government will prepare and execute a construction contract with the lowest responsible bidder, hereinafter referred to as the "Contractor," in accordance with the special provisions and the latest edition of MnDOT's Standard Specifications for Construction when the contract is awarded and all amendments thereto. All contracts between the Local Government and third parties or subcontractors must contain all applicable provisions of this Agreement, including the applicable

federal contract clauses, which are identified in Appendix II of 2 CFR 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, and as identified in Section 18 of this Agreement.

- 2.4.2. The Project(s) will be constructed in accordance with the plans, special provisions, and standard specifications of each Project. The standard specifications will be the latest edition of MnDOT Standard Specifications for Highway Construction and all amendments thereto. The plans, special provisions, and standard specifications will be on file at the Local Government Engineer's Office. The plans, special provisions, and specifications are incorporated into this Agreement by reference as though fully set forth herein.
- 2.4.3. The Local Government will furnish the personnel, services, supplies, and equipment necessary to properly supervise, inspect, and document the work for the Project(s). The services of the Local Government to be performed hereunder may not be assigned, sublet, or transferred unless the Local Government is notified in writing by MnDOT that such action is permitted under 23 CFR 1.33 and 23 CFR 635.105 and state law. This written consent will in no way relieve the Local Government from its primary responsibility for performance of the work.
- 2.4.4. The Local Government will document quantities in accordance with the guidelines set forth in the Construction Section of the Electronic State Aid Manual that are in effect at the time the work was performed.
- 2.4.5. The Local Government will test materials in accordance with the Schedule of Materials Control in effect at the time each Project was let. The Local Government will notify MnDOT when work is in progress on the Project(s) that requires observation by the Independent Assurance Inspector, as required by the Independent Assurance Schedule.
- 2.4.6. The Local Government may make changes in the plans or the character of the work, as may be necessary to complete the Project(s), and may enter into Change Order(s) with the Contractor. The Local Government will not be reimbursed for any costs of any work performed under a change order unless MnDOT has notified the Local Government that the subject work is eligible for federal funds and sufficient federal funds are available.
- 2.4.7. The Local Government will request approval from MnDOT for all costs in excess of the amount of federal funds previously approved for the Project(s) prior to incurring such costs. Failure to obtain such approval may result in such costs being disallowed for reimbursement.
- 2.4.8. The Local Government will prepare reports, keep records, and perform work so as to meet federal requirements and to enable MnDOT to collect the federal aid sought by the Local Government. Required reports are listed in the MnDOT State Aid Manual, Delegated Contract Process Checklist, available from MnDOT's authorized representative. The Local Government will retain all records and reports and allow MnDOT or the FHWA access to such records and reports for six years.
- 2.4.9. Upon completion of the Project(s), the Project Engineer will determine whether the work will be accepted.

2.5. Limitations.

- 2.5.1. The Local Government will comply with all applicable Federal, State, and local laws, ordinances, and regulations.
- 2.5.2. **Nondiscrimination.** It is the policy of the Federal Highway Administration and the State of Minnesota that no person in the United States will, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance (42 U.S.C. 2000d). Through expansion of the mandate

for nondiscrimination in Title VI and through parallel legislation, the proscribed bases of discrimination include race, color, sex, national origin, age, and disability. In addition, the Title VI program has been extended to cover all programs, activities and services of an entity receiving Federal financial assistance, whether such programs and activities are Federally assisted or not. Even in the absence of prior discriminatory practice or usage, a recipient in administering a program or activity to which this part applies is expected to take affirmative action to assure that no person is excluded from participation in, or is denied the benefits of, the program or activity on the grounds of race, color, national origin, sex, age, or disability. It is the responsibility of the Local Government to carry out the above requirements.

2.5.3. **Utilities.** The Local Government will treat all public, private or cooperatively owned utility facilities which directly or indirectly serve the public and which occupy highway rights of way in conformance with 23 CFR 645 "Utilities", which is incorporated herein by reference.

2.6. **Maintenance.** The Local Government assumes full responsibility for the operation and maintenance of any facility constructed or improved under this Agreement.

3. MnDOT's Duties

3.1. **Acceptance.** MnDOT accepts designation as Agent of the Local Government for the receipt and disbursement of federal funds and will act in accordance herewith.

3.2. Project Activities.

3.2.1. MnDOT will make the necessary requests to the FHWA for authorization to use federal funds for the Project(s) and for reimbursement of eligible costs pursuant to the terms of this Agreement.

3.2.2. MnDOT will provide to the Local Government copies of the required Federal-aid clauses to be included in the bid solicitation and will provide the required Federal-aid provisions to be included in the Proposal for Highway Construction.

3.2.3. MnDOT will review and certify the DBE participation and notify the Local Government when certification is complete. If certification of DBE participation (or good faith efforts to achieve such participation) cannot be obtained, then Local Government must decide whether to proceed with awarding the contract. Failure to obtain such certification will result in the Project becoming ineligible for federal assistance, and the Local Government must make up any shortfall.

3.2.4. MnDOT will provide the required labor postings.

3.3. **Authority.** MnDOT may withhold federal funds, where MnDOT or the FHWA determines that the Project(s) was not completed in compliance with federal requirements.

3.4. **Inspection.** MnDOT, the FHWA, or duly authorized representatives of the state and federal government will have the right to audit, evaluate and monitor the work performed under this Agreement. The Local Government will make all books, records, and documents pertaining to the work hereunder available for a minimum of six years following the closing of the construction contract.

4. Time

4.1. The Local Government must comply with all time requirements described in this Agreement. In the performance of this Agreement, time is of the essence.

4.2. The period of performance is defined as beginning on the date of federal authorization and ending on the date defined in the federal financial system or federal agreement ("end date"). **No work completed** after the **end date** will be eligible for federal funding. Local Government must submit all contract close out paperwork to MnDOT at least twenty-four months prior to the **end date**.

5. Payment

- 5.1. **Cost.** The entire cost of the Project(s) is to be paid from federal funds made available by the FHWA and by other funds provided by the Local Government. The Local Government will pay any part of the cost or expense of the Project(s) that is not paid by federal funds. MnDOT will receive the federal funds to be paid by the FHWA for the Project(s), pursuant to Minnesota Statutes § 161.36, Subdivision 2. MnDOT will reimburse the Local Government, from said federal funds made available to each Project, for each partial payment request, subject to the availability and limits of those funds.
- 5.2. **Indirect Cost Rate Proposal/Cost Allocation Plan.** If the Local Government seeks reimbursement for indirect costs and has submitted to MnDOT an indirect cost rate proposal or a cost allocation plan, the rate proposed will be used on a provisional basis. At any time during the period of performance or the final audit of a Project, MnDOT may audit and adjust the indirect cost rate according to the cost principles in 2 CFR Part 200. MnDOT may adjust associated reimbursements accordingly.
- 5.3. **Reimbursement.** The Local Government will prepare partial estimates in accordance with the terms of the construction contract for the Project(s). The Project Engineer will certify each partial estimate. Following certification of the partial estimate, the Local Government will make partial payments to the Contractor in accordance with the terms of the construction contract for the Project(s).
 - 5.3.1. Following certification of the partial estimate, the Local Government may request reimbursement for costs eligible for federal funds. The Local Government's request will be made to MnDOT and will include a copy of the certified partial estimate.
 - 5.3.2. Upon completion of the Project(s), the Local Government will prepare a final estimate in accordance with the terms of the construction contract for the Project(s). The Project Engineer will certify the final estimate. Following certification of the final estimate, the Local Government will make the final payment to the Contractor in accordance with the terms of the construction contract for the Project(s).
 - 5.3.3. Following certification of the final estimate, the Local Government may request reimbursement for costs eligible for federal funds. The Local Government's request will be made to MnDOT and will include a copy of the certified final estimate along with the required records.
 - 5.3.4. Upon completion of the Project(s), MnDOT will perform a final inspection and verify the federal and state eligibility of all payment requests. If the Project is found to have been completed in accordance with the plans and specifications, MnDOT will promptly release any remaining federal funds due the Local Government for the Project(s). If MnDOT finds that the Local Government has been overpaid, the Local Government must promptly return any excess funds.
 - 5.3.5. In the event MnDOT does not obtain funding from the Minnesota Legislature or other funding source, or funding cannot be continued at a sufficient level to allow for the processing of the federal aid reimbursement requests, the Local Government may continue the work with local funds only, until such time as MnDOT is able to process the federal aid reimbursement requests.
- 5.4. **Matching Funds.** Any cost sharing or matching funds required of the Local Government in this Agreement must comply with 2 CFR 200.306.
- 5.5. **Federal Funds.** Payments under this Agreement will be made from federal funds. The Local Government is responsible for compliance with all federal requirements imposed on these funds and accepts full financial responsibility for failure to comply with any federal requirements including, but not limited to, 2 CFR Part 200. If, for any reason, the federal government fails to pay part of the cost or expense incurred by the Local Government, or in the event the total amount of federal funds is not available, the Local Government will be responsible for any and all costs or expenses incurred under this Agreement. The Local Government further

agrees to pay any and all lawful claims arising out of or incidental to the performance of the work covered by this Agreement in the event the federal government does not pay the same.

- 5.6. **Closeout.** The Local Government must liquidate all obligations incurred under this Agreement for each Project and submit all financial, performance, and other reports as required by the terms of this Agreement and the Federal award at least twenty-four months prior to the **end date** of the period of performance for each Project. MnDOT will determine, at its sole discretion, whether a closeout audit is required prior to final payment approval. If a closeout audit is required, final payment will be held until the audit has been completed. Monitoring of any capital assets acquired with funds will continue following project closeout.
6. **Conditions of Payment.** All services provided by Local Government under this Agreement must be performed to MnDOT's satisfaction, as determined at the sole discretion of MnDOT's Authorized Representative, and in accordance with all applicable federal, state, and local laws, ordinances, rules, and regulations. The Local Government will not receive payment for work found by MnDOT to be unsatisfactory or performed in violation of federal, state, or local law.
7. **Authorized Representatives**
 - 7.1. MnDOT's Authorized Representative is:

Name: Kristine Elwood, or her successor.

Title: State Aid Engineer

Phone: 651-366-4831

Email: Kristine.elwood@state.mn.us

MnDOT's Authorized Representative has the responsibility to monitor Local Government's performance and the authority to accept the services provided under this Agreement. If the services are satisfactory, MnDOT's Authorized Representative will certify acceptance on each invoice submitted for payment.
 - 7.2. The Local Government's Authorized Representative is:

Name: Matt Clark or their successor.

Title: Chaska City Engineer

Phone: 952-227-7522

Email: mclark@chaskamn.com

If the Local Government's Authorized Representative changes at any time during this Agreement, the Local Government will immediately notify MnDOT.
8. **Assignment Amendments, Waiver, and Agreement Complete**
 - 8.1. **Assignment.** The Local Government may neither assign nor transfer any rights or obligations under this Agreement without the prior written consent of MnDOT and a fully executed Assignment Agreement, executed and approved by the same parties who executed and approved this Agreement, or their successors in office.
 - 8.2. **Amendments.** Any amendment to this Agreement must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original agreement, or their successors in office.
 - 8.3. **Waiver.** If MnDOT fails to enforce any provision of this Agreement, that failure does not waive the provision or MnDOT's right to subsequently enforce it.
 - 8.4. **Agreement Complete.** This Agreement contains all negotiations and agreements between MnDOT and the

Local Government. No other understanding regarding this Agreement, whether written or oral, may be used to bind either party.

- 8.5. **Severability.** If any provision of this Agreement, or the application thereof, is found to be invalid or unenforceable to any extent, the remainder of the Agreement, including all material provisions and the application of such provisions, will not be affected and will be enforceable to the greatest extent permitted by the law.
- 8.6. **Electronic Records and Signatures.** The parties agree to contract by electronic means. This includes using electronic signatures and converting original documents to electronic records.
- 8.7. **Certification.** By signing this Agreement, the Local Government certifies that it is not suspended or debarred from receiving federal or state awards.

9. Liability and Claims

- 9.1. **Tort Liability.** Each party is responsible for its own acts and omissions and the results thereof to the extent authorized by law and will not be responsible for the acts and omissions of any others and the results thereof. The Minnesota Tort Claims Act, Minnesota Statutes Section 3.736, governs MnDOT liability.
- 9.2. **Claims.** The Local Government acknowledges that MnDOT is acting only as the Local Government's agent for acceptance and disbursement of federal funds, and not as a principal or co-principal with respect to the Project. The Local Government will pay any and all lawful claims arising out of or incidental to the Project including, without limitation, claims related to contractor selection (including the solicitation, evaluation, and acceptance or rejection of bids or proposals), acts or omissions in performing the Project work, and any *ultra vires* acts. To the extent permitted by law, the Local Government will indemnify, defend (to the extent permitted by the Minnesota Attorney General), and hold MnDOT harmless from any claims or costs arising out of or incidental to the Project(s), including reasonable attorney fees incurred by MnDOT. The Local Government's indemnification obligation extends to any actions related to the certification of DBE participation, even if such actions are recommended by MnDOT.

10. Audits

- 10.1. Under Minn. Stat. § 16C.05, Subd.5, the books, records, documents, and accounting procedures and practices of the Local Government, or any other party relevant to this Agreement or transaction, are subject to examination by MnDOT and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this Agreement, receipt and approval of all final reports, or the required period of time to satisfy all state and program retention requirements, whichever is later. The Local Government will take timely and appropriate action on all deficiencies identified by an audit.
- 10.2. All requests for reimbursement are subject to audit, at MnDOT's discretion. The cost principles outlined in 2 CFR 200.400-.476 will be used to determine whether costs are eligible for reimbursement under this Agreement.
- 10.3. If Local Government expends \$750,000 or more in Federal Funds during the Local Government's fiscal year, the Local Government must have a single audit or program specific audit conducted in accordance with 2 CFR Part 200.

- 11. **Government Data Practices.** The Local Government and MnDOT must comply with the Minnesota Government Data Practices Act, [Minn. Stat. Ch. 13](#), as it applies to all data provided by MnDOT under this Agreement, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Local Government under this Agreement. The civil remedies of [Minn. Stat. §13.08](#) apply to the release of the data referred to in this clause by either the Local Government or MnDOT.
- 12. **Workers Compensation.** The Local Government certifies that it is in compliance with [Minn. Stat. §176.181](#), Subd. 2, pertaining to workers' compensation insurance coverage. The Local Government's employees and agents will

not be considered MnDOT employees. Any claims that may arise under the Minnesota Workers' Compensation Act on behalf of these employees and any claims made by any third party as a consequence of any act or omission on the part of these employees are in no way MnDOT's obligation or responsibility.

- 13. Governing Law, Jurisdiction, and Venue.** Minnesota law, without regard to its choice-of-law provisions, governs this Agreement. Venue for all legal proceedings out of this Agreement, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

14. Termination; Suspension

- 14.1. Termination by MnDOT.** MnDOT may terminate this Agreement with or without cause, upon 30 days written notice to the Local Government. Upon termination, the Local Government will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed.
- 14.2. Termination for Cause.** MnDOT may immediately terminate this Agreement if MnDOT finds that there has been a failure to comply with the provisions of this Agreement, that reasonable progress has not been made, that fraudulent or wasteful activity has occurred, that the Local Government has been convicted of a criminal offense relating to a state agreement, or that the purposes for which the funds were granted have not been or will not be fulfilled. MnDOT may take action to protect the interests of MnDOT of Minnesota, including the refusal to disburse additional funds and/or requiring the return of all or part of the funds already disbursed.
- 14.3. Termination for Insufficient Funding.** MnDOT may immediately terminate this Agreement if:
- 14.3.1. It does not obtain funding from the Minnesota Legislature; or
 - 14.3.2. If funding cannot be continued at a level sufficient to allow for the payment of the services covered here. Termination must be by written or fax notice to the Local Government. MnDOT is not obligated to pay for any services that are provided after notice and effective date of termination. However, the Local Government will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that funds are available. MnDOT will not be assessed any penalty if the Agreement is terminated because of the decision of the Minnesota Legislature, or other funding source, not to appropriate funds. MnDOT will provide the Local Government notice of the lack of funding within a reasonable time of MnDOT's receiving that notice.
- 14.4. Suspension.** MnDOT may immediately suspend this Agreement in the event of a total or partial government shutdown due to the failure to have an approved budget by the legal deadline. Work performed by the Local Government during a period of suspension will be deemed unauthorized and undertaken at risk of non-payment.
- 15. Data Disclosure.** Under [Minn. Stat. § 270C.65](#), Subd. 3, and other applicable law, the Local Government consents to disclosure of its social security number, federal employer tax identification number, and/or Minnesota tax identification number, already provided to MnDOT, to federal and state tax agencies and state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state tax laws which could result in action requiring the Local Government to file state tax returns and pay delinquent state tax liabilities, if any.
- 16. Fund Use Prohibited.** The Local Government will not utilize any funds received pursuant to this Agreement to compensate, either directly or indirectly, any contractor, corporation, partnership, or business, however organized, which is disqualified or debarred from entering into or receiving a State contract. This restriction applies regardless of whether the disqualified or debarred party acts in the capacity of a general contractor, a subcontractor, or as an equipment or material supplier. This restriction does not prevent the Local Government from utilizing these funds to pay any party who might be disqualified or debarred after the Local Government's contract award on this Project.

- 17. Discrimination Prohibited by Minnesota Statutes §181.59.** The Local Government will comply with the provisions of Minnesota Statutes §181.59 which requires that every contract for or on behalf of the State of Minnesota, or any county, city, town, township, school, school district or any other district in the state, for materials, supplies or construction will contain provisions by which Contractor agrees: 1) That, in the hiring of common or skilled labor for the performance of any work under any contract, or any subcontract, no Contractor, material supplier or vendor, will, by reason of race, creed or color, discriminate against the person or persons who are citizens of the United States or resident aliens who are qualified and available to perform the work to which the employment relates; 2) That no Contractor, material supplier, or vendor, will, in any manner, discriminate against, or intimidate, or prevent the employment of any person or persons identified in clause 1 of this section, or on being hired, prevent or conspire to prevent, the person or persons from the performance of work under any contract on account of race, creed or color; 3) That a violation of this section is a misdemeanor; and 4) That this contract may be canceled or terminated by the state of Minnesota, or any county, city, town, township, school, school district or any other person authorized to contracts for employment, and all money due, or to become due under the contract, may be forfeited for a second or any subsequent violation of the terms or conditions of this Agreement.

18. Federal Contract Clauses

- 18.1. Appendix II 2 CFR Part 200.** The Local Government agrees to comply with the following federal requirements as identified in 2 CFR 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, and agrees to pass through these requirements to its subcontractors and third-party contractors, as applicable. In addition, the Local Government shall have the same meaning as “Contractor” in the federal requirements listed below.
- 18.1.1. Contracts for more than the simplified acquisition threshold, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.
 - 18.1.2. All contracts in excess of \$10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be effected and the basis for settlement.
 - 18.1.3. Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of “federally assisted construction contract” in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at 41 CFR part 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.”
 - 18.1.4. Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision

for compliance with the Copeland “Anti-Kickback” Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

- 18.1.5. Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.
- 18.1.6. Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of “funding agreement” under 37 CFR § 401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency.
- 18.1.7. Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended - Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).
- 18.1.8. Debarment and Suspension (Executive Orders 12549 and 12689) - A contract award (see 2 CFR 180.220) must not be made to parties listed on the governmentwide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.
- 18.1.9. Byrd Anti-Lobbying Amendment (31 U.S.C. 1352) - Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must

also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

18.1.10. Local Government will comply with 2 CFR § 200.323.

18.1.11. Local Government will comply with 2 CFR § 200.216.

18.1.12. Local Government will comply with 2 CFR § 200.322.

18.2. **Drug-Free Workplace.** The Local Government will comply with the Drug-Free Workplace requirements under subpart B of 49 C.F.R. Part 32.

18.3. **Title VI/Non-discrimination Assurances.** The Local Government hereby agrees that, as a condition of receiving any Federal financial assistance under this Agreement, it will comply with Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. § 2000d), related nondiscrimination statutes (i.e., 23 U.S.C. § 324, Section 504 of the Rehabilitation Act of 1973 as amended, and the Age Discrimination Act of 1975), and applicable regulatory requirements to the end that no person in the United States shall, on the grounds of race, color, national origin, sex, disability, or age be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity for which the Local Government receives Federal financial assistance.

The Local Government hereby agrees to comply with all applicable US DOT Standard Title VI/Non-Discrimination Assurances contained in DOT Order No. 1050.2A, and in particular Appendices A and E, which can be found at: https://edocs-public.dot.state.mn.us/edocs_public/DMResultSet/download?docId=11149035. If federal funds are included in any contract, the Local Government will ensure the appendices and solicitation language within the assurances are inserted into contracts as required. State may conduct a review of the Local Government's compliance with this provision. The Local Government must cooperate with State throughout the review process by supplying all requested information and documentation to State, making Local Government staff and officials available for meetings as requested, and correcting any areas of non-compliance as determined by State.

18.4. **Buy America.** The Local Government must comply with the Buy America domestic preferences contained in the Build America, Buy America Act (Sections 70901-52 of the Infrastructure Investment and Jobs Act, Public Law 117-58) and as implemented by US DOT operating agencies.

18.5. **Federal Funding Accountability and Transparency Act (FFATA)**

18.5.1. This Agreement requires the Local Government to provide supplies and/or services that are funded in whole or in part by federal funds that are subject to FFATA. The Local Government is responsible for ensuring that all applicable requirements, including but not limited to those set forth herein, of FFATA are met and that the Local Government provides information to the MnDOT as required.

- a. Reporting of Total Compensation of the Local Government's Executives.
- b. The Local Government shall report the names and total compensation of each of its five most highly compensated executives for the Local Government's preceding completed fiscal year, if in the Local Government's preceding fiscal year it received:
 - i. 80 percent or more of the Local Government's annual gross revenues from Federal procurement contracts and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and
 - ii. \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and subawards); and

- iii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <https://www.sec.gov/answers/execomp.htm>).

Executive means officers, managing partners, or any other employees in management positions.

- c. Total compensation means the cash and noncash dollar value earned by the executive during the Local Government's preceding fiscal year and includes the following (for more information see 17 CFR 229.402(c)(2)):
 - i. Salary and bonus.
 - ii. Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.
 - iii. Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.
 - iv. Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.
 - v. Above-market earnings on deferred compensation which is not tax qualified.
- 18.5.2. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000.
- 18.5.3. The Local Government must report executive total compensation described above to the MnDOT by the end of the month during which this Agreement is awarded.
- 18.5.4. The Local Government will obtain a Unique Entity Identifier number and maintain this number for the term of this Agreement. This number shall be provided to MnDOT on the plan review checklist submitted with the plans for each Project.
- 18.5.5. The Local Government's failure to comply with the above requirements is a material breach of this Agreement for which the MnDOT may terminate this Agreement for cause. The MnDOT will not be obligated to pay any outstanding invoice received from the Local Government unless and until the Local Government is in full compliance with the above requirements.

[THE REMAINDER OF THIS PAGE HAS INTENTIONALLY BEEN LEFT BLANK.]

City of Chaska

Local Government certifies that the appropriate person(s) have executed the contract on behalf of the Local Government as required by applicable articles, bylaws, resolutions or ordinances.

By: _____

Title: _____

Date: _____

By: _____

Title: _____

Date: _____

DEPARTMENT OF TRANSPORTATION

By: _____

Title: _____

Date: _____

COMMISSIONER OF ADMINISTRATION

By: _____

Date: _____

REQUEST FOR ACTION CHASKA CITY COUNCIL 12/19/2022

Subject: Lease agreement with the Chaska Historical Society

Prepared By: Elise Durbin, Assistant City Administrator

The Chaska Historical Society currently operates the Chaska History Center out of the historic Brinkhaus Livery Stable Building located at 112 West 4th Street, in downtown Chaska. This building is city-owned, and the city does not have a formal lease agreement with the Chaska Historical Society. At the request of the Historical Society, a lease agreement has been drafted and is included as an attachment.

Key terms of the lease agreement, include:

- 15-year lease with opportunities to renew
- City will pay the cost of the utilities, complete repairs to the building, and maintain insurance on the building
- The Historical Society will continue to use the building to operate the History Center and other functions related to their mission, provide the furnishings and collections, and maintain insurance on their items in the building.

Recommendation

The lease agreement formalizes what has been happening already on the site. Such agreement will help the Historical Society on their fundraising efforts by showing that they have a location from which they operate.

The Historical Society provides direct services to the City, including research, cataloging and maintaining collections, providing exhibits, and being open to the public. Because of these reasons, staff recommends approving the lease agreement between the City and the Chaska Historical Society.

CITY COUNCIL ACTION REQUESTED

Motion to approve the lease agreement with the Chaska Historical Society and authorize the Mayor and City Administrator to execute such agreement.

LEASE AGREEMENT

THIS AGREEMENT is made on _____, 2022, by and between the City of Chaska, a Minnesota municipal corporation ("Landlord"), and the Chaska Historical Society ("Tenant"), a 501(c)3 non-profit organization.

THE PARTIES AGREE AS FOLLOWS:

1. PREMISES.

Landlord does hereby lease to Tenant and Tenant does hereby rent from Landlord the Brinkhaus Livery Stable Building located at 112 West 4th Street, Chaska, Minnesota ("Premises").

2. TERM.

The term of the Lease shall be for a period of fifteen (15) years commencing on the 1st day of November 2022 and ending on the 31st day of October 2037, unless extended by both parties in writing.

If Tenant remains in possession of the Premises after the expiration of the term for which they are hereby leased, and Landlord does not provide notice to vacate the premises within 60 days of the lease expiration date as specified in paragraph 12 below, the lease shall automatically renew in ten-year increments with the same terms and conditions of the present lease.

3. RENT.

Tenant agrees to pay the sum of One and No/100 Dollars (\$1.00) annually as rent for the Premises.

4. TAXES.

Landlord shall pay real estate taxes and special assessments, if any, which become due and payable during the term hereof.

5. USES.

Tenant's use of the Premises shall be limited to operating a museum, conduct meetings, preserve, educate and promote the history of Chaska, and other functions related to the Tenant's operation and mission as a nonprofit. Tenant hereby accepts the Premises on an "as is" basis without any representations or warranties as to its fitness for a particular use.

6. UTILITIES.

Landlord shall pay for all utilities costs associated with operating the Premises, including but not limited to heating and air conditioning, ventilation, electric, water, sewer, telephone, internet services and backups, rubbish disposal, landscaping, sidewalk maintenance, and snow and ice removal.

7. COVENANTS BY TENANT.

A. Tenant agrees to maintain the Premises, to keep the Premises neat and orderly, and to prevent any unnecessary waste, loss or damage to property.

- B. The City shall be responsible for securing, cleaning, and maintaining the Premises, including compliance with the Uniform Fire Code.
- C. The Tenant shall notify the Landlord when the Premises are in need of repair.
- D. The Tenant shall be responsible for ensuring that the Premises continue to comply with the Uniform Fire Code.
- E. Any repairs caused by the actions of the Tenant, shall be the sole responsibility of the Tenant.
- F. The Tenant shall be responsible for their furnishings and collections, including business personal property insurance, maintenance and storage of these items; exhibiting materials; technology and program updating and purchasing (including things such as computers, printers, and copiers), and office supplies.

8. COVENANTS BY LANDLORD.

- A. The Landlord is responsible for completing all structural and mechanical repairs to the Premises which shall include, but not be limited to plumbing, heating and electrical repairs, and painting.
- B. The Landlord shall provide use of the City's network and Information Technology staff as needed.
- C. Space will be made available by the Landlord in the basement of City Hall for storage purposes.

9. LANDLORD'S RIGHT OF ENTRY.

Landlord and its authorized agents shall have the right to enter the Premises, following notice, during normal working hours for the following purposes:

- (a) inspecting the general conditions and state of repair;
- (b) the making of repairs required by Landlord;

Landlord and its authorized agents shall have the right to enter Premises at any time during an emergency when such entry is reasonable deemed to preserve the Premises from serious damage or destruction.

10. INSURANCE

Landlord shall be responsible for maintaining fire insurance and extended coverage on the designated premises in an amount equal to its full insurable value and Tenant shall be responsible for insurance coverage, if it desires, on personal property contained in the leased premises.

Tenant shall, throughout the term of this lease, maintain at its cost and expense general liability insurance on the premises, naming Landlord as an additional named insured. The tenant shall also maintain, at its cost and expense, board and finances insurance.

11. ASSIGNMENTS AND SUBLETTING

Tenant shall not assign this lease or sublet any portions of the Premises, nor allow any other groups the use of the Premises without the prior written consent of Landlord, which shall not be unreasonably withheld.

12. DISSOLUTION OF ORGANIZATION

Should the Tenant, the Chaska Historical Society 501(c)3 non-profit cease to exist, the City shall claim any property left in Premises. Said property may be used to operate another city-based historical organization, or shall be transferred to the Carver County Historical Society or Minnesota Historical Society as appropriate and fitting, with items not accepted by other museums disposed of as needed.

13. FORCED RELOCATION

If for some reason the Tenant is required to leave the Premises while the organization ("Chaska Historical Society") is still a valid and active organization as determined by its continuing to fulfill its mission, as much notice as possible, with a minimum one year, shall be given the Tenant to ensure Tenant's ability to find and relocate to a suitable location. Landlord shall comply with the Uniform Relocation Assistance Act. Should Tenant complete said relocation in less than the notice period, Landlord may take possession immediately once Tenant has vacated the property.

14. MISCELLANEOUS

- A. The Landlord covenants that it has full right and lawful authority to enter into this Lease for the full term aforesaid and that it has lawfully seized of the Premises.
- B. This Lease is governed by the laws of the State of Minnesota. If any term or provision of this lease is declared invalid or unenforceable, the remainder of this Lease shall not be affected by such determination and shall continue to be valid and enforceable.
- C. Nothing contained in this Lease shall be deemed or construed by the parties hereto or by any third party to create the relationship of principal and agent or of partnership or of joint venture or of any association whatsoever between the Tenant and the Landlord, it being expressly understood and agreed that neither the payment of rent nor any act of the parties hereto shall be deemed to create any relationship between the Tenant and the Landlord other than the relationship of tenant and landlord.
- D. Any notice or demand which, under the terms of the Lease or under any statute must or may be given or made by the parties hereto, shall be in writing and shall be effective upon being placed in the United States mail;

(a) If to Landlord at: City of Chaska
Attn: City Administrator
One City Hall Plaza
Chaska, MN 55318

(b) If to Tenant at: Chaska Historical Society
Attn: President
112 W. 4th Street
Chaska, MN 55318

IN WITNESS WHEREOF, the undersigned have executed this lease this ____ day of _____, 2022.

LANDLORD: City of Chaska

By: _____
Mark Windschitl, Its Mayor

By: _____
Matthew Podhradsky, Its City Administrator

STATE OF MINNESOTA)
) ss
COUNTY OF CARVER)

The foregoing instrument was acknowledged before me this _____ day of _____, 2022, by Mark Windschitl and Matt Podhradsky, respectively the Mayor and City Administrator of the City of Chaska, a Minnesota municipal corporation, on behalf of the corporation and pursuant to the authority granted by its City Council.

Notary Public

IN WITNESS WHEREOF, the undersigned have executed this lease this ____ day of _____, 2022.

TENANT: Chaska Historical Society

By: _____
_____, Its _____

STATE OF MINNESOTA)
)
COUNTY OF CARVER)

The foregoing instrument was acknowledged before me this ____ day of _____, 2022, by _____, _____ of Chaska Historical Society.

Notary Public

**REQUEST FOR ACTION
CHASKA CITY COUNCIL
12/19/2022**

Subject: Interfund Loan Financing of Capital Equipment Replacement and Capital Improvement Projects

Reviewed By: Noel Graczyk, Administrative Services Director

Prepared By: Matt Burt, Accountant II

Background

Chaska Community Center Fund

The Community Center Fund has multiple large capital equipment replacements that need to be completed in 2023 that would be difficult for the fund to absorb all at once. These equipment replacements are at a point where if the Community Center were to forego the replacement, operations and revenue would be severely impacted.

Roof Top Units 1 and 2, and Make Up Air Handler 1 are past their useful life and are to the point of being more expensive to repair than to replace. If any of these units were to fail, the Community Center would be looking at a decrease in rental revenue due to tenants being unable to operate in their leased space.

- Estimated \$105,000 total

The Scoreboards in Arenas 1 and 2 have surpassed their useful life and are becoming increasingly difficult to repair or source parts for. If the scoreboards are inoperable, the Community Center will not be able to host hockey games or tournaments and lose a significant portion of the arena rental revenue.

- Estimated \$60,000 total

The flooring in Arena 2 is bubbling and peeling up creating a severe trip hazard. Staff has exhausted their efforts to repair the floor without success due to the low temperatures that are required in the arena. The flooring would be replaced with the same material that is currently in Arena 1 and has held up well over time.

- Estimated \$60,000 total

Zamboni 2 is well past its useful life and is still a propane powered machine. This machine is frequently out for repair and causes the Community Center to shut down rinks due to poor air quality from the emissions of the machine. In order for the Arena's to stay operable with a propane powered machine, the Community Center would need to replace/upgrade their exhaust systems in each of the two arenas. Instead, staff is recommending that we replace the unit with a new electric powered version identical to the unit we replaced in 2021. By purchasing an electric Zamboni, the Community Center can utilize \$100,000 of clean energy rebate dollars which makes it significantly cheaper than the propane powered alternative.

- Estimated \$85,000 (Full Price \$185,000 minus Clean Energy Rebate \$100,000)

Chaska Town Course

The Chaska Town Course is needing to replace the cart paths from hole 1 up to hole 14. The City's Public Works department was able to replace the section from hole 11 up to hole 14 in the fall of 2022 which resulted in a significant savings. The section from hole 1 through hole 10 is a much larger job that could be completed in a much timelier manner by a contractor with properly sized equipment. This project is set to take place in the fall of 2023.

- Holes 1 through 10
 - o Estimated \$550,000
- Holes 11 up to 14
 - o Total cost \$65,000
 - Materials: \$52,500
 - Labor: \$12,500

Recommendation

Staff recommends adoption of the proposed resolution establishing interfund loan financing for the listed projects to be paid over 10 years with an interest rate of 6.05% with annual payments beginning in 2023.

CITY COUNCIL ACTION REQUESTED

Motion to adopt Resolution 2022-145 Approving Interfund Loan Financing of Capital Equipment Replacement and Capital Improvement Projects.

**CITY OF CHASKA
CARVER COUNTY, MINNESOTA**

RESOLUTION

DATE 12/19/2022 RESOLUTION NO. 2022-145

MOTION BY COUNCILMEMBER _____ SECOND BY COUNCILMEMBER _____

**A RESOLUTION APPROVING INTERFUND LOAN FINANCING OF CAPITAL EQUIPMENT
REPLACEMENT AND CAPITAL IMPROVEMENT PROJECTS**

WHEREAS, the Chaska Community Center and Chaska Town Course both have capital equipment replacements and capital improvement projects planned in 2023. These projects will be financed through interfund loans from the Self Insurance fund to the Chaska Community Center Fund and Chaska Town Course Fund.

WHEREAS, the Chaska Community Center has the following capital equipment that will be covered by this loan:

- | | |
|------------------------------|----------------------|
| - St Francis Roof Top Unit 1 | - Arena 1 Scoreboard |
| - St Francis Roof Top Unit 2 | - Arena 2 Scoreboard |
| - Make Up Air Handler 1 | - Arena 2 Flooring |
| - Zamboni 2 | |

WHEREAS, the interfund loan from the Self Insurance Fund to the Chaska Community Center Fund will be for a principal amount of \$310,000 and payable over a 10-year period at an interest rate of 6.05% with payments starting in 2023.

WHEREAS, the Chaska Town Course has the following capital improvement projects that will be covered by this loan:

- | | |
|---|--|
| - Cart Path Replacement (Holes 11 – 14) | - Cart Path Replacement (Holes 1 – 10) |
| o Project done by City | o Project to be done by contractor |

WHEREAS, the interfund loan from the Self Insurance Fund to the Chaska Town Course Fund will be for a principal amount of \$615,000 and payable over a 10-year period at an interest rate of 6.05% with payments starting in 2023.

NOW, THEREFORE, BE IT RESOLVED, that the City of Chaska City Council hereby approves the transfer of \$310,000 from the Self Insurance Fund to the Chaska Community Center Fund and the transfer of \$615,000 from the Self Insurance Fund to the Chaska Town Course Fund and approved the interfund loan financing terms for these projects.

Passed and adopted by the City Council of the City of Chaska, Minnesota, this 19th day of December 2022.

Mark Windschitl, Mayor

Attest: _____
Chaska Deputy Clerk

**REQUEST FOR ACTION
CHASKA CITY COUNCIL
December 19, 2022**

Subject: MNDOT Quick-Build / Demonstration Project Technical Assistance Application

Prepared By: Nate Kabat

Background

MNDOT is actively seeking applications for its quick-build / demonstration project technical assistance grant. This grant can be used to support open streets events which close public streets to traffic in order to host community gatherings that promote bicycle and pedestrian activities. Awardees can receive funds and technical assistance to plan and carry out the event.

City staff are preparing an application to this program for an open street event that would occur on Trunk Highway 41 in Downtown targeted for October, 2023. The timing would dovetail with the completion of TH 41 construction to serve as a grand reopening event. The event would serve to bring people to the newly reconstructed road to explore the rebuilt streetscape and support the local business community.

A letter of support from the City Council is an important component of the grant application. A draft letter is attached to this staff memo.

CITY COUNCIL ACTION REQUESTED

Motion authorizing the Mayor to sign the attached letter in support of the City's application to the MNDOT Quick-Build / Demonstration Project Technical Assistance Grant.



City of Chaska

December 19, 2022

Minnesota Department of Transportation
Attn: Hannah Pritchard
395 John Ireland Blvd
St. Paul, MN 55155-1800

Re: City of Chaska Quick-Build / Demonstration Project Technical Assistance Application

To Whom it May Concern:

The Chaska City Council fully supports the City of Chaska's application to the Quick-Build/Demonstration Project Technical Assistance Application. The Chaska City Council is excited to collaborate with our partners to develop and host an open streets event on Trunk Highway 41 as it goes through Downtown Chaska between 2nd and 5th Streets. The open streets event would take place upon roadway reconstruction project completion as a grand opening.

Reconstruction of Trunk Highway 41 has been a long-established high priority for the City of Chaska. The Chaska City Council is thankful for the collaborative process with the Chaska Downtown Business Alliance, Carver County, MNDOT, and many others for nearly ten years to plan and implement this project. With the rebuilding and closure of Trunk Highway 41 on this segment that will occur in 2023, the Chaska City Council recognizes the significant impacts to the residents and business community in Downtown. The open streets event will create an opportunity to celebrate the downtown business community and reintroduce the community to their newly rebuilt main street and enhanced sidewalks which will be safer, more efficient, and more pedestrian friendly. This event will also serve to continue growing the City of Chaska's partnerships and capacity with its many partners to continue hosting events that bring our diverse community together both downtown and throughout the city. For these reasons, the Chaska City Council is fully supportive of this application.

Sincerely,

Mark Windschitl
Mayor

Authorized to sign on behalf of the City Council by vote on December, 19, 2022

**REQUEST FOR ACTION
CHASKA CITY COUNCIL
DECEMBER 19, 2022**

Subject: Establish 2022 Interfund Tax Increment Financing

Reviewed By: Noel Graczyk, Administrative Services Director

Prepared By: Lisa Nelson, Controller

Background

Each year in accordance with Minnesota State Statutes, the City by resolution authorizes the use of interfund loans to fund cash deficits in various tax increment funds. The proposed resolution establishes the terms and conditions for interfund loans, from various City funds, to various tax increment funds that are expected to have a cash deficit as of December 31, 2022.

In accordance with Minnesota State Statutes, interfund loans must be established each year by resolution with a stated interest rate, annual term, and loan amount. These defined terms fix the annual cost of a loan using the maximum interest rate permitted in accordance with State Statutes.

The following Tax Increment Districts (TID) are expected to have a cash deficit as of December 31, 2022:

TID #20 (Brewery Project) has a projected cash deficit of \$20,567 and will have a maximum 2022 annual interest cost of \$810 at the permitted 4% maximum interest rate.

TID #21 (Hot Spot) has a projected cash deficit of \$75,676 and will have a maximum 2022 annual interest cost of \$2,977 at the permitted 4% maximum interest rate.

TID #22 (Ernst House) has a projected cash deficit of \$64,118 and will have a maximum 2022 annual interest cost of \$2,303 at the permitted 4% maximum interest rate.

TID #23 (City Square West) has a projected cash deficit of \$830,655 and will have a maximum 2022 annual interest cost of \$30,237 at the permitted 4% maximum interest rate.

TID #24 (Oppidan) has a projected cash deficit of \$43,583 and will have a maximum 2022 annual interest cost of \$1,884 at the permitted 4% maximum interest rate.

Staff Recommendation

The proposed resolution establishes interfund loans and sets loan terms for each loan. Staff recommends adoption of the resolution.

CITY COUNCIL ACTION REQUESTED

Motion to adopt Resolution 2022-148, establishing terms and conditions of interfund loans.

**CITY OF CHASKA
CARVER COUNTY, MINNESOTA**

RESOLUTION

DATE 12/19/2022 RESOLUTION NO. 2022-148

MOTION BY COUNCILMEMBER _____ SECOND BY COUNCILMEMBER _____

RESOLUTION PROVIDING 2022 INTERFUND TAX-INCREMENT PROJECT FINANCING

BE IT RESOLVED, by the City Council of the City of Chaska, Minnesota (the “City”), as follows:

1. Recitals.

(a) Minnesota State Statutes (MSS), Section 469.178 permits the authority or municipality to use interfund loans to advance or loan money to finance tax increment expenditures. The maximum interest rate on the interfund loans is the greater of (i) the rate stated in MSS, Section 270C.40 or (ii) the rate stated in MSS, Section 549.09.

(b) In 2022 the maximum interfund interest rate is 4.0%, based on the 3.0% permitted rate in accordance with MSS, Section 270C.40 and the 4.0% permitted rate in accordance with MSS, Section 549.09.

2. Official Intent Declaration.

(a) The City of Chaska intends to make interfund loans from various funds of the City of Chaska to Tax Increment District No. 20, Brewery Project for the 2022 fiscal year in the amount of \$20,567 for a maximum period from December 31, 2021 to December 31, 2022 (one year) at the rate of 4.0% for a 2022 total interest cost of \$810.

(b) The City of Chaska intends to make interfund loans from various funds of the City of Chaska to Tax Increment District No. 21, Hot Spot Development for the 2022 fiscal year in the amount of \$75,676 for a maximum period from December 31, 2021 to December 31, 2022 (one year) at the rate of 4.0% for a 2022 total interest cost of \$2,977.

(c) The City of Chaska intends to make interfund loans from various funds of the City of Chaska to Tax Increment District No. 22, Ernst House for the 2022 fiscal year in the amount of \$64,118 for a maximum period from December 31, 2021 to December 31, 2022 (one year) at the rate of 4.0% for a 2022 total interest cost of \$2,303.

(d) The City of Chaska intends to make interfund loans from various funds of the City of Chaska to Tax Increment District No. 23, City Square West for the 2022 fiscal year in the amount of \$830,655 for a maximum period from December 31, 2021 to December 31, 2022 (one year) at the rate of 4.0% for a 2022 total interest cost of \$30,237.

(e) The City of Chaska intends to make interfund loans from various funds of the City of Chaska to Tax Increment District No. 24, Oppidan for the 2022 fiscal year in the amount of \$43,583 for a maximum period from December 31, 2021 to December 31, 2022 (one year) at the rate of 4.0% for a 2022 total interest cost of \$1,884.00.

Resolution No. 2022-148
December 19, 2022
Page 2

Passed and adopted by the City Council of the City of Chaska, Minnesota this 19th day of December 2022.

Mark Windschitl, Mayor

Attest: _____
Deputy Clerk

**REQUEST FOR ACTION
CHASKA CITY COUNCIL
12/19/2022**

Subject: PUBLIC HEARING: Right of Way Easement Vacation for Easement over Block 16 of Downtown Chaska

Applicant: City of Chaska

Case File: 2022-60

Prepared By: Elizabeth Hanson

Staff Recommendation: Motion to adopt Resolution

The City of Chaska's downtown was platted in 1868. Most of the blocks platted in downtown consisted of mid-block right-of-way (ROW) for the purpose of alleyways. This is true for Block 16, which is located between Beech Street and Maple Street in downtown. Due to topographical restrictions an alleyway was never constructed here. In that regard, the City desires to vacate the right-of-way easement over, across, and under the Alley because it no longer serves the best interests of the public and the City.

The City also desires to reserve a drainage and utility easement for the benefit of the City over, across, and under the Alley area, to accommodate existing and future utilities. City staff has analyzed the need and usefulness of the drainage and utility easement over, across, and under the Alley and determined that such an easement will continue to serve the best interests of the public and the City.

Attached is the Easement Vacation exhibit, that provides the location for the easement area being vacated. The resolution provides the legal description.

It should be noted that the City will assess the existing trees that are located within current ROW easement of Block 16 and remove any hazardous limbs or trees that need to be taken down. The intention is to complete this work before the easement gets recorded.

CITY COUNCIL ACTION REQUESTED

Motion to adopt Resolution No. 2022-144 to approve Vacating the Right-of-Way Easement and Reserving Drainage and Utility Easements Within a Public Way Located upon Block 16 of the Plat to the TOWNSITE (NOW CITY) OF CHASKA Recorded in Carver County as Plat No. 30050 (PC #2022-60).

**CITY OF CHASKA
CARVER COUNTY, MINNESOTA**

RESOLUTION

DATE December 19, 2022 **RESOLUTION NO.** 2022-144

MOTION BY COUNCILMEMBER _____ **SECOND BY COUNCILMEMBER** _____

Resolution Vacating the Right-of-Way Easement and Reserving Drainage and Utility Easements Within a Public Way Located upon Block 16 of the Plat to the TOWNSITE (NOW CITY) OF CHASKA Recorded in Carver County as Plat No. 30050

WHEREAS, pursuant to Minnesota Statutes § 412.851, the City of Chaska, Minnesota (the "**City**") on its own motion brings this resolution to vacate the right-of-way easement over and across a public way, conditioned upon the reservation of a public drainage and utility easement for the benefit of the City over, across, and under the same public way area, located within the TOWNSITE (NOW CITY) OF CHASKA plat described as follows (the "**Alley**"):

All that part of the 16 foot-wide alley lying upon Block 16 of THE TOWNSITE (NOW CITY) OF CHASKA, plat as recorded in the Carver County Recorder's Office, within the Northwest Quarter of the Northeast Quarter of the Northwest Quarter of Section 9, Township 115, Range 23.

WHEREAS, the Alley is depicted on the attached as Exhibit A (plat) and Exhibit B (enhanced detail); and

WHEREAS, the City desires to vacate the right-of-way easement over, across, and under the Alley because it no longer serves the best interests of the public and the City; and

WHEREAS, the City desires to reserve a drainage and utility easement for the benefit of the City over, across, and under the Alley area, to accommodate existing and future utilities; and

WHEREAS, City staff has analyzed the need and usefulness of the right-of-way easement over, across, and under the Alley and determined that it no longer serves the best interests of the public or the City; and

WHEREAS, City staff has analyzed the need and usefulness of the drainage and utility easement over, across, and under the Alley and determined that such an easement will continue to serve the best interests of the public and the City; and

WHEREAS, notice of the time, place, and date of the hearing of this proposed resolution was given as required by law; and

WHEREAS, a public hearing on this proposed resolution was held on December 19, 2022 at 7:00 PM in the Council Chambers of City Hall located at One City Plaza, Chaska,

Minnesota and all persons and parties interested in this matter were given an opportunity to be heard; and

NOW, THEREFORE, BE IT RESOLVED by the City Council for the City of Chaska, having considered the proposed resolution and having then found that approval of the resolution to be in the best interest of the public hereby approves this resolution and declares as follows:

1. The recitals, attached exhibits, and staff report are hereby incorporated by reference and made a part of this resolution.
2. The right-of-way easement over, under, and across the Alley is vacated because the vacation thereof is in the best interests of the public and the City.
3. A public drainage and utility easement for the benefit of the City over, under, and across the Alley area is reserved because the reservation thereof is in the best interests of the public and the City.
4. The vacation of the right-of-way easement over, across, and under the Alley is subject to and conditional upon the reservation of the easement for drainage and utility purposes over, under, and across the Alley area.
5. The City Clerk shall prepare and present to the proper Carver County officers a Notice of Completion of this proceeding to vacate the right-of-way and reserve the public easement in favor of the City in accordance with Minnesota Statutes Section 412.851.

Passed and adopted by the City Council of the City of Chaska this 19th day of December, 2022.

Mark Windschitl, Mayor

ATTEST: _____
Matt Podhradsky, City Administrator

EXHIBIT A

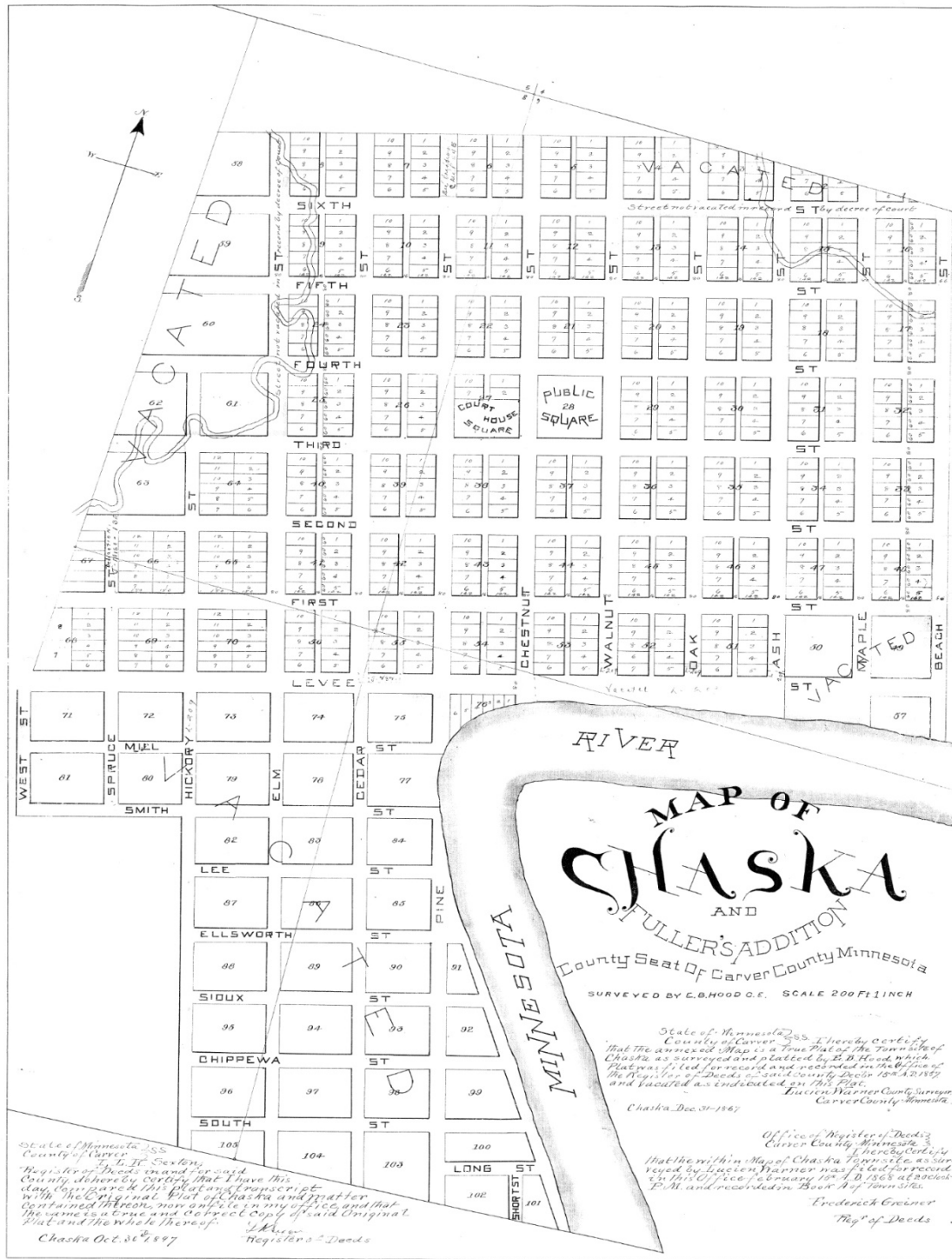
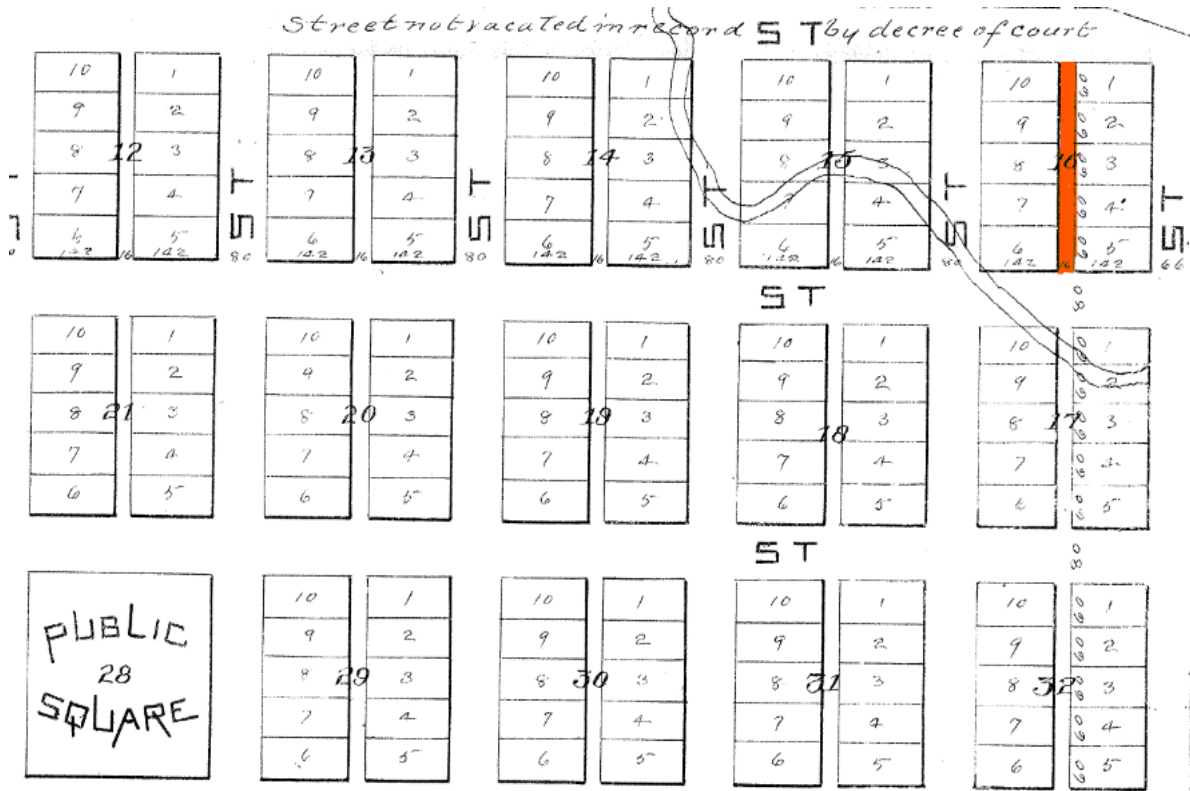


EXHIBIT B
(Enhanced Image of Plat)



North



REQUEST FOR ACTION CHASKA CITY COUNCIL 12/19/2022

Subject: Adoption of 2023 Tax Levy and General/Enterprise Fund Budgets

Prepared By: Matthew Podhradsky, City Administrator

Attached to this Staff report is a copy of the proposed 2023 General Fund and Enterprise Fund Budgets, along with my Administrator's Budget Message attached summarizing the recommended budget activities in each of our funds.

Summary of General Fund Budget and Tax Levy Recommendation

As we discussed over the past several months, there are several things that we have looked at incorporating into our budgeting process to meet our service objectives in 2023. These have included maintaining our tax levy to support the replacement and maintenance of assets we have already invested into through a formal Capital Asset Maintenance Program (CAMP), reaffirming our policy on how we establish our tax levy in a given year by focusing more on the items that directly increase our service costs such as new growth and inflation, and planning for issues we foresee in the future so as to be prepared to address them as they come to fruition. We have discussed the implementation of the third year (of 4) of our Staffing Gap Analysis Plan, and we have spent a considerable amount of time discussing and providing educational opportunities to residents about our proposed Building Improvement Program, which was included in the preliminary tax levy established at the September 12th meeting and was included in the Truth in Taxation Statements sent to all residents a few weeks ago. 2023 would be the first of four years of implementing our Building Improvement Program's financial resource plan to address the significant deficiencies in our General Fund facilities including our Public Safety Services (Police and Fire), our Municipal Services Building Campus, our City Library, and our City Hall facility. The program was established not only to address the significant deferred maintenance items within each building, but to also make sure that the square footage we have appropriated to our General Fund services is sufficient to be able to take care of our service level needs as we grow to full build-out in our community.

Based on the discussions the City Council has had throughout this budget process and prioritizing the issues that we feel are important to address in this upcoming year, Staff is presenting the recommended General Fund Operating Budget that would be set at \$24,635,215 for 2023. This would be an increase of 13.40% over the budget that was adopted for 2022, with most of this increase coming from the additional resources needed for the first year of the Building Improvement Plan and for implementation of the third year of our Staffing Gap Analysis Plan. Based on this budget level, the recommended tax levy that would be required to support this budget would be \$15,216,147. It should be noted that this amount represents not only the tax levy needed to support our General Fund, but also our EDA, Mt. Pleasant Cemetery, and our Tax Abatement Districts. The impact on the Median Valued home (\$370,700) for this tax levy increase would be \$17.50 per month, or \$210 for the year.

Budgeting Objectives

As always, we start the budget process by focusing on the objectives that have been discussed with Council for establishment of the 2023 budget. These objectives include:

- ***Support budgeting programs that help Chaska strengthen its mission of being "The Best Small Town in Minnesota"***
- ***Maintain existing high-quality service levels***
- ***Existing Levy Policy: Limit tax levy growth to capture only new real growth in community and inflation. Only increasing levy beyond this point if new service levels/assets are being added***
- ***Fully fund maintenance and replacement of our vehicles, equipment, and physical assets on a regular schedule to ensure sustainability of investments already made***
- ***Fund new programs only after existing, necessary programs are funded***
- ***Budget utilizing a plan that avoids draw-down of City's General Fund Reserves and builds these reserve levels to a targeted level***
- ***Fully fund levy needs of Street Reconstruction Program***
- ***Develop a budget plan that is sustainable from a resource perspective to support service levels that residents expect***

This last objective was added during the 2019 budget process after the completion of a Staffing Study identifying current gaps in our Staffing resource levels we will need to plan for as our community continues to grow. During the 2021 budget process, we also added to our General Fund Reserves Objective by expanding it to include developing a plan to build up our General Fund Reserves balance to targeted levels that maintain or improve our current bond ratings. As we discussed when our Auditors visited the Council earlier this summer, this is a specific goal we have made progress on since establishing it as an objective.

Budget Environment for 2023

While COVID had a large impact on the city financially during 2020 and 2021, we have seen things go somewhat back to normal with us seeing less service disruptions, less employees needing to be out for extended time periods because of COVID protocols, and new market growth occurring in the community. We have also seen slow but steady growth coming back in our recreational areas such as the Chaska Community Center (CCC), with the Curling and Event Center (CEC) being back to near normal and the Chaska Town Course (CTC) having done very well over the past year.

From a market value perspective, we are now seeing the impact of the very good residential market we saw over the past two years show up with significant increases in taxable market value in the community. This has especially occurred with existing residential properties. Taxable market values tend to lag at least a year behind when economic activity occurs, hence the reason we are now just seeing these value increases show up with large overall increases in our community's taxable market value.

This Staff report will lay out the economic environment in which our decisions for the 2023 budget will need to be made, and the initiatives the Council has discussed either continuing or

starting new in 2023 to address our service needs and to meet the budgeting objectives we have set above.

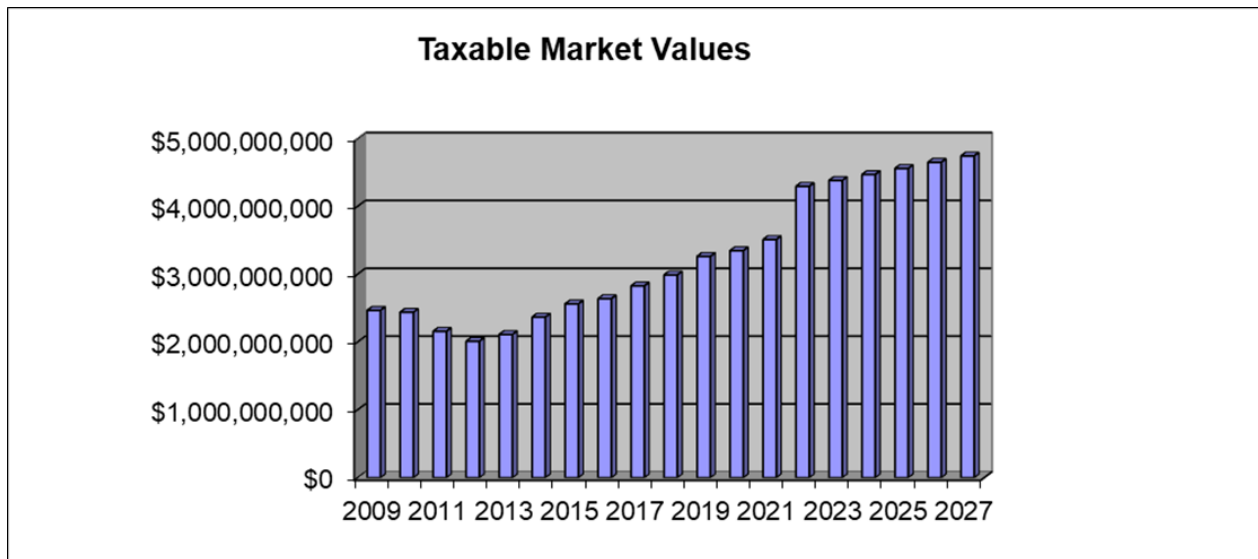
Market Values

As you will see in the chart below, the City of Chaska will see a 22.35% increase in market values for 2022, which will increase our tax capacity by 24.78% for taxes payable 2023. This compares to a 4.90% increase in market values in 2021, which resulted in a 5.21% increase in tax capacity for taxes payable 2022. As this illustrates, we have seen some very robust market value growth in the community over the last year, resulting especially from the very strong residential sales market we have seen for the past 2-3 years (taxable market values typically lag what we see in the economy by about 1-2 years).

Chaska 2022 Assessment					
	Residential	Commercial/Industrial	Apartment	Ag	Total
2022 EMV	\$3,295,947,000	\$631,025,600	\$281,134,600	\$89,064,200	\$4,297,171,400
2021 EMV	\$2,645,009,100	\$553,274,200	\$231,767,700	\$82,052,100	\$3,512,103,100
Total Value Change	\$650,937,900	\$77,751,400	\$49,366,900	\$7,012,100	\$785,068,300
New Construction	\$65,868,900	\$9,842,000	\$545,000	\$0	\$76,255,900
Market Change	\$585,069,000	\$67,909,400	\$48,821,900	\$7,012,100	\$708,812,400
% New Construction	2.49%	1.78%	0.24%	0.00%	2.17%
% Market Change	22.12%	12.27%	21.07%	8.55%	20.18%
2022 Total % Change	24.61%	14.05%	21.30%	8.55%	22.35%

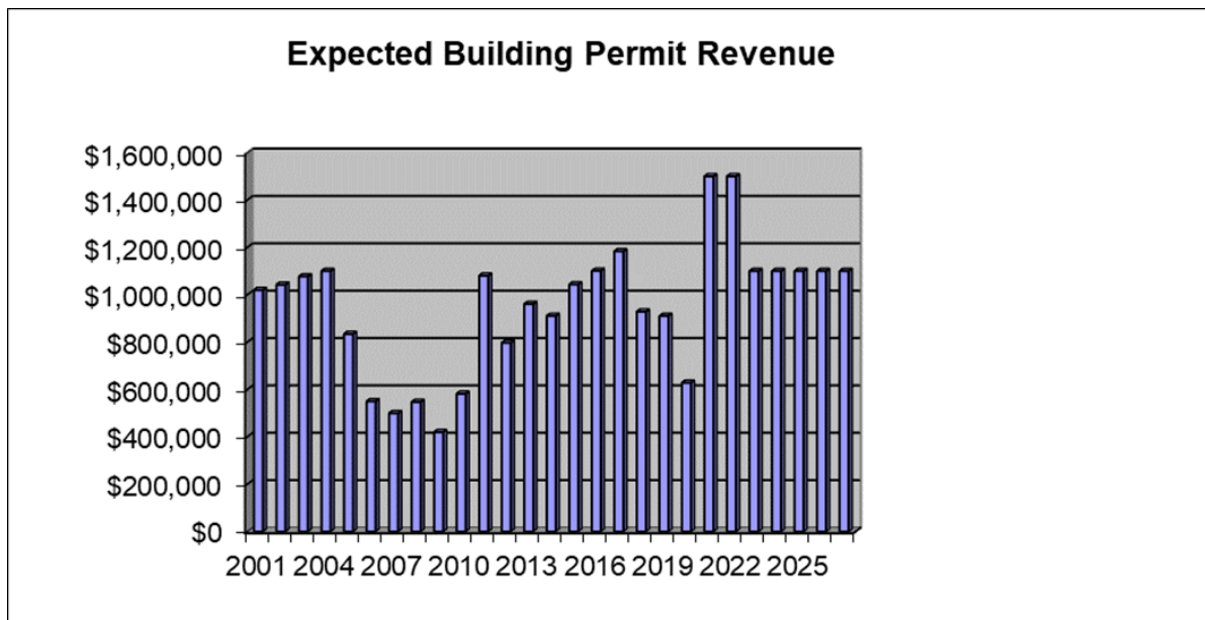
As you will see in the chart above, 2.17% of the market value increase represents new construction growth, with 20.18% being growth of market values in existing properties. Single-family residential properties saw the greatest increase in values at 24.61% overall, with about 90% of this growth occurring with existing residential properties. This market value growth is consistent with the increased activity we saw in the residential real estate market for existing properties not only in Chaska but across the Twin Cities over the past 2-3 years.

Below is chart illustrating the past 18-year history of market values in the community and a projection of what we can expect for the next five years:



Another area of fluctuation we have seen over the past several years is in Building Permit revenue, making this a very difficult number to budget. Apart from the Great Recession years of 2007-2010 where we saw a large decrease in the amount of revenue we generated through Building Permits, most years between 2001-2020 saw building permit revenues of over \$800,000, with many of these years being close to \$1 million.

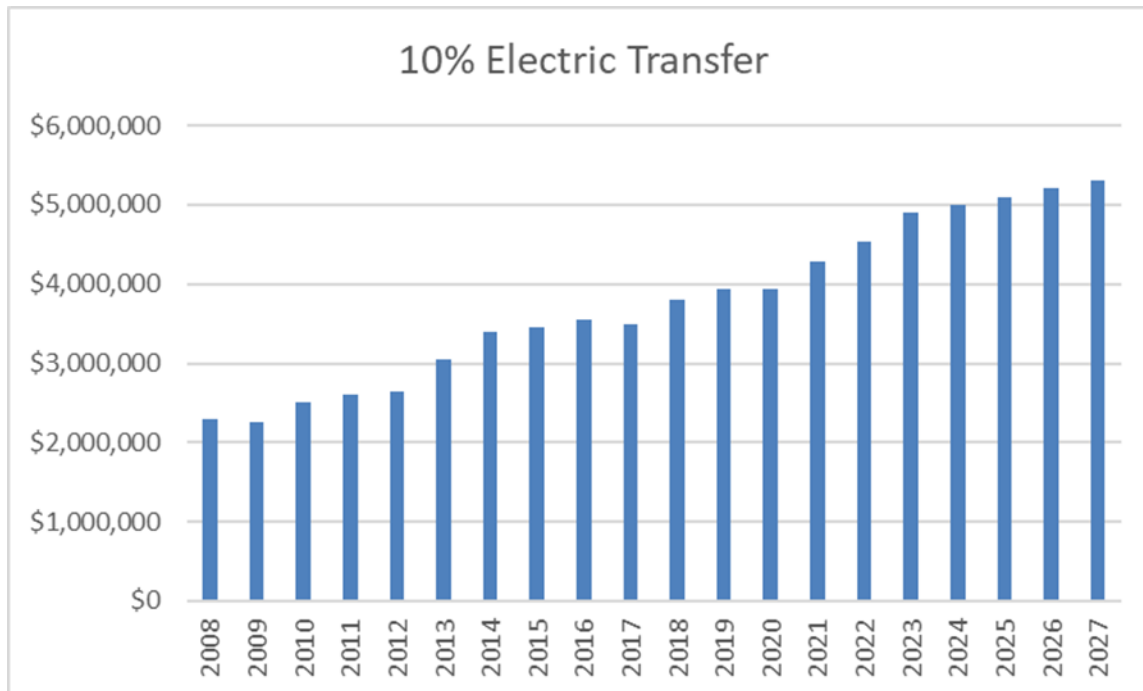
In 2021, our building permit revenue ended up being over \$1.5 million. We expect that 2022 is going to end with revenue over \$1.8 million. With so much change from year to year, we need to be conservative on our revenue projections for Building Permits, as losing one expected large project can have a significant impact on achieving our budgeted revenues in any given year and leave us with a hole in our budget. While we have a significant number of projects through the planning process and scheduled to start in 2023, with enough building activity to give us permit levels close to the past two years, we do want to be more conservative with our revenue projections, with us budgeting \$1,035,098 million for 2023. Looking at our long-term trends, we are expecting to keep building permit levels relatively constant over the next 5-years but will keep a close eye on this activity to see if we need to make any mid-year expenditure adjustments. Below is a chart illustrating the building permit activity we expect to see:



Along with strong growth in our building permit activity, we have also seen a large increase in electric load in the community over the past decade. We have seen this with the opening of several data centers in the community, as well as the additions onto existing industrial buildings in the community we continue to see. We have also started to see an impact from the increase in residential usage in the community.

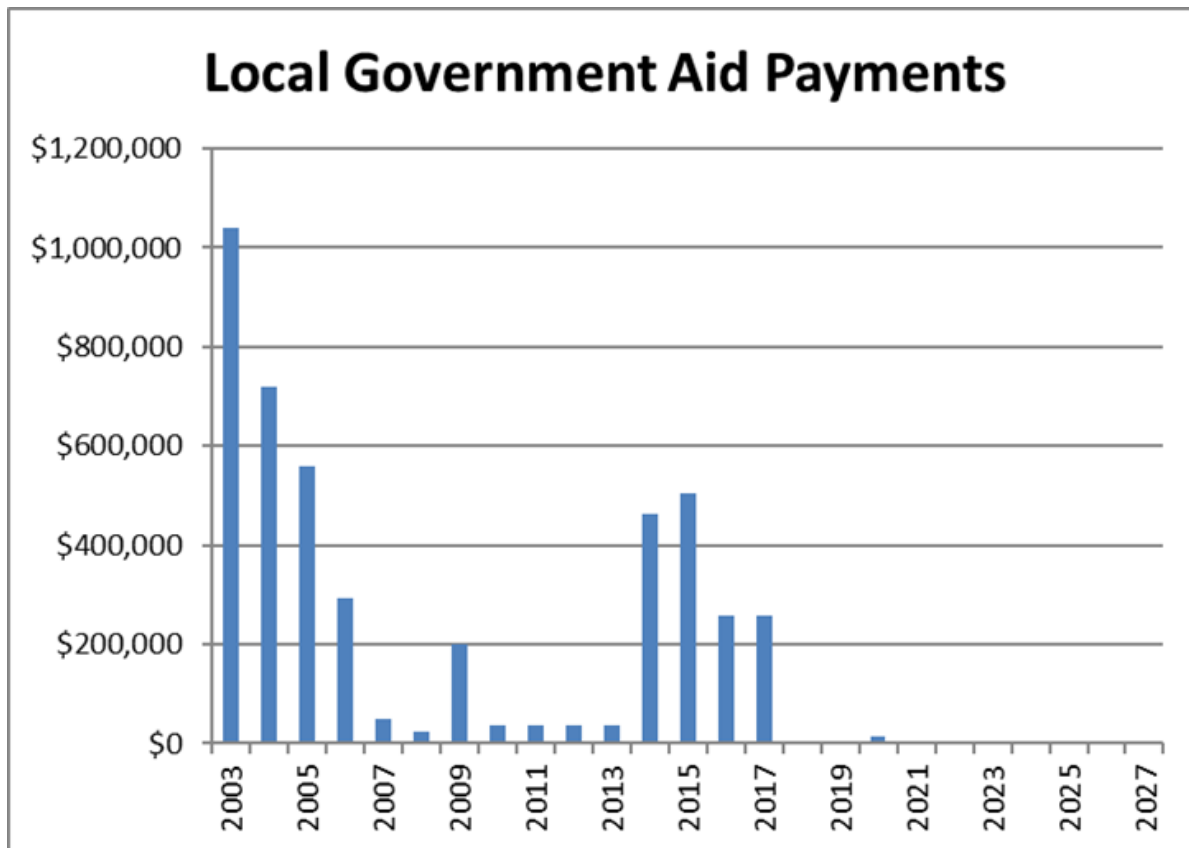
Currently 10% of the City's sales revenue is from the Electric Fund as a transfer that helps support General Fund activities. This has been structured to be a right-of-way fee to the General Fund to support the Electric Fund's use of general city assets such as right of way for providing service in the community.

We are seeing this transfer continue to grow, as it is based on 10% of our overall sales within the Electric Department. It should be noted that while this is a 10% fee to the Electric Fund, our rates are still very competitive with our main competitors such as Xcel. Over the past 12 months, Chaska Electric averaged 5% lower than Xcel for our residential retail rates. We expect that this trend of being competitive with Xcel will continue as Xcel is currently in the process of implementing a 21.2% increase over the next 3 years to keep up with meeting their renewable requirements and replacing aging infrastructure. While they did get denied an additional rate increase beyond this, they will continue to implement this rate increase that is already in the works.



One area that we continue to see a drastic change, and which we expect to be permanent, is in our Local Government Aid allocation from the State. As I discussed with the Council in the past, in the early part of last decade our LGA allocation was as high as \$1,000,000, with it dropping to nearly \$0 in 2007. This changed in 2014 when the State changed their formula for LGA allocation, and we once again saw approximately \$500,000 of LGA payments each year. In 2016, we saw this number drop to just over \$250,000 because of the reincorporation of value from our decertified TIF District #4, where it was in 2017 as well. In 2018, this number went to just over \$1,000, creating a significant hole in our budget. To address this, the Council in 2018 did increase the tax levy to recapture half of that lost aid (\$128,035), because of the significant impact it could have had to our service levels. In 2020, the amount of LGA went to just over \$14,000, and for 2021 and 2022 it moved officially to \$0 of LGA in our budget. LGA has been determined for 2023 and will once again be \$0 for the City of Chaska. We expect it to stay this way moving forward.

It should be noted that when we saw the large drop of approximately \$1 million between 2003-2007, we did not levy to replace any of this lost aid. While we did see increasing market values during this same period, which did help mitigate some of this loss in LGA, this permanent loss in aid was never fully recouped through other revenue sources, which has continued to make this an issue that has affected us in our annual budgeting process. Our need to address our identified Staffing gap was largely created by not levying to recoup this lost aid, leaving us with a gap that could have filled most of our Staffing needs. Once we complete the Staffing Study implementation in 2024, we will have recaptured this lost revenue from LGA to get our staffing back up to levels that it should have been at this time.



Discussion Items for 2023 Budget

In the two Budget Work Sessions and the Building Improvement Program Work Session we held in May, the Council discussed priority areas of our budget continuing from previous years and the new items we would be focusing on in our discussion for this upcoming year. The following are the baseline discussion items we have included in this year's budget discussions for the 2023 proposed budget:

Priorities Established in Previous Years Include:

1. Continued utilization of our tax levy policy
2. Continued implementation of our CAMP program (fka CIP)
3. Continued implementation of our Staffing Study Plan with there being 2 years remaining to complete implementation

In addition to these items, the other emerging item that we have discussed in detail over the past several months:

4. Commence implementation of a 4-year Building Improvement Plan to address the deficiencies in our General Fund facilities

I will spend some time discussing each of these separately.

1. Establishing tax levy based on policy:

For three decades, the City of Chaska had a policy in place for the establishment of the annual tax levy for the City. This policy stated that the City's objective was to have a constant tax rate, and that the levy would increase annually based on the increase in tax capacity in the community over the past year. For instance, if the tax capacity (which is based on market values) increased by 24.78% like it is for 2023, the levy would be increased by 24.78%, which would keep our tax rate the same. Theoretically, if a resident's property stayed the same in value from one year to the next, the taxes on their property would not increase. They would only increase if there was an increase in value.

In 2015, the Council officially changed that policy to have our levy increase reflect the actual items that have a direct impact on the cost of services we provide: new growth, inflation, and the addition of any new programs to our budget.

Based on that policy, for 2023, the percentage of new growth in the community is approximately 2.17%, with a growth in inflation of ~5% over the past 12 months (actual 12-month numbers through the summer were closer to 9%). This would say that our operational levy should increase by 7.28% to accommodate these increases in service costs for our existing services. The only other increase would come from any additional services/new items being introduced in the Budget for the upcoming year. With the tax capacity going up by 24.78% for taxes payable 2023, this would mean that the tax rate would go down by over 17% if we were only to address the growth in our existing operational needs.

Increasing the levy by 7.28% would allow us to generate enough resources to fund our existing services in the community but would not address the addition of any services, such as increases needed to address our Staffing Study implementation and the implementation of our Building Improvement Plan. The tax impact for the median-valued home in the community (\$370,700) would be approximately \$5 per month if we were to only address our baseline services in this upcoming tax year.

2. Continued implementation of our full Capital Asset Maintenance Program (CAMP)

Since 2012, we have discussed the importance of reinvesting back into the assets we have in the community if we are going to keep them in good condition. In the last Decision Resources Survey results, it showed that 68% of our residents favored increasing taxes if it meant that we could help maintain the assets and services we have already invested into.

In doing a study of our existing assets back in 2013, it was determined that in our General Governmental Services we were approximately \$1 million short annually in being able to properly fund the replacement of our assets such as parks, road, trails, etc.... To address this, the Council decided that year to implement a program over a 4-year period, increasing revenues to the CAMP program by \$250,000 each year until fully implemented. In 2017, we finished this 4-year ramp up of revenue, which has since allowed us to fund \$1 million annually towards our CAMP activities.

With the full \$1 million in CAMP fully incorporated into our baseline tax levy model (meaning that we can accomplish this without adding to the \$5 impact to a median-valued home

described above), the following projects are what we would anticipate completing during the 2023 year:

2023:

- **Steet Sealcoat/Overlay Program (Westin Ridge, Autumn Woods South, and Wildflower Lane): \$480,000**
- **Remodel/Major Reinvestment in City Square Park: \$500,000**
- **Trail Resurfacing (3 miles): \$60,000**

As you can see from the lists above, the CAMP program is really aiming to properly take care of the assets we have already invested into. This existing infrastructure is critical to take care of so we make sure that we don't spend more money in the future replacing things that could have been preserved if properly maintained. It should be noted that with City Square Park Staff will be coming back through an internal process to look at the improvements in this park as it is such a significant park for our community. Given that there are significant cultural and historic designations within the park, there will be limitations placed on us from outside agencies on what we are allowed to do in the park, but we would like to complete work on these needed maintenance activities during the reconstruction of Highway 41 as this area will already be hard to utilize next summer to begin with.

3. Staffing Study Implementation (3rd of 4-year implementation)

As Council is aware, one of the new programs that was added in 2020 was the implementation of filling the identified gap in our Staffing levels over a 4-year period. As a result of our Council/Department Head retreat in 2017 and identifying that there was a feeling that our staffing resource levels were not adequate to sustain our current service levels/expectations going into the future, the city did hire Baker Tilly (the City's municipal advisor) to complete a Staffing Study on our organization. The object of the study was to look at two things:

- Identify any gap we have in our current staffing resource levels to support the service levels we desire to provide
- Identify what we will have to plan for over the next 20 years as we move to full development

The results of this staffing study found that we were 15.8 employees short in our entire organization to be able to be staffed properly to provide our current service levels. The study also identified that after this gap is filled, we would need to plan for an additional 57.2 employees over the next 20 years to be staffed at the appropriate levels to continue to provide our current service levels in a sustainable way. While this future number is large, it is important to realize that we will grow by almost 10,000 additional residents as well as businesses over the next 20 years. Also, when you break this down into annual growth, it equates to about 2.86 additional employees each year, which is less than the 3.86 additional employees we have added over the past 20 years.

The greatest and most immediate concern identified from the results of this staffing study is the current gap we have in employees to be able to properly provide the service levels we currently provide to our residents and businesses. While the gap analysis found that our largest gap exists in building maintenance, where we had no employees solely dedicated to this task, there

were other gaps identified throughout the organization. Specifically, the analysis found a shortfall in the following areas:

- Administration: 1 dedicated Economic Development Coordinator and 1 additional HR Generalist
- Administrative Services: 1 additional Network/Database Support Person
- Community Development: 1 Additional Planner (only 1 currently)
- Engineering: Assistant City Engineer
- Public Works: 5 Dedicated Building Maintenance Personnel (1 Foreman, 1 lead and 3 maintenance workers), 1 Storm Water Maintenance Worker, 1 Street Maintenance Worker and 1 Park Maintenance Worker
- Water/Sewer: 2 Additional Water/Sewer Maintenance Workers

As Council may remember, as a part of our budget discussions in 2020, it was decided to start addressing this gap by developing a 4-year plan to both fill these positions and allocate resources towards building maintenance activities. We identified a \$1.5 million gap in being able to meet these staffing needs, plus an additional \$500,000 to help meet our underfunded building maintenance needs. To fill this gap, it required an increase of \$375,000 to our tax levy each of the next 4-years, with \$125,000 coming from our Enterprise Funds to help support these activities. With approval of this plan in the 2020 budget, we did focus on first filling our building maintenance needs, which included hiring 3 of the 5 identified Building Maintenance positions, with us then focusing on filling our HR Generalist position. Because of revenue shortfalls identified mid-year in 2020, we did have to put a hold on hiring the HR Generalist position but were able to fill our 3 Building Maintenance positions along with putting our first \$125,000 towards building maintenance activities.

As the Council is aware, although we had planned to move forward with implementation of the 2nd year of the plan in 2021, Council did decide to put this on hold because of the uncertainties of the economy due to COVID. As we moved into 2022, Council did decide to move forward with reinstituting the implementation of the Staffing Study plan, with the goal of trying to finish the implementation of this gap plan by the end of 2024.

In addition to moving forward with the 2nd year of the plan in 2022, the Council did also look at the deficiencies that were determined to exist in the Police and Fire Services. While the fire services were able to be addressed through normal growth in the community, it was determined that there was a current gap of 3 police officers to properly staff us for our current population and service levels. Based on that discussion last year, it was decided by the Council to add 1 additional police officer to our Staffing Study implementation over each of the remaining 3 years of implementing the Staffing Study program, bringing to total tax levy need to fund this program to \$487,000 per year.

For the budget this year, we have included that \$487,000 to implement the 3rd year of the plan. If we were to move forward with implementing the third year in 2023, the following positions would be added to our Staffing levels over the next year:

2023 Planned Positions

- City Planner
- Economic Development Coordinator

- Water/Sewer Maintenance Worker
- Park Maintenance Worker
- Patrol Officer (#29)

It should be noted that under the Staffing Study Implementation plan that there is also \$125,000 of additional dollars that come from the Enterprise Funds to support not only the positions that are being added in these Enterprise Funds, but also to help fund the building maintenance activities that impact each of our departments including those outside of the General Fund.

Increasing the levy by an additional \$487,000 would allow us to generate enough resources to fund our existing services in the community (base levy increase described in #1) and would also address our Staffing Study implementation. The additional tax impact for implementing our Staffing Study on a median-valued home in the community (\$370,700) would be \$4.50 per month. Between the baseline tax levy growth (\$5/month) and the Staffing Study (\$4.50/month), this would have a total impact of approximately \$9.50 per month on the median-valued home.

It should be noted that beyond the positions needed to implement our Staffing Gap plan, we do have two new positions in the budget that are being added either because of growth or because of it matching up with a Strategic Initiative of the Council. The first is the addition of a 3rd Rental Inspector/FT Firefighter in the Fire Department to be able to address the annual inspections of the 500+ rental units we have approved over the past year. This position would be funded through new income coming in from Rental license fees and would not be supported by tax levy. The second position is a Community Engagement Coordinator position. This was a position that was discussed at our last Council/Department Head retreat to help coordinate the “people-centered” services in our community and continue the efforts that were started during the pandemic with the “Chaska Cares” initiative. This position would be funded by all departments, including Enterprise Fund Departments, as all departments would be utilizing these services. Because of this it would not require an additional tax levy increase to support this position.

4. Building Improvement Program

Most of our budget discussions over the past several months, have revolved around the needs that we have for improvements in our General Fund Facilities including:

- Public Safety (Police and Fire)
- Municipal Services Building (Public Works, Water/Sewer, Electric, Storm Water, Mechanics)
- New Library
- City Hall

As we have discussed over the past couple of years in our Strategic Planning Sessions, except for the Fire Station (which will be 27 years old in 2023), all these facilities are over 30-years old, with little reinvestment put into the buildings over this time. These buildings have also not increased sufficiently in size to accommodate new employees added as the community has grown, which has also not given us the space needed to add new equipment.

Following identifying this as a priority goal to address in the Council's last Strategic Planning Session, the City hired architects at Leo A Daly and the construction management firm of RJM Construction to complete the following tasks:

- Identify the square footage needs of every General Fund Department
- Develop a Concept Plan to address each of the department's needs
- Develop conceptual pricing to accomplish implementing these building recommendations

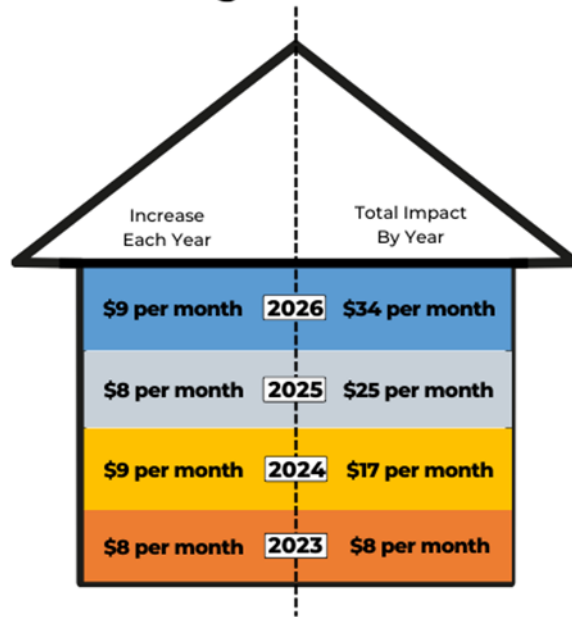
The findings of this study were presented to the Council in May, along with looking at options for how to fund these facility needs. The total estimated costs to address the needs of each of these facilities was \$115 million, which would create an annual debt service need of a little over \$6.1 million per year, with \$4.5 million attributed to General Fund costs, and \$1.6 million attributed to costs of our Enterprise Funds (i.e., Electric, Water/Sewer, Storm).

As we have discussed during this process, one of the things that makes this issue difficult to address is both the fact that the original facilities were funded using 1-time dollars, and our tax levy has historically been very low, giving us few resources to reinvest back into these facilities as the needs have arisen. This means that to address this issue, we have needed to look at creating new resources unless we are willing to cut back on our existing services levels, which have also been traditionally funded at lean levels.

To address the funding of this program, but to not see the impact all come at once, Staff presented a recommendation to Council to increase the funding over a 4-year period, with the tax levy needing to increase by \$1.125 million for each of the next four years. Increasing this over a 4-year period would also match up with the pace at which we could even implement improvements to the plan, as we would only have the capacity to take on one facility each year. With this plan, all four buildings would be completed by 2029, with the priority going to our Public Safety facility, since it has the greatest immediate needs, and then our Municipal Services Building. The new Library would be the third building to be addressed, as we would need to move the library out of City Hall to pick up the needed space in the City Hall facility. The last piece of the project would be the remodeling of City Hall to pick up the spaces vacated by the library and Police Department.

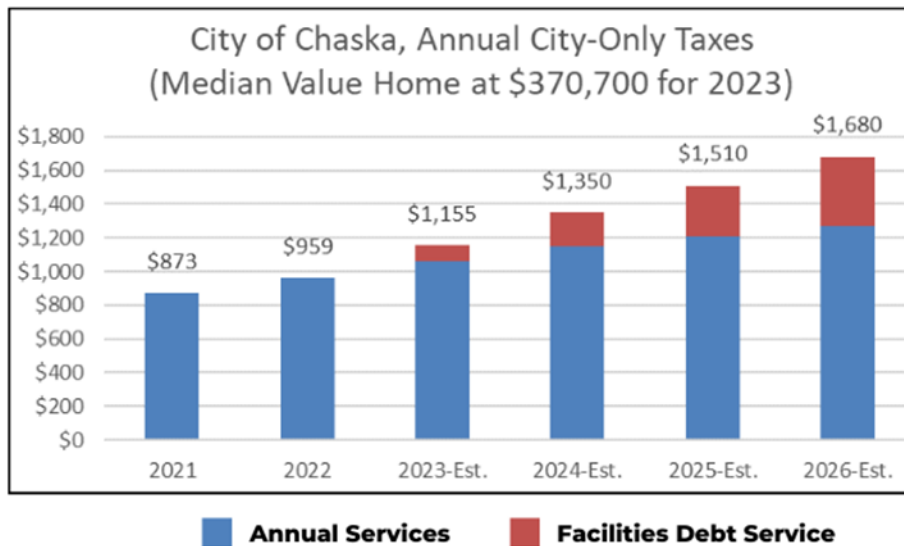
As the Council is aware, we have done a lot of public outreach over the summer months to educate our residents not only about the need, but what impact they could expect on taxes if we were to move forward with this plan. The plan would start at an \$8 monthly impact to the median-valued home in 2023 (\$370,700), an additional \$9 per month in 2024, an additional \$8 per month in 2025 and the final year of the plan in 2026 would bring an additional impact of \$9 per month. At the end of 4 years, the monthly impact to a median-valued home would be \$34 per month, or \$408 per year. We would anticipate that this would put us in about the middle of the 84 Metropolitan Municipalities for tax levy per capita impact when implementation is completed in 2026. Below are two charts we have been showing the public for the financial impact of the program:

Funding the Facilities



Estimated monthly and annual amounts based on median valued home in Chaska = \$370,700

Funding the Facilities



If we add the impact of the baseline tax levy increase (\$5/month) to the increase needed for the 3rd year of the Staffing Study Implementation (\$4.50/month) and the impact of the first

year of the Building Improvement Plan (\$8/month), the total impact for a median-valued home (\$370,700) in Chaska for 2023 would be approximately \$17.50 per month.

Other Budget Items of Note:

Besides the major initiatives above, it is important to note a few items that are included in this year's budget to keep up with our service level needs and are included in the baseline tax levy increase described above (#1):

- Fire Department Pumper #3: This is a \$1 million cost that is included in our Equipment Acquisition Fund. We are moving this up by 2 years because we have found that we have at least 1 major piece of apparatus down 25% of the time. This would provide us with additional backup.
- Addition of Drone: This is a \$10,000 cost and would be utilized by all our Departments for utility and public safety needs as well as assisting in our marketing efforts
- Addition of \$10,000 toward our internal Diversity, Equity, and Inclusion efforts/training
- Addition of Tactical Robot in Police Department for \$4,000. This would allow for entrance into a barricaded property to assess situations without putting an officer or subject at risk
- Increase our Tree Control Professional Services by \$40,000 to address the increase work we have had to do with removing hazard trees because of the Emerald Ash Borer disease
- Add resources to be part of Metro-wide Fencing Consortium Plan for \$4,200 per year
- Replace 8 rifles in our Police Department for \$8,600 to create standardization of all our equipment
- Addition of \$10,200 to outfit 12 officers with Mobile Field Force safety equipment to protect them in situations of civil unrest or mass demonstrations

All the items listed above are included in the budget with no additional tax levy impact. I just wanted to point these out as they are new expenditures we need to address our growing service level demand.

Impact of Proposed Maximum Tax Levy for 2023

As we do each year, the following is an illustration of the impact of taxes in our current year (2022) compared to what is being proposed in this Staff report recommendation for 2023:

Median Valued Home in Chaska:

- Median Value of Home in 2022: \$298,500
- Median Value Home in 2023: \$370,700

Actual Annual Taxes Paid on Example Home

- 2022 Median Value Home City taxes: \$961
- 2023 Median Value Home City taxes: \$1,171
- Increase of \$17.50 per month or \$210 for the year

Below is a chart illustrating our proposed Revenue and Expenditure Budgets for 2023 for our General Fund should the Council decide to move forward with the items discussed above:

General Fund Revenues

	2021	2022	2023		
	Actual	Budget	Budget	Increase	%Increase
Property Tax	\$7,692,331	\$8,429,549	\$10,573,388	\$2,143,839	25.4%
Elec/Gas Franchise Fees	4,739,073	4,987,000	5,361,000	\$374,000	7.5%
Other Franchise Fees	311,830	296,000	305,000	\$9,000	3.0%
License and Permits	1,617,663	1,035,098	1,035,098	\$0	0.0%
Other Revenues	2,758,127	2,481,819	2,557,429	\$75,610	3.0%
Admin Charges to Funds	4,113,970	4,495,263	4,803,300	\$308,037	6.9%
Total Revenue	\$21,232,994	\$21,724,729	\$24,635,215	\$2,910,486	13.4%

General Fund Expenditures

Department	2021 Actual	2022 Budget	2023 Budget	Increase	%Increase	Notes
Council	\$166,337	\$182,008	\$191,078	\$9,070	4.98%	
Communication	\$63,776	\$52,008	\$73,447	\$21,439	41.22%	<i>This is an increase for more comm. Outreach</i>
Administration	\$859,305	\$890,488	\$1,122,615	\$232,127	26.07%	<i>This is the increase for Comm. Eng. Coordinator</i>
Human Resources	\$354,787	\$462,916	\$462,885	-\$31	-0.01%	
Elections	\$10,902	\$38,905	\$13,906	-\$24,999	-64.26%	
Admin Serv-Finance	\$1,655,938	\$1,760,400	\$1,860,432	\$100,032	5.68%	
Admin Serv-IS	\$1,137,010	\$1,269,942	\$1,282,276	\$12,334	0.97%	
Legal	\$140,165	\$100,000	\$120,000	\$20,000	20.00%	<i>This has increased because more development</i>
Community Dev.	\$329,092	\$380,392	\$417,903	\$37,511	9.86%	
Engineering	\$541,933	\$547,244	\$635,216	\$87,972	16.08%	<i>Work in full year salary of new As. Eng from last year</i>
City Hall Bldg	\$241,868	\$203,720	\$216,612	\$12,892	6.33%	
Building Maint Div	\$478,586	\$681,240	\$761,846	\$80,606	11.83%	<i>Work in full year of Building Maint from last year</i>
Police	\$5,169,592	\$5,584,386	\$6,176,456	\$592,070	10.60%	<i>Addition of new officer and full salary from last year</i>
Fire	\$2,301,671	\$2,283,915	\$2,550,484	\$266,569	11.67%	<i>Addition of new Inspector plus new equipment</i>
Building Inspection	\$804,848	\$755,775	\$821,511	\$65,736	8.70%	
Public Works Admin	\$411,684	\$427,833	\$424,883	-\$2,950	-0.69%	
Streets	\$1,742,161	\$1,934,186	\$1,935,240	\$1,054	0.05%	
Snow Removal	\$331,313	\$267,799	\$284,555	\$16,756	6.26%	
MSB Building	\$220,768	\$236,164	\$211,196	-\$24,968	-10.57%	
Park Maintenance	\$621,315	\$1,149,376	\$1,281,432	\$132,056	11.49%	<i>Addition of new Park Maintenance Worker</i>
ISD 112 Maint	\$0	\$37,369	\$37,940	\$571	1.53%	
Tree Control	\$14,629	\$13,074	\$37,199	\$24,125	184.53%	<i>Additional treatments for Emerald Ash Borer</i>
Parks Admin	\$536,522	\$811,095	\$638,389	-\$172,706	-21.29%	
Parks Youth	\$178,545	\$64,996	\$193,905	\$128,909	198.33%	<i>Shifted expenses from Park Admin into Youth</i>
Park Senior	\$1,388	\$166,025	\$170,065	\$4,040	2.43%	
Parks Adult	\$56,917	\$63,662	\$69,758	\$6,096	9.58%	
Firemen's Park	\$108,926	\$104,983	\$123,425	\$18,442	17.57%	
Parks Skating Rink	\$1,071	\$11,629	\$12,481	\$852	7.33%	
Unallocated	\$905,973	\$1,243,199	\$2,508,080	\$1,264,881	101.74%	<i>These are additional dollars for Building Program</i>
Total	\$ 19,387,022	\$ 21,724,729	\$ 24,635,215	\$2,910,486	13.40%	

Comparison to Other Communities

Based on what was discussed above, the proposed total tax levy for 2023 would be \$15,216,147. This levy amount not just includes the General Fund Levy, but also includes the Equipment Acquisition Fund Levy, the EDA levy, the City Tax Abatement Project Levy, and the Mt. Pleasant Cemetery Levy. As we compare ourselves to other cities, I have always looked at the total amount of these levies that impact our residents, although many of the cities reported below may only be showing their General Fund Levy.

Ranking	City	Taxes	Population	Tax Levy Per Capita
1	Golden Valley	\$27,927,443.00	22,334	\$1,250.45
2	Oak Park Heights	\$6,034,373.00	4,830	\$1,249.35
3	Wayzata	\$5,415,369.00	4,481	\$1,208.52
4	Mendota Heights	\$11,194,705.00	11,652	\$960.75
5	Hopkins	\$18,140,100.00	18,926	\$958.48
6	Minneapolis	\$415,119,275.00	434,346	\$955.73
7	Excelsior	\$2,188,937.00	2,360	\$927.52
8	Columbus	\$3,728,744.00	4,167	\$894.83
9	West St. Paul	\$18,657,430.00	20,882	\$893.47
10	St. Anthony Village	\$8,033,678.00	9,175	\$875.61

56	Chaska	\$15,216,147.00	27,931	\$544.79
57	Plymouth	\$43,654,569.00	81,184	\$537.72
58	Ramsey	\$15,312,856.00	28,520	\$536.92
59	Rosemount	\$14,026,345.00	26,133	\$536.73

71	Chanhassen	\$12,663,076.00	25,936	\$488.24
72	New Brighton	\$11,481,450.00	23,705	\$484.35
73	Coon Rapids	\$30,990,539.00	64,128	\$483.26
74	Mounds View	\$6,178,870.00	13,133	\$470.48
75	North St. Paul	\$5,820,296.00	12,397	\$469.49
76	Cottage Grove	\$18,339,000.00	39,605	\$463.05
77	Falcon Heights	\$2,360,444.00	5,125	\$460.57
78	Arden Hills	\$4,472,680.00	9,897	\$451.92
79	St. Paul Park	\$2,442,807.00	5,507	\$443.58
80	Vadnais Heights	\$5,724,529.00	13,080	\$437.66
81	Anoka	\$7,811,653.00	18,041	\$432.99
82	Lauderdale	\$950,351.00	2,247	\$422.94
83	North Oaks	\$2,051,403.00	5,306	\$386.62
84	White Bear Lake	\$8,080,000.00	24,671	\$327.51

This chart above assumes that we implement what is being discussed in this Staff Report but assumes that each of the other cities would see a 0% increase in their levy. In discussions with surrounding cities, I have been hearing numbers of 8% + for levy increases for 2023. As you can see in the chart above, we would move to 56 lowest out of 84 Metro Cities (we were at 78th lowest last year). If you assume that each City has a 5% increase in levy, we would be 64th lowest, or in the lowest 24% of Cities. Because of the large tax capacity increase in the community (amount of taxable value that contributes towards our local tax levy), we would actually see our tax rate go down by 1.35% from 31.625% to 31.197%.

Staff is recommending that we adopt the tax levy described along with the General Fund Budget for 2023.

Enterprise Fund Budgets

As Council is aware, over the past two months, we have been reviewing recommendations for our budgets in the Enterprise through reviewing our 5-year financial analyses, including:

- Community Center
- Chaska Town Course
- Chaska Electric
- Chaska Water and Sewer
- Chaska Storm Sewer
- Chaska Curling and Event Center

Included in the attached Annual Budget Message are all the 2023 proposed Enterprise Fund Budgets, which goes through a summary for each of our Enterprise Funds, and recommendations on any changes that are being recommended for fees/rates within each of these enterprise funds. It should be noted that there will be no operational budget set for the Par 30/The Loop for 2023 yet, but that we will be addressing that prior to its reopening early next summer.

CCC

As it relates to the Chaska Community Center, the major issues that were discussed for 2023 are the continued impacts of the COVID 19 pandemic, the impacts of an aging facility on capital reinvestment, and the impact each will have on our budget as we move into this next year.

Over the Course of 2022, we did start to see memberships continue to improve, with us going from a low of 45% loss of memberships during the pandemic to being about 28% below pre-pandemic levels by this current fall. One of the remaining challenges we had in 2022 was reclaiming the large gym space on the lower level. This space was utilized during the pandemic to house fitness equipment so that we could space them out farther away from each other. We were not able to move this equipment all back into the Fitness Center until late spring/early summer of this year. The significance of that is that it opened back up this large space for us to do more programming, as well as host things such as pickleball, basketball and volleyball leagues. These are all things that drive usage of the facility and people purchasing memberships. It is our hope that with this last phase of the facility now opened that we will be able to start to bring back the remaining people who dropped memberships during the pandemic.

In addition to the impacts of COVID, the impacts of an aging facility are also having a financial impact on the facility as we are now 32 years old and have never been able to properly fund the \$750,000 of depreciation we see on an annual basis. With increasing frequency of having to replace failing systems, this has had an impact on affecting our ability to balance our budget on an annual basis. As I show in the Administrator Budget Report attached to this Staff Report, we have about \$2 million of overdue maintenance items that should be addressed. However, we are only able to afford to complete about \$400,000 of these improvements, leaving many items in the building susceptible to failing. This is not a long-term strategy for sustainability at the facility.

With the facility now over 30-years old, we will be continuing forward with a Master Planning process to not only plan for the proper reinvestment back into this facility, but also looking at the viable options for making sure we properly fund this facility to be sustainable into the future.

In addition to expenses, we also looked at our membership and admission rates and how far below market we are in these areas compared to other similar municipal facilities that also receive about 40% of their funding from other sources. The plan for 2023 is to still provide a great value to our patrons but to also make sure we are getting our rates closer to comparable facilities.

Based on our discussions, below are the proposed Revenue and Expenditure Budgets for the CCC in 2023:

	<i>Actual</i>	<i>Budget</i>	<i>Budget</i>		<i>%</i>
REVENUES	2021	2022	2023	Change	Change
<i>Member/Admis/Rental</i>	\$1,028,525	\$1,633,031	\$1,840,873	\$207,842	12.73%
<i>Community Events</i>	\$518	\$3,060	\$3,274	\$214	6.99%
<i>Community Room</i>	\$36,110	\$69,854	\$75,000	\$5,146	7.37%
<i>Craft Rooms</i>	\$10,655	\$40,300	\$20,000	(\$20,300)	-50.37%
<i>Fitness Programs</i>	\$10,215	\$46,250	\$20,000	(\$26,250)	-56.76%
<i>Gym</i>	\$4,230	\$12,000	\$10,000	(\$2,000)	-16.67%
<i>Ice Arena</i>	\$662,207	\$1,129,881	\$1,004,867	(\$125,014)	-11.06%
<i>Maintenance</i>	\$20,020	\$25,500	\$37,285	\$11,785	46.22%
<i>Wellness-PT</i>	\$23,068	\$48,000	\$48,000	\$0	0.00%
<i>Senior Programs</i>	\$12,831	\$33,000	\$33,000	\$0	0.00%
<i>Adult Programs</i>	\$8,129	\$13,500	\$14,000	\$500	3.70%
<i>Teen Programs</i>	\$975	\$5,500	\$15,000	\$9,500	172.73%
<i>Pre/Youth Programs</i>	\$217,898	\$250,000	\$230,000	(\$20,000)	-8.00%
<i>Swimming Pool</i>	\$0	\$22,950	\$22,729	(\$221)	-0.96%
<i>Swim Lessons</i>	\$4,406	\$141,220	\$142,000	\$780	0.55%
<i>Theater</i>	\$64,802	\$56,343	\$49,227	(\$7,116)	-12.63%
<i>The Lodge</i>	\$6,412	\$13,000	\$20,000	\$7,000	53.85%
<i>Tot Time Preschool</i>	\$1,131	\$2,000	\$6,000	\$4,000	200.00%
<i>Vending</i>	\$0	\$10,000	\$11,000	\$1,000	10.00%
<i>Misc.</i>	\$43,888	\$0	\$166,787	\$166,787	
Total Oper Rev	\$2,156,020	\$3,555,389	\$3,769,042	\$213,653	6.01%
Non-operating					
<i>Self Insurance (CIP)</i>	\$0	\$350,000	\$303,000	(\$47,000)	-13.43%
<i>The Lodge Debt</i>	\$181,000	\$181,000	\$181,000	\$0	0.00%
<i>Electric fund</i>	\$296,000	\$284,104	\$508,020	\$223,916	78.81%
Total Non oper	\$477,000	\$815,104	\$992,020	\$176,916	21.70%
TOTAL REV	\$2,633,020	\$4,370,493	\$4,761,062	\$390,569	8.94%

	Actual	Budget	Budget		
EXPENSES	2021	2022	2023	Increase	%
Admin	\$ 641,604	\$ 840,236	\$ 919,524	\$ 79,288	9.44%
Events	\$ 2,178	\$ 5,000	\$ 5,200	\$ 200	4.00%
Craft Rms	\$ 137	\$ -	\$ -	\$ -	0.00%
Well-Studio	\$ 42,482	\$ -	\$ -	\$ -	0.00%
Front Desk	\$ 102,379	\$ 141,433	\$ 195,678	\$ 54,245	38.35%
Well- Prog	\$ 8,279	\$ 19,517	\$ 9,022	\$ (10,495)	-53.77%
Gym	\$ 4,674	\$ -	\$ -	\$ -	0.00%
Ice Arena	\$ 272,041	\$ 297,093	\$ 212,217	\$ (84,876)	-28.57%
Maintenance	\$1,350,699	\$1,329,929	\$1,369,553	\$ 39,624	2.98%
Personal Train	\$ 27,964	\$ 39,177	\$ 39,005	\$ (172)	-0.44%
Wellness Add	\$ 125,131	\$ 192,926	\$ 276,860	\$ 83,934	43.51%
Play/Daycare	\$ 38,900	\$ 64,104	\$ 74,650	\$ 10,546	16.45%
Swim Pool	\$ 395,362	\$ 536,487	\$ 580,662	\$ 44,175	8.23%
Theater	\$ -	\$ 7,565	\$ 7,603	\$ 38	0.50%
Lodge	\$ 133,151	\$ 4,450	\$ 4,350	\$ (100)	-2.25%
Tot Time	\$ 899	\$ 1,800	\$ 4,321	\$ 2,521	140.06%
Gen Facility	\$ 74,920	\$ 362,060	\$ 429,120	\$ 67,060	18.52%
Senior Programing	\$ 15,678	\$ 36,500	\$ 37,500	\$ 1,000	2.74%
Adult Programming	\$ 5,546	\$ 10,326	\$ 10,021	\$ (305)	-2.95%
Teen Programming	\$ 843	\$ 16,051	\$ 7,596	\$ (8,455)	-52.68%
Prescl/Youth Program	\$ 191,816	\$ 157,219	\$ 152,102	\$ (5,117)	-3.25%
Vending	\$ 3	\$ -	\$ -	\$ -	0.00%
Depreciation	\$ 789,068	\$ -	\$ -	\$ -	0.00%
Debt Service	\$ 131,960	\$ 467,750	\$ 498,550	\$ 30,800	6.58%
Other	\$ 4,140	\$ -	\$ -	\$ -	#DIV/0!
Expenses	\$4,359,854	\$4,529,623	\$4,833,534	\$ 303,911	6.71%

Town Course

As we have discussed over the past several budget cycles, we do continue to see a shift to more residents playing, which helps us achieve the mission of being a community-gathering place, but has put pressure on revenues, as we subsidize residents' rates at the Course. We are currently seeing about 50% of play from residents and 50% from non-residents.

When we started looking at this trend four years ago the resident fees were approximately 37% lower than comparable courses in the Twin Cities. We had discussions that discounting 50% or more of our patrons at this large of a discount would not be sustainable over the years, especially as we need to reinvest back into this facility that recently turned 20 years old. Just like the Community Center, while we need to work to decrease the percentage of discount to a sustainable level, we proposed that this would be done over a 5-year planning period to help create a smoother transition for our patrons.

When we started these discussions in 2020, we were able to meet with long-term resident patrons of the course to provide them with information about where we are at in long-term financial planning, and to get their input on how we might be able to approach this issue. The feedback we received was very good, indicating both that they understood the issue that needed to be addressed and supported addressing it, but suggested that we try to do it in a way that has less impact on the most loyal resident players at the Town Course. The result of that study got us to look at how we could structure the increases to have less impact on residents during the weekdays, as this is when many of our most loyal residents play with things such as Leagues occurring during the week. We proposed keeping any of the larger rate increases to the weekends when there is a high demand for play. It also tends to be the times we see more usage from people outside of the community. The overall plan that was developed looked at how we eventually get to a point where there is a 20% discount for residents on weekends, and a 25% discount for residents on weekdays. We anticipate that with the pace of the changes that we are making that we can accomplish that by 2028.

Based on that, the chart below looks at the changes we would be recommending making during this budget cycle in 2023 (the fourth year of this implementation), and how that has us comparing to other courses in the Twin Cities and the immediate area for rates:

Comparisons to High End Courses

Top Public 18 Hole	WD 18 Hole GF	WE 18 Hole GF	18 Hole Cart	Twilight GF	Twilight Cart
Edinburgh	\$60.00	\$60.00	\$19.00	\$35.00	\$14.00
Stoneridge	\$74.00	\$94.00	\$15.00	\$74.00	\$15.00
The Wilds	\$87.00	\$87.00	\$18.00	\$51.00	\$18.00
Meadows at Mystic	\$110.00	\$130.00	Included	\$80.00	Included
Rush Creek	\$125.00	\$125.00	\$20.00	\$69.00	\$20.00
Troy Burne	\$96.00	\$96.00	\$22.00	\$69.00	\$22.00
Legends	\$125.00	\$125.00	Included	\$90.00	Included
Average	\$96.71	\$102.43	\$18.80	\$66.86	\$17.80
Proposed 2023 CTC Non-Resident	\$74.00	\$80.00	\$21.00	\$57.00	\$16.00
Proposed 2023 CTC Resident	\$51.00	\$59.00	\$21.00	\$45.00	\$16.00

Comparison to Area Golf Courses

Local Public 18 Hole	WD 18 Hole GF	WE 18 Hole GF	18 Hole Cart	Twilight GF	Twilight Cart
Ridges at Sand Creek	\$42.00	\$47.00	\$16.00	\$35.00	\$8.00
Stonebrooke	\$79.50	\$87.50	Included	\$69.00	Included
Deer Run	\$59.00	\$59.00	\$17.00	\$40.00	\$10.00
Dahlgreen	\$43.00	\$48.00	\$19.00	N/A	N/A
Bluff Creek	\$45.00	\$51.00	\$17.00	\$38.00	\$12.00
Average	\$53.70	\$58.50	\$17.25	\$45.50	\$10.00
CTC Resident	\$51.00	\$59.00	\$21.00	\$47.00	\$16.00

For 2023, there are no staffing changes recommended, and the equipment replaced will include the following:

- Fairway Mower: \$55,000
- Toro GTX Vehicle: \$32,000
- Workman: \$32,000
- Sidewinder: \$42,000
- Bunker Rake: \$22,000
- Spray Unit/Vehicle: \$49,000
- Beverage Cart: \$7,000
- Green Triplex (for Loop): \$62,000
- We will put our Rental Cart Replacement on order this year, but will not receive them or pay for them until we receive them in 2024: \$400,000

Besides these equipment purchases, we do have resurfacing of the Cart Paths on holes 1-10 for \$550,000 and the replacement of the roof on the Clubhouse for \$230,000. These are both improvements that are well overdue and help us prepare for co-hosting the US Amateur tournament in 2024 with Hazeltine.

Based on our assumptions, the following charts would represent the revenue and expenditure budgets for the Town Course for 2023:

	Actual	Budget	Expected	Budget	Change	Change
<i>Revenues</i>	2021	2022	2022	2023		
Green fees	\$ 1,878,355	\$ 1,664,000	\$ 1,873,937	\$ 1,776,000	\$ 112,000	6.73%
Driving range	\$ 165,616	\$ 185,000	\$ 172,257	\$ 155,000	\$ (30,000)	-16.22%
Member fees	\$ 82,554	\$ 75,000	\$ 91,089	\$ 80,000	\$ 5,000	6.67%
Sale of supplies	\$ 320,381	\$ 305,547	\$ 279,807	\$ 300,000	\$ (5,547)	-1.82%
Concessions	\$ 49,647	\$ 80,000	\$ 85,169	\$ 50,000	\$ (30,000)	-37.50%
Cart rental	\$ 440,124	\$ 437,000	\$ 427,937	\$ 430,000	\$ (7,000)	-1.60%
Misc	\$ 77,886	\$ 313,853	\$ 47,500	\$ 1,283,400	\$ 969,547	308.92%
Total revenues	\$ 3,014,563	\$ 3,060,400	\$ 2,977,696	\$ 4,074,400	\$ 1,014,000	33.13%

	Actual	Budget	Expected	Budget	Change	Change
<i>Expenses</i>	2021	2022	2022	2023		
Course Maintenance	\$1,005,683	\$1,639,354	\$1,193,250	\$2,617,127	\$977,773	59.64%
Course Admin/Clubhouse	\$1,018,874	\$973,443	\$1,093,687	\$1,099,024	\$125,581	12.90%
Merchandise	\$217,072	\$175,155	\$243,014	\$225,000	\$49,845	28.46%
Debt Service (Equip)	\$30,399	\$204,200	\$204,200	\$279,600	\$75,400	36.92%
Transfers Out/Debt Service	\$0	\$0	\$0	\$0	\$0	0.00%
Misc	\$7,509	\$0	\$0	\$0	\$0	0.00%
Depreciation	\$487,144	\$0	\$0	\$0	\$0	0.00%
Total Expenses	\$2,766,681	\$2,992,152	\$2,734,151	\$4,220,751	\$1,228,599	41.06%

Based on this budget, we would expect to see the Fund Balance decrease in 2023 of \$146,351, however we would still maintain a healthy balance in our Town Course Fund over the next 5-year period based on our assumptions.

Utility Funds

In our Utility Funds (Water, Sewer, Electric and Storm Water) our primary objective of these funds has been to provide reliable and affordable service to our customers, while at the same time making sure that we maintain adequate reserves to fund any capital improvements that are necessary to our system.

In our Water, Sewer and Electric Fund we completed a Cost-of-Service Study in 2019 and 2020 to provide us with data both to make sure that we are structuring our rates correctly to accomplish what we want to in each fund, as well as being equitable with the structure of our rates based on usage, and to make sure that we are developing a plan that helps us at least meet our minimum cash balances in each fund to have enough saved to properly take care of our future needs and allow us to be sustainable in our utilities into the future.

Some of the main findings of this Cost-of-Service Study included:

- Adjusting the tiers of our Water Rate categories to recognize that the average residential users are now using 4,000 gallons per month compared to 7,000 gallons when we first set our tiered structure. Our tiered structure should be set up to provide benefit/no economic disincentive to utilize the water they are using, and that those using more than average are not being subsidized by average users.
- Making sure that our Fixed Service Fees in each of our funds are set to capture the actual fixed costs in our utilities, and the rates (which are variable costs based on use) should not be utilized to subsidize our fixed costs
- Make sure that we set our Senior discount in electric to impact only those needing financial assistance based on income instead of providing incentive to those that our discount may not be intending to assist
- Set our rates to encourage desired consumer behaviors to help conserve our finite resources
- Set our rates to be able to accommodate all necessary maintenance and improvement activities in the future, ensuring that we have a proper level of reserves available in each fund to make our system sustainable

It should be noted that the results of this study and any changes we need to see in rate structures would come over a multiple-year period to not have too much impact in any one give year to our rate payers. In 2023, we would already be three years into implementing the recommendations (5-years for Sewer), with what we are proposing following the path we started after completing these studies.

Below is a chart showing the individual utilities and what we recommend changing in 2023 to stay consistent with our Cost-of-Service Study plan, and what the overall impact of these changes would have on the average user both from a dollar and percentage standpoint:

Utility Fund	Units/Month	2022 Bill	2023 Bill	Increase	% Increase		COS Revenue Target
Electric (kWh)	750	\$122.82	\$126.12	\$3.30	2.69%		3.82%
Water (Gal X 1,000)	4	\$16.64	\$18.60	\$1.96	11.78%		8.00%
Sewer (Gal x 1,000)	4	\$26.31	\$31.69	\$5.38	20.45%		20.87%
Storm Water	1	\$10.98	\$11.77	\$0.79	7.19%		7.34%
Total		\$176.75	\$188.18	\$11.43	6.47%		

Although there are different levels of impact in different utilities, the overall impact to the average residential user would be a 6.47% increase, or \$11.43 from 2022 to 2023.

It should be noted that with all these changes, Chaska remains very competitive with our Utility Rates, being 5% lower than Xcel for our electric rates, average of similar types of cities for our Storm Water Fees, and right around average for our Water and Sewer Fees.

Below is the revenue and expenditure budgets for each of our Utility Funds:

Water

Water	Actual	Budget	Budget	
	2021	2022	2023	% Change
Revenues				
Metered	\$5,874,440	\$3,871,040	\$4,169,040	7.70%
Other	\$55,150	\$44,500	\$41,100	-7.64%
Transfers In	\$506,000	\$465,000	\$400,000	-13.98%
Total	\$6,435,590	\$4,380,540	\$4,610,140	5.24%
Expenses				
Pumping	\$285,431	\$388,282	\$421,896	8.66%
Treatment	\$359,922	\$324,341	\$358,984	10.68%
Distribution	\$830,462	\$1,475,621	\$1,251,007	-15.22%
Administration	\$963,765	\$936,256	\$994,366	6.21%
Depreciation	\$867,400	\$0	\$0	0.00%
Debt Service	\$295,063	\$1,088,055	\$968,630	-10.98%
Transfers Out	\$151,140	\$117,000	\$234,855	100.73%
Other	\$1,540	\$1,911	\$1,922	0.58%
Total	\$3,754,723	\$4,331,466	\$4,231,660	-2.30%

Sewer

Sewer	Actual	Budget	Budget	
	2021	2022	2023	% Change
Revenues				
Metered Sales	\$7,541,185	\$5,172,450	\$6,328,450	22.35%
Other Revenues	\$811	\$6,700	\$5,100	-23.88%
Total	\$7,541,996	\$5,179,150	\$6,333,550	22.29%
Expenses				
Pumping	\$22,427	\$25,960	\$25,092	-3.34%
Treatment	\$2,713,317	\$3,072,288	\$3,712,603	20.84%
Collection	\$703,614	\$918,653	\$895,764	-2.49%
Administration	\$967,086	\$924,388	\$983,044	6.35%
Transfers Out	\$214,582	\$177,000	\$327,855	85.23%
Depreciation	\$155,723	\$0	\$0	0.00%
Debt Service	\$115,495	\$387,461	\$389,192	0.45%
Other	\$0	\$0	\$0	0.00%
Total	\$4,892,244	\$5,505,750	\$6,333,550	15.04%

Electric Revenues:

	Actual	Budget	Budget		
	2021	2022	2023	Change	% Change
Electric Sales	\$49,214,932	\$43,292,000	\$45,277,000	\$1,985,000	4.59%
Other Revenue	\$84,722	\$16,700	\$700	-\$16,000	-95.81%
Total Revenue	\$49,299,654	\$43,308,700	\$45,277,700	\$1,969,000	4.55%

Expenditures:

	Actual	Budget	Budget		
	2021	2022	2023	Change	% Change
Purchased Power	\$33,163,485	\$26,859,000	\$27,292,000	\$433,000	1.61%
Trans/Distribution	\$2,277,517	\$3,117,170	\$4,176,430	\$1,059,260	33.98%
Load Conservation	\$582,439	\$675,973	\$482,350	-\$193,623	-28.64%
Admin System	\$3,300,221	\$3,496,184	\$3,788,627	\$292,443	8.36%
Admin Billing	\$671,369	\$685,446	\$696,633	\$11,187	1.63%
Franchise Fee	\$4,282,660	\$4,672,000	\$4,902,000	\$230,000	4.92%
Depreciation	\$1,530,105	\$0	\$0	\$0	0.00%
Debt Service	\$273,482	\$835,654	\$703,450	-\$132,204	-15.82%
Transfer	\$1,892,000	\$2,234,000	\$2,386,710	\$152,710	6.84%
Other	\$0	\$0	\$0	\$0	0.00%
Total	\$47,973,278	\$42,575,427	\$44,428,200	\$1,852,773	4.35%

Storm Water

	2021	2022	2023		
Revenues	Actual	Budget	Budget	Change	% Change
Storm Water Fees	\$4,549,441	\$1,920,000	\$2,108,000	\$188,000	9.79%
Other	\$380,767	\$221,502	\$224,755	\$3,253	1.47%
Total	\$4,930,208	\$2,141,502	\$2,332,755	\$191,253	8.93%
Expenditures					
Transfer Out	\$331,137	\$246,000	\$252,000	\$6,000	2.44%
Transmission/Distribution	\$406,789	\$926,377	\$903,853	-\$22,524	-2.43%
Administration	\$518,236	\$589,523	\$641,236	\$51,713	8.77%
Utility Billing	\$79,927	\$63,820	\$115,715	\$51,895	81.31%
Depreciation	\$223,663	\$30,000	\$30,000	\$0	0.00%
Debt Service Support	\$77,072	\$283,920	\$288,239	\$4,319	1.52%
Other	\$9,727	\$100,500	\$101,003	\$503	0.50%
Total	\$1,646,551	\$2,240,140	\$2,332,046	\$91,906	4.10%

Curing and Event Center

Very similar to the Chaska Community Center, the major issue that was discussed for 2022 was the continued impact of the COVID 19 pandemic, but also the recovery that we have seen in this fund over the past few months. We have seen activities in this Fund improve to pre-pandemic levels, and in areas like the restaurant and the Event Center, we are actually seeing numbers that are outpacing 2019.

There are no Staffing Changes in the fund for 2023, and the Capital reinvestment will be in the large projector in the Event Center that is past its useful life. Below is the revenue and expenditure budget for the Fund. As you can see the Fund generates a surplus of about \$4,000 for the year based on the established budget.

Revenues

Revenues	Actual 2020	Actual 2021	Budget 2022	Budget 2023	Change	%Change
Event Center Rental	\$31,945	\$96,405	\$122,300	\$153,300	\$31,000	25.35%
Curling Center Leagues/Memberships	\$344,499	\$370,764	\$498,378	\$502,778	\$4,400	0.88%
Corporate Curling Events	\$89,090	\$128,963	\$200,000	\$250,000	\$50,000	25.00%
Restaurant Lease	\$176,124	\$319,047	\$380,122	\$390,122	\$10,000	2.63%
Community Fund Transfer (Debt)/Interest	\$1,573,692	\$1,582,240	\$1,569,538	\$1,572,352	\$2,814	0.18%
Other Revenue	\$0	\$180	\$0	\$0	\$0	0.00%
Total Operating Revenues	\$2,215,350	\$2,497,599	\$2,770,338	\$2,868,552	\$98,214	3.55%

Expenditures

Expenditures	Actual 2020	Actual 2021	Budget 2022	Budget 2023	Change	% Change
Administration/General Facilities	\$648,553	\$699,691	\$751,040	\$748,368	-\$2,672	-0.36%
Event Center	\$115,497	\$117,879	\$120,599	\$142,795	\$22,196	18.40%
Curling Center	\$259,418	\$273,936	\$382,003	\$326,744	-\$55,259	-14.47%
Crooked Pint	\$79,068	\$58,669	\$63,330	\$61,910	-\$1,420	-2.24%
Other	\$0	\$1	\$0	\$0	\$0	0.00%
Depreciation	\$628,588	\$628,588	\$0	\$0	\$0	0.00%
Debt Service	\$465,509	\$438,380	\$1,581,692	\$1,584,506	\$2,814	0.18%
Total Operating Expenses	\$2,196,633	\$2,217,144	\$2,898,664	\$2,864,323	-\$34,341	-1.18%

Final Recommendations

Based on the above report, Staff is recommending the approval of the proposed 2023 General Fund and Enterprise Fund Budgets, as well as approving the final operational tax levy for 2023 at \$15,216,147 for the General Fund, Mt. Pleasant Cemetery, EDA, Tax Abatement, and the Equipment Acquisition Fund.

CITY COUNCIL ACTION REQUESTED

Motion to approve Resolution No. 2022-147 setting the 2023 property tax levy and establishing the 2022 budget for the General and Enterprise Fund Budgets.

City of Chaska 2023 Budget



2023 Annual Budget

To the Citizens of Chaska, Honorable Mayor, and Chaska City Council:

Submitted for your review is the proposed 2023 Annual Budget for the City of Chaska, along with a review of major issues and opportunities relating to the City's general operations. The budget, as proposed, I believe meets the needs for continuing to provide excellent municipal services, while at the same time meeting the City's objectives that we have established during the budgeting process. With COVID 19's impact on our City operations generally now subsided, we have spent the better part of this year talking to the public about our largest challenge over the next decade which will be taking care of our existing City facilities and investing into improvements that will be needed to allow us to meet our service objectives moving into the future.

As you read this budget, you will find that beyond trying to maintain our current service levels as constant as possible, this budget seeks to continue our efforts to keep our Capital Asset Maintenance Program (CAMP fka CIP) fully funded as we move into the future so that we continue to reinvest back into the assets that are aging in our community. We also have put a high priority on making sure we are working towards keeping our General Fund Reserve balances at a sufficient level to be able to address requirements of our Bond Rating Agency to maintain our already high rating, and that special attention is put towards completing implementation of the recommendations of our Baker-Tilley Staffing Study which helped us identify staffing shortages we need to fill to keep our residents' expected service levels sustainable as we continue to grow. 2023 will be the 3rd of 4 years planned to complete the implementation of these staffing recommendations.

Finally, as mentioned previously, an emphasis was placed in this budget on starting to address our City Facility needs for buildings supporting our General Fund services in the City. This includes our Police and Fire Services, our Municipal Services Campus, Chaska Library, and our City Hall. All these facilities are over 30 years old, with very little change occurring in these facilities as our community has grown. Not only do these facilities have deferred maintenance projects that need to occur, but none of them are large enough to handle our current staffing levels in the City, let alone our future needs as we continue to grow. As will be described throughout this budget document, the 2023 budget will be the first of 4-years of revenue increase that will be needed to support the debt service of rehabilitating and expanding these facilities which will take the better part of this decade to complete.

The following document will go through in detail these discussions, as well as lay out the data to show what we expect to see over the course of 2023 to help our residents understand the decisions that were made for the 2023 budget year.

2023 Revenue Discussion

While we have seen increases in market values since 2014, 2016 was the first year we saw all the valuation lost during the "Great Recession" recovered in the community. As

we go into 2023, we will see the largest single increase in taxable market values in the community that we have seen over the past 20 years. From 2008-2013, Chaska saw an average annual decrease in property values of over 6%, before seeing a 5.24% increase in 2014, a 12.24% increase of property values in 2015, an 8.21% increase in 2016, a 3.18% increase in 2017, a 7.85% increase in 2018, and a 5.72% increase in 2019, a 9.14% increase in 2020, a 2.80% increase in 2021, and a 4.90% increase in 2022.

For taxes payable 2023, we are seeing a 22.35% increase in our community's taxable market value, which is the largest increase in market values we have seen in the past 20 years. Much of this was driven by the strong housing market we have seen for the past two years but was also impacted by the new growth we have seen in the community over the past several years. Our tax capacity for 2023 is slated to grow 24.78% for taxes payable 2023, compared to 5.21% in 2022. The tax capacity measures the amount of value that is taxable within a community.

While we were experiencing challenges throughout of our organization in 2020-2021 because of COVID, we actually saw building activity increase during this time, both through robust growth with residential construction occurring, but also significantly more Commercial/Industrial development occurring in the community than we have seen for several years. This has included Industrial buildings in West Creek Industrial Park and the addition onto the 212 Medical Center. In 2023 we expect to see continued activity in our Commercial/Industrial development with the construction of Costco and additional Industrial Development. And while there may be a slowing in the single-family residential development because of the rising interest rates we have seen over the past several months, we do expect to see the construction of at least 3 major rental housing projects in the community, with two apartment buildings going up in the Clover Ridge neighborhood and one going up in the Hazeltine Plaza development. As we finish out 2022, we expect that permits will exceed the 2021 levels of \$1.5 million, reaching to approximately \$1.8 million. We expect to continue to see strong growth in 2023 in Commercial/Industrial and Apartment buildings, but perhaps a slowing of the single-family housing market. Because of that, we are budgeting for slightly less in permits for 2023, setting a number at \$1.1 million.

As the 2023 budget was put together, there were several major budget environmental factors we needed to consider as it related to revenues, including:

- Market Values across the community increased by 22.35% compared to the 4.90% increase we saw last year. This will bring our overall property values in the community to \$4.30 billion, a little over \$785 million higher than last year. 2.17% of this change came from new construction, with the rest being increased values on existing properties. This 2.17% increase is slightly higher than the 1.56% increase from new construction we saw last year.
- Based on the State formula, the City will no longer receive Local Government Aid to help reduce our tax levy needed. As we saw for the first time in 2021, the amount we are projected to receive in 2023 will be \$0. This number was over \$550,000 in 2015 and has gone down ever since

- Residential and Commercial building permits in 2022 increased significantly, with the City expecting to be approximately \$700,000 over budget in revenue. This follows 2021, where we saw permits numbers over the budget by around \$500,000. For 2023, we expect that building activity is going to continue to be strong in Commercial/Industrial and Apartments with a likely slowdown in single family housing construction. While we will end up seeing about \$1.8 million in revenue from permits in 2022, we are trying to be more conservative in setting our budget for next year and will set the budgeted revenue for permits at \$1.1 million
- We are continuing to see an increase in population, with a steady increase in the number of residential units being built in the community, especially rental units. We expect the population in Chaska to be just over 28,300 in 2023.
- Our Electric Revenue has continued to increase, as we have seen a significant amount of Economic Development activity occur in the last five years, including Data Center development and additions to existing industrial businesses, driving up this usage. This has had a positive impact on the Electric Right of Way Usage Fee coming back to our General Fund
- With industrial development well underway at the Chaska Creek Industrial Center, two industrial projects in Downtown Chaska approved for building in 2023 and work on a large Data Center on the Kelzer property in West Creek Corporate Center, and building of the Costco building, we do expect to see robust growth in our Commercial/Industrial development over the next year

During the recession period from 2008-2013, to navigate the financial impacts to our revenue collection to support our budgeted activities, the City needed to defer many planned expenditures as a strategy to balance the budget. When the economy improved after 2013, the City was able to put more emphasis into the projects that we had to defer, which many times were the reinvestment projects into our existing infrastructure and assets.

This renewed emphasis on reinvestment back into our existing infrastructure was demonstrated through the establishment of our Capital Asset Maintenance Program (CAMP fka CIP). The CAMP focused on how to properly maintain the assets in which we have already invested and have a responsibility to keep in good condition moving into the future. In 2014 we started investment into this program, with a 4-year plan for how to fully fund these needs. This 4-year plan increased revenue in the General Fund to support a \$1 million gap, with the final \$250,000 of this being incorporated into the 2017 budget. With this program fully funded, we have been able to move forward in making the proper reinvestment back into our existing General Fund Assets, such as roads, trails, and parks. The budget for 2023 continues with full investment into the CAMP to continue to keep up with these reinvestment needs.

During the 2020 budget, we did turn our attention to addressing the gaps we had identified in our staffing levels across the City in past years, and what we felt was needed to sustainably meet our service level expectations into the future. Following direction from the City Council in the 2017 Council/Department Head Retreat, focus was put on having our Financial Advisors at Baker Tilly complete a Staffing Study looking not only at what staff we need to plan for going into the future to keep up with our service

level demands in a growing community, but also on any gaps we currently have in being able to sustainably meet our service level expectations in the current environment. Based on this study, we were able to determine that we were 16 employees short in being able to meet our current service level needs, but that once we fill this gap, we could expect that we will need an additional 57 employees City-wide to meet our staffing needs when our community is fully developed in the next 20 years. We were able to start this Staffing program in 2020, needing to take a break in 2021 because of COVID challenges. However, in 2022, we did re-establish this program, implementing the 2nd of the 4 years recommended for full implementation, along with addressing public safety gaps (shortage of 3 Police Officers) that were not identified in the original study. These 3 Police Officers were spread into each of the remaining 3 years of the Staffing program implementation, with 1 new position being added each year.

The budget for 2023 has us funding the 3rd year of this program, with the program being supported by \$487,000 in additional tax levy and \$125,000 coming from the Enterprise Funds to support not only the new staff but additional dollars that were included in the program to help support on-going maintenance of our City facilities through our new Building Maintenance Staff. 2024 would be the final year of implementing this program.

For 2023, the new program that is being addressed is the Building Improvement Program for our General Fund facilities. As we have been discussing over the last several months both internally and through educational events for the public, is the need to reinvest in our General Fund facilities that are over 30 years old, are in poor condition, and are not sized properly to serve our growing community. When doing our initial study to explore our current needs, it was identified that the following 4 buildings are in serious need of reinvestment and expansion, without the proper resources being currently available to address these needs. The four General Fund facilities discussed, in order of their priority, include:

- Public Safety (Police and Fire)
- Municipal Services Building (Public Works, Water/Sewer, Storm Water, Electric)
- Chaska Library
- Chaska City Hall

Later in this document I will discuss the needs that we have found with these facilities, and the revenue needs we would have to properly address these deficiencies. As I will discuss, the program is one that we are laying out to be implemented over a 4-year period to help spread the additional tax burden needed to support the program over an extended period, with the first facility looking to be completed in 2025 (Public Safety Facility) and the final facility being completed in late 2028/early 2029 (City Hall Rehabilitation). This Building Improvement Program was where we spent the bulk of our discussion over the past year, and what we have been out educating the public on since early spring.

This Budget Document will discuss the continued use of our tax levy establishment policy, which the Council adopted during our 2014 budgeting process. Our current

policy focusses on what the actual driving factors are in setting our tax levy, including actual new growth in our population and inflationary factors, instead of focusing solely on keeping a constant tax rate, which was a past policy direction the City utilized. In this respect we feel that any new increases in tax resources are directly tied to the increased costs we need to support the level of services we currently provide in the community. This policy also allows us to capture the resources of any new development in the community to make sure all new homes and businesses are contributing their “fair share” to support our General Fund services. Capturing this new value has no impact on the taxes paid by existing residences. This tax levy establishment policy goes on to say that we would only increase our tax levy above this amount if we were addressing new items in our budget, and that the levy would increase by an amount that is needed to support the direct cost of these new initiatives.

In this 2023 budget, the items that would be above and beyond our base-level tax levy establishment policy, which the Council has decided are critical to address in 2023 include:

- Implementing the third of the four-year implementation of our Staffing Gap plan, which requires an additional \$487,000 in tax levy
- Commit to continuing the \$1 million annual CAMP, which is already in the budget and does not require additional tax levy.
- Commit to the first of 4-years of ramping up revenues for our Building Improvement Program, which would add \$1.125 million of tax levy each of the next 4 years, along with \$400,000 of Utility Funds each of the next 4 years to support the ultimate \$6.1 million of estimated financing that would be needed to implement this entire program.

As we will discuss later in this budget, utilizing our base tax levy policy, and addressing these additional items above would have an impact on the Median Value Home in the community of \$17.50 per month, or \$212 over the course of the entire year.

Staff feels that this budget document continues to move forward in taking a more comprehensive look at not just our current operations, but also the future costs of properly maintaining our assets through our CAMP and Building Improvement Programs. This document also moves us in a direction of continuing to meet our Staffing needs, both reinstituting our Staffing Gap Plan, while also addressing needs that have emerged in our Public Safety services. We also think that it creates a logical nexus between how we set our tax levy and what actual changes we see in the community that cause us to increase the resources we need to meet our primary service objectives.

Budget Objectives

As with all our budgeting processes, the first place that we start is by establishing the objectives we are trying to accomplish in setting our budget for the upcoming year. Below is the list of those objectives that were used in the establishing the proposed 2023 budget you see before you now:

- ***Support budgeting programs that help Chaska strengthen its mission of being "The Best Small Town in Minnesota"***
- ***Maintain existing high-quality service levels***
- ***Existing Levy Policy: Limit tax levy growth to capture only new real growth in community and inflation. Only increasing levy beyond this point if new service levels/assets are being added***
- ***Fully fund maintenance and replacement of our vehicles, equipment, and physical assets on a regular schedule to ensure sustainability of investments already made***
- ***Fund new programs only after existing, necessary programs are funded***
- ***Budget utilizing a plan that avoids draw-down of City's General Fund Reserves and builds these reserve levels to a targeted level***
- ***Fully fund levy needs of Street Reconstruction Program***
- ***Develop a budget plan that is sustainable from a resource perspective to support service levels that residents expect***

The newest objective on this list is the last one, in which we discuss the importance of resourcing our organization at a level that can sustain the service levels our residents have come to expect. Over the past four years, the City Council has discussed some of the biggest financial challenges the City will face over the next several years, with one of our biggest challenges being able to keep our service levels constant if we do not put sustainable levels of resources to support them.

In the past, the City of Chaska has been very "lean" when it has come to resources used to support the high level of services we provide in the community. As the community grows, and assets such as our facilities get older, these levels of resources will not be sustainable to keep our service levels constant. This is especially true when it comes to the Staffing levels throughout the organization, and the dollars allocated towards maintaining our aging facilities. Continuing to address our Staffing needs through the implementation of our Staffing Gap plan and establishing and starting to fund our Building Improvement Program will have significant impacts on being able to meet the service level expectations of our residents as we go into the future. Putting these resources in place now will also help us 25 years down the road when our City facilities will once again need additional major reinvestment. It will make sure we have an existing funding source to support these improvements-something that we had not created in the past and has made it financially difficult to address our current building needs.

As mentioned previously, instituting each of the above-described initiatives in 2023 would require an additional tax levy of \$487,000 for the Staffing Program, and an additional \$1.125 million to support the Building Improvement Program. On the Median-Valued Home in Chaska (\$370,700) the tax impact would be \$17.40 per month in additional costs, or \$209 over the course of the entire year. This would require approximate 20% increase in our tax levy. Given that we are seeing a 24.78% increase in our tax capacity for 2023, we would see an approximate 1.35% decrease in our tax rate. Assuming a 5% increase in tax levies from all other communities in the Twin Cities, we would still be in the bottom 24% (63 out of 84) lowest property tax levy per capita in the Metro Area. While this would move us from being 78th lowest property

tax per capita in 2022, it still shows that we can be very competitive with our property taxes while addressing these needs within our organization.

Tax Levy Establishment Policy

For nearly 30 years, the City of Chaska had a policy of establishing our annual tax levy based on keeping a constant tax rate. Based on this policy, the tax levy would go up by the amount of increase we saw annually in our tax capacity, which is directly related to the amount of market value growth we saw in the City. For instance, if market values (and hence tax capacity) increased in the community by 5.21% (as it will in 2022), the levy could also increase by 5.21% and have no impact on the tax rate in the community. This would mean that if someone's property did not change in taxable market value from one year to the next, that their City taxes would not see any increase. If we were to still have this policy for 2023, we would actually have our tax levy increase by 24.78% instead of just over 20% like we are proposing now.

While the constant tax rate policy worked very well for several years, during our last major recession (2010-2013) we did start to experience some of the practical limitations of this policy. The first practical issue experienced is that not all market value increase is associated with the construction of new buildings. Some of the market value increase also occurs on existing properties as we experience inflationary growth from one year to the next. While the tax rate would not change, a resident's taxes would change unless their market value stayed the same. This often was not the practical reality, as we saw a significant amount of property value growth in existing properties from 2000-2008.

The other issue that we experienced from 2010-2013 was the impact of decreasing market values in the community. As with increasing market values, the same can be said for decreasing market values when trying to keep a constant tax rate. If the market values go down, the tax levy also needs to decrease accordingly to keep the tax rate constant. With an objective of keeping our service levels constant, this was a significant issue the City faced when market values did start to decline. This led to the City modifying its tax levy policy to state that the tax levy would be set to keep the tax rate constant, unless that forced the actual levy to decrease, in which case the tax levy would stay the same. This change was made based on the notion that while property values decreased, the cost for providing these services do not decrease unless a community is willing to reduce the amount of services it provides. In fact, if the service levels are kept the same, the actual cost of providing the service in subsequent years increases because of inflationary factors. Based on this change, and the decrease in market values in 2010-2013, the City of Chaska's tax levy saw a 0% increase during each of those 4 years, staying at an amount of \$4,880,354.

Finally, the final practical reality is that if the tax levy change is only tied to the changes in market values, and a large portion of this market value change is in existing properties, this does not really tie the tax levy increases directly to a need for additional services, and therefore levy. Theoretically, it does not cost the City more to provide services for a residence that is already existing, except for our actual inflationary increases in costs from year to year for supplies and labor. Our costs only increase by the amount of new growth that occurs in the community. By focusing only on new

growth and our inflationary increase in costs, we are more truly representing the need we have for additional resources to support the services we already provide.

It was during the 2014 budgetary process that Staff recommended we make a permanent change to our tax levy establishment policy to learn from the issues we experienced during the Great Recession. The tax levy policy established in 2014 focuses specifically on looking at the two items that create pressure on our General Fund, if an objective is to keep a constant level of services in the community:

- New construction in the community (2.17% for 2023)
- Inflationary increases in the market. (~5% for 2023)
 - Total Base-line tax levy increase of 7.28% to keep current service levels constant
 - It should be noted above that the actual rate of inflation we have been seeing over the past year has been over 8%. However, we decided to cap it at 5% for budgeting purposes because we are addressing the addition of our Building Improvement Plan in 2023

If the City desires to keep service levels constant, it costs more money to provide the same services to new users in the community. Also, market inflationary increases impact the cost of providing our services regardless if we make any changes in service levels or not. To make sure we take these issues into account, our tax levy policy states that we would set our increase in operational levy based on the percentage market value attributed to new growth, in addition to whatever the inflation rate is running in any given year. In that way, we can make sure that all new users are paying their fair share of service costs in the community, and that we consider that costs go up on an annual basis because of inflation, no matter what policy decisions we make.

The new policy goes on to state that we would only increase the levy beyond this point if we were adding new services, and that the actual cost of providing those new services would determine the amount of additional increase we would need in the tax levy. In the case of the 2023 budget, the two new items that are being added is the \$487,000 going towards the third year of implementation of our Staffing Gap study, and the \$1.125 million towards the first year of our Building Improvement Program. The total new tax levy amount needed in 2023 to address these added programs would be \$1,612,000. Any other increase in the levy is due to keeping up with new growth and inflation to keep our service levels constant.

Key Factors in Revenue Forecast

Key factors which impact both the cost of providing services and the City's revenue resources are changes in Chaska's population and households. As the number of households in the community increases, there are increased demands for street maintenance, snow plowing, park usage, recreation, police calls, utility bills, etc. Population and household levels also impact expected revenues from utilities, building permits and property tax levies.

A significant trend that occurred in the early part of the past decade was the increased rate of residential development in the City. In the 1990s, Chaska's residential development remained relatively stable, with an average of 200 new living units per year.

During the 1990s, Chaska's population increased from 11,339 to 17,450. From 2001 to 2005, more than 2400 new living units were approved within new residential subdivisions. In addition, the type of developer shifted from local developers to large national firms. As a result of both increased demand and supply of residential dwellings, a significant increase in new residential dwelling construction activity occurred in the 2003-2005 period. This large amount of growth resulted in a 35% increase in our population from 2000-2010, with our official population being 23,770. This compares to the 8% average increase in population that was experienced across the rest of the Twin Cities Metropolitan Area during the same period, making Chaska and the Southwest Metro Area one of the fastest growing areas in the entire Twin Cities. This growth resulted in an increase demand for services, and hence an increase in revenue necessary to provide the same level of services in the future to our residents.

From 2008-2013 however, residential development in the metro area decreased significantly because of both over-building and a general downturn in the economy. At the same time, the supply of new available lots within the Chaska area decreased, resulting in a significant downturn in building activity. This resulted in a period of very stagnant residential growth from 2008-early 2012.

This downward trend reversed itself in late 2012, and stabilized, with several new residential developments approved over the past 10 years. Starting in 2013, this included the approvals for several new residential subdivisions both on the north end of Chaska, and in the Southwest quadrant of the community. We also saw very robust growth in our Commercial/Industrial properties, with the addition of the 212 Medical Center, several Data Centers, commercial additions in Hazeltine Plaza, and the expansion of buildings in our existing Industrial Parks. Over this past year, we have seen a continued push in residential development, while also seeing a large increase in Commercial/Industrial activity. As mentioned before, while we expect to see some slowing in owner-occupied residential development in 2023, we expect we will continue to see robust Commercial/Industrial development, along with the addition of several residential rental projects.

While we have seen two years of very strong growth in 2021 and 2022, with building permit revenues being over \$1.5 million each of the two years, we are budgeting slightly less in 2023 at \$1.1 million since we do expect to see some slowdown in owner-occupied residential development. Below is a charge indicating what we think will happen with our population growth over the next 5 years due to expected growth:

Year	# of Housholds	# of New	Est. Pop.
2000	6,979	445	17,449
2001	7,394	415	17,746
2002	7,909	515	18,982
2003	8,378	469	20,107
2004	8,854	476	21,250
2005	9,122	268	21,893
2006	9,323	201	22,375
2007	9,553	230	22,927
2008	9,743	190	23,383
2009	9,767	24	23,441
2010	9,832	65	23,652
2011	9,907	75	23,777
2012	10,039	132	24,094
2013	10,173	134	24,415
2014	10,373	200	25,270
2015	10,523	150	25,255
2016	10,673	150	25,652
2017	10,823	150	25,975
2018	10,973	150	26,335
2019	11,123	150	26,695
2020	11,243	120	26,983
2021	11,468	225	27,523
2022	11,668	200	28,003
2023	11,818	150	28,363
2024	11,968	150	28,723
2025	12,118	150	29,083
2026	12,268	150	29,443
2027	12,418	150	29,803

An analysis of General Fund revenues by major fund source:

Total revenues anticipated to fund the 2023 General Fund operating budget are \$24,635,215 which is an increase of 9.25% from our 2022 General Fund Revenues of \$21,724,729.

As you will find on the chart below, Property taxes is the largest source of increased income going into the General Fund budget. One item on this that may not be clear is the while it shows an 25.4% increase in property taxes, that is not the actual percentage of increase of our total property taxes. The total levy increase is 20.07%. The reason for this is that our property tax levy does not just fund the General Fund. It also funds the Equipment Acquisition Fund, the EDA, and our Mt. Pleasant Cemetery operations. What the increase in property taxes refers to in the General Fund Revenue Chart is the increase of property taxes we have going into our General Fund as opposed to 2022. Again, our total property tax levy will be going up by 20.07% in 2023, with our tax rate going down by about 1.35%. As we have discussed, most of this increase is to address the start of implementation of our Building Improvement Program with the first phase going to the construction of a Public Safety Campus.

One additional thing to point out is in our Building Permit revenues. As mentioned previously, while we have seen actual permit amounts of over \$1.5 million the past two

years, we do think that there will be some slowdown, especially in residential building permits for next budget year. We still expect to see a high number of permits on the Commercial/Industrial side, as well as with rental housing, which will likely keep revenue for 2023 high, but not quite as high as it was in 2022. That is why we are budgeting it at \$1.1 million.

Finally, the other main source of income in our General Fund is our Electric Payment for Right of Way usage, the operational transfer of an additional 5% from the Electric Fund and Gas Franchise Fees, which are budgeted to be over \$5.3 million because of continued growth of electric/utility use in our community. We are also budgeting higher amount of Administrative Fees that we charge our Enterprise Funds to provide Administrative Services to other departments in the City. This is occurring because of two main reasons. First, there is the next \$125,000 of funds from the Enterprise Funds to support the implementation of our Staffing/Building Maintenance Program discussed previously. Second, it will be these funds that help support a new Community Engagement Coordinator position that is being added in 2023 and will support all departments within the organization.

The chart below shows a summary of revenues for the 2023 budget year:

General Fund Revenues					
	2021	2022	2023		
	Actual	Budget	Budget	Increase	%Increase
Property Tax	\$7,692,331	\$8,429,549	\$10,573,388	\$2,143,839	25.4%
Elec/GasFranchise Fees	4,739,073	4,987,000	5,361,000	\$374,000	7.5%
Other Franchise Fees	311,830	296,000	305,000	\$9,000	3.0%
License and Permits	1,617,663	1,035,098	1,035,098	\$0	0.0%
Other Revenues	2,758,127	2,481,819	2,557,429	\$75,610	3.0%
Admin Charges to Funds	4,113,970	4,495,263	4,803,300	\$308,037	6.9%
Total Revenue	\$21,232,994	\$21,724,729	\$24,635,215	\$2,910,486	13.4%

Besides the funding of our general governmental services, the General Fund includes three major initiatives, including:

- Capital Asset Maintenance Program (CAMP)
- Staffing Gap Program/Building Maintenance Program
- Building Improvement Plan

I will talk in greater detail about each one individually below.

1. Capital Asset Maintenance Program (CAMP)

As we build and bring on new assets into our community, a critical function we have as a local government unit is to plan for the proper maintenance and replacement of these assets, so we always keep them in good working order. Just as we would individually with our own home, the City has the responsibility to be good stewards of our resources and make sure our assets are as good for future generations as they are for

us now. If we do not do this, these costs will be passed to future generations who will have to invest more to replace the assets that are lost. This is truly an issue of equity from one generation to the next, making sure we each take on responsibility in asset maintenance.

As we discussed previously, between 2014-2017, the City worked to create our CAMP (aka CIP) to fund the replacement of major items in our General Fund. During this time we raised an additional \$1 million in revenue, which has since stayed in our budget to fully fund this program on an annual basis. The types of activities that this program funds includes replacing playgrounds, repaving trails, resurfacing roads, rehabbing parking lots, as well as other items that keep assets used by everyone in the community in good shape

With the CAMP fully funded, 2023 will bring several rehabilitation projects to the table, including:

- Street Overlay (Westin Ridge, Autumn Woods South, and Wildflower Lane)- \$480,000
- Remodel of City Square Park, including the rehabilitation of the Gazebo-\$500,000
- Trail Resurfacing (3 miles): \$60,000

2. Staffing Gap Analysis/Building Maintenance

As mentioned previously, based on the results of our Staffing Analysis in 2017/18, we did determine that we were 16 employees short to meet our current service levels, and that we had a missing component in our current organization of proper resources and staff dedicated towards Building Maintenance, which is especially important with our aging facilities. The gap identified was \$2 million, with \$1.5 million being attributed towards tax levy resources and \$500,000 being attributed toward Enterprise Fund resources. In addition to this, during the 2022 budget process, we did talk about one component of this program that we felt was not initially properly addressed, which was the Staffing levels with our Sworn Police Officers. It was decided that we were 3 Police Officers short, and that 1 would be added each of the remaining 3 years of implementing our Staffing Program. This added an additional \$336,000 to the overall program. Based on the recommended 4-year implementation of this plan to address these needs, this would have \$612,000 of additional resources added in 2023, with \$487,000 coming from additional tax levy and \$125,000 coming from Enterprise Fund Resources. 2023 would be the 3rd year of implementing this program, with one additional year left in 2024 to complete this program. Below is a list of the positions/building maintenance assets added in 2020 and 2022 (took a break in 2021 because of COVID), along with the proposed list of new positions for 2023.

2020 Staffing Study Implementation Plan:

- Building Maintenance Foreman
- Building Maintenance Worker
- Building Maintenance Worker
- Water/Sewer Maintenance Worker
- Allocation to Building Maintenance Budget: \$125,000

2022 Staffing Study Implementation Plan:

- HR Generalist
- Assistant City Engineer
- Building Maintenance Worker (4th of 5)
- Additional Police Officer (#28)
- Allocation to Building Maintenance Budget: \$125,000

2023 Staffing Study Implementation Plan:

- City Planner (2nd)
- Economic Development Coordinator
- Water/Sewer Maintenance Worker
- Park Maintenance Worker
- Additional Police Officer (#29)
- Allocation to Building Maintenance Budget: \$125,000

3. Building Improvement Program

Since the City Council officially established it as a priority goal in 2021, reinvesting back into our Core Assets has been a focus of activity that the City has been working on over the past two years. This work and discussions have revolved specifically around the significant needs we have for improvements in our General Fund facilities, including:

- Public Safety (Police and Fire)
- Municipal Service Building (Public Works, Water/Sewer, Storm Water, Electric and Mechanics)
- New Library
- Remodeled City Hall

As we have discussed throughout this process, each of these facilities are over 30 years old (Fire Station is 27 years old in 2023), with little reinvestment being put back into these buildings over that time. These buildings have also not increased in size to accommodate new employees added as the community has grown, and they have not kept up from a space perspective to store all our equipment. Finally, these City facilities have not kept up with security measures that are now critical on public facilities to keep our employees and visitors safe.

To address this issue, the City hired architects from Leo A Daly and the construction management firm RJM Construction to complete the following tasks:

- Identify the square footage needs of every General Fund Department
- Develop a Concept Plan to address each of the department's needs
- Develop conceptual pricing to accomplish implementing these building recommendations

The findings of this study were presented to the Council in May, along with recommendations for how to fund these facility needs. The total estimated costs to

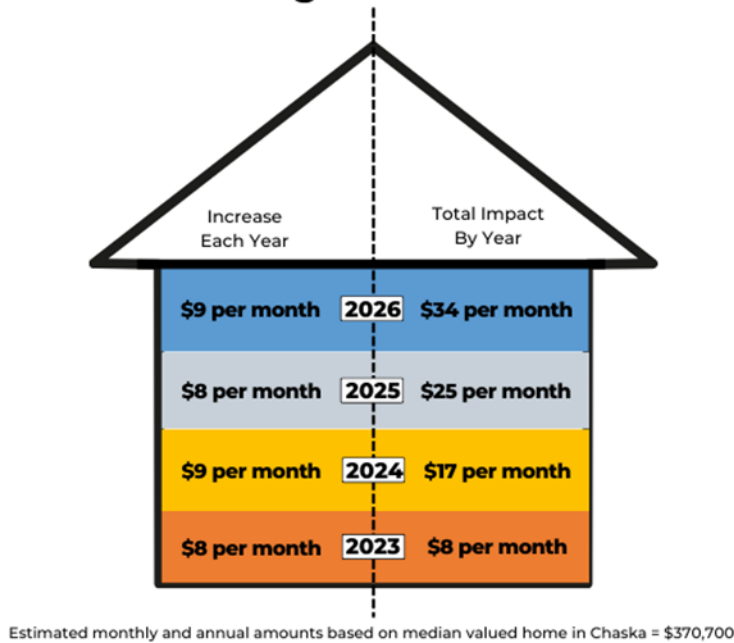
address the needs of each of these facilities was \$115 million, which would create an annual debt service need of a little over \$6.1 million per year, with \$4.5 million attributed to General Fund costs, and \$1.6 million attributed to costs of our Enterprise Funds (i.e., Electric, Water/Sewer, Storm).

As we have discussed during this process, one of the things that makes this issue difficult to address is both the fact that the original facilities were funded using 1-time dollars, and our tax levy has historically been very low, giving us few resources to reinvest back into these facilities as the needs have arisen. This means that to address this issue, we have needed to look at creating new resources unless we are willing to cut back on our existing services levels, which have also been traditionally leanly funded.

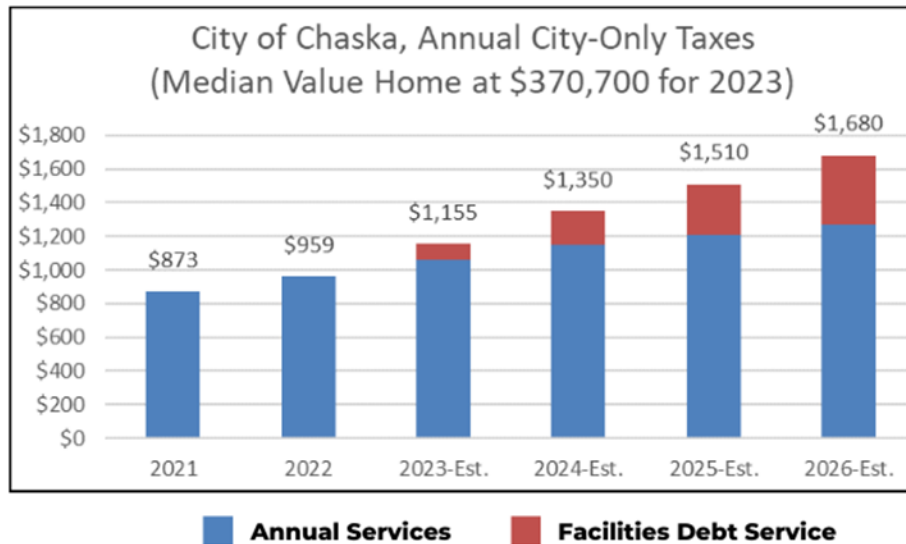
To address the funding of this program, but to not see the impact all come at once, Staff presented a recommendation to Council to increase the funding over a 4-year period, with the tax levy needing to increase by \$1.125 million for each of the next four years. Increasing this over a 4-year period would also match up with the pace at which we could even implement improvements to the plan, as we would only have the capacity to take on one facility each year. With this plan, all four buildings would be completed by late 2028/early 2029, with the priority going to our Public Safety facility, since it has the greatest immediate needs, and then our Municipal Services Building. The new Library would be the third building to be addressed, as we would need to move the library out of City Hall to pick up the needed space in this facility. The last piece of the project would be the remodeling of City Hall to pick up the spaces vacated by the library and Police Department.

As the Council is aware, we have done a lot of public outreach over the summer months to educate our residents not only about the need, but what impact they could expect on taxes if we were to move forward with this plan. The plan would start at an \$8 monthly impact to the median-valued home in 2023, an additional \$9 per month in 2024, an additional \$8 per month in 2025 and the final year of the plan in 2026 would bring an additional impact of \$9 per month. At the end of 4 years, the monthly impact to a median-valued home would be \$34 per month, or \$408 per year. We would anticipate that this would put us about in the middle of the 84 Metropolitan Municipalities for tax levy per capita impact. Below are two charts we have been showing the public for the financial impact of the program:

Funding the Facilities



Funding the Facilities



Adding the impact of the baseline tax levy increase (\$5/month) to the increase needed for the 3rd year of the Staffing Study Implementation (\$4.50/month) and the impact of the first year of the Building Improvement Plan (\$8/month), the total impact for a median-valued home (\$370,700) in Chaska for 2023 would be approximately \$17.40 per month for the tax levy needed to support the entire General Fund budget for 2023.

As mentioned previously, the Public Safety facility would be the first building to be addressed in this plan, with architectural planning occurring over the 2023 year and

construction planned to start the summer of 2024. We would anticipate being completed with the Public Safety facility in late 2025 if we are able to stick to this schedule.

Property Taxes:

For 2023, to accomplish establishing our base-line budget, address implementing the third year of the Staffing Gap plan implementation, fully funding the CAMP, and starting the 1st year of the Building Improvement Program, the total tax levy needed would be \$15,216,147. This levy represents our entire levy, which includes General Fund, Equipment Acquisition Fund, Cemetery Fund, Tax Abatement Fund, and the EDA. This represents an increase of 20.07% from the 2022 total tax levy.

This levy increase would be made up of 7.28% to support the baseline levy (5.11% for inflation and 2.17% for new growth in the community), in addition to \$489,000 that is needed for the third year of our Staffing Study implementation. Finally, an additional \$1.125 million of tax levy would be added for the first year of the Building Improvement Program. It should be noted that a portion of our total levy goes towards our General Fund Budget, with the remaining going towards our Equipment Acquisition Fund and debt service for our current Downtown Street Reconstruction Program.

It should also be noted that out of this total tax levy amount, \$333,951 represents a levy for tax abatement assistance provided in the past. This additional amount represents the 11th year of tax abatement that was provided to the West Creek Corporate Center Development for development of infrastructure to support this new industrial park, along with some other tax abatement projects including the 212 Medical Center Addition and the Chaska Creek Medical Building. While we are required to officially levy this assistance, the City is a “pass-through” for these funds, with the same amount coming in from this project that goes out for the tax abatement assistance. It does not influence other taxpayers in the community.

Within this total levy amount, the Chaska Economic Development Authority also has a \$196,308 levy. Last year this levy was \$182,989. The amount levied for 2023 in the EDA Fund of \$196,308 represents the dollars supporting the operations of our Economic Development Activity and was included in the total tax levy amount of \$15,216,147.

In summary, the total levy will include:

- Continuation of dollars to support the Downtown Street Reconstruction Program
- \$14,685,888 being levied to support General Fund Operations, a portion of Street Reconstruction Debt Service, Mt. Pleasant Cemetery, and existing Equipment Acquisition Fund needs
- \$489,000 of additional levy (included in the total above) to support the third year of implementation on our Staffing Gap program
- \$1,125,000 to support the first year of the Building Improvement Program (included in total above)
- \$1,000,000 for our CAMP (included in total above)

- \$196,308 being levied in the Economic Development Authority Fund for operations
- \$333,951 in tax abatement that is generated from the new West Creek Corporate Center Development, 212 Medical Center and Exactec.

The following table summarizes Chaska's actual tax levies (General Levy, EDA, Tax Abatement and Mount Pleasant Cemetery for 2020, 2021 and 2022, along with the proposed 2023 levy:

	2020	2021	2022	2023	Increase	%
General/Equipment Acquisition/EDA/Tax Abatement	\$ 10,510,132	\$ 11,406,925	\$ 12,666,429	\$ 15,210,147	\$ 2,543,718	20.08%
Mt Pleasant	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ -	0.00%
Total Operating and Special Levy	\$ 10,516,132	\$ 11,412,925	\$ 12,672,429	\$ 15,216,147	\$ 2,543,718	20.07%

Impact of Tax Levy on Property Owners

To understand the impact of the tax levy on individual taxpayers, three factors must be analyzed:

- Market Value Changes
- Any changes in the Tax Capacity Formulas Established by the State
- The City's Tax Levy

Overall, Chaska's market values, excluding tax-exempt property, increased by \$785,068,300 to \$4,297,171,400-an overall increase of 22.35%. The largest percentage increase that we saw in 2022 was in residential properties, with a 24.61% overall increase. 2.49% of that came from construction of new residential units in the community, with the other 22.17% coming from increasing values in existing residential units.

The other major area of increase we saw was in Apartment properties, with a 21.30% increase in market values. 0.24% of that growth came from new construction, meaning that 21.07 of the increase was experienced in existing Apartment buildings. This is consistent with what we have been seeing in the community with a lack of apartment units that are currently available. It should be noted that this lack of available rental units will change dramatically over the next two years, as we currently have 3 apartment projects and 1 rental townhome project that is moving forward that will bring nearly 500 new rental properties to our community. Commercial/Industrial also saw a large increase in 2022, with a total of a 14.05% increase. Undeveloped Agricultural land also saw an 8.55% increase, meaning that there was still demand for development property in the community.

Below is a summary of the Market Values for taxes payable 2023 (assessed 2022) as established by the County Assessor's office:

Chaska 2022 Assessment

	Residential	Commercial/Industrial	Apartment	Ag	Total
2022 EMV	\$3,295,947,000	\$631,025,600	\$281,134,600	\$89,064,200	\$4,297,171,400
2021 EMV	\$2,645,009,100	\$553,274,200	\$231,767,700	\$82,052,100	\$3,512,103,100
Total Value Change	\$650,937,900	\$77,751,400	\$49,366,900	\$7,012,100	\$785,068,300
New Construction	\$65,868,900	\$9,842,000	\$545,000	\$0	\$76,255,900
Market Change	\$585,069,000	\$67,909,400	\$48,821,900	\$7,012,100	\$708,812,400
% New Construction	2.49%	1.78%	0.24%	0.00%	2.17%
% Market Change	22.12%	12.27%	21.07%	8.55%	20.18%
2022 Total % Change	24.61%	14.05%	21.30%	8.55%	22.35%

Using the 2022 market values and the classification formulas established by the State, the County Auditor has calculated Chaska's 2022 (for taxes payable 2023) gross tax capacity to be \$49,483,043, an increase of 22.98%. To calculate the net tax capacity used for determining Chaska's tax rate, a reduction must be made for captured tax increment and fiscal disparity contributions. Our current captured TIF value is \$1,851,247 with Chaska's fiscal disparities contribution for 2023 being \$4,155,642 resulting in a net tax capacity of \$43,476,154 an increase of 24.78%.

	2022	2023	Increase	%
Gross Tax Capacity	\$40,238,279	\$49,483,043	\$9,244,764	22.98%
TIF	\$1,327,634	\$1,851,247	\$523,613	39.44%
Fiscal Disparities	\$4,068,058	\$4,155,642	\$87,584	2.15%
Other				
Net Tax Capacity	\$34,842,587	\$43,476,154	\$8,633,567	24.78%

Based on these estimates, Carver County has estimated Chaska's 2023 General Fund tax rate to be 31.197%. This is a decrease of 1.35% from 2022, where we had a tax rate of 31.625%. With the median value of home going up from \$298,500 to \$370,700 in the community, this would bring the median-valued home's City taxes from \$947 in 2022 to \$1,156 in 2023, or an increase of approximately 17.40 per month or \$209 for the year. As always, the actual amount of impact is completely dependent on the actual market value change experienced on that property over the past year.

As we have discussed in previous years, Chaska has been in the lowest tax levies per capita of all Metropolitan cities for several years. As we move forward to implement the Building Improvement Program, this will impact Chaska's place in these rankings, but it will still be in the lowest taxed cities in the Twin Cities Metro Area. As we look at 2023, if you assumed that all other Cities have a 0% increase in their tax levies, Chaska would go from ranking 78th lowest out of 84 total Cities down to 56th lowest. However, if you assume that all other cities have a 5% increase, which most cities will be at this level or

higher, we would move to 64th lowest out of 84, which would put us in the lowest 24% of Metro Cities, which still makes Chaska very competitive.

The following chart illustrates the highlights of the most recent survey and assumes that Chaska would implement the full tax levy we have discussed during this report, but that all other cities would have a 0% increase:

Ranking	City	Taxes	Population	Tax Levy Per Capita
1	Golden Valley	\$27,927,443.00	22,334	\$1,250.45
2	Oak Park Heights	\$6,034,373.00	4,830	\$1,249.35
3	Wayzata	\$5,415,369.00	4,481	\$1,208.52
4	Mendota Heights	\$11,194,705.00	11,652	\$960.75
5	Hopkins	\$18,140,100.00	18,926	\$958.48
6	Minneapolis	\$415,119,275.00	434,346	\$955.73
7	Excelsior	\$2,188,937.00	2,360	\$927.52
8	Columbus	\$3,728,744.00	4,167	\$894.83
9	West St. Paul	\$18,657,430.00	20,882	\$893.47
10	St. Anthony Village	\$8,033,678.00	9,175	\$875.61

56	Chaska	\$15,216,147.00	27,931	\$544.79
57	Plymouth	\$43,654,569.00	81,184	\$537.72
58	Ramsey	\$15,312,856.00	28,520	\$536.92
59	Rosemount	\$14,026,345.00	26,133	\$536.73

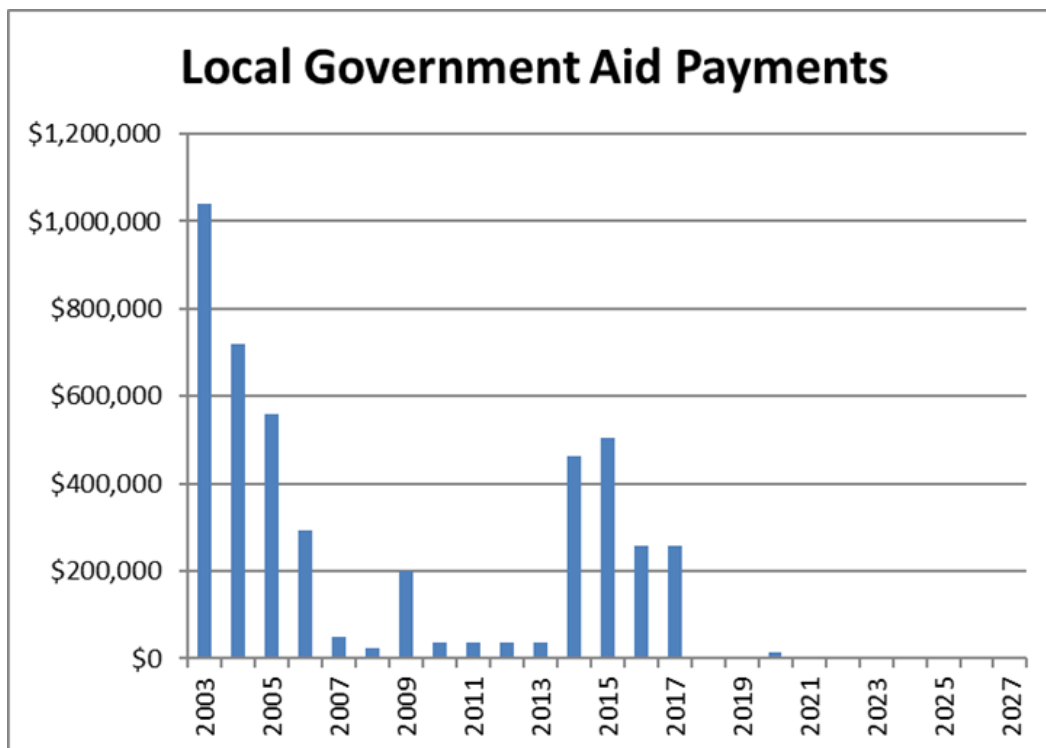
71	Chanhassen	\$12,663,076.00	25,936	\$488.24
72	New Brighton	\$11,481,450.00	23,705	\$484.35
73	Coon Rapids	\$30,990,539.00	64,128	\$483.26
74	Mounds View	\$6,178,870.00	13,133	\$470.48
75	North St. Paul	\$5,820,296.00	12,397	\$469.49
76	Cottage Grove	\$18,339,000.00	39,605	\$463.05
77	Falcon Heights	\$2,360,444.00	5,125	\$460.57
78	Arden Hills	\$4,472,680.00	9,897	\$451.92
79	St. Paul Park	\$2,442,807.00	5,507	\$443.58
80	Vadnais Heights	\$5,724,529.00	13,080	\$437.66
81	Anoka	\$7,811,653.00	18,041	\$432.99
82	Lauderdale	\$950,351.00	2,247	\$422.94
83	North Oaks	\$2,051,403.00	5,306	\$386.62
84	White Bear Lake	\$8,080,000.00	24,671	\$327.51

Intergovernmental Revenues:

One significant change we experienced starting in 2018 and has continued into 2023 is the reduction of our Local Government Aid by approximately \$250,000, bring us down to nearly \$0 for the past 3 years. In 2020 the amount we had certified was \$14,171, with us receiving \$0 in 2021 and 2022. In 2023, we received notification that our certified amount is \$0, meaning this will be the third time we receive no Local Government Aid at all. We expect this will continue at this level into the future. This change is due to the State's LGA formula, the increase in market values we have seen in the community over the past couple of years, and the decertification of our large TIF District #4 in 2014, which reincorporated a large taxable market value back into the community in that following year.

In 2003, the City of Chaska received approximately \$1 million in LGA from the State on an annual basis. This was a very significant hit to the City's revenues, representing approximately 10% of our overall revenues. The loss of nearly \$1 million in revenue was a significant reason why we started to get behind in properly staffing of our services and have had a difficult time catching back up ever since.

In 2014, the City received did see an allocation of LGA in the amount of \$462,000, with it going to just over \$500,000 in 2015 and \$550,000 in 2016. In 2017, we once again saw this amount reduced to just under \$250,000. With it now officially certified at \$0, we do not expect we will see this revenue source again soon. Below is a chart of our experience for local government aid, and what we expect to see in LGA over the next 5-year period.



It should be noted that when the City saw the \$250,000 LGA amount go to \$1,000 in 2018, the Council did decide to levy back half of that amount (\$125,000), which has remained in the budget ever since, and is included in the 2023 budgeted revenues. However, it continues to be important to point out that this loss of nearly \$1 million from the State from that 2004 period did have a long-term impact on the City and is a large reason why we are now having to have the discussions about the gaps that we see in our staffing levels to sustainably meet our service level expectations and a significant reason we got behind on building maintenance activities.

Licenses and Permits

From 2008-2011, Chaska and the rest of the metropolitan area experienced a dramatic slowdown in not only residential development, but development in all sectors of the market. As a result of the downturn, building permit revenues dropped significantly. Up through 2005, this revenue source was over \$1 million per year, and in 2010 brought in approximately \$500,000. In mid-2011, we did start to see this change as some larger Commercial/Industrial development activity did start to occur, and we ended 2011 with over \$1 million in permit revenue. While we continued to see good activity during 2012 and saw positive movement since 2013, the consistency and predictability of this revenue stream has continued to be volatile and can be somewhat difficult to project from year to year.

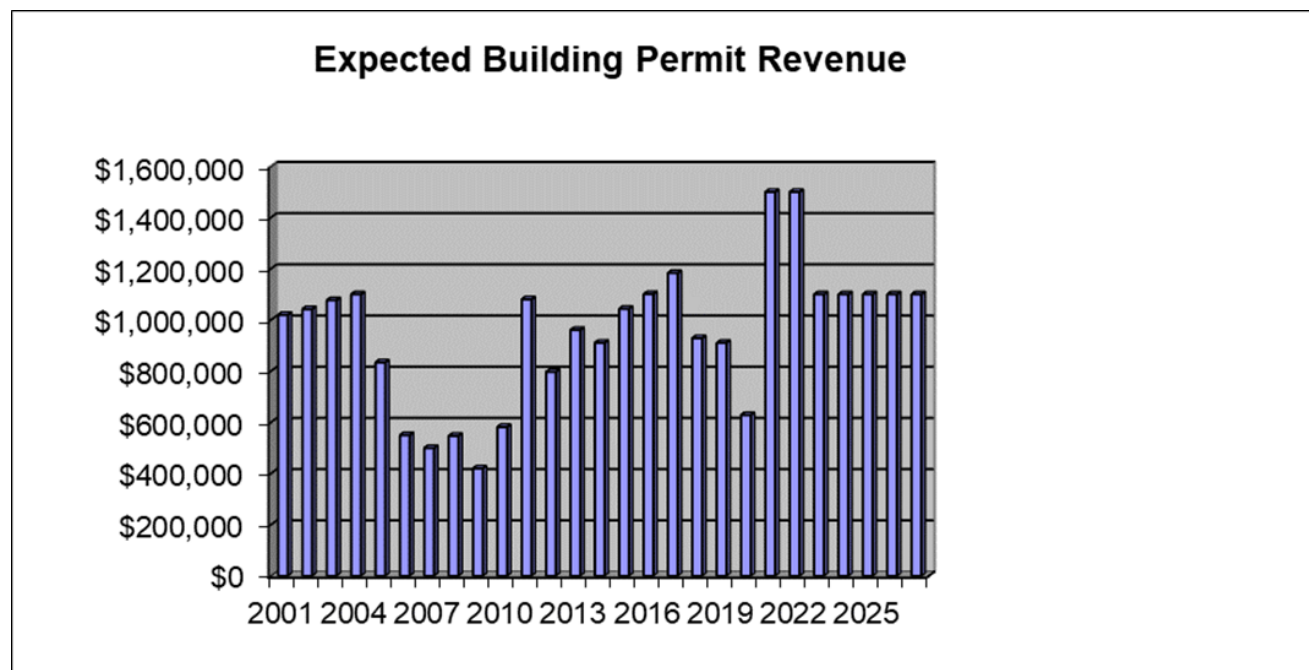
With the downturn in the economy in early 2020 due to the pandemic, we did see the permit revenue we expected to see be reduced significantly. While we continued to see relatively steady single-family residential development, we did see a big downturn in Commercial/Industrial activity, with only a few projects moving forward. In early July of 2020, we did amend our General Fund budget when we started to understand the impacts it would have on our budgeted revenues, especially in building permits. As part of that action, we did adjust our budget numbers down to \$600,000, a reduction of approximately \$400,000 from what we had budgeted at the beginning of the year.

While we continued being conservative in our budgeting for 2021 and 2022, budgeting for approximately \$1 million over the course of each year, we did see a much larger than anticipated growth in residential activity, as well as growth in the Commercial/Industrial Market, in both 2021 and 2022. Although we budgeted just under \$900,000 in 2021, we ended the year with close to \$1.5 million in activity. In 2022, while we budgeted \$1.1 million in permit revenue, we expect that this number is going to be closer to \$1.8 million when we end the year.

While there are several projects that are likely going to be moving forward with construction in 2023, we do expect that most of these will be with larger Commercial/Industrial projects, with there being some slowdown because of interest rates rising on mortgages. The projects we expect to see pull permits include Costco, the residential development next to Costco, the apartment building at Hazeltine Plaza, the industrial Building on the old Chaska Building Center Site and continued work on the two Apartment projects in the Clover Ridge Neighborhood. So, while we will likely see a slowdown in owner-occupied residential units, there are enough C/I projects in the works that we will likely still see high levels of building permit activity.

Given the continued C/I work moving forward, but a likely slowdown in owner-occupied residential, we are recommending a slight decrease in our budgeted permits for 2023, bringing it down to \$1,035,000 million. By doing this, we think we are being more realistic to what we will actually see in 2023 because of a slowdown in the single-family residential units.

Under our current building projections, our staffing levels will be enough to cover the anticipated workload and be able to turn around building permits in a timely fashion.



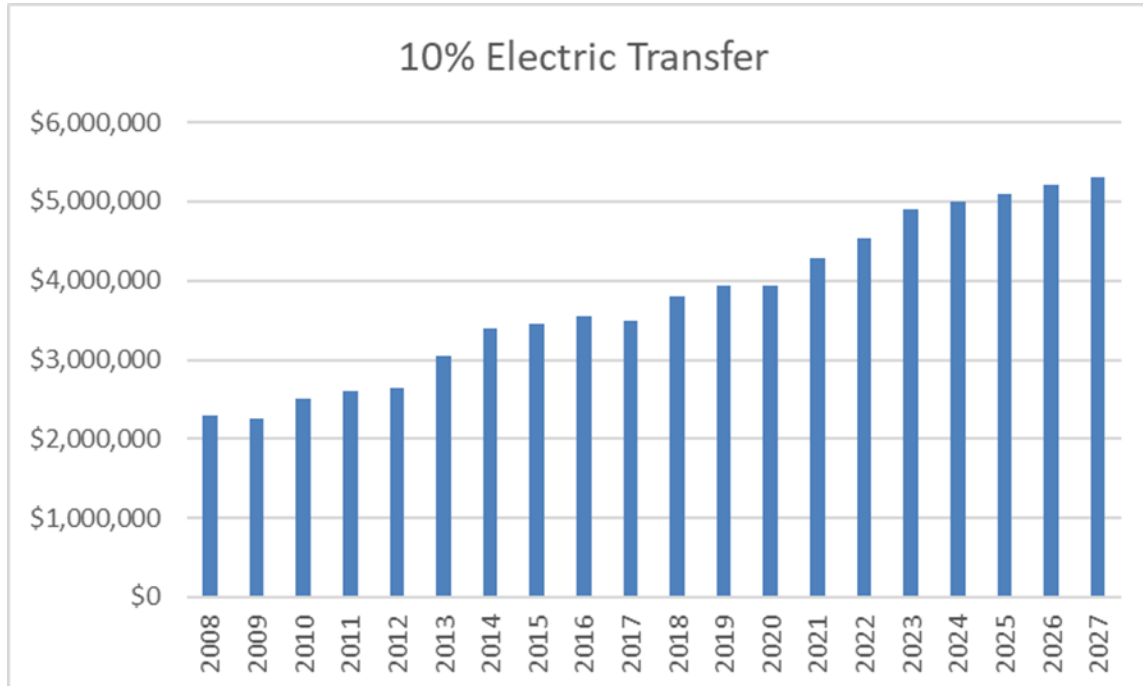
Electric Fund Transfers

The City has a formal policy of charging ourselves a per kilowatt-hour Right of Way usage fee, which is roughly equivalent to 5% of the total electric rate of our electric utility. In addition, we do an operational transfer from our Electric Fund to the General Fund to help support General Fund services, which is an objective of the Electric Fund. For 2023, the total amount of Right of Way fee transfer and operational transfer is budgeted to be just under \$5 million.

We have seen an a dramatic increase in this portion of our revenue over the past several years, which has represented both an increase in usage by our existing customers, but also reflects the positive impacts we are seeing through the addition of large economic development projects such as an increase in Data Centers, additional commercial uses in town, and the recent expansions we have seen with existing businesses in our original Industrial Parks on the north end of the community. We continue to expect that to increase in 2023 as we expect to see some continued expansion of load in our data centers, as well as seeing existing industrial customers add on, Commercial uses be built, and residential growth continue.

It should be noted that in that total Electric Fee above, that we do program just under \$50,000 of that to come from Minnesota Valley Electric Cooperative and Xcel for their Franchise Fee in 2023, with development of the first building at the Southwest corner of the intersection of 212 and Engler Boulevard now completed, the addition of residential in the Chevelle neighborhood, and the addition of at least two industrial building in West Creek Corporate Center opening in 2023. This Franchise fee to the other providers in Chaska is something that we would plan to fully implement in 2022 to make sure that as we see new development in our community, that users in other provider's territories are seeing a Franchise Fee (Right of Way usage fee) as if they were in Chaska Electric's territory.

There is a significant amount of development that will occur in the future in MVEC's territory, with most of the job growth in the Southwest Chaska Master Plan falling within their territory. Because of this, we expect this number to increase significantly as we move into the future, and we see this development occur. It should be noted that the Franchise fee that will be charged to MVEC and Xcel will be based on 5% of their gross revenues for the year to keep it consistent with our Right of Way usage fee for Chaska Electric. This is because of the limitations State Statute allows us to charge from an outside utility, and because this percentage matches up with the percentage that is charged to Centerpointe Energy for our enacted Gas Franchise Fee. Statute requires that these fees to external utilities be equitable from one utility to the next. The total for all external Utility Franchise Fees and our Right of Way usage fee and operational transfer for Chaska Electric represents 22% of our total General Fund Revenue Budget.



Charges for Services

Charges for services are those revenues that support the City derived from charges to individual users for services, other governmental agencies, or inter-fund charges for administrative services. These would include payroll, finance, administration, and

Human Resources costs to our Enterprise Funds (i.e. Electric, Sewer, Water, CEC, etc...). For 2023, charges for services are programmed to be \$4,803,300 as compared to \$4,495,263 in 2022, or an increase of \$308,037. This increase in charges for services is occurring to help us keep up with the actual cost of service the General Fund is providing to our other Enterprise Funds. This includes all our Administrative Services, Human Resources and Administration. In 2020, we also added a contribution from the Enterprise Funds to the overall Building Maintenance Division Budget, which started at \$125,000 in 2020. This amount is planned to increase to \$375,000 for 2023 as we are implementing the third phase of our Staffing Study implementation. It should also be noted that there is an additional \$400,000 that will be brought in from the Utility Funds to support the 1st year of the Building Improvement Program. These funds need to support their fair share of the overall program and what they will be using. After 4 years of the program, the Utility Funds would need to support \$1.6 million of the total \$6.1 annual debt service needed to support this program. We would plan to add \$400,000 each of the 4 years of this program's implementation.

General Fund Expenditures:

General fund operating expenditures are forecast to be \$24,635,215 in 2023, which is an increase of 13.40% over the 2022 Operating Budget.

In preparing the 2023 budget the following general assumptions were used for the operating budget:

- *Utilize budgeting objectives developed*
- *Increase in the tax levy by 2.17% due to new growth and 5% for inflation*
- *Move to implement the third year of our Staffing Gap Study, adding \$487,000 to the total tax levy, and an additional \$125,000 from the Enterprise Funds to support the third year of the plan*
- *Implement the first year of the Building Improvement Program, adding \$1.125 million to the tax levy, and \$400,000 from the Utility Funds to support the first phase of this program.*
- *Continue with the implementation of our CAMP, with \$1 million allocated to improvements to our existing General Fund Assets in the City*
- *Personnel salaries up 3%, with employer benefit contribution seeing 6% increase in 2023.*
- *Assume continuation of our Street Reconstruction Program*
- *Continue contract with City of Carver for shared recreational services, bringing in approximately \$67,000 to support our recreational services*
- *Continue with \$12,000 expense in 2023 for "Scholarships" to support large community activities utilizing our new banquet facility (\$1,000 per month)*
- *Fully fund the Equipment Replacement Schedule for 2023*
- *Assume we are building up our General Fund reserves*
- *All other items in budget to remain unchanged*

Department	2021 Actual	2022 Budget	2023 Budget	Increase	%Increase	Notes
Council	\$166,337	\$182,008	\$191,078	\$9,070	4.98%	
Communication	\$63,776	\$52,008	\$73,447	\$21,439	41.22%	<i>This is an increase for more comm. Outreach</i>
Administration	\$859,305	\$890,488	\$1,122,615	\$232,127	26.07%	<i>This is the increase for Comm. Eng. Coordinator</i>
Human Resources	\$354,787	\$462,916	\$462,885	-\$31	-0.01%	
Elections	\$10,902	\$38,905	\$13,906	-\$24,999	-64.26%	
Admin Serv-Finance	\$1,655,938	\$1,760,400	\$1,860,432	\$100,032	5.68%	
Admin Serv-IS	\$1,137,010	\$1,269,942	\$1,282,276	\$12,334	0.97%	
Legal	\$140,165	\$100,000	\$120,000	\$20,000	20.00%	<i>This has increased because more development</i>
Community Dev.	\$329,092	\$380,392	\$417,903	\$37,511	9.86%	
Engineering	\$541,933	\$547,244	\$635,216	\$87,972	16.08%	<i>Work in full year salary of new As. Eng from last year</i>
City Hall Bldg	\$241,868	\$203,720	\$216,612	\$12,892	6.33%	
Building Maint Div	\$478,586	\$681,240	\$761,846	\$80,606	11.83%	<i>Work in full year of Building Maint from last year</i>
Police	\$5,169,592	\$5,584,386	\$6,176,456	\$592,070	10.60%	<i>Addition of new officer and full salary from last year</i>
Fire	\$2,301,671	\$2,283,915	\$2,550,484	\$266,569	11.67%	<i>Addition of new Inspector plus new equipment</i>
Building Inspection	\$804,848	\$755,775	\$821,511	\$65,736	8.70%	
Public Works Admin	\$411,684	\$427,833	\$424,883	-\$2,950	-0.69%	
Streets	\$1,742,161	\$1,934,186	\$1,935,240	\$1,054	0.05%	
Snow Removal	\$331,313	\$267,799	\$284,555	\$16,756	6.26%	
MSB Building	\$220,768	\$236,164	\$211,196	-\$24,968	-10.57%	
Park Maintenance	\$621,315	\$1,149,376	\$1,281,432	\$132,056	11.49%	<i>Addition of new Park Maintenance Worker</i>
ISD 112 Maint	\$0	\$37,369	\$37,940	\$571	1.53%	
Tree Control	\$14,629	\$13,074	\$37,199	\$24,125	184.53%	<i>Additional treatments for Emerald Ash Borer</i>
Parks Admin	\$536,522	\$811,095	\$638,389	-\$172,706	-21.29%	
Parks Youth	\$178,545	\$64,996	\$193,905	\$128,909	198.33%	<i>Shifted expenses from Park Admin into Youth</i>
Park Senior	\$1,388	\$166,025	\$170,065	\$4,040	2.43%	
Parks Adult	\$56,917	\$63,662	\$69,758	\$6,096	9.58%	
Firemen's Park	\$108,926	\$104,983	\$123,425	\$18,442	17.57%	
Parks Skating Rink	\$1,071	\$11,629	\$12,481	\$852	7.33%	
Unallocated	\$905,973	\$1,243,199	\$2,508,080	\$1,264,881	101.74%	<i>These are additional dollars for Building Program</i>
Total	\$ 19,387,022	\$ 21,724,729	\$ 24,635,215	\$2,910,486	13.40%	

From a CAMP perspective, 2023 will mark the 7th year in a row that we have budgeted for \$1,000,000 being dedicated to this plan. This allows us to be able to program the exact projects we will be undertaking on an annual basis to support our overall Capital Asset Maintenance Program. For 2023, the following projects are planned to be undertaken:

- \$480,000-Street Sealcoat Program (Westin Ridge, Autumn Woods South, and Wildflower Lane)
- \$500,000-Remodel of City Square Park
- \$60,000-Trail Resurfacing (3 miles)

Based on this, and the other changes that were listed above, the level of expenditures we are recommending to the budget would allow us to meet our budget and service objectives set for the 2023 budget process, while also keeping us in the lower quarter of all Cities in the Metro Area for tax levy per capita.

Specific Department 2023 Activities

Administration

For 2023, we have one new position that is being added in the budget as part of the Staffing Gap Analysis Plan. The position being added would be an Economic Development Coordinator position. This would be the first position we have dedicated to Economic Development, with all Economic Development activities in the past having been completed by the Assistant City Administrator position. This will help provide the support needed for our increasing economic development activities.

In addition to this position, the Administration Department would also add the position of Community Engagement Coordinator. This is a position that is not being funded by tax levy, nor is a part of our Staffing Gap Analysis plan but is instead being added through support from all the departments in the City. This was a position that we identified as a desired action item coming out of the last Council/Department Head retreat and would be focused on coordinating our efforts for “people-centered” services, such as coordinating efforts of our Chaska Cares program, creating a Volunteer Corp, expanding our DEI work, and generally working to get our residents and businesses more engaged in the community. This was work that we started during COVID when our Parks and Recreation staff had more opportunity to do this work since we had long shutdowns of our recreational facilities allowing them more time to dedicate this. With things now being back to normal in our Parks and Recreation Department and there not being the Staff to help continue to lead these efforts, this position would be added to make sure we have someone dedicated to continuing and expanding these services within our organization.

Administrative Services

Budgeted staffing levels for the Administrative Services Department will remain steady in 2023. As part of the Staffing Study, it was identified that the IS portion of this department is short 1 Network Analyst position. With the delay in the Staffing Study, we have this position being implemented in fourth year of the Staffing Study in 2024.

Community Development

As indicated previously, while we may see some slowdown in Single-family residential development, we do anticipate that this upcoming year will still be busy one for planning and building departments, as we expect to continue to see Commercial/Industrial projects continue to move forward and the planned residential rental projects continue to move forward with development. With us coming off a 2021 that saw \$1.5 million in building permit activity, and 2022 that will see close to \$1.8 million in building permit activity, we do think it will remain strong in 2023, but maybe not quite as strong as we have seen the last two years. We are staffed to handle this load of development, although the building department will be very busy. With there expected to be less single-family development in the community in 2023, we have tried to budget conservatively on our Building Permit revenue, budgeting approximately \$1.03 million for 2023.

The addition we have planned for the department in 2023 is a second City Planner position. This was identified in the Staffing Study. This is something that is needed given the level of our planning activities in Chaska. It is very unusual for a City with our level of activity to only have 1 planner. This will help get us to sustainable levels as we move forward through full development of our community. One final move we made in the budget for 2023 is to add dollars to increase Advertising and Printing costs to be able to provide increased notices and flyers/postcards for public engagement efforts we have discussed with the Planning Commission over the past year.

As part of the Staffing Study, in the Engineering Department we did add the Assistant City Engineer position in 2022, which has had an immediate impact on reducing the workload of our City Engineer to a reasonable level. There are no new positions planned for this department in 2023, although the addition of the 2nd Planner and Economic Development Coordinator positions will help as all three departments works closely together on projects.

Police

As we discussed during the budget process in 2022, we identified a major need in this department to deal with the shortage of staff, especially in our shifts that are staffed at minimum levels. As we discussed last year, our policy stated that our Staff minimums would be 2 Officers per shift at times in which we have traditionally lower demand. This is a staffing level policy that has been in place since 2001.

As our community has continued to grow, increasing nearly 10,000 in population, our policy was not able to keep up with safe practices for our Officers. Multiple calls for service at these times leaves an officer without proper backup, which can put an officer in a dangerous position. It also forces our Officers to be more reactive to situations instead of proactive utilizing Community Policing techniques. This is due to their not having adequate time to take on Community Policing activities in these times we are staffed at minimum levels. This was identified in our Community Conversations/Survey in the summer of 2020 as being something desired in Chaska by our residents. As we discussed last year, to be able to meet these needs would take three additional officers. We added our 28th officer in 2022, and plan to add our 29th officer in 2023. The final of these three officers would be added in 2024 when we would plan to add our 30th officer. In addition to this Staffing addition, we also have \$10,000 programmed for the addition of a drone in our Public Safety Department, as well as a tactical robot for \$4,000 that would allow for entrance into a barricaded property to assess situations without putting officers or suspects in danger. We also have \$4,200 programed to be a member of the Twin Cities Fencing Consortium to address being able to get fencing if we had any public rioting in front of our Police Department, and we have \$10,200 programmed to purchase 12 sets of Protective Equipment for Mobile Field Force Officers.

Fire Department

Currently, the Fire Department has an authorized staffing level of 45 paid-on-call staff, although because of retirements on the department, the actual staffing level is usually lower, with a full-time Fire Chief and Fire Marshal, along with two Fire Inspectors. We also have a support staff in the Fire Department to support administrative functions. In 2022 we added the position of Training Chief to be able to take on the increasing administrative task of coordinating all required training in our department. All 6 of these full-time staff are also Firefighters, allowing them to respond to calls during the day, and reduce the burden on our Paid-on-Call Staff.

To preserve our volunteer base of firefighters, the City added a Fire Chief position in 2013 to provide continuity in leadership to our fire personnel, but to also be able to take on the growing administrative load of running a department such as this. It was the plan that making this move would be a cost savings to the Fire Department over time, to avoid large staffing expenses in the future if we were unable to attract volunteers for these critical positions. This position was hired in February of 2013 and has been a very good addition to our Fire Department model. At the time that we created the Fire Chief position, we also moved the Fire Marshall position out of the Community Development Department and moved this position into the Fire Department.

In addition to this, in 2015 we also did add Duty Crew shifts twice a week to both help take the burden off all fire fighters to respond to calls, and to pilot this program for future use. We have been able to add to this over the last five years, providing this service most days of the week.

In the 2018 budget we made another significant change to the department by budgeting the addition of two new Rental Inspectors/Fire Fighters to the Department. The primary function of these employees is to help bolster our Rental Inspection program, as that area of services has been on the rise as more single-family homes were converted to rentals during our last economic downturn. As mentioned previously, an added benefit of these employees being in the Fire Department is that they add two additional firefighters at the station during daytime hours to be able to respond to fire calls. Given that this is the most difficult time for the City to staff with Paid On-Call Fire Fighters, this will continue to help us maintain our volunteer-based department. This has been a great addition to this department and is continued to be included in the 2022 budget, along with the Administrative Support position that is also staffed by a firefighter to provide additional daytime response.

As we discussed previously, the biggest need to keep this department with a base of Paid on Call firefighters is to deal with the day-time response issues, and to relieve our volunteers from having to take on administrative duties. To continue to address this. In 2022 we did move the existing position of Training Chief and funded it to allow for this to become a full-time position instead of a Paid-on-Call position. This has helped us continue to create more full-time support for those difficult daytime hours, and to take away more administrative burden from volunteers. We hope that will help with recruitment and retention of firefighters into the future.

In 2023, we do have the addition of a 3rd rental inspection/FT Firefighter position. This position is needed because we will be adding over 500 new rental units in the community over the next 12 months, which increases the number of units to a level that is not sustainable from 2 inspectors. This 3rd position will be supported by the revenue we generate from additional rental licenses.

Finally, one addition that we are recommending for the 2023 budget is the addition of a 3rd pumper in our fleet. We have found that over the past few years, we have had 25% of the time that we have had at least one vehicle down, which has only left us with two major pieces of apparatus. We do have a pumper replacement scheduled already in 2026. We are moving that up to 2023 to purchase and then planning on keeping the oldest pumper we have in the fleet to a backup pumper instead of selling it. By doing this, it does not really affect our budget differently than planned until 2042 as that is when we would need to account for the added pumper in our replacement schedule, but it does provide us with the immediate backup of equipment right away so that we do not run the risk of not having enough apparatus in service to properly be able to respond to a call without Mutual Aid backup. The cost of this apparatus is \$1 million and would not be delivered until 2024 because of supply chain issues.

Public Works

Chaska's Public Works activities are anticipated to increase as the community grows, with personnel needing to be added as mileage of road and the addition of parks occurs in the community. We will also have to plan for the addition of Staff to support our Storm Water activities. While these services are paid out of the Storm Water Fund, they are housed out of the Public Works Department, as we utilize our Staff for multiple functions.

The largest item identified as a need in the Staffing Study was the need for the City to dedicate more resources to our Building Maintenance Activities. This is especially true as our facilities have continued to age, and we have not always put the proper levels of resources necessary in the past to keep these buildings in good condition. As the Council is aware, the City did move in 2020 to centralize all its Building Maintenance Activities to one central Division, which we currently house in the Public Works Department. Ultimately, the Staffing study would show that this Division will have 5 dedicated full-time Staff to address building maintenance, with the ability to centralize it in one area so that we are able to maintain all our facilities in a similar manner and take advantage of purchasing power by bringing service contracts under one area of the organization. In 2022, we did move to add the 4th of the 5 planned Building Maintenance positions, with the last one being added in 2024. We also added an additional Storm Water Utility person in 2022 to help support that departments growing activities. We will still have 1 additional Storm water maintenance person we plan to add in 2024.

For 2023, we do have a Park Maintenance Worker identified in our Staffing Gap Analysis plan to hire, with that hire planning on coming on in the Spring before the summer season starts. In addition to this, we also have added an additional \$40,000 to the Public Works Department in 2023 to address the treatment of trees for the Emerald Ash

Borer, as this has become a large issue in our community. We cannot treat all trees, but we are focusing on the ones that are most significant to our overall community (i.e. City Square Park).

Recreation

Although functionally, the Recreation Department, Community Center and new Curling/Event Center are in essence combined, Recreation Administration and Programming are budgeted as separate General Fund activities. Having them functionally work together does create efficiencies, which has kept our Park and Recreation expenditures significantly below the State average for communities our size. In 2022, we plan to continue to have our Park and Recreation Director, our Recreation Manager, our Recreation Coordinator, the Recreation/Special Events Coordinator and Athletics Supervisor all funded fully out of the General Fund, with a portion of other support positions allocated to the General Fund. As mentioned previously, we also are planning to relieve the Community Center of the \$200,000 of Administrative Fee charged to it annually to recognize the significant negative impacts COVID has continued to have on that facility, and to recognize the large capital improvements we have had to address in this facility as the facility has aged. While we will still see the Administrative Fee come in from the CCC into the General Fund, it will now be supported by a transfer of funds from the Utility Department into our CCC Fund. The Staffing Study did not identify any gaps in our overall staffing levels for recreation, and Staffing levels will remain unchanged for 2023 and into the near future.

Community Center Budget

For the Chaska Community Center, 2023 will be its 32nd year of operation. As the Center has evolved, we are confident that it has addressed its mission *of being Chaska's community gathering place, while providing an opportunity to run into people you know*. The objectives of the Community Center are:

- 1. To promote community gathering and interaction.*
- 2. To provide family and individual recreation with an emphasis on fun and providing a variety of program opportunities.*
- 3. To enhance Chaska's pride and identity.*
- 4. To be operationally self-supporting with no property tax support.*
- 5. To reinvest back into the facility to keep it quality for future generations*
- 6. To build a cash-balance in the CCC Fund to be able to accommodate all the maintenance and improvement needs on this aging facility*

Historically, the Community Center has done a very good job of accomplishing the first four objectives listed above. Not only has it served as a central gathering place in the community, providing opportunities for family and individual recreation in Chaska, but has also been able to manage the center's day-to-day operations in a financially self-supporting way. In this respect, it is one of the few community centers in the State of this size that can offer the services it does and has not utilized tax levy to support its operations. Many city-owned community centers/recreation centers have some tax levy support, with a common split being 60% coming from revenue generated from the facility and 40% being supported by a property tax levy.

Because the Chaska Community Center has not relied on any tax levy for support, it has had the effect of being a significant factor of what has kept our General Fund tax levy low. This has occurred financially by the CCC taking on many of the City's recreational functions that would normally be covered in other communities by tax levy support. This is especially true for the expense of Recreation Staff members who are providing programming in many different venues outside of our Community Center. While this has provided many efficiencies that have kept our overall City costs for the facility low, over the past few years this has become a major limiting factor in the Community Center as the facility has aged and we have not had the cash flow to be able to accommodate all the needed upkeep work on the facility. Since 2018 when we have had some major infrastructure equipment in the Community Center fail, the replacement of these necessary items has caused the CCC Enterprise Fund to run deficits in the Fund and we anticipate this issue will only get worse if we do not identify other funding sources to be able to properly fund not only the operations of the facility, but also the capital replacement and reinvestment back into the facility.

To put this in perspective, according to our last Comprehensive Annual Financial Report, the Statewide average for Park and Recreation expenditures per capita supported from tax levy is \$95 per capita. This is for cities ranging in population from 20,000-100,000

residents. In Chaska, our tax levy supported portion of Parks and Recreation was \$46 per capita in the 2021 Audited year. This is a large reason we can have such a low overall tax levy in the City of Chaska, while at the same time providing a high level of service to our residents.

However, this has become a major issue within the Community Center, as this facility has in essence subsidized general Park and Recreation services in the community, while at the same time trying to account for all the current and future costs for owning and operating this facility. A key indicator of this has been the fact that the Community Center depreciates by approximately \$750,000 annually without us being able to fund this depreciation. This means that as our asset is consumed, we have not been able to properly reinvest back into the facility to deal with replacing and maintaining key aspects of this facility. This has especially become a problem as the Community Center has aged and has forced us to use funds like the Electric Fund to take on some of these necessary improvements. It has also not allowed us to replace things within the facility when they are needed, but has forced us to look at replacement only when it becomes an emergency, and we have no alternative but to replace the equipment that has failed.

This is a key factor that we need to take into consideration as we move forward financially planning for this facility's future.

Impact of COVID 19 Pandemic on Community Center

Of all our facilities within the City of Chaska, the Community Center has been hit the hardest financially from the impacts of the pandemic. This has been both because we were forced to close our facility through Executive Orders coming from the State of Minnesota twice during 2020 and at the beginning of 2021-totaling 4.5 months of closure throughout these years-but also because we were limited to 25% capacity in the facility in the months going through 2021. In fact, things have only recently been able to get back to normal from an operations perspective as we moved the fitness equipment back into the Fitness Center this past Spring, removing them from the large lower gym where they had been placed to allow them to be spaced since the beginning of the pandemic. This especially had an impact on being able to program the facility, as a lot of our programs rely on big spaces in the facility, such as the gym, to be able to be held. This led to not only to several patrons dropping their memberships at the facility both because of uses being restricted in the facility, but also because some patrons continued to feel uncomfortable with working out in public spaces. We also had the expense of extending patron's memberships for the time periods that we were closed, which had a direct impact on our membership revenue at the facility.

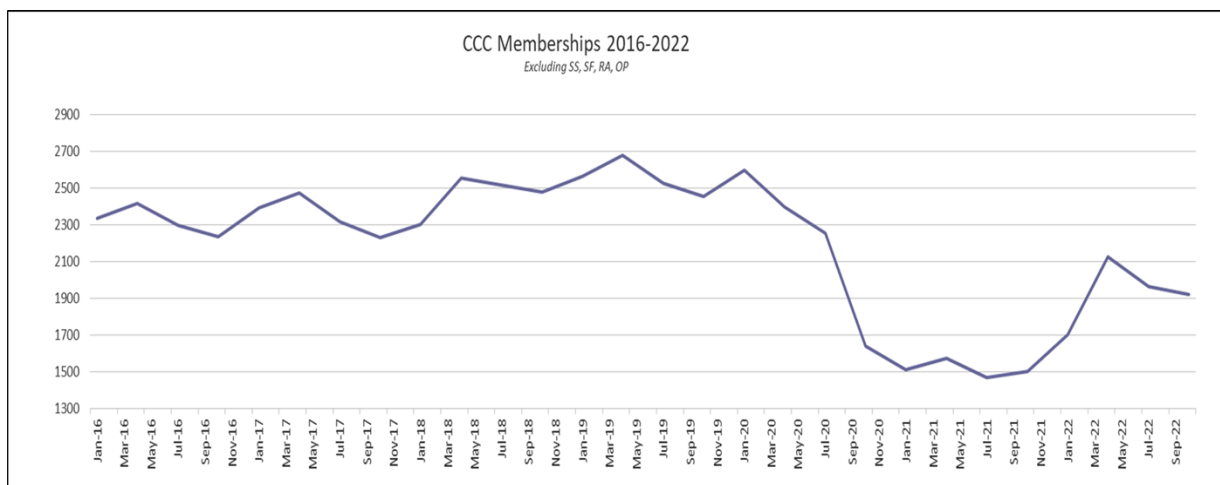
Our first closure came in the last week of March 2020, with us not being able to re-open the facility until July 7th. When we did open July 7th, it was at 25% capacity for four major areas of the facility, including the Fitness/Weight Center, Lap Swim, Open Swim, and the Ice Arena. We were only able to hold a limited number of fitness classes, and we were not able to restart any of our Recreation programming, which is a large reason people are members and visit the Community Center Facility. The Community Center once again was forced to close on November 21st and took us into the first couple of months of 2021.

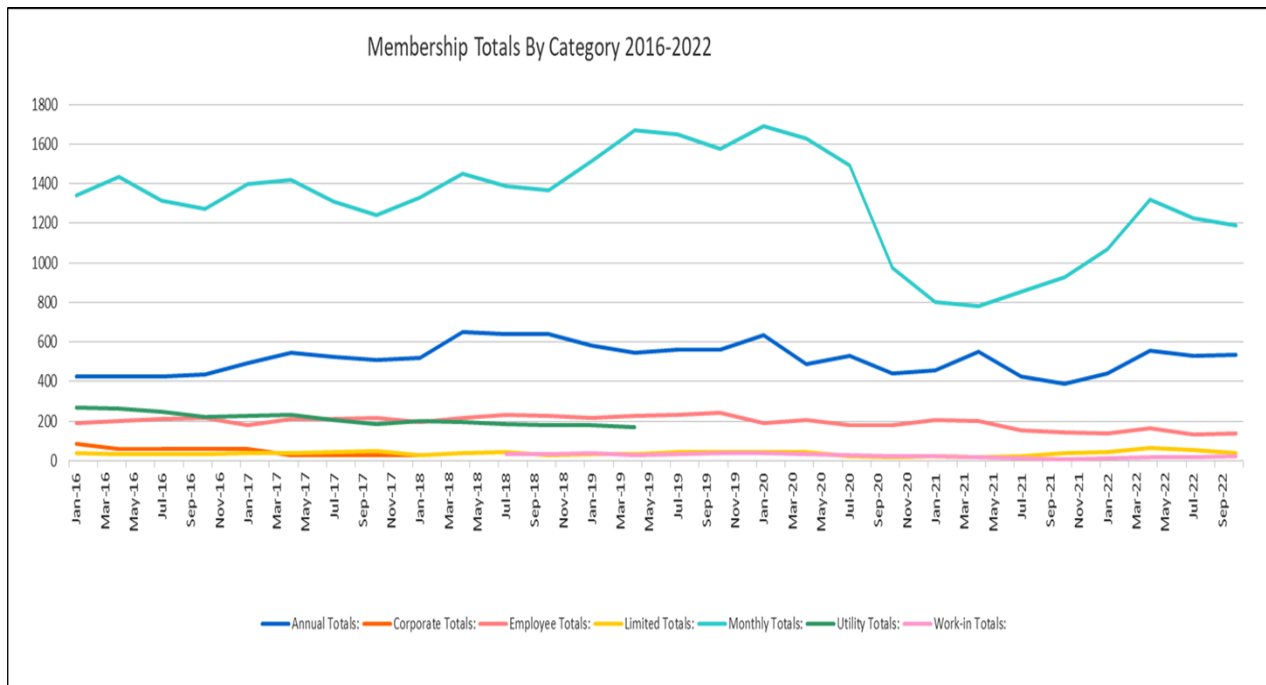
To help control expenditures during this time we had to furlough part-time staff, with our full-time staff moving into the roles of day-to-day operation of much of the facility while we waited to see things get back to normal.

During 2020 and 2021, these closures and patrons generally having concern about working out in a public space during the pandemic led not only to a 37.5% loss in membership revenue just based on the amount of time that we had to be closed, but also led to a loss of approximately 45% of our members who dropped their memberships until the pandemic was under control.

Over the course of 2020 and 2021, we saw close to \$2.3 million in lost revenue compared to budget. While we had the potential to have to address these losses using our Self Insurance Fund, we did not need to do that as the City did receive an allocation of dollars from the Federal Government for COVID Aid in early 2021. While these dollars cannot go back directly into this fund, we are able to utilize them in other areas of infrastructure development (specifically in Street Reconstruction Fund) and be able to use the dollars we would have spent in these areas to help support the Community Center as we continue to work to get back to normal.

Over the Course of 2022, we did start to see memberships continue to improve, with us going from a low of 45% loss of memberships during the pandemic, to being about 28% below pre-pandemic levels by this current fall. One of the remaining challenges we had in 2022 was reclaiming the large gym space on the lower level. This space was utilized during the pandemic to house fitness equipment so that we could space them out farther away from each other. We were not able to move this equipment all back into the Fitness Center until late spring/early summer of this year. The significance of that is that it opened back up this large space for us to do more programming, as well as host things such as pickleball, basketball and volleyball leagues. These are all things that drive usage of the facility and people purchasing memberships. It is our hope that with this last phase of the facility now opened that we will be able to start to bring back the remaining people who dropped memberships during the pandemic.





The charts above follow the progress of both total memberships (top chart) and total memberships by category (bottom chart) we have seen in the CCC from the beginning of 2016 until now. As you will see in the charts, we saw our lowest membership level happen in July of 2021, with us being down to 1,471 memberships (down from the almost 2,700 total memberships at the beginning of the pandemic. We are currently back to just over 2,100 memberships, which is about 28% lower than where we were at the beginning of the pandemic. As you can see, right at the beginning of the pandemic, we were at the highest membership totals we had had in several years.

Again, our hope is that with the big gym now open that we will be able to get ourselves back to full capacity with the types of programming offerings that we are able to provide, and to accommodate popular activities in the CCC such as pickleball, basketball and volleyball that all do have an impact on the number of people we are able to attract for memberships to our facility.

While the impacts of COVID as still being felt in the CCC, we think that things are progressing in a positive way, and that we will continue to see improvement in 2023.

Aging Facility Creates Additional Needs

While the COVID pandemic continues to be a concern, there are more systemic issues that we need to plan for to help properly plan for the future of this facility.

While we have been able to keep our tax levy support of our Parks and Recreation Programming very low compared to other communities, and while the Chaska Community Center has been able to be operationally self-supporting over the years with no tax levy support, this has become a nearly impossible challenge to accomplish as the facility has aged and major improvements have needed to occur.

Just over the past 8 years, we have had to complete over \$4.5 million of improvements to our facility to keep it functioning. Most of this work has involved replacing equipment behind the scenes including items such as our Ice Arena and Pool Mechanical Equipment, with only a portion of this being able to go towards improvements that have been visible and enhanced services for our patrons. Over the time of our first COVID-related closure in the spring of 2020, we were able to utilize our Staff to do many cosmetic improvements to the facility, including painting the entire interior of the facility. We were also able to get improvements completed in the Pool area, with the deck replaced, Caterpillar Slide repaired/repainted, the entire interior room of the pool repainted, and air movement being able to be addressed. The challenge with all these improvements is that most of the costs had to be able to be covered from other sources, such as our Electric Fund which annually pays the \$275,000 in debt service for these projects because the Community Center has not been able to afford these necessary expenses. These replacements have continued as this past year we had a failure of the original HVAC unit in the main part of the building, which was original to the building.

It should be noted that the Chaska Community Center originally cost us \$22.5 million to construct in 1991, and with all the additions we have put onto the facility would be over \$145,000,000 to replace if we were to start from scratch. We depreciate about \$750,000 of this facility annually but have never had a mechanism to properly reinvest back into this asset with us not being able to afford to fund this depreciation from the Community Center Fund itself. This has become a major issue, as a facility this age has significant issues pop up every year if they are not able to be replaced on a proactive basis.

To illustrate this issue, below is a list of the improvements in the facility that are overdue for replacement. As you will see, this list totals close to \$2 million.

Capital Assest Current Passed Estimated Useful Life	
RTU St Francis 1	\$ 31,250.00
RTU St Francis 2	\$ 31,250.00
RTU St Francis 3	\$ 31,250.00
RTU St Francis 4	\$ 31,250.00
MUA 1 (Modine)	\$ 39,000.00
Scoreboards Arena 1	\$ 28,750.00
Scoreboards Arena 2	\$ 28,750.00
Dasher boards Arena 2	\$ 300,000.00
Gas Powered Ice Resurfacer - Zamboni	\$ 184,000.00
Dry Sauna Heater	\$ 13,000.00
Steam Room Boiler	\$ 19,500.00
Plated loaded weight equipment	\$ 36,280.20
Plates and free weights	\$ 17,250.00
Selecterize weight equipment	\$ 30,800.00
Leisure Pool Heat Exchanger	\$ 15,600.00
Tire curtain	\$ 24,000.00
Brick City Banquet Audio/Visual	\$ 26,400.00
Multi Purpose Chairs	\$ 86,250.00
Multi Purpose Tables	\$ 86,250.00
Red Maple Cubbards	\$ 18,000.00
White Oak Cubbards	\$ 18,000.00
Lower Gym Divider	\$ 60,000.00
Lower Gym Basketball Hoops	\$ 57,500.00
Upper Gym Basketball Hoops	\$ 55,200.00
Play Tunnel / Climbing Wall	\$ 84,500.00
Upper Corridor Carpet	\$ 31,030.00
Fitness Center Flooring	\$ 32,100.00
Lower Gym Flooring	\$ 312,500.00
Dance Studio Flooring	\$ 50,000.00
Arena 1 Painting	\$ 63,600.00
Arena 2 Painting	\$ 63,600.00
Theater Painting	\$ 10,600.00
Lower Gym Painting	\$ 47,700.00
Current Asset Liability	\$ 1,965,160.20

While this is the list of items that are overdue for replacement, and we would be wise to replace them now before they become an emergency, below is a list of the projects from this list that we plan on doing in 2023 that just cannot wait and need to be addressed now:

1. Replace RTU 1 and 2 over St. Francis (major mechanical)
 - \$62,500 for both
 2. Replace Make up Air Handler (MAU) that supplies St. Francis space
 - \$39,000
 3. Replace Arena Scoreboards in Arenas 1 and 2
 - \$57,500 for both
 4. Replace Flooring in Arena 2 (peeling up-tripping hazard)
 - \$60,000
 5. Replace 2nd gas powered Zamboni-Convert to Electric like first one
 - \$184,000 (able to get \$100,000 from our Electric rebate program)
 - \$100,000 from Electric Rebate program, \$303,000 from Self-Insurance Fund Loan
- Total of 2023 Replacements/Repairs=\$403,000

As you will see, there are about \$403,000 of improvements we have no choice to make this year, compared to the almost \$2 million we should be doing. Every year we put off completing the things that we should do, it makes that issue exponentially worse as we continue to add to the list of improvements that should be made. It is also important to note that we also do not have the dollars in the Community Center Fund to support these improvements. \$100,000 is coming from our Electric Rebate Program, and \$303,000 is coming from our Self-Insurance Fund. We have had to piecemeal these solutions together each year to at least keep up with the basic things that need to be completed. This is not sustainable over time.

Community Center Master Plan

As we first discussed during the budget process for 2022, we did move forward with establishing a Community Center Master Planning process to not only address how we keep the facility moving in the direction the community would like to see it moving into the future, but to also come up with a financial plan that can make this facility sustainable. As mentioned earlier, most municipal Community Center facilities are not self-supporting. They generate about 60% of their revenue from operational fees associated with the building, with 40% coming from some other source. For the first 20 years of the facility, we were able to sustain the operations of the facility from the operational revenue associated with the facility. In this respect, we have always been very successful operationally, as many facilities find it difficult to accomplish this. However, this because much more difficult to do as we aged because we did not have the dollars available to keep up with capital improvements to the facility without having to turn to other funds like the Electric and Self Insurance funds. It is the additional 40% of funding that comes from other sources on a regular basis in other municipal Community Center facilities that helps sustain them over time.

With the Community Center having had its 30th Anniversary in 2021, Council did move forward at the end of last year to hire an architect (Perkins and Will) to help guide this process, as well as established a Citizen Task Force to go through this process to come up with recommendations to the City Council both on where it thinks this facility should go in the future to keep it up to date from a conditions and amenity standpoint, but to also make recommendations to the Council on how this facility can be financially sustainable over time, including identifying alternative funding sources that could help the City achieve its goals for the facility over the long-run. It is expected that this process will be completed by mid-2023.

Membership Comparisons to Other Municipal Facilities

As mentioned previously, the Chaska Community Center is one of the few City-owned community centers/recreational facilities that does not have any tax levy support and relies solely on memberships and other user fees to support its annual operations. This is true even though a good portion of our Community Center (entire first floor and upper track) does not require a membership or daily admission for entrance.

With its reliance on memberships and daily admissions for support of our operations and reinvestment, it is critical that we price our memberships to be able to meet our current and future needs. This is an area that we have fell behind in, especially when compared to membership fees at other similar City-owned Community Center/Recreational Centers in the Twin Cities.

Prior to COVID starting as an issue in early 2020, the City had discussed a 5-year plan for how we get our membership rates to get closer to the average of other similar

municipal Community Centers in the Twin Cities. While we were able to start just the first piece of this plan in 2020, we did not move forward with anything else in the plan due to the impacts we were seeing from COVID.

With COVID now not being as large of an impact, especially as we move into 2023 and our entire facility is open and back to normal (i.e. Lower Big Gym is now fully open) we do think that we need to move this year to get our rates back closer to the average of other municipal facilities. Below are two charts (Annual and Monthly) showing how we currently compare to other municipal facilities, as well as what we are proposing for membership rates in 2023:

Annual Memberships	Initiation/ Admin Fee	Cancellation Fee	Adult		Senior		Youth		Family		Dual	
Chaska Comm Center Current			\$397	\$546	\$294	\$366	\$294	\$366	\$640	\$852		
Chaska Comm Center Proposed			\$440	\$524	\$330	\$396	\$330	\$396	\$825	\$990		
Shakopee			\$399	\$567	\$289	\$389	\$289	\$389	\$630	\$856	\$515	\$714
Eden Prairie			\$511	\$596	\$425	\$596	\$415	\$585	\$1,170	\$1,394	\$872	\$1,021
Shoreview			\$425	\$555	\$360	\$450	\$360	\$450	\$725	\$925	\$62	\$70
Waconia			\$440	\$495	\$330	\$385	\$330	\$385	\$660	\$715	\$550	\$605
Average of Non-Chaska Facilities			\$444	\$553	\$351	\$455	\$349	\$452	\$796	\$973	\$500	\$603
Current Chaska vs Average			89.46%	98.69%	83.76%	80.44%	84.36%	80.93%	80.38%	87.61%		
Proposed Chaska vs Average			99.15%	94.71%	94.02%	87.03%	94.69%	87.56%	103.61%	101.80%		

Monthly Memberships	Initiation/ Admin Fee	Cancellation Fee	Adult		Senior		Youth		Family		Dual	
Chaska Comm Center Current			\$36	\$49	\$26	\$33	\$26	\$33	\$58	\$77		
Chaska Comm Center Proposed			\$40	\$48	\$30	\$36	\$30	\$36	\$75	\$90		
Shakopee	\$30	\$50	\$37	\$50	\$26	\$35	\$26	\$35	\$58	\$77	\$47	\$65
Eden Prairie	\$20	\$10	\$43	\$50	\$36	\$50	\$36	\$50	\$98	\$117	\$73	\$85
Shoreview			\$41	\$51	\$35	\$45	\$35	\$45	\$70	\$84	\$62	\$70
Waconia	\$30		\$40	\$45	\$30	\$35	\$30	\$35	\$60	\$65	\$50	\$55
Average of Non-Chaska Facilities	\$27	\$30	\$40	\$49	\$32	\$41	\$32	\$41	\$72	\$86	\$58	\$69
Current Chaska vs Average			89.44%	100.00%	81.89%	80.00%	81.89%	80.00%	81.12%	89.80%		
Proposed Chaska vs Average			99.38%	97.96%	94.49%	87.27%	94.49%	87.27%	104.90%	104.96%		

As you will see in the charts above, our currently rates (left hand columns of each category) are generally about 10-20% lower for both month and annual membership rates. It should be noted that many of these facilities we compare to have tax levy support (usually around 40% of total budget), with the average of membership rates still being significantly lower than our membership rates. As you will see in our proposed rate structure, we would still generally be structured to be 5% lower than other facilities, except for single adult membership fees where we have always tried to be very close to market, and in our family memberships. The reason we are suggesting

that we bring up our family memberships slightly above average is because we need to start creating some separation from the rest of the membership to be able to start to offer Dual memberships, which has been offered at other municipal facilities, but currently is not being offered at the CCC. To have the Dual memberships make sense financially, we need the Family memberships to be slightly higher. We will start offering Dual memberships in 2024, but we would expect the time it will become very popular is in 2024 when we can create enough separation between the Family and Dual membership packages to show the real financial advantage.

As Staff has looked at our current operational needs for the facility, and the Capital Improvements that we are going to need to make over the next several years, we will have to keep in mind that only relying on membership and other fees will not be significant enough to keep up with our capital replacement needs. If we make our fees any higher, we will be uncompetitive with other municipal facilities, and it is not a fair comparison when we look at other facilities to compare rates because they are typically getting 40% of their revenue from something other than revenues derived from the facility itself. Looking at our current budget of approximately \$4.8 million, if we had 40% coming from another source, we would have close to \$850,000 of balance in our fund, which would cover our depreciation costs each year. This is something that will need to be explored further as part of our CCC Master Planning process.

Community Center Revenues

While we are continuing to see improvement in the market, 2023 will continue to be another challenging year for the Community Center from a revenue perspective as well continue to try to bring back the remaining 28% of our memberships to the facility that have not returned. With all our space like the gym fully reopened, we do think this will allow us to return all the activities that we previously had in the facility, which we do think will help us attract more people to the facility.

As we went through the budget for this year, we looked at it from the perspective of if we saw little growth in our membership numbers but implemented our new rate structure so we would see the growth in revenue from this. We hope that by doing this that we are conservative on our revenue projections. A couple of areas we did plan for growth, however, is in our Swimming Lessons and our Summer Extreme Kids programs, as we do have a higher demand for these services than we can currently provide. We are looking at how we staff to accommodate a growth in these services to take advantage of more residents wanting to utilize these services.

As you will see in the chart below, we would recommend adopting a budgeted revenue number of \$4,761,062 for 2023. This would include not only the numbers for where we think we will grow going into 2023 in our operational budget, but also includes a loan of \$303,000 from the Self Insurance Fund to complete some necessary improvements that will need to occur prior to our Master Plan being complete to keep the facility functionally running in good condition. There would also be \$100,000 coming from the Electric Fund through our energy rebate program to support the replacement of our second Zamboni, which we would convert to electric like we did the first one last year. The \$303,000 of revenue we would expect to be able to reimburse back to the Self Insurance Fund once we have a more permanent improvement/financial plan in place

coming out of the CCC Master Planning process, and would include work in the following critical areas:

1. Replace RTU 1 and 2 over St. Francis (major mechanical)
 - \$62,500 for both
2. Replace Make up Air Handler (MAU) that supplies St. Francis space
 - \$39,000
3. Replace Arena Scoreboards in Arenas 1 and 2
 - \$57,500 for both
4. Replace Flooring in Arena 2 (peeling up-tripping hazard)
 - \$60,000
5. Replace 2nd gas powered Zamboni-Convert to Electric like first one
 - \$184,000 (able to get \$100,000 from our Electric rebate program)
 - Total of 2023 Replacements/Repairs=\$403,000
 - \$100,000 from Electric Rebate program, \$303,000 from Self-Insurance Fund Loan

The total revenue for 2023 is budgeted to be \$4,761,062, which is an 8.94% from 2022. Below is a chart illustrating the Budgeted Revenues for 2023:

	<i>Actual</i>	<i>Budget</i>	<i>Budget</i>		<i>%</i>
REVENUES	2021	2022	2023	Change	Change
<i>Member/Admis/Rental</i>	\$1,028,525	\$1,633,031	\$1,840,873	\$207,842	12.73%
<i>Community Events</i>	\$518	\$3,060	\$3,274	\$214	6.99%
<i>Community Room</i>	\$36,110	\$69,854	\$75,000	\$5,146	7.37%
<i>Craft Rooms</i>	\$10,655	\$40,300	\$20,000	(\$20,300)	-50.37%
<i>Fitness Programs</i>	\$10,215	\$46,250	\$20,000	(\$26,250)	-56.76%
<i>Gym</i>	\$4,230	\$12,000	\$10,000	(\$2,000)	-16.67%
<i>Ice Arena</i>	\$662,207	\$1,129,881	\$1,004,867	(\$125,014)	-11.06%
<i>Maintenance</i>	\$20,020	\$25,500	\$37,285	\$11,785	46.22%
<i>Wellness-PT</i>	\$23,068	\$48,000	\$48,000	\$0	0.00%
<i>Senior Programs</i>	\$12,831	\$33,000	\$33,000	\$0	0.00%
<i>Adult Programs</i>	\$8,129	\$13,500	\$14,000	\$500	3.70%
<i>Teen Programs</i>	\$975	\$5,500	\$15,000	\$9,500	172.73%
<i>Pre/Youth Programs</i>	\$217,898	\$250,000	\$230,000	(\$20,000)	-8.00%
<i>Swimming Pool</i>	\$0	\$22,950	\$22,729	(\$221)	-0.96%
<i>Swim Lessons</i>	\$4,406	\$141,220	\$142,000	\$780	0.55%
<i>Theater</i>	\$64,802	\$56,343	\$49,227	(\$7,116)	-12.63%
<i>The Lodge</i>	\$6,412	\$13,000	\$20,000	\$7,000	53.85%
<i>Tot Time Preschool</i>	\$1,131	\$2,000	\$6,000	\$4,000	200.00%
<i>Vending</i>	\$0	\$10,000	\$11,000	\$1,000	10.00%
<i>Misc.</i>	\$43,888	\$0	\$166,787	\$166,787	
Total Oper Rev	\$2,156,020	\$3,555,389	\$3,769,042	\$213,653	6.01%
Non-operating					
<i>Self Insurance (CIP)</i>	\$0	\$350,000	\$303,000	(\$47,000)	-13.43%
<i>The Lodge Debt</i>	\$181,000	\$181,000	\$181,000	\$0	0.00%
<i>Electric fund</i>	\$296,000	\$284,104	\$508,020	\$223,916	78.81%
Total Non oper	\$477,000	\$815,104	\$992,020	\$176,916	21.70%
TOTAL REV	\$2,633,020	\$4,370,493	\$4,761,062	\$390,569	8.94%

While memberships and admissions make up a large percentage of the overall revenue that we see coming into the Community Center Fund, I think it is important to recognize some other significant sources of revenue that help support the Community Center Fund, which fortunately have seen little impact from COVID due to them being dollars generated through leases/agreements for space in the facility, or are annual contributions made through the Electric Fund. Below is a listing of the other key revenues that support the Community Center Facility:

- St. Francis/Capable Kids-Receive approximately \$180,000 annually to lease space on the north end of the building
- Breakaway Academy: \$97,000 annually to lease space in the lower level of the building
- Alphabet Junction Preschool: \$48,000 per year
- ISD #112: Makes payments to the City of Chaska in the amount of \$44,700 annually to support the debt service for adding onto the building to make Girls Locker Rooms for the Chaska/Chanhasen Girls Hockey Program. This continues for 15-years starting in 2020
- Breakaway Ice Program (separate from the school)-Rents approximately \$12,000 of space within the Ice Rinks annually for its programming. In addition, they also rent additional ice time that is above and beyond this number
- Arts Consortium of Carver County: \$9,954 in rent for gift shop space
- Electric Fund Transfers to the Community Center to support the following:
 - \$100,000 annually since the facility opened in 1991 to help offset the costs of improvements in the building
 - \$182,000 annually supporting the Debt Service for The Lodge-debt is retired in 2027. Would plan to keep these dollars in the CCC after debt paid to help support reinvestment back into the facility
 - \$150,000 annual support toward the total \$275,000 debt service for the Pool and Ice Arena mechanical improvements-debt is retired in 2033. We would plan to keep this in the CCC Fund to help support future improvement projects

Other than these major sources of income, our memberships and admissions, the remainder of our revenue for the facility comes from user fees paid to participate in programs, swim lessons, classes, and purchased from our vending machines.

Expenditures

From an expenditure perspective, we are approaching the budget in 2023 from the perspective of being strategic on where we spend dollars to keep our costs as low as possible, but to also make sure that we are investing into those areas that have the greatest return. As we have also discussed previously, while there are several capital reinvestment items that are due for replacement, we are focusing our efforts on addressing both the items in our facility that absolutely need replaced, and which can be continued to be used even as we make major reinvestment into our building following the completion of the Community Center Masterplan process.

If we look at the expenditure chart on the next page, you can see that we would budget planning to have our expenditures in 2023 be \$4,833,534. This would represent a 6.71% increase in our expenditures from our 2022 budget, representing a total increase in the budget of just over \$300,000. We would anticipate that we would see little changes in staffing, except for looking for times that we might traditionally be less busy to reduce staffing hours at places like our front desk. Typically, this is a function that we need to have at least two people staffing at busy times but could go down to 1 staff member in less busy hours. We would also see \$403,000 in Capital Improvements that was described earlier in this report that need to be made to the facility over the course of 2023. \$303,000 of that Capital Improvements would be funded through our Self Insurance Fund, with \$100,000 of the cost of replacing our second Zamboni coming from Energy Rebate dollars we need to spend from our Electric Fund covering the conversion of our current propane powered Zamboni to an electric ice resurfacing machine. This is the same of what we did in 2022 when we replaced our oldest Zamboni with an Electric machine utilizing our Energy Rebate dollars from the Electric Funds rebate program.

As we discussed above, we are still experiencing impacts from COVID, with us still being 28% below our membership numbers prior to the pandemic. With the reopening of our lower gym facility, this allows us to bring back additional uses to the Community Center such as pickleball, basketball, volleyball, and other recreational programs. These are all activities that help drive memberships to our facility.

While we do expect to see this have a positive impact on memberships in the facility and help drive increased revenue for the facility, in the short term there is still assistance the Community Center Fund will need to get back to normal operational numbers. To help address these short-term financial challenges we anticipate the Fund will have as we fully move out of COVID, we are planning to continue to support the Administrative Fee to the General Fund by bringing additional dollars from our Utility Fund into the CCC to support the General Fund services to the Community Center such as Payroll, IT, Human Resources and Finance. This will have the effect of addressing an approximate \$200,000 expense from the Community Center by bringing in additional resources to help support this expenditure.

While we would have like to fully reduce our expenditures to the amount of revenue we expect to see in 2023, we feel that this is not possible if we want to try to keep our membership base as high as possible during the upcoming year. Unfortunately, many of our costs are fixed costs, and are necessary to provide the expected level of service to our patrons. To cut some of these services would provide a lesser product to our patrons and could negatively impact us on the revenue side of the budget. As it was throughout COVID, this will be a careful balance we will need to pay attention to with us continuing to look for opportunities to reduce costs during the year with it having a little impact on services as possible.

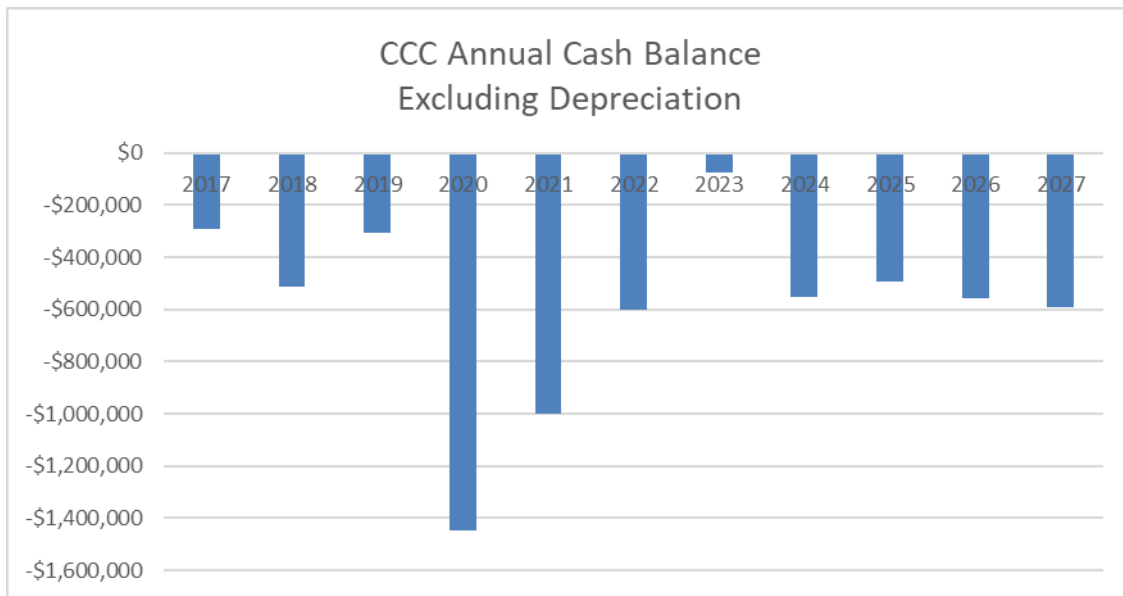
Again, one of our objectives of the CCC Master Plan will be to look at this issue in greater detail and to come up with sustainable ways to keep this facility not only in good order going into the future, but also financially sustainable.

Below is a list of the Expenditures budgeted for 2023:

	<i>Actual</i>	<i>Budget</i>	<i>Budget</i>		
<i>EXPENSES</i>	<i>2021</i>	<i>2022</i>	<i>2023</i>	<i>Increase</i>	<i>%</i>
<i>Admin</i>	\$ 641,604	\$ 840,236	\$ 919,524	\$ 79,288	9.44%
<i>Events</i>	\$ 2,178	\$ 5,000	\$ 5,200	\$ 200	4.00%
<i>Craft Rms</i>	\$ 137	\$ -	\$ -	\$ -	0.00%
<i>Well-Studio</i>	\$ 42,482	\$ -	\$ -	\$ -	0.00%
<i>Front Desk</i>	\$ 102,379	\$ 141,433	\$ 195,678	\$ 54,245	38.35%
<i>Well- Prog</i>	\$ 8,279	\$ 19,517	\$ 9,022	\$ (10,495)	-53.77%
<i>Gym</i>	\$ 4,674	\$ -	\$ -	\$ -	0.00%
<i>Ice Arena</i>	\$ 272,041	\$ 297,093	\$ 212,217	\$ (84,876)	-28.57%
<i>Maintenance</i>	\$1,350,699	\$1,329,929	\$1,369,553	\$ 39,624	2.98%
<i>Personal Train</i>	\$ 27,964	\$ 39,177	\$ 39,005	\$ (172)	-0.44%
<i>Wellness Add</i>	\$ 125,131	\$ 192,926	\$ 276,860	\$ 83,934	43.51%
<i>Play/Daycare</i>	\$ 38,900	\$ 64,104	\$ 74,650	\$ 10,546	16.45%
<i>Swim Pool</i>	\$ 395,362	\$ 536,487	\$ 580,662	\$ 44,175	8.23%
<i>Theater</i>	\$ -	\$ 7,565	\$ 7,603	\$ 38	0.50%
<i>Lodge</i>	\$ 133,151	\$ 4,450	\$ 4,350	\$ (100)	-2.25%
<i>Tot Time</i>	\$ 899	\$ 1,800	\$ 4,321	\$ 2,521	140.06%
<i>Gen Facility</i>	\$ 74,920	\$ 362,060	\$ 429,120	\$ 67,060	18.52%
<i>Senior Programing</i>	\$ 15,678	\$ 36,500	\$ 37,500	\$ 1,000	2.74%
<i>Adult Programming</i>	\$ 5,546	\$ 10,326	\$ 10,021	\$ (305)	-2.95%
<i>Teen Programming</i>	\$ 843	\$ 16,051	\$ 7,596	\$ (8,455)	-52.68%
<i>Prescl/Youth Program</i>	\$ 191,816	\$ 157,219	\$ 152,102	\$ (5,117)	-3.25%
<i>Vending</i>	\$ 3	\$ -	\$ -	\$ -	0.00%
<i>Depreciation</i>	\$ 789,068	\$ -	\$ -	\$ -	0.00%
<i>Debt Service</i>	\$ 131,960	\$ 467,750	\$ 498,550	\$ 30,800	6.58%
<i>Other</i>	\$ 4,140	\$ -	\$ -	\$ -	#DIV/0!
Expenses	\$4,359,854	\$4,529,623	\$4,833,534	\$ 303,911	6.71%

Based on our forecasted Revenues and Expenditures for 2023, we are estimating that the facility will have a deficit of \$72,472. This gap would be supported through the Self Insurance Fund if we were to experience this in 2023.

Below is a chart that illustrates what happens over the 5-year period to Fund Balances. After our Master/Visioning Plan is completed in 2023, we will have a better sense of other actions we will need to take over the next several years to continue to move this in the right direction.



As we have talked about previously, the deficit we experienced during the Pandemic (202-2022) was able to be supported by Federal Assistance we received as a City. While these dollars could not go directly into the CCC Fund, they did come into the City to free up dollars in other areas that could help support the CCC as we recovered. Beyond the pandemic years, you can see that what we have experienced as deficits have been in the \$200,000-\$400,000, which represents the capital reinvestment we have had to make back into our facility over the past several years, especially as original equipment in the building has failed and needed replaced. As we look at the Master Planning process, we will need to make sure that we find a way to cover our annual depreciation costs, which are approximately \$750,000 per year, to make sure we address the items that need to be replaced in the facility. We can only be financially sustainable in this Fund over the long term if we have these annual replacement costs for equipment covered. It will not be sustainable over time to only focus on the operational costs of this Fund.

Town Course Budget

The mission of the Chaska Town Course is to develop and operate a quality municipal golf course serving as a community recreational resource and as a community gathering place, that is viewed as a top public golf course facility in the Twin Cities, helping also attract visitors to our community.

In developing the course's annual budget our objective is to provide adequate resources to meet this mission by maintaining a high-quality golfing experience from both a maintenance and customer service perspective. An objective during our budgeting process has also been to position the Town Course in such a way that we attempt to generate enough profit to have reserves to keep up with our necessary capital replacement program at the Town Course to keep it running as a high-end facility into the future, while still providing a great value to our patrons.

As we look into the future, keeping up with Capital Reinvestment will be the largest single challenge of the course as it has historically been able to operate as a self-sufficient golf course from an operational standpoint but has had much more difficulty being able to generate a sufficient amount of reserves to cover all future depreciation costs.

This has been true industry wide, as the number of U.S. golfers peaked in 2003 at 30.6 million and dropped to 24.3 million in 2019, according to the National Golf Foundation. This number dropped approximately 1.9 million golfers between 2012 and 2017 but increased slightly by 500,000 between 2017-2019. One positive trend that we have seen in the industry that has come out of COVID is the continued increase of golfers coming back to the game. In just 2020, the number of golfers increased an additional 500,000 players in one year, getting the total up to 24.8 million. Since 2020, this number has increased an additional 300,000 golfers to bring the total up to 25.1 million in 2022. While the Chaska Town Course has remained relatively consistent in rounds per year since its opening, it is a national trend we must pay attention to as we are still down industry-wide approximately 5 million golfers from its peak in 2003.

With that being said, the Chaska Town Course has been an extremely popular facility for the City of Chaska and has continued to have a high number of rounds. At the same time, it has kept a high maintenance standard to allow it to be considered a high-quality golf course facility. The Chaska Town Course has continued to be a popular destination not only for our residents, but for patrons from across the Twin Cities market. This has resulted in us averaging about 31,000-32,000 rounds of golf per year, with the past three years seeing rounds of approximately 40,000 rounds. Our two highest years for usage were 2021 with 42,500 rounds, and this past season that saw 39,610 rounds.

The larger economic challenge the Chaska Town Course has experienced, especially over the past decade, is the shift in makeup of the patrons who golf at this facility. When the Chaska Town Course first opened in 1997, over 70% of the rounds that were played at the course were by non-resident golfers, with around 30% being made up of Chaska residents. As the community has continued to grow, and as people moving to the area have recognized the benefit of moving to Chaska as opposed to surrounding communities because of our resident Town Course discount, this patron makeup has moved to be approximately 50% resident play, with only 50% coming from outside of the community. As we finish up the 2022 golf season, we can see that the actual percentage was 46% residents, with 54% non-residents playing the course. The percentage of non-resident golf was slightly higher in 2022 than the 52% in 2021, but still is close to that 50/50 split we have been seeing the past several years. While this has been great for our mission of making the Chaska Town Course a premier community gathering location for our residents, this has been a very difficult financial transition for the course as our resident discount peaked in 2019 at around 40% from the regular rate that non-residents pay.

While we think it is important to keep a resident discount in place as we go into the future, it will be much more important for us to look at exactly what this discount is, as having 50% of our golfers continue to have this level of discount will not be financially sustainable. This is something that was discussed during the 2020 budget process and which we discussed with some of our most-loyal patrons prior to the 2021 budget process to identify a pathway to address this issue while still providing a benefit to our resident golfers. This will be described in greater detail further in this report, but we have been going through this transition over the past 2 seasons with a lot of success.

2022 Chaska Town Course Season

As with all our City operations, COVID 19 had impact on the operations of the Town Course during both 2020 and 2021. Unlike our other funds, the impacts of the pandemic on the Town Course were not negative, with us experiencing a growth in usage at the Course as patrons saw golf as a safe recreational activity that could be done during the pandemic with it being outside and naturally socially distanced from large numbers of people. As we have come out of the pandemic, we are seeing that the new golfers attracted to the game have not dropped off and continue to use the Town Course as they did during the height of the pandemic.

As we discussed during the budget processes during the pandemic, we were uncertain what type of an impact we would see from the pandemic as an Executive Order from the Governor required us to close the Town Course during the Spring of 2020, with us not opening until the third week of May. This was especially concerning as we were just coming off two seasons (2018 and 2019) where we saw significantly less rounds during the season due to poor weather conditions in both the spring and the fall. In both years, we had only 29,500 rounds compared to our average 32,000 rounds, with each of these years losing close to \$100,000 each because of the reduction in play.

While the uncertainty of 2020 could have made this another difficult year, we saw exactly the opposite occurring, with us recording the largest number of rounds ever played at the Town Course in one season at 38,550. This high number of rounds was

achieved even though throughout the season we had to create larger gaps between groups teeing off because of social distancing requirements, and with us not allowing carts at the beginning of the season due to concerns of contamination with multiple people in a cart. In 2021, with the Town Course not being required to close at any time during the season, we saw our rounds increase once again, with the CTC reaching approximately 42,500 rounds, setting a course record for the number of rounds for the second year in a row. For 2022, we saw 39,610 rounds of golf, which was the second highest total in the 25-year history of the CTC. Without experiencing the wet and cool weather we experienced in the Spring months we think that 2022 would have seen as many rounds as 2021 did.

We found in 2020, 2021 and 2022 that two factors greatly influenced the success of the Town Course during these seasons. First, we had very good weather the majority of all three seasons, with it being both hot and dry each of these summers. That meant that we had very few days that were complete washouts. At the same time, with less people traveling because of COVID, we had more people staying close to home that were looking for a safe, outdoors activity that was close to home. This factor brought more patrons not only to the Town Course, but to all courses throughout the State and Country. With not as much COVID impact in 2022, we simply found that the number of golfers increased during the pandemic, and they have stuck with golf as we came out of the pandemic. As mentioned previously, the golf industry in general has grown by over 2,700,000 golfers since 2017, with 800,000 of those coming after COVID began. When we complete financials for the 2022 year, we expect that we will see another growth in fund balance of between around \$700,000, which is like what we saw in 2021.

Depreciation Funding-Continued Reinvestment into Facility

With the refinancing of our TIF District #4 in 2008, we did put the Town Course in a better position to accumulate cash reserves, as it did not have to directly support the remaining years of debt service for the course anymore. In 1997, resources from TIF District #4 were the main financial resource that allowed us to construct the course and contributed towards our debt service on the course until all debt was repaid with the Closing of TIF District #4 in 2014. It was planned that the refinancing of this District in 2008, and once again in 2011, would provide us with sufficient resources to pay off the initial capital construction cost debt at the Town Course from the TIF funds, thus allowing the Town Course to take any annual profits and accumulate reserves in this Enterprise Fund. This is what we experienced as the golf course debt was retired with the closing of TIF District #4 in 2014.

While these resources have taken the need away from the Town Course to contribute directly towards its annual debt service from its initial construction, the Town Course has continued to meet the annual operational needs of the course but has continued to struggle to generate significant enough reserves to go towards its future capital replacement needs.

To illustrate this, each year the Chaska Town Course has approximately \$450,000 of annual depreciation cost, which is what we should target to build in cash reserves each year to support future reinvestment/improvements into the course. This depreciation represents the monetary value of how much of the Town Course asset we consumed

during this past year. If we do not fund this depreciation, we are not adequately putting back into the course what we take out of it each year. It is a good target for us to use to determine what we should be funding on an annual basis to put back into improvements on the course, or to fund to help support the cost of improvements when they are necessary.

In our audited financial statements from 2019, the Chaska Town Course showed that it we included Depreciation as a cost, the Course's net Cash Position for the year was (\$400,458). With Depreciation in that year being \$449,264, this means that from an operational standpoint, we ended the year in a positive position with a cash profit that year of \$48,806. In 2018, with a very bad weather year and golf rounds down significantly, the net cash position for the year was (483,000) and our depreciation cost was \$453,000, meaning that we came very close to covering all our operational costs even during a bad year.

While meeting these annual operational costs is a positive, over time this will be an issue if we do not have enough money built in to fund future improvements. This is a big reason we must make sure that we keep on top of monitoring our rates going into the future, so that we do not slip too far behind market and make it difficult to reinvest back into the course. It also makes it even more important for us to focus on the large gap between resident and regular rates (37% discount), with close to 50% of our rounds now receiving that discount. This will make it difficult in the future for us not only to meet our capital reinvestment needs, but also our operational needs as that resident percentage continues to get higher as we would expect it would in a growing community.

One positive impact of COVID, as mentioned previously, is that we have seen rounds of play increase significantly. Because of that, we have seen in 2020, 2021 and 2022 the ability for our Depreciation to be funded, while also still being able to add to our Fund Balance. In 2020, we saw our fund balance increase by approximately \$100,000 after depreciation was funded, with 2021 funding depreciation and add approximately \$200,000 to the Fund Balance. In 2022, we will see all our depreciation being funded, with an additional \$350,000 being added to the cash reserves. These increases were due not only to additional rounds being played, but also because we started addressing the resident vs regular rates, decreasing the discount that our residents receive.

As we discussed during the 2020 budget process, this is an issue that Staff continues to look at to determine the best way to move forward with generating the reserves necessary to support these future capital replacement needs without having to contribute any property tax subsidy. Meeting our financial needs without property tax support is particularly important in the Chaska Town Course Fund, as only a relatively small portion of our residents golf (8% report that upkeep of the CTC is Essential, with 35% reporting upkeep as Important in our last Community Survey) and it would be more difficult to recommend using tax dollars to support this operation when less than a majority of our residents are utilizing this facility.

That is not to say that a significant amount of maintenance work has not been done annually to keep our existing assets in as good of shape as possible. In 2018 and 2019,

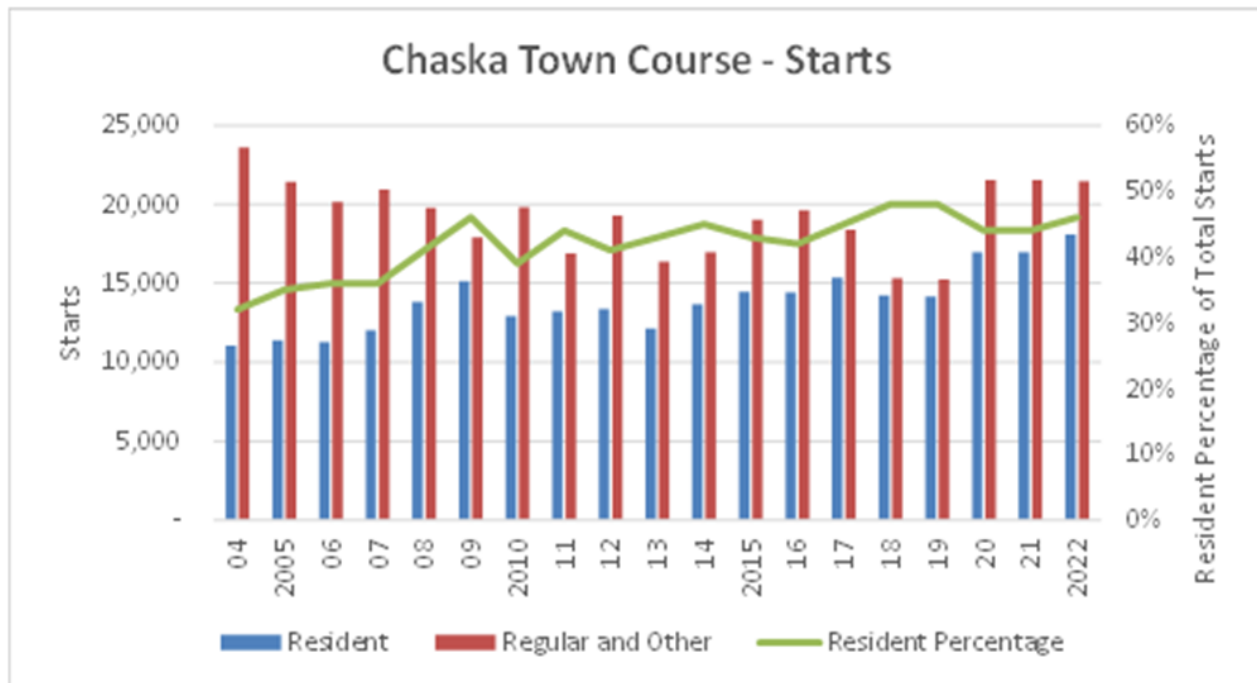
we included approximately \$200,000 in work to replace the sand and drainage system in our bunkers to help improve the play on the course. In 2016, we also made a significant reinvestment back into the kitchen of the Clubhouse to make it more usable for Oak 19 to operate their business, which has been very successful. We also make sure that we are regularly replacing our maintenance equipment, which has a large impact on the condition of the course daily. We have also been reinvesting back into our Cart Paths through overlay efforts taken on by our Public Works Department. However, as we move further into the future, we will have to start looking at assets such as our Clubhouse facility and how we rehabilitate them to address the toll that many years of service will put on a building and on the course in general.

As we look at this, we will have to be cognizant of the market of other golf courses in the area, so that our greens fees do not make it difficult to compete with these other courses. We will not be able to address this issue only through rate increases, as too large of an increase could have the effect of dropping rounds played and making revenues drop, as golf patrons are sensitive to prices changes and do have several choices in the area of where to take their business. This is especially true with our non-resident golfers, where our rate has been very close to the average of high-end golf courses over the years but have started to become more competitive during COVID as other high-end courses in the Twin Cities have significantly increased their rates. Addressing reinvestment back into the course, while also being sensitive to the market of choices our patrons have is a balancing act we will have to continue to closely monitor to strike a good balance going into the future.

Resident vs Regular Rates

As discussed above, the largest item that Staff focused on while putting together the budgets for the Chaska Town Course over the past three years was looking at the split between resident and regular play at the Course. As mentioned previously, when the Town Course first opened, approximately 70% of our rounds came from non-resident play. As our community has grown, we have seen this non-resident regular rate play drop to approximately 50%. While this has been great for meeting our mission of having this be a premier community gathering location, it has made it very difficult from a financial perspective to keep the Chaska Town Course financially sustainable going into the future with our residents seeing a large discount from our regular rates. When we started this discussion, residents were seeing close to a 40% discount on rates. Having over 50% of our patrons see this deep of a discount is not something we can continue to do if we want to have this course be both operationally self-sustaining and be able to reinvest back into the course as it ages.

Below is a chart illustrating the changes we have seen in resident vs. non-resident play since 2004 to illustrate the changes we have seen:



In examining this issue, Staff committed to meeting with resident patrons of the Chaska Town Course to both educate them on this issue, but to also get their feedback on how to structure our rates going into the future so that residents still feel they are receiving a significant benefit for having this asset in their community, but also being cognizant of how changes can positively affect the financial sustainability of the Chaska Town Course going into the future.

This discussion with regular resident patrons occurred in January 2020 and resulted in a significant amount of good feedback that led to the recommendations Staff ultimately made for where to go with rates over the next few years. Some of the feedback received included:

- They understood the importance of making this a financially stable facility and understood the changes in demographics we have seen at the Town Course over the past several years
- They felt it was important that we reinvest back into this facility and understood that to do this the course needed to be financially strong
- They understood that a 37% discount was likely too much, but asked that we not let it get lower than a 20% discount
- They understood that not all Chaska residents are golfers and that it would be difficult to expect others in the community to support the course if they saw/perceived no benefit
- While they understood changes needed to be made, they asked that we give special consideration to the residents who are frequent customers of the course
- They appreciated being asked their opinion on this before we just moved forward

Based on these discussions this did help us in developing conclusions on what we should ultimately be targeting for resident discounts when we have fully made changes to our rate structure, but we also recognized that there was a way to provide a better benefit to our most loyal resident patrons, while keeping our highest revenue

generating times (weekends) open to maximize the revenue we generate during these times.

Specifically, what we recognized is that our most loyal resident golfers were playing during the weekdays both because they play in a league, but also because most of them play multiple times per week. At the same time, we recognized that the weekend tee times represented a time we have no issues selling, and that we do not typically see as many residents during the weekend times because of how busy it can be.

Based on this feedback from these resident patrons, and from looking at the sales data from the Town Course's history, we were able to generate the following rate recommendations for how we approach structurally changing our rates over the next few years to work towards economic sustainability of this facility. The following are the main components of the recommendation that was made:

- Continue to view this change as a multi-year implementation to allow patrons to ease into this change (we started in 2020 and we are anticipating that we will complete this transition by 2028)
- With most of our regular resident patrons playing during weekday times, (i.e. Leagues and evenings), provide a greater discount to residents during these times to recognize them for their loyalty and to financially incentivize them to play during these times so we can keep our higher rates on the weekends when we have no issues selling tee times
- Target that by the end of our implementation period that we have resident rates set based on the following guidelines:
 - Target that resident discounts are set at 25% of the Regular Rate for Weekdays and 20% of the Regular Rate for Weekends
 - Do not allow resident rates to go below the average for local courses (i.e. Dahlgreen, Bluff Creek, Deer Run, etc...) as these are not as quality of a course
 - Keep our cart rental competitive with the market for both residents and non-residents

Based on these guidelines, Council did move forward with starting to implement this plan in 2020. 2023 would be the fourth year of implementation, with our rounds increasing significantly during the first three years of implementation. For 2023, the changes to the rates to reflect this plan would be as follows:

- Resident Weekdays: Up \$4 to \$51 (\$72 with Cart)-Represents 36.25% discount
- Resident Weekends: Up \$3 to \$59 (\$80 with Cart)-Represents 26.25% discount
- Non-Resident Weekdays: Up \$2 to \$74 (\$95 with Cart)
- Non-Resident Weekends: Up \$2 to \$80 (\$101 with Cart)
- No changes to our Cart Rates-remain at \$21 for 2023 as they were in 2022 (we were scheduled for a cart rate change, but do not want to implement that until 2024 when we have our new fleet of carts delivered and ready for use)

Moving based on these recommendations would allow us to continue to move towards our goal of resident weekday discount being 25% and resident weekend discounts being 20%, with us still have two more years to implement this overall plan.

Based on this recommendation, below are two charts both showing our rates compared to High-End Courses as well as a second chart comparing our proposed rates to area golf courses:

Comparisons to High-End Courses

Top Public 18 Hole	WD 18 Hole GF	WE 18 Hole GF	18 Hole Cart	Twilight GF	Twilight Cart
Edinburgh	\$60.00	\$60.00	\$19.00	\$35.00	\$14.00
Stoneridge	\$74.00	\$94.00	\$15.00	\$74.00	\$15.00
The Wilds	\$87.00	\$87.00	\$18.00	\$51.00	\$18.00
Meadows at Mystic	\$110.00	\$130.00	Included	\$80.00	Included
Rush Creek	\$125.00	\$125.00	\$20.00	\$69.00	\$20.00
Troy Burne	\$96.00	\$96.00	\$22.00	\$69.00	\$22.00
Legends	\$125.00	\$125.00	Included	\$90.00	Included
Average	\$96.71	\$102.43	\$18.80	\$66.86	\$17.80
Proposed 2023 CTC Non-Resident	\$74.00	\$80.00	\$21.00	\$57.00	\$16.00
Proposed 2023 CTC Resident	\$51.00	\$59.00	\$21.00	\$45.00	\$16.00

Comparisons to Area Golf Courses

Local Public 18 Hole	WD 18 Hole GF	WE 18 Hole GF	18 Hole Cart	Twilight GF	Twilight Cart
Ridges at Sand Creek	\$42.00	\$47.00	\$16.00	\$35.00	\$8.00
Stonebrooke	\$79.50	\$87.50	Included	\$69.00	Included
Deer Run	\$59.00	\$59.00	\$17.00	\$40.00	\$10.00
Dahlgreen	\$43.00	\$48.00	\$19.00	N/A	N/A
Bluff Creek	\$45.00	\$51.00	\$17.00	\$38.00	\$12.00
Average	\$53.70	\$58.50	\$17.25	\$45.50	\$10.00
CTC Resident	\$51.00	\$59.00	\$21.00	\$47.00	\$16.00

As you can see above, these changes would make us very competitive to both the High-End and Local 18-hole golf courses, still making our course a very good deal for both residents and non-resident play.

Revenue Projections for 2023

Based on the changes that we are recommending for rates next year, for 2023, we are forecasting total revenues of \$4,074,400. This compares to the actual revenues we expect for Year-End 2022, which was \$2,977,696, for an increase of 33.13%. While this is a large percentage increase, it is important to point out that \$1,251,000 of this is coming from Bond and Self Insurance Fund dollars being put into the fund to support equipment replacement and two major capital improvement projects, including replacing cart path surfaces on holes 1-10 and replacement of our cart fleet. Without this, the revenues are actually being budgeted slightly lower than 2022 to try to be conservative on golf-round expectations.

As discussed previously, 2020 was a very good year for golf, with us seeing over 38,500 rounds. 2021 was also a very good year, with us seeing approximately 42,500 rounds. Typically, we would budget for approximately 32,000 rounds. 2022 had just about 39,000 rounds, which makes it the second most amount of annual play we have seen on the course since it opened. While we have seen these rounds be significantly higher over the past two years, we do not feel that we should budget to those high numbers as it is uncertain what was the largest driver of this increased usage. However, we do think it is prudent that we add some rounds to the budgeted revenues, as the Golf Industry in general has grown significantly over the past 4 years, adding almost 800,000 players back since COVID began. For this reason, we are recommending budgeting based on 34,000 rounds being played in 2023 like we saw in 2022.

Based on this assumption, along with the proposed rate increased for 2023, the total 2023 revenues would be budgeted to come from the following sources:

	Actual	Budget	Expected	Budget	Change	Change
<i>Revenues</i>	2021	2022	2022	2023		
Green fees	\$ 1,878,355	\$ 1,664,000	\$ 1,873,937	\$ 1,776,000	\$ 112,000	6.73%
Driving range	\$ 165,616	\$ 185,000	\$ 172,257	\$ 155,000	\$ (30,000)	-16.22%
Member fees	\$ 82,554	\$ 75,000	\$ 91,089	\$ 80,000	\$ 5,000	6.67%
Sale of supplies	\$ 320,381	\$ 305,547	\$ 279,807	\$ 300,000	\$ (5,547)	-1.82%
Concessions	\$ 49,647	\$ 80,000	\$ 85,169	\$ 50,000	\$ (30,000)	-37.50%
Cart rental	\$ 440,124	\$ 437,000	\$ 427,937	\$ 430,000	\$ (7,000)	-1.60%
Misc	\$ 77,886	\$ 313,853	\$ 47,500	\$ 1,283,400	\$ 969,547	308.92%
Total revenues	\$ 3,014,563	\$ 3,060,400	\$ 2,977,696	\$ 4,074,400	\$ 1,014,000	33.13%

Components of the Chaska Town Course Revenue

A key revenue assumption for the CTC is the green fees schedule, as the greens fees do generate approximately to 60% of our revenue. Our strategy has been to have green fees for non-residents consistent with the market for other high-end public courses, while at the same time offering a course for our residents of higher quality and challenge compared to any other area course, at a price that is very competitive. As mentioned previously, based on our efforts to reduce the resident discounts to a reasonable amount over a multi-year period (plan to end in 2028), but to do this in a way that benefits our most loyal Town Course patrons by providing a greater resident discount on weekdays, we are recommending the following rates for the 2023 budget:

- Resident Weekdays: Up \$4 to \$51 (\$72 with Cart)-Represents 36.25% discount
- Resident Weekends: Up \$3 to \$59 (\$80 with Cart)-Represents 26.25% discount
- Non-Resident Weekdays: Up \$2 to \$74 (\$95 with Cart)
- Non-Resident Weekends: Up \$2 to \$80 (\$101 with Cart)
- No changes to our Cart Rates-remain at \$21 for 2023 as they were in 2022 (we were scheduled for a cart rate change, but do not want to implement that until 2024 when we have our new fleet of carts delivered and ready for use)

Based on this, the projected Green Fees revenue for 2023 would be \$1,776,000, which would be a decrease of 5% from the actual 2022 Greens Fee Revenue. This budgeted revenue is a decrease from our actual in 2021 and 2022 revenues because we do not think that it would be prudent to budget at the 42,500 rounds we saw in 2021 and the 38,600 rounds we saw in 2022. We think it is much more reasonable to expect that we would see rounds closer to 34,000.

For the first several years the Town Course was open, we averaged cart rental revenues in the range of \$150,000 to \$175,000, with 22% to 24% of golfers renting carts. In 2006 we modified our cart policy to permit carts off the cart path. At that time, we purchased a new set of carts equipped with a GPS system. This system allows us to remotely control the carts so they do not go in areas that would be detrimental to the condition of the course. The system was implemented in 2006 and increased cart revenues to \$212,000.

In 2018 we purchased a replacement fleet of carts, and included enhanced GIS features, to help keep up with our demand for services on the carts. For 2023 we are once again anticipating that 40% of patrons will continue to utilize a cart, as we have seen over the past several years, and we are recommending that we do not increase this rate for 2023 as we do not want to make this next adjustment until our new fleet of carts come in in 2024. Based on this, the total revenue in 2023 for cart rentals would be \$430,000.

Through our twenty years of operation, the driving range has been a popular element of the facility. One attribute contributing to the success of our driving range is the size of the practice facility, being one of the larger driving ranges on golf courses in the area. For projection purposes, we have assumed that 20% of golfers will use the range before playing and an additional 40 persons per day will come to the facility solely to use the practice complex. Range revenues did come in at \$172,257 for 2022. For 2023 we are proposing that we budget the number of \$155,000, as we do not want to make our budget assumptions off the past two high years. It should be noted that one of the improvements we made to the Driving Range in 2022 was the addition of mats on a concrete slab at the back of the driving range. We plan to use these in early and wet parts of the season to keep our Driving Range in good condition, which could increase the use of this amenity during the entire season.

Pro Shop sales have continued to be strong with 2022 expected to see around \$300,000 of sales. In 2023 we are proposing a budget of \$300,000 for Pro Shop sales, as we have seen that be relatively stable over the past 3 years.

A key service element of the facility is the provision of a quality food and beverage operation, while at the same time assuring that this element does not become a financial drain on the operation. In 2016, we changed vendors, as Charlie's Grill had its final year of operation in 2015. Charlie's set a new bar for expectation of our food service at the Chaska Town Course, which was important for us to keep or improve with the new vendor coming into the facility.

After completing an RFP Process, the City Council did choose to go with the new vendor, Oak 19 Grill. While the Town Course did have to undergo approximately \$150,000 in upgrades to the kitchen prior to the 2016 season to be able to handle a new vendor come into the facility, and to increase offerings to our Patrons, Oak 19 has been a very positive addition to the Chaska Town Course, as we illustrated through their record-breaking first and second years of service. In 2016, Oak 19 had over \$650,000 in sales, making it the highest grossing year for food service in the Town Course's history. We saw very similar sales occurring during the 2017 season. In 2018, despite not being able to open the entire month of April because of weather, they still were able to exceed their budgeted revenue to the City and had the peak months during the summer be record sales for them over the past 3 years. In 2019, despite the less-than-ideal weather conditions, they continued to exceed our budgeted revenue for the facility, based on our revenue-sharing lease agreement. In 2020, although restaurants were closed at the beginning of the season, they did see a very successful year, with them shifting to a model where patrons order at the Counter and have their food delivered to them. This allowed them to have more control over service to reduce exposure issues for Staff and Patrons but also ended up being a very popular service delivery model change that they have kept in place the last three years. This has also helped them address the difficulty in getting service staff the past few years. Staff have continued to see very positive reviews from patrons on both food and beverage service in the Clubhouse, along with beverage cart service on the course.

Oak 19 did have their lease renewal in 2021, which not only increased the number of years they will be at the facility, but also changed the percentage that we charge for rent to be more responsive to market changes. The new lease has them paying a straight 6% of total revenue based on both their alcohol and food sales. 2021 was the first year of this change, with the restaurant earning close to \$80,000, which was above the \$40,000 we budgeted. And even though our percentage for alcohol went down in the new lease structure, we saw the revenue be significantly greater than the \$41,873 that was generated in 2020. We are generated approximately \$85,000 for lease revenue from the restaurant for 2022 and we are budgeting \$50,000 for 2023 to keep our projections conservative.

Operating Expenses

For the Chaska Town Course to be considered a high-end public facility, the turf maintenance needs to be a very high priority. During the past few Golf Seasons, we had some of the best turf conditions since our course opened, especially in warm/dry years like we have seen the past three summers. This has been confirmed in feedback we have received from golfers in our surveys and helped continue to drive patrons to our course during the summer of 2022. This is also something that we confirm through our Decision Resources Community Survey, which we just completed a little over three years ago. 92% of the respondents rated the upkeep/maintenance of the Chaska Town Course positively.

To accomplish the objective of having high-quality turf we have attempted to establish a maintenance budget that will permit adequate resources for above-average maintenance. The key, though, to achieving this objective is attracting and retaining

high quality dedicated personnel. It is imperative that our full-time personnel not only have the technical capabilities to maintain a high-level facility, but also (and possibly more important), have a true ownership in the course and a commitment to the facility's quality.

The maintenance staffing anticipates staffing levels the same as 2022, with five full-time Greenskeepers, plus a Superintendent who is responsible for the maintenance of the Chaska Town Course facility as well as the The Loop when it re-opens in the early summer of 2023.

As in the past these full-time positions will be supplemented by eight, six month and six four-month seasonal employees.

The second cost component of the golf course operation is the Clubhouse and its related activities. Our objective is to differentiate the Town Course and Clubhouse operation from other courses through a noticeable difference in its commitment to customer service. Achieving this objective will be significantly affected by the quality, skill and personality of personnel hired to staff the complex. The overall responsibility of the Clubhouse operation is the responsibility of the Club Pro. For 2021 expenses were \$1,018,874, with them being \$1,093,687 in 2022. We are budgeting \$1,099,024 for 2023. This would bring the total Clubhouse expenses up by 12.90% for 2023.

The final cost component that is critical to maintaining a high-quality course is continuing to invest in timely replacement of our maintenance equipment. In 2013, we sold Equipment Certificate Bonds to purchase of the equipment needing replacement on our Equipment Acquisition schedule. The proceeds from that sale went to purchasing our needed equipment replacement for both 2013 and 2014. In 2013, before we sold these Equipment Certificates, we did extend out the life of our equipment at the Town Course, both because the equipment is better quality than in the past, but also to help reduce the long-term costs of paying for maintenance of equipment over the years. This is one of the strategies we have employed to try to reduce overall costs at the Course and help work towards long-term financial sustainability.

At the same time, we have made sure that we replace this equipment in a timely manner, as quality of the course is a key to our success at the CTC. In 2017, we once again sold equipment certificates to help support a purchase we are doing in 2018, which was the replacement of our electric golf cart fleet. The cost for replacing this fleet was \$195,000 and was included in the 2017 Equipment Certificate Bonding that was completed. The debt service to support these purchases is \$152,000 in 2021. We had approximately \$320,000 of equipment replaced in 2022. In 2023, we once again will be selling Equipment Certificates to finance the following pieces of equipment:

- Fairway Mower: \$55,000
- Toro GTX Vehicle: \$32,000
- Workman: \$32,000
- Sidewinder: \$42,000
- Bunker Rake: \$22,000
- Spray Unit/Vehicle: \$49,000

- Beverage Cart: \$7,000
- Green Triplex (for Loop): \$62,000
- We will put our Rental Cart Replacement on order this year, but will not receive them or pay for them until we receive them in 2024: \$400,000

Besides these equipment purchases, we do have resurfacing of the Cart Paths on Holes 1-10 scheduled, with that being a cost of \$550,000 we plan to finance internally through our self-insurance fund. With these cart paths completed, we would then have all our cart paths resurfaced in time for the 2024 US Amateur Tournament. In addition to this, the Clubhouse also needs re-roofed for a cost of \$230,000. We plan to take whatever is not covered through this year's budget from the reserves in our CTC Fund to eliminate financing costs. Because of this, we will see a \$146,351 deficit for the 2023 year but will still have close to \$600,000 remaining in our cash reserve funds.

Total budgeted expenses for the golf course operation in 2023 are \$4,220,751, or an increase of 41.06% increase from 2022. This increase is high for 2022 because we have several replacement pieces of equipment that are due for this next year, and we are making the improvements to 10 holes of cart paths and replacing the Clubhouse roof in 2023.

The following is the proposed Expenditure Budget for 2023:

	Actual	Budget	Expected	Budget	Change	Change
Expenses	2021	2022	2022	2023		
Course Maintenance	\$1,005,683	\$1,639,354	\$1,193,250	\$2,617,127	\$977,773	59.64%
Course Admin/Clubhouse	\$1,018,874	\$973,443	\$1,093,687	\$1,099,024	\$125,581	12.90%
Merchandise	\$217,072	\$175,155	\$243,014	\$225,000	\$49,845	28.46%
Debt Service (Equip)	\$30,399	\$204,200	\$204,200	\$279,600	\$75,400	36.92%
Transfers Out/Debt Service	\$0	\$0	\$0	\$0	\$0	0.00%
Misc	\$7,509	\$0	\$0	\$0	\$0	0.00%
Depreciation	\$487,144	\$0	\$0	\$0	\$0	0.00%
Total Expenses	\$2,766,681	\$2,992,152	\$2,734,151	\$4,220,751	\$1,228,599	41.06%

As mentioned previously, based on this budget, we would expect to see a decrease in the Fund Balance of \$146,351, as we are going to be using some of our cash reserves in the fund to pay for the re-roof of our Clubhouse facility.

Given the fact that our Depreciation is approximately \$450,000 per year, this does illustrate why it will continue to be important over the next 5-years to continue to implement our changes to resident rates, until we hit our target of a 25% discount for weekday rounds and a 20% discount for weekend rounds, as opposed to the 37% discount that we had prior to making these changes.

Utility Fund Overview

The Utility Fund Budgets are broken down into separate categories for the City's four utilities: water, sewer, electric and storm sewer. The total proposed budgets for these four utilities have been developed based on the following objectives:

- *Providing the necessary resources for each utility to assure continuation of quality and reliable services to our customers.*
- *Maintaining water/sewer/storm sewer rates competitive with comparable cities.*
- *Maintaining residential electric rates less than comparable rates charged by Xcel.*
- *Maintaining competitive industrial and commercial electric rates compared with Xcel, while also making sure we maintain a system that provides reliability to our customers.*
- *Minimizing drastic changes in utility rates while at the same time maintaining adequate cash reserves for each enterprise.*

As I will discuss in greater detail through this section of the Budget Report, the continued focus in our utilities this year, as it was in 2022, is in the results and implementation of the most recent Cost-of-Service study analysis we completed for our Water, Sewer, and Electric Utilities. The purpose of completing a detailed cost of service study analysis for our utility funds is to identify all current and future operational needs of each fund, as well as the timely maintenance of our existing systems and new additions to our system needed for future growth to make sure that we have enough financial resources available to support the sustainability of our entire utility system.

The results of this Cost-of-Service study provide data that can help us in each of our utilities accomplish the following objectives:

- Accurately set our rates (variable costs)
- Accurately set our service charges (fixed costs)
- Equitably set our rate structure to assure that our users are being charged properly based on their usage
- Set rates to encourage desired consumer behaviors to help conserve our finite resources
- Set rates to be able to accommodate all necessary maintenance and improvement activities in the future, ensuring that we have a proper level of reserves available in each fund to make our systems sustainable

The results of a Cost-of-service study gives the City a concrete, data-driven analysis to set our rates precisely to accomplish the objectives we have in each fund. If the quantitative results of a Cost-of-Service study are used to set both our current and future rates, as well as the work plan for when improvements or additions to our system need to occur, the results can provide confidence to the City that we are

planning for a sustainable system in the future while also keeping our rate structure competitive. It can also allow us to plan for changes over a longer period to try to avoid large changes in rates at any given time.

As you will see through a discussion of each of our Utilities in this section of the Budget Report, we did rely on our most recent Cost-of-Service study findings to drive our recommendations this year, and to know how we should look at the next 5-year period. It would be our intent that we complete a Cost-of-Service study every 5 years in each of our utilities to make sure that we are staying current with any major changes that may have occurred in the community that affect our utilities, and to provide our users with a glimpse of what to expect over an entire 5-year period.

I will be talking about the Cost-of-Service study as it relates to each individual Utility Fund throughout this section of the Budget Report as there are different issues and factors that affect each utility. At the end, you will see how we meshed these findings together to try to provide the average user with an overall reasonable overall rate increase for all utilities for 2023, although some utilities may see larger individual changes than others. Below is a chart that illustrates our total increase for all utilities in 2023 for an average residential user. As you will see, they will experience a 6.47% overall increase, which would result in an actual increase of \$11.43 per month for the total utility bill.

Utility Fund	Units/Month	2022 Bill	2023 Bill	Increase	% Increase		COS Revenue Target
Electric (kWh)	750	\$122.82	\$126.12	\$3.30	2.69%		3.82%
Water (Gal X 1,000)	4	\$16.64	\$18.60	\$1.96	11.78%		8.00%
Sewer (Gal x 1,000)	4	\$26.31	\$31.69	\$5.38	20.45%		20.87%
Storm Water	1	\$10.98	\$11.77	\$0.79	7.19%		7.34%
Total		\$176.75	\$188.18	\$11.43	6.47%		

Water Fund

As will be discussed in more detail in the breakdown of the Water Fund budget, the City of Chaska did move forward with making some significant changes to the Water Utility rates starting in 2010, as it was found through a comprehensive Water Rate Analysis at that time that the City's water rates were set significantly lower than what was needed both to fund the future maintenance activities of our existing system, and to fund a portion of the debt service on the new Water Treatment Plant. The study found that over the 10-year planning period, that our Water Fund would be \$7 million in debt if changes were not made to our rate structure in the short term. Over the course of 2010 and 2011 our rates were significantly changed to get the base closer to where it should be. However, because our rates were so low to begin with, these changes were able to be made while maintaining our rates at a very competitive level compared to our neighboring communities.

Because of the large changes that were made back in 2010 with our first Water Rate Analysis, this allowed our Water Fund to stabilize over the last decade and now allows

us in this Cost-of-Service Study to really focus on the fine-tune details of our fund and rate structure to make sure that we are structuring our rates correctly to both meet our future needs but to also make sure that the cost of our services are equitably spread to users that have the greatest impact on our system.

As we will discuss in the Water Fund section below, the main findings we had in our Cost-of-Service study is that water usage in general has decreased and that too much of our costs have been allocated into our rates instead of our service fees which cover our fixed costs. Consequently, although we do need to increase our overall revenue to meet our long-term financial needs, a lot of change revolves around the reallocation of fees from our rates, which cover variable costs, to our service charges which cover our fixed costs that we incur regardless of how much water is utilized in our system.

As you will see in this year's budget for the Water Fund for 2023, the revenue target established in the Cost-of-Service Study for this year was an overall increase of 8% in total revenue to the fund. Based on that target, this would require an increase in our overall rates by 11.78% for our average residential users, which equates to \$1.96 per month. Included in that overall rate increase, 8% would be the actual increase to the rates (variable costs) with their being a 20.56% increase in our Service Charge (fixed costs). So, while the overall increase is 11.78%, what the Cost-of-Service study allows us to do is to properly allocate our charges to the right place so that we are properly covering both our fixed and variable charges in the fund.

The other major change that we continued to discuss this year is the decrease in overall water usage that we are seeing in our community, and how that requires us to change our tiered rate structure to assure that we both have it structured in a way that encourages water conservation, but also that it puts more of the burden on our water system on those who choose to use more than the average user in the community. When we initially established our tiered water rate structure in 2010, the average residential user in the community utilized 7,000 gallons per month. That number has gone down to 4,000 gallons per month. As a result, in 2021 we changed our tiers in for rates in the Water Fund to make sure that we were not rewarding users that utilize more than what the average user should use. In this way we are helping to meet our goal of setting our rates in such a way that it encourages the types of conservation we desire to help preserve our limited water resources.

Electric Fund

From an electric fund perspective, our total rates in 2022, including the Energy Adjustment Clause, averaged 5% lower than Xcel for residential customers. This result is about 2% lower than the 7% difference we saw in 2021. However, Xcel continues to increase their rates because of capital reinvestment they are needing to make into their system, and because of increasing renewable energy requirements from the State, which our wholesale power provider, MMPA, has already met its ultimate requirements. While the State recently was not going to allow Xcel to go forward with its full request for power rate increases, they had already put in place a large increase in 2022 that keeps us competitive with Xcel overall.

As we will discuss in the Electric Fund Section, our Cost-of-Service study looked at many different factors of our current rate structure. Besides making sure that we can

meet all our future maintenance and development needs, and maintain an adequate cash balance in the Fund, the major finding in the Electric analysis was very similar to the Water Fund, in that it found that we are currently allocating too much of our cost to our rates, which cover variable costs, and not enough to our service charges that cover fixed costs. Consequently, the recommendation in the Cost-of-Service study for 2023 was to continue to increase our fixed customer service charge to more properly allocate our costs. However, we also need to pay attention to the market as well as we set these rates. While the COS Study points towards continuing to put more emphasis on our customer service charge, we found through comparison that if we went any higher with our service charge now, we would be getting out of the market with Xcel. For this reason, it was recommended not to increase the service charge from 2022 and to only focus on the rates. We will talk more about this in the section of the report on the Electric Fund below.

Sewer Fund

From a sewer perspective, a major factor that drives our cost of service is our charge from Met Council for treatment of our sewage. This is a fee that is charged to all municipalities in the Twin Cities that are on Metro Sewer, which means that we see similarities between Metro municipalities in Sewer Rates due to the treatment being centralized with the Met Council. Our Met Council rate for 2023 is scheduled to go up by 20.84% to \$3,712,603. This is a fixed charged that we know before the budget year has begun and one that we have no control over. It is based on Chaska's actual share of the sewer treatment costs for Met Council based on the actual usage of the system last year.

As for our Cost-of-Service study findings in the Sewer Fund, we once again found that our focus needs to be on setting our fixed service charge correctly as we have not necessarily allocated our costs equitably in the past. From the Cost-of-Service Study it is being recommended that we increase our overall rates for the average customer by 20.45%, with the actual usage rates going up by 22.44% (\$4.30 increase) and the service charge going up by 15.10% (\$1.08 increase). It should be noted that this was the final year of implementing our Service Charge increase in the Sewer Fund, as it was implemented over the last 6-year period. This coming year, a follow up study will be completed to make sure that it was set properly and to make sure that we know how to approach both the rates and service charge going into the next 5-year period.

Storm Sewer

Finally, with the Storm Sewer Utility, we did not include this in our overall Cost-of-Service study, mainly because this is a relatively new utility and we have been making many changes to this over the past several years to get this set correctly based on the additional information we collect each year we have had this utility in existence. As we have discussed in detail, the activities have continued to increase in this fund, as there are both changing mandates from the State to follow, and heavy rain seasons that have put pressures on our Storm Water System. In 2018, to recognize the increased activities we were having in this fund, and to recognize that the work done in a River community such as Chaska is significantly more than a typical community, the methodology that Staff used to compare Chaska rates changed, with us comparing ourselves to other similar river communities in the State that have similar expenses in their Storm Water

Fund. We feel that this has created a more accurate base to compare ourselves. Based on this activity load and comparisons to other similar communities, an increase in rates of 7.19% is being recommended for 2023, which would equate to a \$0.79 increase per month. This will keep us competitive with Cities our size and put us on the road to build our cash reserves to desired levels.

Again, based on the changes that are being recommended, which will be discussed in more detail in following sections, below is a breakdown of what a typical resident can expect for total bill increase in 2023 for all our City utilities. As you will see, based on the recommendations above, the average user would see a 6.47% increase in all their Utility Rates for 2023, which translates into an increase of \$11.43 in increased costs each month for the average household in the community.

Utility Fund	Units/Month	2022 Bill	2023 Bill	Increase	% Increase		COS Revenue Target
Electric (kWh)	750	\$122.82	\$126.12	\$3.30	2.69%		3.82%
Water (Gal X 1,000)	4	\$16.64	\$18.60	\$1.96	11.78%		8.00%
Sewer (Gal x 1,000)	4	\$26.31	\$31.69	\$5.38	20.45%		20.87%
Storm Water	1	\$10.98	\$11.77	\$0.79	7.19%		7.34%
Total		\$176.75	\$188.18	\$11.43	6.47%		

Water Fund Budget

As was mentioned above, three years ago the City of Chaska completed a comprehensive Cost-of-Service Study for three of our municipal utilities including our Water Fund. This was a follow up to the study that we completed a decade ago which brought some of the initial changes in our fund to introduce an inclining block rate structure and to get our rates to a point that we could start to build adequate cash reserves in this fund to be able to plan for future maintenance and improvement work that will be needed with our Water System. The intent of this most recent study was to reexamine how things have worked since that initial analysis, and to look at what we need to continue to plan for moving over the next 5-years to meet all our physical and financial objectives within this fund. It would be the plan in each of these utilities to complete a Cost-of-Service Study every 5 years to make sure that we are able to stay current with any changes we see in the fund.

The overall objective of this most recent analysis is:

Identify all current and future operational needs, as well as timely maintenance of our existing system and new additions to our system needed to support future growth-making sure we have enough financial resources available to support the sustainability of our Water System, and to be able to have quantifiable data to support the accurate setting of our variable rates and service charges that support the fixed costs within our system

Findings of Water Cost of Service Study

While a major reason we complete a financial analysis of our Water System on a regular basis is to give us confidence that we are generating enough resources to be able to ensure a sustainable system as we go into the future, another major objective that we try to achieve is making sure that not only are we collecting enough revenue, but that we are generating these revenues in an equitable way. We want to make sure that not only are our users that are trying to conserve water financially benefiting by conserving water, but that we also are setting our fixed charges in a way that makes sure everyone is paying their fair share whether they use the system or not as we do need to make sure it is always available to them whether they use the system or not.

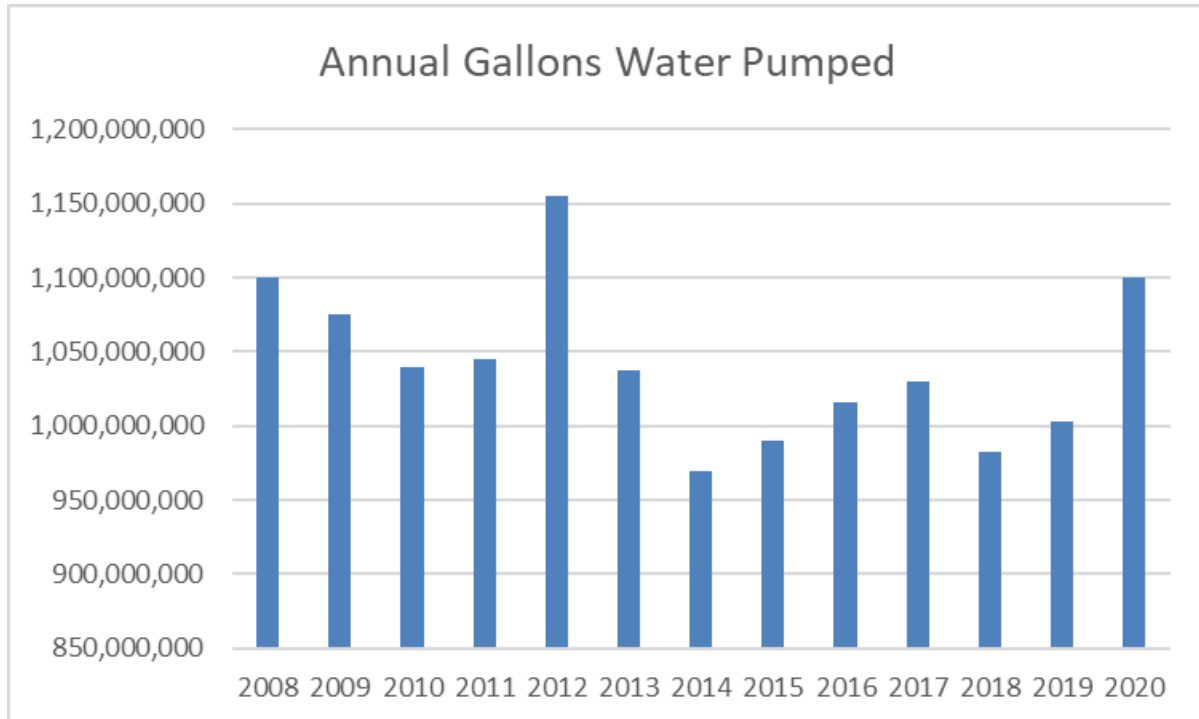
To that end, looking at the rate structures of our Water Utility was a major focus of this Cost-of-Service Study. The major findings of the Water Analysis were:

1. Water consumption by typical users has decreased over the past decade and our Tiered-Rate structure has not kept up with these changes
2. More focus needs to be put on increasing our service charge in the Water Fund, as opposed to our rates, as our fixed charges have not been adequately accounted for in the past

3. Our City facilities are not currently contributing fairly to our Water System costs and we should be changing this to make sure that we are not utilizing the Water Fund to subsidize our other Enterprises within the City

Water Usage Continues to Drop

As mentioned previously, one trend that we have seen in water usage over the past decade is the overall decrease in water usage. As the Chart below illustrates (this is the data that was utilized in our later Cost of Service Study) our water usage in 2008 was \$1,100,000,000 gallons, compared to the usage in 2020 which was also \$1,100,000,000 for the year. While the usage was the same, the number of users in our system was significantly higher, meaning that the usage per person is lower than it was in 2008.



This decrease in water usage has come mainly because of technology changes that have made water conservation much easier. This includes technology like low flow plumbing fixtures, as well as “smart” technology in lawn irrigation that only waters the lawn when it needs it.

As we are completed our Cost-of-Service Study, one thing that we found is that the average usage of water per household has dropped from around 7,000 gallons per month down to 4,000 gallons per month. While the study did not see a need to change the base rate drastically, it did recommend that we adjust the tiers in our rate structure to make sure that we are still providing a benefit to those who conserve water as opposed to those who utilize a higher-than-average amount. Our intent with our rate structure is that we do not penalize our average users, but that people only pay a higher rate if they are using more than what the average user would consume. The only way we can accomplish this is to decrease our first tier of water rates to capture what that new average has become. This will help ensure that the tiered structure is still meeting its purpose, which is to reward those who utilize an average amount of

water and to disincentivize through higher rates the usage of water above average amounts.

Current Structure (gallons)	Percent of bills ending in block	2021 Structure (gallons)	Group	Percent of bills ending in block
0 to 7,000	72%	0 to 2,000	Small home	8%
7,001 to 20,000	23%	2,001 to 5,000	Average home	42%
20,001 to 30,000	3%	5,001 to 8,000	Large home	28%
30,001 to 40,000	1%	8,001 to 12,000	Some sprinkling	10%
40,000 +	1%	12,001 to 40,000	More sprinkling	11%
		40,000 +	High use	1%

As you can see from the chart above, if we kept our current tier structure where we have it now, the first tier would go up to 7,000 gallons per month, which used to be our average use and now would have 78% of our users falling into this first tier. This means that someone could get the rate meant to reward users who use average to less water in their home, although they might be using 3,000 gallons per month above the average.

Based on this, and a target of seeing an 8% increase in overall revenue in the Water Fund for 2023 (identified in the COS Study), the following is the tiered-rate structure that is being recommended for 2023:

Rate Tiers (Gallons)	2022 Rates	2023 Rates	Percent Increase
0-2,000	\$2.53	\$2.74	8.00%
2,001-5,000	\$2.71	\$2.93	8.00%
5,001-8,000	\$2.94	\$3.18	8.00%
8,001-12,000	\$3.27	\$3.54	8.00%
12,001-40,000	\$3.70	\$4.00	8.00%
40,001 & Above	\$4.74	\$5.12	8.00%

Looking at other cities across the Metro area, including surrounding cities such as Chanhassen, Waconia, Shakopee, and Carver, they have already made moves to change their tiered system to recognize this decrease in water usage. The change in the tiered structure was something we made in the 2021 budget, and we would recommend continuing this into the future.

Service Charges Not Set to Support True Fixed Costs

The purpose of a service charge on a utility account is to make sure that we can capture all those fixed costs that we have regardless if someone uses any water or not. Some of these costs include Utility Billing, our Staffing and equipment costs and the cost of our facilities (i.e. debt service costs on our Water Treatment Plant). These are costs that we have regardless of the amount of water utilized, and to make sure that when people do want to utilize our water system it is available.

What the Cost-of-Service Study found was that we have been putting too much of these fixed costs into our water rates, which are meant to cover our variable costs (i.e. it costs less to treat less water than more water). Also, for just having the water system available, everyone who is hooked onto our system should have to contribute equitably to have access to this system based on the type of user they are.

Based on understanding what all our fixed costs are through this study, and looking at how it should be allocated equitably based on the type of user (i.e. a residential unit should pay less than a large industrial user because they will consume less of our water system), the following chart represents what the study represents for where we should go for our customer service charges.

COS Customer Charge

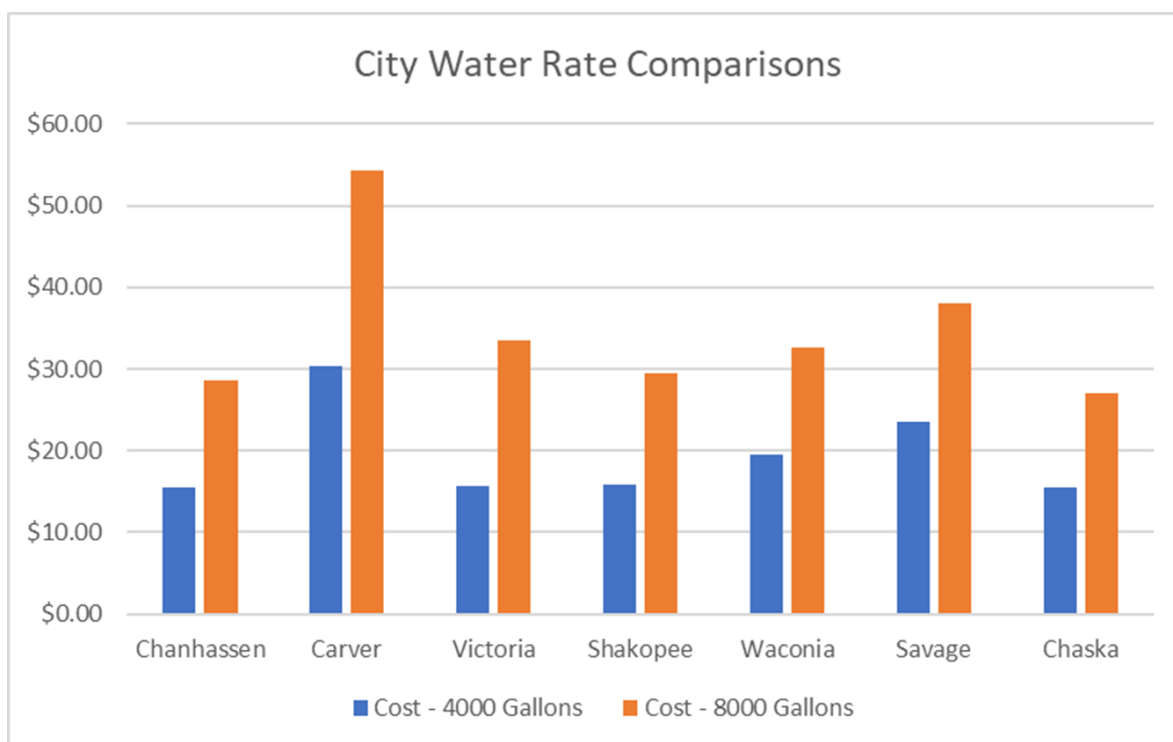
Meter Size	5/8"	3/4"	1"	1.5"	2"	3"	4"	6"
Total Customer COS	\$ 8.66	\$ 9.18	\$ 13.15	\$ 23.38	\$ 35.07	\$ 123.33	\$ 223.69	\$ 468.39
Total # Meters	5,812	468	498	299	90	29	11	3
5 Year Correction (\$/year change)	\$ 1.10	\$ 1.21	\$ 1.77	\$ 3.61	\$ 5.29	\$ 18.14	\$ 36.41	\$ 81.21
Current Customer Charge	\$ 3.15	\$ 3.15	\$ 4.30	\$ 5.35	\$ 8.60	\$ 32.65	\$ 41.65	\$ 62.35
Year 1 (2021)	4.25	4.36	6.07	8.96	13.89	50.79	78.06	143.56
Year 2 (2022)	5.35	5.56	7.84	12.56	19.19	68.92	114.47	224.77
Year 3 (2023)	6.46	6.77	9.61	16.17	24.48	87.06	150.87	305.97
Year 4 (2024)	7.56	7.97	11.38	19.77	29.78	105.19	187.28	387.18
Year 5 (2025)	8.66	9.18	13.15	23.38	35.07	123.33	223.69	468.39

As you will notice, it not only makes recommendations about where we should ultimately be, but also a five-year plan for how to get there to not cause too much change all at one. 2023 would be the third year of implementation of our Fixed Charge. While the study ultimately recommends moving up to \$8.66 for the total fixed charge, in 2023 we would recommend taking the third step, which would bring it up to \$6.45 per month for the average residential user.

Based on looking at both our tiered rate structure and our fixed costs, while the water bill for the average user is going to go up by 11.78%, this will occur by them seeing approximately an 8% increase in their water rates (variable cost) with the remainder of the 11.78% total increase coming from an increase in the service fee costs. The chart on the next page helps illustrate this.

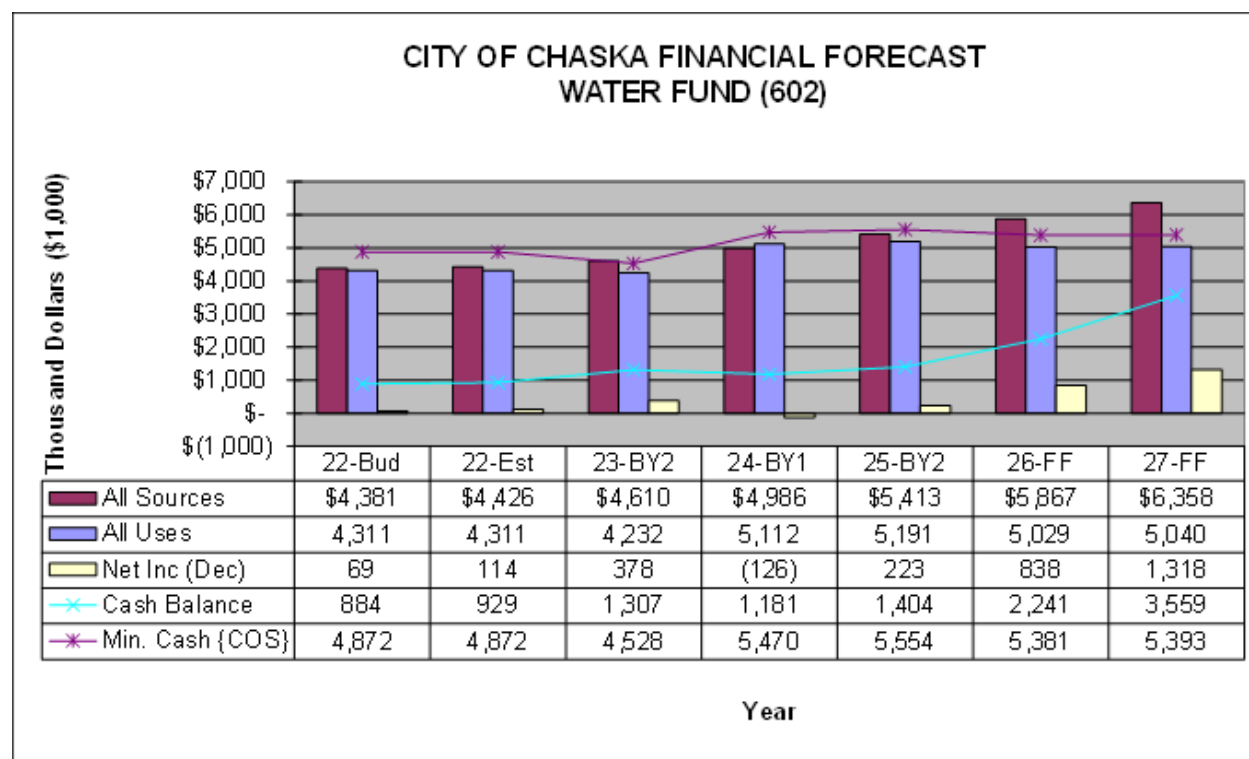
Average Home	Units/Month	2022	2023	Increase	% Increase
Water					
Cust. Charge	1x/month	\$5.35	\$6.45	\$1.10	20.56%
Water (Gal X 1,000)	4	\$10.48	\$11.34	\$0.54	8%
State Water Fee	1x/month	\$0.81	\$0.81	\$0	0%
Total		\$16.64	\$18.60	\$1.96	11.78%

While the Cost-of-Service study does adjust our rates to accommodate our future needs, it does so in a way that keeps our rates competitive with surrounding communities. Below is a chart which illustrates our proposed rate changes (all-in cost) compared to other communities assuming they see a 0% increase in 2023:



It should be noted that based on our Cost-of-Service study, that the recommended minimum cash reserve in our Fund at the end of 5-years should be about \$5.3 million. As you will see on the following chart, while we anticipate that we will still be short of this goal in the next 5-years, we are heading in the right direction to meet this goal and are projecting that we will see close to a \$4 million reserve by the end of 2027:

It should be noted that if we didn't see any rate increase as anticipated by the Water Cost of Service Study that we would not meet those recommended minimum cash balances.



2023 Budget

Based on the changes described above Water Fund Revenues for 2023 are budgeted to be \$4,610,140 compared to the 2022 budget of \$4,380,540, or a 5.24% increase in revenue.

While some of this growth in revenue will come from some increased usage in the community due purely to growth in Chaska, most of the increases we will see in revenue will come from the changes we make to the rate structure which puts a larger burden on those who utilize an above-average amount of water, which is the intent of a tiered-rate structure. The average water user will see an overall increase of 11.78% in 2023 on their bills, which represents a \$1.96 per month increase. With the new rate structure being focused on 4,000 gallons of water per month being the average instead of 7,000 gallons, this will mean that those who use an amount between these numbers will see a higher impact on their bill than they did in the past because they are using more than what the average use is. In this way, it makes sure that our rate system is set equitably and that our average lower users are not having to subsidize those who use more than an average amount of water.

The major categories of revenues and expenses in the Water Fund as compared to past years are presented below:

Water	Actual	Budget	Budget	
	2021	2022	2023	% Change
Revenues				
Metered	\$5,874,440	\$3,871,040	\$4,169,040	7.70%
Other	\$55,150	\$44,500	\$41,100	-7.64%
Transfers In	\$506,000	\$465,000	\$400,000	-13.98%
Total	\$6,435,590	\$4,380,540	\$4,610,140	5.24%
Expenses				
Pumping	\$285,431	\$388,282	\$421,896	8.66%
Treatment	\$359,922	\$324,341	\$358,984	10.68%
Distribution	\$830,462	\$1,475,621	\$1,251,007	-15.22%
Administration	\$963,765	\$936,256	\$994,366	6.21%
Depreciation	\$867,400	\$0	\$0	0.00%
Debt Service	\$295,063	\$1,088,055	\$968,630	-10.98%
Tranfers Out	\$151,140	\$117,000	\$234,855	100.73%
Other	\$1,540	\$1,911	\$1,922	0.58%
Total	\$3,754,723	\$4,331,466	\$4,231,660	-2.30%

For 2023, we are projecting that we will generate \$4,169,040 in metered sales. This is 7.70% higher than the metered sales we budgeted in 2022.

Total water expenses for 2023 are programmed to be \$4,231,660. This compares with \$4,331,466 budgeted in 2022. This is a 2.30% decrease in expenditures from 2022. This decrease is due mainly to the fact that we have less capital improvement expenses than we did in 2022.

The following are the major activities we are planning for in the 2022 year:

- Continue with normal Well-maintenance schedule with Wells 5 and 9 being rehabbed in 2023 at \$125,000 per well
- Addition of 1 Water/Sewer Maintenance Worker as was planned for in our City-wide Staffing Study
- Construction of New Water Treatment Plant at Well #7 in 2023 to meet current and future water demand needs-total cost of \$6 million to be financed in 2024
- Continued contribution of \$70,000 per year from the Water Fund to our Street Reconstruction Program
- Replace all our equipment on the normal cycle, which includes a replacement pickup truck for \$55,000. The Water Fund will contribute half with the Sewer Fund contributing the remainder of the cost
- New: Contribution of \$60,000 for the Building Improvement Program (first year of 4 years of contribution to contribute towards overall \$1.6 million Utility contribution

Finally, in 2011 the full cost of the Water Treatment Plant Debt service was accounted for through the Water Operating fund at a cost of \$1,263,445. 50% of this comes through our rate revenue with the other 50% coming through a transfer from our

Water Trunk Funds, which are supported through development. This continues in 2023, with our payment budgeted for \$968,630.

Personnel Services:

As we discussed at length in the General Fund section of this report, in 2019 we worked to complete a Staffing Analysis to identify where we might have any current gaps in funding. Currently the Water and Sewer staffing consists of the Superintendent, Foreman and seven maintenance employees. The Staffing Study determined that if we were to be a full strength now, that we would have two additional Maintenance Workers shared between the Water and Sewer Department. As part of the implementation strategy there was a plan to fill this gap over the next 4 years. Because of the economic conditions due to the pandemic in 2021, we did delay implementing the staffing study in 2021 City wide and moved out the filling of the two Water/Sewer Maintenance Working positions in 2023 and 2024. As mentioned previously, one of these two positions is in the budget for 2023.

Based on this budget that is being proposed, we would see a \$378,480 increase in our Fund Balance, with us continuing to meet our goal of getting our cash reserves in the fund up to the amount recommended in our Cost-of-Service Study.

Sewer Fund

Cost-of-Service Study Findings

Just like in the Water Fund, the Sewer Fund was also part of the overall Cost-of-Service Study for our utilities. As the study found, 91% of our Sewer System is depreciated, with several old sewer pipes in our community that need being replaced (many of which we are replacing as we reconstruct our streets). The main finding of the Sewer Fund's portion of the Study found that we have fallen behind on our monthly service charges to be able to capture the fixed costs we have in our system.

Just like in the Water Fund, there are several fixed costs that we have in our system that we need to pay for regardless if someone is using our Sewer system or not. They are costs that need to be covered just to provide access to our system when it is needed. These costs include Utility Billing, Staffing and Equipment Costs and things like buildings and their upkeep. They do not include things like our Met Council Sewer Treatment Charge, which is a variable cost based on the amount of sewage our City uses in the past year.

Just like in the Water Fund, it is important that people contribute to these fixed costs, whether they use the system or not to make sure that there is equity in how our system is paid for, and that the users of our system are not subsidizing those who might need access to the system but may not use it.

Unlike the Water Fund, where we are just starting to increase our fixed rates to get them to the level they need to be to support the fixed costs of our system, we did start working on the Sewer Fund 4 years ago by adding a service charge, where we did not have one at all prior to 2019. The focus of this Cost-of-Service Study was what we should do over the next several years to get our service fee to the desired level. Below is a chart illustrating the recommendations:

COS Customer Charge			38 Meters		54 Meters	
Meter Size	Residential : Class 1	Commercial : Class 2	Industrial : Class 3.1 (5/8", 3/4" & 1")	Industrial : Class 3.2 (1.5" and above)		
Total Customer COS	\$ 8.23	\$ 15.65	\$ 26.93			
3 Year Correction (\$/year change)	\$ 1.08	\$ 3.55	\$ (7.69)	\$ -		
Current Customer Charge	\$ 5.00	\$ 5.00	\$ 50.00	\$ 50.00		
Year 4 of 6 (2021)	\$ 6.08	\$ 8.55	\$ 26.93	\$ 50.00		
Year 5 of 6 (2022)	7.15	12.10	26.93	50.00		
Year 6 of 6 (2023)	8.23	15.65	26.93	50.00		

As you will see in the chart above, 2023 is the last year of implementation of our ultimate Sewer Customer Service Charge, with it being the 5th year since we started implementing it in 2019. For a residential user, we have been working over the past 5 years to get our service fee up to the recommended \$8.23 per month for the typical residential user, with 2023 being the year that we would reach this target.

Just like in our Water Fund, a greater emphasis is being placed in this study on getting the service charges set correctly than on our usage rates, which the Study found were not that far off from where they should be. However, one difference between the Water Fund and the Sewer Fund is that the Sewer Fund has most of its variable costs controlled external to our organization with the Met Council providing all treatment of our sewer through their regional plants. So, while our Water Fund's variable rates can be relatively stable and predictable because we control the entire system, the Sewer Fund's variable rate are often very unpredictable, volatile, and out of our control. It is also impacted by the way multiple cities utilize the sewer system-not just ours.

For 2023, our Met Council rate is going up by 20.84% which is very high compared to past years. While the Met Council has done little to change the rate of increase of their overall system, our rate is mainly going up due to Chaska's usage being a much larger percentage of the entire system. This is mainly due to growth, but also has been impacted by dry years as other communities who may have had a large impact on Inflow and Infiltration going into the system (clean rainwater that leaks into the system), these cities have not had this happen to a large extend because of the lack of rainfall we have seen the past two summers. The result is that most of the impact to Met Council's system has been being impacted by growth of which cities like Chaska have seen a large amount of growth.

Below is the expected Sewer Bill for the average user to show both the impact of the last year of our Service Charge implementation, but also the impact from the Met Council treatment rate increase:

Average Home	Units/month	2022	2023	Increase	Percent Increase
Sewer					
Service Charge	1 x/month	\$7.15	\$8.23	\$1.08	15.10%
Water (Gal x 1,000)	4	\$19.16	\$23.46	\$4.30	22.44%
Total		\$26.31	\$31.69	\$5.38	20.45%

The other item to note is that if we follow the recommendations of this Cost-of-Service Study, we can expect that after 2027 we should have the Reserve Balance of this Fund at about \$225,000, which is below the minimum recommended amount from this study of approximately \$3.5 million. Our plan after we get the fixed charge fully implemented would then be looking at how we focus on getting the rates properly set to work on

increasing the cash balances. With us not having any fixed charge in the Sewer Fund prior to 2019, we wanted to make sure we focus on that first and to not have too drastic of an impact on our Sewer rates trying to deal with too many issues at once. With the Met Council rate being so large this year, we also did not want to have any more impact on the actual usage rates. We will have to address this as we move into the future, however, since this system is 91% depreciated. We will be in a much better position with the Service Charges fully implemented.

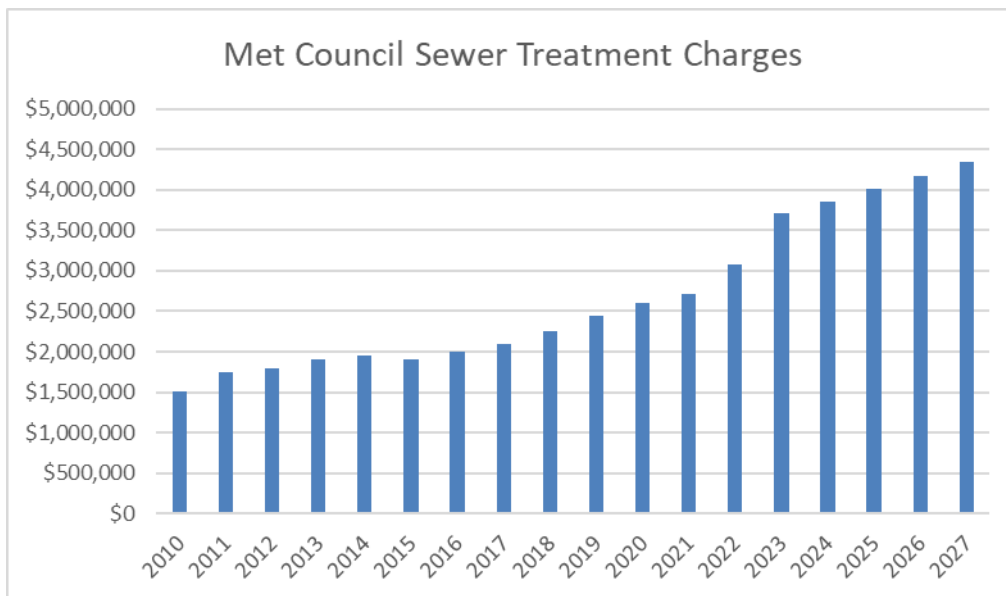
2023 Budget

Sewer Fund revenues for 2023 are anticipated to be \$6,333,550, a 22.29% increase over the budget in 2022. As mentioned previously, a portion of the increase in this revenue is coming from the continued implementation of our Sewer service fee, with 2023 being the last year of implementation of this recommended rate from the Cost-of-Service Study. This fee was established to break out the fixed costs that we have in our sewer service, regardless of whether someone uses their sewer service.

The other major increase for revenue is because of the sales revenue needed to support the increase in retail sewage rates because of an increase to our Metro Waste Fees for 2023. Unlike other utility services we provide, we know at the beginning of the year exactly what we will be charged by Metro Waste in the following year for treatment of our sewer. It is a fixed cost based on past usage of the system. The amount Met Council will charge for 2023 is \$3,712,603, which is an increase of 22.91% from 2022. This large increase is due mainly to the fact that we are a growing system and are using a larger share of the total treatment plant use that the Met Council operates. As mentioned previously, the average residential user will see an increase of 20.45% or \$5.38 per month for their sewer usage.

Metro Waste treats all the sewage for not only Chaska, but each of the Cities in the Twin Cities Metropolitan Service Area. It is the largest single driver of costs for our sewage service, as what we do locally is only to collect the waste and get it over to their Sewage Treatment Plant in Shakopee (Blue Lake Treatment Plant).

The following is a chart illustrating the cost increases we have seen since 2010, and what we expect as we look out over our planning horizon:



Expenses:

Sewer expenses are anticipated to be \$6,333,550 for 2023, an increase of 15.04% from 2022.

The major improvements scheduled for 2022 will revolve around our regular maintenance activities for Inflow and Infiltration (I and I) and Lift Station scheduled maintenance. Our allocation towards improvements in our I and I program for 2022 is \$50,000, with \$10,000 going towards restoration work on one of our Lift Stations in 2023 in the Autumn Woods East neighborhood. We will also have \$50,000 per year going to our Sewer Lining Program to help extend the life of our existing infrastructure and will be doing normal replacement of our scheduled equipment in 2023. In 2023, we also have \$450,000 going towards the rehabilitation of the Yellow Brick Road Lift Station, with its formal abandonment just occurring. We had multiple years of contribution from the Sewer fund going into this major project. This is the share coming from 2023.

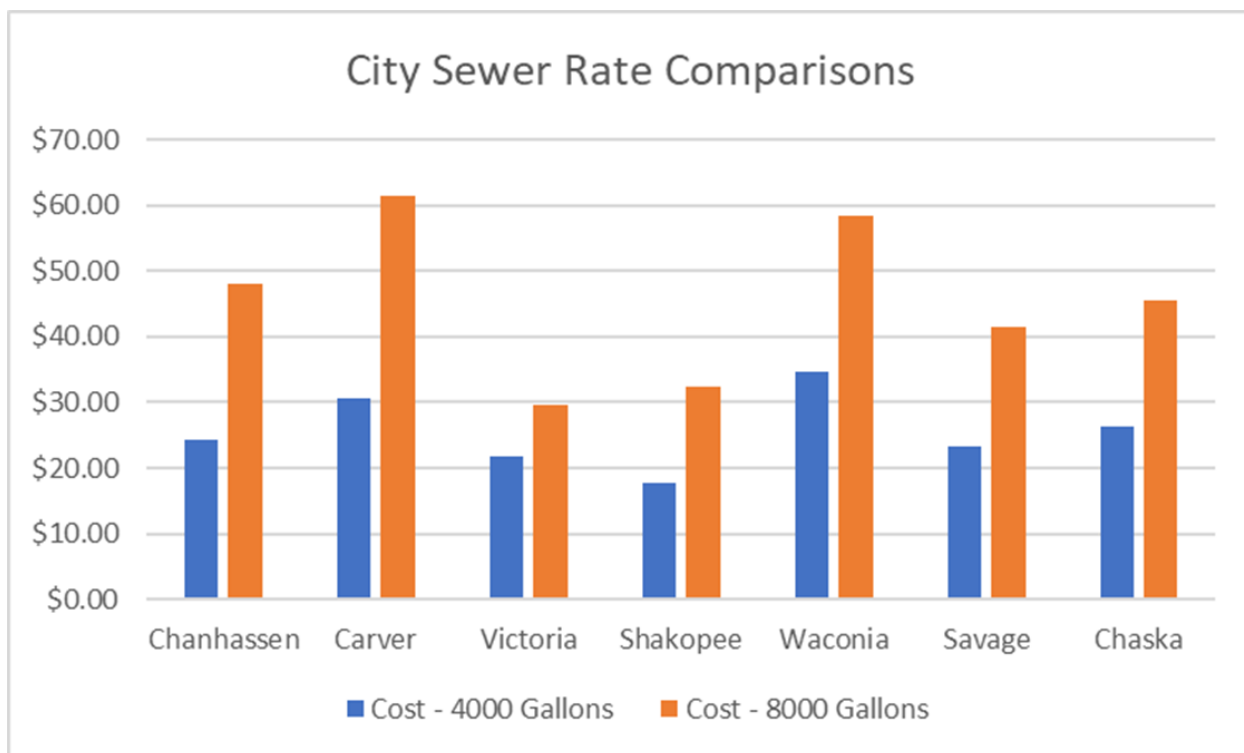
As has been discussed previously, the City of Chaska completed a Staffing Analysis in 2019 that helped quantify any gaps that we have in our existing service levels. One of the gaps identified was in our Water and Sewer Departments, where it was determined we are currently 2 positions short within the two department. While we had planned on adding this first position in 2021 with the second position being added in 2023, we did decide because of COVID to delay the added positions to address the financial realities of the pandemic. We are now planning to fill one of these positions in 2023 and one in 2024.

As it has in the past, the Sewer Fund will continue to contribute annually towards our Street Reconstruction Program in Downtown Chaska, as much of the work needed in this area of the community is the complete replacement of our utility systems. This amount will be \$110,000 in 2022 as it is planned to be going into the future.

We also have the Sewer Fund contributing to the shared equipment that we utilize between the Water and Sewer Departments. In 2023 we have a truck replacement scheduled for \$55,000, with half coming from the Sewer Fund.

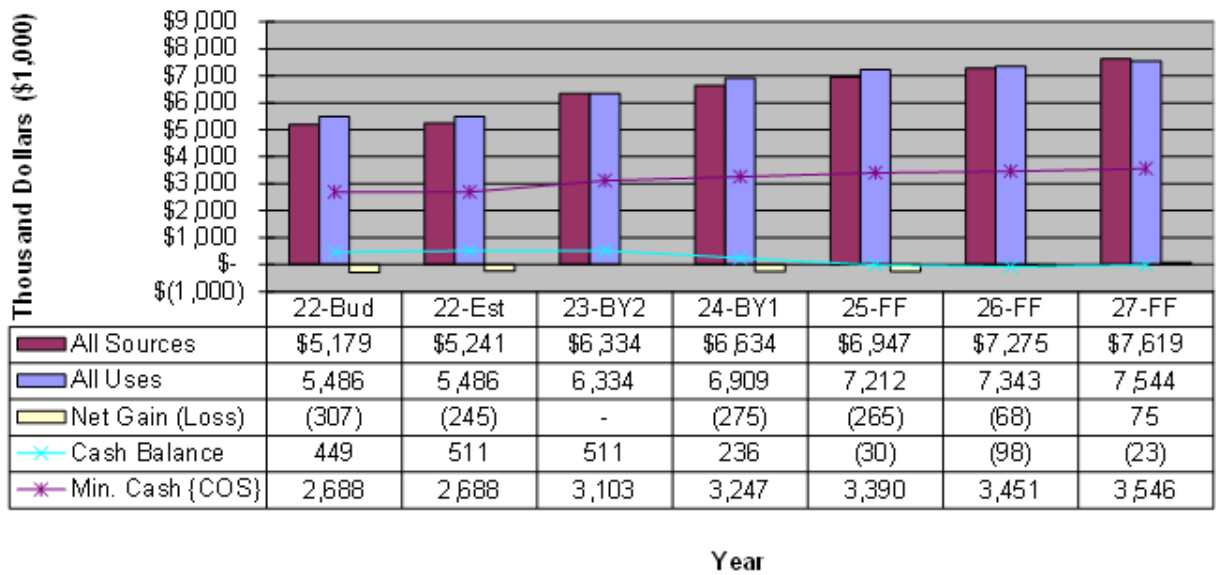
Finally, as we discussed in the Water Fund, we do have the Sewer Fund contributing \$60,000 this year to the Building Improvement Program. Both the Water and Sewer Funds will each continue to contribute \$60,000 additionally every year for the three years to follow 2023, bringing the total in each fund to \$240,000. This will help contribute to the overall \$1.6 million the Utility Funds together will contribute to the overall Building Improvement Fund, as the buildings that our utilities impact are included in this program.

Currently, Chaska's sanitary sewer rates are very comparable to other cities in the metropolitan area, and in the southwest metro area in particular. Metro City sewer rates tend to be very similar from City to City since a significant portion of the monthly bill is based on the Metro Council sewer charges, which are based on the same costs from City to City. Below is a comparison of Chaska sewer rates to other surrounding cities for both winter and summer usage averages assuming that each other City is seeing a 0% increase, which is likely not the case:



Based on our total expenditures and revenues, we are budgeting that the Sewer Fund will balance its budget in 2023. Below is a chart illustrating our projections over the next 5-years:

CITY OF CHASKA FINANCIAL FORECAST SEWER FUND (603)



As we discussed before, we will have to focus on getting the cash reserve balances up in this fund in the future. However, we wanted to first prioritize getting a Service Fee fully implemented and in place before we started really addressing the rates, especially with there being such a large increase in the Met Council Sewer Treatment Charge. With the service fees now fully implemented after 2023, we will begin to be able to focus more on the rate structure and focus on getting our cash balances built up to healthy levels. Below is a chart illustrating our revenues and expenses budgeted for 2023, along with comparisons to the past two years:

Sewer	Actual	Budget	Budget	
	2021	2022	2023	% Change
Revenues				
Metered Sales	\$7,541,185	\$5,172,450	\$6,328,450	22.35%
Other Revenues	\$811	\$6,700	\$5,100	-23.88%
Total	\$7,541,996	\$5,179,150	\$6,333,550	22.29%
Expenses				
Pumping	\$22,427	\$25,960	\$25,092	-3.34%
Treatment	\$2,713,317	\$3,072,288	\$3,712,603	20.84%
Collection	\$703,614	\$918,653	\$895,764	-2.49%
Administration	\$967,086	\$924,388	\$983,044	6.35%
Transfers Out	\$214,582	\$177,000	\$327,855	85.23%
Depreciation	\$155,723	\$0	\$0	0.00%
Debt Service	\$115,495	\$387,461	\$389,192	0.45%
Other	\$0	\$0	\$0	0.00%
Total	\$4,892,244	\$5,505,750	\$6,333,550	15.04%

Electric Fund Budget

Cost-of-Service Study Findings

As with both the Water and Sewer Utilities, the City also completed a Cost-of-Service Study in the Electric Department to again assure that we are planning financially for the future to help this continue to be a sustainable utility.

As with the other two utilities, a major finding of this department's study was that our Service Charge to support fixed costs of our utility has not been set at an adequate level in the past, and that our City Facilities need to work towards paying full rate on utilities, so these other funds are not being subsidized by our Utility Departments. Besides making sure that we have adequate cash reserves, and that we maintain our minimum restricted cash balances in the fund to support the covenants of our bonds used to support financing activities in this Fund, a final finding of this study also found that we need to move away from having an unpredictable discount for our senior users and instead move to a predictable credit which will more equitably treat our users whether they are large or average users.

As mentioned above, it was found in this study that our customer service charges have not been set adequately to recover the fixed costs of our utility that do not change regardless of how much energy one customer uses. We have instead been putting too much of the emphasis on the actual rates, which should instead be set to address the variable costs of our electric utility so those who use more are paying equitably for this service.

Below is a chart illustrating the recommendations for service charges the Cost-of-Service study is recommending for our Electric Utility:

Customer Class	2017 Rates	2018 Rates	2019 Rates	2020 Rates	2018 COS	2021 COS	Difference
Residential and Water Heating Electric	\$ 9.40	\$ 9.75	\$ 9.95	\$ 10.30	\$ 13.68	\$ 14.74	\$ 4.44
Senior Citizen Residential Electric	8.40	8.75	8.95	9.25	13.68	14.74	5.49
On & Off Peak Electric Space Heating Rate	5.70	5.90	6.00	6.20	13.68	14.74	8.54
General Service - Below 20 KW Demand	17.70	18.35	18.70	19.35	28.22	30.39	11.04
Large General Service - 20 KW Demand & Above	52.00	53.90	55.00	56.95	135.54	145.96	89.01

Customer Class	Current Rates	Annual Change	Year 1	Year 2	Year 3	Year 4	Year 5
Residential and Water Heating Electric	\$ 10.30	\$ 0.89	\$ 11.19	\$ 12.07	\$ 12.96	\$ 13.85	\$ 14.74
On & Off Peak Electric Space Heating Rate	\$ 6.20	\$ 1.71	\$ 7.91	\$ 9.61	\$ 11.32	\$ 13.03	\$ 14.74
General Service - Below 20 KW Demand	\$ 19.35	\$ 2.21	\$ 21.56	\$ 23.77	\$ 25.98	\$ 28.19	\$ 30.39
Large General Service - 20 KW Demand & Above	\$ 56.95	\$ 17.80	\$ 74.75	\$ 92.55	\$ 110.35	\$ 128.16	\$ 145.96

As can be seen from this chart, the study ultimately recommends that we raise our service charges up to \$14.74 per month for a residential user. This is up from the \$12.10 that we currently charge. While we should be moving into Year 3 of the plan and increasing our Service Charge fees to \$12.96 per month for a residential customer, we are recommending that we not increase our service fees at all in 2023 because doing so would take us out of the market for what Xcel currently charges for their Service Charge. With Electric we need to not only be concerned about the recommendations of a COS Study, but we also need to be cognizant of our major competitive market and not get ourselves too high on any component of our bill. We will keep an eye on this market moving forward and look again in 2024 about whether we should continue to move forward with implementation of these recommendations.

From a usage rate perspective (variable costs), we are recommending that we increase our rates by 3.82% to be able to keep up with our increased activities in the fund both because of high growth in the community and the reinvestments we make back into our existing system. It should be noted that back in early November when we first presented the Electric Budget presentation, we were recommending at the time that we thought their needed to be an 8.42% increase in rates due to the increases we were expecting from our wholesale power supplier MMPA. However, since that time MMPA has been able to acquire through the market a supply of Natural Gas credits at a very reasonable price, thus allowing to control our input costs in 2023 at a better price than what we were seeing in 2022 when Natural Gas prices quickly were increasing. Having this locked-in advantage allows us to reduce our recommended rate increase by almost 5%, bringing the recommended rate increase to 3.83%. For the average user, this will decrease their expected bill by about \$5 per month compared to what we projected in early November. Below is a sample utility bill for the average residential user in Chaska for 2023 based on these recommendations:

Average Home	Units/ Month	2022	2023	Increase	Percent Increase
Service Charge	1x/ Month	\$12.10	\$12.10	\$0.00	0%
Energy (kWh)	750	\$99.05	\$102.35	\$3.30	3.33%
EAC* (kWh)	750	\$23.77	\$23.77	0.00	0%
Total		\$122.82	\$126.12	\$3.30	2.69%

The other major finding of the Electric Cost of Service study was looking at our Senior Discount. Prior to 2021, the City had a 10% discount for seniors who say they have fixed-income needs. The intent of this program is to provide a discount to those who may not be able to afford as much because of being on a fixed income. However, in practicality, because it is difficult to verify income, we saw houses that have very large

usage requesting this discount, which potentially provided them with a discount that they do not need.

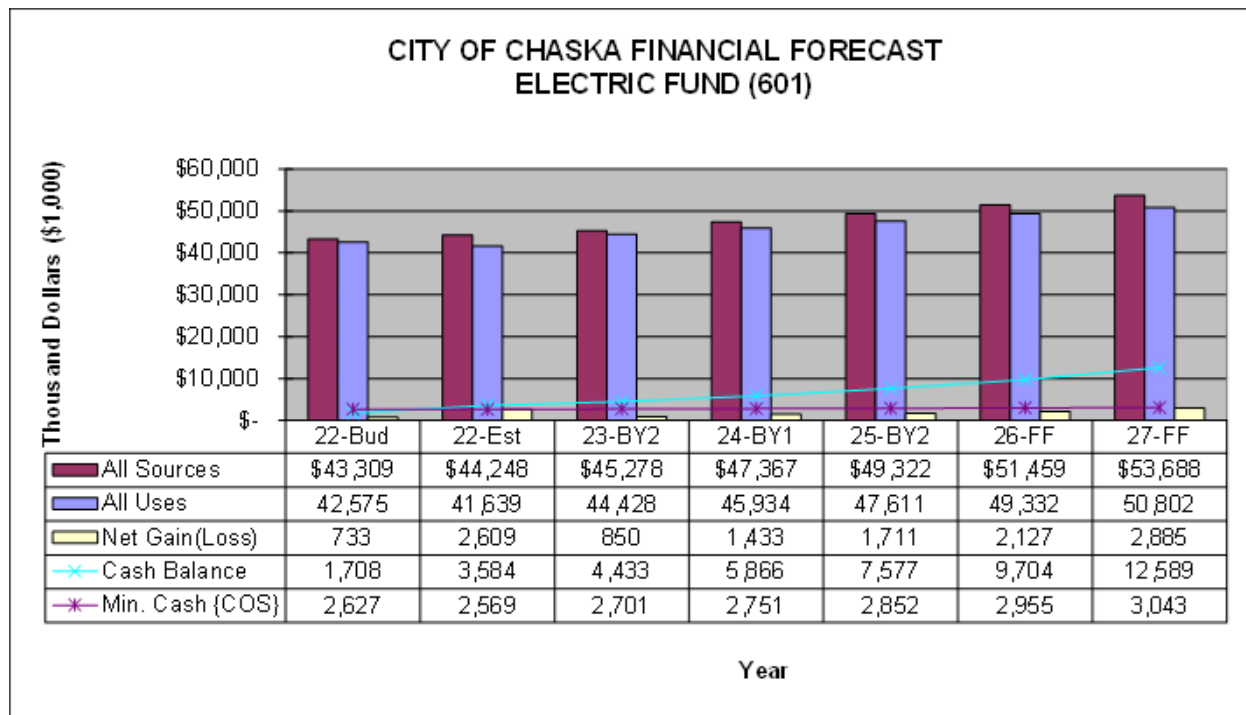
Instead of approaching the discount in this way, the Study recommended providing a credit equal to what a typical low-income user might see as a discount on their bill if they received our current 10% discount. In that respect, if someone requests this who may not really need this discount, they will be capped at receiving only the credit that meets the needs of our lower-income user, without seeing a 10% discount on what could be a large bill.

To help ease into this transition, in 2021 we recommended that this come over a 3-year period, with the transition being set up as follows:

2020 (Current): 10% Discount, \$0 credit
2021 (year 1): 5% Discount, \$3 credit
2022 (year 2): 0% Discount, \$6 credit

In 2022, we fully implemented this discount by going to a \$6 credit. The 2023 and future budgets are all set up assuming the Senior Discount structured this way. By setting it up this way, we hope to be able to not negatively impact our seniors that need this discount and meet the intent of those who it is trying to help, and that it does not provide a discount where one is not needed.

Finally, as a part of the Cost-of-Service study, it indicates that by the end of this 5-year period, that we should have a minimum cash balance in this Fund of about \$13.5 million in 2022. If we are to follow the recommendations of the Cost-of-Service Study, it would say that we should be able to end this 5-year period with an Electric Fund Cash Balance of \$19 million, which includes not only our requirement for cash on hand for our bond covenants but also our unrestricted cash balances. As you will see in the chart below, if we implement the recommendations of the budget for this year, we project to be close to \$12.5 million in Cash reserves by the end of 2027 which is moving us in the right direction but with still more work to be done.



2023 Budget

For 2023, Electric Fund revenues are anticipated to be \$45,277,700. This compares to the \$43,308,700 we had budgeted for revenue in 2022, which is an increase of 4.55%. Much of this growth in revenue is coming from the new development and expansions that we are seeing in the community which is driving our overall load in the system.

As part of the 2023 budget process, one of the items that Staff has continued to look at is the affect that new large users in our system will have on our overall electric sales, not only for 2023, but for the years included in our 5-year forecast. Over the past several years, we have seen large growth in our electric usage not only because of the additions of large data center facilities in the community, but also because of several existing Industrial customers on the north end of the community expanding. We have also started to see a large push for additional Commercial/Industrial property in the community, which will continue to grow our load throughout the community, including the addition of Costco and the planned addition to the 212 Medical Center when they open in the fall of 2023. One thing to note, however, is that our electric utility will not see growth from Industrial development on the property south of Engler Road, as it is currently within MN Valley Electric Cooperative's service territory. While they do currently own this territory, we are doing the economic analysis to see if it would make sense for us to consider purchasing this territory as this will be where we see most of the C/I development in the community over the next 20 years. Based on an existing contract we are not allowed to repurchase this territory until after 2040, but we are looking at whether there may be options to look at acquiring this territory earlier. We do continue to see growth in residential development, although we expect that this will be somewhat slower in 2023 because of increases in mortgage rates. Below is a chart looking at our anticipated revenue for 2023.

	Actual	Budget	Budget		
	2021	2022	2023	Change	% Change
Electric Sales	\$49,214,932	\$43,292,000	\$45,277,000	\$1,985,000	4.59%
Other Revenue	\$84,722	\$16,700	\$700	-\$16,000	-95.81%
Total Revenue	\$49,299,654	\$43,308,700	\$45,277,700	\$1,969,000	4.55%

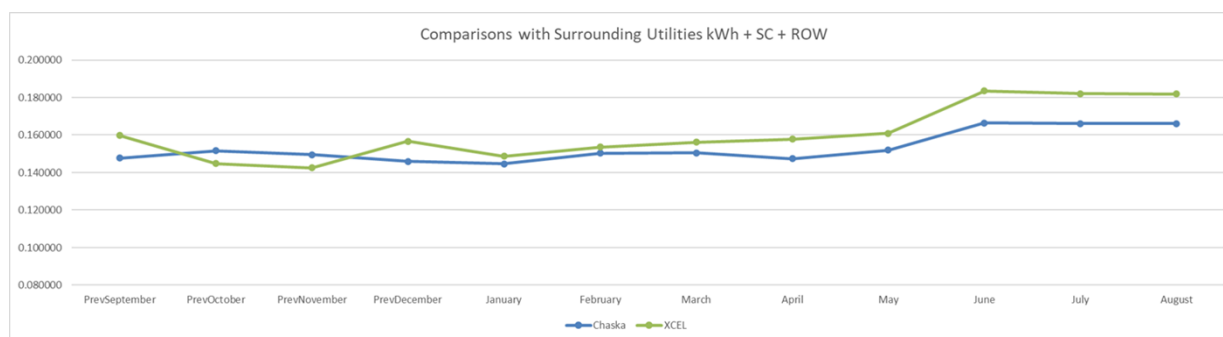
To develop our 2023 revenue budget, we did utilize the following assumptions:

- Continue implementing our Cost-of-Service Study recommendations, although we do recommend not moving to the third year of our Service Fee implementation as we do think this would take us out of the market for what Xcel is currently charging for their monthly service charge
- Total impact of retail rate changes to the average residential user of 2.69% (this is down from the expected impact when first reviewing the budget in November because MMPA was able to lock into good natural gas pricing for the year at the end of November)
- Continued Economic Development activity in Commercial/Industrial will drive robust growth
- Single Family residential will slow down some, but will be somewhat offset by the ~500 units of rental residential that are being added in Chaska over the next 12 months (buildings currently under construction)
- Normal weather
- Wholesale electric costs from MMPA seeing 0% change in 2023-3.82% increase in our retail rates to address the several capital improvement project to support new growth and investing back into our system in 2023

The City's objective is to maintain electric rates that are competitive to Xcel Energy. As we have seen over the past 12 months, Chaska's residential rates have compared well to this market. Looking at 2022, we did see total bills for residential users that averaged 5% lower than Xcel. While this is slightly lower than the 7% spread we saw in 2021, we do expect to see this spread continue to grow, as Xcel did recently implement some rate changes. While their current request from the State for the next 2-years was recently denied, we expect that they will be back in in the next 12 months looking at what they will have to do in future years to keep up with their capital reinvestment into their aging infrastructure across the State and meeting their renewable energy requirements. As of December of 2022, MMPA has now met all its renewable energy requirements that need to be accomplished by 2025.

In the past, much of MMPA's ability to keep lower pricing than Xcel can be attribute to relatively stable Natural Gas market. As we saw in the second half of 2022, these natural gas prices did rise quite a bit, which impacted both MMPA and Xcel with their Energy Adjust Charges. While all electricity bills were high across the Country, we were able to keep a competitive edge because of the diversity of our generation portfolio. As mentioned previously, MMPA was able to recently lock into fixed Natural Gas rates for 2023 at a very good rate, allowing us to lower impacts to our customers from where we thought we might be in 2023 and to create more predictability.

Below is a graph showing our total residential bill compared to Xcel in 2022:



Again, this chart shows over a 12-month period that we have been approximately 5% lower than Xcel. We hope to remain that way through 2023, as the agency is working to keep both the energy rates and EAC charges at least 10% below Xcel throughout the year.

Electric Fund expenses for 2023 are projected to be \$44,428,200 compared to the budget of \$42,575,427 in 2022, for a total increase of 4.35%.

As mentioned previously, a primary factor in seeing our expenditures more in 2023 than in 2022 has to do with the fact that we have many Capital Improvement/Expansion projects needing to be completed in 2023-largely because of the amount of growth we are seeing in the community. Below is a list of the Capital Improvement Projects we have scheduled for 2023. The numbers below represent the City's 60% of project costs we pay for with new developments coming in (the other 40% is the responsibility of the Developer):

- ▶ DEL WEBB DEVELOPMENT (NEW SERVICE): \$140,000
- ▶ WEST CREEK FEEDERS (NEW FEEDER TIES): \$215,000
- ▶ PEAVY/41 ROUNDABOUT (NEW FEEDER TIES): \$115,000
- ▶ CANTISSIMO APARTMENT (NEW SERVICE): \$60,000
- ▶ THE HARVEST KUSSKE ADDITION (NEW SERVICE): \$60,000
- ▶ HIDDEN MAPLES (NEW SERVICE): \$40,000
- ▶ STRUCTURES INC (NEW SERVICE): \$60,000
- ▶ CHASKA TECH CENTER (NEW SERVICE): \$60,000
- ▶ HAZELTINE PLAZA APARTMENTS (NEW SERVICE): \$70,000
- ▶ WEST CREEK APARTMENTS (NEW SERVICE): \$60,000
- ▶ COSTCO/CONTINENTAL PROJECT (NEW SERVICE): \$200,000
- ▶ HIGHWAY 41/61 RECONSTRUCTION: \$50,000

This represents a cost of \$1,130,000 in 2023.

Finally, it should be noted that from a Personnel Standpoint, we do have programmed in 2023 the filling of a vacant lineworker position who will start at an Apprentice level. We also program to keep two temporary Grounds People positions budgeted in 2023 to support all the work we will have to do to complete the list of projects on the previous page, while keeping our existing system functioning at a high level.

As the electric industry becomes more competitive, it is imperative that the City works closely with the power agency to assure that we are purchasing wholesale power at competitive rates. As we are seeing with the need for Xcel to raise their base rates, and with their aging infrastructure that will need to be replaced in the future, it does appear that the agency will be well positioned to meet the needs of the City in the foreseeable future, while at the same time maintaining competitive rates.

At the same time, the Agency has positioned itself well to address the State's Renewable Energy Requirements initiatives, which will require us to have 25% of our energy generated from renewable sources by 2025. The Agency opened its Oak Glen Wind Farm in November of 2011 in South Central Minnesota, helping us to meet these initial requirements. This is a 42 MW generation facility and helped us meet the 2012 requirements of the State mandates in renewable energy. The Agency also now has its Hometown Bioenergy Park in Le Sueur, MN, with this facility generating 8 MW of electricity using silage decomposition to support the generation of electricity. The Agency recently opened a Solar generation facility in the City of Buffalo and recently opened another Wind Farm in Beaver Creek on the South Dakota Border. With this now opening in December of 2022, we will have over 40% of our energy from renewable sources, which exceeds our State requirements.

It should be noted that our residents do have the option of purchasing up to 100% of their energy from renewable sources by paying an additional \$3 per month. We currently have 646 customers choosing to do this, which represents a 6.8% penetration of our residential market. Chaska continues to lead all MMPA communities in the usage of this program and is up from the 6.3% penetration in 2021.

The projects that were developed by the Agency were assisted through Federal Grants, helping keep the price of electricity generated from these plants competitive in the market. Work is continuing with the Agency to look at how we most cost-effectively meet our renewable requirements while continuing to keep our wholesale prices competitive. As the Agency works on this, they are also looking at how we continue to diversify our assets to make sure we have our renewable energy coming from several different sources.

Personnel:

Currently we have eleven lineworkers, along with our Electric Director, Assistant Electric Director, General Operations Manager, a Foreman, and Technical Support Staff serving this division budgeted. As mentioned previously, for 2023 we do see moving a see filling a vacant Lineworker position at an Apprentice level, but that is included in the

Staffing number above. We also will continue to employ 2 temporary Grounds People positions in 2023 to help with all the construction projects programmed for 2023.

From an equipment perspective, we do have two new pieces of equipment that we have programmed to purchase, including:

- Boring Machine: \$290,000
- Trailer to Transport Boring Machine: \$100,000

We will finance both pieces of equipment with Equipment Certificates. These two pieces of equipment will help us reduce the amount of contracting that we currently must do to complete work requiring a boring machine. It is also something we anticipate will be utilized with other departments in the MSB building thus helping them to reduce some of the contracting costs.

A transfer of \$100,000 is programmed from the Electric Fund to the Community Center as we have done in the past. This transfer is consistent with the funding program for the Community Center and is reflected in the Electric Fund. In addition to this, there is an additional \$150,000 transfer to the CCC, which will help fund a portion of the new Community Center CIP program, and a \$220,000 contribution going towards the debt service of The Lodge Addition at the CCC. It is planned that we would continue to see all these dollars going into the CCC in the future to assist with any new debt service as the bonds on The Lodge and our CIP program are paid off and we need to do additional improvements within this facility.

As we have discussed in the past as part of the Firemen's Park Redevelopment and future large-scale community projects such as the City Square West Redevelopment, a "Community Building Fund" was created to help support development of large-scale community building projects in Chaska approximately once every decade, while also considering the depreciation costs of these projects within this "Community Building Fund". While there are multiple sources of funding for this Fund, it is being recommended that \$1,000,000 continue to be budgeted annually from the Electric Fund to support this fund, to support the debt service for these projects being developed. In addition to this, in 1997 the City adopted a financing plan for the new Fire Station, including an annual transfer of \$300,000 from the Electric Fund to the Fire Station debt service. This debt service ended after 2015. It is being recommended that we continue to budget these dollars but move them into the "Community Building Fund" now that the Fire Department Debt Service is fully paid, making our total contribution to the Community Building Fund be \$1,300,000 annually going into the future. The hope with this fund is to utilize the Electric Fund like we have in the past to help support significant projects in our community, but to put some limitations around this so that it is limited to the funds we dedicate to this "Community Building Fund" and not just address projects on a case-by-case basis. This will help make sure that we are also not taking our focus off the most significant responsibility of the Electric Fund, which is to provide reliable electric power to our customers across the City at a reasonable cost.

Finally, as we discussed in the Water and Sewer Funds, the Electric Fund is scheduled to contribute \$220,000 this year to the Building Improvement Program in 2023. The

Electric Fund will continue to contribute \$220,000 additionally every year for the three years to follow 2023, bringing the total in this Fund to \$880,000 by the end of the 4-years. This will help contribute to the overall \$1.6 million the Utility Funds together will contribute to the overall Building Improvement Fund, as the buildings that our utilities impact are included in this program.

Debt Service:

The Electric Fund has Debt Service payments for two projects it has completed within the past few years. The first is for the construction of the West Creek Substation, with this being financed in 2020 and going for 20 years. The second was for the construction of the new North Industrial Substation as well as new switch gear at West Creek Substation. Both projects were completed to increase both capacity and reliability of our electric system, especially as we are seeing growth in usage from our existing Industrial customers on the north end of the community. This debt was sold in 2018 and goes for 20 years. The annual debt service in the Electric Fund is \$730,450, which is 15.82% less than in 2022. This is based on the pre-existing debt schedule that exists for everything in the Electric Department we have financed.

Based on this, the following would be the expenditures for 2023:

	Actual	Budget	Budget		
	2021	2022	2023	Change	% Change
Purchased Power	\$33,163,485	\$26,859,000	\$27,292,000	\$433,000	1.61%
Trans/Distribution	\$2,277,517	\$3,117,170	\$4,176,430	\$1,059,260	33.98%
Load Conservation	\$582,439	\$675,973	\$482,350	-\$193,623	-28.64%
Admin System	\$3,300,221	\$3,496,184	\$3,788,627	\$292,443	8.36%
Admin Billing	\$671,369	\$685,446	\$696,633	\$11,187	1.63%
Franchise Fee	\$4,282,660	\$4,672,000	\$4,902,000	\$230,000	4.92%
Depreciation	\$1,530,105	\$0	\$0	\$0	0.00%
Debt Service	\$273,482	\$835,654	\$703,450	-\$132,204	-15.82%
Transfer	\$1,892,000	\$2,234,000	\$2,386,710	\$152,710	6.84%
Other	\$0	\$0	\$0	\$0	0.00%
Total	\$47,973,278	\$42,575,427	\$44,428,200	\$1,852,773	4.35%

Based on the budget as proposed, the Electric Fund would increase its Fund Balance by \$849,500 in 2023, which will keep us on our journey to build our cash balance in the Fund to the recommended levels of our Cost-of-Service Study.

Storm Water Fund Budget

In 2008, the City of Chaska created, by ordinance a Storm Water Utility Fund to address the growing requirements of managing surface water runoff throughout the community. With the implementation of new MS4 Storm Water Management requirements at both the State and Federal level, the City of Chaska, along with other communities across the country, needed to look at their surface water management practices differently, and generate the resources necessary to complete all requirements of the new laws. Up until the point of creating a separate Storm Water Utility Fund, any activities that the City of Chaska completed with Storm Water Management were completed by the Public Works department utilizing General Fund resources. With the new statutory requirements, it was apparent that these resources would not be enough to complete all necessary activities.

As the City of Chaska established our Storm Water Utility Fund, the City identified several objectives to complete in this newest Enterprise Fund, including:

- Provide the necessary resources for the Storm Sewer Fund to assure continuation of quality services to customers
- Maintain rates comparable to other cities, while at the same time generating adequate cash reserves for replacement of existing capital, necessary maintenance on our system, and for emergencies
- Meet all the new MS4 requirements for Storm Water Management, addressing changes in the requirements as they occur
- Assume that major capital additions to the collection system are not financed from rate revenue (these are financed through Trunk Funds paid through development)
- Move all Storm Water Management activities out of our General Fund, treating the management of our Storm Water System the same financially as our other Utility Enterprise Funds (i.e. Water/Sewer and Electric)

In 2008 when the Storm Water Utility Fund was created, the City identified all the work that needed to be completed as part of the Storm Water management activities, to develop an estimate on what all the work would cost on an annual basis and what future costs would likely be for replacement of infrastructure in our system as it became deteriorated. From this estimate of present and future costs in our Storm Water system, the City developed a rate structure in 2008, charging residential property owners \$3 per month based on each residential parcel that they owned, and attributed a per acre fee to those Commercial/Industrial and undeveloped properties in the City, based on what each of these parcels was contributing for surface water to our overall system. Some of the major operations that these fees helped to fund included:

- Completing certification and maintenance of Chaska's Flood Control System
- Completing maintenance of our Storm Water treatment ponds across the City
- Completing Street Cleaning to keep surface water runoff as clean as possible
- Maintaining our ravine systems throughout the City

- Completing our MS4 reporting and maintenance requirements
- Monitoring development activities to ensure Storm Water runoff and treatment requirement both during construction and after development were completed

With the Minnesota River Flood Control system, and the many ravine systems around the community, Chaska's Storm Water Management activities are often more complex than non-river communities. This especially became apparent during the early summer of 2014, as we experienced significant rains in a short period of time. While we did experience some localized issues in our Storm water system, which the 2015 budget addressed, our system has generally worked very well, demonstrating the need to have a well maintained and properly functioning system. However, it also helped expose what work needed to be done in the future to address increasing intensity of rain events to be prepared to protect the community.

2023 Revenues

When the initial fee was established in 2008, this fee was based on estimates that were developed to help complete each of the activities listed above. It was the intent that once we had the Storm Water Utility Fund fully up and running that we would come back and review our fee structure to determine if it had been set at the proper level. In 2012 it became clear that not only was our rate set too low to accommodate all the activities that needed to be completed in this Fund and with future maintenance expenses, but that we were also very low compared to many of the surrounding cities who also have a Storm Water Utility Fund.

Based on what our actual costs were for Storm Water Management activities and based on our low position in the cost of our Storm Water Fees compared to other surrounding municipalities, in 2012 the Council decided to go up by \$1.50 per month, bringing it to \$4.50 per month, still below the area average. In 2013, this rate went up by \$0.25 to a total of \$4.75 per month. In 2014, this rate went up an additional 6%, which brought the total fee up to \$5.04 per residential lot, and in 2015 this rate went up by 6% to a total of \$5.35/month. Finally, in 2016 it was brought up to \$5.68 per month, even though the average for similar communities around the area was \$6.35 per month. In 2017, we did bring the monthly residential rate up to the area average, which was \$6.35 per month.

Based on the continued increases in the amount of Storm Water Work that municipalities are now required to take on, and especially because of large projects we have needed to continue to undertake to deal with the storm water issues we did experience during the large rains of 2014, we continued to realize that the activities that we thought were one-time activities to address the issues coming out of the summer of 2014 were activities that we would likely never see go away. We also recognized that there are significantly more issues to address with Storm Water being a river community with a flood control system, and many bluffs running down to the Minnesota River, than there would be in a non-river community.

During the budgeting process in 2018, we did begin to realize that as we compared our rates to other cities, that we were likely not comparing ourselves to the right communities to truly give an "apples to apples" comparison of the work we were

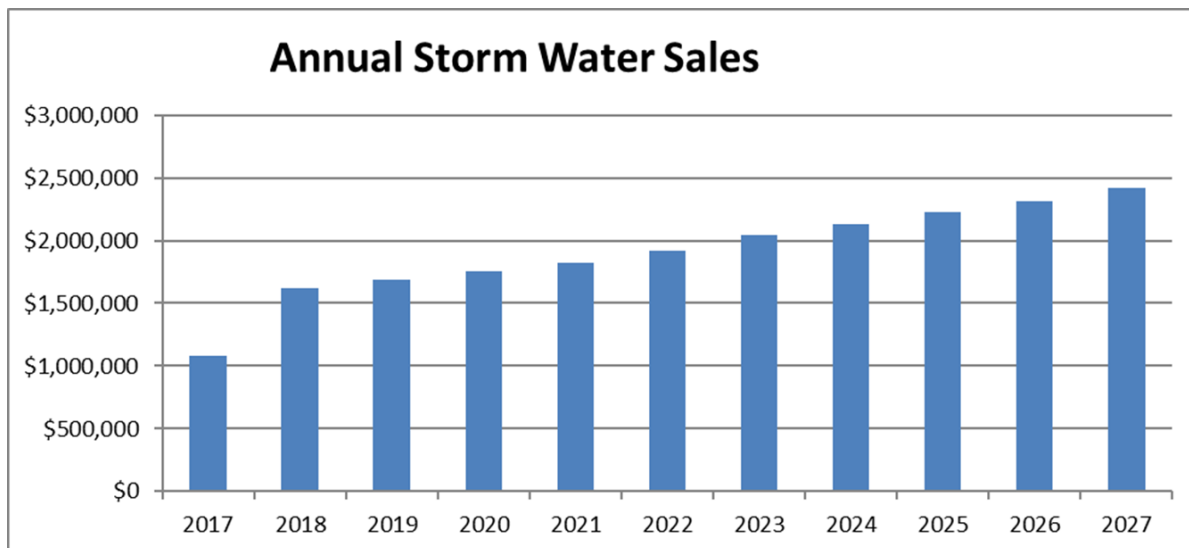
needing to undertake. While we always had looked at the surrounding communities as a comparison, we realized it was probably more important to compare ourselves to other Cities with similar types of Storm Water services that needed to be provided if we were to truly set our rates at a proper amount. We used these new comparisons, along with a projection that if we did not increase our rates that we would find ourselves in a \$900,000 deficit over a 5-year period with the work that we knew needed to be completed, to establish our new base rate of \$9.50 per month. We have adjusted off that base rate with annual changes ever since.

Below is a survey of 2022 monthly rates of the cities around the State that we feel are good comparisons based on the types of work that we need to complete and that have similar circumstances and types of systems to maintain:

Eden Prairie	\$18.13
Moorhead	\$10.21
Shakopee	\$8.12
Carver	\$10.32
Edina	\$10.96
Waconia	\$19.26
Red Wing	\$11.50
Minnetonka	\$7.74
Chaska	\$10.98
Average	\$12.03

As can be seen above, the average of these communities is at \$12.03 per month per residential unit. Based on our needs in the system for the upcoming year, along with comparing to these other communities, Staff does feel that the rate needs to go to \$11.77 per residential unit per month, which would be a 7.19% increase for 2023. This rate increase meets our needs for the upcoming year, starts building up necessary reserves in the fund, and keeps us in line with the average of these other community's 2021 rates even if we assume they have no change in their rates for next year. Even if they all saw a 0% increase in 2023, we would be \$0.26 per month less than our comparable cities.

Based on this new rate, and assuming we would need approximately a 4.25% annual increase to keep up with our needs over the next 5-years, the following chart illustrates what would happen during the 5-year period with anticipated Storm Water Sales:



2023 Expenditures

Within the Storm Water system, there are really two distinct types of activities that occur. There is the day-to-day maintenance of our Storm Water system, and there is the inspection and reporting work that is required as part of the MS4 requirements. In 2015, we also added one other category to this work, which is system improvements that need to be completed to address issues that became apparent during the 2014 heavy rain and flooding event.

From a maintenance perspective, the City of Chaska does utilize our Public Works crew to support the maintenance activities of the fund. The time that they put into Storm Water maintenance functions is charged directly back to the Storm Water Fund. One change that we first saw in 2013, and will continue to see in coming years, is the addition of significant work for maintenance of our Flood Control Levy system. In 2012, the Army Corp of Engineers went through an inspection process to re-certify our levy. This inspection included new standards for levy maintenance that were not in affect at the time our Flood Control System was completed in the mid-1990s. One component of the work identified is the annual Rock Channel Weed/Brush control program. This is a program we will have to complete each year and adds approximately \$10,000 annually to expenditures in our budget.

The other major maintenance work needed will be the regular maintenance schedule of the storm water ponds we have scattered throughout the community. For this, we have \$50,000 allocated annually. This was a change we first implemented in 2015, and will be an on-going program, just as the Rock Channel Weed/Brush control program.

Another maintenance activity comes through the maintenance of our Storm Water system as part of our Street Reconstruction Program. To support these activities, the Storm Water Fund has contributed \$212,000 annually to the Street Reconstruction program. These dollars go towards addressing the addition of a storm water system into our downtown streets, something that was not accommodated when these roads were initially built over 70 years ago. We continue to build in these dollars for the Street Reconstruction Program into the budget as we move into the future.

To be able to address the ever-increasing areas that we need to address through our Storm Water system, the budget includes an \$70,000 allocation toward storm water maintenance, and an additional \$80,000 towards the consulting engineering fees to help support the design of our future improvements in the City, and \$280,000 towards supporting capital improvements in our system. As we look at the necessary activities coming up over the next several years, it will include the following items in the 2023 budget

- 2022 and 2023: Complete the restoration of the McKnight Wetland Complex. \$100,000 per year is allocated from 2021, 2022 and 2023 towards this project, which will provide us with value in the future with additional wetland credits for development.

We have no new equipment that we are schedule to purchase in 2023, although we are preparing for the replacement of our Jetter Vac Truck in 2025 for \$425,000 and the replacement of our Sweeper Truck for \$250,000 in 2026. These will be our two largest equipment replacements coming up in the new future.

The functions of inspections and reporting are mainly completed through our Engineering Department and through contract Engineering services. We now have a Storm Water Coordinator position that has been added. This position was hired in 2019 with the position helping to take workload off our City Engineering Department as it relates to other areas of our City as well as having more dedicated personnel towards dealing with the planning and reporting on our MS4 requirements with the State.

There are no additional Staff changes proposed for 2023. It should be noted that in our City-wide Staffing study that the Storm Water Department was determined to be short one maintenance worker position. This position was originally scheduled to be brought on in 2022. With the Staffing Study implementation being pushed back one year because of COVID, this position will not be slated until the 2024 budget.

One thing to note from a staffing perspective is that the Utility Billing Department does support the billing for the Storm Water System. Because of this, 10% of the costs of UB are allocated to the Storm Water Fund. In 2023 this will be approximately \$115,715.

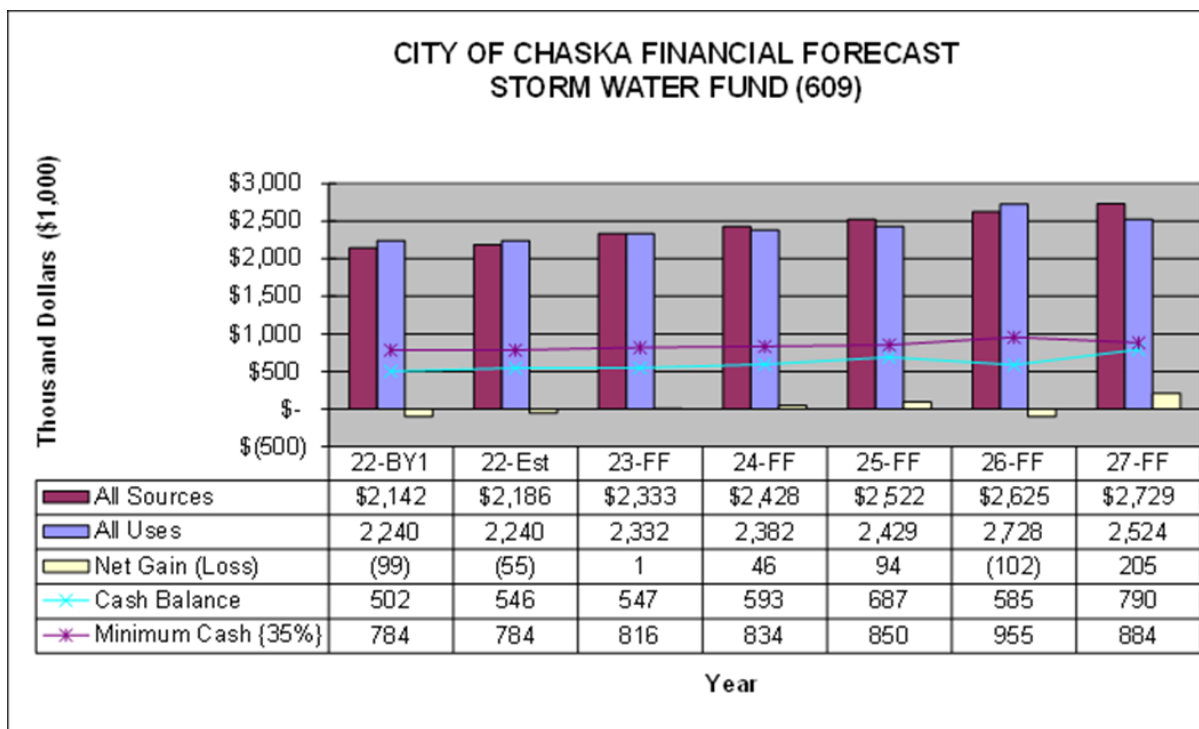
Finally, as we discussed in the Water, Sewer and Electric Funds, the Storm Water Fund is scheduled to contribute \$40,000 this year to the Building Improvement Program in 2023. The Storm Water Fund will continue to contribute \$40,000 additionally every year for the three years to follow 2023, bringing the total in this Fund to \$160,000 by the end of the 4-years. This will help contribute to the overall \$1.6 million the Utility Funds together will contribute to the overall Building Improvement Fund, as the buildings that our utilities impact are included in this program.

Based on the changes to our rate structure and our planned projects for 2023, below is a breakdown of the revenues and expenditures for 2023:

	2021	2022	2023		
Revenues	Actual	Budget	Budget	Change	% Change
Storm Water Fees	\$4,549,441	\$1,920,000	\$2,108,000	\$188,000	9.79%
Other	\$380,767	\$221,502	\$224,755	\$3,253	1.47%
Total	\$4,930,208	\$2,141,502	\$2,332,755	\$191,253	8.93%
Expenditures					
Transfer Out	\$331,137	\$246,000	\$252,000	\$6,000	2.44%
Transmission/Distribution	\$406,789	\$926,377	\$903,853	-\$22,524	-2.43%
Administration	\$518,236	\$589,523	\$641,236	\$51,713	8.77%
Utility Billing	\$79,927	\$63,820	\$115,715	\$51,895	81.31%
Depreciation	\$223,663	\$30,000	\$30,000	\$0	0.00%
Debt Service Support	\$77,072	\$283,920	\$288,239	\$4,319	1.52%
Other	\$9,727	\$100,500	\$101,003	\$503	0.50%
Total	\$1,646,551	\$2,240,140	\$2,332,046	\$91,906	4.10%

The Storm Water Fund is budgeted to increase from our Fund Balance in 2023 by \$1,000, bringing our Fund Balance up to approximately \$547,000.

During the 5-year period, we will be looking at how we can increase the Fund balance to get it up to the minimum 35% recommended amount over the next 5-years. As you can see below, the Fund gets very close to the recommended amounts over the next 5 years:



Curling and Event Center Fund Budget

In 2015, the City of Chaska completed the redevelopment of Firemen's Park, and the Block 6 corner at the northwest intersection of Highways 212 and 61. This project was first identified in the Downtown Master Plan as a catalyst site, with the main objective of the redevelopment to create a destination in Downtown Chaska to drive more resident and visitor traffic into our downtown commercial district.

While the redevelopment included the entire renovation of Firemen's Park on the south side of Firemen's Lake, Veteran's Park on the north side of the lake, and the addition of the Curling and Event Center building, the Curling and Event Center (CEC) was set up as a separate Enterprise Fund, separate operationally from the Park, and run very similar to our other recreational Enterprise Funds including the Community Center and Town Course. While the CEC and Firemen's/Veteran's Park functioned as one project, the CEC runs as a separate Enterprise Business with its own operational budget.

While the overall goal of the CEC and the Firemen's/Veteran's Park redevelopment was to help attract more people and activity into our historic downtown commercial district, the Curling and Event Center did identify key objectives to determine the success of this facility, including:

- Provide the necessary resources for the CED Fund to assure continuation of quality service to our customers, including providing a world-class curling facility
- Utilize the facility's amenities and newly renovated Firemen's Park, to attract people into downtown Chaska as a destination location
- Promote community gathering and interaction, with an emphasis on creating a variety of programs and services to draw people to this location throughout the year
- Be operationally self-supporting with no property tax support
- Reinvest back into the facility to keep it in good condition for future generations
- Work to build a cash reserve in the CEC Fund to support future maintenance and improvements

As a facility, the Chaska Curling and Event Center has three main components in the building, including the 300 seat Event Center and catering kitchen, the facility restaurant/bar, and the 6-sheet Curling Facility. All three of these components are tied together by the Great Hallway, which contains displays to help orient visitors to the history of Chaska and the businesses and organizations that currently make up the community.

From an operational standpoint, the City of Chaska owns the entire facility, operating both the Event Center and the Curling Facility. The City of Chaska leases out the restaurant space to Crooked Pint, a restaurant that was chosen through an RFP process as the facility was being planned. The relationship with the restaurant in the CEC is

very similar to the structure and relationship we have between the Chaska Town Course and the restaurant operator in the Clubhouse, who leases this space from the City based on a revenue sharing agreement.

Impacts of COVID Pandemic

Very similar to what we experienced in the Community Center, the Curling and Event Center also was impacted significantly during this pandemic period, having to be shut down by Executive Order twice, which had a significant impact on revenues that we were able to generate in the facility in both 2020 and 2021.

Just like the Community Center, the CEC was closed in late March due to an Executive Order from the State of Minnesota. During this time, all components of our building were closed, including Crooked Pint who did not see enough activity from their takeout service to make it economically viable to keep the restaurant open during this time.

We were able to reopen the facility in mid-July, with all three components of the building being limited in capacity. The restaurant was able to reopen at 50% capacity, the Event Center was able to be at 50% capacity, and the Curling was limited in the number of people that could be in the space. With the Event Center, even though it was allowed to be at 50%, we also needed to demonstrate we could meet the social distancing requirements, which did limit the number of seats to 80 of our total 300 seats. With the Curling Center we were able to meet our spacing requirements and keep leagues moving forward as normal based on distancing practices we implemented as part of the leagues, with us being able to start by offering a second Summer Session that started on August 3rd of that year.

All components of the building were able to move forward with activities going into the Fall, with the Curling Center being able to start the Winter 1 session. However, in late November we once again had to close the facility due to an Executive Order from the State of Minnesota. This closure affected us the first couple months of 2021, with the restaurant being completely closed and no activities occurring in the Event Center. We were able to continue with Curling Leagues throughout the Winter, with us seeing about a 22% decrease in both memberships and League Play.

To address the economic realities of this pandemic on the operations of the CEC, we did go through a budget amendment process in early July 2020 to readjust our revenue projections to cut back on some staff costs associated with the facility through furloughing of our part-time staff. This budget amendment resulted in a \$690,000 loss being identified for 2020. While we did receive Federal Cares assistance, we were not able to utilize those dollars to replace lost revenue. At the end of 2020, our actual gap was about \$400,000, which was supported through our Self-Insurance Fund.

For 2021, we expected to see direct impacts from COVID through the middle of the year, as when we set the budget for 2021 in late December of 2020, vaccines were not yet available. As they became available to the broader public in the late 1st quart and 2nd quarter of the year, we did start to see restrictions slowing come off. It was not until the beginning of Summer that we saw all restrictions from the State be removed, with any restrictions being put in place being at our own discretion.

During COVID, we did initially see our membership go from 974 members down to 755 members. In 2021, the membership did grow back to about 855. In 2022 we are at around 893 members, meaning that we have made good strides to getting back to normal operations. From a League perspective, we went from 900 league participants down to 756 in 2020. In 2021, we grew back up to 764 allowing us to continue to move in a positive direction. In 2022 we did stay relatively constant at 760 league members, although we have 977 rostered curlers (we have some playing more than one league). So, in general, we have been able to build back much of the lost membership that occurred during COVID.

From a restaurant perspective, there were several months that it was closed completely, with it being required to operate at 50% capacity up until early summer of this year. In 2020, that meant that our lease revenues were cut by more than 50%, going from \$380,000 down to about \$175,000. In 2021 we saw a good rebound in activity, with an increase in revenue up to about \$300,000 for the year. For 2022, we expect that we will end the year at about \$400,000 in lease revenue, which is actually greater than what we were experiencing in 2019 before COVID.

Finally, from an Event Center perspective, business has been coming back very strong, with many people having to postpone their weddings and major events during the worst times of the pandemic. We lost virtually all our business, going from \$122,000 in 2019 down to \$32,000 in 2020. We saw a lot of business come back during 2021, with it generating around \$96,000. In 2022, we expect that we will generate about \$140,000 in revenue in the Event Center, even though we only budgeted \$122,300.

One positive thing that occurred during 2021 was that the City did receive approximately \$3 million of Federal Aid to support us through COVID. The amount of loss that we saw between the Community Center and the Curling Center were right around \$3 million in total loss, with the Curling Center being approximately \$700,000 of that loss over the two-year period. While we cannot put these funds directly into the CEC or CCC, we will be able to use these dollars in our other funds which freed up dollars to help support these funds in the two years they saw a loss.

2022 Revenues

As indicated previously, one of the main goals of the CEC Fund is to make this fund an operationally self-supporting entity. While the Debt service for the construction of the facility itself is supported by our "Community Building Fund", which derives its revenues from multiple sources including the Chaska Electric Fund, the Economic Development Authority and our expiring TIF District #4, the CEC is meant to support all its own operations including Staffing, maintenance, utilities, and programming.

There are four main sources of revenue for the CEC, including:

- Restaurant Lease Revenue
- Curling Membership and League Fees
- Event Center Rental/Event Center Food Alcohol Sales
- Corporate Curling Events

I will spend some time discussing each of these revenue sources in detail below.

Currently, the CEC has a lease with Crooked Pint Restaurant to operate the restaurant within the building. Crooked Pint was chosen as the vendor for the restaurant service after going through an RFP process while the facility was being developed. As part of our lease, the Crooked Pint is responsible for providing all food service within the facility, Staff, inventory, Point of Sales system and liquor license. While the Crooked Pint is not the exclusive provider of food service within our Event Center, they are the sole liquor license holder for the entire CEC building, and are the only vendor allowed for alcohol sales in the entire building. We structured it this way to make sure that we dealt with any potential liability issues relating to alcohol sales.

The Crooked Pint lease is currently structured so that lease payments are made based on a percentage of all gross sales in the building. Specifically, their lease is based on 7.5% of all food sales, and 10.5% of all alcohol sales.

As we looked at establishing the budget for 2023, we can look at the experience of 2022, which we saw things in the restaurant back close to normal. We are budgeting \$390,122 although we are expecting to see around \$400,000 of revenue generated from the lease revenue by the end of 2022.

The second major source of revenue is Curling Membership and League fees. In the 2016-2017 season, the CEC had over 1,200 members of the facility, and was considered the largest curling facility in the Country by membership. For the 2017-2018 season, the facility was at approximately 950 members, and ended up matching the first year for league and membership revenue. For the 2019 season, we increased the number of members to 974 members and the Leagues continued to be full through the heart of our two Winter seasons.

As mentioned previously, while we saw a loss of members during COVID, we have built a lot of that membership back up, with their now being about 893 members of the facility. With that, we have been able to get our Leagues back up to 760 unique members curling in our leagues, with 977 rostered curlers overall (some play in more than one league). Because of this, we are budgeting \$502,778 in Curling Revenue, which is nearly identical to the \$500,000 we expect to generate by the end of 2022.

The third major source of revenue in the CEC is from the Event Center itself. For the event center, we generate revenue off both the rental of the room for events, as well as from the sale of food and alcohol in the facility. For the room rental, we have groups renting the facility for anything as big as weddings, class reunions and Senior Proms, to renting it for non-profit fundraisers. Depending on the day, fees can be as low as \$400 for 4 hours on a Sunday-Thursday block, all the way to \$2,300 for an 8-hour block on a Saturday for non-residents.

Again, we are seeing activity increase relatively quickly in this area, as people who have delayed major events are anxious to move forward with them. As mentioned previously, even though we were at about \$122,000 in 2019 for revenue from the Event

Center, we expect that by the end of 2022 we will be at approximately \$140,000 in revenue. That is why we are budgeting \$153,300 in 2023. Also, our rates have traditionally be low compared to other similar facilities. In 2023, we are recommending increasing our rates by generally \$50 per category. Below would be the recommended rates for the Event Center in 2023:

Friday	2022 Non-Resident	2022 Resident	2023 Non-Resident	2023 Resident
May-October	\$1,900	\$1,700	\$1,950	\$1,750
November-April	\$1,650	\$1,450	\$1,700	\$1,500
Saturday				
May-October	\$2,300	\$2,000	\$2,350	\$2,050
November-April	\$2,050	\$1,750	\$2,100	\$1,800
Sunday				
4 hours	\$475	\$400	\$475	\$400
8 hours	\$775	\$700	\$775	\$700
Hourly				
Less than 8 hours	\$100	\$90	\$100	\$90

As mentioned previously, all alcohol sales for the Event Center are required to go through the Crooked Pint restaurant, as they are the liquor license holder for the entire facility. We receive 10.5% of all alcohol sales in the event center as we would in the restaurant. Users of the facility can utilize whatever caterer they want to for their event, with the caterer's fee being equal to 17% of their gross sales for outside vendors and a 12% fee for use of the Crooked Pint. The reason for this difference is because outside caterers are provided with the full caterer's kitchen as part of their package, and it takes more staff resources to be able to manage the outside vendor.

Finally, our last source of revenue for the Curling facility is through Corporate Events in our Curling Facility. Our Corporate Events are booked on weekday afternoons within the Curling Center and include the use of the Curler's Lounge in the front of the rink for business meetings and lunch, with a Learn to Curl session, complete with instructors, provided for the participants as a team building event. These Corporate Events have been very popular, with several afternoons per week booked for these events. The fee for these Corporate Events is \$45 per person. If a corporate event is held on the weekend, the fee is \$50 per person. Food is something that is provided separately from Crooked Pint, but they can order and be served directly in the Curler's Lounge Space. The total revenue generated for this service in 2019 was \$245,947 which was significantly above our original budget for that year. Unfortunately, with people not gathering employee groups because of COVID, this has had a major impact on the Corporate Events over the past two years, but especially in 2020 where we only saw \$89,000 in activity. As mentioned above, we have seen this business just start to pick up, with our expected number at the end of 2022 being \$250,000. It is this amount of \$250,000 that we are recommending we budget for the 2023 year.

The final revenue source we have coming in is \$1,572,352 from the Community Building Fund to support the debt service on the construction of this project. This is something that has been set up separate from the operations of the Fund since the very beginning of operations in 2015.

Based on this, we are recommending that the adopted revenue budget we have for 2023 will be \$2,868,552, which is 3.55% higher than in 2022.

Below is a chart reflecting the actual revenue number for 2021, as well as the budgeted revenue for the 2022 budget year, along with the proposed regular budget for 2023 and the planned budget we will be working from.

Revenues	Actual 2020	Actual 2021	Budget 2022	Budget 2023	Change	%Change
Event Center Rental	\$31,945	\$96,405	\$122,300	\$153,300	\$31,000	25.35%
Curling Center Leagues/Memberships	\$344,499	\$370,764	\$498,378	\$502,778	\$4,400	0.88%
Corporate Curling Events	\$89,090	\$128,963	\$200,000	\$250,000	\$50,000	25.00%
Restaurant Lease	\$176,124	\$319,047	\$380,122	\$390,122	\$10,000	2.63%
Community Fund Transfer (Debt)/Interest	\$1,573,692	\$1,582,240	\$1,569,538	\$1,572,352	\$2,814	0.18%
Other Revenue	\$0	\$180	\$0	\$0	\$0	0.00%
Total Operating Revenues	\$2,215,350	\$2,497,599	\$2,770,338	\$2,868,552	\$98,214	3.55%

2023 Expenditures

From an expenditure standpoint, there are two main types of expenses that we have within the Curling and Event Center. The first expense that we have is with Staffing as it relates both to scheduling and programming of the facility, as well as on-going and daily maintenance of the facility. The second major expense is with the day-to-day operational costs such as cleaning, utilities, and on-going maintenance of mechanical systems within the building.

From a staffing standpoint, we currently budgeted for 4 full-time employees within the CEC facility office, 1 full-time employee for custodial care of the building, as well as some part-time help to staff the front desk and to put up and tear down equipment for different events happening within the CEC. It should be noted that as part of the 2017 budget, we did bring the function of custodial care in-house with the addition of a full-time staff member, as opposed to the contracted service that was provided when the facility was first opened. As we did have this position vacant for some time over the past year we did once again contract for this position but are now bringing it back in house as it creates better value and allows us to utilize this position for other activities in the facility. By having this position, we able to provide this service more cost-effectively and do it to the unique service standards we have for the building and the different functions we have hosted within the building.

Our full-time staff consists of our Curling Manager, our Curling Ice Maker, the Event Center Manager, our Facility Coordinator Position, as well as our full time Custodian. Each are responsible for the day-to-day leadership of their individual areas, although we do see cross-over between the positions because of the interrelation of many things within the facility. As with the Community Center, because this facility falls under the general Parks and Recreation Department, we do get the benefits of efficiency being able to provide some shared staff both with the Park and Recreation Department out of the General Fund, and the Community Center staff through this Enterprise Fund These

are similar efficiencies we see between other Enterprise Funds, and the General Fund, thus allowing us to keep our Administrative costs as low as possible in each of these funds.

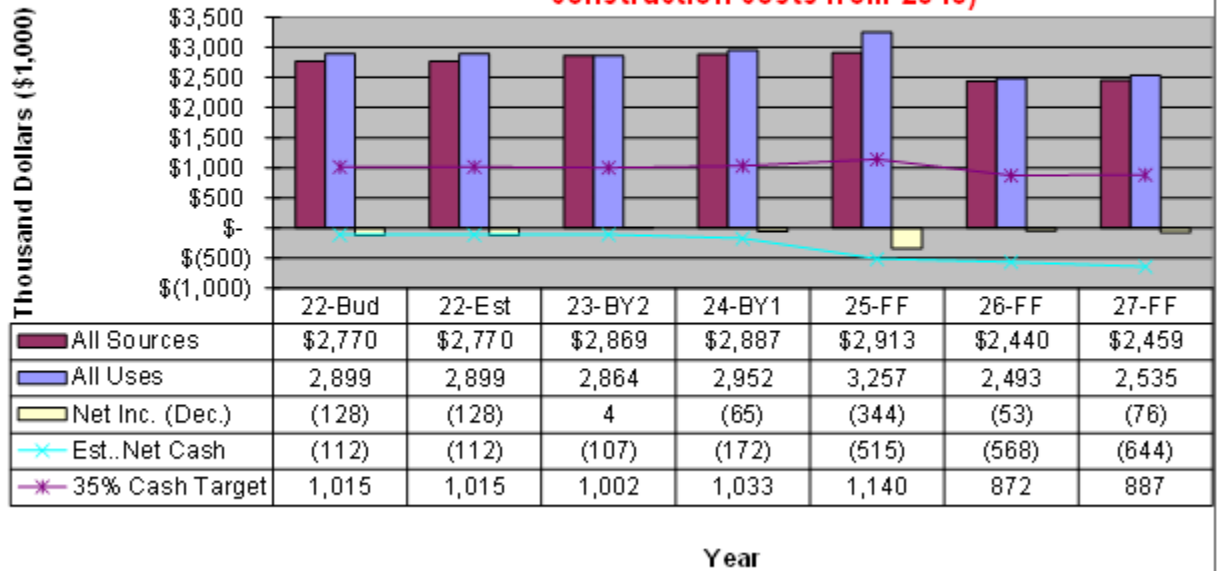
From a day-to-day operational standpoint, the biggest expenses we have other than staffing in the CEC is the cost of Utilities, general custodial duties within the facility, and the cost of maintaining our mechanical systems within the building. From a utility perspective, we break down the cost of Utilities based on the area of the building and based on the City versus leasable portions of the building. The utilities include sewer, water, electric, gas and garbage. Within the Event Center, Curling Center and general common areas of the facility, our Utility costs are approximately \$230,000 per year, with the costs within the restaurant area being approximately \$50,000 per year.

The only other thing to mention as part of the CEC budget is that all debt service is included in the overall budget for the entire project, including the Firemen's Park redevelopment components. Because this debt service is covered through dollars accumulated in our "Community Building Fund", the EDA and our expired TIF District #4, we do see a transfer of dollars coming into the CEC Fund, with those then going back out to support this debt service. This is not expenses related to day-to-day operations. Based on the total Revenue and Expense budget for 2023, below is the expenditure budget that we would suggest for 2023.

Expenditures	Actual 2020	Actual 2021	Budget 2022	Budget 2023	Change	% Change
Administration/General Facilities	\$648,553	\$699,691	\$751,040	\$748,368	-\$2,672	-0.36%
Event Center	\$115,497	\$117,879	\$120,599	\$142,795	\$22,196	18.40%
Curling Center	\$259,418	\$273,936	\$382,003	\$326,744	-\$55,259	-14.47%
Crooked Pint	\$79,068	\$58,669	\$63,330	\$61,910	-\$1,420	-2.24%
Other	\$0	\$1	\$0	\$0	\$0	0.00%
Depreciation	\$628,588	\$628,588	\$0	\$0	\$0	0.00%
Debt Service	\$465,509	\$438,380	\$1,581,692	\$1,584,506	\$2,814	0.18%
Total Operating Expenses	\$2,196,633	\$2,217,144	\$2,898,664	\$2,864,323	-\$34,341	-1.18%

Based on this budget, would have a slight gain in the Fund, but would basically break even. We do think, however, that since these numbers are based on 2022 experience, and that we have not taken into consideration any real increase from rate increases to be conservative, that we could see our 2023 budget year come out better than expected. Below are the 5-year projections for the facility. To keep the facility in great shape and not fall behind in capital projects, we have included everything that is needed in the projected future budgets. As part of our discussions in 2023, we are going to be looking at the idea of naming rights for the facility which could help accomplish keeping up with these improvements, so we see our facility in as good of a condition in the future as it is now. Long-term capital reinvestment for the major systems like mechanical were built into the Community Building Fund to make sure that before we utilize those funds on a different project that we are fully funding the replacement of major items in the building before we spend dollars in the Community building Fund on other projects.

**CITY OF CHASKA FINANCIAL FORECAST
CURLING AND EVENT CENTER (FUND 610)**
**(Est. Net Cash does not include \$5,251,000 in unfinanced
construction costs from 2015)**



CITY OF CHASKA

State of Minnesota

****DRAFT****

2023 BUDGET

For the Fiscal Year Ending December 31, 2023

Proposed to Chaska City Council on:
December 19, 2022

City of Chaska
One City Hall Plaza
Chaska, MN 55318-1962

(952)-448-9200

www.chaskamn.com

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Revenues and Other
Financing Sources

And

Expenditures/Expenses and
Other Financing Uses

by Fund

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General Fund

(Fund 101)

All Sources and All Uses

NEXT YEAR BUDGET HISTORICAL COMPARISON

PROJECTION: 23001 2023 Budget All Funds							FOR PERIOD 99
ACCOUNTS FOR:							
101-General Fund	PRIOR FY3 ACTUALS	PRIOR FY2 ACTUALS	LAST FY1 ACTUALS	CY ACTUALS	CY REV BUDGET	PROJECTION LEVEL 5	PCT CHANGE
TOTAL 101-General Fund	128,341.60	-21,601.29	-1,098,461.50	-27,223.64	.00	.00	.0%
TOTAL REVENUE	-17,381,011.26	-19,029,401.98	-21,344,511.02	-21,157,959.69	-21,724,729.00	-24,635,215.00	.0%
TOTAL EXPENSE	17,509,352.86	19,007,800.69	20,246,049.52	21,130,736.05	21,724,729.00	24,635,215.00	.0%
GRAND TOTAL	128,341.60	-21,601.29	-1,098,461.50	-27,223.64	.00	.00	.0%

** END OF REPORT - Generated by Matthew Burt **

NEXT YEAR BUDGET HISTORICAL COMPARISON

PROJECTION: 23001 2023 Budget All Funds

FOR PERIOD 99

ACCOUNTS FOR:

101-General Fund	PRIOR FY3 ACTUALS	PRIOR FY2 ACTUALS	LAST FY1 ACTUALS	CY ACTUALS	CY REV BUDGET	PROJECTION LEVEL 5	PCT CHANGE
00 Unassigned							
Unassigned	-14,179,816.16	-15,826,353.64	-16,692,122.37	-16,625,640.87	-18,103,496.00	-20,941,872.00	15.7%
Unassigned	-14,179,816.16	-15,826,353.64	-16,692,122.37	-16,625,640.87	-18,103,496.00	-20,941,872.00	15.7%
10 General Government							
Council	-1,500.00	-1,770.87	-1,750.00	-1,150.00	.00	.00	.0%
Communication	-331,760.56	-328,119.00	-315,495.90	-235,085.51	-300,000.00	-309,000.00	3.0%
Administration	-90,731.25	-86,651.91	-86,961.69	-84,155.17	-83,510.00	-131,460.00	57.4%
Human Resources	.00	-1,433.30	-103.79	-80.00	.00	.00	.0%
Elections	-1,052.44	-21,440.84	-133.11	-20.00	.00	.00	.0%
AS:Finance	-67,529.92	-15,941.87	-19,099.33	-22,042.44	-43,260.00	-32,660.00	-24.5%
AS:Information Technol	-428,817.45	-505,206.86	-520,150.00	-535,800.00	-535,800.00	-562,600.00	5.0%
AS: Information Tech P	-39,961.46	-110,010.76	-31,420.10	.00	-45,900.00	-45,900.00	.0%
Community Development	-815,014.18	-139,490.76	-143,107.99	-142,820.07	-90,500.00	-40,800.00	-54.9%
Engineering	-47,761.00	-105,913.46	-136,194.50	-224,903.65	-110,000.00	-111,000.00	.9%
Govt Bldgs - 1 City Ha	-3,484.19	-3,659.07	-10,444.49	-3,501.08	-3,570.00	-3,570.00	.0%
Building Maintenance	.00	-125,000.00	-127,845.33	-70,620.95	-66,950.00	-70,300.00	5.0%
Unallocated	.00	.00	.00	-1,079.23	.00	.00	.0%
General Government	-1,827,612.45	-1,444,638.70	-1,392,706.23	-1,321,258.10	-1,279,490.00	-1,307,290.00	2.2%
20 Public Safety							
211 or 2110 Police	-529,322.30	-348,518.79	-479,811.53	-378,547.15	-481,746.00	-493,627.00	2.5%
Crime Prevention Progr	-2,080.43	.00	-12,000.00	-1,000.00	.00	.00	.0%
Fire	-366,646.04	-323,418.92	-465,205.96	-366,245.09	-326,890.00	-341,919.00	4.6%
Building Inspections	.00	-714,079.61	-1,617,662.54	-1,882,660.72	-1,039,178.00	-1,039,178.00	.0%
Public Safety	-898,048.77	-1,386,017.32	-2,574,680.03	-2,628,452.96	-1,847,814.00	-1,874,724.00	1.5%
30 Public Works							

NEXT YEAR BUDGET HISTORICAL COMPARISON

PROJECTION: 23001 2023 Budget All Funds

FOR PERIOD 99

ACCOUNTS FOR:

101-General Fund	PRIOR FY3 ACTUALS	PRIOR FY2 ACTUALS	LAST FY1 ACTUALS	CY ACTUALS	CY REV BUDGET	PROJECTION LEVEL 5	PCT CHANGE
311 or 3110 PW Adminis	-4,800.00	-15,683.19	-96,286.26	-7,668.61	-25,000.00	-25,000.00	.0%
312 or 3120 Street	-123,826.60	-124,372.89	-159,714.27	-121,889.03	-121,530.00	-121,530.00	.0%
313 or 3130 Snow Remov	-6,710.00	-2,810.00	-12,008.32	-2,170.00	-5,100.00	-5,100.00	.0%
314 or 3140 Sign Machi	-933.85	-1,046.78	-2,101.19	-6,647.22	-1,000.00	-1,000.00	.0%
Municipal Services Bui	-4,073.40	-135.64	.00	.00	-2,040.00	-2,040.00	.0%
Park Maintenance	-8,569.25	-34,039.04	-13,280.50	.00	.00	.00	.0%
ISD112 Grounds Maint	-93,367.45	-98,824.40	-99,072.60	.00	.00	.00	.0%
Tree Control	-31,371.57	-15,529.00	-40,796.88	-32,417.00	-27,769.00	-27,769.00	.0%
Public Works	-273,652.12	-292,440.94	-423,260.02	-170,791.86	-182,439.00	-182,439.00	.0%
50 Parks & Recreation							
511 or 5110 PRA Admin	-71,276.25	-63,209.44	-129,320.46	-87,492.00	-67,575.00	-85,300.00	26.2%
Park Special Events	.00	.00	-3,727.02	-16,332.00	-11,000.00	-11,000.00	.0%
521 or 5210 Youth	-24,499.00	-8,973.00	-20,723.50	-36,449.00	-22,440.00	-22,440.00	.0%
521 or 5215 Teen	.00	.00	-1,930.00	.00	-2,000.00	-2,000.00	.0%
522 or 5220 Senior	.00	.00	-1,220.00	.00	.00	.00	.0%
523 or 5230 Adult	-28,036.03	-7,608.09	-25,341.58	-17,207.18	-24,480.00	-20,000.00	-18.3%
524 or 5240 Firemens P	-78,070.48	-160.85	-64,907.29	-74,343.07	-80,840.00	-81,940.00	1.4%
528 or 5280 All Ages	.00	.00	-733.00	-2,271.00	.00	.00	.0%
Park Maintenance	.00	.00	-13,839.52	-67,601.48	-1,326.00	-1,326.00	.0%
ISD112 Grounds Maint	.00	.00	.00	-110,120.17	-101,829.00	-104,884.00	3.0%
Parks & Recreation	-201,881.76	-79,951.38	-261,742.37	-411,815.90	-311,490.00	-328,890.00	5.6%
TOTAL 101-General Fund	-17,381,011.26	-19,029,401.98	-21,344,511.02	-21,157,959.69	-21,724,729.00	-24,635,215.00	13.4%
TOTAL REVENUE	-17,381,011.26	-19,029,401.98	-21,344,511.02	-21,157,959.69	-21,724,729.00	-24,635,215.00	13.4%
TOTAL EXPENSE	.00	.00	.00	.00	.00	.00	.0%
GRAND TOTAL	-17,381,011.26	-19,029,401.98	-21,344,511.02	-21,157,959.69	-21,724,729.00	-24,635,215.00	13.4%

** END OF REPORT - Generated by Matthew Burt **

NEXT YEAR BUDGET HISTORICAL COMPARISON

PROJECTION: 23001 2023 Budget All Funds						FOR PERIOD 99	
ACCOUNTS FOR:							
101-General Fund	PRIOR FY3 ACTUALS	PRIOR FY2 ACTUALS	LAST FY1 ACTUALS	CY ACTUALS	CY REV BUDGET	PROJECTION LEVEL 5	PCT CHANGE
00 Unassigned							
Unassigned	525,000.00	480,000.00	635,000.00	355,000.00	705,000.00	1,980,000.00	180.9%
Unassigned	525,000.00	480,000.00	635,000.00	355,000.00	705,000.00	1,980,000.00	180.9%
10 General Government							
Council	166,211.67	199,757.02	166,336.96	162,712.15	182,008.00	191,078.00	5.0%
Communication	92,698.37	106,021.19	63,776.07	46,614.12	52,008.00	73,447.00	41.2%
Administration	1,007,887.37	794,184.87	859,304.70	900,134.18	890,488.00	1,122,615.00	26.1%
Human Resources	35.65	271,608.34	354,786.92	436,801.30	462,916.00	462,885.00	.0%
Elections	10,063.08	61,511.91	10,902.40	36,585.51	38,905.00	13,906.00	-64.3%
AS:Finance	1,679,050.83	1,670,912.75	1,655,938.25	1,685,233.26	1,760,400.00	1,860,432.00	5.7%
AS:Information Technol	1,164,825.01	1,206,743.08	1,137,010.20	1,250,759.40	1,269,942.00	1,282,276.00	1.0%
AS: Information Tech P	41,057.63	40,650.72	31,420.10	17,712.30	45,900.00	45,900.00	.0%
Legal	117,797.57	141,281.24	140,165.13	207,133.18	100,000.00	120,000.00	20.0%
Community Development	934,980.36	325,042.76	329,092.48	535,973.16	380,392.00	417,903.00	9.9%
Engineering	416,046.27	467,791.41	541,933.26	551,345.40	547,244.00	635,216.00	16.1%
Govt Bldgs - 1 City Ha	218,583.14	240,330.40	241,868.01	201,106.03	203,720.00	216,612.00	6.3%
Building Maintenance	.00	254,346.35	478,586.33	585,588.90	681,240.00	761,846.00	11.8%
Unallocated	-1,734.00	2,100.00	-2,857.00	18,456.75	378,453.00	267,991.00	-29.2%
General Government	5,847,502.95	5,782,282.04	6,008,263.81	6,636,155.64	6,993,616.00	7,472,107.00	6.8%
20 Public Safety							
211 or 2110 Police	4,537,847.67	4,838,544.96	5,169,591.59	5,656,007.85	5,584,386.00	6,176,456.00	10.6%
Crime Prevention Progr	1,928.40	170.00	751.81	827.84	354.00	356.00	.6%
Fire	1,916,723.55	2,185,069.46	2,301,671.25	2,215,577.55	2,283,915.00	2,550,484.00	11.7%
Building Inspections	-.90	681,204.39	804,847.97	892,460.96	755,775.00	821,511.00	8.7%
Civil Defense	4,880.00	11,653.00	5,320.00	5,322.00	5,785.00	5,814.00	.5%

NEXT YEAR BUDGET HISTORICAL COMPARISON

PROJECTION: 23001 2023 Budget All Funds

FOR PERIOD 99

ACCOUNTS FOR:

101-General Fund	PRIOR FY3 ACTUALS	PRIOR FY2 ACTUALS	LAST FY1 ACTUALS	CY ACTUALS	CY REV BUDGET	PROJECTION LEVEL 5	PCT CHANGE
COVID-19 Coronavirus Public Safety	.00 6,461,378.72	290,227.97 8,006,869.78	.00 8,282,182.62	.00 8,770,196.20	.00 8,630,215.00	.00 9,554,621.00	.0% 10.7%
30 Public Works							
311 or 3110 PW Adminis	346,527.97	435,997.06	411,684.43	388,066.14	427,833.00	424,883.00	-.7%
312 or 3120 Street	1,582,319.02	1,717,804.84	1,742,161.04	1,806,892.69	1,934,186.00	1,935,240.00	.1%
313 or 3130 Snow Remov	324,126.91	229,009.25	331,312.57	255,511.00	267,799.00	284,555.00	6.3%
314 or 3140 Sign Machi	6,679.45	3,607.39	4,004.72	5,387.45	11,438.00	7,000.00	-38.8%
Municipal Services Bui	242,723.80	178,539.23	220,767.84	187,104.91	236,164.00	211,196.00	-10.6%
Park Maintenance	1,164,298.07	1,286,243.58	1,483,237.15	31,789.90	.00	.00	.0%
ISD112 Grounds Maint	30,742.63	25,310.02	32,348.12	.00	.00	.00	.0%
Tree Control Public Works	27,563.57 3,724,981.42	16,397.99 3,892,909.36	55,426.23 4,280,942.10	50,359.92 2,725,112.01	40,843.00 2,918,263.00	64,968.00 2,927,842.00	59.1% .3%
50 Parks & Recreation							
511 or 5110 PRA Admin	511,710.22	530,317.47	536,521.58	766,610.05	811,095.00	638,389.00	-21.3%
Park Special Events	.00	.00	61,738.55	60,529.58	62,100.00	164,350.00	164.7%
521 or 5210 Youth	161,915.92	178,545.30	186,486.56	73,929.01	64,996.00	193,905.00	198.3%
521 or 5215 Teen	.00	.00	1,241.50	68.28	2,000.00	2,000.00	.0%
522 or 5220 Senior	.00	.00	1,387.65	148,637.77	166,025.00	170,065.00	2.4%
523 or 5230 Adult	99,296.36	64,137.64	56,916.99	61,758.59	63,662.00	69,758.00	9.6%
524 or 5240 Firemens P	168,161.52	62,684.67	108,925.75	104,589.18	104,983.00	123,425.00	17.6%
527 or 5270 Skating Ri	9,405.75	10,054.43	1,071.00	7,829.42	11,629.00	12,481.00	7.3%
528 or 5280 All Ages	.00	.00	6,151.30	146.25	4,400.00	6,900.00	56.8%
Park Maintenance	.00	.00	79,220.11	1,386,431.11	1,149,376.00	1,281,432.00	11.5%
ISD112 Grounds Maint	.00	.00	.00	28,251.93	37,369.00	37,940.00	1.5%
Parks & Recreation	950,489.77	845,739.51	1,039,660.99	2,638,781.17	2,477,635.00	2,700,645.00	9.0%
TOTAL 101-General Fund	17,509,352.86	19,007,800.69	20,246,049.52	21,125,245.02	21,724,729.00	24,635,215.00	13.4%

NEXT YEAR BUDGET HISTORICAL COMPARISON

PROJECTION: 23001 2023 Budget All Funds								FOR PERIOD 99
ACCOUNTS FOR:								
101-General Fund		PRIOR FY3 ACTUALS	PRIOR FY2 ACTUALS	LAST FY1 ACTUALS	CY ACTUALS	CY REV BUDGET	PROJECTION LEVEL 5	PCT CHANGE
	TOTAL REVENUE	.00	.00	.00	.00	.00	.00	.0%
	TOTAL EXPENSE	17,509,352.86	19,007,800.69	20,246,049.52	21,125,245.02	21,724,729.00	24,635,215.00	13.4%
GRAND TOTAL		17,509,352.86	19,007,800.69	20,246,049.52	21,125,245.02	21,724,729.00	24,635,215.00	13.4%

** END OF REPORT - Generated by Matthew Burt **

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Equipment Acquisition Fund

(Fund 448)

All Sources and All Uses

NEXT YEAR BUDGET HISTORICAL COMPARISON

PROJECTION: 23001 2023 Budget All Funds						FOR PERIOD 99	
ACCOUNTS FOR:							
448-Equipment Acquisition	PRIOR FY3 ACTUALS	PRIOR FY2 ACTUALS	LAST FY1 ACTUALS	CY ACTUALS	CY REV BUDGET	PROJECTION LEVEL 5	PCT CHANGE
TOTAL 448-Equipment Acquisti	-983,803.39	1,168,022.06	562,491.56	18,059.70	.00	.00	.0%
TOTAL REVENUE	-2,737,440.69	-412,536.44	-1,420,643.44	-1,223,567.93	-4,540,817.00	-4,680,500.00	.0%
TOTAL EXPENSE	1,753,637.30	1,580,558.50	1,983,135.00	1,241,627.63	4,540,817.00	4,680,500.00	.0%
GRAND TOTAL	-983,803.39	1,168,022.06	562,491.56	18,059.70	.00	.00	.0%

** END OF REPORT - Generated by Matthew Burt **

NEXT YEAR BUDGET HISTORICAL COMPARISON

PROJECTION: 23001 2023 Budget All Funds						FOR PERIOD 99	
ACCOUNTS FOR:							
448-Equipment Acquisition	PRIOR FY3 ACTUALS	PRIOR FY2 ACTUALS	LAST FY1 ACTUALS	CY ACTUALS	CY REV BUDGET	PROJECTION LEVEL 5	PCT CHANGE
00 Unassigned							
Unassigned	-2,725,209.69	-391,015.94	-1,201,776.81	-1,172,354.87	-4,322,317.00	-4,650,000.00	7.6%
Unassigned	-2,725,209.69	-391,015.94	-1,201,776.81	-1,172,354.87	-4,322,317.00	-4,650,000.00	7.6%
10 General Government							
Communication	-4,000.00	-4,000.00	-4,000.00	-15,527.72	-30,500.00	-30,500.00	.0%
General Government	-4,000.00	-4,000.00	-4,000.00	-15,527.72	-30,500.00	-30,500.00	.0%
20 Public Safety							
211 or 2110 Police	-581.00	-4,950.00	-209,962.63	-17,960.00	-188,000.00	.00	-100.0%
Fire	-7,200.00	-2,850.00	-2,000.00	-17,725.34	.00	.00	.0%
Public Safety	-7,781.00	-7,800.00	-211,962.63	-35,685.34	-188,000.00	.00	-100.0%
30 Public works							
311 or 3110 PW Adminis	-450.00	-9,720.50	-2,904.00	.00	.00	.00	.0%
Public Works	-450.00	-9,720.50	-2,904.00	.00	.00	.00	.0%
TOTAL 448-Equipment Acquisti	-2,737,440.69	-412,536.44	-1,420,643.44	-1,223,567.93	-4,540,817.00	-4,680,500.00	3.1%
TOTAL REVENUE	-2,737,440.69	-412,536.44	-1,420,643.44	-1,223,567.93	-4,540,817.00	-4,680,500.00	3.1%
TOTAL EXPENSE	.00	.00	.00	.00	.00	.00	.0%
GRAND TOTAL	-2,737,440.69	-412,536.44	-1,420,643.44	-1,223,567.93	-4,540,817.00	-4,680,500.00	3.1%

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NEXT YEAR BUDGET HISTORICAL COMPARISON

PROJECTION: 23001 2023 Budget All Funds						FOR PERIOD 99	
ACCOUNTS FOR:							
448-Equipment Acquisition	PRIOR FY3 ACTUALS	PRIOR FY2 ACTUALS	LAST FY1 ACTUALS	CY ACTUALS	CY REV BUDGET	PROJECTION LEVEL 5	PCT CHANGE
00 Unassigned							
Unassigned	686,228.00	850,000.00	1,271,293.00	686,803.00	3,511,317.00	3,686,000.00	5.0%
Unassigned	686,228.00	850,000.00	1,271,293.00	686,803.00	3,511,317.00	3,686,000.00	5.0%
10 General Government							
Communication	.00	.00	.00	.00	36,500.00	30,500.00	-16.4%
AS:Finance	.00	.00	.00	.00	23,000.00	10,000.00	-56.5%
AS:Information Technol	50,080.57	91,803.67	39,674.55	74,889.16	44,000.00	270,000.00	513.6%
Engineering	.00	.00	5,550.00	.00	.00	.00	.0%
General Government	50,080.57	91,803.67	45,224.55	74,889.16	103,500.00	310,500.00	200.0%
20 Public Safety							
211 or 2110 Police	170,972.21	191,638.58	207,453.65	.00	339,000.00	.00	-100.0%
Fire	72,138.30	.00	357,875.02	173,085.20	265,000.00	250,000.00	-5.7%
Building Inspections	.00	.00	.00	.00	52,000.00	.00	-100.0%
Civil Defense	19,131.50	19,894.50	.00	.00	.00	.00	.0%
Public Safety	262,242.01	211,533.08	565,328.67	173,085.20	656,000.00	250,000.00	-61.9%
30 Public works							
311 or 3110 PW Adminis	727,799.71	427,221.75	101,288.78	306,850.27	220,000.00	341,000.00	55.0%
Public Works	727,799.71	427,221.75	101,288.78	306,850.27	220,000.00	341,000.00	55.0%
70 Debt Service							
Debt Service Govt	27,287.01	.00	.00	.00	50,000.00	93,000.00	86.0%
Debt Service	27,287.01	.00	.00	.00	50,000.00	93,000.00	86.0%
TOTAL 448-Equipment Acquisti	1,753,637.30	1,580,558.50	1,983,135.00	1,241,627.63	4,540,817.00	4,680,500.00	3.1%
TOTAL REVENUE	.00	.00	.00	.00	.00	.00	.0%
TOTAL EXPENSE	1,753,637.30	1,580,558.50	1,983,135.00	1,241,627.63	4,540,817.00	4,680,500.00	3.1%
GRAND TOTAL	1,753,637.30	1,580,558.50	1,983,135.00	1,241,627.63	4,540,817.00	4,680,500.00	3.1%

** END OF REPORT - Generated by Matthew Burt **

Mount Pleasant Fund

(Fund 202)

All Sources and All Uses

NEXT YEAR BUDGET HISTORICAL COMPARISON

PROJECTION: 23001 2023 Budget All Funds						FOR PERIOD 99	
ACCOUNTS FOR:							
202-Mount Pleasant	PRIOR FY3 ACTUALS	PRIOR FY2 ACTUALS	LAST FY1 ACTUALS	CY ACTUALS	CY REV BUDGET	PROJECTION LEVEL 5	PCT CHANGE
TOTAL 202-Mount Pleasant	4,369.21	4,452.03	1,286.80	6,336.76	4,800.00	4,800.00	.0%
TOTAL REVENUE	-8,257.80	-8,185.97	-9,873.20	-7,602.07	-8,700.00	-8,700.00	.0%
TOTAL EXPENSE	12,627.01	12,638.00	11,160.00	13,938.83	13,500.00	13,500.00	.0%
GRAND TOTAL	4,369.21	4,452.03	1,286.80	6,336.76	4,800.00	4,800.00	.0%

** END OF REPORT - Generated by Matthew Burt **

NEXT YEAR BUDGET HISTORICAL COMPARISON

PROJECTION: 23001 2023 Budget All Funds						FOR PERIOD 99	
ACCOUNTS FOR:							
202-Mount Pleasant	PRIOR FY3 ACTUALS	PRIOR FY2 ACTUALS	LAST FY1 ACTUALS	CY ACTUALS	CY REV BUDGET	PROJECTION LEVEL 5	PCT CHANGE
00 Unassigned							
Unassigned	-8,257.80	-8,185.97	-9,873.20	-7,602.07	-8,700.00	-8,700.00	.0%
Unassigned	-8,257.80	-8,185.97	-9,873.20	-7,602.07	-8,700.00	-8,700.00	.0%
TOTAL 202-Mount Pleasant	-8,257.80	-8,185.97	-9,873.20	-7,602.07	-8,700.00	-8,700.00	.0%
TOTAL REVENUE	-8,257.80	-8,185.97	-9,873.20	-7,602.07	-8,700.00	-8,700.00	.0%
TOTAL EXPENSE	.00	.00	.00	.00	.00	.00	.0%
GRAND TOTAL	-8,257.80	-8,185.97	-9,873.20	-7,602.07	-8,700.00	-8,700.00	.0%

** END OF REPORT - Generated by Matthew Burt **

NEXT YEAR BUDGET HISTORICAL COMPARISON

PROJECTION: 23001 2023 Budget All Funds						FOR PERIOD 99	
ACCOUNTS FOR:							
202-Mount Pleasant	PRIOR FY3 ACTUALS	PRIOR FY2 ACTUALS	LAST FY1 ACTUALS	CY ACTUALS	CY REV BUDGET	PROJECTION LEVEL 5	PCT CHANGE
30 Public Works							
Park Maintenance	12,627.01	12,638.00	11,160.00	13,938.83	13,500.00	13,500.00	.0%
Public Works	12,627.01	12,638.00	11,160.00	13,938.83	13,500.00	13,500.00	.0%
TOTAL 202-Mount Pleasant	12,627.01	12,638.00	11,160.00	13,938.83	13,500.00	13,500.00	.0%
TOTAL REVENUE	.00	.00	.00	.00	.00	.00	.0%
TOTAL EXPENSE	12,627.01	12,638.00	11,160.00	13,938.83	13,500.00	13,500.00	.0%
GRAND TOTAL	12,627.01	12,638.00	11,160.00	13,938.83	13,500.00	13,500.00	.0%

** END OF REPORT - Generated by Matthew Burt **

Chaska EDA Fund

(Fund 251)

All Sources and All Uses

NEXT YEAR BUDGET HISTORICAL COMPARISON

PROJECTION: 23001 2023 Budget All Funds							FOR PERIOD 99	
ACCOUNTS FOR:								
251-Chaska EDA		PRIOR FY3 ACTUALS	PRIOR FY2 ACTUALS	LAST FY1 ACTUALS	CY ACTUALS	CY REV BUDGET	PROJECTION LEVEL 5	PCT CHANGE
TOTAL 251-Chaska EDA		-88,768.65	-23,069.70	17,233.43	-40,143.32	.00	.00	.0%
TOTAL REVENUE		-839,788.51	-619,763.84	-422,421.91	-410,151.16	-422,489.00	-527,194.00	.0%
TOTAL EXPENSE		751,019.86	596,694.14	439,655.34	370,007.84	422,489.00	527,194.00	.0%
GRAND TOTAL		-88,768.65	-23,069.70	17,233.43	-40,143.32	.00	.00	.0%

** END OF REPORT - Generated by Matthew Burt **

NEXT YEAR BUDGET HISTORICAL COMPARISON

PROJECTION: 23001 2023 Budget All Funds						FOR PERIOD 99	
ACCOUNTS FOR:							
251-Chaska EDA	PRIOR FY3 ACTUALS	PRIOR FY2 ACTUALS	LAST FY1 ACTUALS	CY ACTUALS	CY REV BUDGET	PROJECTION LEVEL 5	PCT CHANGE
00 Unassigned							
Unassigned	-721,085.12	-258,444.18	-346,948.63	-365,914.28	-350,089.00	-454,794.00	29.9%
Unassigned	-721,085.12	-258,444.18	-346,948.63	-365,914.28	-350,089.00	-454,794.00	29.9%
65 Economic Development							
652 or 6520 Chaska EDA	-5,000.00	-270,000.00	.00	-11,390.00	.00	.00	.0%
Peacock Inn	-55,405.60	-31,317.72	-29,556.06	-32,846.88	-32,400.00	-32,400.00	.0%
Special Service Distri	-58,297.79	-60,001.94	-45,917.22	.00	-40,000.00	-40,000.00	.0%
Economic Development	-118,703.39	-361,319.66	-75,473.28	-44,236.88	-72,400.00	-72,400.00	.0%
TOTAL 251-Chaska EDA	-839,788.51	-619,763.84	-422,421.91	-410,151.16	-422,489.00	-527,194.00	24.8%
TOTAL REVENUE	-839,788.51	-619,763.84	-422,421.91	-410,151.16	-422,489.00	-527,194.00	24.8%
TOTAL EXPENSE	.00	.00	.00	.00	.00	.00	.0%
GRAND TOTAL	-839,788.51	-619,763.84	-422,421.91	-410,151.16	-422,489.00	-527,194.00	24.8%

** END OF REPORT - Generated by Matthew Burt **

NEXT YEAR BUDGET HISTORICAL COMPARISON

PROJECTION: 23001 2023 Budget All Funds						FOR PERIOD 99	
ACCOUNTS FOR:							
251-Chaska EDA	PRIOR FY3 ACTUALS	PRIOR FY2 ACTUALS	LAST FY1 ACTUALS	CY ACTUALS	CY REV BUDGET	PROJECTION LEVEL 5	PCT CHANGE
00 Unassigned							
Unassigned	355,000.00	.00	.00	.00	.00	.00	.0%
Unassigned	355,000.00	.00	.00	.00	.00	.00	.0%
65 Economic Development							
652 or 6520 Chaska EDA	189,992.59	478,918.72	289,511.48	292,351.84	341,907.00	426,511.00	24.7%
Peacock Inn	69,003.47	35,744.40	91,810.54	19,320.80	39,276.00	39,374.00	.2%
Special Service Distri	61,234.18	58,425.92	58,333.32	58,335.20	41,306.00	61,309.00	48.4%
Economic Development	320,230.24	573,089.04	439,655.34	370,007.84	422,489.00	527,194.00	24.8%
66 Economic Opportunity							
City Square West	75,789.62	23,605.10	.00	.00	.00	.00	.0%
Economic Opportunity	75,789.62	23,605.10	.00	.00	.00	.00	.0%
TOTAL 251-Chaska EDA	751,019.86	596,694.14	439,655.34	370,007.84	422,489.00	527,194.00	24.8%
TOTAL REVENUE	.00	.00	.00	.00	.00	.00	.0%
TOTAL EXPENSE	751,019.86	596,694.14	439,655.34	370,007.84	422,489.00	527,194.00	24.8%
GRAND TOTAL	751,019.86	596,694.14	439,655.34	370,007.84	422,489.00	527,194.00	24.8%

** END OF REPORT - Generated by Matthew Burt **

Electric Fund

(Fund 601)

All Sources and All Uses

NEXT YEAR BUDGET HISTORICAL COMPARISON

PROJECTION: 23001 2023 Budget All Funds							FOR PERIOD 99
ACCOUNTS FOR:							
601-Electric	PRIOR FY3 ACTUALS	PRIOR FY2 ACTUALS	LAST FY1 ACTUALS	CY ACTUALS	CY REV BUDGET	PROJECTION LEVEL 5	PCT CHANGE
TOTAL 601-Electric	-886,020.75	-1,407,288.32	-1,344,072.63	-1,460,435.41	-733,273.00	-849,500.00	15.9%
TOTAL REVENUE	-42,106,535.52	-43,707,228.67	-49,299,654.26	-47,079,819.00	-43,308,700.00	-45,277,700.00	4.5%
TOTAL EXPENSE	41,220,514.77	42,299,940.35	47,955,581.63	45,619,383.59	42,575,427.00	44,428,200.00	4.4%
GRAND TOTAL	-886,020.75	-1,407,288.32	-1,344,072.63	-1,460,435.41	-733,273.00	-849,500.00	15.9%

** END OF REPORT - Generated by Matthew Burt **

NEXT YEAR BUDGET HISTORICAL COMPARISON

PROJECTION: 23001 2023 Budget All Funds						FOR PERIOD 99	
ACCOUNTS FOR:							
601-Electric	PRIOR FY3 ACTUALS	PRIOR FY2 ACTUALS	LAST FY1 ACTUALS	CY ACTUALS	CY REV BUDGET	PROJECTION LEVEL 5	PCT CHANGE
00 Unassigned							
Unassigned	-41,797,535.70	-43,702,257.71	-49,287,603.83	-47,002,012.72	-43,308,700.00	-45,277,700.00	4.5%
Unassigned	-41,797,535.70	-43,702,257.71	-49,287,603.83	-47,002,012.72	-43,308,700.00	-45,277,700.00	4.5%
80 Enterprise							
Transmission/Distrib/C	-5,192.26	-2,264.78	-2,050.43	-1,135.22	.00	.00	.0%
Load Conservation	-2,930.00	.00	-10,000.00	-76,502.34	.00	.00	.0%
Administration Billing	-2,628.49	.00	.00	-168.72	.00	.00	.0%
Capital Project Codes	-267,824.27	-301.57	.00	.00	.00	.00	.0%
TIF Admin Expenses	-30,424.80	-2,404.61	.00	.00	.00	.00	.0%
Enterprise	-308,999.82	-4,970.96	-12,050.43	-77,806.28	.00	.00	.0%
TOTAL 601-Electric	-42,106,535.52	-43,707,228.67	-49,299,654.26	-47,079,819.00	-43,308,700.00	-45,277,700.00	4.5%
TOTAL REVENUE	-42,106,535.52	-43,707,228.67	-49,299,654.26	-47,079,819.00	-43,308,700.00	-45,277,700.00	4.5%
TOTAL EXPENSE	.00	.00	.00	.00	.00	.00	.0%
GRAND TOTAL	-42,106,535.52	-43,707,228.67	-49,299,654.26	-47,079,819.00	-43,308,700.00	-45,277,700.00	4.5%

** END OF REPORT - Generated by Matthew Burt **

NEXT YEAR BUDGET HISTORICAL COMPARISON

PROJECTION: 23001 2023 Budget All Funds						FOR PERIOD 99	
ACCOUNTS FOR:							
601-Electric	PRIOR FY3 ACTUALS	PRIOR FY2 ACTUALS	LAST FY1 ACTUALS	CY ACTUALS	CY REV BUDGET	PROJECTION LEVEL 5	PCT CHANGE
00 Unassigned							
Unassigned	5,671,340.00	5,721,108.25	6,174,660.00	5,009,350.00	6,906,000.00	7,288,710.00	5.5%
Unassigned	5,671,340.00	5,721,108.25	6,174,660.00	5,009,350.00	6,906,000.00	7,288,710.00	5.5%
80 Enterprise							
Product/Production	28,292,977.43	28,434,598.67	33,163,484.72	32,612,727.91	26,859,000.00	27,292,000.00	1.6%
Transmission/Distrib/C	2,071,990.03	2,222,335.95	2,259,820.61	3,223,269.84	3,117,170.00	4,176,430.00	34.0%
Load Conservation	564,554.07	598,138.37	582,438.94	352,273.92	675,973.00	482,350.00	-28.6%
Administration Sys	2,409,690.61	3,056,005.17	3,300,220.65	3,473,349.45	3,496,184.00	3,788,627.00	8.4%
Administration Billing	708,807.48	660,441.87	671,368.94	702,641.47	685,446.00	696,633.00	1.6%
Depreciation	1,180,169.36	1,217,143.25	1,530,105.69	.00	.00	.00	.0%
Capital Project Codes	913,885.91	27,796.78	.00	.00	.00	.00	.0%
Proj Code - Divn	.00	.00	.00	.00	.00	.00	.0%
TIF Admin Expenses	-933,030.91	-27,796.78	.00	.00	.00	.00	.0%
Enterprise	35,209,043.98	36,188,663.28	41,507,439.55	40,364,262.59	34,833,773.00	36,436,040.00	4.6%
90 Non Operating							
Non-Op Debt Srv Propr	339,016.00	389,048.44	273,482.08	245,771.00	835,654.00	703,450.00	-15.8%
Non Operating	339,016.00	389,048.44	273,482.08	245,771.00	835,654.00	703,450.00	-15.8%
TOTAL 601-Electric	41,219,399.98	42,298,819.97	47,955,581.63	45,619,383.59	42,575,427.00	44,428,200.00	4.4%
TOTAL REVENUE	.00	.00	.00	.00	.00	.00	.0%
TOTAL EXPENSE	41,219,399.98	42,298,819.97	47,955,581.63	45,619,383.59	42,575,427.00	44,428,200.00	4.4%
GRAND TOTAL	41,219,399.98	42,298,819.97	47,955,581.63	45,619,383.59	42,575,427.00	44,428,200.00	4.4%

** END OF REPORT - Generated by Matthew Burt **

Water Fund

(Fund 602)

All Sources and All Uses

NEXT YEAR BUDGET HISTORICAL COMPARISON

PROJECTION: 23001 2023 Budget All Funds							FOR PERIOD 99	
ACCOUNTS FOR:								
602-Water		PRIOR FY3 ACTUALS	PRIOR FY2 ACTUALS	LAST FY1 ACTUALS	CY ACTUALS	CY REV BUDGET	PROJECTION LEVEL 5	PCT CHANGE
TOTAL 602-Water		1,130,900.64	-1,031,783.23	-2,680,866.59	580,497.39	-49,074.00	-378,480.00	671.2%
	TOTAL REVENUE	-3,711,485.05	-5,409,925.24	-6,435,590.00	-3,853,214.21	-4,380,540.00	-4,610,140.00	5.2%
	TOTAL EXPENSE	4,842,385.69	4,378,142.01	3,754,723.41	4,433,711.60	4,331,466.00	4,231,660.00	-2.3%
	GRAND TOTAL	1,130,900.64	-1,031,783.23	-2,680,866.59	580,497.39	-49,074.00	-378,480.00	671.2%

** END OF REPORT - Generated by Matthew Burt **

NEXT YEAR BUDGET HISTORICAL COMPARISON

PROJECTION: 23001 2023 Budget All Funds						FOR PERIOD 99	
ACCOUNTS FOR:							
602-Water	PRIOR FY3 ACTUALS	PRIOR FY2 ACTUALS	LAST FY1 ACTUALS	CY ACTUALS	CY REV BUDGET	PROJECTION LEVEL 5	PCT CHANGE
00 Unassigned							
Unassigned	-3,681,863.31	-5,378,271.51	-6,397,955.33	-3,813,260.13	-4,349,340.00	-4,578,340.00	5.3%
Unassigned	-3,681,863.31	-5,378,271.51	-6,397,955.33	-3,813,260.13	-4,349,340.00	-4,578,340.00	5.3%
80 Enterprise							
Transmission/Distrib/C	.00	-1,473.00	-7,649.30	-5,507.50	.00	.00	.0%
Administration Sys	.00	-38.53	.00	.00	.00	.00	.0%
815 or 8150 Bnd Cp Cst	-29,621.74	-30,142.20	-29,985.37	-31,168.56	-31,200.00	-31,800.00	1.9%
Enterprise	-29,621.74	-31,653.73	-37,634.67	-36,676.06	-31,200.00	-31,800.00	1.9%
TOTAL 602-Water	-3,711,485.05	-5,409,925.24	-6,435,590.00	-3,849,936.19	-4,380,540.00	-4,610,140.00	5.2%
TOTAL REVENUE	-3,711,485.05	-5,409,925.24	-6,435,590.00	-3,849,936.19	-4,380,540.00	-4,610,140.00	5.2%
TOTAL EXPENSE	.00	.00	.00	.00	.00	.00	.0%
GRAND TOTAL	-3,711,485.05	-5,409,925.24	-6,435,590.00	-3,849,936.19	-4,380,540.00	-4,610,140.00	5.2%

** END OF REPORT - Generated by Matthew Burt **

NEXT YEAR BUDGET HISTORICAL COMPARISON

PROJECTION: 23001 2023 Budget All Funds						FOR PERIOD 99	
ACCOUNTS FOR:							
602-Water	PRIOR FY3 ACTUALS	PRIOR FY2 ACTUALS	LAST FY1 ACTUALS	CY ACTUALS	CY REV BUDGET	PROJECTION LEVEL 5	PCT CHANGE
00 Unassigned							
Unassigned	1,458,905.16	702,736.59	151,139.95	117,000.00	117,000.00	234,855.00	100.7%
Unassigned	1,458,905.16	702,736.59	151,139.95	117,000.00	117,000.00	234,855.00	100.7%
80 Enterprise							
Pumping	201,675.36	233,073.54	285,430.76	522,856.68	388,282.00	421,896.00	8.7%
Water Treatment	292,878.83	343,114.73	359,922.34	396,285.75	324,341.00	358,984.00	10.7%
Transmission/Distrib/C	892,223.33	825,573.31	830,461.58	859,523.33	1,475,621.00	1,251,007.00	-15.2%
Administration Sys	604,694.52	730,656.07	758,550.40	777,091.58	795,061.00	848,910.00	6.8%
Administration Billing	184,580.52	213,742.34	205,215.18	151,889.44	141,195.00	145,456.00	3.0%
815 or 8150 Bnd Cp Cst	1,974.08	3,645.35	1,540.65	3,835.03	1,911.00	1,922.00	.6%
Depreciation	819,732.92	834,491.22	867,399.76	.00	.00	.00	.0%
Enterprise	2,997,759.56	3,184,296.56	3,308,520.67	2,711,481.81	3,126,411.00	3,028,175.00	-3.1%
90 Non Operating							
Proj Code - Divn	.00	.00	.00	104,632.01	.00	.00	.0%
Proj Code - Divn	.00	.00	.00	1,374,912.15	.00	.00	.0%
Proj Code - Divn	.00	.00	.00	8,282.00	.00	.00	.0%
Non-Op Debt Srv Propr	382,059.37	487,423.00	295,062.79	117,403.63	1,088,055.00	968,630.00	-11.0%
Non Operating	382,059.37	487,423.00	295,062.79	1,605,229.79	1,088,055.00	968,630.00	-11.0%
TOTAL 602-Water	4,838,724.09	4,374,456.15	3,754,723.41	4,433,711.60	4,331,466.00	4,231,660.00	-2.3%
TOTAL REVENUE	.00	.00	.00	.00	.00	.00	.0%
TOTAL EXPENSE	4,838,724.09	4,374,456.15	3,754,723.41	4,433,711.60	4,331,466.00	4,231,660.00	-2.3%
GRAND TOTAL	4,838,724.09	4,374,456.15	3,754,723.41	4,433,711.60	4,331,466.00	4,231,660.00	-2.3%

** END OF REPORT - Generated by Matthew Burt **

Sewer Fund

(Fund 603)

All Sources and All Uses

NEXT YEAR BUDGET HISTORICAL COMPARISON

PROJECTION: 23001 2023 Budget All Funds							FOR PERIOD 99	
ACCOUNTS FOR:								
603-Sewer		PRIOR FY3 ACTUALS	PRIOR FY2 ACTUALS	LAST FY1 ACTUALS	CY ACTUALS	CY REV BUDGET	PROJECTION LEVEL 5	PCT CHANGE
TOTAL 603-Sewer		1,199,464.12	-264,617.08	-2,649,751.29	267,815.94	326,600.00	.00	-100.0%
	TOTAL REVENUE	-4,397,142.72	-5,499,304.40	-7,541,995.56	-4,655,305.61	-5,179,150.00	-6,333,550.00	22.3%
	TOTAL EXPENSE	5,596,606.84	5,234,687.32	4,892,244.27	4,923,121.55	5,505,750.00	6,333,550.00	15.0%
	GRAND TOTAL	1,199,464.12	-264,617.08	-2,649,751.29	267,815.94	326,600.00	.00	-100.0%

** END OF REPORT - Generated by Matthew Burt **

NEXT YEAR BUDGET HISTORICAL COMPARISON

PROJECTION: 23001 2023 Budget All Funds							FOR PERIOD 99
ACCOUNTS FOR:							
603-Sewer	PRIOR FY3 ACTUALS	PRIOR FY2 ACTUALS	LAST FY1 ACTUALS	CY ACTUALS	CY REV BUDGET	PROJECTION LEVEL 5	PCT CHANGE
00 Unassigned							
Unassigned	-4,263,280.87	-5,499,222.10	-7,541,816.00	-4,655,210.57	-5,179,150.00	-6,333,550.00	22.3%
Unassigned	-4,263,280.87	-5,499,222.10	-7,541,816.00	-4,655,210.57	-5,179,150.00	-6,333,550.00	22.3%
80 Enterprise							
Transmission/Distrib/c	-133,861.85	-43.77	-179.56	-95.04	.00	.00	.0%
Administration Sys	.00	-38.53	.00	.00	.00	.00	.0%
Enterprise	-133,861.85	-82.30	-179.56	-95.04	.00	.00	.0%
TOTAL 603-Sewer	-4,397,142.72	-5,499,304.40	-7,541,995.56	-4,655,305.61	-5,179,150.00	-6,333,550.00	22.3%
TOTAL REVENUE	-4,397,142.72	-5,499,304.40	-7,541,995.56	-4,655,305.61	-5,179,150.00	-6,333,550.00	22.3%
TOTAL EXPENSE	.00	.00	.00	.00	.00	.00	.0%
GRAND TOTAL	-4,397,142.72	-5,499,304.40	-7,541,995.56	-4,655,305.61	-5,179,150.00	-6,333,550.00	22.3%

** END OF REPORT - Generated by Matthew Burt **

NEXT YEAR BUDGET HISTORICAL COMPARISON

PROJECTION: 23001 2023 Budget All Funds						FOR PERIOD 99	
ACCOUNTS FOR:							
603-Sewer	PRIOR FY3 ACTUALS	PRIOR FY2 ACTUALS	LAST FY1 ACTUALS	CY ACTUALS	CY REV BUDGET	PROJECTION LEVEL 5	PCT CHANGE
00 Unassigned							
Unassigned	1,511,157.03	675,907.81	214,581.86	177,000.00	177,000.00	327,855.00	85.2%
Unassigned	1,511,157.03	675,907.81	214,581.86	177,000.00	177,000.00	327,855.00	85.2%
80 Enterprise							
Pumping	19,921.33	56,840.97	22,426.64	15,599.57	25,960.00	25,092.00	-3.3%
Water Treatment	2,433,857.16	2,675,539.20	2,713,317.48	3,072,276.00	3,072,288.00	3,712,603.00	20.8%
Transmission/Distrib/C	596,081.24	644,236.96	703,614.06	666,056.61	918,653.00	895,764.00	-2.5%
Administration Sys	598,825.59	716,031.26	760,699.83	767,360.98	787,820.00	833,599.00	5.8%
Administration Billing	189,988.47	207,256.24	206,386.36	150,715.60	136,568.00	149,445.00	9.4%
Depreciation	124,553.72	134,976.92	155,722.84	.00	.00	.00	.0%
Enterprise	3,963,227.51	4,434,881.55	4,562,167.21	4,672,008.76	4,941,289.00	5,616,503.00	13.7%
90 Non Operating							
Non-Op Debt Srv Propr	122,086.96	123,745.62	115,495.20	74,112.79	387,461.00	389,192.00	.4%
Non Operating	122,086.96	123,745.62	115,495.20	74,112.79	387,461.00	389,192.00	.4%
TOTAL 603-Sewer	5,596,471.50	5,234,534.98	4,892,244.27	4,923,121.55	5,505,750.00	6,333,550.00	15.0%
TOTAL REVENUE	.00	.00	.00	.00	.00	.00	.0%
TOTAL EXPENSE	5,596,471.50	5,234,534.98	4,892,244.27	4,923,121.55	5,505,750.00	6,333,550.00	15.0%
GRAND TOTAL	5,596,471.50	5,234,534.98	4,892,244.27	4,923,121.55	5,505,750.00	6,333,550.00	15.0%

** END OF REPORT - Generated by Matthew Burt **

Community Center Fund

(Fund 604)

All Sources and All Uses

NEXT YEAR BUDGET HISTORICAL COMPARISON

PROJECTION: 23001 2023 Budget All Funds						FOR PERIOD 99	
ACCOUNTS FOR:							
604-Community Center	PRIOR FY3 ACTUALS	PRIOR FY2 ACTUALS	LAST FY1 ACTUALS	CY ACTUALS	CY REV BUDGET	PROJECTION LEVEL 5	PCT CHANGE
TOTAL 604-Community Center	1,048,918.24	2,219,179.71	1,701,588.85	1,184,572.29	139,950.00	72,472.00	-48.2%
TOTAL REVENUE	-3,650,192.85	-2,598,335.00	-2,681,504.41	-3,313,568.27	-4,389,673.00	-4,761,062.00	8.5%
TOTAL EXPENSE	4,699,111.09	4,817,514.71	4,383,093.26	4,498,140.56	4,529,623.00	4,833,534.00	6.7%
GRAND TOTAL	1,048,918.24	2,219,179.71	1,701,588.85	1,184,572.29	139,950.00	72,472.00	-48.2%

** END OF REPORT - Generated by Matthew Burt **

NEXT YEAR BUDGET HISTORICAL COMPARISON

PROJECTION: 23001 2023 Budget All Funds

FOR PERIOD 99

ACCOUNTS FOR:

	PRIOR FY3 ACTUALS	PRIOR FY2 ACTUALS	LAST FY1 ACTUALS	CY ACTUALS	CY REV BUDGET	PROJECTION LEVEL 5	PCT CHANGE
604-Community Center							
00 Unassigned							
Unassigned	-385,447.64	-687,818.17	-490,714.55	-471,448.61	-808,600.00	-992,020.00	22.7%
Unassigned	-385,447.64	-687,818.17	-490,714.55	-471,448.61	-808,600.00	-992,020.00	22.7%
80 Enterprise							
Administration Sys	-1,569,760.17	-837,335.20	-1,028,525.19	-1,357,166.77	-1,633,031.00	-1,840,873.00	12.7%
Community Events	-2,370.00	-2,527.72	-518.00	-510.00	-3,060.00	-3,274.00	7.0%
Community Room	-62,451.93	-22,336.74	-36,110.43	-75,457.44	-69,854.00	-75,000.00	7.4%
Craft Rooms	-32,944.09	-10,239.23	-10,654.75	-16,878.75	-40,300.00	-20,000.00	-50.4%
Group Fitness	-108,756.00	-49,436.50	.00	.00	.00	.00	.0%
Front Desk	.00	-384.40	.00	-898.52	.00	.00	.0%
wellness Add Programs	-44,673.64	-15,275.47	-10,214.98	-17,256.03	-46,250.00	-20,000.00	-56.8%
Gym	-37,588.32	-25,062.92	-4,230.00	-5,685.00	-12,000.00	-10,000.00	-16.7%
Ice Arena	-731,716.94	-674,068.98	-662,206.51	-798,376.93	-1,129,881.00	-1,004,867.00	-11.1%
Maintenance	-39,586.19	-14,576.01	-20,020.00	-31,590.84	-25,500.00	-37,285.00	46.2%
wellness Add Pers Trai	-27,133.50	-8,755.70	-23,068.40	-32,612.90	-48,000.00	-48,000.00	.0%
wellness Add	-225.00	-25.00	-90.00	-30.00	.00	.00	.0%
Play & Daycare Room	-13,194.43	-3,797.97	-446.15	-8,901.50	-3,060.00	-63,274.00	1967.8%
Swimming Pool	-10,077.85	-16,525.00	-9,566.00	-102,451.07	-167,614.00	-168,242.00	.4%
Theater	-103,555.62	-80,566.81	-64,802.35	-97,051.20	-56,343.00	-49,227.00	-12.6%
Lodge	-62,383.63	-10,265.35	-6,412.02	-8,389.47	-13,000.00	-20,000.00	53.8%
All Age Programs	-5,920.90	-2,707.90	-1,130.50	-6,044.27	-2,000.00	-6,000.00	200.0%
General Facility	.00	.00	-24,477.00	.00	.00	-100,000.00	.0%
Senior Programs	.00	.00	-12,831.00	-34,489.94	-33,000.00	-33,000.00	.0%
Adult Programs	.00	.00	-8,129.11	-14,480.58	-13,500.00	-14,000.00	3.7%
Teen Programs State Gr	-3,047.00	-2,675.00	-975.00	-12,598.50	-5,500.00	-15,000.00	172.7%

NEXT YEAR BUDGET HISTORICAL COMPARISON

PROJECTION: 23001 2023 Budget All Funds						FOR PERIOD 99	
ACCOUNTS FOR:							
604-Community Center	PRIOR FY3 ACTUALS	PRIOR FY2 ACTUALS	LAST FY1 ACTUALS	CY ACTUALS	CY REV BUDGET	PROJECTION LEVEL 5	PCT CHANGE
Preschool/Youth Progra	-8,795.00	-1,585.00	-217,897.97	-221,249.95	-250,000.00	-230,000.00	-8.0%
Vending	-39,967.14	-14,573.24	.00	.00	-10,000.00	-11,000.00	10.0%
Enterprise	-2,904,147.35	-1,792,720.14	-2,142,305.36	-2,842,119.66	-3,561,893.00	-3,769,042.00	5.8%
TOTAL 604-Community Center	-3,289,594.99	-2,480,538.31	-2,633,019.91	-3,313,568.27	-4,370,493.00	-4,761,062.00	8.9%
TOTAL REVENUE	-3,289,594.99	-2,480,538.31	-2,633,019.91	-3,313,568.27	-4,370,493.00	-4,761,062.00	8.9%
TOTAL EXPENSE	.00	.00	.00	.00	.00	.00	.0%
GRAND TOTAL	-3,289,594.99	-2,480,538.31	-2,633,019.91	-3,313,568.27	-4,370,493.00	-4,761,062.00	8.9%

** END OF REPORT - Generated by Matthew Burt **

NEXT YEAR BUDGET HISTORICAL COMPARISON

PROJECTION: 23001 2023 Budget All Funds						FOR PERIOD 99	
ACCOUNTS FOR:							
604-Community Center	PRIOR FY3 ACTUALS	PRIOR FY2 ACTUALS	LAST FY1 ACTUALS	CY ACTUALS	CY REV BUDGET	PROJECTION LEVEL 5	PCT CHANGE
00 Unassigned							
Unassigned	2,340.71	.00	4,410.22	.00	.00	.00	.0%
Unassigned	2,340.71	.00	4,410.22	.00	.00	.00	.0%
80 Enterprise							
Administration Sys	759,894.37	679,032.51	641,604.26	902,380.42	840,236.00	919,524.00	9.4%
Community Events	4,938.03	4,095.48	2,177.61	4,051.54	5,000.00	5,200.00	4.0%
Craft Rooms	11,712.29	5,418.97	137.00	12.00	.00	.00	.0%
Group Fitness	53,652.15	61,408.11	42,481.93	2,210.38	.00	.00	.0%
Front Desk	146,669.02	158,503.81	102,378.63	173,503.58	141,433.00	195,678.00	38.4%
wellness Add Programs	34,203.30	14,332.94	8,279.22	11,561.31	19,517.00	9,022.00	-53.8%
Gym	29,590.97	8,675.86	4,673.64	708.29	.00	.00	.0%
Ice Arena	224,126.41	399,575.87	272,041.42	243,351.36	297,093.00	212,217.00	-28.6%
Maintenance	1,247,306.42	1,158,358.08	1,350,698.83	1,418,584.35	1,329,929.00	1,369,553.00	3.0%
Wellness Add Pers Trai	42,923.52	19,182.65	27,964.41	38,602.51	39,177.00	39,005.00	-.4%
wellness Add	123,601.26	125,218.03	125,131.27	189,192.68	192,926.00	276,860.00	43.5%
Play & Daycare Room	77,216.69	46,835.77	38,900.45	78,262.16	64,104.00	74,650.00	16.5%
Swimming Pool	408,335.08	537,291.22	395,362.13	620,150.93	536,487.00	580,662.00	8.2%
Theater	13,518.92	.00	.00	.00	7,565.00	7,603.00	.5%
Lodge	130,128.65	199,821.35	133,150.67	7,921.17	4,450.00	4,350.00	-2.2%
All Age Programs	2,707.36	3,359.82	898.99	2,356.16	1,800.00	4,321.00	140.1%
General Facility	98,345.41	68,988.20	74,919.97	450,230.69	362,060.00	429,120.00	18.5%
Senior Programs	.00	.00	15,678.43	39,305.54	36,500.00	37,500.00	2.7%
Adult Programs	.00	.00	5,545.56	15,508.17	10,326.00	10,021.00	-3.0%
Teen Programs State Gr	102,984.33	5,782.41	842.65	1,152.81	16,051.00	7,596.00	-52.7%
Preschool/Youth Progra	6,001.09	1,857.40	191,816.31	144,861.95	157,219.00	152,102.00	-3.3%

NEXT YEAR BUDGET HISTORICAL COMPARISON

PROJECTION: 23001 2023 Budget All Funds						FOR PERIOD 99	
ACCOUNTS FOR:							
	PRIOR FY3 ACTUALS	PRIOR FY2 ACTUALS	LAST FY1 ACTUALS	CY ACTUALS	CY REV BUDGET	PROJECTION LEVEL 5	PCT CHANGE
604-Community Center							
Vending	19,662.95	6,413.88	2.80	.00	.00	.00	.0%
Depreciation	748,505.61	766,015.11	789,067.58	.00	.00	.00	.0%
Enterprise	4,286,023.83	4,270,167.47	4,223,753.76	4,343,908.00	4,061,873.00	4,334,984.00	6.7%
90 Non Operating							
Proj Code-Divn	.00	.00	.00	.00	.00	.00	.0%
CCC - Project - Activi	.00	.00	.00	.00	.00	.00	.0%
Non-Op Debt Srv Propr	153,605.00	308,520.98	131,689.97	154,232.56	467,750.00	498,550.00	6.6%
Non Operating	153,605.00	308,520.98	131,689.97	154,232.56	467,750.00	498,550.00	6.6%
TOTAL 604-Community Center	4,441,969.54	4,578,688.45	4,359,853.95	4,498,140.56	4,529,623.00	4,833,534.00	6.7%
TOTAL REVENUE	.00	.00	.00	.00	.00	.00	.0%
TOTAL EXPENSE	4,441,969.54	4,578,688.45	4,359,853.95	4,498,140.56	4,529,623.00	4,833,534.00	6.7%
GRAND TOTAL	4,441,969.54	4,578,688.45	4,359,853.95	4,498,140.56	4,529,623.00	4,833,534.00	6.7%

** END OF REPORT - Generated by Matthew Burt **

Town Course Fund

(Fund 606)

All Sources and All Uses

NEXT YEAR BUDGET HISTORICAL COMPARISON

PROJECTION: 23001 2023 Budget All Funds							FOR PERIOD 99	
ACCOUNTS FOR:								
606-Chaska Town Course		PRIOR FY3 ACTUALS	PRIOR FY2 ACTUALS	LAST FY1 ACTUALS	CY ACTUALS	CY REV BUDGET	PROJECTION LEVEL 5	PCT CHANGE
TOTAL 606-Chaska Town Course		400,457.77	-83,745.22	-248,088.96	-252,164.25	-68,248.00	146,351.00	-314.4%
TOTAL REVENUE		-2,105,557.98	-2,569,022.48	-3,014,769.91	-2,998,002.64	-3,060,400.00	-4,074,400.00	33.1%
TOTAL EXPENSE		2,506,015.75	2,485,277.26	2,766,680.95	2,745,838.39	2,992,152.00	4,220,751.00	41.1%
GRAND TOTAL		400,457.77	-83,745.22	-248,088.96	-252,164.25	-68,248.00	146,351.00	-314.4%

** END OF REPORT - Generated by Matthew Burt **

NEXT YEAR BUDGET HISTORICAL COMPARISON

PROJECTION: 23001 2023 Budget All Funds						FOR PERIOD 99	
ACCOUNTS FOR:							
606-Chaska Town Course	PRIOR FY3 ACTUALS	PRIOR FY2 ACTUALS	LAST FY1 ACTUALS	CY ACTUALS	CY REV BUDGET	PROJECTION LEVEL 5	PCT CHANGE
00 Unassigned							
Unassigned	-1,859,693.48	-2,295,823.48	-2,686,673.30	-2,683,424.14	-2,802,400.00	-3,774,400.00	34.7%
Unassigned	-1,859,693.48	-2,295,823.48	-2,686,673.30	-2,683,424.14	-2,802,400.00	-3,774,400.00	34.7%
80 Enterprise							
Maintenance	.00	-20,962.48	-7,455.53	-2,048.64	.00	.00	.0%
Administration/Clubhou	.00	-17.35	-260.54	.00	.00	.00	.0%
Merchandise	-245,864.50	-252,219.17	-320,380.54	-312,529.86	-258,000.00	-300,000.00	16.3%
Enterprise	-245,864.50	-273,199.00	-328,096.61	-314,578.50	-258,000.00	-300,000.00	16.3%
TOTAL 606-Chaska Town Course	-2,105,557.98	-2,569,022.48	-3,014,769.91	-2,998,002.64	-3,060,400.00	-4,074,400.00	33.1%
TOTAL REVENUE	-2,105,557.98	-2,569,022.48	-3,014,769.91	-2,998,002.64	-3,060,400.00	-4,074,400.00	33.1%
TOTAL EXPENSE	.00	.00	.00	.00	.00	.00	.0%
GRAND TOTAL	-2,105,557.98	-2,569,022.48	-3,014,769.91	-2,998,002.64	-3,060,400.00	-4,074,400.00	33.1%

** END OF REPORT - Generated by Matthew Burt **

NEXT YEAR BUDGET HISTORICAL COMPARISON

PROJECTION: 23001 2023 Budget All Funds						FOR PERIOD 99	
ACCOUNTS FOR:							
606-Chaska Town Course	PRIOR FY3 ACTUALS	PRIOR FY2 ACTUALS	LAST FY1 ACTUALS	CY ACTUALS	CY REV BUDGET	PROJECTION LEVEL 5	PCT CHANGE
00 Unassigned							
Unassigned	6,666.00	.00	.00	.00	.00	.00	.0%
Unassigned	6,666.00	.00	.00	.00	.00	.00	.0%
80 Enterprise							
Maintenance	894,755.29	830,048.78	1,012,931.69	1,299,577.59	1,639,354.00	2,617,127.00	59.6%
Administration/Clubhou	951,215.32	949,583.60	1,019,134.67	1,174,728.54	973,443.00	1,099,024.00	12.9%
Merchandise	172,004.50	183,304.69	217,071.58	245,505.26	175,155.00	225,000.00	28.5%
Depreciation	449,264.28	469,035.18	487,144.01	.00	.00	.00	.0%
Enterprise	2,467,239.39	2,431,972.25	2,736,281.95	2,719,811.39	2,787,952.00	3,941,151.00	41.4%
90 Non Operating							
Non-Op Debt Srv Propr	21,757.00	30,009.00	30,399.00	26,027.00	204,200.00	279,600.00	36.9%
Non Operating	21,757.00	30,009.00	30,399.00	26,027.00	204,200.00	279,600.00	36.9%
TOTAL 606-Chaska Town Course	2,495,662.39	2,461,981.25	2,766,680.95	2,745,838.39	2,992,152.00	4,220,751.00	41.1%
TOTAL REVENUE	.00	.00	.00	.00	.00	.00	.0%
TOTAL EXPENSE	2,495,662.39	2,461,981.25	2,766,680.95	2,745,838.39	2,992,152.00	4,220,751.00	41.1%
GRAND TOTAL	2,495,662.39	2,461,981.25	2,766,680.95	2,745,838.39	2,992,152.00	4,220,751.00	41.1%

** END OF REPORT - Generated by Matthew Burt **

Gas Turbine Fund

(Fund 607)

All Sources and All Uses

NEXT YEAR BUDGET HISTORICAL COMPARISON

PROJECTION: 23001 2023 Budget All Funds						FOR PERIOD 99	
ACCOUNTS FOR:							
607-PP#2 Turbine	PRIOR FY3 ACTUALS	PRIOR FY2 ACTUALS	LAST FY1 ACTUALS	CY ACTUALS	CY REV BUDGET	PROJECTION LEVEL 5	PCT CHANGE
TOTAL 607-PP#2 Turbine	-686,082.19	-625,459.67	-601,206.29	-327,596.58	-174,383.00	-177,233.00	1.6%
TOTAL REVENUE	-1,709,947.09	-1,547,119.27	-1,468,567.19	-1,158,126.58	-2,590,403.00	-2,590,403.00	.0%
TOTAL EXPENSE	1,023,864.90	921,659.60	867,360.90	830,530.00	2,416,020.00	2,413,170.00	-.1%
GRAND TOTAL	-686,082.19	-625,459.67	-601,206.29	-327,596.58	-174,383.00	-177,233.00	1.6%

** END OF REPORT - Generated by Matthew Burt **

NEXT YEAR BUDGET HISTORICAL COMPARISON

PROJECTION: 23001 2023 Budget All Funds							FOR PERIOD 99
ACCOUNTS FOR:							
607-PP#2 Turbine	PRIOR FY3 ACTUALS	PRIOR FY2 ACTUALS	LAST FY1 ACTUALS	CY ACTUALS	CY REV BUDGET	PROJECTION LEVEL 5	PCT CHANGE
00 Unassigned							
Unassigned	-1,709,947.09	-1,547,119.27	-1,468,567.19	-1,158,126.58	-2,590,403.00	-2,590,403.00	.0%
Unassigned	-1,709,947.09	-1,547,119.27	-1,468,567.19	-1,158,126.58	-2,590,403.00	-2,590,403.00	.0%
TOTAL 607-PP#2 Turbine	-1,709,947.09	-1,547,119.27	-1,468,567.19	-1,158,126.58	-2,590,403.00	-2,590,403.00	.0%
TOTAL REVENUE	-1,709,947.09	-1,547,119.27	-1,468,567.19	-1,158,126.58	-2,590,403.00	-2,590,403.00	.0%
TOTAL EXPENSE	.00	.00	.00	.00	.00	.00	.0%
GRAND TOTAL	-1,709,947.09	-1,547,119.27	-1,468,567.19	-1,158,126.58	-2,590,403.00	-2,590,403.00	.0%

** END OF REPORT - Generated by Matthew Burt **

NEXT YEAR BUDGET HISTORICAL COMPARISON

PROJECTION: 23001 2023 Budget All Funds						FOR PERIOD 99	
ACCOUNTS FOR:							
607-PP#2 Turbine	PRIOR FY3 ACTUALS	PRIOR FY2 ACTUALS	LAST FY1 ACTUALS	CY ACTUALS	CY REV BUDGET	PROJECTION LEVEL 5	PCT CHANGE
80 Enterprise							
Administration Sys	389,786.90	320,756.60	328,145.90	272,905.00	334,020.00	338,170.00	1.2%
Enterprise	389,786.90	320,756.60	328,145.90	272,905.00	334,020.00	338,170.00	1.2%
90 Non Operating							
Non-Op Debt Srv Propr	634,078.00	600,903.00	539,215.00	557,625.00	2,082,000.00	2,075,000.00	-.3%
Non Operating	634,078.00	600,903.00	539,215.00	557,625.00	2,082,000.00	2,075,000.00	-.3%
TOTAL 607-PP#2 Turbine	1,023,864.90	921,659.60	867,360.90	830,530.00	2,416,020.00	2,413,170.00	-.1%
TOTAL REVENUE	.00	.00	.00	.00	.00	.00	.0%
TOTAL EXPENSE	1,023,864.90	921,659.60	867,360.90	830,530.00	2,416,020.00	2,413,170.00	-.1%
GRAND TOTAL	1,023,864.90	921,659.60	867,360.90	830,530.00	2,416,020.00	2,413,170.00	-.1%

** END OF REPORT - Generated by Matthew Burt **

Storm Water Fund

(Fund 609)

All Sources and All Uses

NEXT YEAR BUDGET HISTORICAL COMPARISON

PROJECTION: 23001 2023 Budget All Funds							FOR PERIOD 99
ACCOUNTS FOR:							
609-Storm Water	PRIOR FY3 ACTUALS	PRIOR FY2 ACTUALS	LAST FY1 ACTUALS	CY ACTUALS	CY REV BUDGET	PROJECTION LEVEL 5	PCT CHANGE
TOTAL 609-Storm Water	67,411.91	-1,869,681.39	-3,283,657.31	184,169.10	98,638.00	-709.00	-100.7%
TOTAL REVENUE	-2,032,763.87	-3,808,177.94	-4,930,208.36	-2,007,291.32	-2,141,502.00	-2,332,755.00	8.9%
TOTAL EXPENSE	2,100,175.78	1,938,496.55	1,646,551.05	2,191,460.42	2,240,140.00	2,332,046.00	4.1%
GRAND TOTAL	67,411.91	-1,869,681.39	-3,283,657.31	184,169.10	98,638.00	-709.00	-100.7%

** END OF REPORT - Generated by Matthew Burt **

NEXT YEAR BUDGET HISTORICAL COMPARISON

PROJECTION: 23001 2023 Budget All Funds						FOR PERIOD 99	
ACCOUNTS FOR:							
609-Storm Water	PRIOR FY3 ACTUALS	PRIOR FY2 ACTUALS	LAST FY1 ACTUALS	CY ACTUALS	CY REV BUDGET	PROJECTION LEVEL 5	PCT CHANGE
00 Unassigned							
Unassigned	-1,908,881.99	-3,741,206.67	-4,861,132.69	-1,853,577.88	-2,130,117.00	-2,321,370.00	9.0%
Unassigned	-1,908,881.99	-3,741,206.67	-4,861,132.69	-1,853,577.88	-2,130,117.00	-2,321,370.00	9.0%
80 Enterprise							
Transmission/Distrib/C	.00	.00	.00	-15.00	.00	.00	.0%
Proj Code - Divn	-110,400.00	-5,000.00	.00	.00	.00	.00	.0%
Cap Proj Code - Activi	.00	.00	.00	-40,000.00	.00	.00	.0%
Proj Code - Divn	.00	.00	-57,690.00	-102,310.00	.00	.00	.0%
Proj Code - Divn	.00	-49,300.00	.00	.00	.00	.00	.0%
Enterprise	-110,400.00	-54,300.00	-57,690.00	-142,325.00	.00	.00	.0%
90 Non Operating							
Proj Code - Divn	-11,385.67	-11,385.67	-11,385.67	-11,385.64	-11,385.00	-11,385.00	.0%
Non Operating	-11,385.67	-11,385.67	-11,385.67	-11,385.64	-11,385.00	-11,385.00	.0%
TOTAL 609-Storm Water	-2,030,667.66	-3,806,892.34	-4,930,208.36	-2,007,288.52	-2,141,502.00	-2,332,755.00	8.9%
TOTAL REVENUE	-2,030,667.66	-3,806,892.34	-4,930,208.36	-2,007,288.52	-2,141,502.00	-2,332,755.00	8.9%
TOTAL EXPENSE	.00	.00	.00	.00	.00	.00	.0%
GRAND TOTAL	-2,030,667.66	-3,806,892.34	-4,930,208.36	-2,007,288.52	-2,141,502.00	-2,332,755.00	8.9%

** END OF REPORT - Generated by Matthew Burt **

NEXT YEAR BUDGET HISTORICAL COMPARISON

PROJECTION: 23001 2023 Budget All Funds						FOR PERIOD 99	
ACCOUNTS FOR:							
609-Storm Water	PRIOR FY3 ACTUALS	PRIOR FY2 ACTUALS	LAST FY1 ACTUALS	CY ACTUALS	CY REV BUDGET	PROJECTION LEVEL 5	PCT CHANGE
00 Unassigned							
Unassigned	933,400.26	668,585.80	331,136.96	246,000.00	246,000.00	252,000.00	2.4%
Unassigned	933,400.26	668,585.80	331,136.96	246,000.00	246,000.00	252,000.00	2.4%
80 Enterprise							
Transmission/Distrib/C	485,641.30	394,217.94	406,788.94	668,946.45	926,377.00	903,853.00	-2.4%
Administration Sys	364,965.46	489,413.29	518,235.51	586,834.04	589,523.00	641,236.00	8.8%
Administration Billing	60,549.70	60,658.93	72,926.75	73,976.54	63,820.00	115,715.00	81.3%
Depreciation	175,708.83	181,081.08	223,662.92	.00	30,000.00	30,000.00	.0%
Proj Code - Divn	.00	4,400.00	.00	.00	.00	.00	.0%
Cap Proj Code - Activi	.00	.00	16,727.51	15,689.50	.00	.00	.0%
Proj Code - Divn	.00	.00	.00	512,826.06	.00	.00	.0%
Proj Code - Divn	.00	.00	.00	37,023.97	100,500.00	101,003.00	.5%
Proj Code - Divn	.00	55,643.91	.00	.00	.00	.00	.0%
Enterprise	1,086,865.29	1,185,415.15	1,238,341.63	1,895,296.56	1,710,220.00	1,791,807.00	4.8%
90 Non Operating							
Non-Op Debt Srv Propr	79,910.23	84,495.60	77,072.46	50,163.86	283,920.00	288,239.00	1.5%
Non Operating	79,910.23	84,495.60	77,072.46	50,163.86	283,920.00	288,239.00	1.5%
TOTAL 609-Storm Water	2,100,175.78	1,938,496.55	1,646,551.05	2,191,460.42	2,240,140.00	2,332,046.00	4.1%
TOTAL REVENUE	.00	.00	.00	.00	.00	.00	.0%
TOTAL EXPENSE	2,100,175.78	1,938,496.55	1,646,551.05	2,191,460.42	2,240,140.00	2,332,046.00	4.1%
GRAND TOTAL	2,100,175.78	1,938,496.55	1,646,551.05	2,191,460.42	2,240,140.00	2,332,046.00	4.1%

** END OF REPORT - Generated by Matthew Burt **

Curling and Event Center Fund

(Fund 610)

All Sources and All Uses

NEXT YEAR BUDGET HISTORICAL COMPARISON

PROJECTION: 23001 2023 Budget All Funds						FOR PERIOD 99	
ACCOUNTS FOR:							
610-Curling and Event Center	PRIOR FY3 ACTUALS	PRIOR FY2 ACTUALS	LAST FY1 ACTUALS	CY ACTUALS	CY REV BUDGET	PROJECTION LEVEL 5	PCT CHANGE
TOTAL 610-Curling and Event	-310,228.39	-15,898.55	-280,455.42	-1,412,146.59	128,326.00	-4,451.00	-103.5%
TOTAL REVENUE	-2,724,389.59	-2,215,349.27	-2,497,599.39	-2,871,947.53	-2,770,338.00	-2,868,552.00	3.5%
TOTAL EXPENSE	2,414,161.20	2,199,450.72	2,217,143.97	1,459,800.94	2,898,664.00	2,864,101.00	-1.2%
GRAND TOTAL	-310,228.39	-15,898.55	-280,455.42	-1,412,146.59	128,326.00	-4,451.00	-103.5%

** END OF REPORT - Generated by Matthew Burt **

NEXT YEAR BUDGET HISTORICAL COMPARISON

PROJECTION: 23001 2023 Budget All Funds						FOR PERIOD 99		
ACCOUNTS FOR:								
610-Curling and Event Center		PRIOR FY3 ACTUALS	PRIOR FY2 ACTUALS	LAST FY1 ACTUALS	CY ACTUALS	CY REV BUDGET	PROJECTION LEVEL 5	PCT CHANGE
00	Unassigned							
	Unassigned	-1,484,098.94	-1,573,691.60	-1,582,420.34	-1,590,281.82	-1,569,538.00	-1,572,352.00	.2%
	Unassigned	-1,484,098.94	-1,573,691.60	-1,582,420.34	-1,590,281.82	-1,569,538.00	-1,572,352.00	.2%
80	Enterprise							
	Administration Sys	-55.21	-.07	-.69	-167.91	.00	.00	.0%
	Curling Center Event C	-121,974.64	-31,944.62	-96,404.62	-160,269.58	-122,300.00	-153,300.00	25.3%
	Chaska Curling Center	-738,790.50	-433,589.48	-499,726.79	-771,903.01	-698,378.00	-752,778.00	7.8%
	Crooked Pint Ale House	-379,420.30	-176,123.50	-319,046.95	-349,325.21	-380,122.00	-390,122.00	2.6%
	NonRecurring Event	-50.00	.00	.00	.00	.00	.00	.0%
	Enterprise	-1,240,290.65	-641,657.67	-915,179.05	-1,281,665.71	-1,200,800.00	-1,296,200.00	7.9%
	TOTAL 610-Curling and Event	-2,724,389.59	-2,215,349.27	-2,497,599.39	-2,871,947.53	-2,770,338.00	-2,868,552.00	3.5%
	TOTAL REVENUE	-2,724,389.59	-2,215,349.27	-2,497,599.39	-2,871,947.53	-2,770,338.00	-2,868,552.00	3.5%
	TOTAL EXPENSE	.00	.00	.00	.00	.00	.00	.0%
	GRAND TOTAL	-2,724,389.59	-2,215,349.27	-2,497,599.39	-2,871,947.53	-2,770,338.00	-2,868,552.00	3.5%

** END OF REPORT - Generated by Matthew Burt **

NEXT YEAR BUDGET HISTORICAL COMPARISON

PROJECTION: 23001 2023 Budget All Funds						FOR PERIOD 99	
ACCOUNTS FOR:							
610-Curling and Event Center	PRIOR FY3 ACTUALS	PRIOR FY2 ACTUALS	LAST FY1 ACTUALS	CY ACTUALS	CY REV BUDGET	PROJECTION LEVEL 5	PCT CHANGE
80 Enterprise							
Administration Sys	610,364.77	648,552.90	699,692.18	716,293.91	751,040.00	784,709.00	4.5%
Curling Center Event C	110,645.57	115,496.88	117,879.46	119,242.37	120,599.00	142,795.00	18.4%
Chaska Curling Center	443,385.07	259,418.16	273,936.48	336,437.05	382,003.00	290,181.00	-24.0%
Crooked Pint Ale House	131,146.85	79,068.18	58,668.62	47,892.86	63,330.00	61,910.00	-2.2%
NonRecurring Event	66.88	.00	.00	.00	.00	.00	.0%
Depreciation	628,587.56	628,587.56	628,587.56	.00	.00	.00	.0%
Enterprise	1,924,196.70	1,731,123.68	1,778,764.30	1,219,866.19	1,316,972.00	1,279,595.00	-2.8%
90 Non Operating							
Non-Op Debt Srv Propr	489,964.50	465,509.00	438,379.67	239,934.75	1,581,692.00	1,584,506.00	.2%
Non Operating	489,964.50	465,509.00	438,379.67	239,934.75	1,581,692.00	1,584,506.00	.2%
TOTAL 610-Curling and Event	2,414,161.20	2,196,632.68	2,217,143.97	1,459,800.94	2,898,664.00	2,864,101.00	-1.2%
TOTAL REVENUE	.00	.00	.00	.00	.00	.00	.0%
TOTAL EXPENSE	2,414,161.20	2,196,632.68	2,217,143.97	1,459,800.94	2,898,664.00	2,864,101.00	-1.2%
GRAND TOTAL	2,414,161.20	2,196,632.68	2,217,143.97	1,459,800.94	2,898,664.00	2,864,101.00	-1.2%

** END OF REPORT - Generated by Matthew Burt **

**CITY OF CHASKA
CARVER COUNTY, MINNESOTA**

RESOLUTION

DATE 12/19/2022 **RESOLUTION NO.** 2022-147

MOTION BY COUNCILMEMBER _____ **SECOND BY COUNCILMEMBER** _____

**A Resolution Adopting 2023 Fund Budgets and
Property Tax Levies for Payable 2023**

WHEREAS, the City has conducted a public hearing on December 5, 2022, to receive comments from the public on a proposed 2023 Budget and tax levies recommended therein; and,

WHEREAS, the City must certify to the County Auditor on or before December 28, 2022, property tax levies for Assessed 2022 Payable 2023.

NOW, THEREFORE, BE IT RESOLVED, that the following Assessed 2022 Payable 2023 property tax levies be adopted consistent with the 2023 Budget:

Fund	Levy Amount
General Fund	\$ 10,573,388
Equipment Acquisition Fund	4,106,500
Mt Pleasant Cemetery Fund	<u>6,000</u>
Total All City Operating Levies	14,685,888
Abatement District Levy	<u>333,951</u>
Total All City Levies	<u>\$15,019,839</u>
 Total EDA Fund Levy, HRA Levy	 \$ <u>196,308</u>

FURTHER, BE IT RESOLVED, that the following levy supported and special revenue fund budgets for 2023 be adopted:

Fund	Revenue and Other Sources	Expenditures and Other Uses	Fund Balance Increase (Decrease)
General Fund	\$ 24,635,215	\$ 24,335,215	\$ 300,000
Fund Balance - Committed	\$ -	\$ 300,000	\$ (300,000)
Total General Fund Budget	\$ 24,635,215	\$ 24,625,215	\$ -
Equipment Acquisition	\$ 4,680,500	\$ 4,680,500	\$ -
Fund Balance Planned Uses	\$ -	\$ -	\$ -
Total Equip Acquisition Budget	\$ 4,680,500	\$ 4,680,500	\$ -
Mt. Pleasant Cemetery Fund	\$ 8,700	\$ 13,500	\$ (4,800)
Fund Balance Planned Uses	\$ 4,800	\$ -	\$ 4,800
Total Mt. Pleasant Budget	\$ 13,500	\$ 13,500	\$ -
Total City Funds	\$ 26,279,046	\$ 26,279,046	\$ -
EDA Fund	\$ 527,194	\$ 527,194	\$ -

FURTHER BE IT RESOLVED, that the following enterprise fund budgets for 2023 be adopted:

Fund	Revenues and Other Sources	Expenses and Other Uses	Net Position Increase (Decrease)
Electric	\$45,277,700	\$44,428,200	\$849,500
Water	4,610,140	4,231,660	378,480
Sanitary Sewer	6,333,550	6,333,550	0
Community Center	4,761,062	4,833,534	(72,472)
Town Course	4,074,400	4,220,751	(146,351)
Turbine	2,590,403	2,413,170	177,233
Storm Water Mgmt.	2,332,755	2,332,046	709
Curling Center	2,868,552	2,864,101	4,451

FURTHER BE IT RESOLVED, that the City Clerk is directed to file these approved levies with the Carver County Auditor on or before December 28, 2022.

Passed and adopted by the City Council of the City of Chaska, Minnesota, this 19th day of December 2022.

Mark Windschitl, Mayor

Attest: _____
Chaska Deputy Clerk

REQUEST FOR ACTION CHASKA CITY COUNCIL 12/19/2022

Subject: Establish 2023 Utility Rates

Prepared By: Matt Podhradsky, City Administrator and
Noel Graczyk, Administrative Services Director
Wendy Hagen, Customer Relations Supervisor
Matt Burt, Accountant II

Overview

Both the 2023-2027 Financial Forecast and the proposed 2023 Budget include rate increases in each of the Electric, Water, Sewer, and Storm Water Utility Funds. In 2023 these proposed rate changes will increase a monthly utility bill for an average residential customer by 6.47%, or an increase of \$11.43 per month. Estimated billed amounts for each utility are as follows.

<u>Average Monthly Residential</u>	Usage	Billed					2023
Utility Fund	In	Usage	2022	2023	Increase	Percent Increase	Revenue Target
Electric:							
Customer Charge and Energy	kWh	750	\$ 99.05	\$ 102.35	\$ 3.30	3.33%	3.82%
Energy Adj. Charge (EAC), Oct-2022 High	kWh	750	\$ 23.77	\$ 23.77	\$ (0.00)	0.00%	0.00%
Total Electric			\$ 122.82	\$ 126.12	3.30	2.69%	n/a
Water	Gal. x1000	4	16.64	18.60	1.96	11.78%	8.00%
Sewer	Gal. x1000	4	26.31	31.69	5.38	20.45%	20.87%
Storm Water	R.E.F.	1	10.98	11.77	0.79	7.19%	7.34%
Total All Billed Services			\$ 176.75	\$ 188.18	\$ 11.43	6.47%	

[Excludes Sales Taxes]

Proposed utility rates for 2023 are based on a Cost of Service (COS) Study and Rate Analysis that were completed in 2020 for each of the Electric, Water, and Sewer utilities. The purpose of a COS Study is to ensure that rates billed to customers for utility services provided by the City are charging customers an equitable share of costs for access and use of the utility. Allocations of costs in a COS Study ensure that annual operational costs, capital equipment costs, and project costs for system replacement and expansions are fully funded as part of the rate setting process.

Completed COS Studies identified the need for the City to increase monthly customer charges in each utility fund to better recover fixed operating costs and capital replacement costs. Proposed annual increases in monthly customer service charges are offset by smaller increase in unit charges as billed for consumption. Each COS Study identified revenue targets based on combining customer service charges and consumption charges. These combined COS revenue target increases for 2023 are 3.82% in the Electric Fund, 8% in the Water Fund and 20.87% in the Sewer Fund.

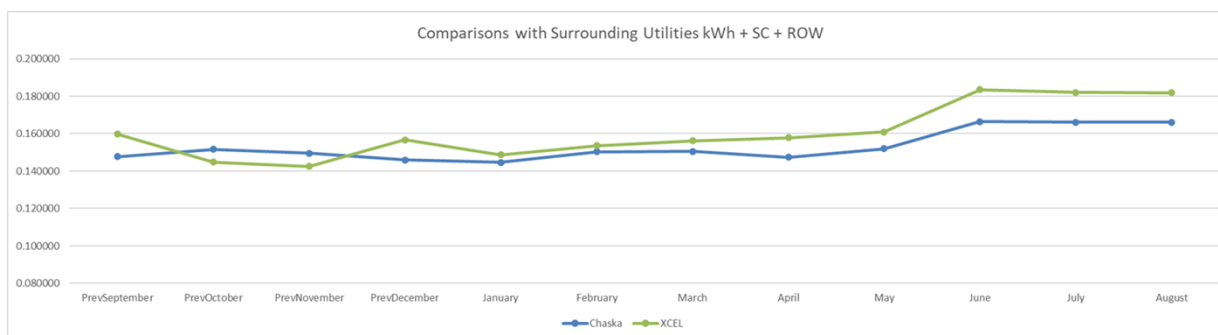
Electric Utility

The 2023 Budget for the electric utility anticipates an average residential customer will see a monthly increase of 2.69%, or an increase of \$3.30 per month. In addition to this increase, rates for 2023 address the following changes in electric rates as identified in the 2020 COS Study:

- A 2023 revenue target increase of 3.82% across all billing classifications.
- 2023 was planned to be year 3 of 5 years of increases to customer service charges across all customer classifications. For 2023 these annual increases have been suspended leaving customer charges unchanged. This suspension is to ensure customer charges when compared to local utilities remain competitive.
- For 2022 and future years the Senior Discount Rate has been revised from a 10% discount to a fixed \$6 reduction in the customer service charge.
- Year 3 of 8 years converting City facilities to regular classification rates.

The effective cost of purchase power to the City is expected to not to not increase for 2023 and it is projected that the Energy Adjustment Clause (EAC) will decrease. Proposed rate increases address increased costs in actual capital improvements for 2023 as well as principal and interest on capital equipment purchases. Rate increase targets also address needs as identified in the COS Study to ensure the City maintains minimum funding requirements for debt service coverage, annual net income, and cash balance requirements to ensure compliance with bond covenants. These rates also address funding for system improvements needed to maintain an expanding distribution system.

As you will see in the chart below, electric rates for Chaska electric customers remains very competitive compared to Xcel Energy for 2022, and with adjustments for 2023 will remain very competitive.



The chart above shows that the average total bill for a residential user is 5% below what Xcel charged in 2022, which is the defined market we compare our costs against.

In 2021, Xcel submitted a request for a permanent rate increase of 21.2% to the State Public Utilities Commission to be implanted over the next three years (2022-2024). This is being implemented in phases, with them going into year 2 of that rate implementation in 2023.

Water Utility

The 2023 Budget for the water utility anticipates an average residential customer will see a monthly increase of 11.78%, or an increase \$1.96 per month. In addition to this increase, rates for 2023 address the following changes in water rates as identifies in the 2020 COS Study:

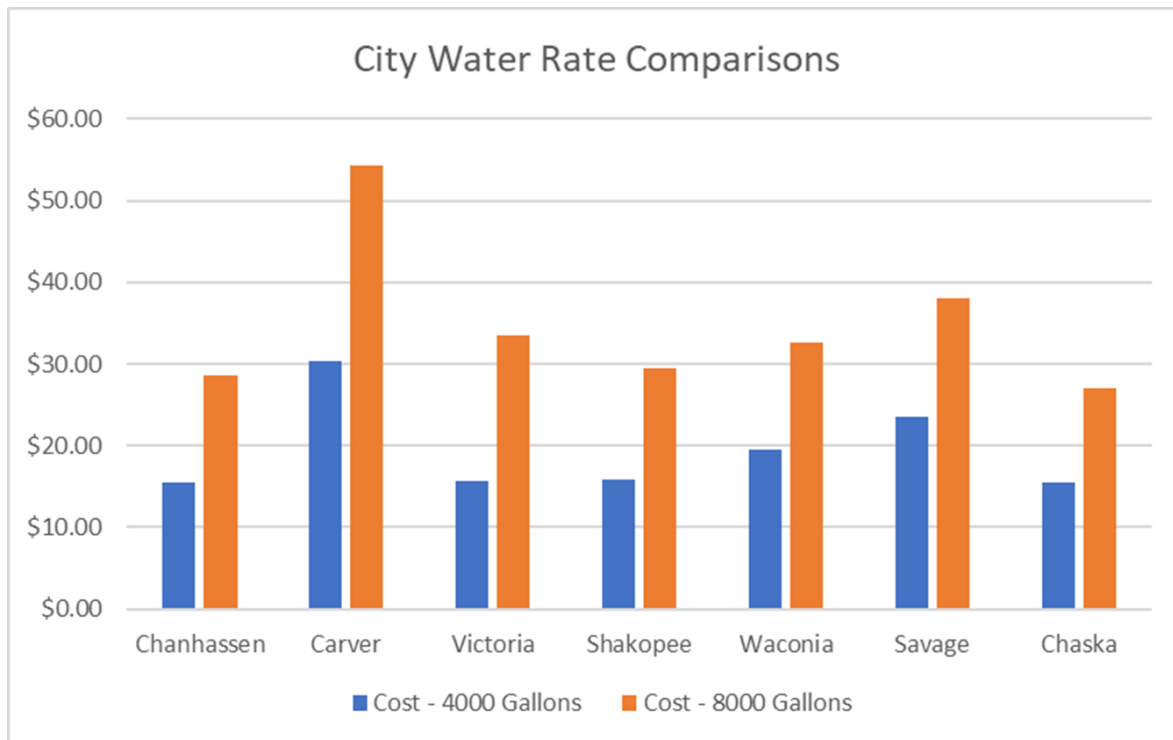
- A 2023 revenue target at 8% across all billing classifications.
- Year 3 of 5 years of increases to customer service charges across all customer classifications to fund fixed costs of the utility.
- Continuation of a revised residential step-rate tier structure first implemented in 2021.
- Year 3 of 8 years converting City facilities to regular classification rates.

In 2009 the City adopted water rates for 2010 and 2011 based on a water rate study performed to evaluate the long-term operating and capital needs of the water utility. These water rates for 2010 and 2011 also implemented a tier rate schedule as required by the State to encourage water conservation efforts. As part of the 2020 COS Study, it was determined that the City needed to adjust this tier rate schedule to reflect both reduced water consumption by residential users over the past decade and to also ensure our rates structure is comparable to neighboring communities.

As first modified as part of water rates for 2021, the tier rate schedule for 2022 will have six instead of five blocks and the previous first block from 0-7000 Gallons will be allocated across three blocks. As shown in the following chart, it is estimated that 78% of the residential customers will fall within these first three blocks compared to 72% under the old tier rate schedule.

Current Structure (gallons)	Percent of bills ending in block	2021 Structure (gallons)	Group	Percent of bills ending in block
0 to 7,000	72%	0 to 2,000	Small home	8%
7,001 to 20,000	23%	2,001 to 5,000	Average home	42%
20,001 to 30,000	3%	5,001 to 8,000	Large home	28%
30,001 to 40,000	1%	8,001 to 12,000	Some sprinkling	10%
40,000 +	1%	12,001 to 40,000	More sprinkling	11%
		40,000 +	High use	1%

As part of the development of both the 2023-2027 Financial Forecasts and the 2023 Budget an 8% revenue target increase across all classifications in the water utility is anticipated to continue to fund the water utility operations and capital needs. Even with this large percent increases in our water rates, Chaska's total water rates are very competitive. The following chart shows that, while we have increased our water rates, we have been able to do so in a manner that keeps them very competitive with other surrounding municipalities. The following chart illustrates both winter and summer water usage of an average residential customer.



This compares 2022 rates in other cities to proposed 2023 rates for Chaska

Sanitary Sewer Utility

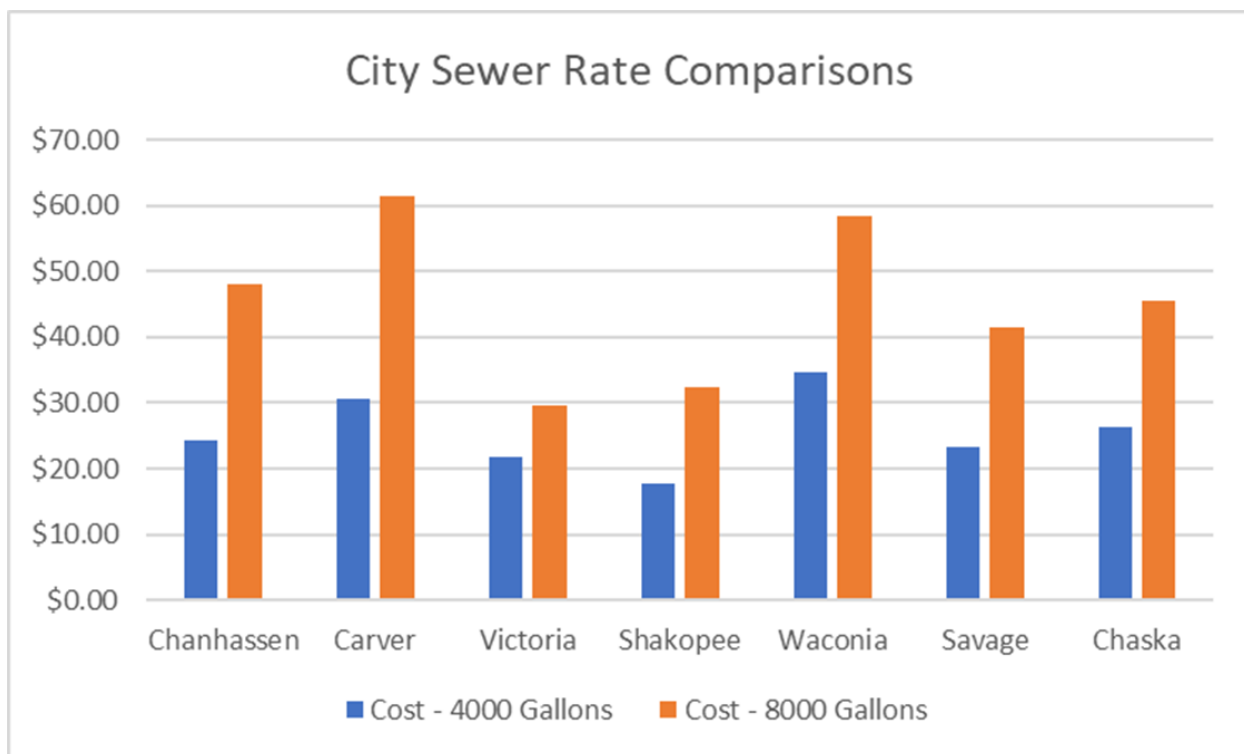
The 2023 Budget for the sewer utility anticipates an average residential customer will see a monthly increase of 20.45%, or an increase of \$5.38 per month. In addition to this increase, rates for 2023 address the following changes in sewer rates structures as identified in the 2020 COS Study:

- For 2023 an increase of 20.84% in treatment cost from Metropolitan Waste Water Services.
- A 2022 revenue target at 20.87% across all billing classifications.
- Year 6 of 6 years of increases to customer service charges across all customer classifications to fund fixed costs of the utility.
- Continue from 2021 rates to provide a reduced customer charge for Industrial customers with a meter size of less than one and one-half inches.

As part of the development of both the 2023-2027 Financial Forecasts and the 2023 Budget a 20.87% revenue target increase across all classifications in the sewer utility is anticipated to continue to fund the sewer utility operations and capital needs. There will also be a \$1.50 increase in the residential Sewer Service Charge (SSC) from \$7.15 to \$8.65 which provides funding towards fixed costs and capital costs. Together these increases in the sewer rental rate and the SSC results in an overall 20.45% increase in billed sewer charges for the average residential customer.

For 2023, it is proposed that both the sewer rental fee and the monthly pumping fee for customers connected to the 201 Sanitary Sewer Project increase consistent with residential rates. The monthly sewer rental fee will increase to \$32.35 up from \$26.95 and the pumping fee will increase to \$10.50 up from \$8.75.

The following chart shows that, while we have increased and adjusted the allocation of our sewer rates, we have been able to do so in a manner that keeps them very competitive with other surrounding municipalities.



This compares 2022 rates in other cities to proposed 2023 rates for Chaska

Proposed sewer rates for 2023 continue for the sixth year and final year of a multiple-year implementation to establish a flat rate SSC. A flat rate SSC is based on customer type and is set to recover fixed costs as incurred by the City in providing sewer service. By establishing a SSC in the Sewer Fund, fixed costs are being “unbundled” and billed separately from the sewer rental rate. Under a SSC billing method, costs incurred by the City to provide sewer services are shown on the utility bill not just as a single amount but as a billed amount for sewer rental along with a SSC for fixed costs. Adding a SSC to the Sewer Fund is consistent with the electric utility and the water utility which each bill a customer service charge.

For 2023 the residential flat rate SSC increases to \$8.25 per month. As part of the sixth and final year of implementation of the SSD the minimum sewer rental bill for the residential customer class has been reduced from \$1.10 to \$0.

The SSC for both small industrial (meter size less than 1.5 inches) and large industrial (meter size greater than 1.5 inches) customers will remain unchanged in 2022 at \$26.95 and \$50 per month. There is no minimum on industrial sewer rental charges as the SSC is the minimum charge.

Storm Water Utility

In 2008 the City established a storm water utility to account for services that support a City-wide storm-water system and to also account for capital items related to constructing and maintaining

a storm water system. The City first billed for storm water utility services as a separate utility in December 2008 based on a rate of \$3.00 per Residential Equivalency Factor (REF).

Based on actual operations over the past twelve years and based on current maintenance and inspection needs the City needs to adjust the storm water REF to properly reflect the actual costs incurred by the utility to operate, maintain, and improve the storm water system. As part of the development of both the 2023-2027 Financial Forecasts and the 2023 Budget, a rate increase of \$0.79 per REF is needed to continue to operate the Storm Water Utility Fund. This is a 7.19% increase setting the REF rate at \$11.77 per REF.

As shown in the following table of surrounding City's storm water utility rates from 2022 even after this change for 2023, Chaska will still be less than the 2022 area average:

Eden Prairie	\$18.13
Moorhead	\$10.21
Shakopee	\$8.12
Carver	\$10.32
Edina	\$10.96
Waconia	\$19.26
Red Wing	\$11.50
Minnetonka	\$7.74
Chaska	\$10.98
Average	\$12.03

Staff Recommendation

Staff recommends adoption of each proposed ordinances to establish 2023 rates for electric, water and sewer utilities. Staff also recommends adoption of the proposed resolution establishing 2023 storm-water utility rates.

Staff further recommends adoption of each proposed resolution to approve summary publications of ordinance establishing electric utility rates as well as water and sewer utility rates.

CITY COUNCIL ACTION REQUESTED

(Note, a separate motion is needed to adopt each ordinance and resolution)

Motion to adopt Ordinance No. 2022-1028 establishing 2023 Electric Utility Rates.

Motion to adopt Resolution 2022-149 Approving Summary Publication of Ordinance 2022-1028

Motion to adopt Ordinance No. 2022-1027 establishing 2023 Water and Sewer Utility Rates.

Motion to adopt Resolution 2022-150 Approving Summary Publication of Ordinance 2022-1027

Motion to adopt Resolution No. 2022-151 establishing 2023 Storm Water Utility Rates.

CITY OF CHASKA
ORDINANCE MC 2022-1028

WHEREAS, the City of Chaska intends to establish electric rates for the year 2023.

NOW THEREFORE, be it resolved, that the electric rates be established for the year 2023 by the Council of the City of Chaska, in the State of Minnesota, as follows:

SECTION 1: **AMENDMENT** “7.28.060 Residential Service” of the City of Chaska Municipal Code is hereby *amended* as follows:

A M E N D M E N T

7.28.060 Residential Service

- A. *Defined.* The residential classification shall include dwelling units used exclusively for residential purposes by or intended for single-family unit. Individual dwelling units in apartment buildings, condominiums, townhouses, cluster dwellings, etc., shall be classified as residential; and
- B. *Service provided.* A residential lighting service rate (RL) shall be available to a single-family private residence or a farm at 60 cycle, single-phase service at a nominal voltage of 120 volts or 120/240 volts, furnished through one (1) meter for domestic purpose only, including lighting, small domestic appliances, heating, refrigeration, cooling, and domestic power using single-phase motors 5 hp or less. A separate meter is required for each individual residence on multiple unit dwellings.
- C. *Rates—Residential service.*

Service Charge		\$12.10 per month
Energy Charge	October—May	\$0.109060-10504 per kWh
Energy Charge	June—September	\$0.123380-11884 per kWh
ROW Charge		5%

The minimum monthly bill shall be the service charge. (Ord. No. 205, Sec. 3, 5/15/72; Ord. No. 221, Sec. 5, 3/31/75; Ord. No. 225, Sec. 5, 8/4/75; Ord. No. 243, Sec. 2, 1/3/77; Ord. No. 293, Sec. 3, 12/17/79, Ord. No. 316, Sec. 3, 11/20/81; Ord. No. 386, Sec. 1, 12/16/85; Ord. No. 431, Sec. 1, 4/11/88; Ord. No. 487, Sec. 1, 5/20/91; Ord. No. 517, Sec. 2, 12/21/92; Ord. No. 539, Sec. 1, 12/20/93, Ord. No. 168, Sec. 1, 3/17/97; Ord. No. 650, Sec. 3, 1/11/99; Ord. No. 700, Sec. 1, 2/5/01; Ord. 715, Sec. 2, 12/17/01; Ord. No. 715, Sec. 17(b) and (c), 12/16/02; Ord. No. 815, Sec 17(c), 1/7/08; Ord. No. 826, Sec. 1, 12/15/08; Ord. No. 836, Sec. 1, 12/21/09; Ord. No. 844, Art. II, Sec. 17(c), 12/20/10; Ord. No. 862, Art. II, Sec. 17(c), 12/17/12; Ord. No.

877, Ch. 8, Art. II, Sec. 17c, 12/16/13; Ord. No. 895, Sec. 1, 12/15/14; Ord. No. 909, Sec. 1, 1/4/16; Ord. No. 926, Sec. 1, 12/19/16; Ord. No. 942, § 1, 1/8/18; Ord. No. 958, § 1, 12/17/18)

SECTION 2: **AMENDMENT** “7.28.070 Senior Citizen Residential Lighting Service” of the City of Chaska Municipal Code is hereby *amended* as follows:

AMENDMENT

7.28.070 Senior Citizen Residential Lighting Service

- A. *Defined.* Senior residential classification shall include dwelling units qualifying therefor under paragraph B.
- B. *Service provided.* A senior citizen residential lighting service rate (SCRL) shall be available to a single-family private residence as 60 cycle, single-phase service, at a nominal voltage of 120 volts or 120/140 volts furnished through one meter for domestic purposes only, including lighting, small domestic appliances, heating, refrigeration, cooling and domestic power using single phase motors of 5 hp or less.
- C. *Rates—Senior citizen residential lighting service.*

Service Charge		\$6.10 per month
Energy Charge	October—May	\$0.10906 .10504 per kWh
Energy Charge	June—September	\$0.12338 .11884 per kWh
ROW Charge		5%

The minimum monthly bill shall be the service charge. (Ord. No. 221, Sec. 6, 3/31/75; Ord. No. 225, Sec. 6, 8/4/75; Ord. No. 243, Sec. 3, 1/3/77; Ord. No. 293, Sec. 4, 12/17/79; Ord. No. 316, Sec. 4, 11/30/81; Ord. No. 386, Sec. 2, 12/16/85; Ord. No. 431, Sec. 2, 4/11/88; Ord. No. 487, Sec. 2, 5/20/91; Ord. No. 517, Sec. 3, 12/21/92; Ord. No. 539, Sec. 2, 12/20/93; Ord. No. 618, Sec. 2, 3/17/97; Ord. No. 650, Sec. 4, 1/11/99; Ord. No. 700, Sec. 2, 2/5/01; Ord. No. 715, Sec. 3, 12/17/01; Ord. No. 715, Sec. 17.1(c), 12/16/02; Ord. No. 815, Sec. 17.1(c), 1/7/08; Ord. No. 826, Sec. 2, 12/15/08; Ord. No. 836, Sec. 2, 12/21/09; Ord. No. 844, Art. II, Sec. 71.1(c),

12/20/10; Ord. No. 862, Art. II, Sec. 17.1c, 12/17/13; Ord. No. 877, Chap. 8, Art. II, Sec. 17.1c, 12/16/13; Ord. No. 895, Sec. 2, 12/15/14; Ord. No. 909, Sec. 2, 1/4/16; Ord. No. 926, Sec. 2, 12/19/16; Ord. No. 942, § 2, 1/8/18; Ord. No. 958, § 2, 12/17/18)

SECTION 3: AMENDMENT “7.28.090 Off-Peak Electric Heating/Cooling**” of the City of Chaska Municipal Code is hereby *amended* as follows:

AMENDMENT

7.28.090 Off-Peak Electric Heating/Cooling**

- A. *Defined.* The Off-Peak Electric Heating/Cooling classification shall include all Chaska electric customers with electric resistance heating and/or heat pumps (ground or air source) separately metered from all other electrical use.
- B. *Service provided.* An off-peak electrical service rate shall be available to all electrical customers for electric resistance heating or heat pumps only. On-peak hours: shall be defined as from 7:00 a.m. to 7:00 p.m. inclusive of Monday through Friday. Off-peak hours: shall be defined as all hours not defined as on-peak. Service shall be available through one (1) time-of-day electric meter. In place of a time-of-day meter the City may install one (1) standard single register meter and energy usage may be estimated to be 35% on-peak and 65% off-peak. All wiring shall be done by the customer's electrician at their expense and shall be installed as a separate electric service and not as a sub-meter.
- C. *Rates—On- and off-peak electric heating/cooling.*

Service Charge		\$9.60 per month
On-Peak Energy Charge	October—May	\$0.09553 0.09201 per KWH
On-Peak Energy Charge	June—September	\$0.11006 0.10601 per KWH
Off-Peak Energy Charge	October—May	\$0.07025 0.06766 per KWH
Off-Peak Energy Charge	June—September	0.07215 \$0.07491 per KWH
ROW Charge		5%

(Ord. No. 497, Sec. 1, 1/21/92; Ord. No. 517, Sec. 6, 12/21/92; Ord. No. 650, Sec. 7, 1/11/99; Ord. No. 700, Sec. 5, 2/5/01; Ord. No. 715, Sec. 5, 12/17/01; Ord. No. 715, Sec. 17.3(c), 12/16/02; Ord. No. 815, Sec. 71.3(c), 1/7/08; Ord. No. 826, Sec. 3, 12/15/08; Ord. No. 836, Sec. 3, 12/21/09; Ord. No. 844, Art. II, Sec. 17.3(c),

12/20/10; Ord. No. 862, Art. II, Sec. 17.3c, 12/17/12; Ord. No. 877, Chap. 8, Sec. 17.3c, 12/16/13; Ord. No. 895, Sec. 3, 12/15/14; Ord. No. 909, Sec. 3, 1/4/16; Ord. No. 926, Sec. 3, 12/19/16; Ord. No. 942, § 3, 1/8/18; Ord. No. 958, § 3, 12/17/18)

SECTION 4: **AMENDMENT** “7.28.120 Rates - Security Lighting Service” of the City of Chaska Municipal Code is hereby *amended* as follows:

AMENDMENT

7.28.120 Rates - Security Lighting Service

50 watt	\$9.85 10.25 per month
100 watt	\$13.60 14.10 per month
150 watt	\$16.20 16.80 per month
200 watt	\$20.60 21.40 per month
250 watt	\$25.90 26.90 per month
400 watt	\$28.30 29.40-per month
ROW Charge	5%

The above charges include installation on existing pole with service available. Other installation charges shall be billed based on time and materials.

(Ord. No. 205, Sec. 5, 5/15/72; Ord. No. 221, Sec. 8, 3/31/75; Ord. No. 225, Sec. 8, 8/4/75; Ord. No. 243, Sec. 5, 1/3/77; Ord. No. 293, Sec. 6, 12/17/79; Ord. No. 316, Sec. 6, 11/30/81; Ord. No. 431, Sec. 4, 4/11/88; Ord. No. 487, Sec. 4, 5/20/91; Ord. No. 517, Sec. 8, 12/21/92; Ord. No. 650, Sec. 8, 1/11/99; Ord. No. 700, Sec. 6, 2/5/01; Ord. 715, Sec. 6, 12/17/01; Ord. No. 715, Sec. 4, 12/16/02; Ord. No. 815, Sec. 19, 1/7/08; Ord. No. 826, Sec. 4, 12/15/08; Ord. 836, Sec. 4, 12/29/09; Ord. No. 862, Art. II, Sec. 19, 12/17/12; Ord. No. 895, Sec. 4, 12/15/14; Ord. No. 909, Sec. 4, 1/4/16; Ord. No. 926, Sec. 4, 12/19/16; Ord. No. 942, § 4, 1/8/18; Ord. No. 958, § 4, 12/17/18)

SECTION 5: **AMENDMENT** “7.28.130 General Service” of the City of Chaska Municipal Code is hereby *amended* as follows:

AMENDMENT

7.28.130 General Service

- A. *Defined.* All electrical service except as stated in paragraphs F through L and as stated in paragraph N, shall be classified as general service rate (GS).
- B. *Service provided.* The general service rate (GS) shall be available to any customer with less than 20 KW peak demand requirements, for general service at one location as 60 cycle, single-phase or three-phase service at the secondary voltage available at the customer's location. Individual metering is required on all multiple users within the same building or on the same electrical service. General Service—Below 20 KW demand, of the Code of Ordinances, City of Chaska, Minnesota is hereby amended to read as follows:
- C. *Rates—General service—Below 20 KW demand.* The rates for general service shall be as follows:

Service Charge		\$23.75 per month
Energy Charge	October—May	\$0.10777 0.11189 per kWh
Energy Charge	June—September	\$0.12125 0.12589 per kWh
ROW Charge		5%

The minimum monthly bill shall be the service charge.

- D. *Determination of installed capacity.* The installed three-phase capacity shall be determined on the basis of nameplate rating or manufacturer's data; or, in the case of an incorrect or missing nameplate, the utility may fix the rating by test. (Ord. No. 650, Sec. 9, 1/11/99; Ord. No. 700, Sec. 7, 2/5/01; Ord. No. 715, Sec. 8, 12/17/01; Ord. No. 715, Sec. 20.1(c), 12/16/02; Ord. No. 815, Sec. 5, 20(c), 1/7/08; Ord. No. 826, Sec. 5, 12/15/08; Ord. 836, Sec. 5, 12/21/09; Ord. No. 844, Sec. 20(c), 12/20/10; Ord. No. 862, Art. II, Sec. 20c, 12/17/12; Ord. No. 877, Art. II, Sec. 20c, 12/16/13; Ord. No. 895, Sec. 5, 12/15/14; Ord. No. 909, Sec. 5, 1/4/16; Ord. No. 926, Sec. 5, 12/19/16; Ord. No. 942, § 5, 1/8/18; Ord. No. 958, § 5, 12/17/18)

SECTION 6: AMENDMENT “7.28.140 Large General Service Rate” of the City of Chaska Municipal Code is hereby *amended* as follows:

AMENDMENT

7.28.140 Large General Service Rate

- A. *Defined.* The large general service rate shall apply to all users with any monthly peak demand of twenty (20) KW or greater and new users with installed loads of twenty (20) KW or greater. After any user not classified hereunder shall record a peak demand of twenty (20) KW or greater in any one monthly period, such user, shall commencing with the next billing period, be classified as a large general user. Any user with any monthly peak demand of twenty (20) KW or greater which shall record a peak demand of twenty (20) KW or greater in any one monthly period shall continue

to be classified as large general service for at least a twelve-month (12) period irrespective of such user's peak demand, no such user shall be reclassified unless said user has not recorded a peak demand of twenty (20) KW or greater during any monthly billing period during the preceding consecutive twelve-month period.

- B. *Services provided.* A large general service rate shall be available to any customer for general service at one location as 60 cycle, single-phase or three-phase service where available, through one transformer only at the customer's location. Individual metering is required on all multiple users within the same building or on the same electrical service. Reduced current starting is required on all motors of 5 HP or more.
- C. *Rates—Large general service—20 KW demand and above.* The monthly bill under the large general service classification shall be the sum of the demand and energy charges calculated according to the following schedule:

Service Charge		\$92.55 per month
Energy Charge	October—May	\$0.06443 <u>0.06690</u> per kWh
Energy Charge	June—September	\$0.07295 <u>0.07026</u> per kWh
Demand Charge	October—May	\$11.40 <u>11.84</u> per kW
Demand Charge	June—September	\$14.54 <u>14.00</u> per kW
ROW Charge		5%

The minimum monthly billing shall be the service charge.

- D. *Determination of billing demand.* A billing demand shall be the customer's greatest fifteen (15) minute demand, in kilowatts, incurred during the month for which the bill is rendered.
- E. *Power factor clause.* The customer agrees to maintain an average power factor as close to one hundred percent (100%) as possible. If the average power factor for the billing period is less than ninety percent (90%) lagging, the billing demand shall be adjusted by multiplying the actual fifteen (15) minute demand measured during the month by the ratio of ninety percent (90%) divided by the customer's average monthly power factor expressed in percent. This calculation only applies to three phase customers with a demand greater than 50 kW.
- F. *Primary voltage service.* If the customer is served at the primary voltage available at the customer's location and pays all costs incurred in the installation, ownership, operation and maintenance of transformers, substations, and metering equipment with service to be metered at the primary voltage, a discount of three percent (3%) will be allowed on the amount of the monthly kWh charges and six percent (6%) on the amount of the monthly KW demand charges. As of January 1, 2001 Primary Voltage Service shall be available to customers exceeding 2,000 KVA only.
- G. *Primary metering.* At the option of the Electric Department, secondary service hereunder may be metered at the primary voltage, in which case a two percent (2%) discount will be allowed on the amount of the monthly bill. (Ord. No. 650, Sec. 10,

1/9/99; Ord. No. 700, Sec. 10, 2/5/01; Ord. No. 715, Sec. 20.1(c), 12/16/02; Ord. No. 815, Sec. 20.1(c), 1/7/08; Ord. 826, Sec. 6, 12/15/08; Ord. No. 836, Sec. 6, 12/29/09; Ord. No. 844, Sec. 20.1(c), 12/20/10; Ord. No. 861, Art. II, Sec. 20.1(f), 12/17/12; Ord. No. 862, Art. II, Sec. 20.1c, 12/17/12; Ord. No. 877, Chap. 8, Sec. 20.1c, e, 12/16/13; Ord. No. 895, Sec. 6, 12/15/14; Ord. No. 909, Sec. 6, 1/4/16; Ord. No. 926, Sec. 6, 12/19/16; Ord. No. 942, § 6, 1/8/18; Ord. No. 958, § 6, 12/17/18)

SECTION 7: **AMENDMENT** “7.28.170 Temporary Service” of the City of Chaska Municipal Code is hereby *amended* as follows:

AMENDMENT

7.28.170 Temporary Service

May be provided, upon request, to all customers or users based upon the following:

- A. The user or electrical contractor shall provide service in accordance with the National Electric Code.
- B. Subsequent to the receipt by the City of a valid electrical certificate for connection, the City shall make the service connection to the City of Chaska Electrical Distribution System at which time there shall be a service connection charge of ~~\$150~~^{~~150~~~~+25~~} per each residential service meter, ~~\$150~~^{~~150~~~~+25~~} per each senior residential service meter, \$300 per each general service meter, \$400 per each large general service meter and \$300 per each off-peak electric space heating service meter.
- C. Any construction done by the City, relating to temporary service, and which will not become a part of the permanent service shall be paid to the City based upon time and material costs for both installation and removal.
- D. The charges for energy and/or demands provisions in CMCO 7.24. (Ord. No. 221, Sec. 11, 3/31/75; Ord. No. 225, Sec. 11, 8/4/75; Sec. 8 of Ord. of 1/3/77; Ord. No. 650, Sec. 14, 1/11/99; Ord. No. 700, Sec. 16-19, 2/5/01; Ord. No. 772, Art. II, Sec. 20.3(b), 1/3/05; Ord. No. 826, Sec. 8, 12/15/08)

SECTION 8: **AMENDMENT** “7.28.300 Residential Electric Vehicle Service” of the City of Chaska Municipal Code is hereby *amended* as follows:

AMENDMENT

7.28.300 Residential Electric Vehicle Service

- A. *Defined.* For the purposes of this section, the terms defined in this paragraph have the meanings given them.

1. On-peak hours. “On-peak hours” means from 7:00 a.m. to 7:00 p.m., Monday through Friday.
2. Off-peak hours. “Off-peak hours” means all hours not defined as “on-peak hours”, and additionally from 12:00 a.m. to 12:00 p.m. on the following holidays: New Year’s Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Friday after Thanksgiving Day and Christmas Day.
3. Customer. “Customer” means any person engaged in the purchase of electric energy from the City under this section.

B. *Rates- On-peak and off-peak residential electric vehicle service.*

Service Charge		\$9.60 per month
On-Peak Energy Charge	October–May	\$0.16444 0.15838 per KWH
On-Peak Energy Charge	June–September	\$0.19757 0.19030 per KWH
Off-Peak Energy Charge	October–May	\$0.06866 0.06613 per per KWH
Off-Peak Energy Charge	June–September	\$0.07321 0.07052 per KWH
ROW Charge		5%

- C. *Customer’s responsibilities.* Electricity provided under this section shall only be used for the purpose of charging electric vehicles. A meter socket, separate service wiring, and any other equipment required by the City shall be installed by the Customer’s licensed electrician at the Customer’s expense and shall be installed as a separate electric service and not as a sub-meter. The Customer assumes any risk during installation and thereafter for operation of any equipment used to receive electricity. Neither Customers, equipment providers, nor any other persons may charge others a fee to utilize the electricity obtained pursuant to this section, and no right is or may be conveyed to any other person to use Customer’s electricity. The Customer must comply with any other reasonable requirement from the City for the purposes of acting pursuant to this section.
- D. *Requests to inspect.* The City may request to see vehicle registration information from Customers to verify that electricity being used is for an electric vehicle, access Customer’s property to audit the meter, inspect any interconnected facilities to verify proper installation and otherwise verify compliance. Nothing herein prohibits the City from applying for an administrative warrant to enforce this or any other section.
- E. *Rate Cancellation.* The city may revoke Customer’s rate immediately upon finding Customer has violated any part of this section, and specifically when Customer denies or fails to respond to requests under paragraph D. Upon revocation the Customer’s rate shall revert to the rate the Customer would otherwise have had on their electric service not specifically for electric vehicles pursuant to this chapter. Nothing herein imposes additional restrictions on the cancellation of service pursuant to any other law.

PASSED AND ADOPTED BY THE CITY OF CHASKA COUNCIL

_____.

	AYE	NAY	ABSENT	ABSTAIN
Councilmember Grau	_____	_____	_____	_____
Councilmember Hatfield	_____	_____	_____	_____
Councilmember Huang	_____	_____	_____	_____
Councilmember Hubbard	_____	_____	_____	_____
Mayor Windschitl	_____	_____	_____	_____
Presiding Officer		Attest		

Mark Windschitl, Mayor, City of
Chaska

Denise Beebe, Senior Clerk, City of
Chaska

**CITY OF CHASKA
CARVER COUNTY, MINNESOTA**

RESOLUTION

DATE 12-19-2022 **RESOLUTION NO.** 2022-149

MOTION BY COUNCILMEMBER _____ **SECOND BY COUNCILMEMBER** _____

A RESOLUTION TO APPROVE SUMMARY PUBLICATION OF ORDINANCE 2022-1028

WHEREAS, the City Council for the City of Chaska recently adopted Ordinance 2022-1028 titled Establish 2023 Electric Rates, which is a lengthy ordinance and not suitable to publication in full; and

WHEREAS, the City desires to publish a summary of the ordinance in accordance with Minnesota law; and

WHEREAS, the City has determined that publication of the title and summary of the ordinance will clearly inform the public of the intent and effect of the ordinance; and

WHEREAS, a copy of the full text is available for viewing in the Chaska Library and the City Clerk's office;

NOW THEREFORE, the City Council for the City of Chaska that the following summary of ordinance 2022-1028 is approved for publication:

Ordinance 2022-1028 - An ordinance to amend electric regulations and rates in Chapter 7 of the Chaska Municipal Code of Ordinances (the "CMCO").

Electric rates and charges in CMCO Article 7.28 is amended to include technical updates, and to clarify definitions used throughout Art. 7.28. It also provides an annual update for 2023 electric rates and minimum charges as well and Clean Energy rates. Rates and charges are updated effective January 2023.

Passed and adopted by the City Council of the City of Chaska, Minnesota, this 19th day of December 2022.

Mark Windschitl, Mayor

Attest: _____

Chaska Deputy Clerk

**CITY OF CHASKA
ORDINANCE MC 2022-1027**

WHEREAS, the City of Chaska intends to establish water and sewer rates for the year 2023.

NOW THEREFORE, be it resolved, that the water and sewer rates be established for the year 2023 by the Council of the City of Chaska, in the State of Minnesota, as follows:

SECTION 1: **AMENDMENT** “7.08.070 Rates And Charges” of the City of Chaska Municipal Code is hereby *amended* as follows:

A M E N D M E N T

7.08.070 Rates And Charges

- A. *Sewer Rental Charges Authorized.* For the purpose of providing funds to meet the cost of maintenance and operation of the sanitary sewers, the costs of construction, maintenance and operation of a sewage disposal plant, payment of capital charges represented by bonds, certificates of indebtedness, or otherwise, and the payment of reasonable requirements for replacement and obsolescence thereof, there is hereby levied and assessed upon each lot, parcel of land, building or premises presently or hereafter having any connection, directly or indirectly, with the public sanitary sewer system of the City, a sewer rental charge determined as provided in this article.

(Ord. No. 168, Sec. 9, 10/5/64)

- B. *Authority To Classify Users Of System.* The City Council shall have the power to classify the sewage discharged into the sanitary sewerage system based upon its quantity, concentration, pollution, qualities in general and the costs of its disposal, to fix reasonable and equitable sewer rental charges therefor according to such classification, and shall have the power, by resolution, to modify from time to time any classification or sewer rental charge provided in this article as may be, in the exercise of its discretion, reasonably required.

(Ord. No. 168, Sec. 9, 10/5/64)

- C. *Classifications.* For the purpose of this article the following classifications of property according to the use of the sewerage system are hereby established:

Class 1. Residential: This classification shall include property used exclusively for residential purposes by a single-family unit, but does not include multiple residential buildings served by one (1) meter. Residential quarters constituting a single-family unit in buildings where a portion thereof is used for other than residential purposes shall be included in this classification, if the water used in such residential quarters shall be

separately metered. A "single-family unit" is hereby defined to include the following:

1. A single person occupying residential quarters having either a private bath or toilet or kitchen facilities.
2. Two (2) or more persons occupying residential quarters as a common residential unit and having either a private bath or toilet or kitchen facilities; and
3. Two (2) or more persons occupying separate residential quarters, but having in common with other such persons living separately the use of either the same private bath or the same toilet or the same kitchen facilities.

Class 2. Commercial: This classification shall include any property used by a single unit for any purposes not properly included in Classes 1 and 3, and which also include any multiple residential building served by one meter. A "single-unit" shall include:

1. Each establishment or office having a separate toilet or other water-using facilities; and
2. Two (2) or more establishments or offices occupied separately, but having in common with such other establishments or offices the use of the same toilet or other water-using facilities.

Notwithstanding anything to the contrary in this paragraph, a "single-family unit" or single-unit" as used in this classification shall be defined as any such unit having not more than ten (10) "fixtures" as defined in the State of Minnesota Plumbing Code. Each unit having more than ten (10) such fixtures shall, for the purposes of sewer rents, rates and charges be considered a separate "single" unit for each ten (10) fixtures or fraction thereof located within said unit.

Class 3. Industrial: This classification shall include any property used by any establishment where any sewage or waste discharged into the public sewers therefrom has:

1. A five-day twenty (20) degrees centigrade BOD greater than four hundred (400) milligrams per liter; or
2. A suspended solids content greater than four hundred (400) milligrams per liter; or
3. A chlorine demand greater than twenty (20) milligrams per liter in any fifteen-minute time period; or
4. An average daily flow greater than two percent (2%) of the average daily sewage flow at the sewage treatment works; or
5. Any toxic substance; or
6. Any wastes which are considered by the Engineer to offer possibilities of harm to structures, processes or the operation of the plant.

(Ord. No. 168, Sec. 9, 10/5/64; Ord. No. 217, Secs. 1, 2, 1/21/74)

D. City Clerk To Compute Amount Due And Render Statements.

1. Effective for the month commencing January 1 1980, and each month thereafter, the City Clerk shall compute the amount due the City for sewer rents and charges in accordance with this article and shall render to the sewer system user's statements therefor monthly at the same time as the City water

statements for the same month are rendered by him. Both charges shall be separately itemized and included in one (1) bill where both are properly chargeable by the City. Such statements shall be made for each water meter (or its equivalent if water is not supplied by the City), and shall include the sewer rental charges for all units whether classified as residential, commercial, industrial or any combination of such classifications, on each single meter. Such sewer rentals shall be due and shall become delinquent, respectively, at the same time as the City water charges for the same period.

2. In addition to the sewer rental rates and charges in a. above, a surcharge as provided in CMCO 7.08.090 paragraph C, shall be charged.

(Ord. No. 168, Sec. 9, 10/5/64; Ord. No. 295, Sec. 1, 12/17/79; Ord. No. 801, Art. VI, Sec. 204 subd. (a), (b), 4/2/07)

- E. *Statements To Be A Charge Against Owner, Lessee And Occupant.* Prior to the furnishing of any sanitary sewer service to any user or property, a deposit or other security, as provided in CMCO 7.24.020 paragraph D, shall be provided.

(Ord. No. 168, Sec. 9, 10/5/64, Ord. No. 388, Sec. 3, 12/16/85)

- F. *Recovery Of Unpaid Bills.* Any unpaid and delinquent sewer rental charges may be recovered from the occupant of the premises billed therefor in a civil action by the City in any court of competent jurisdiction or, in the discretion of the City Council, may be certified to the County Auditor as taxes against any such property to be collected and paid over to the City along with other taxes. Either or both of such methods of collection thereof may be pursued by the City until payment in full has been made, and the initiation of one (1) such method of collection shall not be deemed to be an election stopping the City from thereafter using the other method of collection until paid in full. Payment of delinquent sewer rentals collected shall be credited to the same fund hereinafter provided for current sewer rentals, deducting therefrom any costs of collection accruing to the City therefor.

(Ord. No. 168, Sec. 9, 10/5/64; Ord. No. 388, Sec. 4, 2/16/85)

- G. *Charges Collected To Be Placed In Separate Fund.* The sewer rentals provided for in this section shall be placed and deposited in a separate general sewer fund to be known as the sewage disposal fund of the City, and shall be disbursed only for the purpose specified in CMCO 7.08.110 paragraph D,1.

(Ord. No. 168, Sec. 9, 10/5/64)

- H. *Rental Charges.*

1. *Imposed.* The sewer rates, charges and rentals to be charged against property shall be based upon the quantity of water used thereon and the quality of sewage generated therefrom and shall be determined as follows:
 - a. The charges each calendar month shall be based on the amount of water used on said property measured as provided in CMCO 7.08.110 paragraph F,2 and are hereby established as follows: Five dollars and seventy six cents ~~Four dollars and seventy nine cents~~ (\$5.76 ~~4.79~~) per

thousand (1,000) gallons per calendar month.

- b. The charges each calendar month for residential properties located on Co Rd 10 within the City of Chaska and those units in that portion of Planning Area 9-B/9-C located in Chaska Township involved in the 201 Sanitary Sewer Project, and elect to choose a flat sewer user fee for on-site wastewater treatment systems are hereby established as follows:

Sewer Rental Fee, Per Month \$~~32.35~~~~26.95~~

Pumping Fee, Per Month \$~~10.50~~~~8.75~~

(Ord. No. 772, Chap. 19, Art. VI, Div. 2, Sec. 221, 1/3/05; Ord. No. 817, Sec. 221, 1/7/08; Ord. No. 845, Art. VI, Div. 2, Sec. 221(b), 12/20/10; Ord. No. 864, Art. VI, Div. 2, Sec. 221, 12/17/12; Ord. No. 879, Chap. 19, Art. VI, Div. 2, Sec. 221 a and b, 12/16/13; Ord. No. 897, Sec. 1, 12/15/14; Ord. No. 911, Sec. 1, 1/4/16; Ord. No. 928, Sec. 1, 12/19/16; Ord. No. 930, Sec. 1, 1/9/17; Ord. No. 944, § 1, 1/8/18; Ord. No. 960, § 1, 12/17/18)

2. *Minimum Charges.* Notwithstanding anything to the contrary otherwise appearing in this section the minimum sewer rental charge, according to classification of property use as provided by the section shall be as follows:

		Minimum Charges	
		Sewer Rental Charge	Service Charge
Class 1	Residential, per month	\$ 01.10	\$ 8.25 7.15
Class 2	Commercial, per month	\$ 03.55	\$ 15.65 12.10
Class 3	Industrial, per month for meter sizes less than 1.5"	\$0	\$26.95
Class 3	Industrial, per month for meter sizes equal to or greater than 1.5"	\$0	\$50.00
Class 4	Sewer Rental Fee, per month	\$ 32.35 26.95	n/a
Class 5	Sewer Pumping Fee, per month	\$ 10.50 8.75	n/a

The above stated minimum service charge as applied to single-family dwelling townhouses, condominiums, apartments and duplex homes shall be ~~zero six dollars and ten cents~~ (\$~~0.00~~~~6.10~~) for each living unit contained therein.

(Ord. No. 845, Art. VI, Div. 2, Sec. 222, 12/20/10; Ord. No. 864, Art. VI, Div. 2 Sec. 222, 12/17/12; Ord. No. 879, Chap. 19, Art. VI, Div. 2, Section 222, 12/16/13.; Ord. No. 897, Sec. 2, 12/15/14; Ord. No. 911, Sec. 2, 1/4/16; Ord. No. 928, Sec. 2, 12/19/16; Ord. No. 930, Sec. 2, 1/9/17; Ord. No. 944, § 2, 1/8/18; Ord. No. 960, § 2, 12/17/18)

3. *Determining Amount Of Water Used.* The measure of volume of sewage waste for purposes of determining the rates and charges provided for in paragraph H,2 shall be based on the amount of water used on said premises and determined as follows:
- a. In the event water used on any such property is supplied fully by the City water system, the number of gallons of water supplied to such premises by the City water system as measured by the City water meter therein in use shall be the gallonage figure used in determining the sewer use and charges as hereinbefore provided, except that where such property is classified as residential, the charge each month shall be based upon the number of gallons of water supplied thereto by the City water system, except that the monthly charge for the months of May through and including November of any year shall be based upon the less of:
 - (1) The number of gallons of water supplied thereto by the City water system; or
 - (2) The average number of gallons of water supplied thereto for the monthly charge of the previous December, through and including April adjusted to 105% of average.
 - b. In the event water used on any such property is supplied in whole or in part with water not obtained from the City water system, the number of gallons used on said premises, as if wholly supplied by the City water system as measured by a water meter(s) metering the source of all water used on such property, shall be the gallonage figure used in determining the sewer use and charges as hereinbefore provided, except that where such property is classified as residential the charge each month shall be based upon the number of gallons of water used on said premises, except that the monthly charge for the months of May through and including November of any year shall be based upon the less of:
 - (1) The number of gallons of water supplied thereto by the City water system; or
 - (2) The average number of gallons of water supplied thereto for the monthly charge of the previous December, through and including April adjusted to 105% of average.
- It shall be the duty of any such owner, lessee or occupant thereof, and all of them to have installed by them, at no expense to the City, the necessary metering equipment as approved by the Utility Superintendent to measure the total amount of water used on said premises.

Until such time such owner, lessee or occupant installs the necessary metering equipment to measure the total amount of water used thereon, or where it is not practical to measure the same by metering equipment, the Utility Superintendent shall cause to be determined in such manner and by such methods as he shall reasonably determine, considering conditions and attendant circumstances in each case, the estimated total amount of water used thereon, and such estimate shall be used in lieu of the meter volume of water to determine the sewer rental charges thereon; except that where such property is classified as residential the charge each month shall be based upon the estimated number of gallons of water used on said premises, except that the monthly charge for the months of May through and including November of any year shall be based upon the less of:

- a. The estimated number of gallons of water supplied thereto by the City water system; or
- b. The estimated average number of gallons of water supplied thereto for the monthly charge of the previous December, through and including April adjusted to 105% of average.

Any person using the sewerage works of the City may install, at no expense to the City, a meter of a style and type approved by the Utility Superintendent to meter actual sewage volume discharged from such property, and in that event, that gallonage figure shall be used in determining the sewer use for such property. Such metering equipment shall be maintained to provide accurate measurement of the sewer use and shall be tested and calibrated at the Utility Superintendent's request or at least annually with test results and maintenance records submitted to the Utility Superintendent for his review and approval. This shall be done by a competent metering contractor approved by the Utility Superintendent and at no expense to the City. If the above maintenance and testing is not done as required, the City shall hire an approved contractor to perform this work and the cost thereof shall be added to the customer's sewer charges.

(Ord. No. 168, Sec. 9, 10/5/64; Ord. No. 279, Sec. 1, 3/5/79; Ord. No. 287, Sec. 1, 9/17/79; Ord. No. 295, Sec. 4, 12/17/79; Ord. No. 495, Sec. 3, 12/16/91; Ord. No. 519, Sec. 4, 12/21/92)

4.

5. *Payment For Sewer Services.* Payment for sewer services billed shall be made to the office of the City Clerk and shall be due on or before the fifteenth (15th) day of the month in which the bill is received by the customer. A five percent (5%) penalty shall be added to bills not paid by the close of the business day on the fifteenth (15th) day of the month.

(Ord. No. 243, Sec. 16, 1/3/77; Ord. No. 295, Sec. 5, 12/17/79)

6. *Industrial User's Strength Charges.*

- a. *Establishment of strength charges.* For the purpose of paying the costs allocated to the City of Chaska each year by the Metropolitan Waste Control Commission that are based upon the strength of discharge of all industrial user's receiving waste treatment services within or served by the City, there is hereby established, in addition to the sewer charge based upon volume of discharge as hereinbefore provided, a sewer charge upon each company or corporation receiving waste treatment services within or served by the City, based upon strength of industrial waste discharged into the sewer system by the City called the "strength charge."
- b. *Establishment of strength charge formula.* For the purpose of computation of the strength charge established by paragraph H,6,a, there is hereby established a strength charge formula as designated in Resolution No. 76-172 adopted by the governing body of the Metropolitan Waste Control Commission on June 15, 1976, which is hereby made a part of this paragraph H,6 as if fully set forth herein, such formula being based upon pollution quality and difficulty of disposal of the sewage produced through an evaluation of pollution qualities and quantities in excess of an annual average base and the proportionate cost of operation and maintenance of waste treatment services provided by the Metropolitan Waste Control Commission.
- c. *Strength charge payment.* It is hereby determined that the strength charge established by paragraph H,6,a shall be paid by each industrial user receiving waste treatment services and subject thereto before the twentieth (20th) day next succeeding the date of billing thereof to such user by or on behalf of the City and such payment thereof shall be deemed to be delinquent if not so paid to the billing entity before such date. Furthermore, it is hereby established that if such payment is not paid before such date an industrial user shall pay interest compounded monthly at the rate of two-thirds of one percent ($\frac{2}{3}$ of 1%) on the unpaid balance due.
- d. *Establishment of tax lien.* As provided by Minn. Stat. § 444.075 Subd. 3, it is hereby determined that if payment of the strength charge as established by paragraph H,6,a is not paid before the sixtieth (60th) day next succeeding the date of billing thereof to the industrial user by or on behalf of the City, said delinquent sewer strength charge, plus accrued interest established pursuant to paragraph H,6,c, shall be deemed to be a charge against the owner, lessee or occupant of the property served and the City or its agents shall certify such unpaid delinquent balance to the County Auditor as taxes against the property served for collection as other taxes are collected; provided, however, that such certification shall not preclude the City or its agents from recovery of such delinquent sewer strength charge and interest thereon under any other available remedy.

(Ord. No. 143, Sec. 17, 1/3/77)

I. *Connection Charges.*

1. *Purpose And Intent.*

- a. For the purpose of paying for the establishment, obtainment, construction, reconstruction, repair, replacement, depreciation, enlargement, and improvement of the total municipal sewer system including but not limited to the cost of collection and conveyance; it is hereby determined by the City Council of the City that charges, in accordance with the schedules provided, shall be paid to the City as set forth by resolution for every lot, piece, or parcel of land connecting to the municipal sanitary sewer system, or additional use causing excessive discharge of sewage or additional living units constructed upon land already connected to the system. Said charges are reviewed and, if necessary, revised each November, effective January first of the following year.
- b. It is hereby determined to be the policy of the City that the benefit to any lot, piece, or parcel of land developed within the drainage district hereinafter defined and within the classifications set forth in this paragraph, for sanitary sewer interceptor, trunk or subtrunk service or availability is similar and that payment for said service or availability should be collected on as fair, reasonable and equitable basis as possible. It is further determined that the charges as set forth by resolution and determined fairly and reasonably represent a benefit to said land in addition in any amount previously assessed for sanitary sewer interceptor, trunk or subtrunk service or availability or any amount paid for any permit fee and charges paid for inspection of said connection pursuant to any other ordinance of the City or any other governmental entity or agency.

(Ord. No. 208, Sec. 1, 1/23/73)

2. *Definitions.* As used in this paragraph the following terms shall have the meanings given:

Acreage availability charges is the amount of dollars per acre as determined and set forth by resolution. The acreage used in computation of the acreage availability charge shall be the net developable land area exclusive of lakes, major parks, major recreational areas, major greenways and major thoroughfares and external collector streets as shown on the appropriate comprehensive guide plans of the City, or amendments thereof.

Basic Equivalent Unit (BEU) for the purpose of this paragraph the classification of property, and the computation of the number of BEUs applicable for each connection to the municipal sewerage system, shall be in accordance with the classification and computation of the Metropolitan Council Environmental Services procedures for classification and computation

of its service availability charge as more particularly set forth in that document identified as Service Availability Charge Procedures Manual, January 1998.

Basic equivalent unit charge is the amount of dollars per Basic Equivalent Unit as set forth by resolution.

Connection to sewer system: For purpose of this division every lot, piece or parcel of land is considered to be connected to the sanitary sewer system at the time a sewer connection permit is issued. Where a sanitary sewer is available the sewer connection permit shall be applied for at the time of application for a building permit.

Drainage district shall mean the area of land within the City within the East Creek Drainage area is more particularly shown on the sewer map, identified as Figure 4, as amended, of the Comprehensive Sewer Report dated 1972 as transmitted February 14, 1972, which map is marked "Exhibit A", attached hereto and made a part hereof.

Sanitary sewer charge shall mean the total amount of charges against a lot, piece or parcel of land to be paid to the City for sanitary sewer interceptor, trunk or subtrunk service or availability, exclusive of sanitary sewer laterals, service connections and use charges, and that said total sanitary sewer charge shall be a combination of the acreage availability charge (AAC) and basic equivalent unit (BEU) charge.

(Ord. No. 208, Sec. 2, 1/23/72; Ord. No. 326, Sec. 1 5/3/82)

3. *Establishment Of Charges.* In order to accomplish the purpose and intent of this paragraph there is hereby established a sanitary sewer charge against every lot, piece or parcel of land within the drainage district, which charge shall be collected as follows:

At the appropriate time the City Clerk, or his duly authorized representative, shall compute the total acreage availability charge and the basic equivalent charge against the land to be subdivided, to be developed or for which a building permit is requested, or which is to be connected to the municipal sanitary sewer system. The sum total of the above two (2) charges shall constitute the sanitary sewer charge for said land. From the sanitary sewer charge shall be deducted the principal amount of any sanitary interceptor, trunk or subtrunk assessments previously levied against said land pursuant to Minn. Stat. Ch. 429 together with interest paid on the total amount of any such assessment principal in excess of the Sanitary Sewer Area fee, per acre, as shown on the Development Fee Schedule, as determined from the respective assessment rolls and adjusted to net developable acres, to December 31 of the year in which connection is made to the municipal sanitary sewer system. The

remaining balance shall constitute the amount of the sanitary sewer charge to be paid prior to the issuance of a sewer permit.

(Ord. No. 208, Sec. 3, 1/23/73; Ord. No. 277, Sec. 1, 3/19/79; Ord. No. 417, Sec. 1, 8/3/87, Policy 08-01-94)

4. *Continued Payment Of Assessment Levied.* A property owner may continue to make assessment payments as provided in the original assessment roll. In that event an amount equal to the total principal assessed together with interest on any such assessment principal in excess of **the Sanitary Sewer Area fee, per acre, shown on the Development Fee Schedule**, to December 31 of the year in which the property is connected to the municipal sanitary sewer system shall be deducted from the sanitary sewer charge and the difference shall be paid in cash prior to the issuance of a sewer permit pursuant to this article, unless paid as so permitted in CMCO 7.08.110 paragraph H,7.

(Ord. No. 208, Sec. 3, 1/23/73; Ord. No. 277, Sec. 2, 3/19/79, Policy 08-01-94)

5. *Credits Against Future Assessment Payments.* A property owner may in the event that more than **the Sanitary Sewer Area fee, per acre, as as shown on the Development Fee Schedule**, as adjusted to net developable acres, is assessed against the land which is to be connected to the municipal sanitary sewer system, have the total amount assessed in excess of that per acre Sanitary Sewer Area fee together with the interest paid on such excess amount credited against future payments of assessments already levied against other property of the owner.

(Ord. No. 208, Sec. 3, 1-23-73; Ord. No. 277, Sec. 2, 3/19/79, Policy 08-01-94)

6. *Payment For Additional Living Units.* Prior to the issuance of a building permit for construction of additional living units on any land already connected to the municipal sanitary sewer system an amount equal to the basic equivalent unit charge for each of such additional living units to be constructed thereon shall be paid to the City.

(Ord. No. 208, Sec. 3, 11/23/73)

7. *Payment For Excessive Sewage.* In the event that the discharge of sewage from any land already connected to the sanitary sewer system within the classification as set forth in CMCO 7.08.110 paragraph H,1 shall exceed two hundred thousand (200,000) gallons per acre per year, the City Clerk shall recalculate the basic equivalent unit charge based upon such increased discharge. From the basic equivalent unit charge as so determined shall be deducted any basic equivalent unit charges theretofore paid and the remaining balance shall be the additional basic equivalent unit charge to be paid to the City for such excessive discharge.

(Ord. No. 208, Sec. 3, 11/23/73)

8. *Rates.* The sanitary sewer charge established as of January 1997 and thereafter, or until changed, as hereinafter set forth is the sum total of the following:

Acreage Availability Charge	The Sanitary Sewer Area fee as shown on the Development Fee Schedule.
Basic Equivalent Unit	The Sanitary Sewer Connection fee as shown on the Development Fee Schedule.

Because of the added tax base, the addition of new jobs and employment opportunities. it is in the best interest of the City to encourage the subdivision of land in accordance with the Subdivision Ordinance of the City, business, commercial and industrial development within the City, and in connection therewith it is hereby determined that the basic equivalent unit (BEU) charge for any land subdivided or for any development within the classification as defined in CMCO 7.08.110 paragraph H,1 shall be paid in cash, or assessed if requested of the owner or developer, at the time the land is subdivided or developed, whichever occurs first, and if assessed, be paid over a period of years not to exceed ten (10) years within the guidelines hereinafter set forth:

- a. If the BEU charge is assessed the City Council shall, by resolution, after taking into consideration the amount of the charge, the results of the latest fiscal analysis as set forth in paragraph I,9 and any other factors they deem necessary and advisable, determine the number of years over which the assessment is to be spread.
- b. The City Council in said resolution shall determine the number of years said charge shall be spread and the amount of interest to be charged thereon. Said payments may be spread over a period of not less than three (3) nor more than ten (10) years at an interest rate dependent upon the municipal investment market at that time.

- c. Prior to said charges being paid over a period of years, the land owner and/or Developer shall execute an agreement with the City whereby the land owner and/or Developer agrees that said charges shall be spread on the same basis as, and shall be considered as assessments against the land developed; and that said charges be a first and prior lien against the property in question and on a parity with other assessments levied pursuant to Minn. Stat. Ch. 429, if any.

The Acreage Availability Charge (AAC) if not paid in cash, shall be assessed as provided above time of development or subdivision of land, whichever occurs first. The Basic Equivalent Unit (BEU) charge, if not paid in cash or assessed as above provided, shall be collected at time of obtaining a building permit.

(Ord. No. 208, Sec. 4, 1/23/73; Ord. No. 277, Sec. 4, 3/19/79; Ord. No. 417, Sec. 2, 8/3/87)

- 9. *Annual Review Of Charges.* A complete fiscal analysis and review of current and projected revenue capital expansion and projected growth shall be made prior to each major interceptor, trunk or subtrunk capital improvement project or at least annually by the City Administrator, together with such other persons as he deems necessary and advisable, and it shall be reported to the City Council on or before January 1 of each year.

Such analysis shall include and take into account changes in the estimated capital costs resulting from inflation or deflation, engineering design, technology, location and alignment of sewer lines; increase or decrease in lateral benefits from the interceptors, trunks or subtrunks, amendments to the comprehensive sewer layout, new materials, governmental grants, State and Federal regulations, and any other items or considerations which will have an affect upon the total cost of the municipal sanitary sewer system. Changes or potential changes in land use, zoning, density, rate of growth, interest earned on sinking funds and prepayments, or any other financial considerations or other factors affecting projected revenue of the system shall also be considered.

The acreage availability charge and/or basic equivalent unit connection charge may be adjusted to reflect any changes shown to be necessary by said fiscal review.

(Ord. No. 208, Sec. 5, 1/23/73)

- 10. *Separate Account.* All charges collected under this paragraph not specifically pledged to the repayment of a past or future bond issue shall be placed in a

separate account. Revenues from time to time received in excess of amounts so pledged may be pledged by resolution of the governing body, or may be used, though not so pledged, for the payment of principal and interest on obligations issued pursuant to Minn. Stat. Ch. 444 or 475 for sanitary sewer interceptors, trunks and subtrunks or for any other purpose permitted under Minn. Stat. Ch. 444.

(Ord. No. 208, Sec. 6, 1/23/73)

J. Reserve Capacity Charges.

1. *Recitals.* The Metropolitan Sewer Board has determined to reserve unused capacity in the metropolitan disposal system each year commencing in 1973 for local government units in which new buildings will be connected, and new connections will be made, to that system during such year and to allocate that debt service costs of such unused capacity for the year among such local government units. In order for the City to pay such costs allocated to it each year, it will be necessary to establish sewer service availability and connection charges for all buildings constructed or connected to the metropolitan disposal system on or after January 1, 1973.

(Ord. No. 207, Sec. 1, 12/18/72)

2. Establishment Of Charges And Amount Of Charges.

- a. For the purpose of paying the costs of reserve capacity allocated to the City each year by the Metropolitan Sewer Board, there is hereby established a charge for:
 - (1) The availability of treatment works and interceptors comprising the metropolitan disposal system; and
 - (2) Connections, direct and indirect, to the metropolitan disposal system.

The charge is hereby imposed on each building in the City, and on each connection to the metropolitan disposal system directly or through the City's system, which is within any sewer area established by the Metropolitan Sewer Board, construction of which building is commenced, or which connection is made, on or after January 1, 1973. The charge shall be payable at the time of, and as conditioned to, the issuance of a building permit or a connection permit, as the case may be, but no charge shall be due upon the issuance of a connection permit if a charge was paid upon issuance of a building permit.

The charge for each building shall be equal to the number of units of sewage volume which it will discharge, multiplied by the effective rate determined by the Metropolitan Wastewater Services. The charge after 1977 shall be as the City Council, by ordinance, may determine. A unit of sewage volume shall be one hundred thousand (100,000)

gallons per year and shall be assigned as follows:

- (1) Single-family dwellings and each living unit within any townhouse development, duplex and mobile homes greater than fourteen (14) feet in width shall comprise one unit;
- (2) Each living unit within condominiums for residential use and apartments and mobile homes fourteen (14) feet in width or less shall each comprise eighty percent (80%) of a unit;
- (3) All other buildings shall be assigned one (1) unit for each one hundred thousand (100,000) gallons of flow or part thereof which the City estimates they will discharge;
- (4) Buildings for residential use and existing or for which building permits were issued prior to January 1, 1973, shall be counted as one-half ($\frac{1}{2}$) the unit equivalent for that type of residential building if connected to the metropolitan disposal system prior to January 1, 1974, and shall be counted at the full rate thereafter.

(Ord. No. 207, Sec. 2, 12/18/72)

3. *Administration.* The City Administrator, or his duly authorized representative, shall prepare or revise building permits and sewage connection permit application forms to provide information necessary for the computation of the number of units assignable to the building in question. The Administrator shall make such information available to the Metropolitan Sewer Board upon request.

(Ord. No. 207, Sec. 2, 2/18/72)

4. *Council May Change Charges.* The City Council may by ordinance increase, diminish, or change the amount and basis of the charges herein established, from time to time.

(Ord. No. 207, Sec. 2, 12/18/72)

5. *Charges To Be In Addition To Other Charges.* The charges herein established shall be in addition to, and not in lieu of, all other charges imposed from time to time by the City for building permits, sewer connection permits and sewer rental charges.

(Ord. No. 207, Sec. 2, 12/18/72)

SECTION 2: **AMENDMENT** “7.12.020 Rates And Charges” of the City of Chaska Municipal Code is hereby *amended* as follows:

AMENDMENT

7.12.020 Rates And Charges

- A. *Alternate Metering System Fees.* The fee for alternate monthly meter readings shall be forty dollars and no cents (\$40.00) for each property.

(Ord. No. 211, Sec. 4, 4/16/73; Ord. No. 243, Sec. 22, 1/3/77; Ord. 871, 8/19/13; Ord. No. 883, Art. III, Div. 1, Sec. 55, 4/21/14)

- B. *Turning On Water After Service Has Been Terminated.* For turning on water where service has been turned off for nonpayment of water bill, failure to repair a leak, discontinuance of service or any other cause, a service charge of twenty-five dollars (\$25.00) will be made.

(Ord. No. 211, Sec. 7, 4/16/73; Ord. No. 243, Sec. 23, 1/3/77; Ord. No. 871, 8/19/13)

- C. *Adjustment Of Curb Box.* For raising or lowering curb box tops to correspond with ground level the charge to the property owner shall be the actual cost, with minimum charge of twenty-five dollars (\$25.00) will be made.

(Ord. No. 211, Sec. 4, 4/16/73; Ord. No. 243, Sec. 24, 1/3/77; Ord. 871, 8/19/13)

- D. *Basic Rates.* The rate due and payable to the City from each water user within the City for water taken during any month from the water supply system shall be as follows:

Residential:	
Initial Bill Dated:	January 2022
Per Thousand Gallons (PTG) at -	
0—2,000 gallons	\$ 2.74 2.53 PTG
2,001 to 5,000 gallons	\$ 2.93 2.71 PTG
5,001 to 8,000 gallons	\$ 3.18 2.94 PTG
8,001 to 12,000 gallons	\$ 3.54 3.27 PTG
12,001 to 40,000 gallons	\$ 4.00 3.70 PTG
Above 40,001 gallons	\$ 5.12 4.74 PTG
Commercial:	
Initial Bill Dated:	January 2022
Per Thousand Gallons (PTG) at -	
0 to 20,000 gallons	\$ 2.73 2.52 PTG
Above 20,001 gallons	\$ 3.02 2.79 PTG
Bulk Water (Hydrant)	\$ 8.36 7.74 PTG
Industrial:	

Initial Bill Dated:		January 2022
Per Thousand Gallons (PTG) at -		
	0 to 90,000 gallons	\$ 2.48 2.29 PTG
	Above 90,001 gallons	\$ 2.76 2.55 PTG
City of Chaska:		
Initial Bill Dated:		January 2022
Per Thousand Gallons (PTG) at -		
	0—2,000 gallons	\$ 2.06 1.78 PTG
	2,001 to 5,000 gallons	\$ 2.20 1.90 PTG
	5,001 to 8,000 gallons	\$ 2.39 2.06 PTG
	8,001 to 12,000 gallons	\$ 2.66 2.29 PTG
	12,001 to 40,000 gallons	\$ 3.00 2.59 PTG
	Above 40,001 gallons	\$ 3.84 3.32 PTG
Irrigation Only Meters:		
Initial Bill Dated:		January 2022
Per Thousand Gallons (PTG) at -		
	0 to 20,000 gallons	\$ 3.57 3.30 PTG
	20,001 to 40,000 gallons	\$ 4.16 3.85 PTG
	Above 40,001 gallons	\$ 5.12 4.74 PTG

(Ord. No. 878, Chap. 25, Art. III, Div. 1, Sec. 58, 12/16/13; Ord. No. 896, Sec. 1, 12/15/14; Ord. No. 910, Sec. 1, 1/4/16; Ord. No. 927, Sec. 1, 12/19/16; Ord. No. 943, § 1, 1/8/18; Ord. No. 959, § 1, 12/17/18)

E. *Customer Charges, Minimum Charges And Minimum Flat-Rate Charges.*

Charges as of January 2022:

Notwithstanding the schedule of charges listed herein each water user shall pay a customer charge and a minimum flat rate charge for each monthly period during which water service is furnished as follows:

Meter Size	Monthly Flat Rate, Customer Charges (Per Occupancy Unit)	Monthly Flat-Rate, Charge for Safe Drinking Water (Per Service Connection)
5/8 to 3/4 inch	\$ 6.45 5.35	\$0.81
1 inch	\$ 9.60 7.85	\$0.81
1 1/2 inch	\$ 16.15 12.55	\$0.81
2 inch	\$ 24.50 19.20	\$0.81
3 inch	\$ 87.05 68.90	\$0.81
4 inch	\$ 150.85 114.45	\$0.81
6 inch and over	\$ 305.95 224.75	\$0.81

The above stated customer charge as applied to single-family dwellings, townhomes, condominiums, apartments and duplex homes shall be ~~four~~~~six~~ dollars and ~~forty~~~~twenty~~ five cents(\$~~6.45~~~~4.25~~) for each living unit contained therein.

(Ord. No. 780, Chap. 25, Art. III, Div. 1, Sec. 58, 12/19/05; Ord. No. 816, Art. III, Div. 1, Sec. 58, 1/7/08; Ord. No. 832, Art. III, Div. 1, Sec. 58 and 59, 8/31/09; Ord. No. 855, Art. III, Sec. 58 and 59, 12/19/11; Ord. No. 863, Art. III, Div. 1, Sec. 58 and 59, 12/17/12; Ord. No. 878, Chap. 25, Art. III, Div. 1, Sec. 59, 12/16/13; Ord. No. 896, Sec. 2, 12/15/14; Ord. No. 910, Sec. 2, 1/4/16; Ord. No. 927, Sec. 2, 12/19/16; Ord. No. 943, § 2, 1/8/18; Ord. No. 959, § 2, 12/17/18)

- F. *Water Meter Testing Deposit.* Before making a test of any meter, the person requesting such test shall, at the time of filing such request with the City, make a deposit with the City Clerk for the amount charged for such test, subject to the conditions stated in this section, which are charges as follows:

Five-eighths (5/8) inch to one (1) inch \$60.00
One and one-half (1½) to two (2) inch \$90.00
Two (2) inch and larger Actual Cost

The deposit required for testing any meter over two (2) inch shall be the actual cost of removing, transporting, testing and reinstalling the meter as estimated by the company hired by the City performing the work.

(Ord. No. 211, Sec. 6, 4/16/73; Ord. No. 243, Sec. 28, 1/3/77; Ord. No. 294, Sec. 3, 12/17/79; Ord. No. 518, Sec. 3, 12/21/92; Ord. No. 567, Sec. 3, 12/19/94; Ord. No. 883, Art. III, Div. 1, Sec. 60, 4/21/14)

- G. *Water Bills.* Water bills shall be mailed to the customers monthly and shall specify the water consumed and the charges in accordance with the rates set out herein. Payment for water bills shall be made at the office of the City Clerk and shall be due on or

before the fifteenth (15th) day of the month in which the bill is received by the customer. A five percent (5%) penalty shall be added to bills not paid by the close of the business day on the fifteenth (15th) day of the month.

(Ord. No. 211, Sec. 6, 4/16/73; Ord. No. 243, Sec. 28, 1/3/77; Ord. No. 294, Sec. 4, 12/17/79; Ord. No. 574, Sec. 1, 5/15/95)

- H. *Discontinuance Of Water For Nonpayment Of Bills.* All charges for water shall be due on the monthly due date specified by the City for the respective account. It shall be the duty of the City to endeavor to promptly collect delinquent accounts. In all cases where satisfactory arrangements for payment have not been made, and said amount is more than thirty (30) days delinquent, instructions shall be given to discontinue service by shutting off the water at the stop box. All delinquent accounts shall be certified to the City Clerk who shall prepare an assessment roll each year providing for assessments of the delinquent amounts against the respective parties served. This assessment roll shall be delivered to the Council for adoption on or before October 1st of each year, and may be certified to the County Auditor as taxes against any such property to be collected and paid over to the City along with other taxes. Such action may be optional or subsequent to taking legal action to collect delinquent accounts.

(Ord. No. 211, Sec. 7, 1/16/73; Ord. No. 243, Sec. 29, 1/3/77; Ord. No. 294, Sec. 5, 12/17/79)

- I. *Voluntary Discontinuance Of Water Service.* A user of water service, not delinquent in payment for water used, may request the City to connect or terminate service to his property and if said service is not reconnected until more than thirty (30) days after disconnect it shall be deemed a voluntary disconnect and service shall be reconnected upon payment of a reconnection charge in the amount of twenty five dollars (\$25.00).

(Ord. No. 341, Sec. 2, 12/6/82)

PASSED AND ADOPTED BY THE CITY OF CHASKA COUNCIL

_____.

	AYE	NAY	ABSENT	ABSTAIN
Councilmember Grau	_____	_____	_____	_____
Councilmember Hatfield	_____	_____	_____	_____
Councilmember Huang	_____	_____	_____	_____
Councilmember Hubbard	_____	_____	_____	_____
Mayor Windschitl	_____	_____	_____	_____
Presiding Officer		Attest		

Mark Windschitl, Mayor, City of
Chaska

Denise Beebe, Senior Clerk, City of
Chaska

**CITY OF CHASKA
CARVER COUNTY, MINNESOTA**

RESOLUTION

DATE 12-19-2022 **RESOLUTION NO.** 2022-150

MOTION BY COUNCILMEMBER _____ **SECOND BY COUNCILMEMBER** _____

A RESOLUTION TO APPROVE SUMMARY PUBLICAITON OF ORDIANCE 2022-1027

WHEREAS, the City Council for the City of Chaska recently adopted Ordinance 2022-1027 titled Establish 2023 Sewer and Water Rates, which is a lengthy ordinance and not suitable to publication in full; and

WHEREAS, the City desires to publish a summary of the ordinance in accordance with Minnesota law; and

WHEREAS, the City has determined that publication of the title and summary of the ordinance will clearly inform the public of the intent and effect of the ordinance; and

WHEREAS, a copy of the full text is available for viewing in the Chaska Library and the City Clerk's office;

NOW THEREFORE, the City Council for the City of Chaska that the following summary of ordinance 2022-1027 is approved for publication:

Ordinance 2022-1027 - An ordinance to amend sewer, water, and septic regulations in Chapter 7 of the Chaska Municipal Code of Ordinances (the "CMCO").

Sewer rates, charges, and regulations for sewage disposal in CMCO Article 7.08 is amended to include technical updates, and to clarify definitions used throughout Art. 7.08. It also provides for 2023 sewer rental and minimum charges effective January 2023 as well as fees for Sanitary Sewer Areas and Sanitary Sewer Connection as shown on the Development Fee schedule which shall be established annually by the City Council.

Water rates, charges, and regulations in CMCO Art. 7.12 is amended to include technical updates and to clarify definitions used throughout Art. 7.12. It also provides updates for 2023 water services and minimum charges effective January 2023. Water availability charges, water area fees and water connection shall be established annually by the City Council and shall be payable in the amounts shown on the Development Fee schedule.

Passed and adopted by the City Council of the City of Chaska, Minnesota, this 19th day of December 2022.

Mark Windschitl, Mayor

Attest: _____
Chaska Deputy Clerk

**CITY OF CHASKA
CARVER COUNTY, MINNESOTA**

RESOLUTION

DATE 12-19-2022 **RESOLUTION NO.** 2022-151

MOTION BY COUNCILMEMBER _____ **SECOND BY COUNCILMEMBER** _____

**A RESOLUTION ADOPTING A STORMWATER UTILITY
RESIDENTIAL EQUIVALENCY FACTOR**

WHEREAS, Chapter 7, Article 16, Section 020, Subsection C-2 of the Chaska Minnesota Code of Ordinances states "The stormwater management fee for single-family residential property shall be calculated by dividing the storm water management budget by the total number of REFs (Residential Equivalency Factor.) The minimum monthly storm water utility fee shall be set annually by the City Council."; and,

WHEREAS, the City Council has reviewed a proposed 2023 Budget for the Storm Water Utility Fund based on \$2,332,046 in total expenses and 198,134 in total REFs for a REF rate of \$11.77 per REF.

NOW, THEREFORE, BE IT RESOLVED, that a 2023 rate of Eleven Dollars and Seventy-Seven cents (\$11.77) per REF be established for the Storm Water Utility.

Passed and adopted by the City Council of the City of Chaska, Minnesota, this 19th day of December 2022.

Mark Windschitl, Mayor

Attest: _____
Chaska Deputy Clerk

CLAIMS ROSTER REPORT

FOR COUNCIL MEETING:

December 19, 2022

Paid and Unpaid Invoices:

Check #'s 344971-345174

\$4,991,569.73

Paid Electronic Invoices:

Wire #'s 3493-3508

\$6,532,540.56

Amount for Approval-Council Meeting:

December 19, 2022

\$11,524,110.29

City of Chaska

VENDOR INVOICE LIST

Checks

INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
107858	ABDO EICK AND MEYERS LLP									
464415	CHECK DATE: 12/20/2022	11/30/2022	122022	344995	16,185.77	16,185.77	12/30/2022	INV	PD	NOV FINANCE TEMP-THORS
106208	ATHLACTON HOLDINGS LLC									
4100175135	CHECK DATE: 12/20/2022	09/20/2022	122022	344996	36,400.00	36,400.00	12/31/2022	INV	PD	ACTIVENET ANNUAL SUBSC
103825	ACUSHNET COMPANY									
914602510	CHECK DATE: 12/20/2022	11/29/2022	122022	344997	66.73	66.73	12/29/2022	INV	PD	RESALE
914613618	CHECK DATE: 12/20/2022	11/30/2022	122022	344997	-38.72	-38.72	12/30/2022	CRM	PD	CREDIT-OVRCHRGD FREIGH
					28.01					
108949	ADVANTAGE COLLECTION PROFESSIONALS LLC									
551921201	CHECK DATE: 12/20/2022	11/30/2022	122022	344998	396.35	396.35	12/31/2022	INV	PD	Nov Collection Commiss
108061	ERNST ENTERPRISES INC									
108025	CHECK DATE: 12/20/2022	12/05/2022	122022	344999	53,495.00	53,495.00	01/05/2023	INV	PD	GOLF COURSE BOOSTER RO
100072	ALTERNATIVE TECHNOLOGIES INC									
53194	CHECK DATE: 12/20/2022	11/30/2022	122022	345000	363.00	363.00	12/30/2022	INV	PD	OIL TESTING FOR SUBSTA
100073	AMARIL UNIFORM CO									
IV238040	CHECK DATE: 12/20/2022	12/08/2022	122022	345001	525.48	525.48	01/08/2023	INV	PD	M. ENGELEN FR CLOTHING
IV238044	CHECK DATE: 12/20/2022	12/08/2022	122022	345001	516.82	516.82	01/08/2023	INV	PD	C. SCHMIEG FR CLOTHING
					1,042.30					
107005	AMERICAN ENVIRONMENTAL LLC									
2898	CHECK DATE: 12/20/2022	12/01/2022	122022	345002	2,459.26	2,459.26	12/30/2022	INV	PD	TV BAD SEWER LINES

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 Program ID: apinvlist

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City of Chaska

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
100103	ANCOM	TECHNICAL CENTER								
111848		11/23/2022	122022	345003	672.10	672.10	12/23/2022	INV	PD	8 NEW RADIOS PROGRAMME
CHECK DATE:	12/20/2022									
100119	SHAKOPEE VALLEY	FORD								
341701FOW		12/02/2022	122022	345004	87.47	87.47	01/02/2023	INV	PD	#1193 SENSOR
CHECK DATE:	12/20/2022									
100122	ARAMARK	REFRESHMENT SERVICES								
5001125		10/28/2022	122022	345005	81.74	81.74	11/28/2022	INV	PD	HOT COCOA FOR FD
CHECK DATE:	12/20/2022									
104422	ARCHETYPE	SIGNMAKERS INC								
102399		11/30/2022	122022	345006	2,195.00	2,195.00	12/30/2022	INV	PD	Replace Panels-Firemen
CHECK DATE:	12/20/2022									
102400		11/30/2022	122022	345006	1,120.00	1,120.00	12/30/2022	INV	PD	Add names-Firemen's Me
CHECK DATE:	12/20/2022									
110311	ARMSTRONG, ANDREW				3,315.00					
183409202-2022-1		12/05/2022	122022	345007	350.00	350.00	12/31/2022	INV	PD	NOV REBATE-RESIDENTIAL
CHECK DATE:	12/20/2022									
100144	ASPEN EQUIPMENT COMPANY									
10242697		12/01/2022	122022	345008	324.48	324.48	12/31/2022	INV	PD	WIRE HARNESS FOR PLOW
CHECK DATE:	12/20/2022									
100146	ASPEN MILLS INC									
304751		11/30/2022	122022	345009	166.21	166.21	12/30/2022	INV	PD	DUTY BOOTS--TREBIATOWSK
CHECK DATE:	12/20/2022									
304752		11/30/2022	122022	345009	58.50	58.50	12/30/2022	INV	PD	DUTY UNIFORM-PAYNE
CHECK DATE:	12/20/2022									
105236	B & B	TRANSFORMER INC			224.71					
27866	220223	12/05/2022	122022	345010	21,913.00	21,913.00	01/05/2023	INV	PD	10 = TRANSFORMERS 150,

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 Program ID: apinvlst

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City of Chaska

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
CHECK DATE: 12/20/2022										
107572 BAKER TILLY VIRCHOW KRAUSE LLP										
BTMA16995		11/23/2022	122022	345011	1,500.00	1,500.00	12/23/2022	INV	PD	2022 ARB CALC SERIES 2
CHECK DATE: 12/20/2022										
111002 BAKER, MARCELLA										
10002639		12/05/2022	122022	345012	542.93	542.93	01/05/2023	INV	PD	CREDIT BALANCE REFUND-
CHECK DATE: 12/20/2022										
PAYEE: BAKER, MARCELLA										
100174 BAUER BUILT TIRE AND BATTERY										
180287419		11/30/2022	122022	345013	726.88	726.88	01/15/2023	INV	PD	#88 WATER TIRES
CHECK DATE: 12/20/2022										
180287420		11/30/2022	122022	345013	580.76	580.76	01/15/2023	INV	PD	#2088 PARK TIRES
CHECK DATE: 12/20/2022										
103816 BAYCOM INC										
					1,307.64					
EQUIPINV_041164		12/08/2022	122022	345014	5,187.00	5,187.00	01/08/2023	INV	PD	Toughbook - Tahoe Squa
CHECK DATE: 12/20/2022										
111026 BERKHOEL, LAURA										
37280		12/14/2022	122022	345015	75.38	75.38	01/14/2023	INV	PD	METER DEPOSIT REFUND-2
CHECK DATE: 12/20/2022										
111021 BLACKFORD, MICHELLE										
30890		12/14/2022	122022	345016	215.57	215.57	01/15/2023	INV	PD	CREDIT BALANCE REFUND-
CHECK DATE: 12/20/2022										
102279 BOLTON & MENK INC										
0301551		11/22/2022	122022	345017	3,396.50	3,396.50	01/02/2023	INV	PD	2022 FUNDING ASSISTANC
CHECK DATE: 12/20/2022										
0302171		11/30/2022	122022	345017	85,057.03	85,057.03	01/02/2023	INV	PD	TH 41 & CSAH 61 IMPROV
CHECK DATE: 12/20/2022										
					88,453.53					
100214 BORDER STATES INDUSTRIES INC										

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INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
925269264	220217	11/07/2022	122022	345018	815.52	815.52	12/25/2022	INV	PD	200 = CONNECT COMP H T
CHECK DATE: 12/20/2022										
100226 BRAUN INTERTEC CORPORATION										
B299907		06/30/2022	122022	345019	1,158.85	1,158.85	07/30/2022	INV	PD	2022 DT RECON + INTERE
CHECK DATE: 12/20/2022										
B318275		11/21/2022	122022	345019	18,374.50	18,374.50	12/21/2022	INV	PD	CHASKA CREEK BLVD PH 2
CHECK DATE: 12/20/2022										
B319726		12/02/2022	122022	345019	22,463.00	22,463.00	01/05/2023	INV	PD	CREEK RD UTILITY, STRE
CHECK DATE: 12/20/2022										
B319727		12/05/2022	122022	345019	10,489.50	10,489.50	01/05/2023	INV	PD	2022 DT RECON-CMT & VI
CHECK DATE: 12/20/2022										
					52,485.85					
111007 BRIAN MITCHELL LIEB										
130		12/08/2022	122022	345020	600.00	600.00	01/08/2023	INV	PD	Plain Language Writing
CHECK DATE: 12/20/2022										
100251 BROCK WHITE COMPANY LLC C/O CSG										
15743223-00		11/14/2022	122022	345021	1,777.45	1,777.45	12/22/2022	INV	PD	TRAIL SYS SAVANNA OAKS
CHECK DATE: 12/20/2022										
103810 TARA ALISON BRUESKE										
0122-12/1/22		12/01/2022	122022	345022	400.00	400.00	12/17/2022	INV	PD	Holiday Concert 12/17
CHECK DATE: 12/20/2022										
100254 BRYAN ROCK PRODUCTS INC										
57163		11/30/2022	122022	345023	791.55	791.55	12/30/2022	INV	PD	STOCKPILE
CHECK DATE: 12/20/2022										
100301 CARVER COUNTY										
30.0045300-2022-2		12/02/2022	122022	345024	102.46	102.46	12/31/2022	INV	PD	PROP TAX-DEL WEBB/HAMM
CHECK DATE: 12/20/2022										
30.0501090-2022-2		12/02/2022	122022-2	345171	1,124.88	1,124.88	12/31/2022	INV	PD	PROP TAX-116 5TH ST E-
CHECK DATE: 12/20/2022										
30.0501440-2022-2		12/02/2022	122022	345024	1,473.68	1,473.68	12/31/2022	INV	PD	PROP TAX-216 4TH ST W
CHECK DATE: 12/20/2022										

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100302 CARVER COUNTY					2,701.02					
1010	CHECK DATE: 12/20/2022	11/30/2022	122022	345025	6,983.42	6,983.42	12/30/2022	INV	PD	Ballots, Machine Maint
1030	CHECK DATE: 12/20/2022	12/01/2022	122022	345025	6,061.00	6,061.00	12/31/2022	INV	PD	Modus Election Softwar
3088	CHECK DATE: 12/20/2022	12/05/2022	122022	345026	9,905.79	9,905.79	01/04/2023	INV	PD	PAY 2023 TNT BILLING
					22,950.21					
100323 CDW GOVERNMENT INC										
FG11258	CHECK DATE: 12/20/2022	11/21/2022	122022	345027	122.53	122.53	12/21/2022	INV	PD	CABLE TESTER PART FOR
FJ37075	CHECK DATE: 12/20/2022	11/29/2022	122022	345027	315.20	315.20	12/29/2022	INV	PD	ACROBAT LICENSE FOR CC
FK43084	CHECK DATE: 12/20/2022	12/01/2022	122022	345027	45.78	45.78	12/31/2022	INV	PD	CABLES FOR IT INVENTOR
FL68804	CHECK DATE: 12/20/2022	12/05/2022	122022	345027	-1,270.29	-1,270.29	12/31/2022	CRM	PD	CREDIT FOR COMPUTER NO
FM19647	CHECK DATE: 12/20/2022	12/06/2022	122022	345027	892.76	892.76	01/05/2023	INV	PD	BLDG DEPT MONITORS
FM30384	CHECK DATE: 12/20/2022	12/06/2022	122022	345027	935.01	935.01	01/05/2023	INV	PD	BLDG MAINT SURFACE GO
					1,040.99					
100332 CENTERPOINT ENERGY RESOURCES CORP										
105010300/NOV22	CHECK DATE: 12/15/2022	12/05/2022	121522	344986	5,856.02	5,856.02	01/02/2023	INV	PD	NOV 3210 CHASKA BLVD G
109045922/NOV22	CHECK DATE: 12/15/2022	12/06/2022	121522	344986	12,745.02	12,745.02	01/03/2023	INV	PD	NOV 1661 PARK RIDGE DR
109052076/NOV22	CHECK DATE: 12/15/2022	12/06/2022	121522	344986	8,070.60	8,070.60	01/03/2023	INV	PD	NOV 1611 PARK RIDGE DR
64030791582/NOV22	CHECK DATE: 12/15/2022	12/05/2022	121522	344986	87.34	87.34	01/02/2023	INV	PD	NOV 216 W 4TH ST GAS S
64030828871/NOV22	CHECK DATE: 12/15/2022	12/05/2022	121522	344986	105.91	105.91	01/02/2023	INV	PD	NOV 234 N WALNUT GAS S

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100337 QWEST CORPORATION					26,864.89					
313773369/DEC22 CHECK DATE: 12/15/2022		12/01/2022	121522	344987	106.73	106.73	12/27/2022	INV	PD	DEC CCC BURGLAR ALARM
620057256 CHECK DATE: 12/08/2022		12/01/2022	120822	344982	350.33	350.33	12/31/2022	INV	PD	DEC SIP PHONE BILL
100379 CITY OF CHANHASSEN					457.06					
108181 CHECK DATE: 12/20/2022		12/13/2022	122022-2	345172	2,673.00	2,673.00	01/13/2023	INV	PD	27 Hamilton Tickets at
100374 CHANHASSEN, CITY OF 017242-000 11/30/22 CHECK DATE: 12/20/2022		11/30/2022	122022	345028	22.53	22.53	12/21/2022	INV	PD	STORMWATER 9/1/22-11/3
100368 CHASKA LAUNDRY CENTER 2238 CHECK DATE: 12/15/2022		11/30/2022	121522	344988	27.89	27.89	12/30/2022	INV	PD	NOV TOWELS-TC
110240 CINTAS CORPORATION NO 2 5134437908 CHECK DATE: 12/20/2022		11/28/2022	122022	345029	209.54	209.54	12/28/2022	INV	PD	1ST AIDE SUPPLIES-FD
5134437990 CHECK DATE: 12/20/2022		11/28/2022	122022	345029	356.84	356.84	12/28/2022	INV	PD	1st Aid supplies-CCC
9198522596 CHECK DATE: 12/20/2022		11/01/2022	122022	345030	555.00	555.00	12/30/2022	INV	PD	AED maint-CCC +INTERES
109942 MANSFIELD TOP SERVICES INC 32009012861 CHECK DATE: 12/20/2022		12/01/2022	122022	345031	3,325.00	3,325.00	12/31/2022	INV	PD	Dec Curl/Event Cleanin
100418 CLEARSOFT INC 158-338 CHECK DATE: 12/08/2022		12/01/2022	120822	344983	75.00	75.00	12/31/2022	INV	PD	DEC FD WATER SOFTENER

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109691 PRO-SHOPKEEPER COMPUTER SOFTWARE COMPANY										
INV1121895		12/01/2022	122022	345032	625.00	625.00	01/01/2023	INV	PD	DEC TC SOFTWARE
CHECK DATE: 12/20/2022										
111004 COLLODORA, TOBY										
615016180-2022-1		12/05/2022	122022	345033	331.97	331.97	12/31/2022	INV	PD	NOV REBATE-RESIDENTIAL
CHECK DATE: 12/20/2022										PAYEE: COLLODORA, TOBY
109579 COMPASS MINERALS AMERICA INC										
1080365		11/21/2022	122022	345034	2,071.82	2,071.82	12/21/2022	INV	PD	SALT FOR ROADS
CHECK DATE: 12/20/2022										
105466 COMPUTER INTEGRATION TECHNOLOGIES INC										
339512		11/30/2022	122022	345035	36,999.00	36,999.00	12/30/2022	INV	PD	DARKTRACE AGREEMENT 11
CHECK DATE: 12/20/2022										
339559		11/30/2022	122022	345035	250.80	250.80	12/30/2022	INV	PD	DEC CYBER SECURITY TRA
CHECK DATE: 12/20/2022										
106301 CORE AND MAIN LP					37,249.80					
5017572		12/01/2022	122022	345036	1,949.25	1,949.25	01/01/2023	INV	PD	INVENTORY - FLANGE KIT
CHECK DATE: 12/20/2022										
111024 CRESSY, PAMELA										
10003546		12/14/2022	122022	345037	17.09	17.09	01/14/2023	INV	PD	METER DEPOSIT REFUND-2
CHECK DATE: 12/20/2022										
107485 CROWN COLLEGE										
35		12/06/2022	122022	345038	350.00	350.00	12/28/2022	INV	PD	EMT/EMR TRAINING 11/14
CHECK DATE: 12/20/2022										
100475 CRYSTEEL TRUCK EQUIPMENT INC										
LP211145		12/06/2022	122022	345039	5,751.91	5,751.91	01/06/2023	INV	PD	#402 VAN SHELIVING
CHECK DATE: 12/20/2022										
100479 CULLIGAN-METRO BROOKLYN PARK										
114-01594506-5 NOV22		11/30/2022	121522	344989	15.27	15.27	12/20/2022	INV	PD	COOLER RENT

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CHECK DATE: 12/15/2022										
100490 DAKOTA SUPPLY GROUP										
53290150-2/FINAL		11/02/2022	122022	345040	54,639.38	54,639.38	12/31/2022	INV	PD	MATERIALS FOR CREEK RD
CHECK DATE: 12/20/2022										
110412 IMPERIAL BAG AND PAPER CO LLC										
4018945		12/07/2022	122022	345041	58.98	58.98	01/06/2023	INV	PD	VACCUUM REPAIR PARTS
CHECK DATE: 12/20/2022										
100520 DEM CON COMPANIES LLC										
13179		11/30/2022	122022	345042	95.64	95.64	12/30/2022	INV	PD	TIMBER DISPOSAL - CITY
CHECK DATE: 12/20/2022										
100533 DISPLAY SALES COMPANY										
INV-034132		11/02/2022	122022	345043	518.50	518.50	12/22/2022	INV	PD	X-MAS TREE REPLACEMENT
CHECK DATE: 12/20/2022										
INV-034527		11/21/2022	122022	345043	232.00	232.00	12/22/2022	INV	PD	X-MAS TREE REPLACEMENT
CHECK DATE: 12/20/2022										
					750.50					
103870 DIVERSIFIED PLUMBING AND HEATING INC										
34910		12/02/2022	122022	345044	12,460.00	12,460.00	01/02/2023	INV	PD	SEWER SVC EXT FOR 840
CHECK DATE: 12/20/2022										
104329 DONLIE UNDERGROUND INC										
9127		12/05/2022	122022	345045	37,377.32	37,377.32	12/31/2022	INV	PD	WO'S 12811,12812 & 128
CHECK DATE: 12/20/2022										
100549 DORSEY AND WHITNEY LLP										
3830230		11/10/2022	122022	345046	3,168.00	3,168.00	12/10/2022	INV	PD	CHASKA BUILDING CENTER
CHECK DATE: 12/20/2022										
3830231		11/10/2022	122022	345046	12,597.00	12,597.00	12/10/2022	INV	PD	COSTCO ABATEMENT
CHECK DATE: 12/20/2022										
					15,765.00					
105629 DICKS SANITATION SERVICE INC										

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8470600T460		12/01/2022	122022	345047	1,550.53	1,550.53	12/30/2022	INV	PD	MSB
CHECK DATE: 12/20/2022										
8470601T460		12/01/2022	122022	345047	224.80	224.80	12/30/2022	INV	PD	FIRE STATION
CHECK DATE: 12/20/2022										
8470602T460		12/01/2022	122022	345047	740.23	740.23	12/30/2022	INV	PD	CITY HALL
CHECK DATE: 12/20/2022										
8470605T460		12/01/2022	122022	345047	213.60	213.60	12/30/2022	INV	PD	VETERAN'S PARK
CHECK DATE: 12/20/2022										
8477780T460		12/01/2022	122022	345047	448.25	448.25	01/01/2023	INV	PD	TOWN COURSE
CHECK DATE: 12/20/2022										
8477781T460		12/01/2022	122022	345047	139.69	139.69	01/01/2023	INV	PD	THE LOOP
CHECK DATE: 12/20/2022										
8477782T460		12/01/2022	122022	345047	270.96	270.96	01/01/2023	INV	PD	TOWN COURSE MAINTENANC
CHECK DATE: 12/20/2022										
100567 DVS RENEWAL					3,588.06					
C1690036		12/08/2022	122022	345048	36.50	36.50	01/08/2023	INV	PD	Registration fees- Unm
CHECK DATE: 12/20/2022										
100577 EASY PICKER GOLF PRODUCTS INC										
0184470-IN		11/18/2022	122022	345049	18.39	18.39	12/18/2022	INV	PD	MARKER LEAD
CHECK DATE: 12/20/2022										
0184644-IN		11/28/2022	122022	345049	551.51	551.51	12/28/2022	INV	PD	PROXIMITY MARKERS, REP
CHECK DATE: 12/20/2022										
111008 ELECTRICAL PRODUCTION SERVICES					569.90					
2012525.002		12/10/2022	122022	345050	500.00	500.00	01/10/2023	INV	PD	RFD DAMAGE DEPOSIT
CHECK DATE: 12/20/2022										PAYEE: ELECTRICAL PRODUCTION SERVICES
102657 ENERGY MANAGEMENT SOLUTIONS INC										
10531		12/01/2022	122022	345051	7,327.00	7,327.00	01/05/2023	INV	PD	DEC RETAINER FEE
CHECK DATE: 12/20/2022										
103643 EROSION PRODUCTS LLC										
23496		11/28/2022	122022	345052	600.00	600.00	12/28/2022	INV	PD	WOOD CHIP LOG FOR SAVA
CHECK DATE: 12/20/2022										

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100625 EUREKA CONSTRUCTION INC										
53290150-4		12/08/2022	122022	345053	773,184.25	773,184.25	12/31/2022	INV	PD	CREEK RD UTILITY & ST
CHECK DATE: 12/20/2022										
105728 FIDELITY SECURITY LIFE INSURANCE COMPANY										
165547520		11/22/2022	120822	344984	780.01	780.01	12/30/2022	INV	PD	DEC EMP INS PREM-VISIO
CHECK DATE: 12/08/2022										
100649 FEDERAL EXPRESS CORPORATION										
7-961-98707		11/30/2022	120622-2	344971	33.44	33.44	12/15/2022	INV	PD	UB SHIPPING FROM US BA
CHECK DATE: 12/06/2022										
7-969-19713		12/07/2022	121522	344990	66.60	66.60	12/22/2022	INV	PD	UB SHIPPING FROM US BA
CHECK DATE: 12/15/2022										
					100.04					
110169 FELHABER LARSON FENLON AND VOGT PA										
695114		11/02/2022	122022	345054	3,599.19	3,599.19	12/02/2022	INV	PD	Creek Rd Trunk Sewer E
CHECK DATE: 12/20/2022										
695124		11/02/2022	122022	345054	7,600.32	7,600.32	12/02/2022	INV	PD	TH 41 Project-Property
CHECK DATE: 12/20/2022										
696341		12/02/2022	122022	345054	5,349.00	5,349.00	12/31/2022	INV	PD	TH 41 Project-Property
CHECK DATE: 12/20/2022										
696342		12/02/2022	122022	345054	658.50	658.50	12/31/2022	INV	PD	Creek Rd Trunk Sewer E
CHECK DATE: 12/20/2022										
					17,207.01					
100653 FERGUSON ENTERPRISES INC										
9723240		11/28/2022	122022	345055	79.60	79.60	12/28/2022	INV	PD	GLYCOL VENT
CHECK DATE: 12/20/2022										
9741414		11/28/2022	122022	345055	15.99	15.99	12/28/2022	INV	PD	URINAL CLEARING
CHECK DATE: 12/20/2022										
CM935726		12/06/2022	122022	345055	-44.99	-44.99	01/06/2023	CRM	PD	CREDIT FAUCET SPOUT
CHECK DATE: 12/20/2022										
					50.60					
100655 FERRELLGAS 7780961										

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1120957633 CHECK DATE: 12/20/2022		11/02/2022	122022	345056	46.79	46.79	12/05/2022	INV	PD	PROPANE
1121437791 CHECK DATE: 12/20/2022		12/14/2022	122022	345056	99.42	99.42	01/14/2023	INV	PD	PROPANE
					146.21					
111005 FRITSCH, BRYAN										
155006040-2022-1 CHECK DATE: 12/20/2022		12/05/2022	122022	345057	2,025.00	2,025.00	12/31/2022	INV	PD	NOV REBATE-SOLAR PANEL
					PAYEE: FRITSCH, BRYAN					
100698 GALLS LLC										
022707140 CHECK DATE: 12/20/2022		11/16/2022	122022	345058	86.55	86.55	12/16/2022	INV	PD	Lockout Tool kit
100699 PLAYCORE WISCONSIN INC										
PJI-0198406 CHECK DATE: 12/20/2022		11/22/2022	122022	345059	292.37	292.37	12/22/2022	INV	PD	NEW SWING FOR RIVERVIE
100703 NORTH SECOND STREET STEEL SUPPLY INC										
525562 CHECK DATE: 12/20/2022		12/13/2022	122022	345060	730.00	730.00	01/13/2023	INV	PD	MATERIAL FOR NUT RISER
100737 GMH ASPHALT CORPORATION										
52492300-4 CHECK DATE: 12/20/2022		12/08/2022	122022	345061	673,596.28	673,596.28	12/31/2022	INV	PD	2022 DT RECONSTRUCTION
106901 INFLECTION.COM INC										
CIT02939054 CHECK DATE: 12/20/2022		11/30/2022	122022	345062	492.00	492.00	12/30/2022	INV	PD	NOV BACKGROUND CHECKS
101463 GOPHER STATE ONE CALL										
2110285 CHECK DATE: 12/20/2022		11/30/2022	122022	345063	344.25	344.25	12/30/2022	INV	PD	NOVEMBER LOCATES
100753 GPS INDUSTRIES LLC										
REP0010631 CHECK DATE: 12/20/2022		11/29/2022	122022	345064	645.00	645.00	12/29/2022	INV	PD	GPS UNIT REPAIRS

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INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
100759	WW GRAINGER INC									
9524191484	CHECK DATE: 12/20/2022	11/23/2022	122022	345065	51.26	51.26	12/23/2022	INV	PD	LAKE HAZELTINE REPLACE
9530199117	CHECK DATE: 12/20/2022	12/01/2022	122022	345065	12.21	12.21	12/31/2022	INV	PD	FUSES FOR BREAKER AT W
9537852106	CHECK DATE: 12/20/2022	12/07/2022	122022	345065	208.16	208.16	01/06/2023	INV	PD	CONNECTORS FOR METERS
					271.63					
100758	GRAYBAR ELECTRIC COMPANY INC									
9329953752	CHECK DATE: 12/20/2022	12/09/2022	122022	345066	825.73	825.73	01/09/2023	INV	PD	RING LOCKS
110960	GREEN ISLE REFRIGERATED WAREHOUSE									
60118622-2022-2	CHECK DATE: 12/20/2022	11/07/2022	122022	345067	5,448.00	5,448.00	12/31/2022	INV	PD	NOV REBATE-CUSTOM-DEFR
										PAYEE: GREEN ISLE REFRIGERATED WAREHOUSE
100785	HACH COMPANY									
13356128	CHECK DATE: 12/20/2022	11/23/2022	122022	345068	625.84	625.84	12/23/2022	INV	PD	WTP CHEMICALS
100810	HAWKINS INC									
6351376	CHECK DATE: 12/20/2022	12/02/2022	122022	345069	2,395.51	2,395.51	01/16/2023	INV	PD	WTP CHEMICALS
111022	HEATH, HEATHER									
35338	CHECK DATE: 12/20/2022	12/14/2022	122022	345070	181.61	181.61	01/15/2023	INV	PD	CREDIT BALANCE REFUND-
100830	HELSTROM, DEREK									
107963	CHECK DATE: 12/20/2022	11/17/2022	122022	345071	112.50	112.50	01/02/2023	INV	PD	MILEAGE 9/23-11/17
100848	HIGH TECH CLEANING INC									
18285	CHECK DATE: 12/20/2022	12/01/2022	122022	345072	3,294.00	3,294.00	01/01/2023	INV	PD	CITY HALL

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INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
18286		12/01/2022	122022	345072	520.00	520.00	01/01/2023	INV	PD	COMMUNITY ROOM - CLOVE
CHECK DATE: 12/20/2022										
18287		12/01/2022	122022	345072	1,593.00	1,593.00	01/01/2023	INV	PD	FIRE STATION
CHECK DATE: 12/20/2022										
18288		12/01/2022	122022	345072	1,215.00	1,215.00	01/01/2023	INV	PD	HISTORY CENTER
CHECK DATE: 12/20/2022										
18289		12/01/2022	122022	345072	215.00	215.00	01/01/2023	INV	PD	IT DEPARTMENT
CHECK DATE: 12/20/2022										
18290		12/01/2022	122022	345072	2,100.00	2,100.00	01/01/2023	INV	PD	MSB
CHECK DATE: 12/20/2022										
18291		12/01/2022	122022	345072	185.00	185.00	01/01/2023	INV	PD	STANTEC BUILDING
CHECK DATE: 12/20/2022										
18292		12/01/2022	122022	345072	665.00	665.00	01/01/2023	INV	PD	WTP
CHECK DATE: 12/20/2022										
100859 HOISINGTON KOEGLER GROUP INC					9,787.00					
022-024-6		12/07/2022	122022	345073	3,752.50	3,752.50	01/07/2023	INV	PD	DT BUSINESS ENTRANCE D
CHECK DATE: 12/20/2022										
022-043-4		12/07/2022	122022	345073	1,445.00	1,445.00	01/07/2023	INV	PD	ZONING CODE AUDIT 2022
CHECK DATE: 12/20/2022										
022-046-3		12/07/2022	122022	345073	3,293.75	3,293.75	01/07/2023	INV	PD	NOV CITY SQUARE PARK R
CHECK DATE: 12/20/2022										
111001 HOMELAND HEALTH SPECIALISTS INC					8,491.25					
19255		09/20/2022	122022	345074	102.00	102.00	12/02/2022	INV	PD	Flu Shot Clinic 9/20
CHECK DATE: 12/20/2022										
100878 HUEBSCH										
84176/NOV2022		11/30/2022	122022	345075	1,687.55	1,687.55	12/10/2022	INV	PD	NOV RUG/MAT SVC
CHECK DATE: 12/20/2022										
100889 INTERNATIONAL CITY MGMT ASSN RETIREMENT CORP										
2022/1202-ICHA		12/02/2022	120622-2	344972	7,725.90	7,725.90	12/02/2022	INV	PD	120222 Payroll - 457 &
CHECK DATE: 12/06/2022										
104751 IMPACT MAILING OF MINNESOTA INC										

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203134 CHECK DATE: 12/20/2022		12/01/2022	122022	345076	8,453.94	8,453.94	12/31/2022	INV	PD	Nov Bills
203146 CHECK DATE: 12/20/2022		12/06/2022	122022	345076	605.17	605.17	12/31/2022	INV	PD	Nov Final Bills
203675 CHECK DATE: 12/20/2022		12/13/2022	122022	345076	622.15	622.15	01/31/2023	INV	PD	Dec Disconnects
					9,681.26					
110528 INVOICE CLOUD INC										
3052-2022_11 CHECK DATE: 12/20/2022		11/30/2022	122022	345077	12,235.13	12,235.13	12/31/2022	INV	PD	Nov UB Payment Process
111019 JOHNSON, KURT										
10002159 CHECK DATE: 12/20/2022		12/14/2022	122022	345078	151.03	151.03	01/15/2023	INV	PD	CREDIT BALANCE REFUND-
111006 KALAL, CHRIS										
248000420-2022-1 CHECK DATE: 12/20/2022		12/05/2022	122022	345079	2,094.00	2,094.00	12/31/2022	INV	PD	NOV REBATE-SOLAR PANEL PAYEE: KALAL, CHRIS
101050 LAW ENFORCEMENT LABOR SERVICES INC										
Dec-22 CHECK DATE: 12/06/2022		12/02/2022	120622-2	344973	1,690.00	1,690.00	12/02/2022	INV	PD	Dec-22 Police Union Du
101071 LENZEN CHEVROLET BUICK INC										
86054 CHECK DATE: 12/20/2022		11/30/2022	122022	345080	239.06	239.06	12/30/2022	INV	PD	#401 UNDER SEAT STORAG
101093 LITTLE FALLS MACHINE INC										
365799 CHECK DATE: 12/20/2022		12/07/2022	122022	345081	185.43	185.43	01/07/2023	INV	PD	PINS FOR CYLINDERS ON
110118 LOCKRIDGE GRINDAL NAUEN PLLP										
15951 CHECK DATE: 12/20/2022		12/01/2022	122022	345082	3,333.33	3,333.33	01/07/2023	INV	PD	Dec Lobbyist for City
111020 LUNDBERG, WILLIAM										

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INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
10005970 CHECK DATE: 12/20/2022		12/14/2022	122022	345083	178.42	178.42	01/15/2023	INV	PD	CREDIT BALANCE REFUND-
109242 LYNN LEMBCKE										
22-30 CHECK DATE: 12/20/2022		12/04/2022	122022	345084	1,250.00	1,250.00	01/04/2023	INV	PD	Body Warn Camera Audit
105710 MACQUEEN EMERGENCY GROUP										
P08100 CHECK DATE: 12/20/2022		12/05/2022	122022	345085	815.36	815.36	01/05/2023	INV	PD	E11 HEADER REPLACEMENT
103176 MANSFIELD OIL COMPANY										
23820338 CHECK DATE: 12/20/2022		12/06/2022	122022	345086	7,915.00	7,915.00	01/05/2023	INV	PD	UNLEADED FUEL
23820339 CHECK DATE: 12/20/2022		12/06/2022	122022	345086	4,284.39	4,284.39	01/05/2023	INV	PD	DYED DIESEL COLDPRO
23820340 CHECK DATE: 12/20/2022		12/06/2022	122022	345086	7,127.35	7,127.35	01/05/2023	INV	PD	DYED DIESEL
106661 MAYER LUMBER COMPANY INC					19,326.74					
224522 CHECK DATE: 12/20/2022		12/12/2022	122022	345087	2,000.00	2,000.00	01/12/2023	INV	PD	BRAKE FOR BENDING TRIM
101176 METRO ALARM CONTRACTORS INC										
80077 CHECK DATE: 12/20/2022		12/01/2022	122022	345088	952.45	952.45	01/01/2023	INV	PD	WTP DOOR REPAIR
80103 CHECK DATE: 12/20/2022		12/06/2022	122022	345088	513.45	513.45	01/06/2023	INV	PD	HUNDERTMARK TOWER DOOR
101183 METROPOLITAN COUNCIL					1,465.90					
NOV 2022 SAC CHECK DATE: 12/20/2022		11/30/2022	122022	345089	86,105.25	86,105.25	12/31/2022	INV	PD	NOV SAC CHARGES
101187 METRO SALES INC										
INV2177582		12/05/2022	122022	345090	163.00	163.00	01/04/2023	INV	PD	Contract Invoioce

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INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
CHECK DATE: 12/20/2022										
INV2177804		12/05/2022	122022	345090	321.88	321.88	01/04/2023	INV	PD	Contract Invoice
CHECK DATE: 12/20/2022										
INV2178554		12/06/2022	122022	345090	2,310.23	2,310.23	01/05/2023	INV	PD	QTRLY RICOH CONTRACT
CHECK DATE: 12/20/2022										
105998 MILBANK WINWATER WORKS					2,795.11					
182292 01	220221	12/08/2022	122022	345091	5,932.16	5,932.16	01/08/2023	INV	PD	INVENTORY - 3" HBMAG A
CHECK DATE: 12/20/2022										
101217 MINNESOTA CHILD SUPPORT PMT CTR										
PR120222001510208001		12/02/2022	120622-2	344974	184.58	184.58	12/02/2022	INV	PD	120222 Payroll - Child
CHECK DATE: 12/06/2022										
101337 MINNESOTA DEPARTMENT OF HEALTH										
1100002 4th Qtr 2022		11/21/2022	122022	345092	18,336.78	18,336.78	12/31/2022	INV	PD	Community Water Supply
CHECK DATE: 12/20/2022										
101303 MN TEAMSTER PUBLIC AND LAW ENFORCEMENT										
Dec-22		12/02/2022	120622-2	344975	4,963.00	4,963.00	12/02/2022	INV	PD	Dec-22 Local #320 Unio
CHECK DATE: 12/06/2022										
101276 MINNESOTA VALLEY ELECTRIC COOPERATIVE										
107050711/NOV22		11/28/2022	120622-2	344976	878.50	878.50	12/22/2022	INV	PD	NOV ST LITES-TOWN COUR
CHECK DATE: 12/06/2022										
778377500/NOV22		12/07/2022	121522	344991	60.60	60.60	01/02/2023	INV	PD	NOV 12500 CTY RD 11 SI
CHECK DATE: 12/15/2022										
778377800/NOV22		12/07/2022	121522	344991	40.96	40.96	01/02/2023	INV	PD	NOV 4250 ENGLER BLVD S
CHECK DATE: 12/15/2022										
778377900/NOV22		12/07/2022	121522	344991	40.56	40.56	01/02/2023	INV	PD	NOV 4100 ENGLER BLVD S
CHECK DATE: 12/15/2022										
781385500/NOV22		12/07/2022	121522	344991	10.67	10.67	01/02/2023	INV	PD	NOV 4463 CTY RD 44
CHECK DATE: 12/15/2022										
105308 MINNESOTA VALLEY UTILITY SERVICES LLC					1,031.29					

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INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
1345		11/30/2022	122022	345093	8,333.52	8,333.52	12/30/2022	INV	PD	SUBSTATION MAINTENANCE
CHECK DATE: 12/20/2022										
101281 KRISTIE MITCHELL										
108115		12/11/2022	122022	345094	4,684.80	4,684.80	01/11/2023	INV	PD	Fall 2 Learn to Skate
CHECK DATE: 12/20/2022										
101134 MALLOY MONTAGUE KARNOWSKI RADOSEVICH & CO PA										
53528		12/14/2022	122022	345095	1,000.00	1,000.00	12/31/2022	INV	PD	CFDRA FORM 990 FILING
CHECK DATE: 12/20/2022										
101192 STATE OF MINNESOTA										
1000048722		12/01/2022	122022	345096	10,521.54	10,521.54	01/01/2023	INV	PD	3rd QTR FISCAL YR INDI
CHECK DATE: 12/20/2022										
101341 MINNESOTA DEPT OF LABOR & INDUSTRY										
NOVEMBER0190352022		11/30/2022	122022	345097	6,325.47	6,325.47	12/31/2022	INV	PD	NOV PERMIT SURCHARGES
CHECK DATE: 12/20/2022										
107078 MOBOTREX INC										
262338	220219	12/06/2022	122022	345098	848.00	848.00	01/05/2023	INV	PD	8 = LED LAMPS = WLK/D
CHECK DATE: 12/20/2022										
105995 MONEY MOVERS INC										
154011		12/05/2022	122022	345099	31.50	31.50	12/30/2022	INV	PD	Nov Health Ins Reimb
CHECK DATE: 12/20/2022										
109795 MSC INDUSTRIAL DIRECT CO INC										
5819791001		11/21/2022	122022	345100	1,588.14	1,588.14	12/21/2022	INV	PD	WM BREAK BOLTS
CHECK DATE: 12/20/2022										
103088 SID TOOL CO INC										
63814496		12/05/2022	122022	345101	250.47	250.47	01/05/2023	INV	PD	SHOP SUPPLIES
CHECK DATE: 12/20/2022										
101355 MTI DISTRIBUTING INC #400012										
1366169-00		10/03/2022	122022	345102	624.41	624.41	12/31/2022	INV	PD	Smart Hub Parts-Credit

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INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
CHECK DATE: 12/20/2022										
1371000-00		12/06/2022	122022	345102	-168.53	-168.53	12/31/2022	CRM	PD	Credit-Smart Hub Part
CHECK DATE: 12/20/2022										
1371003-00		12/06/2022	122022	345102	-437.41	-437.41	12/31/2022	CRM	PD	Credit-Smart Hub Part
CHECK DATE: 12/20/2022										
					18.47					
101354 MTI DISTRIBUTING INC #700767										
1370496-00		11/30/2022	122022	345103	2,442.21	2,442.21	12/30/2022	INV	PD	GTX PARTS-BEDKNIVES
CHECK DATE: 12/20/2022										
1370923-00		12/06/2022	122022	345103	227.94	227.94	12/31/2022	INV	PD	GTX CART-TIRES
CHECK DATE: 12/20/2022										
1371134-00		12/08/2022	122022	345103	327.76	327.76	12/31/2022	INV	PD	GTX PARTS-STRUT ASSEM
CHECK DATE: 12/20/2022										
					2,997.91					
109883 CLARICE ANN WILSON										
108008		12/03/2022	122022	345104	869.25	869.25	12/31/2022	INV	PD	Music Together Fall 20
CHECK DATE: 12/20/2022										
101365 STAR GROUP LLC										
4472/NOV2022		11/30/2022	120822	344985	7,286.18	7,286.18	12/10/2022	INV	PD	NOV PARTS & SUPPLIES
CHECK DATE: 12/08/2022										
101417 NORTHERN GREEN										
108151		12/07/2022	122022	345105	1,165.00	1,165.00	12/23/2022	INV	PD	Northern Green Expo Re
CHECK DATE: 12/20/2022										
101425 NORTHERN SAFETY TECHNOLOGY INC										
54918		11/30/2022	122022	345106	506.92	506.92	12/30/2022	INV	PD	#401 EMERGENCY LIGHTIN
CHECK DATE: 12/20/2022										
101437 NUSS EQUIPMENT GROUP LLC										
2235643P		11/29/2022	122022	345107	114.77	114.77	12/29/2022	INV	PD	WIPER BLADES FOR MACK
CHECK DATE: 12/20/2022										
2235783P		12/02/2022	122022	345107	1,376.38	1,376.38	12/31/2022	INV	PD	#110 SENSOR, #110 VALV
CHECK DATE: 12/20/2022										

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110570 ODP BUSINESS SOLUTIONS LLC					1,491.15					
280240839001		11/30/2022	122022	345108	103.39	103.39	12/30/2022	INV	PD	Styrofoam Cups
CHECK DATE: 12/20/2022										
101465 ON SITE SANITATION INC										
0001395615		09/16/2022	122022-2	345173	1,095.16	1,095.16	12/08/2022	INV	PD	LATIN FESTIVAL+INTERES
CHECK DATE: 12/20/2022										
0001440465		11/07/2022	122022-2	345173	-86.00	-86.00	12/07/2022	CRM	PD	TOWN COURSE MAINTENANC
CHECK DATE: 12/20/2022										
0001440466		11/07/2022	122022-2	345173	-86.00	-86.00	12/07/2022	CRM	PD	TOWN COURSE
CHECK DATE: 12/20/2022										
101489 PASS FENCING INC					923.16					
108247		12/01/2022	122022	345109	15,885.00	15,885.00	12/30/2022	INV	PD	SUNSET PARK BATTING CA
CHECK DATE: 12/20/2022										
101527 PIERCE, CHRIS										
107887		10/22/2022	122022	345110	224.00	224.00	12/30/2022	INV	PD	MILEAGE-FIRE CHIEFS CO
CHECK DATE: 12/20/2022										
101539 PLAISTED COMPANIES INC										
57870		11/30/2022	122022	345111	6,349.76	6,349.76	01/05/2023	INV	PD	DRIVING RANGE PROJECT-
CHECK DATE: 12/20/2022										
101551 POPPITZ CONSTRUCTION INC										
1433		10/17/2022	122022	345112	4,500.00	4,500.00	12/30/2022	INV	PD	EAST CREEK CANYON IMPR
CHECK DATE: 12/20/2022										
101557 POWER SYSTEM ENGINEERING INC										
9044593		12/01/2022	122022	345113	780.00	780.00	12/31/2022	INV	PD	CHASKA MODELING STUDY
CHECK DATE: 12/20/2022										
9044701		12/05/2022	122022	345113	1,925.00	1,925.00	12/31/2022	INV	PD	AMI NEGOTIATIONS
CHECK DATE: 12/20/2022										
9044916		12/13/2022	122022	345113	2,776.25	2,776.25	01/13/2023	INV	PD	MISC PLANNING, ENG & O
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					5,481.25					
101571 PREMIUM WATERS INC										
417080-11-22		11/30/2022	122022	345114	49.17	49.17	12/31/2022	INV	PD	CLUBHOUSE WATER
CHECK DATE: 12/20/2022										
111030 PROJECT RESOURCES GROUP INC										
MC-121648		12/02/2022	122022	345115	4,239.67	4,239.67	01/02/2023	INV	PD	DAMAGED FIBER-9430 AUD
CHECK DATE: 12/20/2022										
101576 FORNER ENTERPRISES INC										
20226369		12/03/2022	122022	345116	287.00	287.00	01/03/2023	INV	PD	GRAPHICS FOR FD TAHOES
CHECK DATE: 12/20/2022										
20226372		12/03/2022	122022	345116	66.57	66.57	12/31/2022	INV	PD	2022 Chaska Cares Golf
CHECK DATE: 12/20/2022										
20226381		12/03/2022	122022	345116	1,017.00	1,017.00	01/03/2023	INV	PD	PROPOSED DEVELOPMENT S
CHECK DATE: 12/20/2022										
20226382		12/03/2022	122022	345116	339.00	339.00	01/03/2023	INV	PD	LION'S PARK SHELTER SI
CHECK DATE: 12/20/2022										
					1,709.57					
103055 QUALITY PROPANE INC										
2339119		12/01/2022	122022	345117	70.58	70.58	01/01/2023	INV	PD	Zamboni LP Gas
CHECK DATE: 12/20/2022										
2406278		12/05/2022	122022	345117	107.30	107.30	01/05/2023	INV	PD	Zamboni LP Gas
CHECK DATE: 12/20/2022										
2450282		12/12/2022	122022	345117	88.94	88.94	01/13/2023	INV	PD	Zamboni LP Gas
CHECK DATE: 12/20/2022										
					266.82					
107855 STAPLES INC										
1933448		11/18/2022	120622-2	344978	-78.24	-78.24	12/18/2022	CRM	PD	CREDIT FOR PAPER CUPS
CHECK DATE: 12/06/2022										
28921163		11/10/2022	120622-2	344978	9.01	9.01	12/10/2022	INV	PD	OFFICE SUPPLIES
CHECK DATE: 12/06/2022										
28931612		11/10/2022	120622-2	344978	161.76	161.76	12/10/2022	INV	PD	OFFICE SUPPLIES
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INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
29016033		11/15/2022	120622-2	344978	192.13	192.13	12/15/2022	INV	PD	OFFICE SUPPLIES
CHECK DATE: 12/06/2022										
29079081-1		11/17/2022	122022	345118	91.99	91.99	12/17/2022	INV	PD	Legal File Folders for
CHECK DATE: 12/20/2022										
29079081-2		11/17/2022	122022	345118	91.99	91.99	12/17/2022	INV	PD	Legal File Folders for
CHECK DATE: 12/20/2022										
29104809		11/18/2022	120622-2	344978	46.58	46.58	12/18/2022	INV	PD	ELECTRIC ROOM CALENDAR
CHECK DATE: 12/06/2022										
29105556		11/18/2022	120622-2	344978	78.24	78.24	12/18/2022	INV	PD	CUPS
CHECK DATE: 12/06/2022										
29279687		11/30/2022	122022	345119	99.62	99.62	12/30/2022	INV	PD	OFFICE SUPPLIES
CHECK DATE: 12/20/2022										
29342814		12/02/2022	122022	345119	29.18	29.18	01/02/2023	INV	PD	BINGERS (ELECTRIC DEPT
CHECK DATE: 12/20/2022										
101684 R & R SPECIALTIES OF WISCONSIN INC					722.26					
0077464-IN		12/05/2022	122022	345120	170.65	170.65	01/05/2023	INV	PD	Zamboni Blade Bolts
CHECK DATE: 12/20/2022										
0077520-IN		12/08/2022	122022	345120	65.00	65.00	01/08/2023	INV	PD	Zamboni Blade Sharpeni
CHECK DATE: 12/20/2022										
101616 RDO EQUIPMENT COMPANY					235.65					
P9635070		12/05/2022	122022	345121	386.68	386.68	01/05/2023	INV	PD	#715 BEARINGS FOR TREN
CHECK DATE: 12/20/2022										
P9636370		12/05/2022	122022	345121	27.84	27.84	01/05/2023	INV	PD	#715 BEARING RACES FOR
CHECK DATE: 12/20/2022										
101620 RECREATION SUPPLY CO INC					414.52					
482993		11/09/2022	122022	345122	48.87	48.87	12/09/2022	INV	PD	Float Valve for the Ho
CHECK DATE: 12/20/2022										
101638 RURAL ELECTRIC SUPPLY COOPERATIVE										
880203-00	220218	12/02/2022	122022	345123	307.68	307.68	12/31/2022	INV	PD	4 = SPLICE 2 SOLID QUI
CHECK DATE: 12/20/2022										

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101642	RHOMAR INDUSTRIES INC									
102795		11/30/2022	122022	345124	6,500.25	6,500.25	12/30/2022	INV	PD	DE-ICING LIQUID FOR CI
CHECK DATE: 12/20/2022										
101652	RIES HEATING & A/C INC									
21426		11/22/2022	122022	345125	5,237.37	5,237.37	12/22/2022	INV	PD	PRO SHOP FURNACE REPLA
CHECK DATE: 12/20/2022										
107697	RIVERS EDGE CONCRETE LLC									
7048215		11/22/2022	122022	345126	1,783.50	1,783.50	12/23/2022	INV	PD	CONCRETE FOR SHELTER P
CHECK DATE: 12/20/2022										
101669	ROBERT HALF TECHNOLOGY									
61173694		12/05/2022	122022	345127	1,287.90	1,287.90	01/05/2023	INV	PD	BLDG INSP TEMP-KLEHR W
CHECK DATE: 12/20/2022										
61212322		12/12/2022	122022	345127	1,287.90	1,287.90	12/31/2022	INV	PD	BLDG INSP TEMP-KLEHR W
CHECK DATE: 12/20/2022										
103251	ROBERT THOMAS HOMES INC				2,575.80					
B22-10621		11/28/2022	122022	345128	15,959.65	15,959.65	12/28/2022	INV	PD	RFD ON NEW HOME PERMIT
CHECK DATE: 12/20/2022										
109803	SCHMIDT DRAIN CLEANING LLC									
6377		11/30/2022	122022	345129	349.00	349.00	12/30/2022	INV	PD	MSB MAINTENANCE ON DRA
CHECK DATE: 12/20/2022										
101696	RYAN CONTRACTING CO									
53290190-9/FINAL		12/01/2022	122022	345130	71,880.34	71,880.34	12/31/2022	INV	PD	CLOVER RDG DR/FREY PRO
CHECK DATE: 12/20/2022										
101699	SAFETY-KLEEN SYSTEMS INC									
90376065		12/07/2022	122022	345131	422.93	422.93	01/07/2023	INV	PD	PARTS CLEANER
CHECK DATE: 12/20/2022										
101703	SALVATION ARMY									
NOV/22 HS		12/10/2022	122022	345132	114.00	114.00	12/31/2022	INV	PD	NOV HEAT SHARE CONTRIB

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INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
CHECK DATE: 12/20/2022										
101738 SCHILLING SUPPLY COMPANY										
13746		12/01/2022	122022	345133	-48.15	-48.15	12/31/2022	CRM	PD	OVERPAYMENT ON CHECK 3
CHECK DATE: 12/20/2022										
897408-00		11/30/2022	122022	345133	2,494.44	2,494.44	12/30/2022	INV	PD	Cleaning Supplies-CCC
CHECK DATE: 12/20/2022										
					2,446.29					
111025 SCHNABEL, ZACH										
37008		12/14/2022	122022	345134	69.03	69.03	01/14/2023	INV	PD	METER DEPOSIT REFUND-3
CHECK DATE: 12/20/2022										
108102 SECURITAS ELECTRONIC SECURITY INC										
7001098613		10/19/2022	122022	345135	141.75	141.75	12/28/2022	INV	PD	B. BASKET MONITORING 1
CHECK DATE: 12/20/2022										
7001098614		10/19/2022	122022	345135	193.20	193.20	12/28/2022	INV	PD	CITY HALL MONITORING 1
CHECK DATE: 12/20/2022										
					334.95					
104827 ROHN INDUSTRIES										
588567		11/28/2022	122022	345136	24.54	24.54	01/01/2023	INV	PD	SECURITY CONSOLE SHRED
CHECK DATE: 12/20/2022										
110939 DEVTHIRTY3 LLC										
1421		12/09/2022	122022	345137	9,023.50	9,023.50	12/31/2022	INV	PD	Bldg Insp Doc Scanning
CHECK DATE: 12/20/2022										
104547 SITEONE LANDSCAPE SUPPLY HOLDING LLC										
125322612-001		12/06/2022	122022	345138	576.73	576.73	01/15/2023	INV	PD	GRATES & SALT SPREADER
CHECK DATE: 12/20/2022										
101803 SM HENTGES & SONS INC										
SP1008-87-1		12/12/2022	122022	345139	772,509.23	772,509.23	12/31/2022	INV	PD	TH 41/CSAH 61 IMPROVEM
CHECK DATE: 12/20/2022										
SP1008-87-2		12/12/2022	122022	345140	1,065,247.72	1,065,247.72	12/31/2022	INV	PD	TH 41/CSAH 61 IMPROVEM
CHECK DATE: 12/20/2022										

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INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
101808 SNAP-ON TOOLS					1,837,756.95					
112922110313 CHECK DATE: 12/20/2022		11/29/2022	122022	345141	91.16	91.16	12/29/2022	INV	PD	PENTAGON SOCKET FOR CU
101828 SOUTHWEST NEWS MEDIA										
874242 CHECK DATE: 12/20/2022		11/17/2022	122022	345142	47.78	47.78	12/20/2022	INV	PD	Hearing on Spending Pl
111028 SRSEN, WAYNE										
10007527 CHECK DATE: 12/20/2022		12/14/2022	122022	345143	303.17	303.17	01/14/2023	INV	PD	CREDIT BALANCE REFUND- PAYEE: SRSEN, WAYNE
101850 STANTEC CONSULTING SERVICES INC										
2015134 CHECK DATE: 12/20/2022		12/08/2022	122022	345144	3,258.00	3,258.00	01/08/2023	INV	PD	OCT/NOV MSA
2015138 CHECK DATE: 12/20/2022		12/08/2022	122022	345144	872.00	872.00	01/08/2023	INV	PD	OCT/NOV-RECORD PLAN/BA
2015486 CHECK DATE: 12/20/2022		12/08/2022	122022	345144	16,671.00	16,671.00	01/08/2023	INV	PD	OCT/NOV-SW COMMUNITY P
2015488 CHECK DATE: 12/20/2022		12/08/2022	122022	345144	20,943.63	20,943.63	01/08/2023	INV	PD	OCT/NOV-SE COLLECTOR
2015490 CHECK DATE: 12/20/2022		12/08/2022	122022	345144	127,505.52	127,505.52	01/08/2023	INV	PD	OCT/NOV-CREEK RD TRUNK
2015492 CHECK DATE: 12/20/2022		12/08/2022	122022	345144	5,423.00	5,423.00	01/08/2023	INV	PD	OCT/NOV-HILL TOWER REV
2015493 CHECK DATE: 12/20/2022		12/08/2022	122022	345144	1,723.50	1,723.50	01/08/2023	INV	PD	OCT/NOV-2020 DT RECONS
2015494 CHECK DATE: 12/20/2022		12/08/2022	122022	345144	2,153.31	2,153.31	01/08/2023	INV	PD	OCT/NOV-PAR 30 GOLF CO
2015495 CHECK DATE: 12/20/2022		12/08/2022	122022	345144	464.00	464.00	01/08/2023	INV	PD	OCT/NOV-DRAINAGE IMPRO
2015496 CHECK DATE: 12/20/2022		12/08/2022	122022	345144	1,087.50	1,087.50	01/08/2023	INV	PD	OCT/NOV-STORMWATER REV
2015497 CHECK DATE: 12/20/2022		12/08/2022	122022	345144	2,535.75	2,535.75	01/08/2023	INV	PD	OCT/NOV-STORMWATER REV

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INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
2015499 CHECK DATE: 12/20/2022		12/08/2022	122022	345144	327.25	327.25	01/08/2023	INV	PD	OCT/NOV-STORMWATER REV
2015500 CHECK DATE: 12/20/2022		12/08/2022	122022	345144	1,290.00	1,290.00	01/08/2023	INV	PD	OCT/NOV-WELL NOS 4, 5,
2015501 CHECK DATE: 12/20/2022		12/08/2022	122022	345144	323.50	323.50	01/08/2023	INV	PD	OCT/NOV-OAK ST PUMPING
2015502 CHECK DATE: 12/20/2022		12/08/2022	122022	345144	110.25	110.25	01/08/2023	INV	PD	OCT/NOV-CREEK RD INDUS
2015503 CHECK DATE: 12/20/2022		12/08/2022	122022	345144	5,835.06	5,835.06	01/08/2023	INV	PD	OCT/NOV-CLOVER RDG /FR
2015505 CHECK DATE: 12/20/2022		12/08/2022	122022	345144	33,802.75	33,802.75	01/08/2023	INV	PD	OCT/NOV-WELL 7 WTP
2015506 CHECK DATE: 12/20/2022		12/08/2022	122022	345144	85,195.27	85,195.27	01/08/2023	INV	PD	OCT/NOV-2022 DT RECONS
2015507 CHECK DATE: 12/20/2022		12/08/2022	122022	345144	2,269.00	2,269.00	01/08/2023	INV	PD	OCT/NOV-2ND & PINE PKG
2015508 CHECK DATE: 12/20/2022		12/08/2022	122022	345144	160.00	160.00	01/08/2023	INV	PD	OCT/NOV-BUTTERNUT LN I
2015509 CHECK DATE: 12/20/2022		12/08/2022	122022	345144	776.25	776.25	01/08/2023	INV	PD	OCT/NOV-HUNDERTMARK EL
2015511 CHECK DATE: 12/20/2022		12/08/2022	122022	345144	453.25	453.25	01/08/2023	INV	PD	OCT/NOV-CHEVALLE POND
2015512 CHECK DATE: 12/20/2022		12/08/2022	122022	345144	3,822.00	3,822.00	01/08/2023	INV	PD	OCT/NOV-MCKNIGHT WETLA
2015513 CHECK DATE: 12/20/2022		12/08/2022	122022	345144	3,712.75	3,712.75	01/08/2023	INV	PD	OCT/NOV-CITY SQUARE PA
2015514 CHECK DATE: 12/20/2022		12/08/2022	122022	345144	8,651.25	8,651.25	01/08/2023	INV	PD	OCT/NOV-GENERAL ENGINE
111027 STECKLING, ANITA				329,365.79						
37422 CHECK DATE: 12/20/2022		12/14/2022	122022	345145	64.40	64.40	01/14/2023	INV	PD	METER DEPOSIT REFUND-1
110999 STOEBNER, PARKER										
2012493.002 CHECK DATE: 12/20/2022		11/28/2022	122022	345146	9.00	9.00	12/28/2022	INV	PD	RFD DAILY ADMISSION-HA
PAYEE: STOEBNER, PARKER										

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INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
101888	STREICHERS									
I1595554	CHECK DATE: 12/20/2022	10/17/2022	122022	345147	8.00	8.00	12/06/2022	INV	PD	Panning-Embroidery
I1604223	CHECK DATE: 12/20/2022	12/07/2022	122022	345147	277.97	277.97	01/01/2023	INV	PD	Seibert-Golf Experienc
					285.97					
101892	STUART C IRBY CO									
S013016371.001	CHECK DATE: 12/20/2022	12/05/2022	122022	345148	21,730.00	21,730.00	01/04/2023	INV	PD	SWITCH CAB PME 9 600AM
102247	SUMMIT FIRE PROTECTION CO									
130063696	CHECK DATE: 12/20/2022	11/30/2022	122022	345149	300.50	300.50	12/30/2022	INV	PD	TC MAINTENANCE EXTINGU
130063975	CHECK DATE: 12/20/2022	11/30/2022	122022	345149	774.75	774.75	12/30/2022	INV	PD	FD FIRE EXTINGUISHER S
130063977	CHECK DATE: 12/20/2022	11/30/2022	122022	345149	3,303.00	3,303.00	12/30/2022	INV	PD	MSB ANNUAL EXTINGUISHE
130063978	CHECK DATE: 12/20/2022	11/30/2022	122022	345149	50.00	50.00	12/30/2022	INV	PD	WTP ANNUAL EXTINGUISHE
130064151	CHECK DATE: 12/20/2022	11/30/2022	122022	345149	86.50	86.50	12/30/2022	INV	PD	CITY HALL EXTINGUISHER
					4,514.75					
106658	SUN CONTROL OF MINNESOTA INC									
71875	CHECK DATE: 12/20/2022	12/02/2022	122022	345150	375.00	375.00	01/02/2023	INV	PD	Change IS Door Graphic
101954	THEIS CONSTRUCTION COMPANY INC									
316-22	CHECK DATE: 12/20/2022	12/02/2022	122022	345151	140,000.00	140,000.00	01/02/2023	INV	PD	LION'S PARK PAVILION-3
104165	THINK SMALL									
2012507.002	CHECK DATE: 12/20/2022	12/02/2022	122022	345152	92.50	92.50	01/02/2023	INV	PD	RFD-ROOM CANCELLATION
104908	TIMESAVER OFF SITE SECRETARIAL INC									

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M27791 CHECK DATE: 12/20/2022		11/30/2022	122022	345153	344.50	344.50	12/30/2022	INV	PD	Nov 17th & 21 Council
101966 TK ELEVATOR CORPORATION										
3006950928 CHECK DATE: 12/20/2022		12/01/2022	122022	345154	310.00	310.00	01/01/2023	INV	PD	Dec CCC Elevator Servi
111000 TRUMBOWER, ALYSSA										
107886 CHECK DATE: 12/20/2022		10/14/2022	122022	345155	150.13	150.13	12/30/2022	INV	PD	MILEAGE-MRPA CONF IN B
102028 TWIN CITY WATER CLINIC INC										
18434 CHECK DATE: 12/20/2022		12/09/2022	122022	345156	510.00	510.00	01/06/2023	INV	PD	NOVEMBER WTP SAMPLES
110053 TX CHILD SUPPORT SDU										
PR1202220012725283 CHECK DATE: 12/06/2022		12/02/2022	120622-2	344979	147.69	147.69	12/02/2022	INV	PD	120222 Payroll - Child
102037 ULINE INC										
157146237 CHECK DATE: 12/20/2022		12/02/2022	122022	345157	52.50	52.50	01/02/2023	INV	PD	Evidence supplies
157347180 CHECK DATE: 12/20/2022		12/07/2022	122022	345157	1,114.03	1,114.03	01/07/2023	INV	PD	STORAGE RACKS FOR SIGN
102051 UPS					1,166.53					
000027V7Y7472-2022 CHECK DATE: 12/06/2022		11/19/2022	120622-2	344980	104.13	104.13	11/30/2022	INV	PD	SHIPPING-RETURN DEMO C
000027V7Y7492 CHECK DATE: 12/15/2022		12/03/2022	121522	344992	151.44	151.44	12/14/2022	INV	PD	CLUB RETURNS + LATE FE
102064 US BANK					255.57					
6734556 CHECK DATE: 12/20/2022		11/25/2022	122022	345158	500.00	500.00	12/25/2022	INV	PD	2017B AGENT FEES
6734557		11/25/2022	122022	345158	500.00	500.00	12/25/2022	INV	PD	2017C AGENT FEES

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INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
CHECK DATE: 12/20/2022										
6734712		11/25/2022	122022	345158	550.00	550.00	12/25/2022	INV	PD	2019B AGENT FEES
CHECK DATE: 12/20/2022										
6734714		11/25/2022	122022	345158	550.00	550.00	12/25/2022	INV	PD	2019C AGENT FEES
CHECK DATE: 12/20/2022										
					2,100.00					
107687 UNIVERSAL PROTECTION SERVICE LP										
13530583		11/17/2022	122022	345159	114.62	114.62	12/17/2022	INV	PD	Event Ctr Security
CHECK DATE: 12/20/2022										
110799 VERIZON CONNECT FLEET USA LLC										
100000142493-Balance		12/01/2022	121522	344993	158.72	158.72	12/31/2022	INV	PD	BALANCE DUE FOR CREDIT
CHECK DATE: 12/15/2022										
374000035030		12/01/2022	121522	344993	279.20	279.20	12/31/2022	INV	PD	Data processing/gps
CHECK DATE: 12/15/2022										
					437.92					
102102 VERIZON WIRELESS										
9921267837		11/23/2022	120622-2	344981	572.04	572.04	12/15/2022	INV	PD	NOV CRADLEPOINTS
CHECK DATE: 12/06/2022										
102120 VISU-SEWER INC										
34266		11/30/2022	122022	345160	4,675.00	4,675.00	12/30/2022	INV	PD	LYMAN BLVD SEWER FAILU
CHECK DATE: 12/20/2022										
102227 ONVOY LLC										
0009426221201		12/01/2022	121522	344994	406.03	406.03	12/25/2022	INV	PD	DEC EDU CTR INTERNET/E
CHECK DATE: 12/15/2022										
0009486221201		12/01/2022	121522	344994	1,015.08	1,015.08	12/25/2022	INV	PD	DEC CITY HALL ETHERNET
CHECK DATE: 12/15/2022										
					1,421.11					
111023 WAHL, JANE										
10003285		12/14/2022	122022	345161	62.66	62.66	01/14/2023	INV	PD	METER DEPOSIT REFUND-2
CHECK DATE: 12/20/2022										
102549 WARNING LITES OF MINNESOTA INC										

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243563 CHECK DATE: 12/20/2022		12/02/2022	122022	345162	16,232.66	16,232.66	01/02/2023	INV	PD	T-30 Message Board Tra
102143 WATER CONSERVATION SERVICES INC										
12736 CHECK DATE: 12/20/2022		11/29/2022	122022	345163	345.63	345.63	12/29/2022	INV	PD	LEAK LOCATE 3100 CHEST
102146 WATER SPECIALTY OF MINNESOTA INC										
12853 CHECK DATE: 12/20/2022		12/12/2022	122022	345164	1,629.85	1,629.85	01/12/2023	INV	PD	Pool Chemicals
102166 WESCO DISTRIBUTION INC										
152746 CHECK DATE: 12/20/2022		11/30/2022	122022	345165	831.10	831.10	12/30/2022	INV	PD	RATCHING WRENCHS/GROUN
157591 CHECK DATE: 12/20/2022		12/08/2022	122022	345165	1,167.01	1,167.01	01/08/2023	INV	PD	HAMMER DRILL
158129 CHECK DATE: 12/20/2022		12/09/2022	122022	345165	270.33	270.33	01/09/2023	INV	PD	CABLE STRIPPER
					2,268.44					
110788 WEX HEALTH INC										
0001645758-IN CHECK DATE: 12/20/2022		11/30/2022	122022	345166	180.00	180.00	12/30/2022	INV	PD	NOV VEBA PARTICIPANT F
102189 WM MUELLER & SONS										
283337 CHECK DATE: 12/20/2022		11/25/2022	122022	345167	357.12	357.12	12/25/2022	INV	PD	POTHOLE PATCHING
102220 XIGENT SOLUTIONS LLC										
85146 CHECK DATE: 12/20/2022		12/05/2022	122022	345168	4,701.00	4,701.00	01/09/2023	INV	PD	DEC RECOVERY SVC
85147 CHECK DATE: 12/20/2022		12/05/2022	122022	345168	13,914.69	13,914.69	01/09/2023	INV	PD	DEC SUPPORT SVC
85148 CHECK DATE: 12/20/2022		12/05/2022	122022	345168	1,778.44	1,778.44	01/09/2023	INV	PD	DEC VULNERABILITY SVC

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 User: 8482mrob
 Program ID: apinvlst

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VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
109622	ZAMBONI COMPANY USA INC				20,394.13					
121222		12/12/2022	122022-2	345174	173,586.00	173,586.00	12/31/2022	INV	PD	Zamboni Ice Resurfacer
CHECK DATE: 12/20/2022										
102226	ZARNOTH BRUSH WORKS INC									
0191854-IN		11/22/2022	122022	345169	2,660.00	2,660.00	12/22/2022	INV	PD	BOBCAT BROOM WAFERS
CHECK DATE: 12/20/2022										
102231	ZIEGLER INC									
IN000789400		11/29/2022	122022	345170	4,126.80	4,126.80	12/29/2022	INV	PD	WHEEL LOADER RENTAL
CHECK DATE: 12/20/2022										
					4,126.80					
326 INVOICES					4,991,569.73					

** END OF REPORT - Generated by Michelle Robbin **

VENDOR INVOICE LIST

Electronic Payments

INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
100005 MINNESOTA MUNICIPAL MONEY MARKET FUND										
108016		12/02/2022	120222-1	3500	6,000,000.00	6,000,000.00	12/02/2022	DIR	PD	Xfer ONB to 4M-Cashflo
CHECK DATE: 12/02/2022										
107490 GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY										
107859		12/02/2022	120522	3503	6,814.18	6,814.18	12/05/2022	DIR	PD	120222 Payroll - HCSP
CHECK DATE: 12/05/2022										
107744 GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY										
107860		12/02/2022	120522	3504	850.00	850.00	12/05/2022	DIR	PD	120222 Payroll - MNDP
CHECK DATE: 12/05/2022										
101756 MII LIFE INCORPORATED										
40437414		11/29/2022	113022	3494	237.76	237.76	11/30/2022	DIR	PD	11/30/22 FSA REIMB-HEA
CHECK DATE: 11/30/2022										
40443851		12/06/2022	120722	3505	876.09	876.09	12/07/2022	DIR	PD	12/7/22 FSA REIMB-HEAL
CHECK DATE: 12/07/2022										
40448908		12/13/2022	121422	3507	2,541.84	2,541.84	12/14/2022	DIR	PD	12/14/22 FSA REIMB-HEA
CHECK DATE: 12/14/2022										
					3,655.69					
100927 INTERNAL REVENUE SERVICE										
107853		12/02/2022	120222	3496	149,083.36	149,083.36	12/02/2022	DIR	PD	120222 Payroll - SS, M
CHECK DATE: 12/02/2022										
101343 MINNESOTA DEPT OF REVENUE-PAYROLL WIRES										
107854		12/02/2022	120522	3502	29,682.03	29,682.03	12/05/2022	DIR	PD	120222 Payroll - MN St
CHECK DATE: 12/05/2022										
101376 NATIONWIDE RETIREMENT SOLUTIONS(USCM)										
107855		12/02/2022	120222	3497	15,302.43	15,302.43	12/02/2022	DIR	PD	120222 Payroll - 457 C
CHECK DATE: 12/02/2022										
106955 NATIONWIDE RETIREMENT SOLUTIONS(USCM)										
107858		12/02/2022	120222	3499	3,930.08	3,930.08	12/02/2022	DIR	PD	120222 Payroll - Roth
CHECK DATE: 12/02/2022										

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 User: 8482mrob
 Program ID: apinvlst

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VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
111003 NICOLET NATIONAL BANK										
2022/12/01 DS CHECK DATE: 11/30/2022		11/30/2022	113022	3493	192,766.00	192,766.00	11/30/2022	DIR	PD	DS PMT DUE 12/1/22-P &
104668 OPTUM BANK INC										
107857 CHECK DATE: 12/01/2022		12/02/2022	WIRE_001	3495	15,952.01	15,952.01	12/02/2022	DIR	PD	120222 Payroll - HSA C
109689 PLANSOURCE BENEFITS ADMINISTRATION INC										
DEC2022 CHECK DATE: 12/15/2022		11/25/2022	WIRE_001	3508	4,356.30	4,356.30	12/15/2022	DIR	PD	DEC INS PREM-LTD/CI/AC
101506 PUBLIC EMPLOYEES RETIREMENT ASSOCIATION										
107856 CHECK DATE: 12/02/2022		12/02/2022	120222	3498	108,498.23	108,498.23	12/02/2022	DIR	PD	120222 Payroll - PERA
101973 CARVER COUNTY TITLE MANAGEMENT INC										
PARCEL 2 HWY 41-REV CHECK DATE: 12/02/2022		11/28/2022	120222-1	3501	90.25	90.25	12/02/2022	DIR	PD	River Gables revised t
110788 WEX HEALTH INC										
2022/12/09 CHECK DATE: 12/09/2022		12/09/2022	120922	3506	1,560.00	1,560.00	12/09/2022	DIR	PD	12/9/22 VEBA CITY CONT
					1,560.00					
16 INVOICES					6,532,540.56					

** END OF REPORT - Generated by Michelle Robbin **

Biweekly Report

December 19, 2022

By:

Matt Podhradsky

COUNCIL MEETING/WORK SESSION SCHEDULE

Below is a list of the upcoming Council Meetings and Work Sessions to plan for over the next several weeks:

December 19th: We will not have a Work Session prior to the regular Council meeting. The Council meeting will include the adopting of the final budgets for all our Funds, establishment of our tax levy for 2023 and adopting our Utility Rates for 2023. Besides that, we will just have a few items that are end of the year house-keeping items.

January 9th: This will be the first Council meeting of the year. The reason for this is that with January 1st falling on a Sunday, the official holiday at the City will be on Monday January 2nd. We will be having interviews for Commission openings prior to this meeting. We will also be swearing in the Mayor and two Council member positions at the Council meeting along with completing our beginning of the year house-keeping items including appointing the Mayor Pro Tem for 2023.

January 23rd: We will be having interviews for Commission openings prior to this meeting. There will be a regular meeting to follow with all Planning items from the Planning Commission and a recommendation for the architectural team to utilize for our Public Safety Building design.

January 30th: This is a 5th Monday of the month. We will have a Work Session that night to continue our discussion on Naming Rights for facilities and potentially have a Council meeting. As we get closer to that date, we will let you know if we need to do anything other than a Work Session.

If you have any questions, or are unable to attend any of these meetings, please let me know.

COMMISSION INTERVIEWS

As a reminder, with the beginning of the year comes interviews and appointments to each of our commissions. Below is a list of the positions spots that we need to fill for this upcoming year:

- HPC: 3 Open Positions
- HRC: 4 Open Positions (1 Student aged 16-20 for 1-year term)
- Parks and Recreation (1 Student aged 16-20 for 1-year term)

- Planning Commission (3 open positions)

We are currently in the process of advertising for people to apply for these positions. Residents interested will be able to apply through our Job Opportunities Page through our City Website. As we discussed at the last meeting, we are also trying to get advertisements and word out into more areas of the community than in the past to see if we can get a more diversity in applicants. If you know of anybody who is interested in serving on one of these commissions, please let them know they can get more information and apply on our website. If anyone has a desire to find out more about the commissions before applying, please let them know they can contact me or Elise. We would be happy to share more information about any of the commissions and their work. We will be doing interviews before the January 9th and January 23rd meetings, with the appointments being done at our first meeting in February. Deadline for applications is December 26th.

If you have any questions, please let me know.

UPDATE ON RFP PROCESS FOR PUBLIC SAFETY ARCHITECT

As a reminder, we are currently in the process of seeking proposals for an Architectural Team to work on design of our future Public Safety facility. Proposals are due to the City by the end of the day next Tuesday, December 20th. From there we will be having a team of Staff members from Administration, Building Department, Police and Fire interview the top firms the week of January 9th with the intent of bringing a recommendation back to the Council at the January 23rd meeting. As part of the process, we do plan on visiting buildings finalists in our process of designed and built in the past as well as interviewing key staff people from those cities to see how the process went for them. It is our hope that we can get that architectural team up and running in February, as we do expect it will take about 12 months to go through the design process.

If you have any questions on this, please let me know.

COUNCIL/DEPARTMENT HEAD STRATEGIC PLANNING RETREAT

As you are aware, I am currently going through the process of setting up our annual Council/Department Head Strategic Planning retreat for 2023. We will plan on having a full 2-day retreat like we have had in the past, with this retreat being held at the Fire Department's training room. We are planning on using HUE Life (Richard and Irina Fursman) to help facilitate this process as in the past.

Currently, we are looking at 2 date options including February 14-15 or March 14-15. If you could get back to me with which if any of those two date options work for you to see if these will work or whether we must come up with a different date option, I would great appreciate it. I am hoping to get a time set before Christmas as Richard and Irina's schedule is quickly filling up for next year.

If you have any questions about this, please let me know. I look forward to another productive retreat!

HIGHWAY 41/61 UPDATE

As you have likely seen, the focus of the work in the Highway 41/61 project is now on Utility relocation in the old rail ROW corridor. The reason for this is because the contractor has decided to work during the winter months on completing most of the tunnel work for the pedestrian tunnel that will go under Highway 41. They feel that this is a project that can occur during the wintertime and will allow them to get ahead of the busy schedule next Spring. We are currently working with adjacent property owners to talk about how this work can be staged to be able to accommodate businesses during this time as well.

If you have any questions on this, please let me know.

CITY HALL CLOSURE DATES FOR HOLIDAYS

With Christmas and New Years Day both falling on a Sunday this year, I wanted to let the Council know when our official observation dates will be when City offices will be closed. We will be closed both Monday December 26th and Monday January 2nd. It should be noted that the CCC will be open on these days for patrons to utilize, but the Park and Recreation offices will be closed.

As a note, I wanted you to know that I will be out of the office the week between Christmas and New Year's. If anything pops up while I am gone, don't hesitate to contact Elise for help.

Otherwise, we all hope you have a wonderful Holiday Season!

SANTA PARADE

Just a reminder that there will be the 3rd annual Santa Parade that occurs this upcoming Wednesday night, December 21st. This parade will start at 5 pm and should be completed around 9 pm. As in the past, this parade will wind its way through a pre-determined route in the City, with a Santa tracker being on our Social Media pages to let people know where we are at in the parade route. With the weather predicted to be very cold and somewhat snowy this year, Santa will be having a special surprise this year for how he gets around-you'll have to watch to see what he has up his sleeves! If you have any questions on this, please let me know.

City of Chaska Memorandum

To: Administration, Mayor, and City Council

**From: Lisa Nelson
Controller**

Date: December 16, 2022

**RE: Financial Reports –
Year-To-Date (YTD) Ending October 31, 2022**

FINACIAL REPORTS

Enclosed are year-to-date financial reports as of October 31, 2022.

Each fund includes the adopted budget compared to YTD actuals, and the resulting variance. Also presented is the percentage of actual revenue or expenditures compared to the annual budget.

Each report includes revenue and expenditures as of 10/31/21. This will allow you to compare each fund's activity to the prior year.

These draft reports include the following revenues and expenditures:

- YTD revenue receipted by the City.
- YTD revenue from invoices issued by the City.
- YTD payroll through October.
- YTD vendor payments that:
 - 1) were previously approved by the City Council, or
 - 2) are pending approval by the Council at the December 19th meeting.

These draft reports do not include the following revenues and expenditures/expenses:

- General investment earnings revenue (allocated at year-end)
- Depreciation expense (recorded at year-end)

GENERAL FUND
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE PERIODS ENDING 10/31/2022 AND 10/31/2021

	2022				PERCENT OF BUDGET RECEIVED/ EXPENDED	2021 ACTUAL AS OF 10/31/2021
	BUDGETED AMOUNTS		ACTUAL AS OF 10/31/2022	VARIANCE WITH AMENDED BUDGET		
	ORIGINAL	AMENDED				
REVENUES:						
Property Taxes *	\$ 8,446,549	\$ 8,446,549	\$ 4,436,290	\$ (4,010,259)	53%	\$ 4,073,236
Franchise Fees (Cable TV & Gas)	753,000	753,000	501,060	(251,940)	67%	384,135
Licenses	190,730	190,730	179,081	(11,649)	94%	177,563
Permits:						
Building	1,035,098	1,035,098	1,695,455	660,357	164%	1,393,986
Other Permits	35,798	35,798	39,613	3,815	111%	31,075
Intergovernmental:						
Federal	-	-	-	-		28,761
State	574,277	574,277	616,984	42,707	107%	576,273
Regional, County, School & Local	163,170	163,170	71,487	(91,683)	44%	144,706
Charges For Services:						
General Government	99,300	99,300	164,730	65,430	166%	104,849
Public Safety	56,337	56,337	51,255	(5,082)	91%	46,476
Public Works	14,260	14,260	22,424	8,164	157%	119,399
Parks & Recreation	277,464	277,464	311,002	33,538	112%	165,860
Administrative Charges	5,209,173	5,209,173	4,271,755	(937,418)	82%	4,656,135
Fines And Forfeitures	40,223	40,223	31,085	(9,138)	77%	30,242
Investment Earnings	22,000	22,000	(5,112)	(27,112)	-23%	(773)
Other Revenue	177,350	177,350	285,835	108,485	161%	180,145
TOTAL REVENUES	17,094,729	17,094,729	12,672,944	(4,421,785)	74%	12,112,068
EXPENDITURES:						
General Government:						
Mayor & Council	182,008	182,008	114,696	67,312	63%	104,028
Communications	52,008	52,008	33,357	18,651	64%	46,054
Administration	890,488	890,488	774,487	116,001	87%	685,134
Human Resources	462,916	462,916	379,845	83,071	82%	300,088
Elections	38,905	38,905	11,433	27,472	29%	23
Finance/Admin Services	1,760,400	1,760,400	1,501,395	259,005	85%	1,277,535
Information Services & Fiber Sys.	1,315,842	1,315,842	1,097,766	218,076	83%	980,736
Legal - City Attorney	100,000	100,000	207,133	(107,133)	207%	104,215
Community Development	380,392	380,392	443,149	(62,757)	116%	270,000
Engineering	547,244	547,244	468,828	78,416	86%	406,607
Government Buildings	203,720	203,720	181,644	22,076	89%	192,757
Facility Maintenance	681,240	681,240	494,006	187,234	73%	336,092
Total General Government	6,615,163	6,615,163	5,707,739	907,424	86%	4,703,269
Public Safety:						
Police	5,579,740	5,584,740	4,793,752	790,988	86%	4,154,372
Fire	2,280,515	2,280,515	1,964,569	315,946	86%	1,914,988
Building Inspections (Comm.Dev)	755,775	755,775	728,082	27,693	96%	656,689
Civil Defense	5,785	5,785	442	5,343	8%	5,320
COVID-19	-	-	-	-		7,726
Total Public Safety	8,621,815	8,626,815	7,486,845	1,139,970	87%	6,739,095
Public Works:						
Administration	427,833	427,833	335,507	92,326	78%	347,072
Streets & Alleys	1,934,186	1,934,186	1,612,178	322,008	83%	1,419,427
Snow Removal	267,799	267,799	189,458	78,341	71%	263,443
Signs	11,438	11,438	5,387	6,051	47%	4,005
Municipal Services/Building	236,164	236,164	160,014	76,150	68%	177,244
Tree Maintenance	40,843	40,843	50,005	(9,162)	122%	46,708
Total Public Works	2,918,263	2,918,263	2,352,549	565,714	81%	2,257,899
Parks & Recreation:						
Administration	691,010	691,010	643,196	47,814	93%	429,268
Community Events	62,100	62,100	57,763	4,337	93%	40,362
Programs (Youth/Teen/Adult/Sr.)	421,068	421,168	241,768	179,400	57%	203,010
Beach/Firemen's Park	103,983	104,983	103,902	1,081	99%	104,536
Hockey & Skating Rinks	11,629	11,629	7,750	3,879	67%	1,071
Park Maintenance	1,186,745	1,186,745	1,280,944	(94,199)	108%	1,358,252
Total Parks & Recreation	2,476,535	2,477,635	2,335,323	142,312	94%	2,136,499
Unallocated	734,553	378,453	-	378,453	0%	365,281
Debt Service	3,400	3,400	32,279	(28,879)	949%	2,849
TOTAL EXPENDITURES	21,369,729	21,019,729	17,914,735	3,104,994	85%	16,204,892
OTHER FINANCING SOURCES (USES):						
Transfers In	4,630,000	4,630,000	3,625,050	(1,004,950)	78%	3,589,470
Transfers Out	(355,000)	(705,000)	(177,500)	527,500	25%	(457,500)
NET TRANSFERS	4,275,000	3,925,000	3,447,550	(477,450)	88%	3,131,970
NET CHANGE IN FUND BALANCES	\$ -	\$ -	\$ (1,794,241)	\$ (1,794,241)		\$ (960,854)

* Tax settlements are received from Carver County in June/July and December.

MOUNT PLEASANT MAINTENANCE FUND
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE PERIODS ENDING 10/31/2022 AND 10/31/2021

	2022			PERCENT OF BUDGET RECEIVED/ EXPENDED	2021
	BUDGET	ACTUAL AS OF 10/31/2022	VARIANCE WITH BUDGET		ACTUAL AS OF 10/31/2021
REVENUES:					
Property Taxes *	\$ 6,000	\$ 3,161	\$ (2,839)	53%	\$ 3,158
Charges For Services/Lot Sales	2,400	1,600	(800)	67%	3,300
Investment Earnings	300	-	(300)	0%	-
TOTAL REVENUES	8,700	4,761	(3,939)	55%	6,458
EXPENDITURES:					
Current:					
Public Works:					
Professional Services And Charges	8,500	13,939	(5,439)	164%	11,160
Capital Outlay	5,000	-	5,000	0%	-
TOTAL EXPENDITURES	13,500	13,939	(439)	103%	11,160
NET CHANGE IN FUND BALANCES	\$ (4,800)	\$ (9,178)	\$ (4,378)		\$ (4,702)

* Tax settlements are received from Carver County in June/July and December.

ECONOMIC DEVELOPMENT AUTHORITY (EDA) FUND
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE PERIODS ENDING 10/31/22 AND 10/31/21

	2022			PERCENT OF BUDGET % RECEIVED/ EXPENDED	2021
	BUDGET	ACTUAL AS OF 10/31/2022	VARIANCE WITH BUDGET		ACTUAL AS OF 10/31/2021
REVENUES:					
Property Taxes *	\$ 182,989	\$ 96,661	\$ (86,328)	53%	\$ 89,724
Intergovernmental	-	-	-	0%	13
Charges For Services	172,500	143,763	(28,737)	83%	167,435
Special Assessments	40,000	23,611	(16,389)	59%	21,189
Investment Earnings (Charges)	(5,400)	-	5,400	0%	-
Leases/Rent	32,400	27,336	(5,064)	84%	26,855
Other Revenue	-	21,399	21,399		-
TOTAL REVENUES	422,489	312,770	(109,719)	74%	305,216
EXPENDITURES:					
Current:					
Administration:					
Professional Services	23,289	1,206	22,083	5%	867
Other Charges and Special Events	52,318	24,698	27,620	47%	30,091
Administrative Fees	266,300	221,917	44,383	83%	258,530
Economic Development Projects/Programs:					
Professional Services	-	58,895	(58,895)		58,905
Other Charges and Special Events	60,882	18,702	42,180	31%	17,594
Debt Service:					
Principal - Promissory Note	16,800	-	16,800	0%	11,370
Interest - Promissory Note	2,900	-	2,900	0%	2,630
TOTAL EXPENDITURES	422,489	325,418	97,071	77%	379,987
NET CHANGE IN FUND BALANCES	\$ -	\$ (12,648)	\$ (12,648)		\$ (74,771)

* Tax settlements are received from Carver County in June/July and December.

EQUIPMENT ACQUISITION FUND
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE PERIODS ENDING 10/31/2022 AND 10/31/21

	2022			PERCENT	2021
	BUDGET	ACTUAL AS OF 10/31/2022	VARIANCE WITH BUDGET	OF BUDGET RECEIVED/ EXPENDED	ACTUAL AS OF 10/31/2021
REVENUES:					
Property Taxes *	\$ 3,751,317	\$ 579,984	\$ (3,171,333)	15%	\$ 208,092
Intergovernmental	188,000	260	(187,740)		157,609
Charges For Services	30,500	10,502	(19,998)	34%	4,000
Interest Earnings	-	39,586	39,586		47,031
Leases (tower)	106,000	134,111	28,111	127%	121,237
Donations/Contributions	-	4,052	4,052		2,000
TOTAL REVENUES	4,075,817	768,495	(3,307,322)	19%	539,969
EXPENDITURES:					
Current:					
General Government	10,000	25,124	(15,124)		-
Public Safety	188,000	-	188,000		-
Public Works	-	4,697	(4,697)		-
Debt Service:					
Issuance Costs & Fiscal Agent Fees	50,000	-	50,000		-
Capital Outlay:					
Furniture And Equipment					
Communications	36,500	-	36,500	0%	-
Admin. Services-Finance	13,000	-	13,000	0%	-
Admin. Services-Information Technology	44,000	48,243	(4,243)	110%	37,961
Engineering	-	-	-		5,550
Police	151,000	-	151,000	0%	191,958
Fire	265,000	173,085	91,915	65%	317,358
Building Inspections	52,000	-	52,000	0%	-
Public Works	220,000	208,754	11,246	95%	101,289
TOTAL EXPENDITURES	1,029,500	459,903	569,597	45%	654,116
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	3,046,317	308,592	(2,737,725)		(114,147)
OTHER FINANCING SOURCES (USES):					
Transfers In	28,000	28,000	-	100%	28,000
Transfers Out	(3,511,317)	(449,303)	3,062,014	13%	(438,966)
Bonds Issued	437,000	-	(437,000)	0%	-
Sale of Capital Assets	-	32,174	32,174		18,225
TOTAL OTHER FINANCING SOURCES (USES)	(3,046,317)	(389,129)	2,657,188		(392,741)
NET CHANGE IN FUND BALANCES	\$ -	\$ (80,537)	\$ (80,537)		\$ (506,888)

* Tax settlements are received from Carver County in June/July and December.

ELECTRIC FUND
REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE PERIODS ENDING 10/31/2022 AND 10/31/2021

	2022			PERCENT OF BUDGET	2021
	BUDGET	ACTUAL AS OF 10/31/2022	VARIANCE WITH BUDGET	RECEIVED / EXPENDED	ACTUAL AS OF 10/31/2021
OPERATING REVENUES:					
Residential Sales	\$ 10,063,000	\$ 7,659,909	\$ (2,403,091)	76%	\$ 8,177,309
Senior Sales	598,000	458,362	(139,638)	77%	488,374
Commercial Sales	1,149,000	862,997	(286,003)	75%	906,363
Industrial Sales	28,718,000	24,697,331	(4,020,669)	86%	24,937,150
Electric Service Charges	1,789,000	11,732,389	9,943,389	656%	5,582,129
Other Sales	975,000	1,433,698	1,250,698	783%	1,195,303
TOTAL OPERATING REVENUES	43,292,000	46,844,686	4,344,686	110%	41,286,628
OPERATING EXPENSES:					
Purchased Power	26,859,000	32,612,728	(5,753,728)	121%	27,856,309
Distribution:					
Personnel Services	1,871,498	1,459,434	412,064	78%	1,436,465
Supplies, Services & Other Charges	645,672	709,150	(63,478)	110%	468,994
Administration:					
Personnel Services	388,046	271,897	116,149	70%	188,958
Supplies, Services & Other Charges	3,108,138	2,600,141	507,997	84%	3,005,798
Utility Billing:					
Personnel Services	345,507	273,903	71,604	79%	198,055
Supplies, Services & Other Charges	339,939	341,309	(1,370)	100%	261,843
Conservation Programs	675,973	321,852	354,121	48%	331,884
Capital Outlay	600,000	433,488	166,512	72%	724,990
TOTAL OPERATING EXPENSES	34,833,773	39,023,902	(4,190,129)	112%	34,473,296
OPERATING INCOME	8,458,227	7,820,784	154,557		6,813,332
NON-OPERATING REVENUES:					
Investment Earnings	16,700	(471)	(17,171)	-3%	(2,144)
Intergovernmental	-	179	179		155
TOTAL NON-OPERATING REVENUES	16,700	(292)	(16,992)		(1,989)
NON-OPERATING EXPENSES:					
Debt Service - Principal	526,479	430,000	96,479	82%	425,000
Debt Service - Interest	308,725	202,031	106,694	65%	291,138
Debt Service - Agent Fees	450	1,000	(550)		1,300
TOTAL NON-OPERATING EXPENSES	835,654	633,031	202,623	76%	717,438
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	7,639,273	7,187,461	340,188		6,093,905
CAPITAL CONTRIBUTIONS	-	330,553	330,553		159,791
TRANSFERS IN (OUT):					
Transfers (Out)	(6,906,000)	(5,309,050)	1,596,950		(5,380,470)
CHANGE IN NET POSITION	\$ 733,273	\$ 2,208,964	\$ 2,267,691		\$ 873,226

WATER FUND
REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE PERIOD ENDED 10/31/2022 AND 10/31/2021

	2022				PERCENT	2021
	ORIGINAL BUDGET	AMENDED BUDGET	ACTUAL AS OF 10/31/2022	VARIANCE WITH BUDGET	OF BUDGET RECEIVED/ EXPENDED	ACTUAL AS OF 10/31/2021
OPERATING REVENUES:						
Residential Sales	\$ 1,767,000	\$ 1,767,000	\$ 1,617,406	\$ (149,594)	92%	\$ 1,629,649
Commercial Sales	1,191,000	1,191,000	1,132,188	(58,812)	95%	1,031,010
Industrial Sales	420,000	420,000	359,007	(60,993)	85%	364,475
Other Sales	493,040	493,040	690,842	197,802	140%	526,748
TOTAL OPERATING REVENUES	<u>3,871,040</u>	<u>3,871,040</u>	<u>3,799,443</u>	<u>(71,597)</u>	98%	<u>3,551,882</u>
OPERATING EXPENSES:						
Pumping	263,282	263,282	330,201	145,655	125%	322,803
Treatment	324,341	324,341	373,423	189,585	115%	312,270
Distribution:						
Personnel Services	515,846	535,846	416,462	119,384	78%	411,827
Supplies, Services & Other Charges	372,275	372,275	153,256	219,019	41%	217,497
Administration:						
Personnel Services	128,327	128,327	106,154	22,173	83%	102,358
Supplies, Services & Other Charges	666,734	666,734	543,981	122,753	82%	632,512
Utility Billing:						
Personnel Services	74,036	74,036	59,783	14,253	81%	99,028
Supplies, Services & Other Charges	67,159	67,159	72,453	(5,294)	108%	63,183
Capital Outlay	692,500	692,500	1,765,610	(1,073,110)	255%	237,777
TOTAL OPERATING EXPENSES	<u>3,104,500</u>	<u>3,124,500</u>	<u>3,821,323</u>	<u>(245,582)</u>	122%	<u>2,399,255</u>
OPERATING INCOME	<u>766,540</u>	<u>746,540</u>	<u>(21,880)</u>	<u>(317,179)</u>	-3%	<u>1,152,627</u>
NON-OPERATING REVENUES:						
Investment Earnings	13,300	13,300	(3,209)	(16,509)	-24%	(681)
Intergovernmental	-	-	788	788		4,822
Lease - Bountiful Basket	31,200	31,200	25,974	(5,226)	83%	25,523
TOTAL NON-OPERATING REVENUES	<u>44,500</u>	<u>44,500</u>	<u>23,553</u>	<u>(20,947)</u>	53%	<u>29,664</u>
NON-OPERATING EXPENSES:						
Debt Service - Principal	933,111	933,111	133,035	800,076	14%	95,440
Debt Service - Interest	154,944	154,944	78,777	76,167	51%	265,341
Issuance Costs & Fiscal Agent Fees	-	-	515	(515)		560
Old Water Treatment Plant/Bountiful Basket	1,911	1,911	3,693	(1,782)		882
TOTAL NON-OPERATING EXPENSES	<u>1,089,966</u>	<u>1,089,966</u>	<u>216,020</u>	<u>873,946</u>	20%	<u>362,223</u>
INCOME (LOSS) BEFORE TRANSFERS	<u>(278,926)</u>	<u>(298,926)</u>	<u>(214,347)</u>	<u>535,820</u>		<u>820,068</u>
TRANSFERS IN (OUT):						
Transfers In	465,000	465,000	-	(465,000)		-
Transfers (Out)	(117,000)	(117,000)	(117,000)	-		(126,518)
NET TRANSFERS IN (OUT)	<u>348,000</u>	<u>348,000</u>	<u>(117,000)</u>	<u>(465,000)</u>		<u>(126,518)</u>
CHANGE IN NET POSITION	<u>\$ 69,074</u>	<u>\$ 49,074</u>	<u>\$ (331,347)</u>	<u>\$ 70,820</u>		<u>\$ 693,550</u>

SEWER FUND
REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE PERIODS ENDING 10/31/2022 AND 10/31/2021

	2022				PERCENT	2021
	ORIGINAL BUDGET	AMENDED BUDGET	ACTUAL AS OF 10/31/2022	VARIANCE WITH BUDGET	OF BUDGET RECEIVED/ EXPENDED	ACTUAL AS OF 10/31/2021
OPERATING REVENUES:						
Residential Sales	\$ 1,824,800	\$ 1,824,800	\$ 1,356,536	\$ (468,264)	74%	\$ 1,309,918
Commercial Sales	1,143,800	1,143,800	960,930	(182,870)	84%	872,564
Industrial Sales	1,343,900	1,343,900	1,201,784	(142,116)	89%	1,053,144
Other Sales	859,950	859,950	1,112,893	252,943	129%	872,891
TOTAL OPERATING REVENUE	5,172,450	5,172,450	4,632,143	(540,307)	90%	4,108,517
OPERATING EXPENSES:						
Pumping	25,960	25,960	15,518	10,442	60%	21,770
Treatment	3,072,288	3,072,288	2,816,253	256,035	92%	2,487,208
Collection:						
Personnel Services	515,849	535,849	415,406	120,443	78%	411,902
Supplies, Services & Other Charges	217,804	217,804	123,792	94,012	57%	206,282
Administration:						
Personnel Services	128,325	128,325	106,155	22,170	83%	102,358
Supplies, Services & Other Charges	652,495	652,495	535,232	117,263	82%	624,777
Utility Billing:						
Personnel Services	74,036	74,036	59,783	14,253	81%	99,028
Supplies, Services & Other Charges	62,532	62,532	71,296	(8,764)	114%	60,917
Capital Outlay	172,000	172,000	12,704	159,296	7%	21,930
TOTAL OPERATING EXPENSES	4,921,289	4,941,289	4,156,139	785,150	84%	4,036,172
OPERATING INCOME	251,161	231,161	476,004	244,843		72,345
NON-OPERATING REVENUES:						
Investment Earnings	6,700	6,700	-	(6,700)	0%	(114)
Intergovernmental	-	-	95	95		115
TOTAL NON-OPERATING REVENUES	6,700	6,700	95	(6,605)	1%	1
NON-OPERATING EXPENSES:						
Debt Service - Principal	254,441	254,441	239,365	15,076	94%	203,561
Debt Service - Interest	133,020	133,020	73,553	59,467	55%	129,861
Issuance Costs & Fiscal Agent Fees	-	-	330	(330)		265
TOTAL NON-OPERATING EXPENSES	387,461	387,461	313,248	74,213		333,687
INCOME (LOSS) BEFORE TRANSFERS	(129,600)	(149,600)	162,851	312,451		(261,341)
TRANSFERS IN (OUT):						
Transfers (Out)	(177,000)	(177,000)	(177,000)	-		(192,771)
CHANGE IN NET POSITION	\$ (306,600)	\$ (326,600)	\$ (14,149)	\$ 312,451		\$ (454,112)

CHASKA COMMUNITY CENTER FUND
REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE PERIODS ENDING 10/31/2022 AND 10/31/2021

	2022				PERCENT OF BUDGET	2021
	ORIGINAL BUDGET	AMENDED BUDGET	ACTUAL AS OF 10/31/2022	VARIANCE WITH BUDGET	RECEIVED/ EXPENDED	ACTUAL AS OF 10/31/2021
OPERATING REVENUES:						
Admissions	\$ 221,520	\$ 221,520	\$ 155,324	\$ (66,196)	70%	\$ 91,250
Memberships	1,108,031	1,108,031	822,742	(285,289)	74%	559,232
Rentals	1,166,615	1,217,145	940,741	(276,404)	77%	788,760
Charges for Services/Lessons	615,690	633,690	438,045	(195,645)	69%	234,131
Other Revenue	100,987	400,687	41,357	(359,330)	10%	12,178
TOTAL OPERATING REVENUE	\$ 3,212,843	\$ 3,581,073	\$ 2,398,209	\$ (1,182,864)	67%	\$ 1,685,551
OPERATING EXPENSES:						
Personnel Services	2,156,871	2,243,471	1,831,195	412,276	82%	1,719,717
Operating Supplies	182,481	235,481	250,231	(14,750)	106%	178,642
Professional Services	834,785	843,212	1,032,082	(188,870)	122%	829,985
Other Charges	739,709	739,709	313,488	426,221	42%	169,485
Capital Outly	-	-	513,455	(513,455)		170,120
TOTAL OPERATING EXPENSES	3,913,846	4,061,873	3,940,451	121,422	97%	3,067,949
OPERATING INCOME	(701,003)	(480,800)	(1,542,242)	(1,061,442)		(1,382,398)
NON-OPERATING REVENUES:						
Intergovernmental Revenue	-	-	6,275	6,275		40,000
Investment Earnings (Charges)	(11,400)	(11,400)	974	12,374	-9%	12
TOTAL NON-OPERATING REVENUES	(11,400)	(11,400)	7,249	18,649	-64%	40,012
NON-OPERATING EXPENSES:						
Debt Service - Principal	330,000	330,000	-	330,000	0%	-
Debt Service - Interest	135,000	135,000	68,132	66,868	50%	99,788
Issuance Costs & Fiscal Agent Fees	2,750	2,750	3,400	(650)	124%	3,400
TOTAL NON-OPERATING EXPENSES	467,750	467,750	71,532	396,218	15%	103,188
INCOME (LOSS) BEFORE TRANSFERS	(1,180,153)	(959,950)	(1,606,525)	(646,575)		(1,445,574)
TRANSFERS IN (OUT):						
Transfers In	820,000	820,000	470,000	(350,000)	57%	477,000
CHANGE IN NET POSITION	\$ (360,153)	\$ (139,950)	\$ (1,136,525)	\$ (996,575)		\$ (968,574)

CHASKA PAR 30 FUND / THE LOOP (Closed During Construction)
REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE PERIOD ENDED 10/31/22 AND 10/31/21

	2022			2021
	BUDGET	ACTUAL AS OF 10/31/2022	VARIANCE WITH BUDGET	ACTUAL AS OF 10/31/2021
OPERATING REVENUES:				
Green Fees	\$ -	\$ -	\$ -	\$ -
Cart Rental	-	-	-	-
Merchandise & Other Sales	-	-	-	-
TOTAL OPERATING REVENUES	-	-	-	-
OPERATING EXPENSES:				
Golf - Maintenance Dept:				
Personnel Services	-	-	-	-
Supplies, Services & Other Charges	-	12,750	(12,750)	4,849
Golf - Club House:				
Personnel Services	-	-	-	-
Supplies, Services & Other Charges	-	-	-	209
Capital Outlay - Golf Course Construction	-	202,929	(202,929)	2,021,041
TOTAL OPERATING EXPENSES	-	215,679	(215,679)	2,026,099
OPERATING INCOME	-	(215,679)	(215,679)	(2,026,099)
NON-OPERATING REVENUES:				
Investment Earnings (Charges)	-	1,205	1,205	76
Refunds/Reimbursements	-	-	-	59
TOTAL NON-OPERATING REVENUES	-	1,205	1,205	135
NON-OPERATING EXPENSES:				
Interest	-	53,187	(53,187)	-
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	-	(267,661)	(267,661)	(2,025,964)
CAPITAL CONTRIBUTIONS	-	106,250	106,250	-
CHANGE IN NET POSITION	\$ -	\$ (161,411)	\$ (161,411)	\$ (2,025,964)

Golf course is closed for construction

CHASKA TOWN COURSE FUND
REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE PERIOD ENDED 10/31/22 AND 10/31/21

	2022				PERCENT	2021
	ORIGINAL BUDGET	AMENDED BUDGET	ACTUAL AS OF 10/31/2022	VARIANCE WITH BUDGET	OF BUDGET RECEIVED/ EXPENDED	ACTUAL AS OF 10/31/2021
OPERATING REVENUES:						
Green Fees	\$ 1,664,000	\$ 1,664,000	\$ 1,868,569	\$ 204,569	112%	\$ 1,877,049
Driving Range	155,000	185,000	171,932	(13,068)	93%	165,045
Golf Rentals	437,000	437,000	426,405	(10,595)	98%	440,124
Merchandise	258,000	258,000	302,773	44,773	117%	310,842
Other Sales	209,000	209,000	201,095	(7,905)	96%	145,567
TOTAL OPERATING REVENUE	\$ 2,723,000	\$ 2,753,000	\$ 2,970,774	\$ 217,774	108%	\$ 2,938,627
OPERATING EXPENSES:						
Golf - Maintenance Dept:						
Personnel Services	747,839	747,839	663,863	83,976	89%	594,944
Supplies, Services & Other Charges	284,515	352,515	268,486	84,029	76%	274,850
Golf - Club House:						
Personnel Services	556,312	556,312	538,880	17,432	97%	470,496
Supplies, Services & Other Charges	417,131	417,131	505,615	(88,484)	121%	406,760
Merchandise for Resale	175,155	175,155	243,035	(67,880)	139%	209,078
Capital Outlay	165,000	229,000	260,943	(31,943)	114%	111,628
TOTAL OPERATING EXPENSES	2,345,952	2,477,952	2,480,822	(2,870)	100%	2,067,756
OPERATING INCOME	377,048	275,048	489,952	214,904		870,871
NON-OPERATING REVENUES:						
Investment Earnings (Charges)	(2,600)	(2,600)	(1,028)	1,572		-
TOTAL NON-OPERATING REVENUES	(2,600)	(2,600)	(1,028)	1,572		-
NON-OPERATING EXPENSES:						
Debt Service - Principal	165,600	165,600	-	165,600	0%	-
Debt Service - Interest	38,600	38,600	26,027	12,573	67%	30,399
TOTAL NON-OPERATING EXPENSES	204,200	204,200	26,027	178,173	13%	30,399
CHANGE IN NET POSITION	\$ 170,248	\$ 68,248	\$ 462,897	\$ 394,649		\$ 840,472

TURBINE GENERATOR FUND
REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE PERIOD ENDED 10/31/22 AND 10/31/21

	2022			PERCENT	2021
	BUDGET	ACTUAL AS OF 10/31/2022	VARIANCE WITH BUDGET	OF BUDGET RECEIVED/ EXPENDED	ACTUAL AS OF 10/31/2021
OPERATING REVENUES:					
Lease Revenue *	\$ 2,486,184	\$ 2,009,931	\$ (476,253)	81%	\$ 1,954,871
OPERATING EXPENSES:					
Professional Services	105,000	101,140	3,860	96%	97,307
Other Charges	229,020	171,765	57,255	75%	172,084
TOTAL OPERATING EXPENSES	334,020	272,905	61,115	82%	269,391
OPERATING INCOME	2,152,164	1,737,026	(415,138)		1,685,480
NON-OPERATING REVENUES:					
Investment Earnings	-	1,690	1,690		(130)
Interfund Loan Payments	104,219	-	(104,219)	0%	-
TOTAL NON-OPERATING REVENUES	104,219	1,690	(102,529)	2%	(130)
NON-OPERATING EXPENSES:					
Debt Service - Principal	1,340,000	1,340,000	-	100%	1,275,000
Debt Service - Interest	737,500	737,500	-	100%	801,250
Issuance Costs & Fiscal Agent Fees	4,500	4,500	-	100%	45,000
TOTAL NON-OPERATING EXPENSES	2,082,000	2,082,000	-	100%	2,121,250
CHANGE IN NET POSITION	\$ 174,383	\$ (343,284)	\$ (517,667)		\$ (435,900)

* Lease Revenue includes payments applied to lease receivable

STORM WATER FUND
REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE PERIODS ENDING 10/31/22 AND 10/31/21

	2022			PERCENT OF BUDGET	2021
	BUDGET	ACTUAL AS OF 10/31/2022	VARIANCE WITH BUDGET	RECEIVED/ EXPENDED	ACTUAL AS OF 10/31/2021
OPERATING REVENUES:					
Residential Sales	\$ 1,098,000	\$ 930,889	\$ (167,111)	85%	\$ 1,038,387
Industrial Sales	819,000	690,995	(128,005)	84%	784,219
All Other Receipts	14,385	9,737	(4,648)	68%	8,366
TOTAL OPERATING REVENUE	1,931,385	1,631,621	(299,764)	84%	1,830,972
OPERATING EXPENSES:					
Collections:					
Personnel Services	374,800	249,271	125,529	67%	113,257
Supplies, Services & Other Charges	305,577	268,400	37,177	88%	243,262
Administration:					
Personnel Services	196,022	160,186	35,836	82%	106,538
Supplies, Services & Other Charges	393,501	328,100	65,401	83%	391,620
Utility Billing:					
Supplies, Services & Other Charges	63,820	66,971	(3,151)	105%	58,919
Depreciation	30,000	-	30,000	0%	-
Capital Outlay	346,500	675,082	(328,582)	195%	117,923
TOTAL OPERATING EXPENSES	1,710,220	1,748,010	(37,790)	102%	1,031,519
OPERATING INCOME	221,165	(116,389)	(337,554)		799,453
NON-OPERATING REVENUES:					
Investment Earnings (Charges)	6,500	(2,850)	(9,350)	-44%	(370)
Intergovernmental	-	40,000	40,000		-
Refunds and Reimbursements	-	102,310	102,310		-
TOTAL NON-OPERATING REVENUES	6,500	139,460	132,960		(370)
NON-OPERATING EXPENSES:					
Debt Service - Principal	199,933	142,600	57,333	71%	115,999
Debt Service - Interest	83,987	49,804	34,183	59%	87,653
Issuance Costs & Fiscal Agent Fees	-	230	(230)		175
TOTAL NON-OPERATING EXPENSES	283,920	192,634	91,286	68%	203,827
INCOME (LOSS) BEFORE TRANSFERS	(56,255)	(169,563)	(113,308)		595,256
TRANSFERS IN (OUT):					
Transfers In	203,617	203,167	(450)	100%	204,603
Transfers (Out)	(246,000)	(246,000)	-	100%	(277,570)
NET TRANSFERS IN (OUT)	(42,383)	(42,833)	(450)		(72,967)
CHANGE IN NET POSITION	\$ (98,638)	\$ (212,396)	\$ (113,758)		\$ 522,289

CHASKA CURLING AND EVENT CENTER FUND
REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE PERIODS ENDING 10/31/2022 AND 10/31/2021

	2022				PERCENT OF BUDGET RECEIVED/ EXPENDED	2021 ACTUAL AS OF 10/31/2021
	ORIGINAL BUDGET	AMENDED BUDGET	ACTUAL AS OF 10/31/2022	VARIANCE WITH BUDGET		
OPERATING REVENUES:						
Memberships	\$ 143,600	\$ 143,600	\$ 130,111	\$ (13,489)	91%	\$ 107,013
Rentals	151,716	151,716	174,549	22,833	115%	98,018
Lessons	208,000	208,000	238,938	30,938	115%	81,303
Leagues	250,000	250,000	272,144	22,144	109%	172,180
Leases	378,000	378,000	322,012	(55,988)	85%	259,788
Other Revenue	69,484	69,484	44,739	(24,745)	64%	27,412
TOTAL OPERATING REVENUES	1,200,800	1,200,800	1,182,493	(18,307)	98%	745,714
OPERATING EXPENSES:						
Administration:						
Personnel Services	371,175	372,375	250,556	121,819	67%	258,028
Supplies, Services & Other Charges	378,665	378,665	407,594	(28,929)	108%	340,640
Event Center:						
Personnel Services	106,007	107,507	86,005	21,502	80%	79,899
Supplies, Services & Other Charges	13,092	13,092	14,631	(1,539)	112%	11,962
Curling Center:						
Personnel Services	246,273	259,273	181,906	77,367	70%	148,386
Supplies, Services & Other Charges	122,730	122,730	77,961	44,769	64%	48,252
Crooked Pint	63,330	63,330	46,497	16,833	73%	48,643
Capital Outlay	-	-	32,000	(32,000)		-
TOTAL OPERATING EXPENSES	1,301,272	1,316,972	1,097,150	219,822	83%	935,810
OPERATING INCOME	(100,472)	(116,172)	85,343	201,515		(190,096)
NON-OPERATING REVENUES:						
Investment Earnings (Charges)	(12,154)	(12,154)	5,776	17,930		73
TOTAL NON-OPERATING REVENUES	(12,154)	(12,154)	5,776	17,930		73
NON-OPERATING EXPENSES:						
Debt Service-Principal	1,050,000	1,050,000	1,050,000	-	100%	1,025,000
Debt Service-Interest	530,092	530,092	416,850	113,242	79%	446,260
Issuance Costs & Fiscal Agent Fees	1,600	1,600	3,200	(1,600)	200%	3,200
TOTAL NON-OPERATING EXPENSES	1,581,692	1,581,692	1,470,050	111,642	93%	1,474,460
INCOME (LOSS) BEFORE TRANSFERS	(1,694,318)	(1,710,018)	(1,378,931)	331,087		(1,664,483)
TRANSFERS IN (OUT):						
Transfers In	1,581,692	1,581,692	1,581,692	-	100%	1,586,101
CHANGE IN NET POSITION	\$ (112,626)	\$ (128,326)	\$ 202,761	\$ 331,087		\$ (78,382)

