



AGENDA
CHASKA CITY COUNCIL
CHASKA CITY HALL - COUNCIL CHAMBERS & ZOOM
Monday, July 1, 2024
7:00 PM

1. Call to Order
2. Pledge of Allegiance
3. Roll Call
4. Adopt Agenda
5. Proclamation
 - 5.A. Chaska Area Fishing With Friends - Vets on the Lake
6. Visitor Presentation
7. Approve Previous Meeting Minutes
 - 7.A. CC Meeting Minutes 6-17-2024
8. Consent Items
 - 8.A. Adopt Resolution 2024-58, Approval of State Off-Site Gambling Permit for Chaska Lions Club
 - 8.B. Approve Temporary On-Sale 3.2 % Malt Liquor License for Crown of Glory Lutheran Church
 - 8.C. Approve Temporary On-Sale Intoxicating License - Flags and Honor of MN
 - 8.D. Adopt Resolution 2024-59 Appointment of Election Judges - 2024 Primary Election
 - 8.E. Approve Ratification of Bond Sale – Chaska EDA Series 2024A
9. Action Items
 - 9.A. Transient Accommodation Renewal - TownSquare Place
10. Bills
 - 10.A. Accounts Payable Claims Roster 7-1-2024

- 11. Other Business
 - 11.A. City Administrator's Report
 - 11.A.i. Biweekly Report 7-1-2024
 - 11.B. Financial Reports as of 04/30/24
- 12. Adjourn

Chaska Economic Development Authority Meeting
Immediately following City Council



**CITY OF
CHASKA MINNESOTA**
“A Quality Small Town”



PROCLAMATION

**In Recognition of Chaska Area Fishing with Friends
Vets on the Lake Veterans Celebration**

Whereas: The “Vets on the Lake” Veterans Celebration is a salute to veterans who have served our country and now live in Carver County, Hennepin County, and the surrounding areas; and

Whereas: Vets on the Lake will take place on Tuesday, July 16th at Howard’s Point Marina and will include fishing trips on Lake Minnetonka and a picnic lunch; and

Whereas: This event provides an opportunity for local veterans to enjoy the outdoors and fellowship with each other; and

Whereas: The City of Chaska is grateful to Chaska Area Fishing with Friends for organizing the Veterans Celebration and for their on-going efforts to provide enjoyable fishing opportunities and boat tours to veterans, senior citizens, youth, and adults with disabilities.

Whereas: The City of Chaska would also like to thank Howard’s Point Marina, the Chaska Lions Club, Flags and Honor of Minnesota, the Chaska American Legion, Wagner Press & Graphics, and the City of Shorewood for their sponsorship of Vets on the Lake.

Now, therefore be it resolved: That I, Mark Windschitl, as the Mayor of Chaska and on behalf of the Chaska City Council do proclaim our support for the Chaska Area Fishing with Friends “Vets on the Lake” Veterans Celebration.

IN WITNESS WHEREOF, I have set my hand and the Seal of the City of Chaska this 1st day of July, in the year of our Lord two thousand and twenty-four.

Mark Windschitl
Mayor, City of Chaska

**- MINUTES -
CHASKA CITY COUNCIL
JUNE 17, 2024**

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; Krista Mark, Communications Coordinator; Elise Durbin, Assistant City Administrator; Nate Kabat, Community Development Director; Ryan Seibert, Police Chief; Christophe Morschen, City Attorney; Erica Mattice, Finance Division Director; and Lisa Nelson, Controller.

4. Adopt the Agenda

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

5. Visitor Presentation

5.A. Growth Through Opportunity Swearing in Ceremony

Police Chief Ryan Seibert explained the program has been in place for three years. It is an eight-week program and provides hands-on experience and training. All new cadets have to take an oath. He introduced Elly Snow and Carson Ayers as the new cadets.

Mayor Windschitl conducted the oath for each of the new cadets. He noted the program is awesome, and Staff works well with the cadets.

5.B. Comments from Mayor Windschitl

Mayor Windschitl pointed out he has served as Mayor for 14 years, and it has been extremely meaningful to him. He has experienced recent health issues, and it has forced him to evaluate how he wants to spend his life. Mayor Windschitl stated he is not going to seek re-election.

Mayor Windschitl explained he is very proud of what the team has accomplished. Continuity is beneficial for the community, and his consecutive terms have provided that. He listed a number of accomplishments, projects, and events the team has worked on throughout his terms. Mayor Windschitl thanked various Staff for their support and hard work.

JUNE 17, 2024 PAGE 2

Mayor Windschitl noted the job is difficult. Not everyone can be happy with every decision, but leaders must consider how the decisions are explained. He thanked the Councilmembers for their service and their commitment to respecting one another.

6. Approve Previous Meeting Minutes

6.A. Approve the June 3, 2024 City Council Meeting Minutes

Motion by Councilmember Grau, second by Councilmember Hubbard to approve the minutes of the June 3, 2024 City Council meeting.

Motion carried.

7. Consent Agenda

Motion by Councilmember Hatfield, second by Councilmember Hubbard to approve the Consent Agenda Items A through H:

- A. Adopt Resolution 2024-51 Approval for the Highway 18 Improvement Project – Arboretum Area

Motion to Adopt Resolution No. 2024-51, approving the Highway 18 Project.

- B. Adopt Resolution 2024-54 Ordering the Improvements and Awarding Bid for the 2024 Downtown Street and Utility Improvement Project – Streetscaping

Motion to adopt Resolution No. 2024-54, Awarding the bid for the 2024 Downtown Project – Streetscapes Improvement Project to Pember Companies, Inc. in the low bid total amount of \$1,089,312.85.

- C. Sustainable Building and Materials Management Grant Application Letter of Support

Motion to approve a letter of support to the Minnesota Pollution Control Agency's Sustainable Building and Material Management Grant program for building material reuse activities in Carver County.

- D. Approve lease termination of the Arts Consortium gift shop located in the Chaska Community Center effective 9/1/24

Motion to approve lease termination of the Arts Consortium gift shop located in the Chaska Community Center effective 9/1/24.

- E. Approve Temporary On-Sale Intoxicating License for Chaska Rotary

Motion to approve Temporary On-Sale Intoxicating License TW 24.5 for the Chaska Rotary, that allows them to serve intoxicating beverages at Chaska City River Days, on July 26th – 28th, 2024 providing permit upon payment of fee.

- F. Approve On-Sale Liquor at Community Event - Schram Haus Brewery

Motion to approve On-Sale Intoxicating License at a Community Event, Lic# OSCF24.02, for Schram Haus Brewery, 3700 Chaska Blvd, Chaska, MN for Chaska's Fire & Ice Festival effective July 12th & 13th, 2024.

- G. Approve On-Sale Liquor at Community Event - Crooked Pint Ale House

Motion to approve On-Sale Intoxicating License at a Community Event, Lic# OSCF24.03, for Crooked Pint Ale House, 3210 Chaska Blvd, Chaska, MN for Chaska's Fire & Ice Festival effective July 12th & 13th, 2024.

- H. Meadow Spring Settlement Agreement - Parking Lot Acquisition

Motion to approve the Mediated Settlement Agreement between the City of Chaska and Meadow Spring Church.

Motion carried.

JUNE 17, 2024 PAGE 3

8. Action Items

8.A. 2023 Annual Financial Reports

City Administrator Podhradsky introduced the item to the Council and Administrative Services Director Noel Graczyk provided a presentation on it.

Mayor Windschitl thanked Mr. Graczyk and his Staff for their effort.

Motion by Councilmember Huang, second by Councilmember Grau to accept the 2023 Annual Comprehensive Financial Report for the City of Chaska and associated audit reports as well as the 2023 Annual Financial Report for the Chaska Fire Department Relief Association and associated audit reports.

Motion carried.

8.B. Motion to adopt Resolution No. 2024-56 and 2024-57 and Ordinance 1047, Approving the Preliminary Plat, Rezoning, and Variance for Highpoint Vistas/Forestar Group - Midwest/PC #2024-02

City Administrator Podhradsky introduced the item to the Council and Community Development Director Nate Kabat provided a presentation on it.

Councilmember Hubbard asked if there is a proposal to build a park. Mr. Kabat stated the intention with the park dedication component would be for outlot G and to preserve the big woods.

Councilmember Hubbard stated the neighbors on the south part of the development would be far from the wooded area. Quality of life is an important consideration, and a walkable nature area would be nice. City Administrator Podhradsky stated an adjustment could be made, but something else would need to be eliminated.

Mr. Kabat pointed out there isn't a neighborhood park search area in this portion of town. The thought is the community park would serve the function. City Administrator Podhradsky noted it isn't too different from Ensconced Woods. If you start putting the parks closer, it starts setting a precedent. With a Statutory requirement for a maximum of 10 percent park dedication allotment, there is only so much that can be done with the funds. Then it would be additional cost, not to mention maintenance.

Councilmember Grau asked if the builder is a larger builder or several smaller builders. Stephen Gardiner, representative of Forestar Group, stated they would expect there to be one national builder to promote consistency throughout. There are some interested builders.

Mayor Windschitl asked if the sewer and water is still an issue. Mr. Kabat stated sewer and water is not presently connected to the site. As originally planned, the sewer would be at the end of Percheron Boulevard. There is an opportunity to connect to the sewer interceptor.

Mr. Gardiner added there was consideration of a lift station. There are conversations with the Metropolitan Council to find an alternative. Staff showed a map of where the connection point would likely be.

JUNE 17, 2024 PAGE 4

Councilmember Huang asked what the timeline is to get residents in. Mr. Gardiner stated they will continue to work with Staff on the site planning. Ideally, they would have home sales in Spring 2025 and first residents living there before the end of 2025.

Mayor Windschitl asked if the sewer decision would set a precedent for future development. Mr. Kabat explained the collector road is defined by the Comprehensive Plan. Part of the consideration for the sewer is the collector road component. The project is an example of why Staff is seeking out updates to the Zoning Code.

8.B.i. Resolution No. 2024-56, Preliminary Plat of Highpoint Vistas

Motion by Councilmember Huang, second by Councilmember Grau to adopt Resolution No. 2024-56, approving the Preliminary Plat for Highpoint Vistas, a 162-lot subdivision.
Motion carried.

8.B.ii. Resolution No. 2024-57, Highpoint Vistas Variance

Motion by Councilmember Hubbard, second by Councilmember Hatfield to adopt Resolution No. 2024-57, approving a variance to encroach into the Wooded Steep Slope and 30-foot no grade/no mow setback for the construction of the new collector road (Savanna Way).
Motion carried.

8.B.iii. Ordinance No.1047

Motion by Councilmember Grau, second by Councilmember Huang to adopt Ordinance No. 1047 rezoning property for Highpoint Vistas from O, Open Space Development zoning district to PRD-86, Planned Residential Development District No. 86.
Motion carried.

8.C. Motion to adopt Resolution No. 2024-55, approving the Concept Plan for Hazeltine Golf Course - Performance Center/Hazeltine Golf Course/PC #2024-09

City Administrator Podhradsky introduced the item to the Council and Community Development Director Nate Kabat provided a presentation on it.

Mayor Windschitl asked if Staff was aware of the Performance Center prior to the Villas were proposed. Mr. Kabat explained Staff learned of the Performance Center after moving forward with the preliminary use for the Villas. Staff wants the entire project to be handled together.

Councilmember Huang noted concept plans are meant to be rough, but people keep pushing them farther in hopes to move the project along more quickly.

Councilmember Grau asked what the last major renovation was completed at Hazeltine. Chris Zeman, representative of Zeman Construction, explained the golf course work has been ongoing throughout the years. In 2023, there was a project on the backside of the Clubhouse to extend the kitchen and outdoor seating. Before that, there as a beverage hut added. In 2009 and 2010, the Clubhouse was built.

JUNE 17, 2024 PAGE 5

Motion by Councilmember Huang, second by Councilmember Hubbard to approve the Highpoint Vistas Development park dedication of Outlot G (4.01 acres) in park land and the remaining balance to be received as a cash contribution.

9. Bills

9.A. Accounts Payable Claims Roster 17-6-2024

The Council requested further information about bills on pages 2, 9, 21, and 32.

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 17-6-2024

Councilmember Hatfield:

- Noted Coffee with a Cop is June 26 at Red Bench.
- Added Fire and Ice Festival is July 12-13, 2024.
- Pointed out Night to Unite registration is open.
- Explained the *Waconia Patriot* is now just *The Patriot* and covers some Chaska news.
- Stated MnDOT recently presented their plans for the railroad crossing over Hwy 41. Construction is supposed to start July 8, 2024. City Administrator Podhradsky pointed out there have been recent changes to the plan and provided an update on the construction plans.
- Thanked Staff for their work supporting local businesses.

Councilmember Hubbard:

- Stated the City's Pride Festival is June 22, 2024 at Veteran's Park.
- Noted the Carver County Sheriff's Office is having an Open House on June 22, 2024.
- Added the Parks and Recreation Department is hosting a kid's program called CORE.
- Pointed out there is a road closure near Southwest Christian High School.

Councilmember Huang:

- Explained the Farmer's Market will be on Wednesdays.
- Stated the Chaska History Society is hosting tours and reenactment performances.
- Added River City Days is July 26-28, 2024.
- Noted Officer Janke's final Neighborhood Watch Meeting was rained out, but another meeting was rescheduled. A number of questions were asked by community members, including some about unsafe pedestrian areas.

Councilmember Grau:

JUNE 17, 2024 PAGE 6

- Pointed out some funding has been allocated to a community park. City Administrator Podhradsky provided an update on the project.
- Reminded folks June 19, 2024 is a holiday, and the City offices will be closed.
- Thanked Mayor Windschitl for his service to the community. He has made an immense impact on Chaska.

Mayor Windschitl:

- Thanked the Public Works Staff for their hard work in light of the consistent rain.
- Stated Costco will be opened on July 13, 2024.

11. Adjourn

Motion by Councilmember Grau, second by Councilmember Huang to adjourn the meeting at 9:46 p.m.

Motion carried.

**REQUEST FOR ACTION
CHASKA CITY COUNCIL
7/1/2024**

Subject: Approval of State Off-Site Gambling Permits to Chaska Lions Club

Prepared By: Vicki Schmid – Administration Clerk II

The Chaska Lions Club, Chaska, Minnesota, is making an application to the State of Minnesota for an off-site gambling permit, allowing them to conduct a bingo event during River City Days at Chaska Lions Park, 1300 Crosstown Blvd, Chaska, MN, July 27, 2024. State application LG230 must be accompanied by a resolution from the City approving the bingo event.

Staff recommends approval.

CITY COUNCIL ACTION REQUESTED

Motion to adopt Resolution No. 2024-58 approving the Chaska Lions' request to conduct a bingo event on July 27th, 2024 at Chaska Lions Park.

**CITY OF CHASKA
CARVER COUNTY, MINNESOTA**

RESOLUTION

DATE 7/1/2024 RESOLUTION NO. 2024-58

MOTION BY COUNCILMEMBER _____ SECOND BY COUNCILMEMBER _____

**A RESOLUTION APPROVING MINNESOTA STATE OFF-SITE GAMBLING
PERMIT FOR THE CHASKA LIONS CLUB TO CONDUCT A BINGO EVENT AT
CHASKA RIVER CITY DAYS**

WHEREAS, The Chaska Lions Club, a non-profit organization out of Chaska, Minnesota, is making an application to the State of Minnesota for an off-site gambling permit (form LG230);

WHEREAS, The permit will be exclusive to the Chaska Lions Park located at 1300 Crosstown Blvd, Chaska, Minnesota 55318;

WHEREAS, The permit will allow a bingo event exclusively on July 27, 2024 at Chaska Lions Park;

WHEREAS, State Statute requires approval by Resolution from the Local Unit of Government;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Chaska does hereby approve the request of the Chaska Lions Club to the State of Minnesota for an Off-Site Gambling permit for July 27th, to be conducted at the Chaska Lions Park located at 1300 Crosstown Blvd, Chaska, MN 55318,

Passed and adopted by the City Council of the City of Chaska, Minnesota, this 1st day of July, 2024.

Mayor of Chaska

Attest: _____
Chaska Deputy Clerk

**REQUEST FOR ACTION
CHASKA CITY COUNCIL
7/1/2024**

Subject: Temporary On-Sale 3.2 Percent Malt Liquor Licenses for Crown of Glory Lutheran Church

Prepared By: Vicki Schmid – Administration Clerk II

Crown of Glory Lutheran Church, 1141 Cardinal Street, Chaska, MN., has made an application for a One-Day Temporary On-Sale 3.2 Percent Malt Liquor License for a Wedding Reception being held on Saturday, August 31, 2024, at Crown of Glory Lutheran Church. The license will permit them to sell wine and strong beer from 5:00 p.m. to 9:30 p.m.

All required paperwork is on file, and the fee has been paid. Staff recommends approval of the license.

CITY COUNCIL ACTION REQUESTED

Motion to approve TW.24-07 One day Temporary On-Sale 3.2% Malt Liquor License for a Wedding Reception located at the Crown of Glory Lutheran Church on Saturday, August 31, 2024

**REQUEST FOR ACTION
CHASKA CITY COUNCIL
7/1/2024**

Subject: Temporary On-Sale Intoxicating License for Flags and Honor of Minnesota

Prepared By: Vicki Schmid – Administration Clerk II

Flags and Honor of Minnesota, 195 Northgate Blvd., Chaska, Minnesota, has made an application for a 1-day Temporary On-Sale Intoxicating License for their summer car, bike, and tractor show held at Chaska Lion's Park on Saturday, August 3, 2024.

This will be the tenth year for the popular event and funds raised go to benefit local veterans.

City approval is required for the application. The applicant has provided the application, and certificate of liquor liability and paid the requisite fee of \$50 (\$50/day of the event).

Staff recommends approval.

CITY COUNCIL ACTION REQUESTED

Motion to approve the Temporary On-Sale Intoxicating License TW 24-06 for Flags and Honor of Minnesota, which allows them to serve intoxicating beverages at their car, bike, and tractor fundraising event, on August 3, 2024.

REQUEST FOR ACTION CHASKA CITY COUNCIL 7/1/2024

Subject: Appointment of Election Judges for the 2024 Primary Election

Prepared By: Denise Beebe, Senior Clerk

The Primary Election will be held on Tuesday, August 13, 2024. At least 25 days prior to the election, Council must appoint Judges of Election to administer the election in each polling place.

As per Minnesota Statute, party balance per polling site must only be maintained in that there may not be more than one half of the judges affiliated with one party. This condition will be met at all four polling locations. Judges will work either a full or half day shift during the Primary Election. They will be attending two hours of in-person or vertical training prior to the election.

All training and polling day work assignments are paid by the City through the Elections budget. There is a total of 12 to 14 judges working at each of the four Wards. Judges are offered the following pay, which comes out of the Election budget:

Head Judges -\$12.85 per hour
Assistant Head Judges - \$11.85 per hour
Regular Judges - \$10.85 per hour

Staff recommends the appointment of Judges of Election for the Primary Election of those persons listed on Exhibit A, and any additional individuals needed to work at the polling sites.

CITY COUNCIL ACTION REQUESTED

Motion to adopt Resolution No. 2024-59 appointing those persons listed on Exhibit A as Judges of Election for the Primary Election, Tuesday, August 13, 2024.

**CITY OF CHASKA
CARVER COUNTY, MINNESOTA**

RESOLUTION

DATE 7/1/2024 **RESOLUTION NO.** 2024-59

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

Resolution Appointing Judges of Election for the Primary Election August 13, 2024

WHEREAS, the Primary Election will be Tuesday, August 13, 2024; and

WHEREAS, the City Council must appoint Judges of Election to administer the polling places at least twenty-five (25) days prior to the election;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Chaska, Minnesota, that the persons listed on "Exhibit A", are appointed to serve as Judges of Election for the City of Chaska at the Primary Election, Tuesday, August 13, 2024;

FURTHER, BE IT RESOLVED by the City Council of the City of Chaska, Minnesota, that the Election Administrator be empowered to appoint additional Election Judges as warranted.

Passed and adopted by the City Council of the City of Chaska, Minnesota, this 1st day of July, 2024.

Mark Windschitl, Mayor

Attest: _____
Chaska Deputy Clerk

Exhibit A**2024 Primary Election Judges****Ward 1**

Thomas	Addy
Vickie	Andrie
Ivy	Beebe
Laura	Blotsky
Jeri	Bowers
Nickolette	Chaffee
Amber	Clayton
Marian	Garrison-Marlow
Jeri	Goodspeed-Gross
Stephen	Krenz
Susan	Lyons
Cheryl	McCoy
Lorraine	Moore
Connie	Palmer
Jan	Schmit
Linnea	Stromberg-Wise
Gordon	Thomas
Robert	VanDenBroeke
Ryan	Walker
Mary Jo	Zirbes

Ward 2

Caroline	Beise
Sandra	Blakely
Steven	Block
Terri	Browne
Randy	Brunet
Donna	Clark
Theresa	Hill
Pam	Houg
Scott	Kimball
Barbara	Larson
Mary	Leopold
Randy	Maluchnik
Kathryn	Moe
Abbey	Nagel
Robert	Olson
Gloria	Peterson
Arthur	Sienes
Scott	Smith
Mary	Stapleton

Ward 3

Nana Ama	Adjei
Nancy	Ament
Barrie	Anderson
Sarah	Brammer
Candy	Buranen
Wenda	Danduran
John	Dawson
Albert	Day
Katherine	Donovan
Kip	Dunkelberger
Nancy	Essler
Laurie	Kelly
Monique	LaCroix
Suzette	Maluchnik
Terri	Melvin
Robert	Neuman
Kaye	Norrish
Melissa	Reeder
David	Rieke
Neil	Wingert

Ward 4

Bridget	Boche
Carolyn	Clausen
Linda	Damman
Karen	Dawson
Randy	Erdahl
Nicole	Farris
Bev	Geffert
Ben	Goodman
Gwen	Jansen
Sandra	Kretsch
Peggy	Longhenry
Sarah	McNamara
Mary	Myss
Norm	Oberski
Laura	Olson
Susan	Oprosko
Jennifer	Payne
Tracy	Peterson
Lloyd	Schaeffer

Marc	Sultana
Mary	Syversen
Harold	Trumble
Gail	Von Bargaen

Cheryl	Schneider
Kelly	Spencer
Kevin	Wright

REQUEST FOR ACTION CITY OF CHASKA 7/1/2024

Subject: Ratification of Bond Sale – Chaska EDA Series 2024A

Reviewed by: Noel Graczyk, Administrative Services Director

Prepared by: Erica Mattice, Finance Division Director

Background

On Monday, June 24, 2024, the Chaska EDA completed issuance and sale of Lease Revenue Bonds, Series 2024A through a competitive bidding process. This series of bonds was issued on behalf of the City of Chaska and will be used to fund construction of a new Police and Fire Public Safety Building. At this time, the City Council will need to take action to ratify the completed bond sale.

Authorization for issuance of these bonds was previously established by resolutions adopted on May 20, 2024, by both the City and the EDA. These resolutions establish maximum parameters to permit the issuance and completion of sale for bonds. Parameters as established were a PAR amount of less than \$52,500,000 and a True Interest Cost (TIC) of less than 5.75%.

A total of eight bids were received on Monday and RBC Capital Markets was the winning bidder with the lowest TIC at 4.0764%. Because this winning bid included issuance premium, the City was able to reduce the final PAR amount for this series of bonds by \$1,720,000 which will reduce annual debt service costs over the thirty-year term of the bonds. Here is a summary of the issuance process and final sale results.

<u>Issuance Process</u>	<u>PAR Amount</u>	<u>TIC</u>
Parameter Resolutions - Maximums	\$52,500,000	5.75%
Offering Documents	\$51,370,000	n/a
Winning Bid	\$51,370,000	4.0764%
Bid Range (Eight Bids)	\$51,370,000	4.0764% - 4.2554%
Final Agreement with RBC Dain Capital Markets	\$49,650,000	4.113299%

As part of offering bonds for sale, the City and the EDA issued several documents as part of the primary disclosure process. The following documents are attached for review and ratification.

1. S&P Global Rating Report
 - This document assigns a "AA-", "Stable" rating to the bonds
 - It also affirms the "AA", "Stable" rating on outstanding City G.O. debt.
2. Preliminary Official Statement
 - Offering document for sale of bonds

- Includes the "AA-", "Stable" rating from S&P Global
- 3. Bid Tabulation – Competitive Sale
- 4. Final RBC Capital Markets Agreement

Staff Recommendation

The action before the Council will be to ratify the completed sale of Chaska EDA, Series 2024A.
Staff recommends approval of the requested motion.

CHASKA CITY COUNCIL ACTION REQUESTED

Motion to ratify the completed sale of the Chaska EDA Leased Revenue Bonds, Series 2024A.

RatingsDirect®

Summary:

Chaska Economic Development Authority, Minnesota Chaska; Appropriations; General Obligation

Primary Credit Analyst:

Emma Drilias, Madison (1) 312-233-7132; emma.drilias@spglobal.com

Secondary Contact:

Jessica Olejak, Chicago + 1 (312) 233 7068; jessica.olejak@spglobal.com

Table Of Contents

Credit Highlights

Outlook

Related Research

Summary:

Chaska Economic Development Authority, Minnesota

Chaska; Appropriations; General Obligation

Credit Profile		
US\$51.37 mil lease rev bnds (Chaska) ser 2024A due 02/01/2054		
Long Term Rating	AA-/Stable	New
Chaska taxable GO bnds ser 2019D due 02/01/2040		
Long Term Rating	AA/Stable	Affirmed
Chaska GO		
Long Term Rating	AA/Stable	Affirmed
Chaska GO		
Long Term Rating	AA/Stable	Affirmed

Credit Highlights

- S&P Global Ratings assigned its 'AA-' long-term rating to the Chaska Economic Development Authority, Minn.'s anticipated \$51.37 million series 2024A lease revenue bonds, supported by the City of Chaska.
- S&P Global Ratings also affirmed its 'AA' rating on the city's existing general obligation (GO) debt and its 'AA-' rating on the authority's lease revenue debt, subject to appropriation.
- The outlook is stable.

Security

The series 2024A bonds are special limited obligations of Chaska Economic Development Authority payable from lease-rental payments made by the city, as lessee, to the authority, as lessor. We rate this obligation one notch lower than Chaska's general creditworthiness, as reflected in the GO rating, to account for the appropriation risk associated with lease payments. We considered the affordability and likelihood of the lease payment, which is reflected in the appropriation rating and in our view of the Chaska's general creditworthiness. In our view, the lease features and terms are standard with no unusual risks regarding timely payment of debt.

Series 2024A proceeds will finance construction of a new public safety campus and to pay capitalized interest through Feb. 1, 2025.

Chaska has been increasing its levy by \$1.125 million annually for taxes payable in 2023 through 2026 to budget for future lease payments and to cash-finance a portion of the project. Officials also intend to dedicate portion of utility revenue for future lease payments. In 2024, the city plans to use about \$4.1 million as a cash contribution to the project sourced from \$1.575 million of federal funds, along with \$2.525 million from the first two years of the levy increase and utility fund contributions.

The existing lease-revenue bonds are secured the city's pledge of rental payments, subject to annual appropriation. We rate the existing lease-revenue bonds one notch lower than the GO debt due to appropriation risk.

Much of Chaska's GO debt outstanding is secured by additional revenue pledges, including special assessments, utility revenues, and state transportation aid, but we rate all debt based on the city's GO pledge.

Credit overview

Chaska's location southwest of the Twin Cities, with substantial developable land, has contributed to the city's growth into an affluent residential community. The city has been planning for extensive development in its southwest area, with about 400 acres of planned office and commercial space, and projections of a population increase of up to 10,000 over the next decade. Recent plans to construct a large data center within Chaska are also expected to increase its taxable value and electric utility revenue over the long-term.

The city is a frequent issuer of debt to accommodate its growth plans, leading to high levels of debt, totaling nearly \$158 million including the series 2024A bonds. Because the series 2024A bonds amortize over 30 years, Chaska's amount of debt due within 10 years fell below the level we consider rapid, contributing to our revised assessment of the city's very weak (formerly weak) debt profile. The series 2024A bonds are the first issuance of planned updates to four city facilities through 2030, with a current total project cost of over \$117 million. In the next two years, Chaska plans to issue \$37 million in new debt to finance the second phase of those improvements, involving construction of a new municipal services building, in addition to routine capital needs. Considering its future debt plans, we expect Chaska's debt profile will remain very weak and a limiting credit factor.

Chaska has built its available reserves above the level we consider very strong following four general fund surpluses, including a \$300,000 budgeted annual reserve increase to its available fund balance. Despite its improving general fund position, the city's overall financial profile remains somewhat pressured by persistent negative balances in several nonmajor governmental and enterprise funds including the economic development authority, capital improvements, tax increment, community center, curling, and golf funds. However, we recognize Chaska's considerable revenue flexibility, as the fiscal 2024 general fund budget is breakeven and includes a large 19.45% levy increase to address inflationary budget increases in addition to the planned levy increase to finance the public safety campus project. We also note the city has several privately placed debt agreements, and frequently uses lines of credit for large infrastructure projects and is then reimbursed with bond issuances. We view the terms of all outstanding agreements as standard. Based on our view of the city's strong management policies and practices, paired with its very strong and growing tax base, we believe that the rating will remain stable over the two-year outlook horizon.

The ratings also reflect our assessment of Chaska's:

Very strong economy, supported by numerous economic development projects including revitalization of the downtown, as well as commercial, industrial, and multifamily housing projects, supporting the city's 21% growth in total market value over the past three years;

- Strong building permit revenue supporting a general fund surplus of \$1.9 million (7.3%) in fiscal 2023, further increasing the city's available fund balance above the level we consider very strong, with very strong overall liquidity and with about \$35 million of total available cash after removing unspent bond proceeds in 2023;

- Good financial policies and practices under our Financial Management Assessment methodology, with a formal five-year capital improvement plan; a basic five-year forecast for operations, with an informal fund balance policy of 35% of expenditures in the general fund balance, although the city is not expected to meet this target in the upcoming year; and a strong institutional framework score; and
- High debt burden that we anticipate will increase considerably based on the city's plans to issue at least \$37 million of new debt over the two-year horizon. Furthermore, Chaska's contributions to its two pension plans fell below our minimum funding progress metric in fiscal 2022, with a current fixed-rate contribution practices that are not expected to materially reduce unfunded liabilities in the near term. (For more information, see "Pension Spotlight: Minnesota," published Aug. 10, 2023, on RatingsDirect.)

Environmental, social, and governance

We view Chaska's environmental, social, and governance factors as neutral in our credit analysis. We note, however, that parts of the city are exposed to elevated flood risk given the Minnesota River runs adjacent to Chaska, but that the city maintains infrastructure to mitigate flood risks. We also note the city has implemented policies and practices to help mitigate its exposure to cyber-security risks.

Outlook

The stable outlook reflects our expectation that Chaska's strong management practices will continue to support balanced operating results and stable-to-growing general fund reserves over the two-year outlook horizon. The outlook also reflects the city's very strong and growing economy, aided by its participation in the Twin Cities metropolitan statistical area, supporting steady growth and development.

Downside scenario

We could lower the rating if financial performance weakens and available reserves decline, or if negative balances outside of the general fund pressure the city's liquidity. A lower rating is also possible if the city's debt profile materially increases and pressures budget operations or the tax base.

Upside scenario

Although unlikely, we could raise the rating with material improvement in available reserves, paired with significant moderation to the debt profile.

Chaska, Minnesota--Key credit metrics				
	Most recent	Historical information		
		2023	2022	2021
Very strong economy				
Projected per capita EBI % of U.S.	131			
Market value per capita (\$)	174,290	160,165	144,285	129,086
Population (no.)			28,263	27,928
County unemployment rate(%)	2.4			
Market value (\$000)	4,925,953	4,526,746	4,077,915	3,605,125
Ten largest taxpayers % of taxable value	7.4			

Chaska, Minnesota--Key credit metrics (cont.)				
	Most recent	Historical information		
		2023	2022	2021
Strong budgetary performance				
Operating fund result % of expenditures		7.3	2.8	5.4
Total governmental fund result % of expenditures		5.2	5.2	(4.4)
Very strong budgetary flexibility				
Available reserves % of operating expenditures		21.3	15.6	14.7
Total available reserves (\$000)		5,441	3,534	2,976
Very strong liquidity				
Total government cash % of governmental fund expenditures		57	64	72
Total government cash % of governmental fund debt service		578	513	522
Strong management				
Financial Management Assessment	Good			
Very weak debt & long-term liabilities				
Debt service % of governmental fund expenditures		9.9	12.4	13.8
Net direct debt % of governmental fund revenue	199			
Overall net debt % of market value	3.6			
Direct debt 10-year amortization (%)	58			
Required pension contribution % of governmental fund expenditures		3.5		
OPEB actual contribution % of governmental fund expenditures		0		
Strong institutional framework				

EBI--Effective buying income. OPEB--Other postemployment benefits. Data points and ratios may reflect analytical adjustments.

Related Research

- 2023 Update Of Institutional Framework For U.S. Local Governments, Nov. 28, 2023
- Through The ESG Lens 3.0: The Intersection Of ESG Credit Factors And U.S. Public Finance Credit Factors, March 2, 2022
- S&P Public Finance Local GO Criteria: How We Adjust Data For Analytic Consistency, Sept. 12, 2013

Ratings Detail (As Of June 7, 2024)		
Chaska taxable GO bnds		
Long Term Rating	AA/Stable	Affirmed
Chaska APPROP		
Long Term Rating	AA-/Stable	Affirmed
Chaska GO		
Long Term Rating	AA/Stable	Affirmed
Chaska GO		
Long Term Rating	AA/Stable	Affirmed

Ratings Detail (As Of June 7, 2024) (cont.)

Chaska GO		
Long Term Rating	AA/Stable	Affirmed
Chaska GO		
Long Term Rating	AA/Stable	Affirmed
Chaska GO		
Long Term Rating	AA/Stable	Affirmed
Chaska GO bnds		
Long Term Rating	AA/Stable	Affirmed
Chaska GO imp rfdg bnds ser 2019E due 02/01/2033		
Long Term Rating	AA/Stable	Affirmed
Chaska GO state aid street bnds ser 2021A due 04/01/2041		
Long Term Rating	AA/Stable	Affirmed
Chaska GO util rev bnds		
Long Term Rating	AA/Stable	Affirmed

Carver County Community Development Agency, Minnesota

Chaska, Minnesota		
Carver Cnty Comnty Dev Agy (Chaska) governmental rfdg bnds (unltd tax GO) (Chaska) ser 2020B due 01/01/2040		
Long Term Rating	AA/Stable	Affirmed

Chaska Economic Development Authority, Minnesota

Chaska, Minnesota		
Chaska Econ Dev Auth taxable full-term installment purchase rev bnds ser 2020B due 12/01/2040		
Long Term Rating	AA/Stable	Affirmed
Chaska Econ Dev Auth (Chaska) taxable full-term installment purchase rev bnds		
Long Term Rating	AA/Stable	Affirmed
Chaska Econ Dev Auth (Chaska) APPROP		
Long Term Rating	AA-/Stable	Affirmed
Chaska Econ Dev Auth (Chaska) APPROP		
Long Term Rating	AA-/Stable	Affirmed
Chaska Econ Dev Auth (Chaska) APPROP		
Long Term Rating	AA-/Stable	Affirmed
Chaska Econ Dev Auth (Chaska) APPROP		
Long Term Rating	AA-/Stable	Affirmed
Chaska Econ Dev Auth (Chaska) APPROP		
Long Term Rating	AA-/Stable	Affirmed

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at www.spglobal.com/ratings for further information. Complete ratings information is available to RatingsDirect subscribers at www.capitaliq.com. All ratings affected by this rating action can be found on S&P Global Ratings' public website at www.spglobal.com/ratings.

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**NEW ISSUE
NOT BANK QUALIFIED
BOOK ENTRY ONLY**

S&P RATING: AA-

In the opinion of Dorsey & Whitney LLP, Bond Counsel, based on existing law and assuming the accuracy of certain representations and compliance with certain covenants, interest on the Bonds (i) is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code"), (ii) is not an item of tax preference for purposes of the federal alternative minimum tax imposed on noncorporate taxpayers by Section 55 of the Code, (iii) is excluded from taxable net income of individuals, estates, and trusts for Minnesota income tax purposes, and (iv) is not an item of tax preference for Minnesota alternative minimum tax purposes. Interest on the Bonds may, however, be taken into account in determining adjusted financial statement income for purposes of the federal alternative minimum tax imposed on applicable corporations (as defined in Section 59(k) of the Code), and is included in net income for purposes of the Minnesota franchise tax imposed on corporations and financial institutions. See "TAX CONSIDERATIONS" herein.

**ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF CHASKA, MINNESOTA
\$51,370,000* Lease Revenue Bonds, Series 2024A (City of Chaska, Minnesota Lease Obligation)
(the "Bonds")**

Dated Date	Date of Delivery (anticipated to be July 17, 2024)
Sale Date	Monday, June 24, 2024 until 10:00 A.M., Central Time
Consideration of Award	By a Pricing Committee subsequent to Proposal Opening.
Security	The Bonds will be special, limited obligations of the Economic Development Authority of the City of Chaska, Minnesota (the "Authority") payable solely from rental payments (the "Rental Payments") to be received by the Authority from the City of Chaska, Minnesota (the "City") pursuant to a Lease Agreement between the Authority and the City dated July 1, 2024 (the "Lease"). The Bonds are issued pursuant to a Trust Indenture between the Authority and U.S. Bank Trust Company, National Association, St. Paul, Minnesota, (the "Trustee") dated July 1, 2024 (the "Indenture"); a resolution of the Authority dated May 20, 2024 (the "Authority Resolution"); and a concurring resolution of the City dated May 20, 2024 (the "City Resolution"). The Bonds do not constitute a debt for which the faith and credit or taxing powers of the Authority, the City, or the State of Minnesota will be pledged. The City's obligation under the Lease is subject to annual appropriation, as further discussed herein. Upon termination of the Lease in the event of nonappropriation, the City shall not be responsible for the payment of any additional Rental Payments coming due with respect to succeeding Fiscal Years, but if the City has not delivered possession of the Project to the Authority in accordance with the terms of the Lease and conveyed to the Authority or released its interest in the Project granted under the Lease within ten (10) days after the termination of the Lease, the termination shall nevertheless be effective, but the City shall be responsible for the payment of damages in an amount equal to the amount of the Rental Payments thereafter coming due which are attributable to the number of days after such ten (10) day period during which the City fails to take such actions. Upon termination of the Lease upon nonappropriation, the Trustee, on behalf of the Authority, may lease or sell the Authority's interests in the Project or any portion thereof in a commercially reasonable manner at public or private sale in accordance with applicable State laws and apply the proceeds of such lease or sale in accordance with the Trust Indenture.
Authorization	The Bonds are being issued pursuant to Minnesota Statutes, Sections 465.71, 471.64, 469.012 subdivision 1(h), Sections 469.033 and 469.034, and Chapter 475. See "Authority and Security" herein.
Purpose	The proceeds of the Bonds, along with available Authority funds, will be used to (i) construct a new public safety campus within the City (the "Project"); (ii) pay capitalized interest; and (iii) pay costs of issuance. See "Authority and Security" herein.
Principal and Interest Payments	Principal will be paid annually on February 1, beginning February 1, 2026. Interest will be payable semiannually on February 1 and August 1, beginning February 1, 2025. Interest through and including February 1, 2025 will be paid from Bond proceeds.

Further information may be obtained from Baker Tilly Municipal Advisors, LLC 30 East Seventh Street, Suite 3025, Saint Paul, MN 55101 (651) 223-3000 or bids@bakertilly.com.

Redemption Provisions The Authority may elect on February 1, 2034 and on any day thereafter, to redeem Bonds due on or after February 1, 2035 at a price of par plus accrued interest.

The Bonds are subject redemption at the option of the Authority on any Business Day, in whole or in part in integral multiples of \$5,000, and if in part in such order of maturity dates as the Authority may determine and by lot or other manner deemed fair as to Bonds maturing on the same date, in the event that all or any part of the Project is lost, stolen, destroyed or damaged beyond repair and the Authority determines that the reconstruction and restoration of the Project to its prior condition is not economically feasible. All prepayments shall be at a price equal to the principal amount thereof to be redeemed plus accrued interest to the redemption date.

The Bonds may be issued as term bonds at the discretion of the Underwriter (as hereinafter defined) and, in such case, will be subject to mandatory sinking fund redemption.

Book Entry	The Bonds will be issued only as fully registered obligations, and when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"). See Appendix B for "Book Entry".
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Denominations	The Bonds are being issued in the denomination of \$5,000 or integral multiple thereof.
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Trustee	U.S. Bank Trust Company, National Association, located in St. Paul, Minnesota ("Trustee") The Trustee will serve as registrar (the "Registrar") for the Bonds.
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Bidding Information	Interested bidders should review the Terms of Proposal for additional instructions. See Appendix G herein.
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MATURITY SCHEDULE
(Base CUSIP(1) _____)

<u>Maturity</u> <u>(February 1)</u>	<u>Principal(2)</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>Price</u>	<u>CUSIP(1)</u>
2026					
2027					
2028					
2029					
2030					
2031					
2032					
2033					
2034					
2035					
2036					
2037					
2038					
2039					
2040					
2041					
2042					
2043					
2044					
2045					
2046					
2047					
2048					
2049					
2050					
2051					
2052					
2053					
2054					

(1) CUSIP® is a registered trademark of the American Bankers Association (“ABA”). CUSIP data (including CUSIP identifiers and related descriptive data) contained herein is provided by CUSIP Global Services (“CGS”), which is operated on behalf of the ABA by FactSet Research Systems Inc. CUSIP data is the valuable intellectual property of the ABA and the inclusion of CUSIP data herein is not intended to create a database and does not serve in any way as a substitute for any CUSIP Service provided by CGS. CUSIP data herein is provided for convenience of reference only. Neither the Authority, the City, the Municipal Advisor, the Underwriter nor their agents take any responsibility for the accuracy of such data now or at any time in the future. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

(2) Preliminary subject to change. The Authority reserves the right to adjust individual maturity amounts to achieve its financial objectives.

The Bonds are being offered for delivery when, as and if issued and received by the Underwriter (hereinafter defined) and subject to the approval of legality by Dorsey and Whitney LLP, Minneapolis, Minnesota, Bond Counsel. The Bonds are expected to be available for delivery to DTC, in New York, New York on or about July 17, 2024.

In connection with this offering the underwriter may over-allot or effect transactions which stabilize or maintain the market price of the Bonds offered hereby at a level above that which might otherwise prevail in the open market, and such stabilizing, if commenced, may be discontinued at any time.

No dealer, broker, salesperson, or other person has been authorized by the Authority to give any information or to make any representations with respect to the Bonds, other than as contained in the Preliminary Official Statement or the Final Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized by the Authority. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the securities described herein by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation, or sale.

Certain information contained in the Preliminary Official Statement or the Final Official Statement may have been obtained from sources other than records of the Authority and, while believed to be reliable, is not guaranteed as to completeness or accuracy. The information and expressions of opinion in the Preliminary Official Statement and the Final Official Statement are subject to change, and neither the delivery of the Preliminary Official Statement nor the Final Official Statement nor any sale made under either such document shall create any implication that there has been no change in the affairs of the Authority since the respective date thereof. However, upon delivery of the securities, the Authority will provide a certificate stating there have been no material changes in the information contained in the Final Official Statement since its delivery.

References herein to laws, rules, regulations, resolutions, agreements, reports, and other documents do not purport to be comprehensive or definitive. All references to such documents are qualified in their entirety by reference to the particular document, the full text of which may contain qualifications of and exceptions to statements made herein. Where full texts have not been included as appendices to the Preliminary Official Statement or the Final Official Statement, they will be furnished upon request.

References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement for the purposes of, and as that term is defined in, Securities and Exchange Commission Rule 15c2-12.

The Bonds are considered securities and have not been approved or disapproved by the Securities and Exchange Commission or any state or federal regulatory authority nor has any state or federal regulatory authority confirmed the accuracy or determined the adequacy of this Official Statement. Any representation to the contrary is a criminal offense. Investors must rely on their own examination of this Official Statement, the security pledged to repay the Bonds, the issuer and the merits and risks of the investment opportunity.

FORWARD-LOOKING STATEMENTS

This Official Statement, including its appendices, contains statements which should be considered "forward-looking statements," meaning they refer to possible future events or conditions. Such statements are generally identifiable by the words such as "plan," "expect," "estimate," "budget," "may," or similar words. The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause a deviation from the actual results, performance or achievements expressed or implied by such forward-looking statements. The Authority does not expect or intend to update or revise any forward-looking statements contained herein if or when its expectations, or events, conditions, or circumstances on which such statements are based occur.

CITY CONTACT INFORMATION

Additional information regarding the City may be obtained by contacting Mr. Noel Graczyk, City Administrative Services Director, City of Chaska, One City Hall Plaza, Chaska, Minnesota 55318-1962, phone (952) 448-9200, email ngraczyk@chaskamn.gov

ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF CHASKA, MINNESOTA

BOARD OF COMMISSIONERS

Mark Windschitl	President/Mayor
Jon Grau	Commissioner/Council Member
McKayla Hatfield	Commissioner/Council Member
Mike Huang	Commissioner/Council Member
Taylor Hubbard	Commissioner/Council Member

* The Authority is governed by a five-member Board of Commissioners, with the members of the City Council serving on the Board.

AUTHORITY EXECUTIVE DIRECTOR/CITY ADMINISTRATOR

Matthew Podhradsky

AUTHORITY ASSISTANT EXECUTIVE DIRECTOR

Elise Durbin

CITY ADMINISTRATIVE SERVICES DIRECTOR

Noel Graczyk

MUNICIPAL ADVISOR

Baker Tilly Municipal Advisors, LLC
Saint Paul, Minnesota

BOND COUNSEL

Dorsey and Whitney, LLP
Minneapolis, Minnesota

TRUSTEE

U.S. Bank Trust Company, National Association
Saint Paul, Minnesota

UNDERWRITER

TABLE OF CONTENTS

	<u>Page</u>
PURPOSE OF THE ISSUE AND USE OF FUNDS.....	1
THE ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF CHASKA, MINNESOTA	1
PURPOSE OF THE BONDS	1
SOURCES AND USES OF FUNDS.....	1
INVESTMENT OF FUNDS	1
DESCRIPTION OF THE BONDS.....	2
INTEREST CALCULATION.....	2
REGISTRATION AND EXCHANGE FEATURES.....	2
BOOK ENTRY	2
PROVISIONS FOR PAYMENT	2
NOTICE OF REDEMPTION	2
OPTIONAL REDEMPTION.....	2
SPECIAL OPTIONAL REDEMPTION	3
[MANDATORY REDEMPTION.....	3
AUTHORITY AND SECURITY.....	3
AUTHORITY	3
SECURITY AND SOURCES OF PAYMENT	4
RATING	5
RISK FACTORS AND INVESTOR CONSIDERATIONS	5
MAINTENANCE OF RATINGS	5
SECONDARY MARKET	5
FUTURE CHANGES IN LAW.....	5
LIMITATIONS ON REMEDIES AVAILABLE TO OWNERS OF THE OBLIGATIONS	6
POTENTIAL IMPACTS RESULTING FROM EPIDEMICS OR PANDEMICS	6
CYBERSECURITY.....	6
PURCHASER/UNDERWRITING	8
CONTINUING DISCLOSURE	8
FUTURE FINANCING	9
LITIGATION	9
LEGAL MATTERS.....	9
TAX MATTERS	9
TAX EXEMPTION	9
MUNICIPAL ADVISOR.....	12
MISCELLANEOUS.....	13
CERTIFICATION	13

- | | |
|--|---|
| A. General Information of the concerning the City of Chaska, Minnesota | E. Summary of Tax Levies, Payment Provisions, and Minnesota Real Property Valuation |
| B. Book Entry | F. Summary of Financing Documents |
| C. Form of Bond Counsel Opinion | G. 2022 Annual Comprehensive Financial Report |
| D. Form of Continuing Disclosure Covenants | H. Bidding Information: Terms of Proposal and Proposal Form |

OFFICIAL STATEMENT

ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF CHASKA, MINNESOTA \$51,370,000* LEASE REVENUE BONDS, SERIES 2024A (CITY OF CHASKA, MINNESOTA LEASE OBLIGATION)

PURPOSE OF THE ISSUE AND USE OF FUNDS

THE ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF CHASKA, MINNESOTA

The Authority is a public body politic and corporate and a political subdivision of the State of Minnesota (the "State") duly organized and existing under the laws of the State. The Authority was established on March 30, 1987 and is governed by a five-member Board of Commissioners, with the City Council members serving on the Board. The current Board members are as follows:

		<u>Expiration of Term</u>
Mark Windschitl	President/Mayor	December 31, 2024
Jon Grau	Commissioner	December 31, 2026
McKayla Hatfield	Commissioner	December 31, 2026
Mike Huang	Commissioner	December 31, 2024
Taylor Hubbard	Commissioner	December 31, 2024

Mr. Matthew Podhradsky, the Executive Director of the Authority, also serves as City Administrator for the City. Ms. Elise Durbin, the Assistant Executive Director of the Authority, also serves as the Assistant City Administrator for the City.

PURPOSE OF THE BONDS

The proceeds of the Bonds, along with available Authority funds, will be used to (i) construct a new public safety campus within the City; (ii) pay capitalized interest; and (iii) pay costs of issuance.

SOURCES AND USES OF FUNDS

The composition of the Bonds is as follows:

Sources of Funds:	
Principal Amount	\$ _____
[Net] Reoffering [Premium][Discount]	_____
Available Authority Funds	_____
Total Sources of Funds	\$ _____
Uses of Funds:	
Deposit to Project Fund	\$ _____
Capitalized Interest	_____
Costs of Issuance(1)	_____
Underwriter's Compensation	_____
Total Uses of Funds	\$ _____

(1) Includes fees for bond counsel, municipal advisor, registrar, rating, and other miscellaneous expenses.

INVESTMENT OF FUNDS

The proceeds of this issue are to be invested in accordance with the laws of the State relating to the depositing, holding, securing, or investing of public funds. The Authority shall direct the investment of Bond proceeds.

*Preliminary; subject to change.

DESCRIPTION OF THE BONDS

INTEREST CALCULATION

Interest on the Bonds is payable on February 1 and August 1 of each year, commencing February 1, 2025. Interest will be payable to the holder (initially Cede & Co.) registered on the books of the Registrar as of the fifteenth day of the calendar month next preceding such interest payment date (the "Record Date"). Interest will be computed on the basis of a 360-day year of twelve 30-day months.

REGISTRATION AND EXCHANGE FEATURES

Each registered Bond shall be transferable or exchangeable only on such record at the designated corporate trust office of the "Registrar" and "Paying Agent," U.S. Bank Trust Company, National Association, Saint Paul, Minnesota at the written request of the registered owner thereof or the owner's attorney duly authorized in writing upon surrender thereof, together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or his duly authorized attorney.

BOOK ENTRY

When issued, the Bonds will be registered in the name of and held by Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). Purchases of beneficial interests in the Bonds will be made in book entry only form. See Appendix B: Book Entry.

PROVISIONS FOR PAYMENT

The principal on the Bonds shall be payable at the designated corporate trust office of the Registrar and Paying Agent, or by wire transfer to DTC or any successor depository. All payments of interest on the Bonds shall be paid to the registered owners as the names appear as of the Record Date and at the addresses as they appear on the registration books kept by the Registrar or at such other address as is provided to the Registrar or by wire transfer to DTC or any successor depository. If payment of principal or interest is made to DTC or any successor depository, payment shall be made by wire transfer on the payment date in same-day funds. If the payment date occurs on a date when financial institutions are not open for business, the wire transfer shall be made on the next succeeding business day. The Paying Agent shall be instructed to wire transfer payments by 1:00 p.m. (New York City time) so such payments are received at the depository by 2:30 p.m. (New York City time). Payments on the Bonds shall be made in lawful money of the United States of America which, on the date of such payment, shall be legal tender.

So long as DTC or its nominee is the registered owner of the Bonds, principal and interest on the Bonds will be paid directly to DTC by the Paying Agent. (The final disbursement of such payments to the Beneficial Owners of the Bonds will be the responsibility of the DTC Participants and Indirect Participants.

NOTICE OF REDEMPTION

If the Bonds are to be redeemed pursuant to the Indenture, and written notice of an election to exercise an option to redeem Bonds under the Indenture shall have been given to the Trustee at least 45 days prior by the Authority (other than for the mandatory sinking fund redemption of certain maturities of the Bonds maturing in the years for which no notice of election shall be required), the Trustee shall prepare a notice in the name of the Authority or in its own name describing the Outstanding Bonds to be redeemed, the date of redemption, and the redemption price. Such notice may be conditional. Notice of redemption shall be mailed by the Trustee, not less than thirty (30) days nor more than ninety (90) days before the redemption date, by first-class mail or by electronic means, to the Owners of all Bonds which are to be redeemed, at their last addresses appearing upon the registry books of the Authority and shall be published to the extent required by law.

OPTIONAL REDEMPTION

The Authority may elect on February 1, 2034, and on any day thereafter, to redeem Bonds due on or after February 1, 2035. Redemption may be in whole or in part and if in part at the option of the Authority and in

such manner as the Authority shall determine. If less than all of the Bonds of a particular maturity at the time outstanding are to be called for prior redemption, the particular Bonds or portions thereof of such maturity to be redeemed shall be selected by lot, except as otherwise provided herein, by the Trustee in such manner as the Trustee, in its discretion, may determine. The Trustee shall call for redemption in accordance with the foregoing provisions as many Bonds or portions thereof as will, as nearly as practicable, exhaust the money available therefor. Particular Bonds or portions thereof shall be redeemed only in integral multiples of principal amount of \$5,000.

So long as the Bonds are registered in the name of Cede & Co., as nominee of The Depository Trust Company, or in the name of any other nominee of The Depository Trust Company or other securities depository, the Bonds or portions thereof to be redeemed shall be selected in accordance with the operational arrangements of The Depository Trust Company or such other securities depository.

SPECIAL OPTIONAL REDEMPTION

The Bonds are also subject to redemption at the option of the Authority on any Business Day, in whole or in part in integral multiples of \$5,000, and if in part in such order of maturity dates as the Authority may determine and by lot or other manner deemed fair as to Bonds maturing on the same date, in the event that all or any part of the Project is lost, stolen, destroyed or damaged beyond repair and the Authority determines that the reconstruction and restoration of the Project to its prior condition is not economically feasible. All prepayments shall be at a price equal to the principal amount thereof to be redeemed plus accrued interest to the redemption date.

[MANDATORY REDEMPTION

The Term Bonds maturing on _____ [and _____] (the "Term Bonds") are subject to mandatory sinking fund redemption and shall be redeemed in part at par plus accrued interest on the mandatory dates and in the principal amounts as follows:

	<u>[] Term Bonds</u>
<u>Year</u>	<u>Amount</u>
[first year]	\$ _____
[second/last year]*	\$ _____

	<u>[] Term Bonds</u>
<u>Year</u>	<u>Amount</u>
[first year]	\$ _____
[second/last year]*	\$ _____

	<u>[] Term Bonds</u>
<u>Year</u>	<u>Amount</u>
[first year]	\$ _____
[second/last year]*	\$ _____

* *Final Maturity.*

The principal amount of the Term Bonds may be reduced through the earlier optional redemption, with any partial optional redemptions of the Term Bonds credited against future mandatory redemption requirements for such Term Bonds in such order as the Authority shall determine.]

AUTHORITY AND SECURITY

AUTHORITY

The Bonds are being issued pursuant to Minnesota Statutes, Sections 465.71, 471.64, 469.012 subdivision 1(h), Sections 469.033 and 469.034, and Chapter 475. The Bonds are further issued pursuant to a Lease Agreement between the Authority and the City dated July 1, 2024 (the "Lease"); a Trust Indenture between the Authority and U.S. Bank Trust Company, National Association, St. Paul, Minnesota, (the "Trustee") dated July 1, 2024 (the "Indenture"); a resolution of the Authority dated May 20, 2024 (the "Authority Resolution"); and a concurring resolution of the City dated May 20, 2024 (the "City Resolution").

SECURITY AND SOURCES OF PAYMENT

The Bonds will be special, limited obligations of the Authority payable from rental payments to be received by the Authority from the City pursuant to the Lease. The City's obligation under the Lease is subject to annual appropriation.

Capitalized interest has been included in the par amount of the Bonds to make the interest payments due on the Bonds through February 1, 2025. Thereafter, each year's collection of Lease payments, if collected in full, will be sufficient to pay debt service due on the Bonds in each year.

The Authority covenants and agrees, under the Indenture, that so long as the Bonds shall be outstanding it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in the Indenture and in the Authority Resolution and in each and every Bond executed, authenticated and delivered. The Authority further covenants that it will pay, or cause to be paid, the principal of and interest on the Bonds, from Rental Payments made by the City and other amounts received in respect to the Lease or available under the Indenture. The Authority covenants that it will cause such amounts received to be deposited with the Trustee prior to the due date of each payment of principal and interest and prior to the maturity of any Bond in amounts sufficient to pay such payment; provided, however, that the principal of and interest on any Bond is not and shall not be deemed to represent a debt or pledge the faith or credit of the Authority, the City, or the State of Minnesota or grant to the holder of any Bond any right to have the Authority levy any taxes, or appropriate any funds to the payment of debt service on the Bonds. Such payment is to be made solely and only out of the moneys received pursuant to the Lease and, the funds and accounts established and maintained with the Trustee pursuant to the Indenture and appropriated to the payment of the Bonds by the Indenture.

Payment of the Bonds is intended to be made from Rental Payments paid by the City under the Lease held in trust by the Trustee in accordance with the Indenture. The City covenants and agrees, pursuant to the Lease, to pay the Rental Payments at the times and in the amounts as set forth in the Lease. The Rental Payments shall be payable directly to the Trustee on behalf of the Authority at least five days prior to each February 1 and August 1 payment date for the Bonds. Other moneys received by the Trustee from the City which are on deposit in the Bond Fund at least five days prior to each February 1 and August 1 payment date may be credited against the Rental Payments otherwise due on such date if the City so directs.

Except in the case of the City Council's failure to make an annual appropriation, the obligation of the City to make the Rental Payments under the Lease, or any other payments required thereunder, shall be absolute and unconditional. The City shall make all Rental Payments required under the Lease when due and its Rental obligation under the Lease. The City is not permitted to suspend or discontinue any Rental Payments provided for in the Lease and is not permitted to terminate the Lease for any cause, except in the event that the City Council fails to appropriate money sufficient for the continued performance of the Lease by the City. The City will not terminate the Lease term for causes including the destruction of or damage to the Facility, any change in State or federal laws or rulings, or any failure of the Authority to perform and observe any agreement, duty, liability or obligation arising out of or connected with the Lease or the Indenture.

The City shall have the right to cancel and terminate the Lease, in whole but not in part, at the end of any Fiscal Year of the City, in the manner and subject to the terms specified in the Lease, if the City's governing body does not appropriate money sufficient to pay the Rental Payments coming due in the next Fiscal Year. Lack of a sufficient appropriation shall be evidenced by a specific provision in the budget of the City which prohibits the expenditure of the City funds for this purpose. The City may effect such termination by giving the Authority a written notice of termination and by paying to the Authority any Rental Payments which are due and have not been paid at or before the end of its then current Fiscal Year. **THE LEASE DOES NOT CONSTITUTE AN INDEBTEDNESS OF THE AUTHORITY, THE CITY, OR THE STATE OF MINNESOTA AND THE BONDS ARE NOT SECURED BY THE FULL FAITH AND CREDIT OR TAXING POWER OF THE AUTHORITY, THE CITY OR THE STATE.**

Upon termination of the Lease in the event of nonappropriation, the City shall not be responsible for the payment of any additional Rental Payments coming due with respect to succeeding Fiscal Years, but if the City has not delivered possession of the Project to the Authority in accordance with the terms of the Lease

and conveyed to the Authority or released its interest in the Project granted under the Lease within ten (10) days after the termination of the Lease, the termination shall nevertheless be effective, but the City shall be responsible for the payment of damages in an amount equal to the amount of the Rental Payments thereafter coming due which are attributable to the number of days after such ten (10) day period during which the City fails to take such actions. Upon termination of the Lease upon nonappropriation, the Trustee, on behalf of the Authority, may lease or sell the Authority's interests in the Project or any portion thereof in a commercially reasonable manner at public or private sale in accordance with applicable State laws and apply the proceeds of such lease or sale in accordance with the Trust Indenture.

RATING

S&P Global Ratings ("S&P"), 55 Water Street, New York, New York have assigned a rating of "AA-" to the Bonds. Such rating reflects only the view of S&P and any explanation of the significance of such rating may only be obtained from S&P.

The rating is not a recommendation to buy, sell or hold the Bonds, and such rating may be subject to revision or withdrawal at any time by S&P. Any revision or withdrawal of the rating may have an adverse effect upon the market price of the Bonds.

The Authority has not applied to any other rating service for a rating on the Bonds.

RISK FACTORS AND INVESTOR CONSIDERATIONS

Prospective purchasers of the Bonds should consider carefully, along with other matters referred to herein, the following risks of investment. The ability of the Authority to meet the debt service requirements of the Bonds is subject to various risks and uncertainties which are discussed throughout this Official Statement. Certain investment considerations are set forth below.

MAINTENANCE OF RATINGS

The Bonds have been rated as to their creditworthiness by S&P. While the Authority does not anticipate any material changes in the future, no assurance can be given that the Bonds will maintain their original rating. If the rating on the Bonds decreases or is withdrawn, the Bonds may lack liquidity in the secondary market in comparison with other such municipal obligations. See "Rating" herein.

SECONDARY MARKET

While the purchaser of the Bonds may expect, insofar as possible, to maintain a secondary market in the Bonds, no assurance can be given concerning the future existence of such a secondary market or its maintenance by the purchasers or others, and prospective purchasers of the Bonds should therefore be prepared, if necessary, to hold their Bonds to maturity or prior redemption, if any.

FUTURE CHANGES IN LAW

Future legislative proposals, if enacted into law, clarification of the Code (defined herein) or court decisions may cause interest on the Bonds to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals, clarification of the Code or court decisions may also affect the market price for, or marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations, or litigation, as to which Bond Counsel expresses no opinion.

Legislation affecting municipal bonds is considered from time to time by the United States Congress and the Executive Branch. Bond Counsel's opinion is based upon the law in existence on the date of issuance of the Bonds. It is possible that legislation enacted after the date of issuance of the Bonds or proposed for consideration will have an adverse effect on the excludability of all or a part of the interest on the Bonds from gross income, the manner in which such interest is subject to federal income taxation or the market

price of the Bonds.

Legislation affecting municipal bonds is considered from time to time by the Minnesota legislature and Executive Branch. It is possible that legislation enacted after the date of the Bonds or proposed for consideration will have an adverse effect on payment or timing of payment or other matters impacting the Bonds.

The Authority cannot predict the outcome of any such federal or state proposals as to passage, ultimate content or impact if passed, or timing of consideration or passage. Purchasers of the Bonds should reach their own conclusions regarding the impact of any such federal or state proposals.

There can be no assurance that there will not be any change in, interpretation of, or addition to the applicable laws and provisions which would have a material effect, directly or indirectly, on the affairs of the Authority.

LIMITATIONS ON REMEDIES AVAILABLE TO OWNERS OF THE OBLIGATIONS

No Acceleration. There is no provision for acceleration of maturity of the principal of the Bonds in the event of a default in the payment of principal or interest on the Bonds. Consequently, the owners of the Bonds may have to enforce available remedies.

No Trustee. There is no bond trustee or similar person or entity to monitor or enforce the provisions of the Resolution on behalf of the owners of the Bonds, and therefore the owners should be prepared to enforce such provisions themselves if the need to do so ever arises.

POTENTIAL IMPACTS RESULTING FROM EPIDEMICS OR PANDEMICS

The Authority's finances may be materially adversely affected by unforeseen impacts of future epidemics and pandemics. The Authority cannot predict future impacts of epidemics or pandemics, any similar outbreaks, or their impact on travel, on assemblies or gatherings, on the State, national or global economy, or on securities markets, or whether any such disruptions may have a material adverse impact on the financial condition or operations of the Authority, including but not limited to the payment of debt service on any of its outstanding debt obligations.

CYBERSECURITY

The Authority relies on computer networks, data storage, collection, and transmission to conduct the operations of the Authority and has implemented security measures to protect data and limit financial exposure, including securing cyber security insurance to assist with the reduction of potential risk of financial and operational damage resulting from network attacks. Even with these security measures, the Authority, its information technology, data stored by the Authority and its infrastructure may be vulnerable in the event of a deliberate system attack, including malware, ransomware, computer virus, employee error or general disruption. If breached or compromised, the networks could be disrupted and information could be accessed, disclosed, lost, or stolen. The Authority acknowledges that its systems could be affected by a cybersecurity attack and that a loss, disruption, or unauthorized access to data held by the Authority could have a material impact on the Authority. Further, as cybersecurity threats evolve, the Authority will continue to evaluate and implement security measures and work to mitigate any vulnerabilities in its system.

CREDIT RISK

Since the investor in a Bond is without recourse to the Trustee, the investor assumes the entire risk if the City does not meet its obligations under the Lease is insufficient to pay principal of and interest on the Bonds. The City's ability to perform said obligations and its willingness to appropriate monies for the Lease could be affected by the financial condition of the City and economic conditions generally, among other things. See "RISK FACTORS – Non-Appropriation". Upon termination of the Lease in the event of nonappropriation, the City shall not be responsible for the payment of any additional Rental Payments coming due with respect to succeeding Fiscal Years, but if the City has not delivered possession of the Project to the Authority in accordance with the terms of the Lease and conveyed to the Authority or released its interest in the Project granted under the Lease within ten (10) days after the termination of the Lease, the termination shall nevertheless be effective, but the City shall be responsible for the payment of damages in an amount equal to the amount of the Rental Payments thereafter coming due which are attributable to the number of days after such ten (10) day period during which the City fails to take such actions. Upon termination of the Lease upon nonappropriation, the Trustee, on behalf of the Authority, may lease or sell the Authority's interests in the Project or any portion thereof in a commercially reasonable manner at public or private sale in accordance with applicable State laws and apply the proceeds of such lease or sale in accordance with the Trust Indenture.

REMEDIES OF DEFAULT: ENFORCEABILITY RISK AND CANCELLATION

Investors should understand that in an event of default by the Authority under the Lease, the remedies provided by the Lease may be unenforceable due to the application of principles of equity or State and federal laws relating to bankruptcy, moratoriums, reorganizations and creditors' rights, or may require the expenditure of money and considerable time to enforce. Further, investors should understand that in an event of default by the Authority under the Lease and the termination of the Lease by the Trustee, the Trustee may be unable to sell or lease its fee title interest in the Project, or to sell such interest at a price which will provide to the investors net proceeds equal to the amount of remaining principal under the Lease.

NON-APPROPRIATION

Rental Payments will be payable from the City funds which are annually budgeted and appropriated by the governing body of the City and which may be reduced or terminated by action of such governing body. There is no assurance that the City will appropriate funds for the Rental Payments. The governing body of the City is under no obligation to provide City funds for such payments. Accordingly, any factors which may potentially influence the budgeting process of the City should be considered by a prospective purchaser of the Bonds. In the event the governing body of the City fails to appropriate funds necessary for Rental Payments or defaults under the Lease, the Lease will be terminated, and, in such event, the Bonds will be payable from any moneys held by the Trustee under the Indenture. Upon termination of the Lease in the event of nonappropriation, the City shall not be responsible for the payment of any additional Rental Payments coming due with respect to succeeding Fiscal Years, but if the City has not delivered possession of the Project to the Authority in accordance with the terms of the Lease and conveyed to the Authority or released its interest in the Project granted under the Lease within ten (10) days after the termination of the Lease, the termination shall nevertheless be effective, but the City shall be responsible for the payment of damages in an amount equal to the amount of the Rental Payments thereafter coming due which are attributable to the number of days after such ten (10) day period during which the City fails to take such actions. Upon termination of the Lease upon nonappropriation, the Trustee, on behalf of the Authority, may lease or sell the Authority's interests in the Project or any portion thereof in a commercially reasonable manner at public or private sale in accordance with applicable State laws and apply the proceeds of such lease or sale in accordance with the Trust Indenture.

INSURANCE RISK

In case of any damage to or destruction of the Project or any part thereof by any casualty, the Authority shall, whether or not any insurance proceeds are available or adequate for such purpose and regardless of the dollar amount of such damage or loss, with reasonable diligence commence and complete restoration of the Project at its own expense. No destruction of or damage to the Project, or any part thereof, shall entitle or permit the Authority to quit or surrender the Project or shall relieve the Authority from its liability to

pay in full the Rental Payments other payments cited in the Lease, or from any of its other obligations under the Lease. The Authority shall be entitled to the Net Proceeds of any condemnation award or portion thereof made for damages to or taking of its own property or for damages on account of the taking of or interference with the Authority's right to possession, use of or occupancy of the Project.

DETERMINATION OF TAXABILITY RISK

If the interest on the Bonds were to become subject to taxation, no provision has been made for redemption of the Bonds and investors holding the Bonds would not be entitled to any additional interest exceeding the rate printed on the Bonds. The Bondholder would subsequently then be holding a security with a substantially lower interest rate return than that of a comparable taxable security.

NO MORTGAGE

Bondholders will not receive a mortgage or similar security instrument with respect to the Bonds. Accordingly, the Bondholders will not have any right to foreclose on any real property of the Authority as a result of an event of default under the Indenture.

OTHER FACTORS

An investment in the Bonds involves an element of risk. To identify risk factors and make an informed investment decision, potential investors should be thoroughly familiar with this entire Official Statement (including the Appendices hereto) to make a judgment as to whether the Bonds are an appropriate investment.

PURCHASER/UNDERWRITING

The Bonds are being purchased by _____ (the "Underwriter") [and its syndicate] at a purchase price of \$_____, which is the par amount of the Bonds of \$_____, less the Underwriter's discount of \$_____, plus the [net] original issue premium/discount of \$_____, plus accrued interest \$_____.

The Underwriter intends to offer the Bonds to the public at the offering prices set forth on the inside cover page of this Official Statement. The Underwriter may allow concessions to certain dealers (including dealers in a selling group of the Underwriter and other dealers depositing the Bonds into investment trusts), who may realow concessions to other dealers. After the initial public offering, the public offering price may be varied from time to time by the Bonds.

CONTINUING DISCLOSURE

In order to permit bidders for the Bonds and other participating underwriters in the primary offering of the Bonds to comply with paragraph (b)(5) of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the "Rule"), the Authority has covenanted and agreed, for the benefit of the registered holders or beneficial owners from time to time of the outstanding Bonds, in the Authority Resolution, to provide annual reports of specified information and notice of the occurrence of certain events as hereinafter described (the "Disclosure Covenants"). The information to be provided on an annual basis, the events as to which notice is to be given and a summary of other provisions of the Disclosure Covenants, including termination, amendment and remedies, are set forth in Appendix D to this Official Statement.

The Authority believes it has complied for the past five years in accordance with the terms of its previous continuing disclosure undertakings entered into pursuant to the Rule.

The Authority has adopted specific disclosure policies and procedures to further ensure ongoing compliance with its continuing disclosure obligations. A failure by the Authority to comply with the Disclosure Covenants will not constitute an event of default on the Bonds (although holders will have any available remedy at law or in equity). Nevertheless, such a failure must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending

the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

FUTURE FINANCING

As of the date of the Official Statement, the City anticipates issuing the following additional debt in the next 12 months.

- Issuance of bonds to refinance the City's \$25,300,000 General Obligation Temporary State Aid Street Bonds, Series 2022 maturing on December 31, 2024. The City's portion is estimated to be \$6 million with the State and County funding the remainder.
- Issuance of a temporary short-term debt obligation in the estimated amount of \$3.6 million for the acquisition of land for the City's Municipal Service Building
- Issuance of general obligation bonds in the estimated amount of \$2.6 million to finance the 2024 Downtown Street Reconstruction Project,
- Issuance of general obligation bonds to finance a road project in an estimated amount o \$

The City periodically evaluates market conditions and outstanding financial obligations for refunding and refinancing opportunities and may issue refunding obligations if debt service savings can be achieved.

LITIGATION

The city is entering into arbitration with the Mueller Company for non-compliance of the City's Advanced Metering Infrastructure Contract. The City is seeing damages for the failure of the system. Neither the City nor the Authority anticipate this arbitration affecting the validity of the Bonds or the Authority's ability to meet its financial obligations.

LEGAL MATTERS

The Bonds are subject to approval as to certain matters by Dorsey & Whitney LLP of Minneapolis, Minnesota, as Bond Counsel. Bond Counsel has not participated in the preparation of this Official Statement and will not pass upon its accuracy, completeness, or sufficiency. Bond Counsel has not examined nor attempted to examine or verify any of the financial or statistical statements or data contained in this Official Statement and will express no opinion with respect thereto. A legal opinion in substantially the form set out in Appendix C herein will be delivered at closing.

TAX MATTERS

TAX EXEMPTION

The following is a summary of certain U.S. federal and Minnesota income tax considerations relating to the purchase, ownership, and disposition of the Bonds. This summary is based on the U.S. Internal Revenue Code of 1986 (the "Code") and the Treasury Regulations promulgated thereunder, judicial decisions, and published rulings and administrative pronouncements of the Internal Revenue Service (the "IRS"), all as of the date hereof and all of which are subject to change, possibly with retroactive effect. Any such change could adversely affect the matters discussed below, including the tax exemption of interest on the Bonds. The City has not sought and will not seek any rulings from the IRS regarding the matters discussed below, and there can be no assurance the IRS or a court will not take a contrary position regarding these matters.

Prospective purchasers of Bonds should consult their own tax advisors with respect to applicable federal, state, and local tax rules, and any pending or proposed legislation or regulatory or administrative actions, relating to the Bonds based on their own particular circumstances.

This summary is for general information only and is not intended to constitute a complete analysis of all tax considerations relating to the purchase, ownership, and disposition of Bonds. It does not address the application of the alternative minimum tax imposed on noncorporate taxpayers and applicable corporations (as defined in Section 59(k) of the Code) or the additional tax on net investment income, nor does it address the U.S. federal estate and gift tax or any state, local, or non-U.S. tax consequences except with respect to Minnesota income tax to the extent expressly specified herein. This summary is limited to consequences

to U.S. holders that purchase the Bonds for cash at original issue and hold the Bonds as “capital assets” (generally, property held for investment).

This discussion does not address all aspects of U.S. federal income or state taxation that may be relevant to particular holders of Bonds in light of their specific circumstances or the tax considerations applicable to holders that may be subject to special income tax rules, such as: holders subject to special tax accounting rules under Section 451(b) of the Code; insurance companies; brokers, dealers, or traders in stocks, securities, or currencies or notional principal contracts; foreign corporations subject to the branch profits tax; holders receiving payments in respect of the Bonds through foreign entities; and S corporations, partnerships, or other pass-through entities or investors therein.

For purposes of this discussion, the “issue price” of a maturity of Bonds is the first price at which a substantial amount of Bonds of that maturity is sold for cash to persons other than bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents, or wholesalers.

Tax-Exempt Interest

In the opinion of Dorsey & Whitney LLP, Bond Counsel, based on existing law and assuming the accuracy of certain representations and compliance with certain covenants, interest on the Bonds (i) is excluded from gross income for federal income tax purposes under Section 103 of the Code, (ii) is not an item of tax preference for purposes of the federal alternative minimum tax imposed on noncorporate taxpayers by Section 55 of the Code, (iii) is excluded from taxable net income of individuals, estates, and trusts for Minnesota income tax purposes, and (iv) is not an item of tax preference for Minnesota alternative minimum tax purposes. Interest on the Bonds may, however, be taken into account in determining adjusted financial statement income for purposes of the federal alternative minimum tax imposed on applicable corporations (as defined in Section 59(k) of the Code), and is included in net income for purposes of the Minnesota franchise tax imposed on corporations and financial institutions.

The Code establishes certain requirements that must be met after the issuance of the Bonds in order that interest on the Bonds be excluded from federal gross income and from Minnesota taxable net income of individuals, estates, and trusts. These requirements include, but are not limited to, provisions regarding the use of Bond proceeds and the facilities financed or refinanced with such proceeds and restrictions on the investment of Bond proceeds and other amounts. The City has made certain representations and has covenanted to comply with certain restrictions, conditions, and requirements designed to ensure interest on the Bonds will not be included in federal gross income. Inaccuracy of these representations or noncompliance with these covenants may cause interest on the Bonds to be included in federal gross income or in Minnesota taxable net income retroactively to their date of issue. Bond Counsel has not independently verified the accuracy of these representations and will not verify the continuing compliance with these covenants. No provision has been made for redemption of or for an increase in the interest rate on the Bonds in the event that interest on the Bonds is included in federal gross income or in Minnesota taxable net income.

Original Issue Discount

Bonds may be issued with original issue discount (“OID”). A Bond will be treated as issued with OID (a “Discount Bond”) if its “stated redemption price at maturity” (*i.e.*, the sum of all amounts payable on the Bond other than payments of qualified stated interest) exceeds its issue price. OID that accrues to a holder of a Discount Bond is excluded from federal gross income and from Minnesota taxable net income of individuals, estates, and trusts to the same extent that stated interest on such Discount Bond would be so excluded. The amount of OID that accrues on a Discount Bond is added to the holder’s federal and Minnesota tax bases. OID is taxable under the Minnesota franchise tax on corporations and financial institutions.

OID on a Discount Bond generally accrues pursuant to a constant-yield method that reflects semiannual compounding on dates that are determined by reference to the maturity date of the Discount Bond. The amount of OID that accrues for any particular semiannual accrual period generally is equal to the excess of (1) the product of (a) one-half of the yield on such Discount Bonds (adjusted as necessary for an initial short period) and (b) the adjusted issue price of such Discount Bonds, over (2) the amount of stated interest

actually payable. For this purpose, the adjusted issue price is determined by adding to the issue price for such Discount Bonds the OID that is treated as having accrued during all prior accrual periods. If a Discount Bond is sold or otherwise disposed of between compounding dates, then the OID that would have accrued for that accrual period for federal income tax purposes is allocated ratably to the days in that accrual period.

If a Discount Bond is purchased for a cost that exceeds the sum of the issue price plus accrued interest and accrued OID, the amount of OID that is deemed to accrue thereafter to the purchaser is reduced by an amount that reflects amortization of such excess over the remaining term of the Discount Bond. If the excess is greater than the amount of remaining OID, the basis reduction rules for amortizable bond premium may result in taxable gain upon sale or other disposition of the Bonds, even if the Bonds are sold, redeemed, or retired for an amount equal to or less than their cost.

It is possible under certain state and local income tax laws that OID on a Discount Bond may be taxable in the year of accrual and may be deemed to accrue differently than under federal law.

Market Discount

If a Bond is purchased for a cost that is less than the Bond's issue price (plus accrued OID, if any), the purchaser may be treated as having purchased the Bond with market discount (unless a statutory *de minimis* rule applies). Market discount is treated as ordinary income and generally is recognized on the maturity or earlier disposition of the Bond (to the extent that the gain realized does not exceed the accrued market discount on the Bond).

Bond Premium

A holder that acquires a Bond for an amount in excess of its stated redemption price at maturity generally must, from time to time, reduce the holder's federal and Minnesota tax bases for the Bond. Premium generally is amortized for federal income tax purposes and Minnesota income and franchise tax purposes on the basis of a bondholder's constant yield to maturity or to certain call dates with semiannual compounding. Accordingly, holders who acquire Bonds at a premium might recognize taxable gain upon sale of the Bonds, even if such Bonds are sold for an amount equal to or less than their original cost. Amortized premium is not deductible for federal income tax purposes or for purposes of the Minnesota income tax applicable to individuals, estates, and trusts.

Related Tax Considerations

Section 86 of the Code and corresponding provisions of Minnesota law require recipients of certain social security and railroad retirement benefits to take interest on the Bonds into account in determining the taxability of such benefits.

Section 265(a) of the Code denies a deduction for interest on indebtedness incurred or continued to purchase or carry the Bonds, and Minnesota law similarly denies a deduction for such interest in the case of individuals, estates, and trusts. In the case of a financial institution, generally, no deduction is allowed under section 265(b) of the Code for that portion of the holder's interest expense that is allocable to interest on tax-exempt obligations, such as the Bonds, unless the obligations are "qualified tax-exempt obligations." Indebtedness may be allocated to the Bonds for this purpose even though not directly traceable to the purchase of the Bonds. The Bonds are not "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code.

Income or loss on the Bonds may be taken into account in determining adjusted financial statement income for purposes of the federal alternative minimum tax imposed on applicable corporations.

The ownership or disposition of, or the accrual or receipt of amounts treated as interest on, the Bonds may affect a holder's federal, state, or local tax liability in some additional circumstances. The nature and extent of these other tax consequences depends upon the particular tax status of the holder and the holder's other items of income or deduction.

Sale or Other Disposition

A holder will generally recognize gain or loss on the sale, exchange, redemption, retirement, or other disposition of a Bond equal to the difference between (i) the amount realized less amounts attributable to any accrued but unpaid stated interest and (ii) the holder's adjusted tax basis in the Bond. The amount realized includes the cash and the fair market value of any property received by the holder in exchange for the Bond. A holder's adjusted tax basis in a Bond generally will be equal to the amount that the holder paid for the Bond, increased by any accrued OID with respect to the Bond and reduced by the amount of any amortized bond premium on the Bond. Except to the extent attributable to market discount (which will be taxable as ordinary income to the extent not previously included in income), any gain or loss will be capital gain or loss and will be long-term capital gain or loss if the holder held the Bond for more than one year. Long-term capital gains recognized by certain non-corporate persons, including individuals, generally are taxable at a reduced rate. The deductibility of capital losses is subject to significant limitations.

Information Reporting and Backup Withholding

Payments of interest on the Bonds (including any allocable bond premium or accrued OID t) and proceeds from the sale or other disposition of the Bonds are expected to be reported to the IRS as required under applicable Treasury Regulations. Backup withholding will apply to these payments if the holder fails to provide an accurate taxpayer identification number and certification that it is not subject to backup withholding (generally on an IRS Form W-9) or otherwise fails to comply with the applicable backup withholding requirements. Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against the holder's U.S. federal income tax liability, provided that the required information is timely furnished to the IRS. Certain holders are exempt from information reporting. Potential holders should consult their own tax advisors regarding qualification for an exemption and the procedures for obtaining such an exemption.

MUNICIPAL ADVISOR

The Authority and the City have retained Baker Tilly Municipal Advisors, LLC (the "Municipal Advisor" or "BTMA") as municipal advisor in connection with certain aspects of the issuance of the Bonds. BTMA is a municipal advisor registered with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board. BTMA is a subsidiary of Baker Tilly Advisory Group, LP ("BTAG") which is indirectly owned by (a) H&F Waterloo Holdings, L.P., an affiliate of Hellman & Friedman LLC ("H&F"), an investment adviser registered with the Securities and Exchange Commission (the "SEC"), (b) Valeas Capital Partners Fund I Waterloo Aggregator LP, an affiliate of Valeas Capital Partners Management LP ("Valeas"), an investment adviser registered with the SEC, and (c) individuals who are principals of BTAG. None of these parties own a majority interest in BTAG, or indirectly, BTMA. Baker Tilly Advisory Group, LP and Baker Tilly US, LLP, trading as Baker Tilly, operate under an alternative practice structure and are members of the global network of Baker Tilly International, Ltd. Baker Tilly US, LLP ("BTUS") is a licensed CPA firm providing assurance services to its clients. BTAG and its subsidiary entities provide tax and consulting services to their clients and are not licensed CPA firms.

BTMA has been retained by the Authority and the City to provide certain municipal advisory services to the Authority and the City and, in that capacity, has assisted the Authority and the City in preparing this Official Statement. The information contained in the Official Statement has been compiled from the sources stated or, if not otherwise sourced, from records and other materials provided by the Authority and the City. The Municipal Advisor makes no representation, warranty or guarantee regarding the accuracy or completeness of the information in this Official Statement, and its assistance in preparing this Official Statement should not be construed as a representation that it has independently verified such information.

The Municipal Advisor's duties, responsibilities and fees arise solely as Municipal Advisor to the Authority and the City, and it has no secondary obligations or other responsibility. The Municipal Advisor's fees are expected to be paid from proceeds of the Bonds. BTMA provides certain specific municipal advisory services to the Authority and the City but is neither a placement agent to the Authority and the City nor a broker/dealer.

Other Financial Industry Activities and Affiliations:

Baker Tilly Wealth Management, LLC ("BTWM"), an SEC registered investment adviser, and Baker Tilly Capital, LLC ("BTC"), a broker/dealer registered with the SEC and member of the Financial Industry Regulatory Authority ("FINRA"), are controlled subsidiaries of BTAG. Both H&F and Valeas, are registered with the SEC as investment advisers and serve as managers of, or advisers to, certain private investment funds, some of which indirectly own BTAG.

BTWM and other subsidiaries of BTAG may provide advisory services to the clients of BTMA. BTMA has no other activities or arrangements that are material to its municipal advisory business or its clients with a related person who is a broker-dealer, investment

THE TRUSTEE

The Authority has appointed U.S. Bank Trust Company, National Association, Saint Paul, Minnesota, a national banking association organized under the laws of the United States of America, to serve as Trustee for the Bonds. The Trustee is a national banking association organized and existing under the laws of the United States of America, having all of the powers of a bank, including fiduciary powers, and is a member of the Federal Deposit Insurance Corporation and the Federal Reserve System. The Trustee is only responsible to carry out those specific duties assigned to it under the Indenture. Except for the contents of this section, the Trustee has not reviewed or participated in the preparation of this Official Statement and assumes no responsibility for the nature, contents, accuracy, fairness or completeness of the information set forth in this Official Statement or for the recitals contained in the Indenture, or the Bonds, or for the validity, sufficiency, or legal effect of any of such documents.

MISCELLANEOUS

The information contained in this Official Statement has been compiled from the Authority and the City officials and other sources deemed to be reliable, and while not guaranteed as to completeness or accuracy, it is believed to be correct as of this date. However, the Official Statement speaks only as of its date, and the information contained herein is subject to change.

The references, excerpts, and summaries of all documents referred to herein do not purport to be complete statements of the provisions of such documents, and reference is directed to all such documents for full and complete statements of all matters of fact relating to the Bonds, the security for the payment of the Bonds and the rights and obligations of the owners thereof.

Any statements made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. Neither this Official Statement nor any statement which may have been made orally or in writing is to be construed as a contract with the owners of the Bonds.

CERTIFICATION

The Authority and the City have authorized the distribution of the Preliminary Official Statement for use in connection with the initial sale of the Bonds and a Final Official Statement following award of the Bonds. The Authority and the City certifies to the best of its knowledge and belief that this Official Statement, as of its date and as it relates to the Authority and its economic and financial condition, (i) is complete and accurate; (ii) does not contain any untrue statement of a material fact; and (iii) does not omit any material facts or information which would make the statements contained herein misleading.

GENERAL INFORMATION CONCERNING THE CITY OF CHASKA, MINNESOTA

CITY PROPERTY VALUES

Trend of Values(1)

Assessment/ Collection Year	Assessor's Estimated Market Value	Sales Ratio(2)	Economic Market Value(3)	Market Value Homestead Exclusion	Taxable Market Value	Adjusted Taxable Net Tax Capacity
2023/24	\$4,603,098,400	93.6%	\$4,925,953,094	\$39,482,000	\$4,481,794,100	\$50,564,554
2022/23	4,319,497,500	95.4	4,526,746,397	41,852,700	4,211,936,000	48,098,965
2021/22	3,536,714,700	86.7	4,077,914,727	64,033,600	3,413,565,400	39,734,514
2020/21	3,368,610,400	93.6	3,605,124,559	67,796,600	3,241,220,600	37,633,807
2019/20	3,281,441,700	98.2	3,341,985,928	68,005,600	3,146,456,700	36,527,116

(1) For a description of the Minnesota property tax system, see Appendix E.

(2) Sales Ratio Study for the year of assessment as posted by the Minnesota Department of Revenue, <https://www.revenue.state.mn.us/economic-market-values> and <https://www.revenue.state.mn.us/economic-market-values-reports>.

(3) Economic market values for the year of assessment as posted by the Minnesota Department of Revenue, <https://www.revenue.state.mn.us/economic-market-values> and <https://www.revenue.state.mn.us/economic-market-values-reports>.

2023/24 Adjusted Taxable Net Tax Capacity: \$50,564,554(1)

Real Estate:		
Residential Homestead	\$30,525,381	57.6%
Commercial/Industrial and Public Utility	13,018,657	24.6
Residential Non-Homestead	8,299,276	15.6
Agricultural, Commercial & Residential, and Seasonal/Recreational	650,747	1.2
Personal Property	<u>538,598</u>	<u>1.0</u>
2023/24 Net Tax Capacity	\$53,032,659	100.0%
Less: Captured Tax Increment	(2,581,627)	
Less: Fiscal Disparity Contribution	(4,825,436)	
Plus: Fiscal Disparity Distribution	<u>4,938,958</u>	
2023/24 Adjusted Taxable Net Tax Capacity	\$50,564,554	

(1) Excludes mobile home valuation of \$160,402.

Ten of the Largest Taxpayers in the City

<u>Taxpayer</u>	<u>Type of Property</u>	<u>2023/24 Net Tax Capacity</u>
Aurora Investment LLC	Commercial/Agricultural	\$ 821,957
United Healthcare Services Inc.	Commercial	617,686
Chaska Industrial Owner 1 LLC	Commercial	584,958
Centerpoint Energy	Utility	405,550
Flexential LLC(1)	Commercial	378,780
Chaska Heights Senior Living LLC	Rental/Residential	358,251
Arrow Hazeltine Shores LLC	Rental/Residential	345,001
SB Chaska Partners LLC	Rental Residential	321,946
FSI International Inc	Commercial	306,432
Ridgebrook Investments LLLP	Rental/Residential	<u>303,824</u>
Total		\$4,444,385(2)

(1) Formerly Via West Inc.

(2) Represents 8.8% of the City's 2023/24 adjusted taxable net tax capacity.

CITY INDEBTEDNESS

Legal Debt Limit and Debt Margin(1)

Legal Debt Limit (3% of 2023/24 Estimated Market Value)	\$138,092,952
Less: Outstanding Debt Subject to Limit	<u>(87,480,000)</u>
Legal Debt Margin as of July 17, 2024	\$ 50,612,952

(1) The legal debt margin is referred to statutorily as the "Net Debt Limit" and may be increased by debt service funds and current revenues which are applicable to the payment of debt in the current fiscal year.

NOTE: Certain types of debt are not subject to the legal debt limit. See Appendix E – Debt Limitations.

General Obligation Debt Supported Solely by Taxes(1)

<u>Date of Issue</u>	<u>Original Amount</u>	<u>Purpose</u>	<u>Final Maturity</u>	<u>Est. Principal Outstanding As of 7-17-24</u>
11-29-17	1,960,000	Equipment Certificates	2-1-2027	\$ 760,000
11-06-19	1,240,000	Equipment Certificates	2-1-2029	765,000
12-28-23	8,815,000	Equipment Certificates	2-1-2043	<u>8,815,000</u>
Total				\$10,340,000

(1) These issues are subject to the legal debt limit.

General Obligation Special Assessment Debt

<u>Date of Issue</u>	<u>Original Amount</u>	<u>Purpose</u>	<u>Final Maturity</u>	<u>Est. Principal Outstanding As of 7-17-24</u>
08-15-12	\$2,430,000	Improvements	2-1-2028	\$ 695,000
08-15-12	3,295,000	Improvement Refunding	2-1-2027	645,000
12-30-14	3,080,000	Improvements	2-1-2030	1,360,000
08-19-15	5,940,000	Improvements	2-1-2031	3,310,000
11-29-17	6,875,000	Improvements	2-1-2038	5,605,000
11-29-17	1,790,000	Taxable Improvements	2-1-2033	1,010,000
12-27-17	995,000	Improvements Refunding	2-1-2029	525,000
11-06-19	4,440,000	Improvements	2-1-2039	3,565,000
12-04-19	1,250,000	Taxable Improvements	2-1-2035	940,000
12-04-19	1,740,000	Improvements Refunding	2-1-2033	995,000
09-02-20	1,725,000	Improvements	2-1-2037	1,515,000
09-02-20	2,205,000	Taxable Improvements Refunding	12-1-2034	1,720,000
12-28-23	1,250,000	Improvements	2-1-2038	<u>1,250,000</u>
Total				\$23,135,000

General Obligation Tax Increment Debt

<u>Date of Issue</u>	<u>Original Amount</u>	<u>Purpose</u>	<u>Final Maturity</u>	<u>Est. Principal Outstanding As of 7-17-24</u>
12-27-17	\$ 460,000	Taxable Tax Increment Refunding	2-1-2031	\$ 285,000
12-04-19	2,600,000	Taxable Tax Increment	2-1-2040	<u>2,480,000</u>
Total				\$2,765,000

General Obligation Tax Abatement Debt

<u>Date of Issue</u>	<u>Original Amount</u>	<u>Purpose</u>	<u>Final Maturity</u>	<u>Est. Principal Outstanding As of 7-17-24</u>
11-29-17	\$245,000	Taxable Tax Abatement	2-1-2039	\$195,000
09-02-20	375,000	Taxable Tax Abatement Refunding	12-1-2023	<u>295,000</u>
Total				\$490,000

General Obligation State-Aid Debt

<u>Date of Issue</u>	<u>Original Amount</u>	<u>Purpose</u>	<u>Final Maturity</u>	<u>Est. Principal Outstanding As of 7-17-24</u>
01-14-21	\$ 4,940,000	State Aid Street	4-1-2041	\$4,390,000

General Obligation Utility Revenue Debt

<u>Date of Issue</u>	<u>Original Amount</u>	<u>Purpose</u>	<u>Final Maturity</u>	<u>Est. Principal Outstanding As of 7-17-24</u>
08-15-12	\$ 1,380,000	Water/Sewer Revenue Refunding	2-1-2027	\$ 260,000
12-30-15	5,170,000	Utility Revenue	2-1-2036	3,420,000
11-29-17	735,000	Utility Revenue	2-1-2038	585,000
11-06-19	2,135,000	Utility Revenue	2-1-2035	1,645,000
12-04-19	780,000	Taxable Utility Revenue	2-1-2030	495,000
09-02-20	1,215,000	Utility Revenue	2-1-2031	925,000
09-02-20	7,845,000	Taxable Utility Revenue Refunding	12-1-2032	<u>6,560,000</u>
Total				\$13,890,000

General Obligation Housing Revenue Debt(1)

<u>Date of Issue</u>	<u>Original Amount</u>	<u>Purpose</u>	<u>Final Maturity</u>	<u>Est. Principal Outstanding As of 7-17-24</u>
10-07-20	\$2,200,000	Governmental Refunding (Brickyard)	1-1-2040	\$1,895,000

(1) Issued by the Carver County Community Development Agency and secured by the general obligation of the City. Rental revenue and other related sources are used to pay this debt.

Lease Obligations(1)

<u>Date of Issue</u>	<u>Original Amount</u>	<u>Purpose</u>	<u>Final Maturity</u>	<u>Est. Principal Outstanding As of 7-17-24</u>
04-15-15	\$12,855,000	Taxable Lease Revenue	2-1-2035	\$ 6,285,000
04-15-15	9,000,000	Lease Revenue	2-1-2035	7,535,000
12-30-15	3,410,000	Taxable Lease Revenue	2-1-2031	1,820,000
12-30-15	1,085,000	Lease Revenue	2-1-2026	245,000
12-27-17	1,880,000	Senior Center Addition Refunding	12-1-2027	830,000
09-02-20	2,310,000	Lease Revenue Refunding	12-1-2033	1,910,000
07-17-24	51,3700,000	Lease Revenue (the Bonds)	2-1-2054	<u>51,370,000</u>
Total				\$69,995,000

(1) Issued by the Economic Development Authority of the City of Chaska, Minnesota (the "Authority") and payable from annual appropriation lease payments made by the City to the Authority. These issues are subject to the legal debt limit.

Installment Purchase Revenue Debt(1)

<u>Date of Issue</u>	<u>Original Amount</u>	<u>Purpose</u>	<u>Final Maturity</u>	<u>Est. Principal Outstanding As of 7-17-24</u>
03-9-20	\$6,285,000	Taxable Full-Term Installment Purchase Revenue	12-1-2040	\$5,740,000
07-8-20	1,530,000	Taxable Full-Term Installment Purchase Revenue	12-1-2040	<u>1,405,000</u>
Total				\$7,145,000

(1) Issued by the Authority and payable from annual installment payments made by the City to the Authority. These issues are subject to the legal debt limit.

Electric Revenue Debt

<u>Date of Issue</u>	<u>Original Amount</u>	<u>Purpose</u>	<u>Final Maturity</u>	<u>Est. Principal Outstanding As of 7-17-24</u>
09-06-17	\$7,220,000	Electric Revenue	10-1-2037	\$5,575,000
12-29-20	1,830,000	Electric Revenue Refunding	10-1-2031	<u>1,405,000</u>
Total				\$6,980,000

MMPA Revenue Debt(1)

<u>Date of Issue</u>	<u>Original Amount</u>	<u>Purpose</u>	<u>Final Maturity</u>	<u>Est. Principal Outstanding As of 7-17-24</u>
10-01-15	\$21,760,000	Electric Revenue Refunding (MMPA)	10-1-2030	\$12,010,000

(1) Issued by the City but payable from payments made by the Minnesota Municipal Power Agency to the City pursuant to an agency contract and not from the operation of the electric system of the City (i.e., not secured on a parity with the City's outstanding electric revenue debt).

Estimated Calendar Year Debt Service Payments

<u>Year</u>	<u>G.O. . Debt Supported Solely by Taxes</u>		<u>G.O. Special Assessment Debt</u>	
	<u>Principal</u>	<u>Principal & Interest</u>	<u>Principal</u>	<u>Principal & Interest</u>
2024 (at 7-17)	(Paid)	\$ 277,573	\$ 240,000	\$ 632,869
2025	\$ 635,000	1,099,813	2,595,000	3,321,582
2026	705,000	1,136,313	2,665,000	3,297,310
2027	735,000	1,130,313	2,775,000	3,309,865
2028	500,000	864,438	2,640,000	3,076,429
2029	525,000	864,663	2,550,000	2,900,865
2030	375,000	693,013	2,240,000	2,511,288
2031	390,000	688,888	2,020,000	2,213,378
2032	410,000	688,888	1,455,000	1,590,818
2033	430,000	687,888	1,495,000	1,589,703
2034	455,000	690,763	790,000	852,919
2035	475,000	687,513	620,000	663,394
2036	500,000	688,138	370,000	398,916
2037	525,000	687,513	380,000	397,097
2038	550,000	685,638	255,000	261,094
2039	580,000	690,288	45,000	45,563
2040	600,000	686,688		
2041	625,000	687,188		
2042	650,000	687,500		
2043	<u>675,000</u>	<u>687,656</u>		
Total	\$10,340,000(1)	\$15,010,675	\$23,135,000(2)	\$27,063,090

(1) 49.9% of this debt will be retired within ten years.

(2) 89.4% of this debt will be retired within ten years.

Estimated Calendar Year Debt Service Payments (Continued)

<u>Year</u>	<u>G.O. Tax Increment Debt</u>		<u>G.O. Tax Abatement Debt</u>	
	<u>Principal</u>	<u>Principal & Interest</u>	<u>Principal</u>	<u>Principal & Interest</u>
2024 (at 7-17)	(Paid)	\$ 41,398	\$ 25,000	\$ 29,728
2025	\$ 120,000	200,995	35,000	44,228
2026	125,000	202,220	40,000	48,828
2027	125,000	198,283	40,000	48,343
2028	135,000	204,195	45,000	52,773
2029	145,000	210,008	45,000	52,093
2030	150,000	210,843	45,000	51,368
2031	155,000	211,550	55,000	60,514
2032	125,000	177,610	55,000	59,466
2033	130,000	179,040	15,000	18,364
2034	130,000	175,270	15,000	17,846
2035	140,000	181,220	15,000	17,329
2036	145,000	181,945	15,000	16,811
2037	155,000	187,406	15,000	16,294
2038	165,000	192,526	15,000	15,776
2039	175,000	197,341	15,000	15,259
2040	<u>645,000</u>	<u>654,836</u>		
Total	\$2,765,000(1)	\$3,606,686	\$490,000(2)	\$565,020

<u>Year</u>	<u>G.O. State Aid Debt</u>		<u>G.O. Utility Revenue Debt</u>	
	<u>Principal</u>	<u>Principal & Interest</u>	<u>Principal</u>	<u>Principal & Interest</u>
2024 (at 7-17)	(Paid)	\$ 47,743	\$ 665,000	\$ 816,521
2025	\$ 205,000	296,385	1,360,000	1,649,114
2026	215,000	297,985	1,405,000	1,667,246
2027	220,000	294,285	1,435,000	1,668,286
2028	230,000	295,285	1,375,000	1,576,579
2029	240,000	295,885	1,440,000	1,609,475
2030	250,000	296,085	1,475,000	1,611,969
2031	260,000	299,785	1,420,000	1,525,201
2032	260,000	297,185	1,310,000	1,387,628
2033	265,000	299,560	525,000	576,463
2034	270,000	301,615	535,000	571,659
2035	270,000	298,375	460,000	482,272
2036	275,000	299,830	385,000	394,256
2037	280,000	300,945	50,000	52,313
2038	280,000	296,745	50,000	50,781
2039	285,000	297,225		
2040	290,000	297,480		
2041	<u>295,000</u>	<u>297,508</u>		
Total	\$4,390,000(3)	\$5,109,906	\$13,890,000(4)	\$15,639,763

(1) 48.5% of this debt will be retired within ten years.

(2) 81.6% of this debt will be retired within ten years.

(3) 55.0% of this debt will be retired within ten years.

(4) 89.3% of this debt will be retired within ten years.

Estimated Calendar Year Debt Service Payments (Continued)

<u>Year</u>	<u>G.O. Housing Revenue Debt</u>		<u>Lease Obligations</u>	
	<u>Principal</u>	<u>Principal & Interest</u>	<u>Principal</u>	<u>Principal & Interest</u>
2024 (at 7-17)	(Paid)	(Paid)	\$ 345,000	\$ 718,424
2025	\$ 105,000	\$ 137,076	1,855,000	4,760,369
2026	105,000	135,790	2,830,000	5,564,926
2027	110,000	138,640	2,800,000	5,429,231
2028	110,000	136,440	2,680,000	5,202,749
2029	110,000	134,240	2,775,000	5,194,976
2030	115,000	137,450	2,885,000	5,198,936
2031	115,000	136,070	3,000,000	5,202,988
2032	115,000	134,690	2,800,000	4,894,235
2033	120,000	138,100	2,905,000	4,893,008
2034	120,000	136,300	2,780,000	4,656,915
2035	120,000	134,200	2,885,000	4,655,706
2036	125,000	136,750	1,420,000	3,112,540
2037	125,000	134,250	1,465,000	3,108,051
2038	130,000	136,700	1,515,000	3,105,139
2039	135,000	139,050	1,570,000	3,102,259
2040	135,000	136,350	1,630,000	3,099,364
2041			1,695,000	3,097,010
2042			1,765,000	3,094,852
2043			1,840,000	3,093,326
2044			1,920,000	3,092,474
2045			2,005,000	3,091,896
2046			2,090,000	3,086,489
2047			2,185,000	3,086,037
2048			2,280,000	3,080,228
2049			2,385,000	3,078,736
2050			2,495,000	3,076,241
2051			2,610,000	3,072,800
2052			2,730,000	3,068,508
2053			2,860,000	3,067,832
2054			2,995,000	3,065,383
Total	\$1,895,000(1)	\$2,182,096	\$69,995,000(2)	\$111,051,628

(1) 59.4% of this debt will be retired within ten years.

(2) 35.5% of this debt will be retired within ten years.

Estimated Calendar Year Debt Service Payments (Continued)

<u>Year</u>	<u>Installment Purchase Revenue Debt</u>		<u>Electric Revenue Debt</u>	
	<u>Principal</u>	<u>Principal & Interest</u>	<u>Principal</u>	<u>Principal & Interest</u>
2024 (at 7-17)	\$ 345,000	\$ 441,489	\$ 475,000	\$ 592,088
2025	350,000	536,651	485,000	700,175
2026	355,000	534,628	505,000	700,775
2027	365,000	537,220	525,000	700,575
2028	370,000	534,294	550,000	704,575
2029	380,000	535,933	565,000	704,050
2030	395,000	542,133	585,000	705,250
2031	400,000	537,338	610,000	710,750
2032	410,000	536,050	415,000	495,400
2033	425,000	539,485	425,000	492,950
2034	435,000	537,492	440,000	495,200
2035	450,000	540,221	455,000	497,000
2036	465,000	542,522	465,000	493,350
2037	480,000	542,896	480,000	494,400
2038	495,000	542,792		
2039	505,000	537,226		
2040	<u>520,000</u>	<u>536,352</u>		
Total	\$7,145,000(1)	\$9,054,722	\$6,980,000(2)	\$8,486,538

(1) 53.1% of this debt will be retired within ten years.

(2) 73.6% of this debt will be retired within ten years.

<u>Year</u>	<u>MMPA Revenue Debt</u>	
	<u>Principal</u>	<u>Principal & Interest</u>
2024 (at 7-17)	\$ 1,475,000	\$ 1,775,250
2025	1,550,000	2,076,750
2026	1,625,000	2,074,250
2027	1,715,000	2,083,000
2028	1,795,000	2,077,250
2029	1,885,000	2,077,500
2030	<u>1,965,000</u>	<u>2,063,250</u>
Total	\$12,010,000	\$14,227,250

Other Debt Obligations

Leases

The City has entered into various capital leases for Fitness Equipment. Information can be found in the City's Annual Comprehensive Financial Report for the fiscal year ended December 31, 2022 for additional information. (The City's Annual Comprehensive Financial Report for the fiscal year ended December 31, 2023 is not yet available.)

Temporary Debt

In September 2022, the City issued \$25,300,000 General Obligation Temporary State Aid Street Bonds, Series 2022A (the "Series 2022A Bonds") in the form of a draw down line of credit. The proceeds of the Series 2022A Bonds were used to pay for the costs of state aid street improvement projects within the City.

Interest on the Series 2022A Bonds will be paid quarterly. The proceeds of the Series 2022A Bonds will be disbursed to the City on a cost reimbursement basis, and shall not exceed the principal amount of \$25,300,000. The Series 2022A Bonds will mature on December 31, 2024.

Conduit Debt

From time to time, the City has issued Industrial Revenue Bonds (IRBs) and Housing Revenue Bonds (HRBs) (collectively the "Revenue Bonds") to provide financial assistance to private-sector entities for the acquisition and construction of industrial and housing facilities deemed to be in the public interest. The Revenue Bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the Revenue Bonds, ownership of the acquired facilities transfers to the private sector entity served by the bond issuance. Neither the City, nor the State of Minnesota, nor any political subdivision thereof is obligated in any manner for repayment of the Revenue Bonds. Accordingly, the Revenue Bonds are not reported as liabilities in the accompanying financial statements.

Overlapping Debt

<u>Taxing Unit(1)</u>	<u>2023/24 Adjusted Taxable Net Tax Capacity</u>	<u>Est. G.O. Debt As of 7-17-24(2)</u>	<u>Debt Applicable to Tax Capacity in City</u>	
			<u>Percent</u>	<u>Amount</u>
Carver County	\$ 221,610,364	\$ 23,930,000	21.7%	\$ 5,192,810
I.S.D. No. 112				
(Eastern Carver County)	129,896,908	121,967,000	37.0	45,127,790
Metropolitan Council	5,878,108,871(3)	5,025,000(4)	0.9	<u>45,225</u>
Total				\$50,365,825

(1) Only those units with outstanding general obligation debt are shown here.

(2) Excludes general obligation tax and aid anticipation certificates and revenue-supported debt.

(3) 2022/23 Values; most recent available.

(4) Excludes general obligation debt supported by wastewater revenues and housing rental payments. Includes certificates of participation.

Debt Ratios(1)

	<u>G.O. Direct Debt</u>	<u>G.O. Direct & Overlapping Debt</u>
2023/24 Estimated Market Value (\$4,603,098,400)	2.57%	3.66%
Per Capita (29,034– 2023 U.S. Census Estimate)	\$4,073	\$5,808

(1) Excludes general obligation utility revenue debt, general obligation housing revenue debt, electric revenue debt, MMPA revenue debt, and other debt obligations. Includes lease obligations and installment purchase revenue debt.

CITY TAX RATES, LEVIES AND COLLECTIONS

Tax Capacity Rates for a Resident in the City of Chaska

	<u>2019/20</u>	<u>2020/21</u>	<u>2021/22</u>	<u>2022/23</u>	<u>2023/24</u>	
					<u>Total</u>	<u>For Debt Only</u>
Carver County	35.180%	34.634%	34.170%	29.267%	30.106%	1.393%
City of Chaska	28.425	30.068	31.625	31.185	35.947	0.000
I.S.D. No. 112						
(Eastern Carver County)(1)	33.006	32.327	31.220	27.747	28.659	13.966
Special Districts(2)	<u>4.973</u>	<u>5.014</u>	<u>4.846</u>	<u>4.688</u>	<u>4.626</u>	<u>1.257</u>
Total	101.584%	102.043%	101.861%	92.887%	99.338%	16.616%

(1) In addition, Independent School District No. 112 (Easter Carver County) has a 2023/24 market value tax rate of 0.17200% spread across the market value of property in support of an excess operating levy.

(2) Special districts include Metropolitan Council, Metropolitan Transit District, Mosquito Control, the Lower Minnesota River Watershed District #1, the Carver County Rail Authority, the Carver County Community Development Agency, and the Chaska Economic Development Authority.

NOTE: This table includes only net tax capacity-based rates. Certain other tax rates are based on market value. See Appendix E.

Tax Levies and Collections

<u>Levy/Collect</u>	<u>Net Levy(1)</u>	<u>Collected During Collection Year</u>		<u>Collected and/or Abated as of 12-31-23</u>	
		<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
2023/24	\$19,939,632		(Not Yet Available)		
2022/23	14,995,915	\$14,954,034	99.7%	\$14,954,031	99.7%
2021/22	12,499,979	12,476,239	99.8	12,493,903	99.9
2020/21	11,213,750	11,183,052	99.7	11,213,027	99.9
2019/20	10,395,909	10,373,422	99.8	10,395,616	99.9

(1) The net levy excludes state aid for property tax relief and fiscal disparities, if applicable. The net levy is the basis for computing tax capacity rates. See Appendix E.

FUNDS ON HAND As of February 29, 2024

General Fund	\$ 7,609,959
Special Revenue Funds	(369,634)(1)
Debt Service Funds	6,490,853
Capital Project Funds	10,610,339
Enterprise Fund	14,749,798
Internal Service Funds	<u>4,557,358</u>
Total Cash and Investments	\$43,648,673(2)

(1)The negative balance is due to timing of receipt of funds in the Authority's Fund.

(2)The City is holding \$1,780,308.05 as of April 24, 2024 as Costco/Developer escrow funds.

INVESTMENTS

The City may invest funds as authorized by Minnesota Statutes, as follows:

- Direct obligations or obligations guaranteed by the United States or its agencies.
- Shares of investment companies registered under the Federal Investment Company Act of 1940 that receive the highest credit rating, are rated in one of the two highest rating categories by a statistical rating agency, and all of the investments have a final maturity of thirteen months or less.
- General obligations rated “A” or better.
- Revenue obligations rated “AA” or better.
- General obligations of the Minnesota Housing Finance Agency rated “A” or better.
- Banker's acceptances of United States banks eligible for purchase by the Federal Reserve System.
- Commercial paper issued by United States corporations or their Canadian subsidiaries, rated of the highest quality category by at least two nationally recognized rating agencies, and maturing in 270 days or less.
- Guaranteed Investment Contracts guaranteed by a United States commercial bank, domestic branch of a foreign bank, or a United States insurance company, with a credit quality in one of the top two highest categories.
- Repurchase or reverse purchase agreements and securities lending agreements with financial institutions qualified as a “depository” by the government entity, with banks that are members of the Federal Reserve System with capitalization exceeding \$10,000,000, that are a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York, or certain Minnesota securities broker-dealers.

The City’s investments are managed to attain a market rate of return while protecting capital. The City has the following mix of investment types as of December 31, 2023: 5.00% in First American Treasury Obligations, 62.17% in mutual funds and money markets, 25.95% in U.S. Government Agencies, 5.43% in State and Local Bonds, and 1.44% in Negotiable CDs. The Administrative Services Director (Treasurer) and City Administrator are charged with the responsibility of conducting investment transactions.

GENERAL INFORMATION CONCERNING THE CITY

The City is the county seat of Carver County, and is located approximately 18 miles southwest of Minneapolis and is part of the Minneapolis-Saint Paul metropolitan area. The City encompasses an area of approximately 18 square miles (11,520 acres).

Population

The City's population trend is shown below.

	<u>Population</u>	<u>Percent Change</u>
2023 U.S. Census Estimate	29,034	4.4%
2020 U.S. Census	27,810	17.0
2010 U.S. Census	23,770	36.2
2000 U.S. Census	17,449	53.9
1990 U.S. Census	11,339	35.9
1980 U.S. Census	8,346	--

Sources: United States Census Bureau, <http://www.census.gov/>.

The City's estimated population by age group for the past five years is as follows:

<u>Data Year/ Report Year</u>	<u>0-17</u>	<u>18-34</u>	<u>35-64</u>	<u>65 and Over</u>
2023/24	7,227	5,858	11,595	3,969
2022/23	7,331	5,654	11,903	3,568
2021/22	7,555	5,416	11,932	3,360
2020/21	7,493	5,419	11,867	3,149
2019/20	7,372	5,424	11,589	2,930

Source: Claritas, LLC.

Transportation

Major transportation routes serving the City include U.S. Highways 212 and 169 and State Highway 41. In addition, Interstate 494 is approximately 10 miles northeast of the City. Twin Cities and Western Railroad provides rail service to the City. Air transportation by major airlines is available at the Minneapolis-St. Paul International Airport, less than a half-hour drive from the City, and at the Flying Cloud Airport, approximately 10 miles east of the City.

Major Employers

<u>Employer</u>	<u>Product/Service</u>	<u>Approximate Number of Employees</u>
Independent School District No. 112 (Eastern Carver County)	Public education	1,210
Entegris Inc.	Semiconductor processing	802
Lake Region Manufacturing Co., Inc.	Catheter components	740
Carver County	County government	551
Apex International, MFG	Home-care product manufacturer	400
Old National Bank	Banking services	400
Beckman-Coulter, Inc.	Diagnostic reagents	381
TEL-FSI, Inc	Semi-centrifugal products	290
Import Specialties, Inc.	Automotive services	250
City of Chaska	City government	176

Note: Previously reported information was obtained through a telephone survey of individual employers. Any differences may be attributable to the change in the source of this information, as provided below.

Source: Information obtained from D&B Hoovers, <https://app.dnbhoovers.com/>. This does not purport to be a comprehensive list.

Labor Force Data

	Annual Average				April
	2020	2021	2022	2023	2024
Labor Force:					
Carver County	59,771	58,293	59,102	59,767	59,802
MSA	2,038,876	1,982,486	2,004,153	2,023,956	2,022,918
State of Minnesota	3,122,015	3,049,037	3,077,500	3,099,922	3,101,808
Unemployment Rate (%):					
Carver County	5.2%	3.0%	2.1%	2.4%	2.3%
MSA	6.5	3.7	2.5	2.7	2.6
State of Minnesota	6.3	3.7	2.7	2.8	2.7

Source: Minnesota Department of Employment and Economic Development,
<https://apps.deed.state.mn.us/lmi/laus>. 2024 data are preliminary.

Retail Sales and Effective Buying Income (EBI)

City of Chaska

<u>Data Year/ Report Year</u>	<u>Total Retail Sales (\$000)</u>	<u>Total EBI (\$000)</u>	<u>Median Household EBI</u>
2023/24	\$337,393	\$1,232,618	\$82,337
2022/23	343,613	1,158,627	79,386
2021/22	291,283	1,152,443	80,163
2020/21	270,283	1,097,052	76,545
2019/20	305,490	1,069,092	78,299

Carver County

<u>Data Year/ Report Year</u>	<u>Total Retail Sales (\$000)</u>	<u>Total EBI (\$000)</u>	<u>Median Household EBI</u>
2022/23	\$1,331,138	\$5,009,240	\$90,953
2022/23	1,414,686	5,063,203	91,382
2021/22	1,245,104	5,095,911	91,347
2020/21	1,194,759	4,593,426	83,278
2019/20	1,347,523	4,501,253	84,734

The 2023/24 Median Household EBI for the State of Minnesota was \$73,750. The 2022/23 Median Household EBI for the United States was \$64,600.

Source: Claritas, LLC.

Permits Issued by the City

	New Single Family Residential		New Commercial/Industrial		Total Value(1) (All Permits)
	Number	Value	Number	Value	
2024 (to 2-29)	27	\$11,661,657	14	\$ 2,729,100	\$ 15,378,078
2023	211	75,389,667	99	139,897,098	225,276,101
2022	180	57,411,144	67	85,702,856	164,120,361
2021	214	71,543,619	43	13,041,285	120,301,623
2020	113	28,362,364	38	8,370,259	51,398,828
2019	122	32,288,490	34	7,237,100	46,553,957
2018	79	36,288,936	49	14,207,139	57,621,735
2017	103	24,339,375	43	69,145,998	105,409,067
2016	144	40,503,141	38	14,769,385	70,331,176
2015	137	53,330,048	42	25,564,786	87,170,651

(1) In addition to building permits, the total value includes all other permits issued by the City (i.e. heating, lighting, plumbing, roof replacement, etc.).

Source: City of Chaska.

Recent Development

As per the Metropolitan Council Community Profile of the City, in 2022 (2023 data not yet available) there were approximately 7,230 single-family homes, 708 single-family attached townhomes, 44 multi-family homes (consisting of two, three, and four units), 2423 multi-family homes (consisting of five or more units), and 682 manufactured homes located within the City. In 2023, over 12 months, there were 0 single-family townhomes, and 206 new detached single-family homes constructed. The average value of a new home has increase/decreased by 4.54%, from \$353,980 in 2021 to \$337,905 as of December 31, 2022.

The status of single-family lot availability as of March 19, 2024 is as follows:

<u>Subdivision Name</u>	<u>Available Lots</u>	<u>Total Lots</u>	<u>Permits Issued to Date</u>
<i>Single Family</i>			
Chaska Bluffs 2 nd	9	17	8
Clover Field 7 th	1	11	10
Club West Seventh Addition	1	42	41
Club West Eighth Addition	0	43	43
Club West Ninth Addition	1	13	12
Club West Tenth Addition	2	4	2
Club West Eleventh Addition	13	18	5
Del Webb at Chaska	2	92	90
Del Webb at Chaska 2 nd	64	179	115
Ensconced Woods	21	29	8
Harvest West	0	72	72
Harvest West 2 nd	5	56	51
Harvest West 3 rd	28	92	64
Klein Brickyard Thirteenth Addition	0	20	20
Kusske Estates	2	2	0
Oak Creek	35	57	22
Reserve at Autumn Woods 1 st	31	86	55
Rivertown Heights	22	44	22
Savanna Estates 2 nd Addition	3	11	8
Savanna Estates 3 rd Addition	3	26	23
Hidden Maples	2	4	2
Single Family Subtotal	<u>245</u>	<u>918</u>	<u>673</u>
<i>Multiple Family</i>			
Pioneer Vista	<u>0</u>	<u>54</u>	<u>38</u>
Grand Total	245	972	711

Commercial and Industrial Development

The City continues its multi-year program to reconstruct streets in the historic downtown core as a part of its Downtown Master Plan. This reconstruction has reinvigorated the coordination and planning efforts for the transformation of another downtown block, which will be called City Square West. The City envisions a gathering space that attracts citizens to come downtown to enjoy new and readily accessible services, and it is anticipated that construction will begin in 2024.

Other development activities include:

- *SW Chaska Master Plan.* The City has completed its SW Chaska Master Plan, which guides development and land use of an undeveloped two-plus square mile area in the southwest area of the City along Highway 212. While most of the area was originally determined to be residential, the new master plan allows for more corporate uses and allows residential development to be most consistent with current market conditions.
- *Highway 212 Interchange.* The City received \$10.5 million in State funds to create an interchange at County Highway 44 and Trunk Highway 212. Construction of the \$20.5 million interchange and improvements to County Highway 44 began in 2019 and was completed in 2020. The City and Carver County split the costs for the remaining \$10 million portion of the project. The interchange project improves access to neighborhoods in the southwest area of the City and facilitates industrial development in this area.

- *Chaska Building Center Site*. The City has been working to redevelop a former building center site on County Road 61 just east of downtown. The 12-acre site was previously home to dilapidated industrial buildings, which have since been demolished. To date, a portion of the site has been developed for affordable multi-family housing, another portion has been redeveloped into a cabinet milling facility for DDK Construction, Inc., and another portion was redeveloped into a 30,000 square-foot medical device manufacturer for Formacoat. The remaining four acres of the site is under construction as the Chaska Tech Center, which is intended to be a small-business catalyst site. Completion of this development is estimated to be in 2024.

- *Schram Brew Haus*. The City has facilitated the redevelopment of a former Carver County public works building on the west side of downtown on County Road 61 into a brewery and taproom called Schram Brew Haus. The City helped transfer ownership from Carver County to a development team who in turn renovated the building. This project returned the property to the tax rolls, established a productive use, and added an attraction in proximity to the City's historic downtown.

- *Data Center*. A proposed developer has a purchase agreement for a 150,000 square foot Data Center. This Data Center would be within the City's electric service territory. This data center is anticipated to use 190 MW and would be a direct sale from the power supplier.

Industrial Parks

There are two industrial parks located within the City with a combined capacity of 679 acres. Currently, there are over 100 enterprises occupying the parks, the larger of which include Lake Region Manufacturing, TEL-FSI, Inc., Beckman Coulter, Bailiwick, and Lifecore Biomedical. There are only two remaining sites in this industrial park, one with approximately 17 acres and one with approximately five acres. The five-acre site would be marketed for approximately \$3 million, while the 17-acre site would be marketed for approximately \$7 million. The City recently worked with three existing companies in the industrial parks on expansions totaling an additional 100,000 square feet.

The City has approximately 390 acres of corporate/industrial land planned for development since the opening of the new Highway 212. There is room for 5.5 million square feet of office/industrial space that will be marketed toward bioscience and high-tech companies. This is expected to add between \$300 million and \$500 million of taxable market value as well as 4,000 to 6,000 quality jobs when completed. With the opening of the Highway 212 Interchange, discussions with property owners are ongoing to develop this industrial park. (Include information about Oppidan)

Education

Public Education

The following district serves the residents of the City:

<u>School</u>	<u>Location</u>	<u>Grades</u>	<u>2023/24 Enrollment</u>
I.S.D. No. 112 (Eastern Carver County)	City of Chaska	K-12	9,254

Source: Minnesota Department of Education, www.education.state.mn.us.

Non-Public Education

City residents are also served by the following private schools:

<u>School</u>	<u>Location</u>	<u>Grades</u>	<u>2023/24 Enrollment</u>
Jonathan Montessori	City of Chaska	PreK	8
St. John's Lutheran School	City of Chaska	K-8	209
Southwest Christian High School	City of Chaska	9-12	505

Source: Minnesota Department of Education, www.education.state.mn.us.

Post-Secondary Education

City residents have access to various colleges and universities located throughout the Minneapolis/Saint Paul metropolitan area.

GOVERNMENTAL ORGANIZATION AND SERVICES

Organization

The City was organized as a municipality in 1891 and became a statutory city in 1975. The City's governing body is the City Council, comprised of the Mayor and four Council members. The Mayor serves a two-year term of office; Council members are elected by ward to serve overlapping four-year terms.

The following individuals comprise the current City Council:

		<u>Expiration of Term</u>
Mark Windschitl	Mayor	December 31, 2024
Jon Grau	Council Member, First Ward	December 31, 2026
Taylor Hubbard	Council Member, Second Ward	December 31, 2024
McKayla Hatfield	Council Member, Third Ward	December 31, 2026
Mike Huang	Council Member, Fourth Ward	December 31, 2024

The daily management and administration of the City is under the direction of the City Administrator, Mr. Matthew Podhradsky. Mr. Podhradsky has served in this capacity since August 4, 2008. Mr. Podhradsky also serves as the City Clerk.

Mr. Noel Graczyk serves as Administrative Services Director and has been in this position since 1988. The Administrative Services Director also serves as City Treasurer and, with direction from the City Council, and shares responsibility for financial management with the City Administrator.

The City has 176 regular full-time employees, 315 part-time employees, and 41 paid on-call volunteer firefighters.

Municipal Services

The Water Utility System has approximately 7,981 municipal and 30 private connections served by three elevated water storage facilities and a ground storage tank with a combined capacity of 4.5 million gallons. In addition, there are six wells that have the capacity to pump 8,360 gallons per minute or approximately 13,400,000 gallons per day. In 2023, average demand was 3,614,753 gallons per day while peak demand reached 7,312,000 gallons per day. Total tap water hardness is 26 parts per million gallons of water. The water treatment plant has the capacity to treat 12.6 million gallons per day for iron and manganese removal to only trace levels.

The 2023 operating revenues of the water utility system were \$5,194,001 with an average annual charge per household and commercial connection at approximately \$543. In 2010, the City began billing water usage based on a rate structure with inclining steps. Rates for 2023 range from \$2.06 to \$5.12 per thousand gallons.

The Sewer Utility System has approximately 7,802 municipal and 27 private connections. Average demand in 2023 was 3,300,000 gallons per day while peak demand reached 4,120,000 gallons per day. All sewage treatment services are operated through Metropolitan Council Environmental Services.

The 2023 operating revenues of the sewer utility system were \$6,761,550 with an average annual charge per household and commercial connection at approximately \$734. The 2023 sewage use charge is \$5.76 per thousand gallons. The established rates and charges for both the water and sewer systems produce revenues sufficient to operate the systems and pay debt service on those general obligation bonds that are payable from these revenues.

The Electric Utility System has approximately 11,538 connections. The electric utility's mission is to provide reliable electric service to its customers at competitive rates while making a profit that will be used to reduce community property taxes. The City owns and operates its own electric distribution system, purchasing electricity from the Minnesota Municipal Power Agency. The Agency is a joint venture on the part of the City with eleven other cities that have entered into agreements to purchase wholesale electric power. See "The Electric Utility" herein.

Storm Water Utility System. All property within the City is charged a rate for storm water utility services based on land use. The 2023 operating revenues of the storm water utility system were \$1,775,622. The Resistance Equivalency Rate (RER) is \$11.77.

Fire and Rescue Department. The City currently has a 41-member volunteer fire and rescue department, with a full-time Fire Chief. The City has a fully-equipped fire station with one pumper, seven various size tankers, a 100-foot aerial truck/pumper, eight fire trucks equipped with motorized pumps, an emergency/rescue vehicle, and other miscellaneous firefighting and rescue equipment.

Police Department. The City operates its own police department with 29 licensed police officers, including a chief of police and one full-time community service officer. Dispatching and jail facilities are coordinated through the Carver County Sheriff's Department.

Park and Recreational Facilities. The City's municipal park system encompasses approximately 992 acres of land consisting of 29 active recreation areas connected by a greenway system running from the Minnesota River to the Minnesota Landscape Arboretum. Virtually every home in Chaska is located no more than a quarter mile from the park system and most are connected by internal greenways within subdivisions. The 29 recreational areas offer a variety of facilities and activities to City residents including picnic areas with tables and electricity, cooking grills, drinking water, restrooms and shelter buildings, swimming, fishing, general playground equipment, baseball/softball fields, tennis courts, volleyball and basketball courts, hockey/skating rinks and horseshoe courts. The parks vary in size from two acres to 100 acres.

Community Center. The City operates an approximately 200,000 square-foot community center consisting of two ice arenas, gymnasiums, indoor running track, exercise machines, aquatic pools, racquetball courts, community rooms, offices, stage and auditorium, fitness center and the Lodge for Active Older Adults. The Center had 2023 operating revenues of \$3,183,967.

Curling Arena and Event Center. The City operates a curling center with six lanes for curling and a restaurant, and an event center that seats 350 people is adjacent the arena. The Curling Arena and Event Center had operating revenues of \$1,181,353 in 2023.

Municipal Golf Courses. The City operates two golf courses: The Loop at Chaska Golf Course, a nine-hole barrier-free course; and the Chaska Town Course, an 18-hole course. The golf courses had 2023 operating

revenues of \$0 and \$3,145,142, respectively. The Loop at Chaska Golf Course is closed for business while undergoing a large reconstruction project. The course is anticipated to open in Spring 2024.

Labor Contracts

The status of labor contracts in the City is as follows:

<u>Bargaining Unit</u>	<u>No. of Employees</u>	<u>Expiration Date of Current Contract</u>
Teamsters No. 320	51	December 31, 2025
LELS (Patrol)	21	December 31, 2025
Police Supervisors	<u>8</u>	December 31, 2025
Total all labor contracts	80	
Non-unionized employees	<u>96</u>	
Total full-time employees	176	
Total part-time employees	315	
Volunteer Fire Department paid on-call employees	<u>41</u>	
Total employees	<u>532</u>	

Employee Pensions

All full-time employees and certain part-time employees of the City are covered by defined benefit pension plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA administers the General Employees Retirement Fund (GERF), the Public Employees Police and Fire Fund (PEPFF) and the Public Employees Correctional Fund (PECF), which are cost-sharing multiple-employer retirement plans. In addition, the City participates in the Public Employees Defined Contribution Plan (PEDCP), a multiple-employer deferred compensation plan administered by PERA.

A detailed description of these plans, along with the City's required contributions to each plan, are represented in the City's Annual Comprehensive Financial Reports. The City's Annual Comprehensive Financial Report for fiscal year ended December 31, 2022 is included as Appendix F of this Official Statement. (The City's Annual Comprehensive Financial Report for the fiscal year ended December 31, 2023 is not yet available.)

Other Postemployment Benefits

The issuer has obligations to its employees for post-employment benefits other than pensions, accounted for pursuant to the Government Accounting Standards Board (GASB) Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (GASB 75). The City's OPEB liabilities and associated contributions are represented in the City's Annual Comprehensive Financial Reports. The City's Annual Comprehensive Financial Report for fiscal year ended December 31, 2022 is included as Appendix F of this Official Statement. (The City's Annual Comprehensive Financial Report for the fiscal year ended December 31, 2023 is not yet available.)

Sources: City's Annual Comprehensive Financial Reports.

Federal Financial Assistance

As of the date of this Official Statement, the City has received \$2,081,049 of CARES Act Assistance and \$2,949,418.31 of American Rescue Plan Act (ARPA) Funds.

Major General Fund Revenue Sources

<u>Revenue</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Property Taxes	\$9,999,388	\$6,450,837	\$7,715,569	\$8,430,302	\$9,238,259
Charges for Services	3,912,324	4,140,543	4,891,208	5,329,623	6,021,951
Transfers In	250,000	4,801,298	4,481,486	4,395,954	4,622,856
Licenses and Permits	928,825	910,342	943,410	1,836,260	2,284,612
Intergovernmental	687,796	795,598	639,162	969,470	737,306
Other Revenue	146,613	160,743	309,109	344,451	429,036
Fines and Forfeitures	109,319	64,114	33,400	37,649	40,684

Sources: City's Annual Comprehensive Financial Reports.

General Fund Budget Summary

	<u>2023 Budget</u>	<u>2023 Actual (unaudited)</u>	<u>2024 Budget</u>
Revenues:			
Taxes	\$ 11,352,388	\$11,349,298	\$14,138,947
Licenses and Permits	1,276,676	3,171,358	1,416,023
Intergovernmental	757,857	939,684	1,315,999
Charges for Services	6,290,495	6,396,998	6,783,617
Fines and Forfeits	40,223	50,110	41,027
Special Assessment	0	0	0
Investment Earnings	25,000	239,614	25,000
Other Revenue	<u>189,850</u>	<u>377,233</u>	<u>230,160</u>
Total Revenues	\$19,932,489	\$22,524,295	\$23,950,773
Expenditures:			
General Government	\$ 7,472,107	\$ 7,079,127	\$ 8,113,726
Public Safety	9,438,221	10,142,417	10,758,231
Public Works	2,927,842	2,850,198	3,206,038
Parks, Recreation and Arts	3,001,919	3,251,755	3,339,941
Unallocated	0	0	316,837
Debt Service	<u>116,400</u>	<u>221,478</u>	<u>0</u>
Total Expenditures	\$22,956,489	\$23,544,975	\$25,734,773
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$(3,024,000)	\$(1,020,680)	\$(1,784,000)
Other Financing Sources (Uses):			
Transfers In	\$ 5,004,000	\$ 4,870,595	\$ 4,898,000
Transfers Out	<u>(1,980,000)</u>	<u>(1,984,196)</u>	<u>(3,114,000)</u>
Total Other Financing Sources (Uses)	\$ 3,024,000	\$ 2,886,399	\$ 1,784,000
Net Change in Fund Balance	\$ 0	\$ 1,865,719	\$ 0
Beginning Fund Balance - January 1	\$ 3,653,255	\$ 3,653,225	\$ 5,518,974
Ending Fund Balance - December 31	\$ 3,653,255	\$ 5,518,974	\$ 5,518,974

Sources: City's Annual Comprehensive Financial Reports 2024 Budget.

BOOK ENTRY

The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation, and Fixed Income Clearing Corporation all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of the Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Bonds will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Authority or its agent on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority or its agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to Authority or its agent. Under such circumstances, in the event that a successor depository is not obtained, certificates are required to be printed and delivered.

The Authority may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Authority believes to be reliable, but the Authority takes no responsibility for the accuracy thereof.

FORM OF BOND COUNSEL OPINION

Economic Development Authority
of the City of Chaska, Minnesota

[Purchaser]
[City, State]

Re: \$[PAR] Lease Revenue Bonds, Series 2024A
Economic Development Authority of the City of Chaska, Minnesota

Ladies and Gentlemen:

We have acted as bond counsel in connection with the authorization, issuance and sale by Economic Development Authority of the City of Chaska, Minnesota (the “Issuer”), of its \$[PAR] Lease Revenue Bonds, Series 2024A, dated, as originally issued, as of July [], 2024 (the “Bonds”). For the purpose of rendering this opinion, we have examined: (1) a Lease Agreement, dated as of July 1, 2024 (the “Lease”), between the Issuer and the City of Chaska, Minnesota (the “City”); (2) a Trust Indenture, dated as of July 1, 2024 (the “Indenture”), between the Issuer and U.S. Bank Trust Company, National Association, as Trustee; (3) certified copies of the resolutions of the governing bodies of the Issuer and the City approving and authorizing the execution and delivery of the Bonds, the Lease, the Indenture and other documents, as the case may be; and (4) such other documents, certificates and opinions as we consider necessary in order to render this opinion. As to questions of fact material to our opinion, we have assumed the authenticity of and relied upon the proceedings, affidavits, certificates and other documents furnished to us without undertaking to verify the same by independent investigation.

From such examination and on the basis of existing law, it is our opinion that:

1. The Issuer is authorized by the Constitution and laws of the State of Minnesota to issue the Bonds, to apply the proceeds of the Bonds to the financing of the Project (as defined in the Lease), to pledge the rental payments to be received pursuant to, and its interests in, the Lease as security for the payment of the principal of and interest on the Bonds.

2. The Lease has been duly authorized, executed and delivered by the Issuer and the City and is a valid instrument binding on the Issuer and the City and enforceable in accordance with its terms. The Indenture has been duly and validly authorized, executed and delivered by the Issuer and, assuming the due and valid authorization, execution and delivery thereof by the Trustee, is a valid instrument binding on the Issuer and enforceable in accordance with its terms.

3. The Bonds are valid and binding special obligations of the Issuer, enforceable in accordance with their terms and the terms of the Indenture, payable as to principal and interest from and secured by a valid and enforceable pledge of revenues derived from the Lease and from certain other revenues described in the Lease and the Indenture. Under the Lease, the Issuer is leasing the Project to the City, and the City agrees to pay to the Issuer rental payments, payable at times and in amounts sufficient to pay the principal of and interest on the Bonds when due. The rental payments are payable solely from moneys to be legally appropriated and provided for that purpose by the City. If the City Council fails to appropriate money for the payment of the rental payments coming due under the Lease for any fiscal year of the City, the City may terminate the Lease in the manner provided therein as of the end of the preceding fiscal year, without penalty or liability on the part of the City to pay any rental payments coming due after the end of such fiscal year.

4. Interest on the Bonds (a) is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the “Code”) and (b) is not an item of tax

preference for purposes of the federal alternative minimum tax imposed on noncorporate taxpayers by Section 55 of the Code.

5. Interest on the Bonds (a) is excluded from taxable net income of individuals, estates, and trusts for Minnesota income tax purposes and (b) is not an item of tax preference for purposes of the Minnesota alternative minimum tax imposed on individuals, trusts, and estates.

The opinions expressed in paragraphs 1, 2, and 3 above are subject, as to enforceability, to the effect of any state or federal laws relating to bankruptcy, insolvency, reorganization, moratorium or creditors' rights and the application of equitable principles, whether considered at law or in equity.

The opinions expressed in paragraphs 4 and 5 above are subject to the compliance by the Issuer with certain requirements of the Code that must be satisfied subsequent to the issuance of the Bonds. Noncompliance with these requirements could result in the inclusion of interest on the Bonds in gross income for federal income tax purposes and taxable net income of individuals, estates, and trusts for Minnesota income tax purposes, retroactive to the date of issuance of the Bonds.

Except as stated herein, we express no opinion regarding federal, state, or other tax consequences to the owner of the Bonds. We note, however, that interest on the Bonds may be taken into account in determining adjusted financial statement income for purposes of the federal alternative minimum tax imposed on applicable corporations (as defined in Section 59(k) of the Code) and is included in net income of corporations and financial institutions for purposes of the Minnesota franchise tax.

In providing this opinion, we have relied upon representations of the Issuer and the City and their respective officers as to (i) the intended application of the proceeds of the Bonds, (ii) the nature, use, cost, and economic life of the facilities and equipment financed by the Bonds, and (iii) other matters relating to the exemption of the interest on the Bonds from federal income taxation.

We have not been asked, and have not undertaken, to review the accuracy, completeness or sufficiency of any offering materials relating to the Bonds, and, accordingly, we express no opinion with respect thereto.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may occur after the date hereof and which may be retroactive.

Dated this [] day of July, 2024.

Very truly yours,

FORM OF CONTINUING DISCLOSURE COVENANTS

Excerpt from Authority Resolution

(a) Purpose and Beneficiaries. To provide for the public availability of certain information relating to the Bonds and the security therefor and to permit the purchaser and other participating underwriters in the primary offering of the Bonds to comply with amendments to Rule 15c2-12 promulgated by the Securities Exchange Commission (the “SEC”) under the Securities Exchange Act of 1934 (17 C.F.R. § 240.15c2-12), relating to continuing disclosure (as in effect and interpreted from time to time, the “Rule”), which will enhance the marketability of the Bonds, the Authority hereby makes the following covenants and agreements for the benefit of the Owners (as hereinafter defined) from time to time of the Outstanding Bonds. The Authority and the City are the only obligated persons in respect of the Bonds within the meaning of the Rule for purposes of identifying the entities in respect of which continuing disclosure must be made. If the City or Authority fails to comply with any provisions of this section, any person aggrieved thereby, including the Owners of any Outstanding Bonds, may take whatever action at law or in equity may appear necessary or appropriate to enforce performance and observance of any agreement or covenant contained in this section, including an action for a writ of mandamus or specific performance. Direct, indirect, consequential and punitive damages shall not be recoverable for any default hereunder to the extent permitted by law. Notwithstanding anything to the contrary contained herein, in no event shall a default under this section constitute a default under the Bonds or under any other provision of this resolution. As used in this section, Owner or Bondowner means, in respect of a Bond, the registered owner or owners thereof appearing in the bond register maintained by the Registrar or any Beneficial Owner (as hereinafter defined) thereof, if such Beneficial Owner provides to the Registrar evidence of such beneficial ownership in form and substance reasonably satisfactory to the Registrar. As used herein, Beneficial Owner means, in respect of a Bond, any person or entity which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, such Bond (including persons or entities holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of the Bond for federal income tax purposes.

(b) Information To Be Disclosed. The Authority will provide, in the manner set forth in subsection (c) hereof, either directly or indirectly through an agent designated by the Authority, the following information at the following times:

- (1) on or before twelve (12) months after the end of each fiscal year of the City, commencing with the fiscal year ending December 31, 2023, the following financial information and operating data in respect of the City (the “Disclosure Information”):
 - (A) the audited financial statements of the City for such fiscal year, prepared in accordance with the governmental accounting standards promulgated by the Governmental Accounting Standards Board or as otherwise provided under Minnesota law, as in effect from time to time, or, if and to the extent such financial statements have not been prepared in accordance with such generally accepted accounting principles for reasons beyond the reasonable control of the City, noting the discrepancies therefrom and the effect thereof, and certified as to accuracy and completeness in all material respects by the fiscal officer of the City; and
 - (B) to the extent not included in the financial statements referred to in paragraph (A) hereof, the information for such fiscal year or for the period most recently available of the type contained in the Official Statement under the headings: “APPENDIX A – General and Financial Information Concerning the City of Chaska, Minnesota – City Property Values;” “– City Indebtedness;” and “– City Tax Rates, Levies and Collections.”

Notwithstanding the foregoing paragraph, if the audited financial statements are not available by the date specified, the Authority shall provide on or before such date unaudited financial statements and, within 10 days after the receipt thereof, the Authority shall provide the audited financial statements. Any or all of the Disclosure Information may be incorporated by reference, if it is updated as required hereby, from other documents, including official statements, which have been submitted to the Municipal Securities Rulemaking Board (the “MSRB”) through its Electronic Municipal Market Access System (“EMMA”) or the SEC. The Authority shall clearly identify in the Disclosure Information each document so incorporated by reference. If any part of the Disclosure Information can no longer be generated because the operations of the City or the Authority have materially changed or been discontinued, such Disclosure Information need no longer be provided if the Authority includes in the Disclosure Information a statement to such effect; provided, however, if such operations have been replaced by other Authority or City operations in respect of which data is not included in the Disclosure Information and the Authority determines that certain specified data regarding such replacement operations would be a Material Fact (as defined in paragraph (2) hereof), then, from and after such determination, the Disclosure Information shall include such additional specified data regarding the replacement operations. If the Disclosure Information is changed or this section is amended as permitted by this paragraph (b)(1) or subsection (d), then the Authority shall include in the next Disclosure Information to be delivered hereunder, to the extent necessary, an explanation of the reasons for the amendment and the effect of any change in the type of financial information or operating data provided.

- (2) In a timely manner, not in excess of 10 business days after the occurrence of the event, to the MSRB through EMMA, notice of the occurrence of any of the following events (each a “Material Fact”):
 - (A) principal and interest payment delinquencies;
 - (B) non-payment related defaults, if material;
 - (C) unscheduled draws on debt service reserves reflecting financial difficulties;
 - (D) unscheduled draws on credit enhancements reflecting financial difficulties;
 - (E) substitution of credit or liquidity providers, or their failure to perform;
 - (F) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;
 - (G) modifications to rights of holders of the Bonds, if material;
 - (H) bond calls, if material, and tender offers;
 - (I) defeasances;
 - (J) release, substitution or sale of property securing repayment of the Bonds, if material;
 - (K) rating changes;
 - (L) bankruptcy, insolvency, receivership, or similar event of the obligated person;
 - (M) the consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
 - (N) appointment of a successor or additional trustee or the change of name of a trustee, if material;
 - (O) incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other

- similar terms of a financial obligation of the obligated person, any of which affect security holders, if material; and
- (P) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

For purposes of the events identified in paragraphs (O) and (P) above, the term “financial obligation” means (i) a debt obligation; (ii) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) a guarantee of (i) or (ii). The term “financial obligation” shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

For the purposes of the event identified in (L) hereinabove, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

As used herein, for those events that must be reported if material, an event is “material” if it is an event as to which a substantial likelihood exists that a reasonably prudent investor would attach importance thereto in deciding to buy, hold or sell a Bond or, if not disclosed, would significantly alter the total information otherwise available to an investor from the Official Statement, information disclosed hereunder or information generally available to the public. Notwithstanding the foregoing sentence, an event is also “material” if it is an event that would be deemed material for purposes of the purchase, holding or sale of a Bond within the meaning of applicable federal securities laws, as interpreted at the time of discovery of the occurrence of the event.

- (3) In a timely manner, to the MSRB through EMMA, notice of the occurrence of any of the following events or conditions:
- (A) the failure of the Authority to provide the Disclosure Information required under paragraph (b)(1) at the time specified thereunder;
 - (B) the amendment or supplementing of this section pursuant to subsection (d), together with a copy of such amendment or supplement and any explanation provided by the Authority under subsection (d)(2);
 - (C) the termination of the obligations of the Authority under this section pursuant to subsection (d);
 - (D) any change in the accounting principles pursuant to which the financial statements constituting a portion of the Disclosure Information are prepared; and
 - (E) any change in the fiscal year of the City.

(c) Manner of Disclosure.

- (1) The Authority agrees to make available to the MSRB through EMMA, in an electronic format as prescribed by the MSRB, the information described in subsection (b).

- (2) All documents provided to the MSRB pursuant to this subsection (c) shall be accompanied by identifying information as prescribed by the MSRB from time to time.

(d) Term; Amendments; Interpretation.

- (1) The covenants of the Authority in this section shall remain in effect so long as any Bonds are outstanding. Notwithstanding the preceding sentence, however, the obligations of the Authority under this section shall terminate and be without further effect as of any date on which the Authority delivers to the Registrar an opinion of Bond Counsel to the effect that, because of legislative action or final judicial or administrative actions or proceedings, the failure of the Authority to comply with the requirements of this section will not cause participating underwriters in the primary offering of the Bonds to be in violation of the Rule or other applicable requirements of the Securities Exchange Act of 1934, as amended, or any statutes or laws successory thereto or amendatory thereof.
- (2) This section (and the form and requirements of the Disclosure Information) may be amended or supplemented by the Authority from time to time, without notice to (except as provided in paragraph (c)(2) hereof) or the consent of the Owners of any Bonds, by a resolution of this Board filed in the office of the recording officer of the Authority accompanied by an opinion of Bond Counsel, who may rely on certificates of the Authority and others and the opinion may be subject to customary qualifications, to the effect that: (i) such amendment or supplement (a) is made in connection with a change in circumstances that arises from a change in law or regulation or a change in the identity, nature or status of the Authority or the City or the type of operations conducted by the Authority or the City, or (b) is required by, or better complies with, the provisions of paragraph (b)(5) of the Rule; (ii) this section as so amended or supplemented would have complied with the requirements of paragraph (b)(5) of the Rule at the time of the primary offering of the Bonds, giving effect to any change in circumstances applicable under clause (i)(a) and assuming that the Rule as in effect and interpreted at the time of the amendment or supplement was in effect at the time of the primary offering; and (iii) such amendment or supplement does not materially impair the interests of the Bondowners under the Rule.

If the Disclosure Information is so amended, the City agrees to provide, contemporaneously with the effectiveness of such amendment, an explanation of the reasons for the amendment and the effect, if any, of the change in the type of financial information or operating data being provided hereunder.

- (3) This section is entered into to comply with the continuing disclosure provisions of the Rule and should be construed so as to satisfy the requirements of paragraph (b)(5) of the Rule.

SUMMARY OF TAX LEVIES, PAYMENT PROVISIONS, AND MINNESOTA REAL PROPERTY VALUATION

Following is a summary of certain statutory provisions relative to tax levy procedures, tax payment and credit procedures, and the mechanics of real property valuation. The summary does not purport to be inclusive of all such provisions or of the specific provisions discussed, and is qualified by reference to the complete text of applicable statutes, rules and regulations of the State of Minnesota.

PROPERTY VALUATIONS (CHAPTER 273, MINNESOTA STATUTES)

Assessor's Estimated Market Value. Each parcel of real property subject to taxation must, by statute, be appraised at least once every five years as of January 2 of the year of appraisal. With certain exceptions, all property is valued at its market value, which is the value the assessor determines to be the price the property to be fairly worth, and which is referred to as the "Estimated Market Value." The 2013 Minnesota Legislature established the Estimated Market Value as the value used to calculate a municipality's legal debt limit.

Economic Market Value. The Economic Market Value is the value of locally assessed real property (Assessor's Estimated Market Value) divided by the sales ratio as provided by the State of Minnesota Department of Revenue plus the estimated market value of personal property, utilities, railroad, and minerals.

Taxable Market Value. The Taxable Market Value is the value that Net Tax Capacity is based on, after all reductions, limitations, exemptions and deferrals.

Net Tax Capacity. The Net Tax Capacity is the value upon which net taxes are levied, extended and collected. The Net Tax Capacity is computed by applying the class rate percentages specific to each type of property classification against the Taxable Market Value. Class rate percentages vary depending on the type of property as shown on the last page of this Appendix. The formulas and class rates for converting Taxable Market Value to Net Tax Capacity represent a basic element of the State's property tax relief system and are subject to annual revisions by the State Legislature. Property taxes are the sum of the amounts determined by (i) multiplying the Net Tax Capacity by the tax capacity rate, and (ii) multiplying the referendum market value by the market value rate.

Market Value Homestead Exclusion. In 2011, the Market Value Homestead Exclusion Program (MVHE) was implemented to offset the elimination of the Market Value Homestead Credit Program that provided relief to certain homesteads. The MVHE reduces the taxable market value of a homestead with an Assessor's Estimated Market Value up to \$413,800 in an attempt to result in a property tax similar to the effective property tax prior to the elimination of the homestead credit. The MVHE applies to property classified as Class 1a or 1b and Class 2a, and causes a decrease in the Authority's aggregate Taxable Market Value, even if the Assessor's Estimated Market Value on the same properties did not decline.

PROPERTY TAX PAYMENTS AND DELINQUENCIES (CHAPTERS 275, 276, 277, 279-282 AND 549, MINNESOTA STATUTES)

Ad valorem property taxes levied by local governments in Minnesota are extended and collected by the various counties within the State. Each taxing jurisdiction is required to certify the annual tax levy to the county auditor within five (5) working days after December 20 of the year preceding the collection year. A listing of property taxes due is prepared by the county auditor and turned over to the county treasurer on or before the first business day in March.

The county treasurer is responsible for collecting all property taxes within the county. Real estate and personal property tax statements are mailed out by March 31. One-half (1/2) of the taxes on real property is due on or before May 15. The remainder is due on or before October 15. Real property taxes not paid by their due date are assessed a penalty on homestead property of 2% until May 31 and increased to 4% on June 1. The penalty on nonhomestead property is assessed at a rate of 4% until May 31 and increased to 8% on June 1. Thereafter, an additional 1% penalty shall accrue each month through October 1 of the collection year for unpaid real property taxes. In the case of the second installment of real property taxes

due October 15, a penalty of 2% on homestead property and 4% on nonhomestead property is assessed. The penalty for homestead property increases to 6% on November 1 and again to 8% on December 1. The penalty for nonhomestead property increases to 8% on November 1 and again to 12% on December 1. Personal property taxes remaining unpaid on May 16 are deemed to be delinquent and a penalty of 8% attaches to the unpaid tax. However, personal property that is owned by a tax-exempt entity, but is treated as taxable by virtue of a lease agreement, is subject to the same delinquent property tax penalties as real property.

On the first business day of January of the year following collection all delinquencies are subject to an additional 2% penalty, and those delinquencies outstanding as of February 15 are filed for a tax lien judgment with the district court. By March 20 the county auditor files a publication of legal action and a mailing of notice of action to delinquent parties. Those property interests not responding to this notice have judgment entered for the amount of the delinquency and associated penalties. The amount of the judgment is subject to a variable interest determined annually by the Department of Revenue, and equal to the adjusted prime rate charged by banks but in no event is the rate less than 10% or more than 14%.

Property owners subject to a tax lien judgment generally have three years (3) to redeem the property. After expiration of the redemption period, unredeemed properties are declared tax forfeit with title held in trust by the State of Minnesota for the respective taxing districts. The county auditor, or equivalent thereof, then sells those properties not claimed for a public purpose at auction. The net proceeds of the sale are first dedicated to the satisfaction of outstanding special assessments on the parcel, with any remaining balance in most cases being divided on the following basis: county - 40%; town or city - 20%; and school district - 40%.

PROPERTY TAX CREDITS (CHAPTER 273, MINNESOTA STATUTES)

In addition to adjusting the taxable value for various property types, primary elements of Minnesota's property tax relief system are: property tax levy reduction aids; the homestead credit refund and the renter's property tax refund, which relate property taxes to income and provide relief on a sliding income scale; and targeted tax relief, which is aimed primarily at easing the effect of significant tax increases. The homestead credit refund, the renter's property tax refund, and targeted credits are reimbursed to the taxpayer upon application by the taxpayer. Property tax levy reduction aid includes educational aids, local governmental aid, equalization aid, county program aid and disparity reduction aid.

DEBT LIMITATIONS

All Minnesota municipalities (counties, cities, towns, and school districts) are subject to statutory "net debt" limitations under the provisions of Minnesota Statutes, Section 475.53. Net debt is defined as the amount remaining after deducting from gross debt the amount of current revenues that are applicable within the current fiscal year to the payment of any debt and the aggregate of the principal of the following:

1. Obligations issued for improvements which are payable wholly or partly from the proceeds of special assessments levied upon property specially benefited thereby, including those which are general obligations of the municipality issuing them, if the municipality is entitled to reimbursement in whole or in part from the proceeds of the special assessments.
2. Warrants or orders having no definite or fixed maturity.
3. Obligations payable wholly from the income from revenue producing conveniences.
4. Obligations issued to create or maintain a permanent improvement revolving fund.
5. Obligations issued for the acquisition, and betterment of public waterworks systems, and public lighting, heating or power systems, and of any combination thereof or for any other public convenience from which a revenue is or may be derived.
6. Debt service loans and capital loans made to a school district under the provisions of Minnesota Statutes, Sections 126C.68 and 126C.69.

7. Amount of all money and the face value of all securities held as a debt service fund for the extinguishment of obligations other than those deductible under this subdivision.
8. Obligations to repay loans made under Minnesota Statutes, Section 216C.37.
9. Obligations to repay loans made from money received from litigation or settlement of alleged violations of federal petroleum pricing regulations.
10. Obligations issued to pay pension fund or other postemployment benefit liabilities under Minnesota Statutes, Section 475.52, subdivision 6, or any charter authority.
11. Obligations issued to pay judgments against the municipality under Minnesota Statutes, Section 475.52, subdivision 6, or any charter authority.
12. All other obligations which under the provisions of law authorizing their issuance are not to be included in computing the net debt of the municipality.

**LEVIES FOR GENERAL OBLIGATION DEBT
(SECTIONS 475.61 AND 475.74, MINNESOTA STATUTES)**

Any municipality that issues general obligation debt must, at the time of issuance, certify levies to the county auditor of the county(ies) within which the municipality is situated. Such levies shall be in an amount that if collected in full will, together with estimates of other revenues pledged for payment of the obligations, produce at least five percent in excess of the amount needed to pay principal and interest when due. Notwithstanding any other limitations upon the ability of a taxing unit to levy taxes, its ability to levy taxes for a deficiency in prior levies for payment of general obligation indebtedness is without limitation as to rate or amount.

**METROPOLITAN REVENUE DISTRIBUTION (CHAPTER 473F, MINNESOTA STATUTES)
“FISCAL DISPARITIES LAW”**

The Charles R. Weaver Metropolitan Revenue Distribution Act, more commonly known as “Fiscal Disparities,” was first implemented for taxes payable in 1975. Forty percent of the increase in commercial-industrial (including public utility and railroad) net tax capacity valuation since 1971 in each assessment district in the Minneapolis/Saint Paul seven-county metropolitan area (Anoka, Carver, Dakota, excluding the City of Northfield, Hennepin, Ramsey, Scott, excluding the City of New Prague, and Washington Counties) is contributed to an area-wide tax base. A distribution index, based on the factors of population and real property market value per capita, is employed in determining what proportion of the net tax capacity value in the area-wide tax base shall be distributed back to each assessment district.

**STATUTORY FORMULAE: CONVERSION OF TAXABLE MARKET VALUE (TMV) TO
NET TAX CAPACITY FOR MAJOR PROPERTY CLASSIFICATIONS**

<u>Property Type</u>	<u>Local Tax Payable 2020-2023</u>	<u>Local Tax Payable 2024</u>
Residential Homestead (1a)		
Up to \$500,000	1.00%	1.00%
Over \$500,000	1.25%	1.25%
Residential Non-homestead		
Single Unit (4bb)		
Up to \$500,000	1.00%	1.00%
Over \$500,000	1.25%	1.25%
2-3 unit and undeveloped land (4b1)	1.25%	1.25%
Market Rate Apartments		
Regular (4a)	1.25%	1.25%
Low-Income (4d)		
Up to \$100,000 ⁽³⁾	0.75%	0.75%
Over \$100,000 ⁽³⁾	0.25%	0.25%
Low-Income (4d1)		0.25%
Low-Income (4d2)		0.75%
Commercial/Industrial/Public Utility (3a)		
Up to \$150,000	1.50% ⁽¹⁾	1.50% ⁽¹⁾
Over \$150,000	2.00% ⁽¹⁾	2.00% ⁽¹⁾
Electric Generation Machinery	2.00%	2.00%
Commercial Seasonal Residential		
Homestead Resorts (1c)		
Up to \$600,000	0.50%	0.50%
\$600,000 - \$2,300,000	1.00%	1.00%
Over \$2,300,000	1.25% ⁽¹⁾	1.25% ⁽¹⁾
Seasonal Resorts (4c1)		
Up to \$500,000	1.00% ⁽¹⁾	1.00% ⁽¹⁾
Over \$500,000	1.25% ⁽¹⁾	1.25% ⁽¹⁾
Non-Commercial (4c12)		
Up to \$500,000	1.00% ⁽¹⁾⁽²⁾	1.00% ⁽¹⁾⁽²⁾
Over \$500,000	1.25% ⁽¹⁾⁽²⁾	1.25% ⁽¹⁾⁽²⁾
Disabled Homestead (1b)		
Up to \$50,000	0.45%	0.45%
\$50,000 - \$500,000		1.00%
Over \$500,000		1.25%
Agricultural Land & Buildings		
Homestead (2a)		
Up to \$500,000	1.00%	1.00%
Over \$500,000	1.25%	1.25%
Remainder of Farm		
Up to \$3,500,000 ⁽⁴⁾	0.50% ⁽²⁾	0.50% ⁽²⁾
Over \$3,500,000 ⁽⁴⁾	1.00% ⁽²⁾	0.50% ⁽²⁾
Non-homestead (2b)	1.00% ⁽²⁾	1.00% ⁽²⁾

⁽¹⁾ State tax is applicable to these classifications.

⁽²⁾ Exempt from referendum market value-based taxes.

⁽³⁾ Historical valuations are: Payable 2023 - \$100,000; Payable 2022 - \$100,000; Payable 2021 - \$174,000; and Payable 2020 - \$150,000.

⁽⁴⁾ Legislative increases, payable 2024. Historical valuations are: Payable 2023 - \$1,890,000; Payable 2022 - \$1,890,000; Payable 2021 - \$1,890,000; and Payable 2020 - \$1,880,000.

NOTE: For purposes of the State general property tax only, the net tax capacity of non-commercial class 4c(1) seasonal residential recreational property has the following class rate structure: First \$76,000 – 0.40%; \$76,000 to \$500,000 – 1.00%; and over \$500,000 – 1.25%. In addition to the State tax base exemptions referenced by property classification, airport property exempt from city and school district property taxes under M.S. 473.625 is exempt from the State general property tax (MSP International Airport and Holman Field in Saint Paul are exempt under this provision).

SUMMARY OF FINANCING DOCUMENTS

The following summaries do not purport to be comprehensive or definitive and all references to the documents summarized below are qualified in their entirety by reference to the forms thereof and the information with respect thereto included in the following documents. Copies of these documents are available for inspection during the period of the offering at the offices of the Municipal Advisor, and thereafter at the principal office of the Trustee. REFERENCE IS MADE TO EACH DOCUMENT IN ITS ENTIRETY FOR A COMPLETE AND ACCURATE UNDERSTANDING OF THE FINANCING DOCUMENTS

DEFINITIONS

Additional Bonds means any additional bonds issued pursuant to the terms and conditions of the Indenture.

Authority Representative means the President or Executive Director of the Authority or any other person authorized to act on behalf of the Authority under or with respect to the Indenture, as evidenced by a certificate conferring such authority executed by the President, given to the Trustee and the City.

Bond Fund means the fund so named and created under the Indenture.

Bond Resolution means the resolution of the Authority adopted by the Board of Commissioners of the Authority on May 20, 2024, respectively, authorizing the issuance and sale of the Series 2024 Bonds, as the same may be amended, modified or supplemented by any amendments or modifications thereof.

Bond Year means a calendar year.

Bond or Bonds means the Series 2024 Bonds and any Additional Bonds.

Business Day means any day other than a Saturday, Sunday, or other day on which commercial banks in the city in which the principal corporate trust office of the Trustee is located are not open for business.

Certificate means a certification in writing required or permitted by the provisions of the Lease or the Indenture, signed and delivered to the Trustee or other proper person or persons.

City means the City of Chaska, Minnesota, and its permitted successors and assigns under the Lease.

City Representative means the Mayor or City Administrator, or any person authorized by law to act on behalf of the City under or with respect to the Lease, as evidenced by a certificate conferring such authority executed by the City Administrator and given to the Trustee and the Authority.

Completion Certificate means an executed certificate in the form of Exhibit C to the Lease, as the case may be.

Completion Date means, with respect to the Project, as the case may be, the date upon which the corresponding Completion Certificate is issued with respect thereto by the City and delivered to the Authority and the Trustee.

Debt Service Reserve Requirement means the amounts described in the Indenture.

Default means default by the Authority in the performance or observance of any of the covenants, agreements or conditions on its part contained in the Indenture, exclusive of any notice or period of grace required to constitute a default an “Event of Default” as described in the Indenture.

Event of Default means an Event of Default described in the Indenture which has not been cured.

Fiscal Year means the fiscal year of the Authority; initially, the 12-month period commencing on January 1 in each year.

Holder, Bondholder or Owner means the person or persons in whose name any Bond is registered in the registration books maintained by the Trustee on behalf of the Authority.

Indenture means this Trust Indenture under which the Bonds are authorized to be issued, and any amendments or supplements hereto entered into in accordance with the provisions hereof.

Independent Counsel means an attorney or firm of attorneys duly admitted to practice law before the highest court of any state and not an officer or full-time employee of the Authority or the City.

Interest Payment Date means the stated maturity of an installment of interest on any of the Bonds.

Internal Revenue Code means the Internal Revenue Code of 1986, as amended from time to time.

Land means the real property as described on Exhibit B hereto, which real property is to be improved pursuant to the Lease.

Lease means the Lease-Purchase Agreement, dated as of July 1, 2024, between the Authority, as lessor, and the City, as lessee, relating to the Series 2024 Bonds, as the same may be amended or supplemented pursuant thereto and hereto.

Opinion of Counsel means a written opinion of counsel (who need not be Independent Counsel unless so specified) appointed by the City or Authority or appointed by the Trustee.

Outstanding means, when used as of any particular time with reference to Bonds (subject to the provisions of the Indenture pertaining to Bonds held by the Authority and the City) all Bonds

theretofore authenticated and delivered by the Trustee under the Indenture except: (i) Bonds theretofore canceled by the Trustee or surrendered to the Trustee for cancellation; (ii) Bonds deemed not outstanding pursuant to the terms of the Indenture; and (iii) Bonds in lieu of or in substitution for which other Bonds shall have been authenticated and delivered by the Trustee pursuant to the terms of the Indenture pertaining to replacement of Bonds.

Payment Date means the fifth Business Day preceding each Interest Payment Date, which is the date upon which any Rental Payment is due and payable as provided in the Indenture.

Predecessor Bonds means every previous Bond evidencing all or a portion of the same debt as that evidenced by a particular Bond, including Bonds exchanged pursuant to the Indenture, and for purposes of this definition, any Bond authenticated and delivered under the Indenture in lieu of a lost, destroyed or stolen Bond shall be deemed to evidence the same debt as the lost, destroyed or stolen Bond.

Principal Payment Date means the stated maturity of principal of any Bond, or the mandatory sinking fund redemption date of any Bond.

Project means the Land and the improvements to be acquired and constructed on the Land, as more fully described in Exhibit B to the Lease and Exhibit C hereof.

Project Costs means the costs defined in the Indenture.

Project Fund means the fund so named and created under the Indenture.

Project Purchase Price means the amount necessary to defease, to the earliest permissible redemption date, the remaining Outstanding principal amount of Bonds, together with an amount equal to the Authority's and Trustee's fees and expenses in connection with such defeasance and redemption.

Qualified Investments means (1) any investments permitted pursuant to Sections 118A.04 and 118A.05, Minnesota Statutes, for the investment of public funds, and (2) shares in an open-ended registered investment company which exclusively purchases and holds direct, full faith and credit obligations of the United States or obligations of agencies or instrumentalities of the United States, the full and timely payment of which is unconditionally guaranteed by the United States (including repurchase agreements collateralized by such obligations), including funds for which the Trustee or its affiliates provide investment advisory or other management services.

Redeem or Redemption includes and means "prepay" or "prepayment," as the case may be.

Rental Payment means any payment due from the City to the Authority under the Lease.

[Reserve Fund means the fund so named and created under the Indenture.]

Responsible Officer means, when used with respect to the Trustee, any officer within the corporate trust department of the Trustee, including any vice president, assistant vice president, assistant secretary, assistant treasurer, trust officer or any other officer of the Trustee who customarily performs functions similar to those performed by the persons who at the time shall be

such officers, respectively, or to whom any corporate trust matter is referred because of such person's knowledge of and familiarity with the particular subject and who shall have direct responsibility for the administration of the Indenture.

Series 2024 Bonds means the \$[PAR] Lease Revenue Bonds, Series 2024A, authorized by the Indenture and the Bond Resolution and described in the Indenture.

Trust Estate means the interest of the Authority in the Lease assigned under Granting Clause I of the Indenture; the revenues, money, investments, contract rights, general intangibles and instruments and proceeds and products and accessions thereof as set forth in Granting Clause II of the Indenture; and additional property held by the Trustee pursuant to Granting Clause III of the Indenture.

Trustee means the trustee at the time serving as such under the Indenture

THE LEASE

The following is a summary of certain provisions of the Lease. The summary is qualified in its entirety by reference to the full text of that Lease.

Lease. Upon the terms and conditions set forth in the Lease, the Authority leases the Project to the City, and the City leases the Project from the Authority.

Possession and Enjoyment. During the Lease Term, the Authority covenants to provide the City with the quiet use and enjoyment of the Project; and the City will peaceably and quietly have and hold and enjoy the Project without suit, trouble or hindrance from the Authority, except as expressly set forth in the Lease.

Authority Access to Project. The Authority and any Authority Representative have the right at all reasonable times to examine and inspect the Project and such rights of access to the Project as reasonably necessary to properly maintain the Project.

Lease Term; Termination. The Lease will remain in effect with respect to the Project for a Lease Term commencing on its date of execution and continuing until no Bonds remain Outstanding, or until terminated. The Lease Term will terminate prior to the date specified in the Lease upon the occurrence of the first of the following events: (a) termination of the Lease in the event of non-appropriation; (b) a default by the City and the Authority's election to terminate the Lease; or (c) the payment by the City of all Rental Payments due hereunder or the payment of the Purchase Price, together with any fees and expenses due the Authority or the Trustee under the Lease or the Indenture.

Rental Payments. The City will, by wire transfer in immediately available funds, pay Rental Payments with respect to the Project as follows:

(a) By each Rental Payment Date, the City will pay an amount equal to the interest, and principal, if any, due on the Bonds on the next succeeding Interest Payment Date.

(b) As a credit against the first interest payment otherwise required to be paid by the City to the Trustee pursuant to (a) above, there will be applied any accrued interest on the Bonds initially deposited into the Bond Fund.

(c) On each Rental Payment Date, so long as no Event of Default has occurred and is continuing, the City will have a credit against the Rental Payment otherwise due on said date to the extent of any investment profits or earnings which have been transferred or are otherwise available in the Bond Fund for such purpose.

(d) In the event the City will have paid Rental Payments with respect to the next succeeding Interest Payment Date, but the funds on deposit in the Bond Fund are nevertheless insufficient to pay such principal, premium (if any) and interest on the Bonds then due or to become due on such Interest Payment Date, the City will forthwith pay, as Rental Payments, the amount of the deficiency.

(e) The City will also have a credit against its Rental Payment obligations to the extent of funds transferred from the Reserve Fund to the Bond Fund to make the final payments due on Outstanding Bonds.

The Rental Payments will be paid directly to the Trustee at its corporate trust office for the account of the City for deposit in the Bond Fund as provided in the Indenture.

Except as provided in the Lease, the obligation of the City to make Rental Payments due with respect to the Project or any other payments required thereunder will be absolute and unconditional in all events.

The obligations of the City under the Lease, including its obligation to pay the Rental Payments due with respect to the Project in any Fiscal Year for which the Lease is in effect, will constitute a current expense of the City for such Fiscal Year and will not constitute an indebtedness of the City within the meaning of the Constitution and laws of the State (except to the extent any amount of the Lease shall be included in the calculation of net debt for purposes of Minnesota Section 475.53, as provided in Minnesota Statutes, Section 465.71). Nothing in the Lease will constitute a pledge by the City of any taxes or other moneys, other than moneys lawfully appropriated from time to time by or for the benefit of the City's annual budget and the proceeds of the Bonds or Net Proceeds of the Project, to the payment of any Rental Payment or other amount coming due under the Lease.

Termination of the Lease; Non-appropriation. The City shall have the right to cancel and terminate the Lease, in whole but not in part, at the end of any Fiscal Year of the City, in the manner and subject to the terms specified in the Lease, if the City's governing body does not appropriate money sufficient to pay the Rental Payments coming due in the next Fiscal Year. Lack of a sufficient appropriation shall be evidenced by a specific provision in the budget of the City which prohibits the expenditure of the City funds for this purpose. The City may effect such termination by giving the Authority a written notice of termination and by paying to the Authority any Rental Payments which are due and have not been paid at or before the end of its then current

Fiscal Year. The City shall endeavor to give notice of termination not less than one hundred twenty (120) days prior to the end of such Fiscal Year, and shall notify the Authority of any anticipated termination. In the event of termination of the Lease, the City shall deliver possession of the Project to the Authority, and release its interest in the Project granted under the Lease within ten (10) days after the termination of the Lease.

Intent to Continue Lease-Purchase Payments; Appropriations

The City presently intends to continue the Lease for the entire Lease Term and to pay all Rental Payments required hereunder. The City Administrator will include in the budget request for each Fiscal Year the Rental Payments to become due in such Fiscal Year, and will use all reasonable and lawful means at his or her disposal to secure the appropriation of money for such Fiscal Year sufficient to pay the Rental Payments coming due therein. The City reasonably believes that money in an amount sufficient to make all such Rental Payments can and will lawfully be appropriated and made available for this purpose.

Effect of Termination Upon termination of the Lease in the event of nonappropriation, the City shall not be responsible for the payment of any additional Rental Payments coming due with respect to succeeding Fiscal Years, but if the City has not delivered possession of the Project to the Authority in accordance with the terms of the Lease and conveyed to the Authority or released its interest in the Project granted under the Lease within ten (10) days after the termination of the Lease, the termination shall nevertheless be effective, but the City shall be responsible for the payment of damages in an amount equal to the amount of the Rental Payments thereafter coming due which are attributable to the number of days after such ten (10) day period during which the City fails to take such actions. Upon termination of the Lease upon nonappropriation, the Trustee, on behalf of the Authority, may lease or sell the Authority's interests in the Project or any portion thereof in a commercially reasonable manner at public or private sale in accordance with applicable State laws and apply the proceeds of such lease or sale in accordance with the Indenture.

Events of Default Defined The following are Events of Default under the Lease and the terms "events of default" and "default" mean, whenever they are used in the Lease, with respect to the Project, any one or more of the following events: (i) Failure by the City to pay any Rental Payments or other payments required to be paid hereunder at the time specified herein, which failure shall continue for a period of five days after written notice given to the City by the Trustee on behalf of the Authority.

(ii) Failure by the City to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in clause (i) above, for a period of sixty (60) days after written notice specifying such failure and requesting that it be remedied has been given to the City by the Trustee on behalf of the Authority, unless the Trustee shall agree in writing to an extension of such time prior to its expiration.

(iii) The filing by the City of a voluntary petition in bankruptcy, or failure by the City promptly to lift any execution, garnishment or attachment of such consequence as would impair the ability of the City to carry on the operation of the Project, or adjudication of the City as a bankrupt, or assignment by the City for the benefit of creditors, or the entry by the City into an agreement of composition with creditors, or the approval by a court of competent jurisdiction of a petition

applicable to the City in any proceedings instituted under the provisions of the Federal Bankruptcy Statute, as amended, or under any similar acts which may hereafter be enacted.

Remedies on Default Whenever any event of default shall have happened and be continuing with respect to the Project, the Trustee, on behalf of the Authority, shall have the right, at its option, to take one or any combination of the following remedial steps: Cancel and terminate the Lease by written notice in accordance with law, reenter and take possession of the Project and all improvements thereto, and charge the City for costs incurred in repossessing the Project, and all prior Rental Payments made hereunder by the City shall belong to the Authority as liquidated damages; and

Take whatever action at law or in equity may appear necessary or desirable to collect the Rental Payments then due and thereafter to become due during the then current Fiscal Year of the City with respect to the Project, or enforce performance and observance of any obligation, agreement or covenant of the City under the Lease; and

Lease or sell the Authority's interests in the Project or any portion thereof in a commercially reasonable manner at public or private sale in accordance with applicable State laws and apply the proceeds of such lease or sale in accordance with the Indenture.

The Authority covenants to cooperate with the Trustee, upon request, in the exercise of any of the foregoing remedies.

Surrender of Project Upon the termination of the Lease, the City will surrender possession of the Project to the Authority in the condition, repair, appearance and working order required under the Lease.

Title During the Lease Term, and so long as the City is not in default under Article X, legal title to the Project and any and all repairs, replacements, substitutions and modifications to it shall be in the name of the Authority, subject to the interests of the City under the Lease. Upon termination of the Lease pursuant to Section 4.2(c), full and unencumbered legal title to the Project shall pass to the City, and the Authority shall have no further interest therein. In such event, the Authority shall execute and deliver to the City such documents as the City may request to evidence the passage of legal title to the Project to the City and the termination of the Authority's interest therein. **Security Interest.** The Authority shall have and retain a security interest under the Uniform Commercial Code in the Project, the proceeds thereof and all repairs, replacements, substitutions and modifications thereto or thereof made pursuant to the Lease, and a security interest in the proceeds of all insurance policies and amounts held in the funds established pursuant to the Trust Indenture relating to the Bonds, in order to secure the City's payment of all Rental Payments due during the Lease Term and the performance of all other obligations herein to be performed by the City. The Authority is authorized to record such financing statements as may be necessary to perfect such security interest. The City will join with the Authority in executing such other documents and will perform such acts as the Authority may request to establish and maintain a valid security interest in the Project. If requested by the Authority, the City shall conspicuously mark the Project with appropriate lettering, labels or tags, and maintain such markings during the Lease Term, so as clearly to disclose the Authority's security interest in the Project. **Purchase of**

Project Except during the continuance of an Event of Default, the City shall have the option of purchasing the Project as follows:

(a) The City shall give written notice to the Authority and to the Trustee of its intention to purchase the Project, stating therein a closing date not less than forty (40) nor more than ninety (90) days after the date the notice is mailed, and the City shall make arrangements satisfactory to the Trustee for the giving of any required notice of redemption or notice of defeasance of the Bonds in connection with the purchase.

(b) The City shall pay to the Trustee, on or before the closing date, an amount equal to the Purchase Price for the Project.

(c) On the closing date, a closing shall be held at the principal office of the Trustee, or any other office mutually agreed upon. At the closing the City and the Authority shall, upon acknowledgment of receipt of the Purchase Price, the Authority shall convey or release to the City, all of its right, title and/or interest in and to the Project by delivering to the City such documents as the City deems necessary for this purpose.

At such time as all of the Bonds have been fully paid or provision for payment thereof has been made in accordance with the provisions of the Indenture, and all expenses of the Authority and Trustee have been paid or provided for to the date of such full payment of the Bonds, the City shall be deemed to have purchased all right, title and interest of the Authority in the Project, the Lease shall be deemed terminated, and title to the Project shall automatically vest in the City. Nevertheless, the Authority, at the expense of the City, shall execute such documents as shall be reasonably necessary to convey its interest in the Project to the City.

INDENTURE

The following is a summary of certain provisions of the Indenture between the Authority and the Trustee. The summary is qualified in its entirety by reference to the full text of the Indenture.

Authorization of Additional Bonds. The Authority may, upon request of the City, issue Additional Bonds to 1) provide funds to complete the acquisition and construction of the Project, (2) provide funds for additions to or further improvements of the Project, and (3) subject to the Indenture and applicable law, refund or advance refund any Bonds then Outstanding. Any such Additional Bonds shall be authorized by resolution of the Authority and described in a supplemental indenture executed by the Authority and the Trustee and which, when so issued, authorized and described, shall be secured by the Indenture and the Trust Estate on a parity with the Bonds then Outstanding under the Indenture; provided, that no such Additional Bonds shall be issued under the Indenture or secured by the Trust Estate on a parity with the Outstanding Bonds certain conditions described in the Indenture are met.

Project Fund. Pursuant to the Indenture, the Authority is required to establish an account with the Trustee entitled the “Series 2024 Project Fund” (the “Project Fund”). The moneys in the Project Fund will be held by the Trustee and applied to the payment of the Project Costs in accordance with the Indenture, and pending such application will be subject to a lien and

charge in favor of the Holders of the Bonds issued and Outstanding under the Indenture and held for the further security of such Holders until paid out as provided in the Indenture. In the event the moneys in the Bond Fund is insufficient on any Interest Payment Date to pay principal of, premium (if any) or interest on the Bonds due on such date, the Trustee will use any moneys then on deposit to the credit of the Project Fund, to pay such principal, premium and interest.

Bond Fund. Pursuant to the Indenture, the Authority is required to establish and maintain a separate account to be designated the “Bond Fund,” into which the Authority and Trustee will deposit: (i) the amount specified in the Indenture upon issuance of a series of Bonds; (ii) all Rental Payments received from the City pursuant to the Lease; (iii) all other moneys received by the Trustee from the City or Authority when accompanied by directions of the City or Authority that such moneys are to be paid into the Bond Fund or used for purposes for which moneys in the Bond Fund may be used; (iv) all other moneys required to be deposited in the Bond Fund pursuant to any provision of the Indenture or the Lease. The moneys and investments in the Bond Fund are irrevocably pledged to and will be used by the Trustee for the payment of principal of, premium (if any) on and interest on the Bonds, as and when such principal, premium and interest is due and payable.

[Reserve Fund. Pursuant to the Indenture, the Authority is required to establish and maintain a separate account to be designated “Series 2024 Reserve Fund” Money on hand in the Reserve Fund will be used only to pay maturing principal and interest on the Bonds when money in the Bond Fund is insufficient therefor; provided, that money on hand in the Reserve Fund may be applied by the Authority, at the request of the City, to the payment or discharge of the Bonds at any time when all Outstanding Bonds are to be discharged or paid in accordance with the Indenture. In the event that Additional Bonds are issued, the Reserve Fund will be increased on the date of issuance of such Additional Bonds to a Debt Service Reserve Requirement equal to the lesser of (i) 10% of the proceeds of each series of Outstanding Bonds issued pursuant to the Indenture and then Outstanding, including the Additional Bonds (ii) the maximum amount of principal and interest to come due in any future fiscal year, during the term of all then Outstanding Bonds, on all of the then Outstanding Bonds and on the Additional Bonds to be issued or (iii) 125% of the average annual debt service, during the term of all then Outstanding Bonds, on all of the then Outstanding Bonds and on the Additional Bonds to be issued. If the balance on hand in the Reserve Fund is ever reduced below the Debt Service Reserve Requirement, such deficiency will be restored out of additional payments to be made by the City under the Lease; provided no such restoration will be required if the City has determined to terminate the Lease in accordance with the Lease and has provided written notice of such intention to the Trustee.]

Investment of Funds. Any moneys held as a part of the Reserve Fund or Bond Fund will be invested or reinvested by the Trustee upon the request and direction of a City Representative in any Qualified Investment; provided that, unless an opinion of bond counsel is provided to the effect that acquisition of the Qualified Investment will not cause a violation of the provisions of Section 148 of the Code and applicable Regulations, no Qualified Investment shall be acquired for the Reserve Fund at a discount or premium exceeding 2% times the stated redemption price at maturity of the Qualified Investment

to be acquired and, for purposes of Section 148 of the Code and the Indenture, the investments in the Reserve Fund shall be valued at their outstanding principal amount as permitted by Section 1.148-5(d)(1)(i) of the Regulations.

Covenants.

Payment of Bonds. The Authority covenants and agrees, so long as the Bonds shall be outstanding, that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in the Indenture and the Bond Resolution and in each and every Bond executed, authenticated and delivered hereunder; will pay or cause to be paid, from Rental Payments by the City and other amounts received in respect of the Lease or available under the Indenture, the principal of, premium (if any) on and interest on every Bond issued hereunder on the dates, at the places and in the manner prescribed in the Bonds in any coin or currency which, on the respective dates of payment of such principal and interest, is legal tender for the payment of public and private debts; and will cause such amounts received to be deposited with the Trustee prior to the due date of each installment of principal and interest and prior to the maturity of any Bond in amounts sufficient to pay such installment; provided, however, that the principal of and interest on any Bond is not and shall not be deemed to represent a debt or pledge the faith or credit of the Authority, the City, or the State of Minnesota or grant to the Holder of any Bond any right to have the Authority, the City, or the State of Minnesota levy any taxes or appropriate any funds to the payment of principal of or interest on the Bonds, such payment to be made solely and only out of the money received pursuant to the Lease and the funds and accounts established and maintained with the Trustee pursuant to the requirements of the Indenture and appropriated to the payment of the Bonds by the Indenture.

Extension of Payments of Bonds. The Authority covenants and agrees, so long as the Bonds shall be outstanding, that it shall not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds, or the time of payment of any claims for interest by the purchase or refunding of such Bonds or claims for interest or by any other arrangement; and in case the maturity of any of the Bonds, or the time for payment of any such claims for interest shall be extended, such Bonds or claims for interest shall not be entitled in case of any default hereunder to the benefit of the Indenture or to any payment out of any assets of the Authority or the funds (except funds held in the trust by the Trustee for the payment of particular Bonds or claims for interest pursuant to the Indenture) held by the Trustee except subject to the prior payment of the principal of all Bonds issued and outstanding hereunder, the maturity of which Bonds or principal installments has not been extended, and of such portion of the accrued interest on the Bonds as shall not be represented by such extended claims for interest.

Concerning the Lease. The Authority covenants and agrees, so long as the Bonds shall be outstanding, that it will cause and permit the Trustee to take such action as may be necessary or advisable to enforce the covenants, terms and conditions of the Lease if such action shall, in the Trustee's discretion, be deemed to be in the best interest of the Authority or the Bondholders. The Authority shall do or cause to be done all things on its part to be performed under the Lease so that the obligations of the City thereunder shall not be impaired or excused.

Events of Default. Each of the following events is hereby defined as, and is declared to be and to constitute, an “Event of Default”:

(i) If payment of the principal of, or premium, if any, on any of the Bonds, when the same shall become due and payable, whether at maturity or by proceedings for redemption (by redemption, declaration or otherwise), shall not be made; or

(ii) If payment of any interest on the Bonds when the same shall become due and payable (in which case interest shall be payable to the extent permitted by law on any overdue installments of interest, in each case at the interest rate borne by the Bonds in respect of which such interest is overdue) shall not be made; or

(iii) If an Event of Default shall occur and be subsisting under the Lease;
or

(iv) If default shall be made in the performance or observance of any other of the covenants, agreements or conditions on the part of the Authority in the Indenture, or in the Bonds contained, and such default shall have continued for a period of thirty days after written notice thereof given to the Authority by the Trustee.

Enforcement of Covenants and Conditions. Upon the occurrence of an Event of Default with respect to a Lease, the Trustee may, anything herein to the contrary notwithstanding and without any request from any Bondholder of the Bonds relating thereto (subject, however, to the provisions of the Indenture), take such action or actions for the enforcement of its rights and the rights of such Bondholders and the rights of the Authority under such Lease as due diligence, prudence and care would require and to pursue the same with like diligence, prudence and care. Upon the occurrence of an Event of Default with respect to a Lease, the Trustee may, and shall upon the written request of the Holders of not less than twenty-five per centum (25%) in aggregate principal amount of Outstanding Bonds relating thereto, by written notice to the Authority, declare the principal of the respective Bonds to be immediately due and payable, whereupon that portion of the principal of such Bonds thereby coming due and the interest thereon accrued to the date of payment shall, without further action, become and be immediately due and payable, anything in the Indenture or in such Bonds to the contrary notwithstanding. Upon the happening and continuance of an Event of Default, the Trustee may, and shall upon the written request of the Holders of not less than twenty-five per centum (25%) in aggregate principal amount of the outstanding Bonds relating thereto, proceed forthwith by suit or suits at law or in equity or by any other appropriate remedy to enforce payment of such Bonds, to enforce application to such payment of the funds, revenues and income appropriated thereto by the Indenture and by such Bonds, to enforce rights of the Authority under such Lease, and to enforce any such other appropriate legal or equitable remedy as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce any of its rights or any of the rights of the Bondholders with respect thereto. Notwithstanding the foregoing, the Trustee need not proceed upon any such written request of such Bondholders, as

aforesaid, unless such Bondholders shall have offered to the Trustee security and indemnity satisfactory to it against the costs, expenses and liabilities to be incurred therein or thereby.

Power of Majority of BondholdersAnything in the Indenture to the contrary notwithstanding, the Holders of a majority in aggregate principal amount of Bonds Outstanding hereunder with respect to a Lease shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all proceedings to be taken under the Indenture and such Lease; provided, that such direction shall not be otherwise than in accordance with the provisions of law and that the Trustee shall be indemnified as provided in the Indenture.**Notice to Bondholders**The Trustee shall give to the Holders of the Bonds relating to a Lease whose names and addresses are known to it, written notice of all Events of Default relating to such Lease known to the Trustee by virtue of actual knowledge of a Responsible Officer, within sixty (60) days after the occurrence of an Event of Default unless such Event of Default shall have been cured before the giving of such notice; provided that, except in the case of an Event of Default in the payment of principal and interest on any of such Bonds, the Trustee shall be protected in withholding such notice if and so long as its Board of Directors, an executive committee or trust default committee or chief executive officer of the Trustee in good faith determines that the withholding of such notice is in the interest of the Bondholders relating thereto.**Amendments to the Lease Not Requiring Consent of Bondholders**The Authority, the City and the Trustee may, without the consent of or notice to the Bondholders, consent to any amendment, change or modification of the Lease as may be required (i) by the provisions of the Lease and the Indenture, (ii) in connection with the issuance of Additional Bonds as provided herein, (iii) in connection with the financing of any additions or expansions of the Project, so long as such amendments do not affect the obligation of the City to make Rental Payments as they become due and payable, (iv) for the purpose of curing any ambiguity or formal defect or omission, or (v) in connection with any other change therein which is not to the prejudice of the Trustee or the Holders of the Bonds.**Amendments to Lease Requiring Consent of Bondholders**Except for the amendments, changes or modifications as provided elsewhere in the Indenture, neither the Authority nor the Trustee shall consent to any other amendment, change or modification of any Lease without the written approval or consent of the Holders of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding relating thereto given and procured as in this Section provided; provided, however, that no such amendment, change or modification shall ever affect the obligation of the City to make Rental Payments as they become due and payable. If the Holders of not less than a majority in aggregate principal amount of the Bonds Outstanding hereunder with respect to a Lease at the time of the execution of any such amendment, change or modification shall have consented to and approved the execution thereof as herein provided, no Holder of any such Bond shall have any right to object to any of the terms and provisions contained therein, or in the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee, the Authority or the City from executing the same or from taking any action pursuant to the provisions thereof.**Supplemental Indentures.** The Authority, upon resolution, and the Trustee from time to time and at any time, subject to the conditions and restrictions in the Indenture contained, may enter into such indentures supplemental hereto as may or shall by them be deemed necessary or desirable without the consent of any Bondholder for any one or more of the following purposes:

- (v) To correct the description of any property hereby pledged or intended so to be, or to assign, convey, pledge or transfer and set over unto the

Trustee, subject to such liens or other encumbrances as shall be therein specifically described, additional property or properties of the Authority or the City for the equal and proportional benefit and security of the Holders and owners of all Bonds at any time issued and Outstanding under the Indenture, subject, however, to the provisions hereinabove set forth with respect to extended Bonds;

(vi) To add to the covenants and agreements of the Authority in the Indenture contained other covenants and agreements thereafter to be observed, or to surrender any right or power reserved to or conferred upon the Authority or to or upon any successor;

(vii) To evidence the succession or successive successions of any other department, agency, body or corporation to the Authority and the assumption by such successor of the covenants, agreements and obligations of the Authority in the Bonds hereby secured and in the Indenture and in any and every supplemental indenture contained or the succession, removal or appointment of any trustee or paying agent hereunder;

(viii) To cure any ambiguity or to correct or supplement any provision contained herein or in any supplemental indentures which may be defective or inconsistent with any other provision contained herein or in any supplemental indenture, or to make such other provisions in regard to matters or questions arising under the Indenture or any supplemental indenture as the Authority may deem necessary or desirable and which shall not be inconsistent with the provisions of the Indenture or any supplemental indenture and which shall not impair the security of the same;

(ix) To modify, eliminate and/or add to the provisions of the Indenture to such extent as shall be necessary to effect the qualification of the Indenture under the Trust Indenture Act of 1939, as then amended, or under any similar Federal statute hereafter enacted, and to add to the Indenture such other provisions as may be expressly permitted by said Trust Indenture Act of 1939, excluding, however, the provisions referred to in Section 316(a)(2) of said Trust Indenture Act of 1939; and

(x) To provide for the issuance of Additional Bonds pursuant to the Indenture.

2022 ANNUAL COMPREHENSIVE FINANCIAL REPORT

The following pages include the City's Annual Comprehensive Financial Report ("ACFR") for fiscal year ended December 31, 2022. (The City's ACFR for fiscal year ended December 31, 2023 is not yet available.)

CITY OF CHASKA

STATE OF MINNESOTA



2022 ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2022

**CITY OF CHASKA
CARVER COUNTY, MINNESOTA**

Annual Comprehensive Financial Report

For the Fiscal Year Ended
December 31, 2022

Matthew Podhradsky, City Administrator

Report Prepared by
Administrative Services Department

Noel Graczyk, Administrative Services Director

SECTION I: INTRODUCTORY

Letter of Transmittal	1
GFOA Certificate of Achievement	8
Organization and Administrative Structure.....	9
Elected and Administrative Officials	10

SECTION II: FINANCIAL SECTION

INDEPENDENT AUDITOR’S REPORT	11
---	-----------

MANAGEMENT’S DISCUSSION AND ANALYSIS	15
---	-----------

BASIC FINANCIAL STATEMENTS:

Government-Wide Financial Statements:

Statement of Net Position.....	32
Statement of Activities	33

Fund Financial Statements:

Balance Sheet - Governmental Funds	36
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	37
Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds.....	38
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	39
Statement of Revenues, Expenditures and Changes in Fund Balances Budget and Actual - General Fund	40
Statement of Net Position - Proprietary Funds.....	42
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds	43
Statement of Cash Flows - Proprietary Funds.....	44
Notes to the Financial Statements.....	45

REQUIRED SUPPLEMENTARY INFORMATION:

PERA - General Employees Retirement Fund Schedule of City’s and Non-Employer Proportionate Share of Net Pension Liability	100
PERA - General Employees Retirement Fund Schedule of City Contributions	100
PERA - Public Employees Police and Fire Fund Schedule of City’s and Non-Employer Proportionate Share of Net Pension Liability	101

Table of Contents
Annual Comprehensive Financial Report

City of Chaska, Minnesota

For the Year Ended December 31, 2022

	Page
PERA - Public Employees Police and Fire Fund Schedule of City Contributions	101
CFDRAPP, Schedule of Changes in Net Pension Liability (Asset) and Related Ratios	102
CFDRAPP, Schedule of City Contributions	103
Schedule of Changes in Total OPEB Liability and Related Ratios.....	104
Notes to Required Supplementary Information	105
 COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES:	
GOVERNMENTAL FUNDS:	
Nonmajor Governmental Funds:	
Combining Balance Sheet	112
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	113
Nonmajor Special Revenue Funds:	
Combining Balance Sheet	116
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	117
Nonmajor Debt Service Funds:	
Combining Balance Sheet	120
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	122
Nonmajor Capital Project Funds:	
Combining Balance Sheet	126
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	128
Combining Balance Sheet – Tax Increment Funds	130
Combining Statement of Revenues, Expenditures and Changes in Fund Balances Tax Increment Funds	132
Nonmajor Budgeted Special Revenue and Capital Project Funds:	
MOUNT PLEASANT MAINTENANCE & CARE SPECIAL REVENUE FUND:	
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	135
CHASKA EDA SPECIAL REVENUE FUND:	
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	136
EQUIPMENT ACQUISITION CAPITAL PROJECT FUND:	
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	137

PROPRIETARY FUNDS:

Nonmajor Enterprise Funds:

Combining Statement of Net Position..... 140

Combining Statement of Revenues, Expenses and Changes in Net Position..... 141

Combining Statement of Cash Flows..... 142

SECTION III: STATISTICAL (UNAUDITED)

Net Position by Component 146

Changes in Net Position 148

Governmental Activities Tax Revenues by Source..... 149

Fund Balances of Governmental Funds 150

Changes in Fund Balances of Governmental Funds 152

General Governmental Tax Revenues by Source..... 155

Tax Capacity Value and Estimated Actual Value of Real and Personal Property 156

Property Tax Rates – Direct and Overlapping Governments..... 158

Principal Property Taxpayers 159

Property Tax Levies and Collections 160

Ratios of Outstanding Debt by Type..... 162

Ratios of General Bonded Debt Outstanding to Estimated Actual Taxable Value 164

Direct and Overlapping Governmental Activities Debt..... 165

Legal Debt Margin Information 166

Pledged Revenue Coverage..... 168

Demographic and Economic Statistics..... 170

Principal Employers 171

Full-Time Equivalent City Government Employees by Function / Program..... 172

Operating Indicators by Function / Program..... 174

Capital Asset Statistics by Function / Program..... 176



City of Chaska

June 22, 2023

**To the Citizens of the City of Chaska, Honorable Mayor and Council Members, and
Mr. Matt Podhradsky, City Administrator**

The Annual Comprehensive Financial Report of the City of Chaska, Minnesota, for the year ended December 31, 2022, is hereby submitted. The report was prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as established by the Governmental Accounting Standards Board and meets the requirements of the Minnesota State Auditor's Office.

This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by Malloy, Montague, Karnowski, Radosevich, & Co., P.A., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended December 31, 2022, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial presentation. Based upon the audit, the independent auditor concluded that there was reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended December 31, 2022, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first item in the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Chaska's MD&A can be found in the financial section of this report, immediately following the independent auditor's report.

City Profile

The City of Chaska was founded in 1851 and incorporated on March 3, 1891. The City is located in eastern Carver County, with the Minnesota River bordering the City to the south. It encompasses 17.8 square miles and has an estimated population of 27,931. The City operates under a Statutory Plan A form of government where policymaking and legislative authorities are vested in the City Council. The City Council consists of a mayor and four council members and is responsible, among other things, for passing ordinances, adopting the budget, and appointing committees. The mayor is elected for a two-year term of office and four council members serve four-year staggered terms, with two council members elected every two years. Non-partisan elections are held on the Tuesday after the first Monday in November, of each even-numbered year.

The City Administrator is appointed by the City Council and also serves as the City Clerk. The City Administrator is responsible for carrying out policies and ordinances of the City Council and overseeing daily operations of the City. A City Attorney is retained and appointed by the Chaska City Council. The Administrative Services Director serves as City Treasurer.

The City of Chaska provides a full range of services, including police and fire protection; building inspections; construction and maintenance of highways, streets, and other infrastructure; recreational activities and cultural events; and general administrative services. The City also operates nine enterprises: electric, water, sewer, and storm water utilities, a community center, two golf courses, a turbine generator, and a curling and event center.

The City is also financially accountable for the Chaska Economic Development Authority (EDA), which is included in this report as a blended component unit. The Chaska City Council serves as the board of the EDA.

The primary focus of the City of Chaska is to enhance and maintain the high quality of life of its “shareholders”, the citizens of Chaska. Consistent with this focus, the City will strive to maintain its unique historical small-town image and sense of community while supporting well-planned, orderly growth. To achieve this focus, the City has established six ongoing core strategies:

- Enhance Chaska’s high quality of life
- Plan orderly community development
- Maintain a sense of community and small-town values
- Assure that quality basic municipal services are provided
- Maintain a commitment to excellence
- Develop and maintain partnerships

The annual budget serves as the foundation for the City of Chaska’s financial planning and control. The objectives of these budgetary controls are to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Chaska City Council. The activities of the General Fund and certain special revenue and capital project funds are included in the annual appropriated budget. Debt service budgetary control is established by bond sale resolution covenants. Project-length financial plans are adopted for capital project funds.

The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level. Expenditures for departments or divisions that exceed appropriations are not authorized unless additional revenue sources or fund balance are identified and available. Unused appropriated expenditures lapse at year-end.

City of Chaska, Minnesota**For the Year Ended December 31, 2022**

The City maintains stable financial operations due to a history of conservative budgeting, maintenance of healthy reserves, and a lack of reliance on state aid.

Economic Condition and Outlook

Since 2000, the City of Chaska has seen a significant amount of population growth and expects to continue growth through 2040.

<i>Year</i>	<i>Population*</i>	<i>% Increase</i>
2000	17,603	
2010	23,770	35.0%
2020	27,810	17.0%
2022	27,931	0.4%
2030 Projected	32,000	14.6%
2040 Projected	36,600	14.4%

**Source of Projected Population: Metropolitan Council*

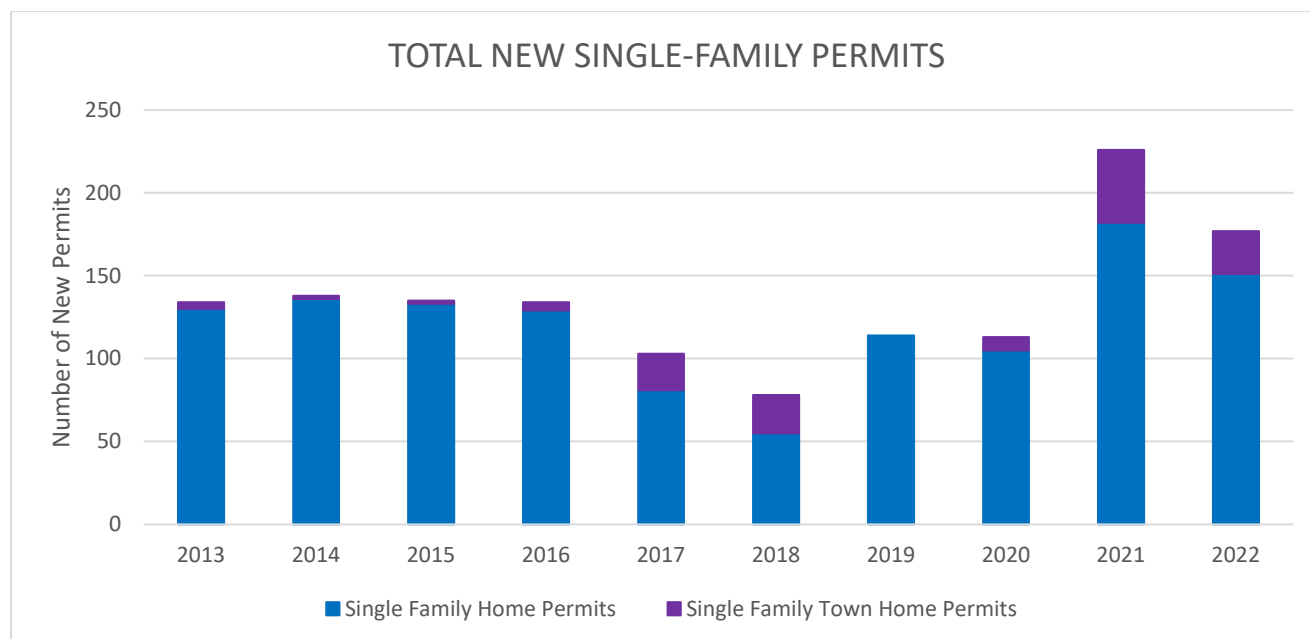
The increase in population between 2000 and 2010 is attributed to the addition of approximately 200 to 500 housing units (both single family and multifamily units) per year from 2002 through 2005, as well as the addition of a significant amount of commercial development in the community. This commercial development included both small boutique stores and large service centers such as Home Depot, Super Target and Kohl's.

Chaska saw the majority of its industrial development growth in the late 1980s and early 1990s. Nearly 8,000 jobs were created, with over 13,000 jobs in total in the community. The industrial park was near full capacity in the 1990s, with the exception of a few remaining sites. National and international companies such as Entegris, TEL-FSI, Lake Region Manufacturing, and Beckman Coulter all offer several hundred jobs at each facility. Housing and commercial development occurring after 2000 resulted directly from both a strong housing market and employment opportunities available in Chaska.

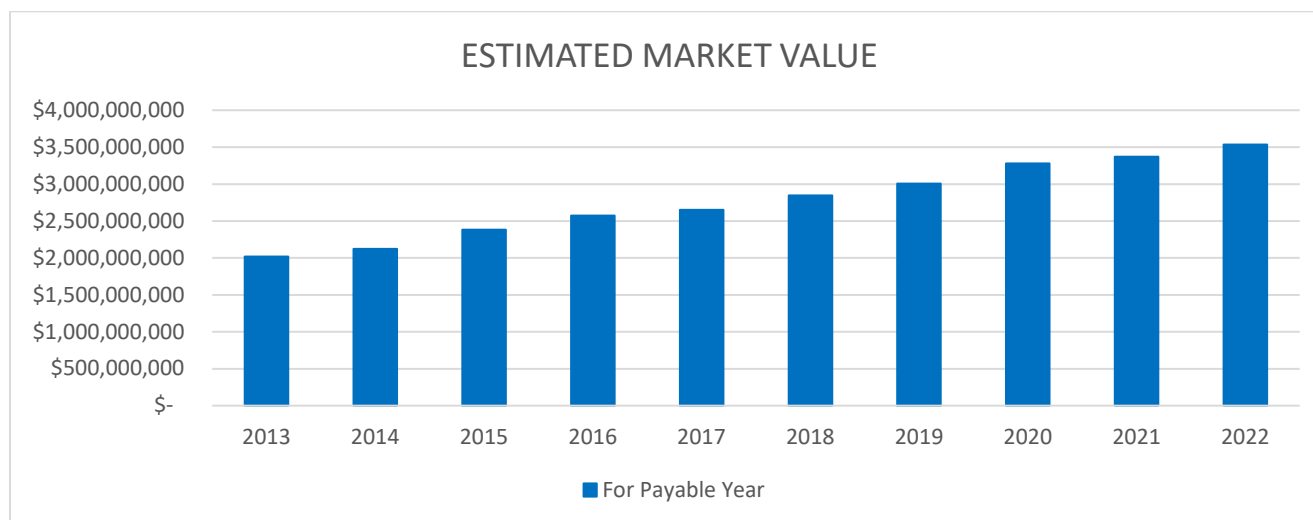
As with other communities across the country, the City saw a drop in new housing development beginning in 2007. The number of new single family permits rebounded beginning in 2012. Between 2013 and 2021 the City averaged 130 new single family permits annually. With 177 new single-family permits in 2022, the city has seen new construction continue above the 10-year average for a second consecutive year.

City of Chaska, Minnesota

For the Year Ended December 31, 2022



With the rebound in housing, market value in the City has also continued to increase.



Other development opportunities within the City include the following:

Industrial Parks

There are two existing industrial parks located within Chaska with a combined capacity of 679 acres. Currently there are over one hundred enterprises occupying the parks, the largest of which include Lake Region Manufacturing, TEL-FSI International Inc., Beckman Coulter, Bailiwick and Lifecore Biomedical. There are a few remaining sites available within the industrial park.

Southwest Chaska Corporate and Industrial Development

The City has approximately 390 acres of corporate and industrial land that has started to develop along Highway 212. There is room for 5.5 million square feet of office and industrial space which will be marketed towards

City of Chaska, Minnesota**For the Year Ended December 31, 2022**

bioscience and high-tech companies. When complete, it is expected to add between \$300 and \$500 million of taxable market value as well as 4,000 to 6,000 quality jobs.

The first project in this new industrial area was United Health Group's 250,000 square foot data center that began operations in 2012. The second project was Stream Data's 115,000 square foot data center that completed construction in late 2014. The third project was the development of an approximately 100,000 square foot data center facility for US Bank National Association completed in 2017. The City continues to actively recruit other data centers to locate in the remaining parcels in this area.

Southwest Chaska Master Plan

Development of objectives outlined in the Southwest Chaska Master Plan began in 2017. The plan guides development and land use for an undeveloped two square mile area in southwest Chaska along Highway 212. While most of this area was originally determined to be residential, the new master plan allows for more corporate uses and allows the residential development to be more consistent with market conditions.

To support access to the southwest Chaska area, the City received approval in late 2011 for the addition of an interchange off U.S. Highway 212 at Carver County Road 44. This opened up additional land for corporate/industrial development. In 2017, this \$21 million interchange project was approved for \$10 million in funding as part of the State Bonding Bill. The City of Chaska and Carver County provided funding for the remaining \$11 million. Construction began in 2019 and was substantially completed in 2020.

In 2021, the City began working on a joint State, County, and City cooperative project to reconstruct Minnesota State Highway 41 and Carver County Road 61 through Chaska's historic downtown area. This \$31 million reconstruction project is expected to take approximately 3 years, with substantial work to be done in 2023. The City, acting as the lead on the project, issued \$25.3 million of Temporary State Aid Street Bonds in 2022 to support project funding for the share of the project that is to be reimbursed to the City by the State of Minnesota Department of Transportation and Carver County. The City intends to issue permanent bonds when the line of credit expires in 2024. Due to project delays, the official start of construction did not occur until Spring of 2023.

Long-Term Financial Planning

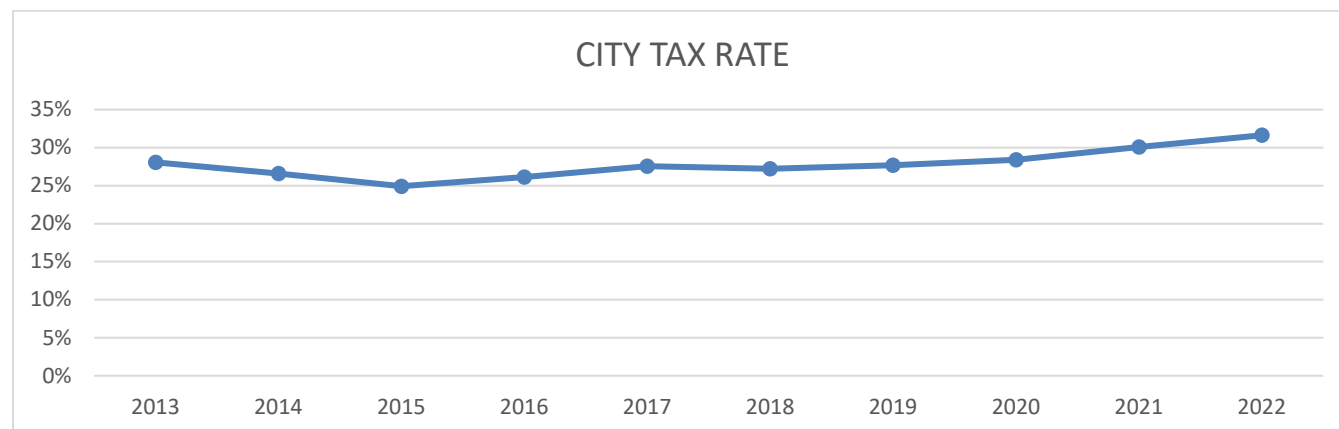
Each year the City develops a five-year financial forecast. The primary purpose of the forecast is to project available revenues and anticipated expenditures for all operating funds supported by property tax levies. The forecast is also used to establish the City's maximum tax levy. In preparing the five-year forecast, every attempt is made to accurately and conservatively estimate revenues and expenditures. The 2022 budget and five-year forecast were both developed based on the following objectives:

1. Support budget programs that help Chaska strengthen its mission of being "The Best Small Town in Minnesota"
2. Maintain existing high-quality service levels, funding new programs only after the existing, necessary programs are funded
3. Limit tax levy growth to capture only new growth and inflation
4. Fully fund scheduled maintenance and replacement of equipment/property
5. Increase levy additionally only if new service levels or assets are being added
6. Budget utilizing a plan that avoids draw-down of the City's General fund reserve
7. Fully levy to support the adopted street reconstruction program
8. Develop a budget plan that is sustainable from a resource perspective to support the service levels residents expect

City of Chaska, Minnesota**For the Year Ended December 31, 2022**

Key factors which impact both the costs of providing services and the City's revenue resources are changes in Chaska's population and households. The current 2022 – 2026 financial forecast strives to balance existing and future service level demands within the forecasted revenues while at the same time maintaining a low property tax rate.

The City's tax rate decreased after the Great Recession in 2008 – 2009 due to declines in market values. Market values have recovered, allowing the City to implement a capital asset maintenance program while keeping property tax rates relatively constant. The tax rate is 31.6 percent in 2022.



In 2018, the City updated its Comprehensive Plan, which is a requirement from the Metropolitan Council to make local plans consistent with its updated Regional Development Framework. The 2040 Comprehensive Plan guides the direction of the City in several major areas: land use, transportation, environment, parks and trails, and public facilities. Each of these areas is examined in a comprehensive manner, in order to take advantage of opportunities, avoid problems, and work towards building a stronger community.

Major Initiatives

One of the City's main initiatives has been the development and implementation of its Downtown Master Plan. Chaska has a historic downtown core, with several commercial buildings and homes over 100 years old. A major focus of this initiative is to define how the City, businesses, and residents reinvest back into this unique area, to make it economically viable into the future.

Downtown redevelopment continues to be a priority. The City continues its multi-year program to reconstruct streets in the historic downtown core. This reconstruction has reinvigorated the coordination and planning efforts for the transformation of another downtown block, which will be called City Square West. The City envisions a gathering space that attracts citizens to come downtown to enjoy new and readily accessible services. Construction is estimated to start in late 2023 or early 2024.

Another major initiative for the City is the continuing capital asset maintenance plan. Key to this plan is \$1 million of levy annually dedicated to reinvest in parks, streets and trails.

Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Chaska for its Annual Comprehensive Financial Report for fiscal year ended December 31, 2021.

The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report whose contents conform to program standards. An Annual Comprehensive Financial Report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City of Chaska has received a Certificate of Achievement every year since 1989. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

Acknowledgements

The preparation of this report was made possible by the dedicated service of the City staff, and in particular, members of the Administrative Services Department. Special recognition goes to Lisa Nelson, Controller; Erin Barnum, Accounting Supervisor; and Matt Burt, Accountant II. Their contributions were essential in the preparation and production of this report.

We would like to express appreciation to Matt Podhradsky, the City Administrator, and to the Honorable Mayor and Chaska City Council members for their interest and support in planning and conducting the financial operations of the City.

Respectfully submitted,

Noel J. Graczyk
Administrative Services Director, Treasurer



Government Finance Officers Association

Certificate of
Achievement for
Excellence in
Financial Reporting

Presented to

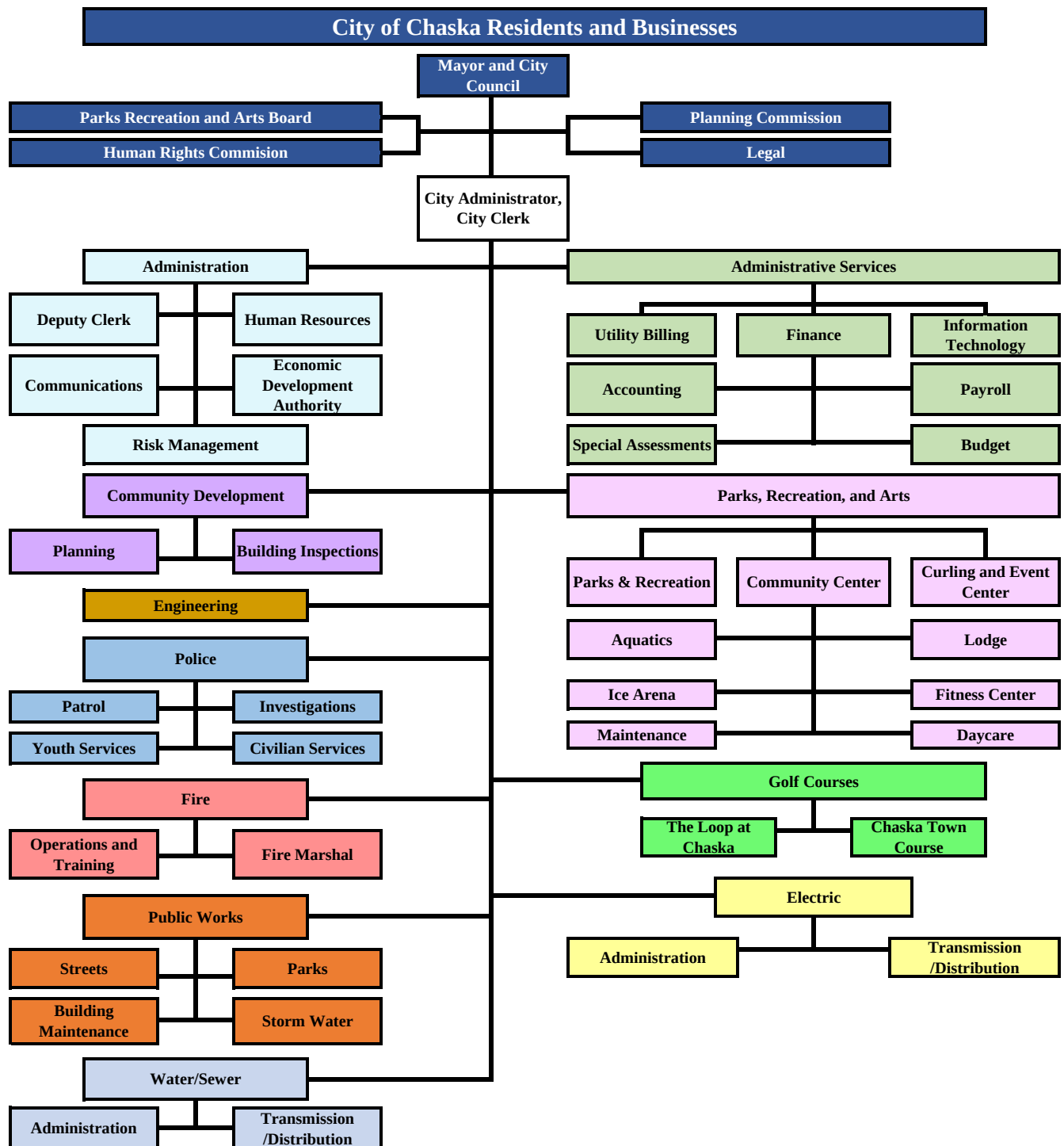
**City of Chaska
Minnesota**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2021

Christopher P. Morrill

Executive Director/CEO



Elected Officials

Name	Title	Term Expires
Mark Windschitl	Mayor	December 31, 2024
Jon Grau	Council Member, Ward 1	December 31, 2026
Taylor Hubbard	Council Member, Ward 2	December 31, 2024
McKayla Hatfield	Council Member, Ward 3	December 31, 2026
Mike Huang	Council Member, Ward 4	December 31, 2024

Administrative Officials

City Staff:	
City Administrator/City Clerk	Matt Podhradsky
Assistant City Administrator	Elise Durbin
Administrator Services Director, Treasurer	Noel Graczyk
Community Development Director	Nate Kabat
City Engineer	Matt Clark
Chief of Police	Ryan Seibert
Fire Chief	Stephen Kraus
Public Works Director	Brian Jung
Director of Parks and Recreation	Marshall Grange
Electric Director	Pete Wyffels
Water and Sewer Director	Matt Haefner
Golf Professional	John Kellin
Executive Director of Chaska Economic Development Authority (EDA)	Matt Podhradsky

INDEPENDENT AUDITOR'S REPORT

To the City Council and Management
City of Chaska, Minnesota

OPINIONS

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Chaska, Minnesota (the City) as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of December 31, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof, and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

BASIS FOR OPINIONS

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

EMPHASIS OF MATTER

Change in Accounting Principle

As described in Note 1 to the basic financial statements, in fiscal year 2022, the City adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

(continued)

RESPONSIBILITIES OF MANAGEMENT FOR THE FINANCIAL STATEMENTS

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for 12 months beyond the financial statements date, including any currently known information that may raise substantial doubt shortly thereafter.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

(continued)

REQUIRED SUPPLEMENTARY INFORMATION

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information (RSI), as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the GASB, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the RSI in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

SUPPLEMENTARY INFORMATION

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

OTHER INFORMATION

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or if the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2023, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Malloy, Montague, Karnowski, Radosevich & Co., P. A.

Minneapolis, Minnesota
June 22, 2023

As management of the City of Chaska (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the year ended December 31, 2022. We encourage readers to consider the information presented here in conjunction with additional information we have furnished in our letter of transmittal, located earlier in the report, and the City's basic financial statements following this section.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$223,609,663 (*net position*). Of that amount, \$33,916,585 is restricted for specific purposes (*restricted net position*) and \$197,727,756 represents the net investment in capital assets.
- The City's governmental funds reported combined ending fund balances of \$24,019,151. This is an increase of \$2,487,295 from the prior year.
- At the end of the current fiscal year, the General fund had a fund balance of \$3,653,255. Although not legally restricted, the City has committed \$1,277,890 in fund balance, with \$977,890 committed for compensated absences and \$300,000 in a stabilization arrangement. The City has assigned \$474,561 for compensated absences and has \$119,345 in non-spendable fund balance, leaving \$1,781,459 in unassigned fund balance.
- Total bonds and premium payable decreased \$4,720,935 during the year. At the end of the year, the City reported \$117,319,672 in bonds and premium payable.
- As described in Note 1 of the notes to the basic financial statements, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*, during the fiscal year ended December 31, 2022. This standard changed the way lease transactions are reported by the City, but did not result in a restatement of net position in the current year.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

These financial statements include not only the City itself (known as the primary government), but also the Chaska Economic Development Authority (EDA). The EDA has been presented as a blended component unit of the City's financial statements in accordance with accounting principles generally accepted in the United States of America.

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

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

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

The government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include General Government, Public Safety, Public Works, Parks, Recreation and Arts, and Economic Development. The business-type activities of the City include Electric, Water, Sewer, and Storm Water utilities, along with the Community Center, The Loop at Chaska, Chaska Town Course, Turbine Generator, and Curling Center operations.

Fund Financial Statements – A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The City's funds are reported in two categories: governmental funds and proprietary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for the governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains numerous individual governmental funds. Information is presented separately in the governmental funds Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund and Public Improvement Projects Fund, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements or schedules elsewhere in this report.

The City adopts an annual appropriated budget for its General Fund, Mount Pleasant Maintenance & Care Fund, Chaska EDA Fund, and Equipment Acquisition Fund. Budgetary comparison statements have been provided for these funds to demonstrate compliance with the budget.

Proprietary Funds – The City maintains two different types of proprietary funds:

- *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its Electric, Water,

Sewer, and Storm Water utilities, along with the Community Center, The Loop at Chaska, Chaska Town Course, Turbine Generator, and Curling Center operations.

- *Internal service funds* are used to accumulate and allocate costs internally among the City's various functions. The City has one internal service fund that is used to account for the purchase of property, liability, and worker's compensation insurance. This internal service fund is included in the governmental activities in the government-wide financial statements. The internal service fund is presented in a single column in the proprietary funds financial statements.

Proprietary fund statements provide the same type of information as the government-wide financial statements, only in more detail. Proprietary fund financial statements provide separate information for the Electric, Water, Community Center, Turbine Generator, and Curling Center operations, all of which are considered to be major funds of the City. Data from the non-major enterprise funds are combined into a single, aggregated presentation.

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

Other Information - In addition to the basic financial statements, the financial section also presents required supplementary information, and the combining and individual fund statements and schedules. These statements and schedules are presented immediately following the notes to the financial statements.

A statistical section has been included to facilitate additional analysis and it is the final section of the report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of the City's financial position. For the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$223,609,663 at the close of 2022.

By far, the largest portion of the City's net position (88.4%) reflects its net investment in capital assets (e.g., land, buildings, machinery, equipment, right to use leased assets, and infrastructure), reduced by the outstanding balance of any long-term debt used to acquire those assets and the outstanding balance of any capital related payables, such as contracts and retainage payable. The City uses capital assets, including leased assets, to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position represents resources that are subject to external restriction on how they may be used. The amount of restricted net position is \$33,916,585. After restrictions, the City is reporting an unrestricted net position deficit of \$8,034,678 an increase of \$742,417 from the prior year.

Summary of Net Position

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Assets						
Current and Other Assets	\$ 59,751,765	\$ 43,180,731	\$ 45,820,136	\$ 44,339,509	\$ 105,571,901	\$ 87,520,240
Capital Assets	198,671,549	191,717,328	85,538,546	80,651,941	284,210,095	272,369,269
Total Assets	<u>\$ 258,423,314</u>	<u>\$ 234,898,059</u>	<u>\$ 131,358,682</u>	<u>\$ 124,991,450</u>	<u>\$ 389,781,996</u>	<u>\$ 359,889,509</u>
Deferred Outflows of Resources						
Pension Plan Deferments	\$ 11,529,413	\$ 7,425,190	\$ 1,891,662	\$ 2,428,772	\$ 13,421,075	\$ 9,853,962
OPEB Plan Deferments	23,697	50,618	10,385	21,109	34,082	71,727
Total Deferred Outflows of Resources	<u>\$ 11,553,110</u>	<u>\$ 7,475,808</u>	<u>\$ 1,902,047</u>	<u>\$ 2,449,881</u>	<u>\$ 13,455,157</u>	<u>\$ 9,925,689</u>
Total Assets and Deferred Outflows	<u>\$ 269,976,424</u>	<u>\$ 242,373,867</u>	<u>\$ 133,260,729</u>	<u>\$ 127,441,331</u>	<u>\$ 403,237,153</u>	<u>\$ 369,815,198</u>
Liabilities						
Other Liabilities	\$ 20,828,929	\$ 8,692,780	\$ 6,502,604	\$ 5,587,195	\$ 27,331,533	\$ 14,279,975
Noncurrent Liabilities	82,124,988	68,890,316	64,161,458	65,851,177	146,286,446	134,741,493
Total Liabilities	<u>\$ 102,953,917</u>	<u>\$ 77,583,096</u>	<u>\$ 70,664,062</u>	<u>\$ 71,438,372</u>	<u>\$ 173,617,979</u>	<u>\$ 149,021,468</u>
Deferred Inflows of Resources						
Leases	\$ 2,120,325	\$ -	\$ 2,080,022	\$ -	\$ 4,200,347	\$ -
Debt Refunding Deferments	-	-	296,208	333,234	296,208	333,234
Pension Plan Deferments	771,529	8,792,270	125,050	2,867,193	896,579	11,659,463
OPEB Plan Deferments	428,576	2,337	187,801	974	616,377	3,311
Total Deferred Inflows of Resources	<u>\$ 3,320,430</u>	<u>\$ 8,794,607</u>	<u>\$ 2,689,081</u>	<u>\$ 3,201,401</u>	<u>\$ 6,009,511</u>	<u>\$ 11,996,008</u>
Net Position						
Net Investment in Capital Assets	\$ 150,575,322	\$ 141,167,187	\$ 47,152,434	\$ 40,160,983	\$ 197,727,756	\$ 181,328,170
Restricted	18,560,127	19,532,032	15,356,458	16,714,615	33,916,585	36,246,647
Unrestricted	(5,433,372)	(4,703,055)	(2,601,306)	(4,074,040)	(8,034,678)	(8,777,095)
Total Net Position	<u>\$ 163,702,077</u>	<u>\$ 155,996,164</u>	<u>\$ 59,907,586</u>	<u>\$ 52,801,558</u>	<u>\$ 223,609,663</u>	<u>\$ 208,797,722</u>
Total Liabilities, Deferred Inflows, and Net Position	<u>\$ 269,976,424</u>	<u>\$ 242,373,867</u>	<u>\$ 133,260,729</u>	<u>\$ 127,441,331</u>	<u>\$ 403,237,153</u>	<u>\$ 369,815,198</u>

Governmental activities – Total net position of the governmental activities increased \$7,705,913 to \$163,702,077. The change in net position is largely due to the increase in capital assets related to developer contributions of land and infrastructure and construction for several new road projects. Net investment in capital assets increased \$9,408,135 due to these developer contributions and capital projects. Unrestricted net position decreased \$730,317 from the prior year.

Business-type activities – Total net position of the business-type activities increased \$7,106,028 to \$59,907,586. Net investment in capital assets increased \$6,991,451 due to construction of water, sewer, and storm water system assets, and golf course reconstruction. Unrestricted net position improved \$1,472,734 from the prior year.

Management's Discussion and Analysis

City of Chaska, Minnesota

For the Year Ended December 31, 2022

	Changes in Net Position					
	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues						
Program Revenues:						
Charges for Services	\$ 16,940,761	\$ 10,476,268	\$ 75,537,845	\$ 67,649,321	\$ 92,478,606	\$ 78,125,589
Operating Grants & Contributions	976,529	3,729,076	66,775	145,088	1,043,304	3,874,164
Capital Grants & Contributions	13,399,011	11,685,438	1,523,889	4,712,247	14,922,900	16,397,685
General Revenues:						
Property Taxes	14,033,350	12,625,690	-	-	14,033,350	12,625,690
Franchise Taxes	770,755	768,243	-	-	770,755	768,243
Grants & Contributions Not Restricted	10,150	129,545	616	689	10,766	130,234
Investment Earnings	361,050	136,732	110,438	57,955	471,488	194,687
Other General Revenues	510,567	475,224	84,756	102,416	595,323	577,640
Total Revenues	47,002,173	40,026,216	77,324,319	72,667,716	124,326,492	112,693,932
Expenses						
General Government	7,582,962	6,308,239	-	-	7,582,962	6,308,239
Economic Development	1,863,279	1,184,162	-	-	1,863,279	1,184,162
Public Safety	11,018,862	7,542,110	-	-	11,018,862	7,542,110
Public Works	13,902,073	14,663,395	-	-	13,902,073	14,663,395
Parks, Recreation & Arts	4,005,037	1,761,967	-	-	4,005,037	1,761,967
Interest on Long-term Debt	1,676,423	1,709,519	-	-	1,676,423	1,709,519
Electric	-	-	47,590,197	41,793,193	47,590,197	41,793,193
Water	-	-	3,601,725	3,605,735	3,601,725	3,605,735
Sewer	-	-	5,154,941	4,676,438	5,154,941	4,676,438
Community Center	-	-	4,934,083	4,381,300	4,934,083	4,381,300
The Loop at Chaska	-	-	191,878	23,721	191,878	23,721
Chaska Town Course	-	-	3,065,247	2,765,627	3,065,247	2,765,627
Turbine Generator	-	-	832,886	867,361	832,886	867,361
Storm Water	-	-	1,716,611	1,308,391	1,716,611	1,308,391
Chaska Curling Center	-	-	2,378,347	2,215,831	2,378,347	2,215,831
Total Expenses	40,048,636	33,169,392	69,465,915	61,637,597	109,514,551	94,806,989
Excess Before Transfers	6,953,537	6,856,824	7,858,404	11,030,119	14,811,941	17,886,943
Transfers	752,376	1,489,383	(752,376)	(1,489,383)	-	-
Change in Net Position	7,705,913	8,346,207	7,106,028	9,540,736	14,811,941	17,886,943
Net Position - Beginning	155,996,164	147,649,957	52,801,558	43,260,822	208,797,722	190,910,779
Net Position - Ending	\$ 163,702,077	\$ 155,996,164	\$ 59,907,586	\$ 52,801,558	\$ 223,609,663	\$ 208,797,722

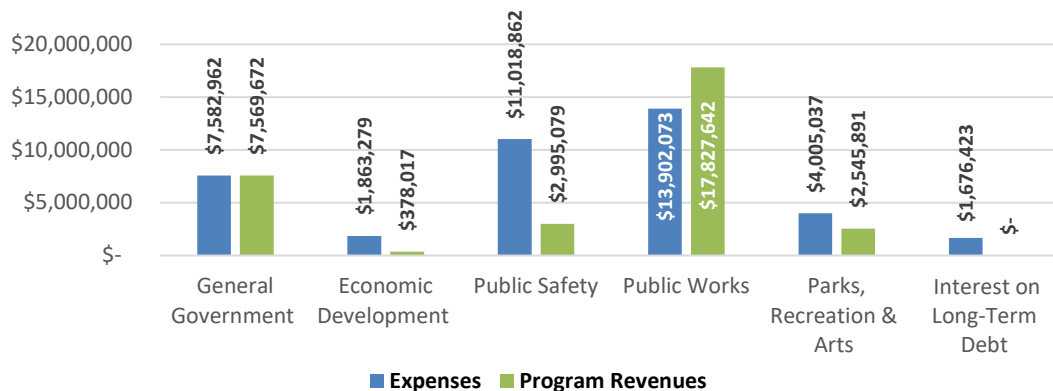
As a whole, the City had total revenues of \$124,326,492, for the year ended December 31, 2022. This is an increase of \$11,632,560 from the prior year.

The total cost of all programs and services was \$109,514,551, an increase of \$14,707,562 from the prior year. The City's expenses are predominantly related to providing services such as police, fire, building inspections, street maintenance, snow removal, purchasing power for electric service, and other utility operations for the citizens of Chaska. Recreation expenses include those related to the wide variety of opportunities offered through the Community Center, Curling Center, golf courses and Park and Recreation programs. Other expenses include economic development and interest on long-term debt.

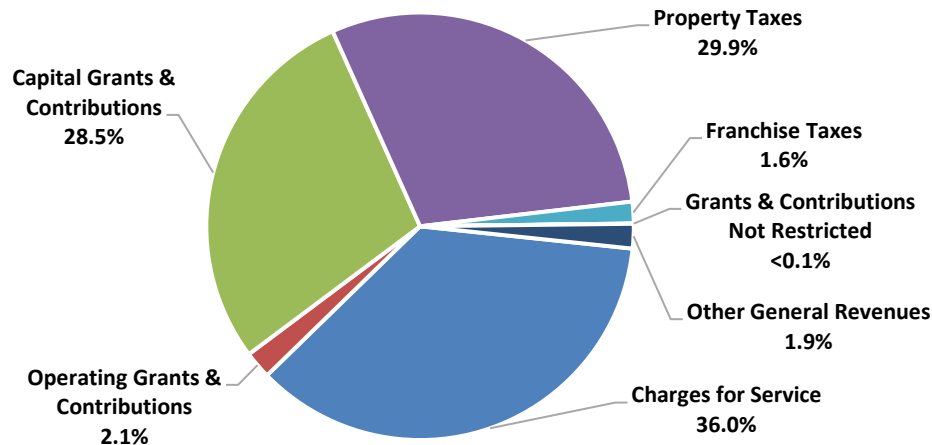
Governmental activities – Governmental Activities revenue increased \$6,975,957 from the prior year and expenses increased \$6,879,244. Significant components of revenue and expenses include:

- Property Taxes were the second largest source of revenue at \$14,033,350 or 29.9%. Property Taxes for 2022 were \$1,407,660 more than the prior year due to an increase in taxes levied.
- Charges for Services made up 36.0% of total revenue, compared to 26.2% the prior year. Charges for services were \$6,464,493 more than the prior year. The majority of this increase is for acreage fees and connection charges which were \$5,076,402 higher than the prior year. Administrative fees were \$312,452 higher than the prior for services provided to City departments.
- Operating Grants and Contributions for 2022 were \$2,752,547 lower than the prior year, due to smaller reimbursements from the County for its share of the cost of joint street projects.
- Capital Grants and Contributions were \$13,399,011, an increase of \$1,713,573 from the prior year. Special assessments, intergovernmental aid and grants, and developer donated assets make up the majority of this revenue. Increases from prior year are due to Federal ARPA funds received and recognized for city street and utility projects.
- Total expenses for all programs and services were \$40,048,636, with street maintenance/construction making up 34.7% of this total. Although the Public Works function decreased \$761,322 from the prior year, the City still had significant costs for several road projects; assets that are partially city-owned.
- The next largest expenses were in public safety and general government which account for 27.5% and 18.9% of the total, respectively. Public safety expenses were \$3,476,752 higher than the prior year due to increased wages and benefits as the departments added employees, and pension expense related to the fire relief. General government expenses were \$1,274,723 higher than the prior year due to increases in wages and benefits, contractual services in several departments for temporary staffing and program assistance, and higher legal fees related to assistance on, and review of, new developments and ongoing projects.
- Net transfers in 2022 include \$3,168,825 in capital asset transfers from governmental activities to business-type activities. Utility infrastructure projects that were reported as construction in progress in governmental activities last year, and completed in 2022, have been transferred to water, sewer, and storm water utilities.
- Additional comparisons can be found in the accompanying graphs.

Expenses and Program Revenues - Governmental Activities



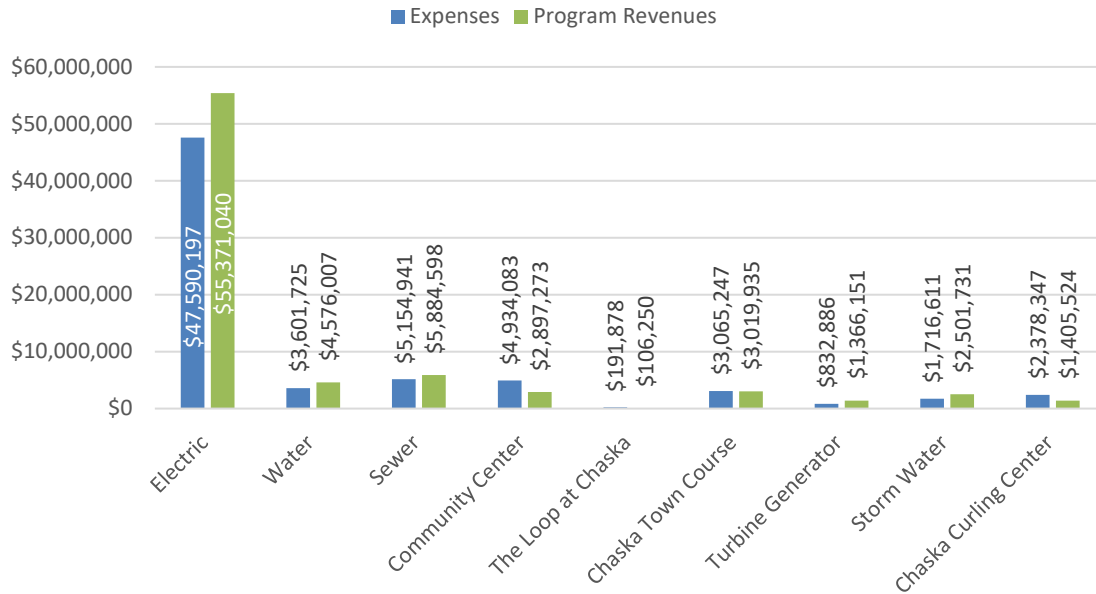
Revenues by Source - Governmental Activities



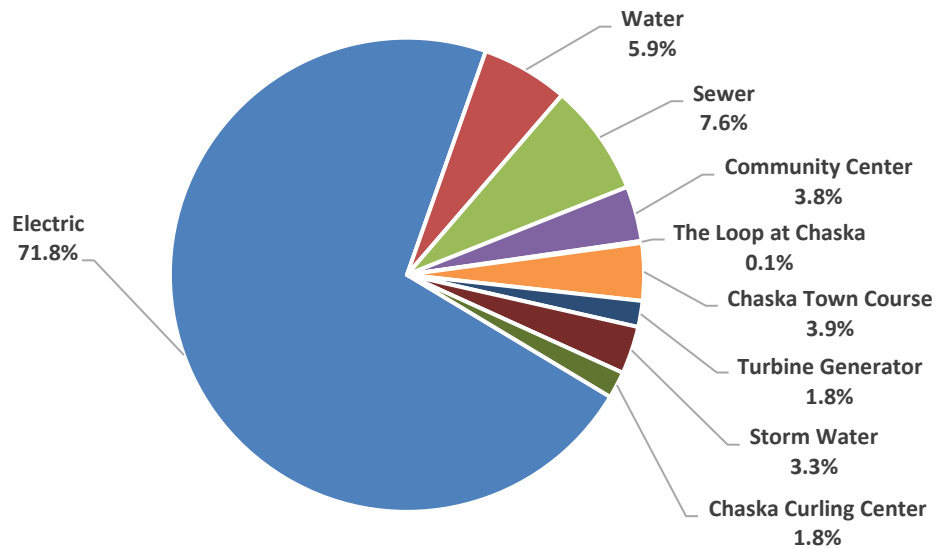
Business-type activities – Business-type Activities revenue increased \$4,656,603 from the prior year and expenses increased \$7,828,318. Significant components of revenue and expenses include:

- Charges for services for business-type activities includes charges for Electric, Water, Sewer, and Storm Water utilities. Also included in charges for services are Community Center, The Loop at Chaska golf course, Chaska Town Course golf course, Turbine Generator, and Curling Center operations. During 2022, the Community Center and Curling Center were able to resume more normal levels of operations as pandemic restrictions lifted. The Loop at Chaska was closed in 2022 for reconstruction. Rounds of golf played at the Chaska Town Course continued to be strong.
- The Electric operations comprise 71.6% of all business-type revenue and 68.5% of all business-type expenses.
- Charges for services increased \$7,888,524, or 11.7% compared to the prior year, largely due to increased electric utility sales.
- Capital Grants and Contributions decreased \$3,188,358. The City accepted donated assets from developers for one finished development in 2022 compared to six developments the prior year.
- Electric charges for services were \$6,001,480 higher than last year due to increased customers and increased usage for some customer types. Expenses were 13.9% or \$5,797,004 higher largely due to higher purchased power costs.
- The Loop at Chaska (formerly Par 30 golf course) was closed for renovation in 2022 and is reporting minimal expenses of \$191,878. The course will reopen as a barrier free course in 2023.
- Charges for Services at the Chaska Community Center and Chaska Curling Center increased \$627,212 and \$488,261, respectively.
- Additional comparisons can be found in the accompanying graphs.

Expenses and Program Revenues - Business-type Activities



Program Revenues - Business-type Activities



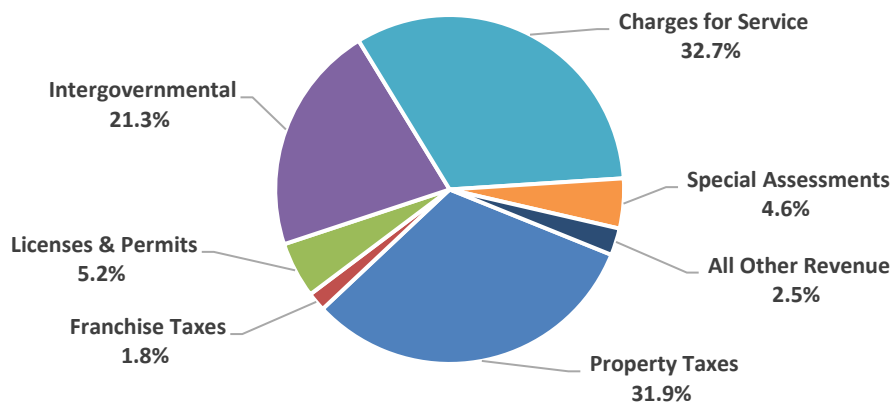
FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

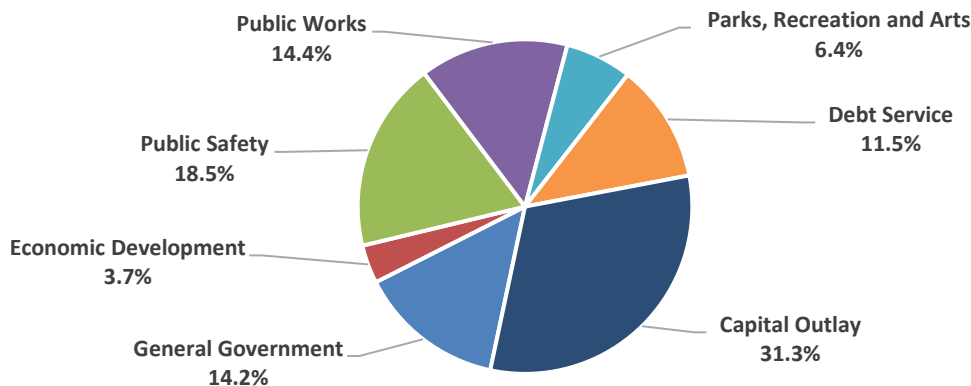
Governmental Funds - The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City of Chaska's financing requirements. In particular, assigned and unassigned fund balance may serve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

At the end of the current fiscal year, the City's governmental funds reported a combined fund balance of \$24,019,151. Revenues for the City's governmental funds were \$44,071,641, while total expenditures were \$50,170,883.

Governmental Funds Revenues



Governmental Fund Expenditures



The **General Fund** is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$1,781,459. Total fund balance increased \$622,331 to \$3,653,255 as of December 31, 2022.

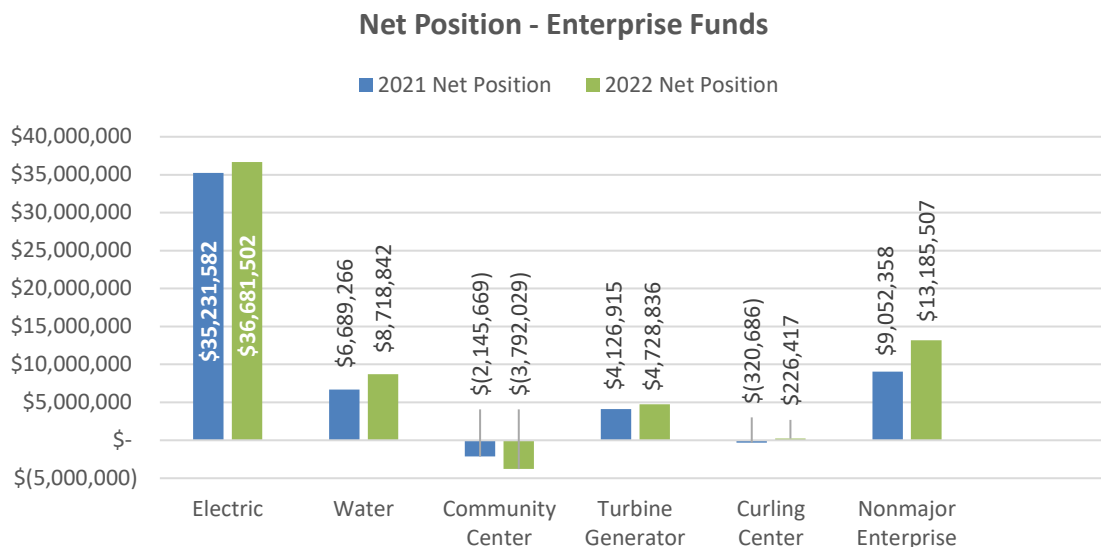
- For the year, total revenues of \$18,781,511 and transfers in of \$4,622,856 less total expenditures of \$22,282,981 and transfers out of \$499,055, resulted in the \$622,331 increase in fund balance. Total revenues were \$3,501,470 less than total expenditures. Overall revenues were higher than the prior year due to an increase in building permit revenue, tax revenue, and recreation program charges for services.
- The City has committed \$977,890 in the general fund for compensated absences estimated to be used in the next year based on a three-year average. The remaining balance of compensated absences has been set aside as assigned. The remaining \$300,000 in committed fund balance is set aside for working capital and reserve needs.

The **Public Improvement Projects Capital Project Fund** is used to account for the revenues and expenditures for public improvement projects. This fund received \$5,922,088 in Federal, State, and local governmental revenue for each agency's share of major construction projects where the City is the lead agency. The City also issued \$4,190,000 in temporary State Aid Street bonds in 2022 for the City's portion of construction costs for the Highway 41 / CSAH 61 reconstruction project.

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

The combined net position of all current year enterprise funds operations increased \$7,115,309 to \$59,749,075. Factors concerning the finances of these funds have been addressed in the discussion of the City's business-type activities.

The following table shows net position changes in individual major funds and combined non-major funds between 2021 and 2022.



General Fund Budgetary Highlights

The final amended budget for the General fund includes the original adopted budget plus any additional supplemental appropriations that were approved by the City Council during the year. In 2022, the original budget was amended, increasing revenues and other financing sources by \$542,060 and increasing expenditures and other financing uses by \$542,060.

- License and permit revenue was amended to reflect an anticipated increase in building permit revenue. Charges for services were amended to recognize a reporting change for parks and recreation. Recreation programs which had previously been Community Center revenue will now be General Fund Park and Recreation program revenue.
- Expenditures were amended in various departments based on anticipated mid-year changes. Police department expenditures were amended for costs related to moving from purchased fleet vehicles to leased fleet vehicles. Building inspections expenditures were amended to increase the budget for contractual services needed to support the increased volume of permits and inspections. Park and Recreation expenditures were amended to recognize a reporting change in recreation programs that had previously been Community Center expenses, and will now be General fund programs. Debt service was amended to include principal and interest payments on leased vehicles.
- The budget for transfers out was amended from \$355,000 to \$705,000 to provide support for a public works project in the Public Improvement Projects fund. The budget for transfers in was amended from \$4,630,000 to \$4,779,000. The increase is a transfer in to offset the cost of the new fleet leasing program for police and building inspection vehicles.

The City's final budget for the General fund anticipated that revenues and other financing sources would be equal to expenditures and other financing uses. At year-end, revenues were \$1,293,722 higher than the final budget, and expenditures were \$721,192 more than final budget. Other financing sources and uses were \$49,801 more than budget. For the year, the net change in fund balance was an increase of \$622,331.

Budgetary variances – Revenues

- Total General Fund property taxes were \$8,467,504, which is \$20,955 higher than the final budget of \$8,446,549. Taxes for the 2022 levy had a collection rate of 99.8%, which is typical for the City. Collection of delinquent taxes attributes to total tax revenue greater than budgeted.
- License and Permit revenue was \$936,986 over the final budget. The final budget was amended to reflect an expected increase in building permits activity due to strong demand for residential and commercial development. The City issued a high volume of commercial, industrial, and public agency permits in 2022. A total of 2,587 permits were issued compared to 1,633 in 2021.
- Other revenue was \$251,170 over the final budget due to miscellaneous refunds and reimbursements which vary year to year, and are not predictable.

Budgetary variances - Expenditures

- Public Safety expenditures were \$461,706 more than the final budget largely due to increased police department wages and benefits, supplies and services related to hiring officers a little earlier than expected, higher fuel and vehicle repair costs. Wages and benefits for building inspections were also higher due to staff needed to cover the permit activity.
- Public Works expenditures were \$13,859 over budget due to higher snow removal costs due to the amount and frequency of snow events.
- Parks, Recreation and Arts expenditures were over budget by \$288,340 largely due to park maintenance spending on wages and benefits, fuel and utility costs, and repairs and equipment maintenance. Park maintenance employees allocate time between parks and storm water. Actual hours needed in parks was offset by fewer hours needed in storm water utilities.

CAPITAL ASSET AND DEBT ADMINISTRATION**Capital Assets**

As shown in the capital asset table below, at the end of 2022, the City had \$284,210,095 (net of depreciation and amortization) invested in a broad range of capital assets, including police and fire equipment, buildings, park facilities, roads and highways, land, and utility infrastructure. Additional detailed information on the City of Chaska's capital assets can be found in **Note 4** of the basic financial statements.

Capital Assets - Net of Depreciation and Amortization

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 58,694,536	\$ 56,603,006	\$ 1,557,984	\$ 1,449,855	\$ 60,252,520	\$ 58,052,861
Works of Art/Historical Treasures	105,027	105,027	-	-	105,027	105,027
Buildings	2,773,595	3,039,499	33,406,925	35,175,661	36,180,520	38,215,160
Other Improvements	13,242,154	13,719,971	1,118,759	967,094	14,360,913	14,687,065
Furniture & Equipment	3,566,602	3,838,889	4,925,825	4,962,900	8,492,427	8,801,789
Infrastructure	97,042,562	97,925,160	36,185,007	32,526,578	133,227,569	130,451,738
Leased Land Improvements	-	-	599,588	-	599,588	-
Leased Equipment	330,831	-	24,319	-	355,150	-
Construction in Progress	22,916,242	16,485,776	7,720,139	5,569,853	30,636,381	22,055,629
Total Capital Assets, Net of Depreciation and Amortization	<u>\$ 198,671,549</u>	<u>\$ 191,717,328</u>	<u>\$ 85,538,546</u>	<u>\$ 80,651,941</u>	<u>\$ 284,210,095</u>	<u>\$ 272,369,269</u>

- The City implemented GASB #87 for leases in 2022. At year-end, leased equipment in Governmental activities was \$330,831 and leased equipment and land improvements in the Business-Type activities was \$623,907, net of amortization.
- The increase in Governmental activities land is due to the donation of a large parcel of land to the City. The increase in construction in progress is due to the purchase of two new fire trucks that are in the process of being built, park improvements, and road improvement projects.

- The increase in Business-Type activities infrastructure is largely due to donated utility infrastructure assets for accepted public improvements and from the completion of the Chaska Creek Boulevard extension and 2021 street and utility reconstruction projects. The increase in construction in progress is related to water system improvement projects including water tower rehabilitation, well rehabilitation, and preliminary costs for a new water treatment plant.

Long-Term Debt

At year-end, the City had \$112,239,596 in bonds, financed purchase payables, and lease liabilities outstanding, as shown in the table below. Additional detailed information about the City's long-term liabilities is presented in **Note 7** to the financial statements.

Outstanding Debt and Lease Liabilities

(Does Not Include Premiums, Compensated Absences, Other Post-Employment Benefit or Net Pension Liabilities)

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
General Obligation Equipment Certificates	\$ 2,345,000	\$ 2,780,000	\$ -	\$ -	\$ 2,345,000	\$ 2,780,000
General Obligation Bonds	665,000	980,000	15,420,000	16,720,000	16,085,000	17,700,000
General Obligation Tax Increment Bonds	2,950,000	2,990,000	-	-	2,950,000	2,990,000
General Obligation Abatement Bonds	540,000	575,000	-	-	540,000	575,000
General Obligation Improvement Bonds	26,200,000	28,205,000	-	-	26,200,000	28,205,000
General Obligation State Aid Street Bonds	8,970,000	4,940,000	-	-	8,970,000	4,940,000
General Obligation Revenue Bonds	420,000	495,000	-	-	420,000	495,000
Revenue Bonds	-	-	20,840,000	22,610,000	20,840,000	22,610,000
EDA Revenue Bonds	7,485,000	7,815,000	-	-	7,485,000	7,815,000
EDA Lease Revenue Bonds	8,400,000	8,700,000	13,380,000	14,750,000	21,780,000	23,450,000
Lease Purchase Bonds	-	-	3,429,000	3,560,000	3,429,000	3,560,000
Financed Purchase Payable	-	-	234,292	280,594	234,292	280,594
Lease Liability	333,398	7,555	627,906	-	961,304	7,555
Total	\$ 58,308,398	\$ 57,487,555	\$ 53,931,198	\$ 57,920,594	\$ 112,239,596	\$ 115,408,149

- The City implemented GASB #87 for leases in 2022. At year-end, the liability for leases in governmental activities was \$333,398 and business-type activities was \$627,906.
- During 2022, the City made principal payments of \$8,266,000 on outstanding bonds, \$46,302 on financed purchase payable, and \$64,060 on lease liabilities.
- During the year, the City issued one new bond series, the 2022A General Obligation Temporary State Aid Street Bonds in the amount of \$4,190,000 for Hwy 41 and CSAH 61 reconstruction.

The City's General Obligation Bonds carry an AA rating and the Chaska EDA Lease Revenue Bonds carry an AA-rating by Standard and Poor's, as of last review. The City was rated A1 from Moody's for Chaska Electric Revenue Bonds issued in 2017. In 2022, Standard and Poor's reaffirmed the City's A rating for its 2020F Electric Revenue bonds.

Under Minnesota State Statutes, the general obligation bonded debt issued by the City is subject to a legal debt limitation based on 3% of market value. On December 31, 2022, the City's legal debt margin was \$70,397,441.

The statutes provide that debt issues supported by tax increment, special assessment revenues or available dedicated reserves are excluded from the total limited debt.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City continued to see impacts from the COVID-19 pandemic linger into certain operations in 2021. In 2022 however, the City began to see operations return to previous levels as COVID-19 restrictions were lifted. Two areas that struggled the most from the pandemic and various shutdowns were the Community Center and the Curling and Event Center. In 2022 the Community Center began to see memberships improve from the initial 45% loss during the pandemic, to ending the year at about 28% below pre-pandemic levels at just over 2,100 memberships. The Curling and Event Center saw similar impacts as the Community Center due to the shutdowns by Executive Order. In 2022 the lease tenant, Crooked Pint, operating as a restaurant in the facility, saw an increase in demand even with being required to operate at 50% capacity until early summer due to an Executive Order. As a result of this demand, the restaurant produced lease revenues of \$393,327 which is greater than the pre-pandemic levels that were reached in 2019 of \$379,420. The Curling operations of the facility also have seen a recovery in memberships from the initial drop from 974 members to 755 at the peak of the pandemic, back to around 893 members at the end of 2022. Event Center operations were virtually all lost during the pandemic due to people needing to delay weddings and other major events. In 2021 the Event Center began to see business start to increase and in 2022 ended the year with \$169,591 in rental revenue which is significantly higher than the pre-pandemic level revenue amount of \$121,975 that it produced in 2019.

As a result of passage of the 2021 American Rescue Plan Act, the City received a total of \$2,949,418 in State and Local Fiscal Recovery Funds. The City received the first half installment of \$1,427,948, in 2021, and the second installment of \$1,521,470, in 2022. The City spent the majority of these funds in 2022 to fund its share of the reconstruction of Minnesota State Highway 41 and a portion of the 2022 downtown street and utility reconstruction project.

The City uses a five-year financial forecast model for its General fund, enterprise funds, and certain other funds to determine levels of service and to respond to short-term economic and financial changes to make decisions for the long-term. The City models some funds out ten to twenty years to plan for capital improvements.

The City adopted a tax levy policy in 2014. The tax levy is increased each year based on two factors: new construction in the community and inflationary increases in the market. The tax levy is only increased beyond this point if new services are added.

The City's elected and appointed officials considered many factors when setting the fiscal year 2023 budget. Several issues were considered:

1. The City will continue to prioritize ensuring General Fund reserve balances are sufficient for cash flow and other needs, and to also maintain the City's bond rating. General fund balance is projected to increase \$300,000 by year-end 2023.
2. The City will continue to fully fund the established Capital Asset Maintenance Program. The City dedicates \$1,000,000 of tax levy each year for this purpose.
3. Building permit revenue increased in 2022. The City expects a similar level of activity in 2023 due to the high number of planned Commercial and Industrial projects as well as with rental housing.

4. The City plans to make strategic investments in the police budget to ensure high levels of service and improve community relations.
5. Electric revenue has continued to increase with continued economic development activity occurring 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 electric fund transfers to the General fund.
6. The City completed a staffing study in 2019 that identified a gap of 16 employees needed to sustainably provide services at expected levels. Due to the pandemic, the City delayed the program for one year, but in 2022 continued with the plan. The 2023 budget proposes filling four of those positions, along with a new police officer.
7. In 2023 the City will start its first of four annual levy increases of \$1.125 million and \$400,000 transfers from the Enterprise Utility Funds to support the new construction and rehabilitation of the City's Public Safety Campus, Municipal Services Building, City Hall, and a new Library.

Market values across the community increased by an average of 22.1% for taxes payable 2023 to \$4,319,497,500. This rate of growth is significantly higher than the average growth of 6.0% over the last five years due to the housing climate in 2021 and 2022. Adjusted tax capacity for 2023 increased 21.1%.

The City property tax levy is increasing from \$12,489,440 for taxes payable in 2022 to \$14,685,888 for taxes payable in 2023, which, along with other property tax factors, results in a decrease of the City tax rate from 31.6% to 31.2%. The Chaska EDA property tax levy is increasing from \$182,989 for taxes payable in 2022 to \$196,308 for taxes payable in 2023. The EDA tax rate will decrease from 0.46% to 0.40%. Annual taxes on the median value home are projected to increase from \$958 in 2022 to \$1,171 in 2023.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Administrative Services Department, City of Chaska, One City Hall Plaza, Chaska, MN 55318.

Government-Wide Financial Statements

City of Chaska, Minnesota

For the Year Ended December 31, 2022

CITY OF CHASKA, MINNESOTA

STATEMENT OF NET POSITION
DECEMBER 31, 2022

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
Cash And Investments	\$ 21,831,569	\$ 7,396,825	\$ 29,228,394
Receivables:			
Taxes	173,507	-	173,507
Special Assessments	9,415,923	9,499	9,425,422
Accounts, Net Of Allowance	234,284	10,453,824	10,688,108
Interest	65,179	164,932	230,111
Internal Balances	7,845,941	(7,845,941)	-
Due From Other Governments	5,196,302	257,485	5,453,787
Supply Contract Receivable	-	1,270,503	1,270,503
Leases Receivable	119,428	330,335	449,763
Inventories	-	2,847,219	2,847,219
Prepaid Items	119,345	2,673	122,018
Net Pension Asset	388,899	-	388,899
Restricted Assets:			
Cash And Investments For Operating And Maintenance	-	10,000,000	10,000,000
Cash And Investments For Debt Service	966,283	5,514,416	6,480,699
Cash And Investments For Construction	-	113,068	113,068
Cash And Investments Held For Developer	11,371,501	-	11,371,501
Supply Contract Receivable, Non-Current	-	13,506,202	13,506,202
Leases Receivable, Non-Current	2,023,604	1,799,096	3,822,700
Capital Assets:			
Not Depreciated Or Amortized	81,715,805	9,278,123	90,993,928
Net Of Depreciation And Amortization	116,955,744	76,260,423	193,216,167
TOTAL ASSETS	258,423,314	131,358,682	389,781,996
DEFERRED OUTFLOWS OF RESOURCES			
Pension Plan Deferments	11,529,413	1,891,662	13,421,075
OPEB Plan Deferments	23,697	10,385	34,082
TOTAL DEFERRED OUTFLOWS OF RESOURCES	11,553,110	1,902,047	13,455,157
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 269,976,424	\$ 133,260,729	\$ 403,237,153
LIABILITIES			
Accounts Payable	\$ 2,611,896	\$ 874,203	\$ 3,486,099
Salaries Payable	253,642	141,274	394,916
Deposits Payable	13,231,180	1,092,044	14,323,224
Accrued Interest Payable	639,009	540,425	1,179,434
Due To Other Governments	63,012	3,281,383	3,344,395
Unearned Revenue	4,030,190	573,275	4,603,465
Non-Current Liabilities:			
Due Within One Year	5,016,200	5,141,448	10,157,648
Due In More Than One Year	77,108,788	59,020,010	136,128,798
TOTAL LIABILITIES	102,953,917	70,664,062	173,617,979
DEFERRED INFLOWS OF RESOURCES			
Leases	2,120,325	2,080,022	4,200,347
Debt Refunding Deferments	-	296,208	296,208
Pension Plan Deferments	771,529	125,050	896,579
OPEB Plan Deferments	428,576	187,801	616,377
TOTAL DEFERRED INFLOWS OF RESOURCES	3,320,430	2,689,081	6,009,511
NET POSITION			
Net Investment in Capital Assets	150,575,322	47,152,434	197,727,756
Restricted for:			
Special Purposes	122,246	-	122,246
Capital Projects	5,712	-	5,712
Debt Service	14,961,240	15,356,458	30,317,698
Economic Development	2,963,557	-	2,963,557
Fire Relief Pensions	507,372	-	507,372
Unrestricted	(5,433,372)	(2,601,306)	(8,034,678)
TOTAL NET POSITION	163,702,077	59,907,586	223,609,663
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	\$ 269,976,424	\$ 133,260,729	\$ 403,237,153

The notes to the financial statements are an integral part of this statement.

CITY OF CHASKA, MINNESOTA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022

FUNCTIONS/PROGRAMS	PROGRAM REVENUES				NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Governmental Activities:							
General Government	\$ 7,582,962	\$ 5,560,975	\$ 218,697	\$ 1,790,000	\$ (13,290)	\$ -	\$ (13,290)
Economic Development	1,863,279	203,833	1,938	172,246	(1,485,262)	-	(1,485,262)
Public Safety	11,018,862	2,270,380	724,346	353	(8,023,783)	-	(8,023,783)
Public Works	13,902,073	6,447,527	14,724	11,365,391	3,925,569	-	3,925,569
Parks, Recreation And Arts	4,005,037	2,458,046	16,824	71,021	(1,459,146)	-	(1,459,146)
Interest On Long-Term Debt	1,676,423	-	-	-	(1,676,423)	-	(1,676,423)
Total Governmental Activities	40,048,636	16,940,761	976,529	13,399,011	(8,732,335)	-	(8,732,335)
Business-type Activities:							
Electric	47,590,197	55,020,552	7,817	342,671	-	7,780,843	7,780,843
Water	3,601,725	4,319,046	3,325	253,636	-	974,282	974,282
Sewer	5,154,941	5,666,239	2,606	215,753	-	729,657	729,657
Chaska Community Center	4,934,083	2,791,020	6,253	100,000	-	(2,036,810)	(2,036,810)
The Loop at Chaska	191,878	-	-	106,250	-	(85,628)	(85,628)
Chaska Town Course	3,065,247	3,016,808	3,127	-	-	(45,312)	(45,312)
Turbine Generator	832,886	1,366,151	-	-	-	533,265	533,265
Storm Water	1,716,611	1,954,589	41,563	505,579	-	785,120	785,120
Chaska Curling Center	2,378,347	1,403,440	2,084	-	-	(972,823)	(972,823)
Total Business-type Activities	69,465,915	75,537,845	66,775	1,523,889	-	7,662,594	7,662,594
TOTAL	\$ 109,514,551	\$ 92,478,606	\$ 1,043,304	\$ 14,922,900	(8,732,335)	7,662,594	(1,069,741)
General Revenues:							
Property Taxes					14,033,350	-	14,033,350
Franchise Taxes					770,755	-	770,755
Grants & Contributions Not Restricted to Specific Functions					10,150	616	10,766
Investment Earnings					361,050	110,438	471,488
Other					510,567	84,756	595,323
Transfers					3,921,201	(3,921,201)	-
Transfers - Capital Assets					(3,168,825)	3,168,825	-
Total General Revenues & Transfers					16,438,248	(556,566)	15,881,682
Change in Net Position					7,705,913	7,106,028	14,811,941
Net Position - Beginning					155,996,164	52,801,558	208,797,722
Net Position - Ending					\$ 163,702,077	\$ 59,907,586	\$ 223,609,663

The notes to the financial statements are an integral part of this statement.

CITY OF CHASKA, MINNESOTA

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2022

	GENERAL	PUBLIC IMPROVEMENT PROJECTS	NONMAJOR GOVERNMENTAL	TOTAL GOVERNMENTAL FUNDS
ASSETS				
Cash And Investments	\$ 4,279,100	\$ 564,601	\$ 16,588,279	\$ 21,431,980
Cash With Escrow Agent	-	-	966,283	966,283
Restricted Cash And Investments	11,371,501	-	-	11,371,501
Receivables:				
Taxes	131,877	-	41,630	173,507
Special Assessments	-	1,369,018	8,046,905	9,415,923
Accounts, Net of Allowance	229,389	-	4,895	234,284
Interest	7,955	-	49,169	57,124
Due From Other Funds	1,261,708	-	11,266,176	12,527,884
Due From Other Governments	79,318	4,961,439	155,545	5,196,302
Interfund Receivable	-	-	1,297,298	1,297,298
Leases Receivable	-	-	2,143,032	2,143,032
Advance To Other Funds	-	-	1,171,730	1,171,730
Prepaid Items	119,345	-	-	119,345
TOTAL ASSETS	\$ 17,480,193	\$ 6,895,058	\$ 41,730,942	\$ 66,106,193
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES:				
Accounts Payable	\$ 336,567	\$ 896,822	\$ 1,378,507	\$ 2,611,896
Salaries Payable	253,642	-	-	253,642
Deposits Payable	13,144,625	74,781	11,774	13,231,180
Due To Other Funds	-	5,266,427	2,174,550	7,440,977
Due To Other Governments	57,363	5,649	-	63,012
Interfund Payable	-	-	1,034,599	1,034,599
Advance From Other Funds	-	-	2,948,909	2,948,909
Unearned Revenue	288	2,915,467	1,114,435	4,030,190
TOTAL LIABILITIES	13,792,485	9,159,146	8,662,774	31,614,405
DEFERRED INFLOWS OF RESOURCES:				
Unavailable Revenue - Taxes	34,453	-	19,925	54,378
Unavailable Revenue - Special Assessments	-	1,369,018	6,928,916	8,297,934
Lease Revenue For Subsequent Years	-	-	2,120,325	2,120,325
TOTAL DEFERRED INFLOWS OF RESOURCES	34,453	1,369,018	9,069,166	10,472,637
FUND BALANCES:				
Nonspendable	119,345	-	22,707	142,052
Restricted	-	4,039,400	13,422,882	17,462,282
Committed	1,277,890	107,077	1,515,740	2,900,707
Assigned	474,561	80,399	15,250,099	15,805,059
Unassigned	1,781,459	(7,859,982)	(6,212,426)	(12,290,949)
TOTAL FUND BALANCES (DEFICITS)	3,653,255	(3,633,106)	23,999,002	24,019,151
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 17,480,193	\$ 6,895,058	\$ 41,730,942	\$ 66,106,193

The notes to the financial statements are an integral part of this statement.

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2022

Total fund balances - governmental funds \$ 24,019,151

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

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

Cost of Capital Assets	317,326,497
Less: Accumulated Depreciation and Amortization	(118,654,948)

Due to availability, certain revenues are not recognized under the governmental fund statements until received; however, under full accrual in the government-wide Statement of Activities, revenues are recorded when earned regardless of when received.

Delinquent Taxes	54,378
Special Assessments	8,297,934

Governmental funds do not report long-term amounts related to pensions and other post employment benefits that are included in governmental activities net position.

Deferred Outflows - Pension Plan Deferments	11,529,413
Deferred Inflows - Pension Plan Deferments	(771,529)
Deferred Outflows - OPEB Plan Deferments	23,697
Deferred Inflows - OPEB Plan Deferments	(428,576)

Internal service funds are used by management to charge the costs of property and liability insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.

4,839,669

Internal balances from business-type activities for internal service fund services.

(158,511)

Governmental funds do not report net pension assets.

388,899

Interest on long-term debt is included in the change in net position as it accrues, regardless of when payment is due. However, it is included in the change in fund balances when due.

(639,009)

Long-term liabilities, including bonds payable, notes payable, compensated absences, other post-employment benefits and net pension liabilities are not payable with current financial resources and, therefore, are not reported in governmental funds.

Due within one year	(5,016,200)
Due in more than one year	(77,108,788)

Net position of governmental activities \$ 163,702,077

The notes to the financial statements are an integral part of this statement.

CITY OF CHASKA, MINNESOTA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	GENERAL	PUBLIC IMPROVEMENT PROJECTS	NONMAJOR GOVERNMENTAL	TOTAL GOVERNMENTAL FUNDS
REVENUES				
Taxes:				
Property	\$ 8,467,504	\$ -	\$ 5,579,808	\$ 14,047,312
Franchise	770,755	-	-	770,755
Licenses And Permits	2,284,612	-	-	2,284,612
Intergovernmental	737,306	5,922,088	2,747,737	9,407,131
Charges For Services	6,021,951	9,150	8,387,464	14,418,565
Fines And Forfeitures	40,684	-	8,540	49,224
Special Assessments	-	21,694	2,017,797	2,039,491
Investment Earnings (Charges)	29,663	(20,466)	274,491	283,688
Leases	-	-	166,836	166,836
Other Revenue	429,036	37,452	137,539	604,027
TOTAL REVENUES	18,781,511	5,969,918	19,320,212	44,071,641
EXPENDITURES				
CURRENT:				
General Government	6,978,926	-	144,808	7,123,734
Economic Development	-	-	1,863,194	1,863,194
Public Safety	9,245,521	-	13,092	9,258,613
Public Works	2,932,122	3,495,776	791,809	7,219,707
Parks, Recreation And Arts	3,073,035	65,654	94,513	3,233,202
DEBT SERVICE:				
Principal	52,070	-	3,695,000	3,747,070
Interest	1,307	-	1,948,300	1,949,607
Issuance Costs And Fiscal Agent Fees	-	45,000	15,153	60,153
CAPITAL OUTLAY	-	8,390,158	7,325,445	15,715,603
TOTAL EXPENDITURES	22,282,981	11,996,588	15,891,314	50,170,883
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(3,501,470)	(6,026,670)	3,428,898	(6,099,242)
OTHER FINANCING SOURCES (USES)				
Transfers In	4,622,856	1,994,524	6,528,769	13,146,149
Transfers Out	(499,055)	-	(8,643,547)	(9,142,602)
Bonds Issued	-	4,190,000	-	4,190,000
Lease Proceeds	-	-	360,990	360,990
Sale Of Capital Assets	-	-	32,000	32,000
TOTAL OTHER FINANCING SOURCES (USES)	4,123,801	6,184,524	(1,721,788)	8,586,537
NET CHANGE IN FUND BALANCES	622,331	157,854	1,707,110	2,487,295
FUND BALANCES (DEFICITS), JANUARY 1	3,030,924	(3,790,960)	22,291,892	21,531,856
FUND BALANCES (DEFICITS), DECEMBER 31	\$ 3,653,255	\$ (3,633,106)	\$ 23,999,002	\$ 24,019,151

The notes to the financial statements are an integral part of this statement.

CITY OF CHASKA, MINNESOTA

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022**

Total net change in fund balances - governmental funds	\$ 2,487,295
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Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. Further detail on increases and decreases can be found in the note on capital assets.
(Increases include donations of capital assets.)

Capital Outlay	17,848,607
Change in Accounting Principle for Leased Assets	16,923
Less: Depreciation and Amortization Expense	(7,729,005)
Net Book Value of assets sold or disposed	(13,479)
Asset Transfers	(3,168,825)

Under modified accrual basis of accounting, certain revenues cannot be recognized until they are available to liquidate liabilities of the current period. Under the full accrual basis of accounting, these revenues are recognized when earned.

Delinquent Taxes	(13,962)
Special Assessments	115,711
Notes Receivable	(4,558)
Leases Receivable	(8,104)

Long-term debt and other long-term liabilities provide current financial resources to governmental funds, while the repayment of long-term debt and liabilities consume the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Further detail on the additions and reductions can be found in the note on long-term liabilities.

Additions to long-term liabilities	(19,981,259)
Reductions to long-term liabilities	6,746,587

Net pension and OPEB activity is not recognized in the governmental funds but recognized as the expense/revenue is incurred in the Statement of Activities.

Net Pension Asset	(558,430)
Deferred Outflows - Pension Plan Deferments	4,104,223
Deferred Inflows - Pension Plan Deferments	8,020,741
Deferred Outflows - OPEB Deferments	(26,921)
Deferred Inflows - OPEB Deferments	(426,239)

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.

46,974

Internal service funds are used by management to charge the costs of property and liability insurance to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.

240,353

Internal service fund loss allocated to business-type activities.

9,281

Change in net position - governmental activities

\$ 7,705,913

The notes to the financial statements are an integral part of this statement.

CITY OF CHASKA, MINNESOTA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2022**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
<u>REVENUES:</u>				
Taxes:				
Property	\$ 8,446,549	\$ 8,446,549	\$ 8,467,504	\$ 20,955
Franchise	753,000	753,000	770,755	17,755
Licenses And Permits	1,261,626	1,347,626	2,284,612	936,986
Intergovernmental	737,447	737,447	737,306	(141)
Charges For Services	5,659,018	5,963,078	6,021,951	58,873
Fines And Forfeitures	40,223	40,223	40,684	461
Investment Earnings	22,000	22,000	29,663	7,663
Other Revenue	174,866	177,866	429,036	251,170
TOTAL REVENUES	<u>17,094,729</u>	<u>17,487,789</u>	<u>18,781,511</u>	<u>1,293,722</u>
<u>EXPENDITURES:</u>				
Current:				
General Government	7,349,716	6,993,616	6,978,926	14,690
Public Safety	8,621,815	8,783,815	9,245,521	(461,706)
Public Works	2,918,263	2,918,263	2,932,122	(13,859)
Parks, Recreation And Arts	2,476,535	2,784,695	3,073,035	(288,340)
Debt Service:				
Principal	2,600	39,600	52,070	(12,470)
Interest	800	41,800	1,307	40,493
TOTAL EXPENDITURES	<u>21,369,729</u>	<u>21,561,789</u>	<u>22,282,981</u>	<u>(721,192)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(4,275,000)</u>	<u>(4,074,000)</u>	<u>(3,501,470)</u>	<u>572,530</u>
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers In	4,630,000	4,779,000	4,622,856	(156,144)
Transfers Out	(355,000)	(705,000)	(499,055)	205,945
TOTAL OTHER FINANCING SOURCES (USES)	<u>4,275,000</u>	<u>4,074,000</u>	<u>4,123,801</u>	<u>49,801</u>
NET CHANGE IN FUND BALANCES	-	-	622,331	622,331
FUND BALANCES, January 1	<u>3,030,924</u>	<u>3,030,924</u>	<u>3,030,924</u>	-
FUND BALANCES, December 31	<u>\$ 3,030,924</u>	<u>\$ 3,030,924</u>	<u>\$ 3,653,255</u>	<u>\$ 622,331</u>

The notes to the financial statements are an integral part of this statement.

CITY OF CHASKA, MINNESOTA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2022

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS							GOVERNMENTAL ACTIVITIES- INTERNAL SERVICE FUND
	ELECTRIC	WATER	COMMUNITY CENTER	TURBINE GENERATOR	CURLING CENTER	NONMAJOR ENTERPRISE	TOTALS	
ASSETS								
Current Assets:								
Cash And Investments	\$ 4,020,122	\$ 655,958	\$ 1,700	\$ 1,314,303	\$ 4,231	\$ 1,400,511	\$ 7,396,825	\$ 399,589
Restricted Assets:								
Cash And Investments For Operating And Maintenance	10,000,000	-	-	-	-	-	10,000,000	-
Cash And Investments For Debt Service	859,255	-	233,308	3,039,954	1,381,899	-	5,514,416	-
Cash And Investments For Construction	-	-	-	-	-	113,068	113,068	-
Receivables:								
Special Assessments	4,715	1,751	-	-	-	3,033	9,499	-
Accounts:								
Current	4,198,833	220,838	187,613	-	44,003	629,439	5,280,726	-
Unbilled	4,331,943	263,207	-	-	-	722,719	5,317,869	-
Allowance For Uncollectible Accounts	(119,459)	(6,358)	(102)	-	(660)	(18,192)	(144,771)	-
Interest	28,559	8,383	1,496	117,587	-	8,907	164,932	8,055
Due From Other Funds	-	2,555,000	-	-	-	3,750,000	6,305,000	1,750,000
Due From Other Governments	29,485	83,000	100,000	-	-	45,000	257,485	-
Interfund Receivable	-	-	-	65,192	-	-	65,192	70,013
Supply Contract Receivable	-	-	-	1,270,503	-	-	1,270,503	-
Leases Receivable	-	24,898	295,339	50,098	-	-	330,335	-
Inventories	2,508,945	277,642	-	-	-	60,632	2,847,219	-
Prepaid Items	-	-	2,673	-	-	-	2,673	-
Total Current Assets	25,862,398	4,084,319	782,027	5,857,637	1,429,473	6,715,117	44,730,971	2,227,657
Noncurrent Assets:								
Supply Contract Receivable	-	-	-	13,506,202	-	-	13,506,202	-
Leases Receivable	-	233,327	1,153,151	412,618	-	-	1,799,096	-
Advance To Other Funds	1,191,884	-	-	580,948	-	-	1,772,832	2,612,012
Capital Assets:								
Land	778,843	222,130	90,466	-	-	466,545	1,557,984	-
Construction In Progress	1,585,723	1,950,078	173,586	-	-	4,010,752	7,720,139	-
Buildings	9,799,403	17,255,218	25,995,010	-	17,040,442	8,884,095	78,974,168	-
Other Improvements	-	1,271,864	807,723	-	-	728,325	2,807,912	-
Furniture And Equipment	2,228,365	814,557	3,570,832	-	1,877,363	4,122,482	12,613,599	-
Infrastructure	32,457,641	9,783,685	-	517,116	-	15,040,865	57,799,307	-
Leased Land Improvements	-	-	-	-	-	611,824	611,824	-
Leased Equipment	-	-	6,343	-	-	21,729	28,072	-
Less: Accumulated Depreciation And Amortization	(22,633,794)	(16,172,382)	(20,554,154)	(27,217)	(3,886,186)	(13,300,726)	(76,574,459)	-
Total Net Capital Assets	24,216,181	15,125,150	10,089,806	489,899	15,031,619	20,585,891	85,538,546	-
Total Noncurrent Assets	25,408,065	15,358,477	11,242,957	14,989,667	15,031,619	20,585,891	102,616,676	2,612,012
TOTAL ASSETS	51,270,463	19,442,796	12,024,984	20,847,304	16,461,092	27,301,008	147,347,647	4,839,669
DEFERRED OUTFLOWS OF RESOURCES								
Pension Plan Deferments	567,499	189,166	453,999	-	151,333	529,665	1,891,662	-
OPEB Plan Deferments	5,933	742	1,308	-	389	2,013	10,385	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	573,432	189,908	455,307	-	151,722	531,678	1,902,047	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 51,843,895	\$ 19,632,704	\$ 12,480,291	\$ 20,847,304	\$ 16,612,814	\$ 27,832,686	\$ 149,249,694	\$ 4,839,669
LIABILITIES								
Current Liabilities:								
Accounts Payable	\$ 173,126	\$ 276,143	\$ 133,161	\$ -	\$ 33,812	\$ 257,961	\$ 874,203	\$ -
Salaries Payable	43,035	11,511	47,542	-	11,871	27,315	141,274	-
Deposits Payable	693,333	39,170	8,002	-	17,142	334,397	1,092,044	-
Compensated Absences	177,354	56,911	65,948	-	22,954	149,320	472,487	-
Accrued Interest Payable	63,044	35,807	9,950	167,625	167,260	96,739	540,425	-
Due To Other Funds	-	-	7,986,907	-	5,155,000	-	13,141,907	-
Due To Other Governments	3,143,605	17,269	12,423	78,363	1,574	28,149	3,281,383	-
Interfund Payable	65,192	15,937	57,755	-	-	259,020	397,904	-
Revenue Bonds Payable	450,000	796,235	335,000	1,400,000	1,085,000	538,765	4,605,000	-
Financed Purchase Payable	-	-	48,768	-	-	-	48,768	-
Lease Liability	-	-	2,627	-	-	6,991	9,618	-
Other Post Employment Benefits	3,185	399	703	-	209	1,079	5,575	-
Unearned Revenue	4,627	1,741	412,978	-	123,061	30,868	573,275	-
Total Current Liabilities	4,816,501	1,251,123	9,121,764	1,645,988	6,617,883	1,730,604	25,183,863	-
Noncurrent Liabilities:								
Compensated Absences	115,458	8,820	65,936	-	44,799	63,478	298,491	-
Advance From Other Funds	580,948	72,361	801,751	-	-	1,152,605	2,607,665	-
Revenue Bonds Payable	7,555,169	8,685,888	3,210,641	13,718,568	9,220,000	9,290,461	51,680,727	-
Financed Purchase Payable	-	-	185,524	-	-	-	185,524	-
Lease Liability	-	-	1,098	-	-	617,190	618,288	-
Other Post Employment Benefits	165,127	20,649	36,414	-	10,835	56,011	289,036	-
Net Pension Liability	1,784,383	594,794	1,427,507	-	475,826	1,665,424	5,947,944	-
Total Noncurrent Liabilities	10,201,085	9,382,512	5,728,871	13,718,568	9,751,470	12,845,169	61,627,675	-
TOTAL LIABILITIES	15,017,586	10,633,635	14,850,635	15,364,556	16,369,353	14,575,773	86,811,538	-
DEFERRED INFLOWS OF RESOURCES								
Leases	-	254,305	1,368,013	457,704	-	-	2,080,022	-
Debt Refunding Deferments	-	-	-	296,208	-	-	296,208	-
Pension Plan Deferments	37,515	12,505	30,012	-	10,004	35,014	125,050	-
OPEB Plan Deferments	107,292	13,417	23,660	-	7,040	36,392	187,801	-
TOTAL DEFERRED INFLOWS OF RESOURCES	144,807	280,227	1,421,685	753,912	17,044	71,406	2,689,081	-
NET POSITION								
Net Investment In Capital Assets	16,211,012	6,421,740	6,306,148	489,899	4,726,619	12,997,016	47,152,434	-
Restricted For Debt Service	10,859,255	-	233,308	2,881,996	1,381,899	-	15,356,458	-
Unrestricted	9,611,235	2,297,102	(10,331,485)	1,356,941	(5,882,101)	188,491	(2,759,817)	4,839,669
TOTAL NET POSITION	36,681,502	8,718,842	(3,792,029)	4,728,836	226,417	13,185,507	59,749,075	4,839,669
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	\$ 51,843,895	\$ 19,632,704	\$ 12,480,291	\$ 20,847,304	\$ 16,612,814	\$ 27,832,686	149,249,694	\$ 4,839,669

The notes to the financial statements are an integral part of this statement.

CITY OF CHASKA, MINNESOTA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS							GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUND
	ELECTRIC	WATER	COMMUNITY CENTER	TURBINE GENERATOR	CURLING CENTER	NONMAJOR ENTERPRISE	TOTALS	
OPERATING REVENUES:								
Sales	\$ 55,020,552	\$ 4,319,046	\$ 2,791,020	\$ 1,366,151	\$ 1,403,440	\$ 10,637,636	\$ 75,537,845	\$ 1,144,264
OPERATING EXPENSES:								
Production	37,929,107	752,598	-	-	-	3,095,565	41,777,270	-
Distribution / Collections	3,294,113	850,913	-	-	-	1,381,363	5,526,389	-
Administration	4,535,704	973,791	3,933,413	331,016	1,342,839	4,333,986	15,450,749	1,079,811
Depreciation And Amortization	1,573,141	889,582	865,041	27,217	628,948	963,231	4,947,160	-
TOTAL OPERATING EXPENSES	47,332,065	3,466,884	4,798,454	358,233	1,971,787	9,774,145	67,701,568	1,079,811
OPERATING INCOME (LOSS)	7,688,487	852,162	(2,007,434)	1,007,918	(568,347)	863,491	7,836,277	64,453
NON-OPERATING REVENUES:								
Investment Earnings (Charges)	182,874	32,206	(92,707)	12,574	(60,617)	36,108	110,438	77,362
Intergovernmental	8,172	3,424	6,253	-	2,084	47,458	67,391	-
Payments	-	3,514	14,954	56,082	-	-	74,550	-
Gain On Sale Of Capital Assets	-	-	-	-	-	10,206	10,206	-
Miscellaneous Refunds	-	-	-	-	-	-	-	180,884
TOTAL NON-OPERATING REVENUES	191,046	39,144	(71,500)	68,656	(58,533)	93,772	262,585	258,246
NON-OPERATING EXPENSES:								
Interest	256,374	132,377	126,744	470,153	403,995	340,983	1,730,626	-
Fiscal Agent Fees	2,700	1,454	3,914	4,500	3,714	1,390	17,672	-
Loss On Sale Of Capital Assets	-	-	6,768	-	-	-	6,768	-
TOTAL NON-OPERATING EXPENSES	259,074	133,831	137,426	474,653	407,709	342,373	1,755,066	-
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	7,620,459	757,475	(2,216,360)	601,921	(1,034,589)	614,890	6,343,796	322,699
CAPITAL CONTRIBUTIONS	342,671	924,101	100,000	-	-	3,325,942	4,692,714	-
TRANSFERS IN (OUT):								
Transfers In	-	465,000	470,000	-	1,581,692	627,617	3,144,309	-
Transfers Out	(6,513,210)	(117,000)	-	-	-	(435,300)	(7,065,510)	(82,346)
TOTAL TRANSFERS IN (OUT)	(6,513,210)	348,000	470,000	-	1,581,692	192,317	(3,921,201)	(82,346)
CHANGE IN NET POSITION	1,449,920	2,029,576	(1,646,360)	601,921	547,103	4,133,149	7,115,309	240,353
NET POSITION, JANUARY 1	35,231,582	6,689,266	(2,145,669)	4,126,915	(320,686)	9,052,358	52,633,766	4,599,316
NET POSITION, DECEMBER 31	\$ 36,681,502	\$ 8,718,842	\$ (3,792,029)	\$ 4,728,836	\$ 226,417	\$ 13,185,507	59,749,075	\$ 4,839,669
				Change in net position - total enterprise funds			\$ 7,115,309	
				Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			(9,281)	
				Change in net position - business-type activities			\$ 7,106,028	

The notes to the financial statements are an integral part of this statement.

CITY OF CHASKA, MINNESOTA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS							GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUND
	ELECTRIC	WATER	COMMUNITY CENTER	TURBINE GENERATOR	CURLING CENTER	NONMAJOR ENTERPRISE	TOTALS	
CASH FLOWS FROM OPERATING ACTIVITIES:								
Receipts From Customers And Users	\$ 55,411,159	\$ 4,226,506	\$ 2,734,703	\$ 1,361,139	\$ 1,306,016	\$ 10,592,645	\$ 75,632,168	\$ 1,148,909
Payments To Suppliers	(43,681,719)	(1,553,083)	(1,702,923)	(310,000)	(653,980)	(6,220,799)	(54,122,504)	(1,079,811)
Payments To Employees	(2,437,648)	(727,611)	(2,166,022)	-	(646,329)	(2,604,445)	(8,562,055)	-
Miscellaneous Receipts	-	-	-	-	-	-	-	180,884
Net Cash Provided (Used) By Operating Activities	9,291,792	1,945,812	(1,134,242)	1,051,139	5,707	1,767,401	12,927,609	249,982
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:								
Transfers From Other Funds	-	465,000	470,000	-	1,581,692	383,617	2,900,309	-
Transfers To Other Funds	(6,513,210)	(117,000)	-	-	-	(435,300)	(7,065,510)	(82,346)
Due From Other Funds	-	445,000	-	-	-	(2,155,000)	(1,710,000)	1,250,000
Due To Other Funds	-	-	1,641,907	-	(80,000)	-	1,561,907	-
Interfund Loans To Other Funds	88,436	-	-	61,479	-	-	149,915	(1,637,025)
Interest Payments On Interfund Loans	-	-	-	42,740	-	-	42,740	-
Interest Payments On Leases	-	-	13,458	12,282	-	-	25,740	-
Payments	-	3,233	-	-	-	-	3,233	-
Intergovernmental	8,172	3,424	6,253	-	2,084	47,458	67,391	-
Net Cash Provided (Used) By Non-Capital Financing Activities	(6,416,602)	799,657	2,131,618	116,501	1,503,776	(2,159,225)	(4,024,275)	(469,371)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:								
Capital Contributions	342,671	83,000	100,000	-	-	253,560	779,231	-
Principal Paid On Bonds	(430,000)	(918,035)	(320,000)	(1,340,000)	(1,050,000)	(512,965)	(4,571,000)	-
Principal Paid On Financed Purchase	-	-	(46,302)	-	-	-	(46,302)	-
Principal Paid On Leases	-	-	(2,618)	-	-	(9,372)	(11,990)	-
Interest And Fiscal Charges	(272,075)	(151,604)	(151,030)	(742,000)	(420,564)	(320,713)	(2,057,986)	-
Proceeds From Sale Of Capital Assets	-	-	-	-	-	10,206	10,206	-
Construction And Acquisition Of Capital Assets	(883,335)	(1,924,809)	(732,673)	(517,116)	(21,563)	(1,207,658)	(5,287,154)	-
Transfers From Other Funds	-	-	-	-	-	244,000	244,000	-
Supply Contract Payments Received	-	-	-	1,686,176	-	-	1,686,176	-
Interfund Loan Payments To Other Funds	(61,479)	(15,075)	277,378	-	-	416,420	617,244	-
Interest Payments On Interfund Loans	(42,740)	(4,792)	(28,366)	-	-	(36,444)	(112,342)	-
Net Cash Provided (Used) By Capital And Related Financing Activities	(1,346,958)	(2,931,315)	(903,611)	(912,940)	(1,492,127)	(1,162,966)	(8,749,917)	-
CASH FLOWS FROM INVESTING ACTIVITIES:								
Interest (Charges) On Investments	166,851	27,313	(92,707)	2,965	(60,617)	31,079	74,884	74,181
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,695,083	(158,533)	1,058	257,665	(43,261)	(1,523,711)	228,301	(145,208)
CASH AND CASH EQUIVALENTS, January 1	13,184,294	814,491	233,950	4,096,592	1,429,391	3,037,290	22,796,008	544,797
CASH AND CASH EQUIVALENTS, December 31	<u>\$ 14,879,377</u>	<u>\$ 655,958</u>	<u>\$ 235,008</u>	<u>\$ 4,354,257</u>	<u>\$ 1,386,130</u>	<u>\$ 1,513,579</u>	<u>\$ 23,024,309</u>	<u>\$ 399,589</u>
CASH AND CASH EQUIVALENTS:								
Cash And Investments	\$ 4,020,122	\$ 655,958	\$ 1,700	\$ 1,314,303	\$ 4,231	\$ 1,400,511	\$ 7,396,825	\$ 399,589
Restricted Assets-Bonds:								
Cash And Investments For Operating And Maintenance	10,000,000	-	-	-	-	-	10,000,000	-
Cash And Investments For Debt Service	859,255	-	233,308	3,039,954	1,381,899	-	5,514,416	-
Cash And Investments For Construction	-	-	-	-	-	113,068	113,068	-
Total Cash And Cash Equivalents	<u>\$ 14,879,377</u>	<u>\$ 655,958</u>	<u>\$ 235,008</u>	<u>\$ 4,354,257</u>	<u>\$ 1,386,130</u>	<u>\$ 1,513,579</u>	<u>\$ 23,024,309</u>	<u>\$ 399,589</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:								
Operating Income (Loss)	\$ 7,688,487	\$ 852,162	\$ (2,007,434)	\$ 1,007,918	\$ (568,347)	\$ 863,491	\$ 7,836,277	\$ 64,453
Adjustments To Reconcile Operating Income (Loss) To Net Cash Provided (Used) By Operating Activities:								
Depreciation And Amortization Expense	1,573,141	889,582	865,041	27,217	628,948	963,231	4,947,160	-
Allowance For Uncollectible Accounts	(8,814)	(148)	102	-	172	(181)	(8,669)	-
Miscellaneous Receipts	-	-	-	-	-	-	-	180,884
(Increase) Decrease In Assets And Deferred Outflows:								
Special Assessments	14,942	3,310	-	-	-	17,286	35,538	-
Accounts Receivable	(122,036)	(38,754)	(42,003)	-	(11,477)	(128,650)	(342,920)	4,645
Due From Other Governments	(16,566)	(83,000)	(98,837)	-	-	33,500	(164,903)	-
Prepaid Expense	-	-	(2,673)	-	-	-	(2,673)	-
Leases Receivable	-	(258,225)	(1,408,490)	(462,716)	-	-	(2,129,431)	-
Inventory	(884,547)	(166)	-	-	-	(30,487)	(915,200)	-
Deferred Outflows	144,265	65,101	156,008	-	51,442	131,018	547,834	-
Increase (Decrease) In Liabilities And Deferred Inflows:								
Accounts Payable	60,060	256,010	56,104	-	12,927	(136,115)	248,986	-
Salaries Payable	10,575	798	9,885	-	1,526	842	23,626	-
Deposits Payable	538,111	33,292	(3,701)	-	(5,700)	70,950	632,952	-
Compensated Absences Payable	48,740	3,720	(56,377)	-	(3,577)	19,124	11,630	-
Net Pension Liability	872,642	269,172	646,015	-	215,339	818,807	2,821,975	-
Due To Other Governments	118,577	(1,449)	(26,524)	21,016	(7,188)	(60,089)	44,343	-
Unearned Revenue	(15,030)	(3,320)	128,599	-	(80,419)	(37,896)	(8,066)	-
Other Post Employment Benefits	(38,867)	(23,741)	(54,654)	-	(6,015)	(52,079)	(175,356)	-
Deferred Inflows - Leases	-	254,305	1,368,013	457,704	-	-	2,080,022	-
Deferred Inflows	(691,888)	(272,837)	(663,316)	-	(221,924)	(705,351)	(2,555,316)	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 9,291,792</u>	<u>\$ 1,945,812</u>	<u>\$ (1,134,242)</u>	<u>\$ 1,051,139</u>	<u>\$ 5,707</u>	<u>\$ 1,767,401</u>	<u>\$ 12,927,609</u>	<u>\$ 249,982</u>
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:								
Transfers Of Capital Assets	\$ -	\$ 670,464	\$ -	\$ -	\$ -	\$ 2,498,361	\$ 3,168,825	\$ -
Contributions of Capital Assets	\$ -	\$ 170,637	\$ -	\$ -	\$ -	\$ 574,021	\$ 744,658	\$ -
Amortization Of Bond Premiums	\$ 51,441	\$ 20,129	\$ 47,555	\$ 213,571	\$ -	\$ 25,876	\$ 358,572	\$ -
Amortization Of Gain On Refunding	\$ -	\$ -	\$ -	\$ 37,026	\$ -	\$ -	\$ 37,026	\$ -
Acquisition of Leased Assets	\$ -	\$ -	\$ 6,343	\$ -	\$ -	\$ 633,553	\$ 639,896	\$ -
Lease Revenue Over(Under) Lease Receivable Payments	\$ -	\$ 3,920	\$ 40,477	\$ 5,012	\$ -	\$ -	\$ 49,409	\$ -

The notes to the financial statements are an integral part of this statement.

Note 1 Summary of Significant Accounting Policies

The City of Chaska (the City) operates under the Optional Plan A form of government pursuant to applicable Minnesota laws and statutes. The Plan A form of government prescribes an Administrator-Council form of organization. The Council consists of an elected mayor and four council members. The City provides services such as public safety, highways and streets, culture-recreation, public improvements, planning and zoning, and general administration. The City operates electric, water, sewer, and storm water utilities in addition to a community center, two golf courses, a gas turbine generator, and a curling and event center.

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

A) The Financial Reporting Entity

These financial statements present the City (primary government) and its component units. The City includes all funds, organizations, institutions, agencies, departments and offices that are not legally separate from such. Component units are legally separate organizations for which the elected officials of the City are financially accountable and are included within the basic financial statements of the City because of the significance of their operational or financial relationship with the City.

The City is considered financially accountable for a component unit if it appoints a voting majority of the organization's governing body and it is able to impose its will on the organization by significantly influencing the programs, projects, activities, or level of services performed or provided by the organization, or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the City.

As a result of applying the component unit definition criteria above, one organization has been defined and is presented in this report as follows:

Blended component unit – The Chaska Economic Development Authority (Chaska EDA) was established in 1987 by Resolution No. 87-25 of the Chaska City Council. The Chaska EDA is included in these financial statements because the Chaska EDA Board is comprised of City Council members. Activities of the Chaska EDA are financed by a tax levy of the City for that purpose. There are no other statements for the Chaska EDA other than those presented in this report.

B) Government-Wide and Fund Financial Statements

The basic financial statements include both government-wide financial statements and fund financial statements. Government-wide financial statements (Statement of Net Position and Statement of Activities) report information based on the City as a whole. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Direct expenses also include allocated expenses to functional programs from centralized expenses reported

in the Self Insurance fund. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function, 2) operating grants and contributions that are restricted to meet the operational requirements of a particular function and 3) capital grants and contributions (including special assessments) that are restricted to meeting the capital requirements of a particular function. Taxes and other internally directed revenues are reported as *general revenues*.

The accounts of the City are organized on the basis of funds and separate “Fund Financial Statements” are provided for Governmental funds and Proprietary funds. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions and activities. A fund is a separate accounting entity with self-balancing accounts that include assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures/expenses. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. Fund financial statements present information for individual major funds in separate columns. Nonmajor funds are presented aggregately in one column in the fund financial statements.

Major Funds

The City reports the following major governmental funds:

- **General Fund** – This fund is the City’s primary operating fund and is used to account for all financial resources except those required to be accounted for in another fund.
- **Public Improvement Projects Capital Project Fund** – This fund accounts for the financing and construction of public improvement projects.

The City reports the following major proprietary funds:

- **Electric Fund** – This fund accounts for the activities of the City’s Electric Utility operations.
- **Water Fund** – This fund accounts for the activities of the City’s Water Utility operations.
- **Community Center Fund** – This fund accounts for activities of the City’s Community Center operations.
- **Turbine Generator Fund** – This fund accounts for the activities of the City’s Turbine Generator Utility operations.
- **Curling Center Fund** – This fund accounts for the activities of the City’s Curling and Event Center operations.

Additionally, the City reports the following fund type:

- **Internal Service Fund** – Internal service funds account for operations that provide services to other departments or agencies of the government on a cost reimbursement basis. The City has one Internal Service fund – the Self-Insurance fund. This fund is used to account for the purchase of property, liability, and workers’ compensation insurance for all City departments. Costs are allocated to individual departments.

C) Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. The economic resources measurement focus aims to report all inflows, outflows, and balances affecting or reflecting an entity's net position. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year in which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities for the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current period. Expenditures are generally recorded when a liability is incurred, as under the accrual basis of accounting. However, principal and interest on long-term debt and other long-term obligations are recognized as expenditures to the extent they have matured.

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

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

Proprietary funds are accounted for on a flow of *economic resources measurement focus* and *accrual basis of accounting*. This means that all assets, including capital assets, deferred outflows of resources, and all liabilities, including long-term liabilities and deferred inflows of resources associated with fund activity are included on the Statement of Net Position. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net position. Revenues are recognized when they are earned, and expenses are recognized at the time liabilities are incurred.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating expenses for all the City's enterprise funds and internal service fund are cost of sales and services, administrative expense, depreciation of capital assets, and amortization of right to use leased assets. All other revenues and expenses are reported as non-operating items.

D) Budgetary Accounting

Budgets for the General fund, two Special Revenue funds and one Capital Project fund are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP). The non-major Special Revenue funds with budgets are the Mount Pleasant Maintenance & Care fund and the Chaska EDA fund. The budgeted non-major capital project fund is the Equipment Acquisition fund. All annual appropriations lapse at fiscal year-end. Budget schedules for the budgeted non-major funds are included later in this financial report.

E) Cash and Investments

Cash balances from all funds are combined and invested to the extent available as authorized by Minnesota State Statutes. Earnings from such investments are allocated to the respective funds based on applicable cash balance participation by each fund. Investments are stated at fair value, except for investments in external investment pools, which are stated at amortized cost. Cash and cash equivalents consist of available cash, cash deposits and highly liquid investments with an original maturity date at the time of purchase of three months or less. The proprietary funds' portion in the government-wide cash and investment management pool is considered to be cash equivalent. Interest on escrow investments is allocated specifically to the related fund. Investment income is accrued at the balance sheet date.

The City categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America (GAAP). The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

See **Note 3** for the City's recurring fair value measurements as of year-end.

F) Receivables

- **Property Tax**

Property tax levies are set by the City Council and must be levied on or before five business days after December 20 each year. Levied property taxes are certified to Carver County for collection in the following year. In Minnesota, counties act as collection agents for all property taxes. The county spreads all levies over assessable property. Such taxes become a lien on January 1 and are recorded as receivables by the City on that date. Property taxes are due from taxpayers in two equal installments, on May 15 and October 15. Minnesota counties typically provide tax settlements to cities and other local governments three times a year: in July, December, and January of the following year. However, cities can request that 70% of the July settlement be distributed three weeks early. The City has a standing request with the County for this, and thus receives the early settlement each June.

Revenues are accrued and recognized in the government-wide financial statements in the current period. In the fund financial statements, taxes that remain unpaid at December 31 are classified as delinquent taxes and have been offset by a deferred inflow of resources, because it is not known when they will be available to finance current expenditures. No allowance for uncollectible taxes has been provided because such amounts are not expected to be material.

- **Special Assessments**

Special assessments are levied against benefiting properties for the assessable costs of special assessment improvement projects in accordance with state statutes. The City usually adopts assessment rolls before an improvement contract is awarded. Annual installments (including interest) for special assessments are collected by the County in the same manner as property taxes.

The City recognizes special assessment revenue in the government-wide financial statements when the assessment rolls are levied. In the governmental fund financial statements, the City recognizes special assessment revenue when it becomes both measurable and available. Current assessments, which remain unpaid at December 31 are classified as delinquent receivables and together with deferred assessments are fully offset by unavailable revenue – special assessments, a deferred inflow of resources, because it is not known when they will be available to finance current expenditures. Delinquent special assessments receivable at December 31, 2022, totaled \$90,983.

- **Trade Receivables**

Utility and miscellaneous accounts receivable are shown net of an allowance for uncollectible accounts on the Statement of Net Position. On December 31, 2022, the allowance for uncollectible accounts is \$145,304.

- **Leases Receivable**

The City's leases receivable are measured at the present value of lease payments expected to be received during the leases' terms. Under the lease agreements, the City may receive variable lease payments that are dependent upon the lessee's revenue or other factors. The variable payments are recorded as an inflow of resources in the period the payment is received.

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

G) Short-Term and Long-Term Interfund Receivables/Payables

City operations include activity between individual funds for goods provided or services rendered. The current portions of lending/borrowing arrangements are classified as "interfund receivables/payables." The long-term portions of interfund receivables and payables are reported as "advance to other funds" and "advance from other funds."

H) Inventory

The original cost of materials and supplies are recorded as expenditures at the time of purchase for Governmental Funds. These funds do not maintain material amounts of inventories.

Inventories in the Proprietary Funds are valued at cost, which approximates market, using the first in-first out (FIFO) method. Inventory is recorded as an expense when consumed.

I) Prepaid Items

Certain prepayments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items are reported using the consumption method and recorded as expenditures/expenses at the time of consumption.

J) Restricted Assets

In the government-wide statement of net position and proprietary fund financial statements, unspent bond proceeds, as well as certain resources set aside for their repayment, are classified as restricted assets because their use is limited by applicable bond covenants. Investment earnings on these assets are allocated directly to the appropriate funds. The City has also restricted cash in the governmental funds. A deposit is being held and administered by the City on behalf of a developer for the sole purpose of funding construction-related expenses.

K) Capital Assets

Capital assets, which include property, buildings, improvements, equipment, right to use leased assets, and infrastructure (e.g., roads, bridges, streets, sidewalks, drainage systems, and lighting systems) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the proprietary fund financial statements. Such assets are capitalized at historical cost or estimated historical cost for assets where actual historical cost is not available. Donated assets are valued at their estimated acquisition value on the date of donation. Right to use leased assets are recorded at the value of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. The City uses the following capitalization policy:

Description	Capitalization Threshold
Land	\$25,000
Buildings and Building Improvements	25,000
Other Improvements	25,000
Furniture and Equipment	10,000
Infrastructure	50,000

Depreciation and amortization of assets on the government-wide statements for the primary government (governmental and business-type activities) and in the proprietary funds financial statements is charged as an expense against operations using the straight-line method and the following estimated useful lives:

Description	Life
Buildings and Building Improvements	25 years
Other Improvements	25 - 50 years
Furniture and Equipment	3 - 25 years
Infrastructure	10 - 50 years

Right to use leased assets are amortized over the shorter of the useful life of the asset or the related lease term. Capital assets not being depreciated or amortized include land, because land is believed to have an unlimited useful life; works of art/historical treasures, because these assets do not have a determinable useful life; and construction in progress, because construction on the asset has not been fully completed.

L) Compensated Absences

The City's policy permits employees to accumulate earned, but unused paid personal leave (PPL), vacation, sick leave, and compensatory time benefits. Employees are compensated upon termination for unused PPL, vacation, and compensatory time. Sick leave is accrued as used or when it becomes likely that it will be paid as termination pay, while PPL, vacation, and compensatory time is recorded as an expense and liability as the benefits accrue in

the government-wide and proprietary fund financial statements. The liability for these amounts is reported in governmental funds only if they have matured, for example, due to employee resignations and retirements.

For the General Fund, the City commits a portion of fund balance for compensated absences equal to the three-year average of the percent of compensated absences expected to be used in the coming year. The remaining portion of compensated absences in the General Fund is set aside in Assigned Fund Balance at the discretion of the Administrative Services Director.

M) Deferred Outflows/Inflows of Resources

In addition to assets and liabilities, statements of financial position will sometimes report separate sections for deferred outflows or inflows of resources. These separate financial statement elements represent a consumption or acquisition of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) or an inflow of financial resources (revenue) until then.

The City reports deferred outflows and inflows of resources related to pensions and other post-employment benefits (OPEB) in the government-wide and enterprise funds Statements of Net Position. These deferred outflows and inflows result from the difference between expected and actual economic experience, changes in actuarial assumptions, net collective difference between projected and actual investment earnings, changes in proportion, and contributions to the plan subsequent to the measurement date and before the end of the reporting period. These amounts are deferred and amortized as required under pension and OPEB standards.

The City reports deferred inflows of resources related to debt refunding in the government-wide and enterprise funds Statements of Net Position. This deferred inflow results from the differences between the resources required to refund debt and the net carrying amount of the refunded issue. These amounts are deferred and amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter.

The City also reports deferred inflows of resources for leases receivable in the government-wide and enterprise funds Statements of Net Position and governmental funds balance sheet. These deferred inflows are amortized on a straight-line basis over the term of the related leases.

Unavailable revenue arises only under the modified accrual basis of accounting and therefore is only reported in the governmental funds balance sheet. The governmental funds report unavailable revenues for taxes and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

N) Long-Term Obligations

In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed in the period incurred.

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

O) Fund Balance Classifications

The difference between fund assets and deferred outflows of resources less liabilities and deferred inflows of resources is “fund balance” on the governmental fund statements. In the fund financial statements, fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of resources reported in governmental funds. These classifications are as follows:

- **Nonspendable** – consists of amounts that cannot be spent because it is not in spendable form, such as prepaid items, inventory, leases receivable net of deferred inflows, and other long-term assets.
- **Restricted** – consists of amounts related to externally imposed constraints established by creditors, grantors or contributors; or constraints imposed by state statutory provisions.
- **Committed** – consists of amounts related to internally imposed constraints that are established by formal action (resolution) of the City Council. Those committed amounts cannot be used for any other purposes unless the City Council removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.
- **Assigned** – consists of amounts intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General fund, assigned amounts represent intended use established by the governing body itself or by an official to which the governing body delegates authority. Pursuant to City Council Resolution, the City’s Administrative Services Director is authorized to establish assignments of fund balance.
- **Unassigned** – is the residual classification for the General fund and also reflects negative residual amounts in other funds.

When both restricted and unrestricted resources are available for use, it is the City’s policy to use restricted resources first and then unrestricted as needed. When committed, assigned or unassigned funds are available for expenditure, it is the City’s policy to spend committed funds first, assigned funds second, and unassigned funds last.

P) Net Position

Net position represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources in the government-wide and proprietary fund financial statements. Net position is displayed in three components:

- **Net Investment in Capital Assets** - consists of capital assets, net of accumulated depreciation and amortization, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets and the outstanding balance of any capital related payables such as contracts and retainage payable.
- **Restricted Net Position** - consists of net position restricted by limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulation of other governments.
- **Unrestricted Net Position** – all other elements of net position that do not meet the definition of “restricted” or “net investment in capital assets” are reported as unrestricted.

The City applies restricted resources first when an expense is incurred for which both restricted and unrestricted resources are available.

Q) Interfund Transactions

Interfund services provided are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. In the ordinary course of business, transfers between funds are made to finance projects. Other interfund transactions are reported as transfers in/out. Interfund transactions within the respective categories of governmental activities and business-type activities in the government-wide statement of activities are eliminated. The internal balances caption on the government-wide statement of net position represents interfund receivable or payable between governmental and business-type activities.

R) Use of Estimates

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

S) Pension Plans

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

For purposes of measuring the net pension liability (asset), deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Chaska Fire Department Relief Association Pension Plan (CFDRAPP) and additions to/deductions from CFDRAPP's fiduciary net position have been reported using a one-year look-back period. Investments are reported at fair value.

T) Change in Accounting Principle

During the year ended December 31, 2022, the City implemented GASB Statement No. 87, *Leases*. This statement included major changes in recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The implementation of this new GASB statement in the current year resulted in the City reporting new lease receivables and deferred inflows of resources, and new lease liabilities and right-to-use lease assets. Adjustments to capital assets and long-term liabilities were made but did not require a restatement of net position in the current year. See Note 4, Note 6, and Note 7 for additional information on this change in the current year.

Note 2 Compliance and Accountability**A) Budget**

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annually appropriated budgets are adopted for the General Fund, two Special Revenue Funds: Mount Pleasant Maintenance & Care Fund and Chaska EDA Fund, and one Capital Project Fund: Equipment Acquisition Fund. Budgeted amounts are as originally adopted and as amended by the City Council.

The City follows these procedures in establishing and monitoring the annual budget:

1. Prior to September 30 each year, the City Administrator submits to the City Council a proposed operating budget for the year commencing the following January 1.
2. Public hearings are held to obtain public comments.
3. The budget is legally enacted by resolution after obtaining public comments.
4. The legal level of budgetary control is at the fund level. Budgetary control is maintained by department heads for all assigned divisions. Department heads may reallocate budget appropriations between divisions within the same fund, but not reallocate between funds or functions. The City Administrator may reallocate budget appropriations between functions within the same fund.
5. During the year, expenditures in various categories (i.e., personal services, operating supplies, other services and charges, capital outlay, and other financing uses) may exceed the level of appropriation if additional revenues or reduced expenditures in another account are identified and available to offset the additional expenditures.
6. Unused budgeted expenditure appropriations lapse at year-end.
7. Annual appropriated budgets are not adopted for Debt Service Funds because budgetary control is achieved through bond indenture provisions. Budgetary control for other Capital Project Funds is accomplished through project controls, so budgets are not adopted.

B) Excess of Expenditures Over Appropriations

For the year ended December 31, 2022, expenditures exceeded appropriations in the General fund by \$721,192, Mount Pleasant Maintenance & Care Special Revenue fund by \$439, and the Equipment Acquisition Capital Project fund by \$2,619,579. Variances in the General fund and Mount Pleasant Special Revenue fund were offset by revenues greater than expected in each fund. The Equipment Acquisition fund variance was offset by fund balance.

C) Nonmajor Funds with Negative Equity

The following nonmajor funds maintained a deficit fund balance at December 31, 2022:

Special Revenue Fund

Chaska EDA	\$ 910,739
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Capital Project Funds

Equipment Acquisition	\$ 1,280,385
Abatement Program	696,611
TIF Dist #14 - Downtown Redevelopment	2,246,609
TIF Dist #20 - Brewery Project	20,567
TIF Dist #21 - Hot Spot Project	76,990
TIF Dist #22 - Ernst House Project	64,239
TIF Dist #23 - City Square West Project	831,110
TIF Dist #24 - Chaska Creek Industrial Project	43,574

The deficit in the Chaska EDA fund is due to various economic development projects, some of which have not received final funding. Ongoing activities of the Chaska EDA fund will eliminate this deficit.

The deficits in the Capital Project funds relate to capital projects that have incurred expenditures and equipment purchases that have not received final financing. The Equipment Acquisition fund deficit is due to fire truck purchases that will be reimbursed through future year bond issuance. The Abatement Program and TIF District deficits are due to project costs for the districts. Abatement and tax increment revenue collected in future years will eliminate these deficits. All funds are expected to recover their deficits.

Note 3 Cash and Investments

The City maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the government-wide statement of net position as "cash and investments."

Deposits, investments, petty cash and change funds are reported on the City's financial statements as follows:

Statement of Net Position - Government-Wide	
Cash and Investments	\$29,228,394
Restricted Cash and Investments	<u>27,965,268</u>
Total Cash and Investments	<u><u>\$57,193,662</u></u>

A) Deposits

In accordance with applicable Minnesota Statutes, the City maintains deposits at depository banks authorized by the City Council, including checking accounts and certificates of deposits.

The following is considered the most significant risk associated with deposits:

Custodial Credit Risk – In the case of deposits, this is the risk that in the event of bank failure, the City's deposits may be lost and not recovered.

City of Chaska, Minnesota

For the Year Ended December 31, 2022

Minnesota Statutes require that federal deposit insurance, corporate surety bond or collateral protect all deposits. The fair value of collateral pledged must equal 110% of the deposits not covered by insurance or bonds. Authorized collateral includes the legal investments described below under “credit risk”, as well as certain first mortgage notes and certain other state or local government obligations. Minnesota Statutes require that securities pledged as collateral be held in safekeeping by the City or in a financial institution other than that furnishing the collateral. The City’s investment policies do not further address limiting exposure to custodial credit risk for deposits.

At year-end, the carrying amount of the City’s deposits was \$17,369,598, while the balance on the bank records was \$19,722,660. Total bank deposits include a developer’s escrow with an account balance of \$11,371,501. These funds are being held and administered by the City on behalf of the developer for the sole purpose of funding construction-related expenses. At December 31, 2022, all deposits were insured, or collateralized by securities held by the City’s agent in the City’s name.

B) Investments

The City has the following investments at year-end:

Investment Type	Credit Risk		Fair Value Measurements Using	Interest Risk - Maturity Duration in Years			Total
	Rating	Agency		Less Than 1	1 to 5	More than 5	
U.S. Government Agencies	AA+	S&P	Level 2	\$ 2,969,390	\$ 6,412,181	\$ -	\$ 9,381,571
State and Local Bonds	AA	S&P	Level 2	1,499,355	1,655,140	-	3,154,495
State and Local Bonds	Aa2	Moody's	Level 2	465,000	-	-	465,000
Commercial Paper	A-1	S&P	Level 2	3	-	-	3
Negotiable CDs	N/R	N/R	Level 2	-	712,377	-	712,377
Investments in Mutual Funds & Money Markets							
First American Government Obligations	AAAam	S&P	Level 1	N/A	N/A	N/A	2,581,489
100% Treasury MM Fund	AAAam	S&P	Level 1	N/A	N/A	N/A	3,273,904
Minnesota Municipal MM Fund	N/R	N/R	N/A	N/A	N/A	N/A	20,250,687
Total Investments:				<u>\$ 4,933,748</u>	<u>\$ 8,779,698</u>	<u>\$ -</u>	<u>39,819,526</u>
Total Deposits							17,369,598
Petty Cash and Change Funds							4,538
Total Deposits and Investments							<u>\$ 57,193,662</u>

N/A - Not Applicable

N/R - Not Rated

The Minnesota Municipal Money Market Fund (the 4M Fund) is regulated by Minnesota statutes and the Board of Directors of the League of Minnesota Cities and is a customized cash management program for Minnesota public funds. It is also sponsored and governed by the League of Minnesota Cities since 1987. Allowable under Minnesota Statutes, the 4M Fund is comprised of top quality, highly rated investments.

The 4M Fund is an external investment pool not registered with the Securities and Exchange Commission (SEC); however, it follows the same regulatory rules of the SEC. The reported value of the pool is the same as the fair value of the pool share. The City’s investment in this fund is measured at amortized cost. For this investment pool, there are no unfunded commitments, redemption frequency is daily, and there is no redemption notice required for the Liquid Class; the redemption notice period is 14 days for the Plus Class.

Investments are subject to various risks, the following of which are considered the most significant:

Custodial Credit Risk – For investments, this is the risk that in the event of a failure of the counterparty to an investment transaction (typically a broker-dealer) the City would not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City’s investment policies do not address limiting exposure to custodial credit risk.

Credit Risk – This is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Minnesota Statutes limit the City’s investments to direct obligations or obligations guaranteed by the United States or its agencies; shares of investment companies registered under the Federal Investment Company Act of 1940 that receive the highest credit rating are rated in one of the two highest rating categories by a statistical rating agency, and all of the investments have a final maturity of thirteen months or less; general obligations rated “A” or better; revenue obligations rated “AA” or better; general obligations of the Minnesota Housing Finance Agency rated “A” or better; bankers acceptances of United States banks eligible for purchase by the Federal Reserve System; commercial paper issued by United States corporations or their Canadian subsidiaries, rated of the highest quality category by at least two nationally recognized rating agencies, and maturing in 270 days or less; Guaranteed Investment Contracts guaranteed by a United States commercial bank, domestic branch of a foreign bank, or a United States insurance company, with a credit quality in one of the top two highest categories; repurchase or reverse purchase agreements and securities lending agreements with financial institutions qualified as a “depository” by the government entity, with banks that are members of the Federal Reserve System with capitalization exceeding \$10,000,000, that are a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York, or certain Minnesota securities broker-dealers. The City’s investment policies do not further address credit risk.

Concentration Risk – This is the risk associated with investing a significant portion of the City’s investment (considered 5.0% or more) in the securities of a single issuer, excluding U.S. guaranteed investments (such as Treasuries), investment pools, and mutual funds. The City’s investment policy does not limit the concentration of investments.

At year-end, the City had more than 5.0 percent of its investments in the following:

<u>Issuer</u>	<u>Percent</u>	<u>Amount</u>
Federal Home Loan Banks	16.14%	\$6,426,461

Interest Rate Risk - This is the risk of potential variability in the fair value of fixed rate investments resulting from changes in interest rates (the longer the period for which an interest rate is fixed, the greater the risk). The City’s investment policy does not limit the duration of investments.

City of Chaska, Minnesota

For the Year Ended December 31, 2022

Note 4 Capital Assets

Capital asset activity for Governmental and Business-Type activities for the year ended December 31, 2022, was as follows:

	Beginning Balance	Change in Accounting Principle*	Increases	Decreases	Reclass & Transfers	Ending Balance
Governmental Activities						
Capital assets, not depreciated/amortized:						
Land	\$ 56,603,006	\$ -	\$ 2,081,579	\$ -	\$ 9,951	\$ 58,694,536
Works of Art/Treasures	105,027	-	-	-	-	105,027
Construction In Progress	16,485,776	-	13,047,692	(8,658)	(6,608,568)	22,916,242
Total capital assets, not depreciated/amortized:	73,193,809	-	15,129,271	(8,658)	(6,598,617)	81,715,805
Capital assets, depreciated and amortized:						
Buildings and Building Improvements	11,344,771	-	-	-	-	11,344,771
Other Improvements	24,508,684	-	225,056	-	41,669	24,775,409
Furniture & Equipment	12,629,721	-	508,180	(241,939)	30,590	12,926,552
Infrastructure	181,182,706	-	1,624,758	-	3,378,231	186,185,695
Leased Equipment	-	16,923	361,342	-	-	378,265
Total capital assets, depreciated and amortized:	229,665,882	16,923	2,719,336	(241,939)	3,450,490	235,610,692
Less accumulated depreciation and amortization for:						
Buildings and Building Improvements	(8,305,272)	-	(265,904)	-	-	(8,571,176)
Other Improvements	(10,788,713)	-	(744,542)	-	-	(11,533,255)
Furniture & Equipment	(8,790,832)	-	(785,538)	237,118	(20,698)	(9,359,950)
Infrastructure	(83,257,546)	-	(5,885,587)	-	-	(89,143,133)
Leased Equipment	-	-	(47,434)	-	-	(47,434)
Total accumulated depreciation and amortization:	(111,142,363)	-	(7,729,005)	237,118	(20,698)	(118,654,948)
Net capital assets, depreciated and amortized:	118,523,519	16,923	(5,009,669)	(4,821)	3,429,792	116,955,744
Governmental activities capital assets, net:	\$ 191,717,328	\$ 16,923	\$ 10,119,602	\$ (13,479)	\$ (3,168,825)	\$ 198,671,549
Business-Type Activities						
Capital assets, not depreciated/amortized:						
Land	\$ 1,449,855	\$ -	\$ 108,129	\$ -	\$ -	\$ 1,557,984
Construction In Progress	5,569,853	-	3,096,572	-	(946,286)	7,720,139
Total capital assets, not depreciated/amortized:	7,019,708	-	3,204,701	-	(946,286)	9,278,123
Capital assets, depreciated and amortized:						
Buildings and Building Improvements	78,369,860	-	512,826	-	91,482	78,974,168
Other Improvements	2,512,227	-	178,473	-	117,212	2,807,912
Furniture & Equipment	12,030,292	-	688,979	(84,974)	(20,698)	12,613,599
Infrastructure	52,446,057	-	1,446,833	-	3,906,417	57,799,307
Leased Land Improvements	-	611,824	-	-	-	611,824
Leased Equipment	-	6,343	21,729	-	-	28,072
Total capital assets, depreciated and amortized:	145,358,436	618,167	2,848,840	(84,974)	4,094,413	152,834,882
Less accumulated depreciation and amortization for:						
Buildings and Building Improvements	(43,194,199)	-	(2,373,044)	-	-	(45,567,243)
Other Improvements	(1,545,133)	-	(144,020)	-	-	(1,689,153)
Furniture & Equipment	(7,067,392)	-	(719,286)	78,206	20,698	(7,687,774)
Infrastructure	(19,919,479)	-	(1,694,821)	-	-	(21,614,300)
Leased Land Improvements	-	-	(12,236)	-	-	(12,236)
Leased Equipment	-	-	(3,753)	-	-	(3,753)
Total accumulated depreciation and amortization:	(71,726,203)	-	(4,947,160)	78,206	20,698	(76,574,459)
Net capital assets, depreciated and amortized:	73,632,233	618,167	(2,098,320)	(6,768)	4,115,111	76,260,423
Business-type activities capital assets, net:	\$ 80,651,941	\$ 618,167	\$ 1,106,381	\$ (6,768)	\$ 3,168,825	\$ 85,538,546

* Change in Accounting Principle is due to implementation of GASB 87 in 2022.

City of Chaska, Minnesota**For the Year Ended December 31, 2022**

Depreciation and amortization expense was charged to functions/programs of the primary government as follows:

Governmental Activities		Business-Type Activities	
General Government	\$ 295,958	Electric	\$ 1,573,141
Public Safety	434,716	Water	889,582
Public Works	6,258,622	Sewer	197,970
Parks, Recreation and Arts	739,709	Chaska Community Center	865,041
Total Depreciation and Amortization Expense - Governmental Activities:	<u>\$ 7,729,005</u>	The Loop at Chaska	12,821
		Chaska Town Course	484,959
		Turbine	27,217
		Storm Water	267,481
		Chaska Curling Center	628,948
		Total Depreciation and Amortization Expense - Business-Type Activities:	<u>\$ 4,947,160</u>

Note 5 Supply Contract Receivable**Turbine Generator Agreement**

The City entered into a Power Supply Contract Receivable Agreement with the Minnesota Municipal Power Agency (MMPA) in which the City agrees to sell MMPA the peaking power and peaking power capacity of the City's gas turbine generator for a thirty-year period, commencing May 1, 2001. MMPA receives the sole right to operate the facility and to use the power generated from such operation for the term of the agreement. MMPA is responsible for all expenses of operating and maintaining the facility for this period, with the exception of insurance, which is to be purchased by the City. Under the agreement, MMPA will pay the City an amount representing the total cost to the City of constructing the facility plus a predetermined rate of return and interest. The payments are to be made in equal monthly installments over the thirty-year term of the agreement. The total project cost to the City for constructing the facility was \$29,144,986. The total principal after adjusting for issuance costs and interest earnings is \$28,468,092.

Under the agreement, the City retains ownership of the facility. In the event the facility is destroyed or damaged to the point of being unusable before the end of the agreement, the City would be indemnified by MMPA for any costs in excess of insurance of retiring any remaining debt incurred to build the facility.

A second agreement between the two parties gives MMPA the annual option to continue this agreement for an additional twenty-year period, commencing May 1, 2031. The agreement calls for annual payments of \$500,000 to be made in equal monthly installments. MMPA will have the annual option to cancel the agreement for any of the twenty additional years by giving the City ninety days written notice in advance of May 1 of the year the option will not be exercised.

City of Chaska, Minnesota

For the Year Ended December 31, 2022

Annual power supply contract payments through April 1, 2031, are as follows:

Year Ending December 31	Supply Contract Receivable	
	Principal	Interest
2023	\$ 1,270,503	\$ 1,215,681
2024	1,383,614	1,102,570
2025	1,506,795	979,389
2026	1,640,947	845,237
2027	1,787,041	699,143
2028-2031	7,187,805	1,099,475
Total:	<u>\$ 14,776,705</u>	<u>\$ 5,941,495</u>

Note 6 Leases Receivable Agreements

Leases receivable activity for the year ended December 31, 2022, was as follows:

	Beginning Balance	Change in Accounting Principle*	Additions	Reductions	Ending Balance
<u>Governmental Activities</u>					
T-Mobile Cell Tower Site A1P757E	\$ -	\$ 181,586	\$ -	\$ (4,383)	\$ 177,203
T-Mobile Cell Tower Site A1P0152A	-	50,565	-	(37,750)	12,815
T-Mobile Cell Tower Site A1P0059A	-	829,681	-	(36,500)	793,181
Verizon Cell Tower	-	703,574	-	(20,409)	683,165
Sprint Cell Tower MS70XC498-A/A1P032	-	300,754	-	(29,080)	271,674
Northstar Regional Building Space	-	-	224,001	(19,007)	204,994
Governmental Activities Leases Receivable:	<u>\$ -</u>	<u>\$ 2,066,160</u>	<u>\$ 224,001</u>	<u>\$ (147,129)</u>	<u>\$ 2,143,032</u>
<u>Business-type Activities</u>					
Bountiful Baskets Office Space	\$ -	\$ 282,561	\$ -	\$ (24,336)	\$ 258,225
St. Francis Gym Space	-	1,322,054	-	(159,457)	1,162,597
Carver County Arts Consortium Building Space	-	18,756	-	(9,224)	9,532
MMPA MRS Breaker Station	-	512,628	-	(49,912)	462,716
Alphabet Junction Daycare Building Space	-	-	251,667	(15,306)	236,361
Business-type Activities Leases Receivable:	<u>\$ -</u>	<u>\$ 2,135,999</u>	<u>\$ 251,667</u>	<u>\$ (258,235)</u>	<u>\$ 2,129,431</u>

* Change in Accounting Principle is due to implementation of GASB 87 in 2022.

City of Chaska, Minnesota

For the Year Ended December 31, 2022

Lease activity reported in deferred inflows of resources for the year ended December 31, 2022, was as follows:

	Beginning Balance	Change in Accounting Principle*	Additions	Reductions	Ending Balance
<u>Governmental Activities</u>					
T-Mobile Cell Tower Site A1P757E	\$ -	\$ 178,586	\$ -	\$ (8,572)	\$ 170,014
T-Mobile Cell Tower Site A1P0152A	-	50,565	-	(38,731)	11,834
T-Mobile Cell Tower Site A1P0059A	-	829,681	-	(28,610)	801,071
Verizon Cell Tower	-	703,574	-	(34,888)	668,686
Sprint Cell Tower MS70XC498-A/A1P032	-	300,754	-	(34,702)	266,052
Northstar Regional Building Space	-	-	224,001	(21,333)	202,668
Governmental Activities					
Deferred Inflows - Leases:	<u>\$ -</u>	<u>\$ 2,063,160</u>	<u>\$ 224,001</u>	<u>\$ (166,836)</u>	<u>\$ 2,120,325</u>
<u>Business-type Activities</u>					
Bountiful Baskets Office Space	\$ -	\$ 282,561	\$ -	\$ (28,256)	\$ 254,305
St. Francis Gym Space	-	1,322,054	-	(198,308)	1,123,746
Carver County Arts Consortium Building Space	-	18,756	-	(9,378)	9,378
MMPA MRS Breaker Station	-	512,628	-	(54,924)	457,704
Alphabet Junction Daycare Building Space	-	-	251,667	(16,778)	234,889
Business-type Activities					
Deferred Inflows - Leases:	<u>\$ -</u>	<u>\$ 2,135,999</u>	<u>\$ 251,667</u>	<u>\$ (307,644)</u>	<u>\$ 2,080,022</u>

* Change in Accounting Principle is due to implementation of GASB 87 in 2022.

- The City entered into a 250-month lease as Lessor for the use of a water/cell tower by T-Mobile at Site A1P757E. An initial lease receivable was recorded as of January 1, 2022, in the amount of \$181,586. As of December 31, 2022, the value of the lease receivable is \$177,203. The lessee is required to make monthly fixed payments of \$585, with an increase in year two of 13.30% and a 3.00% annual increase through the remainder of the lease term. The lease has an interest rate of 1.70%. As of December 31, 2022, the value of the deferred inflow of resources is \$170,014, and the City recognized lease revenue of \$8,572 during the fiscal year. A lease incentive of \$3,000 paid at commencement of the lease was not included in the present value calculation of deferred inflows, but was included in the present value of the lease receivable. The lessee has 4 extension options, each for 60 months.
- The City entered into a 195-month lease as Lessor for the use of a water/cell tower by T-Mobile at Site A1P0152A. An initial lease receivable was recorded as of January 1, 2022, in the amount of \$693,137. During 2022, the Lessee elected not to exercise their renewal option and a termination notice was provided to the City with a lease term date of April 20, 2023. The Lessee's decision to terminate the lease resulted in a remeasured initial value of the lease receivable and deferred inflow of resources of \$50,565 each. As of December 31, 2022, the value of the lease receivable is \$12,815. The lessee is required to make monthly fixed payments of \$3,120. The lease has an interest rate of 1.52%. As of December 31, 2022, the value of the deferred inflow of resources is \$11,834, and the City recognized lease revenue of \$38,731 during the fiscal year.
- The City entered into a 348-month lease as Lessor for the use of a water/cell tower by T-Mobile at Site A1P0059A. An initial lease receivable was recorded as of January 1, 2022, in the amount of \$829,681. As

of December 31, 2022, the value of the lease receivable is \$793,181. The lessee is required to make annual fixed principal payments of \$36,500, along with additional variable payments based on the current Consumer Price Index. The variable amount paid in 2022 was \$1,949. The lease has an interest rate of 1.84%. As of December 31, 2022, the value of the deferred inflow of resources is \$801,071, and the City recognized lease revenue of \$28,610 during the fiscal year. The lessee has 5 extension options, each for 60 months.

- The City entered into a 242-month lease as Lessor for the use of a water/cell tower by Verizon at 113995 Hundertmark Road. An initial lease receivable was recorded as of January 1, 2022, in the amount of \$703,574. As of December 31, 2022, the value of the lease receivable is \$683,165. The lessee is required to make monthly fixed payments of \$2,518, with a 3.00% annual increase. The lease has an interest rate of 1.66%. As of December 31, 2022, the value of the deferred inflow of resources is \$668,686, and the City recognized lease revenue of \$34,888 during the fiscal year. The lessee has 4 extension options, each for 60 months.
- The City entered into a 104-month lease as Lessor for the use of a water/cell tower by Sprint LLC at Site MS70XC498-A/A1P032. An initial lease receivable was recorded as of January 1, 2022, in the amount of \$300,754. As of December 31, 2022, the value of the lease receivable is \$271,674. The lessee is required to make monthly fixed payments of \$2,728, with a 3.00% annual increase. The lease has an interest rate of 1.52%. As of December 31, 2022, the value of the deferred inflow of resources is \$266,052, and the City recognized lease revenue of \$34,702 during the fiscal year. The lessee has 1 extension option for an additional 44 months.
- On May 1, 2022, the City entered into an 84-month lease as Lessor for the use of building space by Northstar Regional. An initial lease receivable was recorded in the amount of \$224,001. As of December 31, 2022, the value of the lease receivable is \$204,994. The lessee is required to make monthly fixed payments of \$2,755, with a 2.00% annual increase. The lease has an interest rate of 2.43%. As of December 31, 2022, the value of the deferred inflow of resources is \$202,668, and the City recognized lease revenue of \$21,333 during the fiscal year. The lessee has 1 extension option for an additional 24 months.
- The City entered into a 120-month lease as Lessor for the use of office space by Bountiful Baskets at the former water treatment plant. An initial lease receivable was recorded as of January 1, 2022, in the amount of \$282,561. As of December 31, 2022, the value of the lease receivable is \$258,225. The lessee is required to make monthly fixed payments of \$2,297, with a 2.00% annual increase. Additionally, there are other reasonably certain payments of \$300.00 per month. The lease has an interest rate of 1.31%. As of December 31, 2022, the value of the deferred inflow of resources is \$254,305, and the City recognized lease revenue of \$28,256 during the fiscal year. The lessee has 2 extension options, each for 60 months.
- The City entered into an 80-month lease as Lessor for the use of building space by St. Francis Regional Medical Center at the Chaska Community Center. An initial lease receivable was recorded as of January 1, 2022, in the amount of \$1,322,054. As of December 31, 2022, the value of the lease receivable is \$1,162,597. The lessee is required to make monthly fixed payments of \$14,282, with annual step increases for the duration of the lease term. The lease has an interest rate of 1.05%. As of December 31, 2022, the value of the deferred inflow of resources is \$1,123,746, and the City recognized lease revenue of \$198,308 during the fiscal year. The lessee has 1 extension option for an additional 60 months.

City of Chaska, Minnesota

For the Year Ended December 31, 2022

- The City entered into a 24-month lease as Lessor for the use of building space by Carver County Arts Consortium at the Chaska Community Center. An initial lease receivable was recorded as of January 1, 2022, in the amount of \$18,756. As of December 31, 2022, the value of the lease receivable is \$9,532. The lessee is required to make monthly fixed payments of \$773, with annual step increases for the duration of the lease term. The lease has an interest rate of 0.38%. As of December 31, 2022, the value of the deferred inflow of resources is \$9,378, and the City recognized lease revenue of \$9,378 during the fiscal year.
- The City entered into a 112-month lease as Lessor for the use of an electric breaker by MMPA at the MN River Breaker Station. An initial lease receivable was recorded as of January 1, 2022, in the amount of \$512,628. As of December 31, 2022, the value of the lease receivable is \$462,716. The lessee is required to make monthly fixed payments of \$5,183. The lease has an interest rate of 2.75%. As of December 31, 2022, the value of the deferred inflow of resources is \$457,704, and the City recognized lease revenue of \$54,924 during the fiscal year.
- On September 1, 2022, the City entered into a 60-month lease as Lessor for the use of building space by Alphabet Junction Childcare Center at the Chaska Community Center. An initial lease receivable was recorded in the amount of \$251,667. As of December 31, 2022, the value of the lease receivable is \$236,361. The lessee is required to make monthly fixed payments of \$4,196, with annual step increases for the duration of the lease term. The lease has an interest rate of 2.43%. As of December 31, 2022, the value of the deferred inflow of resources is \$234,889, and the City recognized lease revenue of \$16,778 during the fiscal year.

Annual payment requirements to maturity are as follows:

Year Ending December 31	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2023	\$ 119,428	\$ 37,373	\$ 330,335	\$ 31,794
2024	111,529	35,304	327,861	26,805
2025	116,618	33,184	335,114	21,696
2026	121,884	30,968	342,569	16,445
2027	126,854	28,656	330,715	11,105
2028-2032	470,357	113,139	462,837	13,375
2033-2037	387,311	79,777	-	-
2038-2042	419,810	43,373	-	-
2043-2047	163,649	18,851	-	-
2048-2050	105,592	3,908	-	-
Total:	<u>\$ 2,143,032</u>	<u>\$ 424,533</u>	<u>\$ 2,129,431</u>	<u>\$ 121,220</u>

City of Chaska, Minnesota

For the Year Ended December 31, 2022

Note 7 Long-Term Liabilities

Long-term liabilities for the year ended December 31, 2022, are as follows:

Governmental Activities	Beginning Balance	Change in Accounting Principle*	Additions	Reductions	Ending Balance	Due Within One Year
Bonds Payable:						
General Obligation Bonds:						
Equipment Certificates	\$ 2,780,000	\$ -	\$ -	\$ (435,000)	\$ 2,345,000	\$ 460,000
General Obligation Bonds	980,000	-	-	(315,000)	665,000	325,000
Tax Increment Bonds	2,990,000	-	-	(40,000)	2,950,000	70,000
Taxable Abatement Bonds	575,000	-	-	(35,000)	540,000	40,000
Improvement Bonds	28,205,000	-	-	(2,005,000)	26,200,000	2,075,000
State Aid Street Bonds	4,940,000	-	4,190,000	(160,000)	8,970,000	190,000
Revenue Bonds	495,000	-	-	(75,000)	420,000	85,000
EDA Revenue Bonds	7,815,000	-	-	(330,000)	7,485,000	340,000
EDA Lease Revenue Bonds	8,700,000	-	-	(300,000)	8,400,000	305,000
Plus: Premium	3,345,308	-	-	(286,363)	3,058,945	-
Total Bonds Payable:	<u>60,825,308</u>	<u>-</u>	<u>4,190,000</u>	<u>(3,981,363)</u>	<u>61,033,945</u>	<u>3,890,000</u>
Lease Liability	7,555	16,923	360,990	(52,070)	333,398	80,741
Compensated Absences	1,351,830	-	1,223,042	(1,122,421)	1,452,451	1,032,738
Total OPEB Liability	1,126,979	-	10,511	(465,170)	672,320	12,721
Net Pension Liability	5,578,644	-	14,179,793	(1,125,563)	18,632,874	-
Governmental Activities						
Long-term Liabilities:	<u>\$68,890,316</u>	<u>\$ 16,923</u>	<u>\$19,964,336</u>	<u>\$ (6,746,587)</u>	<u>\$82,124,988</u>	<u>\$ 5,016,200</u>
Business-type Activities						
Bonds Payable:						
General Obligation Revenue Bonds	\$16,720,000	\$ -	\$ -	\$ (1,300,000)	\$15,420,000	\$ 1,205,000
Revenue Bonds	22,610,000	-	-	(1,770,000)	20,840,000	1,850,000
EDA Lease Revenue Bonds	14,750,000	-	-	(1,370,000)	13,380,000	1,420,000
Lease Purchase Bonds	3,560,000	-	-	(131,000)	3,429,000	130,000
Plus: Premium	3,575,299	-	-	(358,572)	3,216,727	-
Total Bonds Payable:	<u>61,215,299</u>	<u>-</u>	<u>-</u>	<u>(4,929,572)</u>	<u>56,285,727</u>	<u>4,605,000</u>
Financed Purchase Payable	280,594	-	-	(46,302)	234,292	48,768
Lease Liability	-	618,167	21,729	(11,990)	627,906	9,618
Compensated absences	759,348	-	560,968	(549,338)	770,978	472,487
Total OPEB Liability	469,967	-	28,481	(203,837)	294,611	5,575
Net Pension Liability	3,125,969	-	3,293,366	(471,391)	5,947,944	-
Business-type Activities						
Long-term Liabilities:	<u>\$65,851,177</u>	<u>\$ 618,167</u>	<u>\$ 3,904,544</u>	<u>\$ (6,212,430)</u>	<u>\$64,161,458</u>	<u>\$ 5,141,448</u>

* Change in Accounting Principle is due to implementation of GASB 87 in 2022.

For the Governmental Activities, lease liabilities, compensated absences, other post-employment benefits, and net pension liabilities are generally liquidated by the General fund. In business-type activities, financed purchase payable, lease liabilities, compensated absences, other post-employment benefits, and net pension liabilities are liquidated within the respective Enterprise fund.

City of Chaska, Minnesota

For the Year Ended December 31, 2022

Bonds Payable:

The City issues general obligation bonds to provide funds for the construction of capital projects and acquisition of equipment. General obligation bonds have been issued for both governmental and business-type activities.

General obligation debt is supported by the “full faith and credit” of the City including tax increment and improvement bond issues. Bonds in the governmental activities will be repaid by future property tax levies, tax increments or special assessments accumulated in the specific debt service funds. Bonds in the business-type activities will be repaid with the net revenues of the utility issuing the bonds. For both governmental and business-type activities, in the event a deficiency exists at the time a debt service payment is due, the City must provide resources to cover the deficiency until other resources are available.

The City and the Chaska EDA also issue revenue bonds. Revenue bonds are supported by specific fee revenues to pay for debt service.

Bonds outstanding for the year ended December 31, 2022, are as follows:

<u>Governmental Activities</u>	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Interest Rate</u>	<u>Original Issue</u>	<u>Outstanding 12/31/2022</u>
Bonds Payable					
General Obligation Bonds					
Equipment Certificates					
G.O. Equipment Certificates, Series 2013C	08/15/13	02/01/23	0.90-3.10%	\$ 915,000	\$ 115,000
G.O. Equipment Certificates, Series 2017B	11/29/17	02/01/27	5.00%	1,960,000	1,210,000
G.O. Equipment Certificates, Series 2019B	11/06/19	02/01/29	4.00-5.00%	1,240,000	1,020,000
Total Equipment Certificates				<u>4,115,000</u>	<u>2,345,000</u>
General Obligation Bonds					
G.O. Improvement Bonds, Series 2014A	12/30/14	02/01/24	0.70-3.00%	<u>2,705,000</u>	<u>665,000</u>
Tax Increment Bonds					
G.O. Taxable Cross-over Refunding Bonds, Series 2017D	12/27/17	02/01/31	3.00-3.50%	460,000	355,000
G.O. Taxable TI Bonds, Series 2019D	12/04/19	02/01/40	2.55-3.05%	1,670,000	1,665,000
G.O. Taxable TI Bonds, Series 2019D	12/04/19	02/01/40	2.55-3.05%	260,000	260,000
G.O. Taxable TI Bonds, Series 2019D	12/04/19	02/01/40	2.55-3.05%	<u>670,000</u>	<u>670,000</u>
Total Tax Increment Bonds				<u>3,060,000</u>	<u>2,950,000</u>
Taxable Abatement Bonds					
G.O. Taxable Bonds, Series 2017C	11/29/17	02/01/39	1.80-3.45%	245,000	215,000
G.O. Taxable Advance Refunding Bonds, Series 2020D	09/02/20	12/01/32	0.15-1.50%	<u>375,000</u>	<u>325,000</u>
Total Taxable Abatement Bonds				<u>620,000</u>	<u>540,000</u>
Improvement Bonds					
G.O. Improvement Bonds, Series 2012A	08/15/12	02/01/28	2.00-2.40%	2,430,000	1,010,000
G.O. Cross-over Refunding, Series 2012B	08/15/12	02/01/27	2.00-2.30%	3,295,000	980,000
G.O. Improvement Bonds, Series 2014A	12/30/14	02/01/30	0.70-3.00%	3,080,000	1,775,000
G.O. Improvement Bonds, Series 2015B	08/19/15	02/01/31	3.00-5.00%	5,940,000	4,090,000
G.O. Improvement Bonds, Series 2017B	11/29/17	02/01/38	2.25-5.00%	6,875,000	6,245,000
G.O. Taxable Bonds, Series 2017C	11/29/17	02/01/33	1.70-3.45%	1,790,000	1,285,000
G.O. Cross-over Refunding, Series 2017E	12/27/17	02/01/29	2.01-2.87%	995,000	715,000
G.O. Improvement Bonds, Series 2019B	11/06/19	02/01/39	2.13-5.00%	4,440,000	4,045,000
G.O. Improvement Bonds, Series 2019D	12/04/19	02/01/35	2.55-3.00%	1,165,000	1,030,000
G.O. Improvement Bonds, Series 2019D	12/04/19	02/01/29	2.55-3.00%	85,000	70,000
G.O. Improvement Refunding, Series 2019E	12/04/19	02/01/33	3.00-5.00%	1,180,000	930,000

(Continued)

Notes to the Financial Statements

City of Chaska, Minnesota

For the Year Ended December 31, 2022

(Continued)

Governmental Activities	Issue Date	Final Maturity Date	Interest Rate	Original Issue	Outstanding 12/31/2022
Improvement Bonds (Continued)					
G.O. Improvement Refunding, Series 2019E	12/04/19	02/01/31	4.00-5.00%	560,000	385,000
G.O. Improvement Bonds, Series 2020C	09/02/20	02/01/37	2.00-5.00%	1,725,000	1,680,000
G.O. Taxable Advance Refunding Bonds, Series 2020D	09/02/20	12/01/34	0.20-1.70%	2,205,000	1,960,000
Total Improvement Bonds				35,765,000	26,200,000
G.O. State Aid Bonds					
G.O. State Aid Street Bonds, Series 2021A	01/14/21	04/01/41	1.00-4.00%	4,940,000	4,780,000
G.O. Temporary State Aid Street Bonds, Series 2022A	09/15/22	12/31/24	3.67%	4,190,000	4,190,000
Total State Aid Street Bonds				9,130,000	8,970,000
G.O. Revenue Bonds					
G.O. Cross-over Refunding, Series 2012B	08/15/12	02/01/27	2.00-2.30%	1,380,000	420,000
EDA Revenue Bonds					
EDA Taxable Installment Purchase Revenue Bonds, Series 2020A	03/09/20	12/01/40	1.75-3.08%	6,285,000	6,015,000
EDA Taxable Installment Purchase Revenue Bonds, Series 2020B	07/08/20	12/01/40	1.47-3.40%	1,530,000	1,470,000
Total EDA Revenue Bonds				7,815,000	7,485,000
EDA Lease Revenue Bonds					
Lease Revenue Bonds, Series 2015B	04/15/15	02/01/35	2.00-4.00%	9,000,000	7,930,000
Lease Revenue Bonds, Series 2015D	12/30/15	02/01/26	2.00-4.00%	1,085,000	470,000
Total EDA Lease Revenue Bonds				10,085,000	8,400,000
Premium				4,512,082	3,058,945
Total Bonds Payable - Governmental Activities:				\$79,187,082	\$61,033,945
Business-type Activities	Issue Date	Final Maturity Date	Interest Rate	Original Issue	Outstanding 12/31/2022
Bonds Payable					
General Obligation Revenue Bonds					
G.O. Utility Revenue Bonds, Series 2015C	12/30/15	02/01/36	2.00-4.00%	\$ 5,170,000	\$ 3,880,000
G.O. Utility Revenue Bonds, Series 2017B	11/29/17	02/01/38	2.25-5.00%	735,000	640,000
G.O. Utility Revenue Bonds, Series 2019C	11/06/19	02/01/35	2.00-3.00%	2,135,000	1,905,000
G.O. Utility Revenue Bonds, Series 2019D	12/04/19	02/01/30	2.55-3.00%	780,000	645,000
G.O. Utility Revenue Bonds, Series 2020C	09/02/20	02/01/31	4.00-5.00%	1,215,000	1,140,000
G.O. Taxable Crossover Advance Refunding Bonds, Series 2020D	09/02/20	12/01/32	0.20-1.50%	7,845,000	7,210,000
Total General Obligation Revenue Bonds				17,880,000	15,420,000
Revenue Bonds					
Electric Revenue Refunding Bonds, Series 2015A	10/01/15	10/01/30	2.00-5.00%	21,760,000	13,410,000
Electric Utility Revenue Bonds, Series 2017A	09/06/17	10/01/37	2.25-4.00%	7,220,000	5,880,000
Electric Utility Revenue Refunding Bonds, Series 2020F	12/29/20	10/01/31	4.00%	1,830,000	1,550,000
Total Revenue Bonds				30,810,000	20,840,000
EDA Lease Revenue Bonds					
Taxable Lease Revenue Bonds, Series 2015A	04/15/15	02/01/35	1.22-4.40%	12,855,000	8,050,000
Taxable Lease Revenue Bonds, Series 2015C	12/30/15	02/01/31	1.53-4.57%	3,410,000	2,255,000
Lease Revenue Refunding Bonds, Series 2017A	12/27/17	12/01/27	2.00-4.00%	1,880,000	1,020,000
EDA Lease Revenue & Limited Tax Refunding Bonds, Series 2020E	09/02/20	12/01/33	4.00-5.00%	2,310,000	2,055,000
Total EDA Lease Revenue Bonds				20,455,000	13,380,000
Lease Purchase Bonds					
Lease-Purchase Agreement, Series 2021	12/28/21	12/01/41	3.47%	3,560,000	3,429,000
Premium				5,192,408	3,216,727
Total Bonds Payable - Business-type Activities:				\$77,897,408	\$56,285,727

City of Chaska, Minnesota**For the Year Ended December 31, 2022**General Obligation Bonds:

The City issues the following types of general obligation bonds:

- Equipment certificates and GO bonds provide funding for the acquisition of equipment and vehicles for various departments.
- Tax Increment bonds provide financing for the construction of streets and utilities and the acquisition of property for business development.
- Taxable abatement bonds provide financing for the City's Housing Improvement Areas and Tax Abatement programs.
- Improvement bonds provide financing for construction projects such as streets, infrastructure, and utilities.
- State Aid Street bonds provide funding for road construction.

Annual debt service requirements to maturity are as follows:

Year Ending December 31	Governmental Activities					
	G.O. Equipment Certificates		G.O. Bonds		G.O. Tax Increment Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 460,000	\$ 102,957	\$ 325,000	\$ 13,375	\$ 70,000	\$ 87,295
2024	360,000	83,550	340,000	4,250	115,000	84,520
2025	380,000	65,050	-	-	120,000	80,995
2026	400,000	45,550	-	-	125,000	77,220
2027	415,000	25,175	-	-	125,000	73,282
2028 - 2032	330,000	14,200	-	-	710,000	304,205
2033 - 2037	-	-	-	-	700,000	204,881
2038 - 2041	-	-	-	-	985,000	59,704
Total:	<u>\$ 2,345,000</u>	<u>\$ 336,482</u>	<u>\$ 665,000</u>	<u>\$ 17,625</u>	<u>\$ 2,950,000</u>	<u>\$ 972,102</u>

Year Ending December 31	Governmental Activities					
	G.O. Abatement Bonds		G.O. Improvement Bonds		G.O. State Aid Street Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 40,000	\$ 9,897	\$ 2,075,000	\$ 836,239	\$ 190,000	\$ 260,198
2024	35,000	9,575	2,480,000	755,839	4,390,000	201,427
2025	35,000	9,228	2,515,000	666,082	205,000	91,385
2026	40,000	8,827	2,600,000	575,434	215,000	82,985
2027	40,000	8,342	2,705,000	481,365	220,000	74,285
2028 - 2032	245,000	31,213	10,500,000	1,177,652	1,240,000	244,225
2033 - 2037	75,000	11,644	3,145,000	150,778	1,360,000	140,325
2038 - 2041	30,000	1,035	180,000	3,656	1,150,000	38,958
Total:	<u>\$ 540,000</u>	<u>\$ 89,761</u>	<u>\$ 26,200,000</u>	<u>\$ 4,647,045</u>	<u>\$ 8,970,000</u>	<u>\$ 1,133,788</u>

City of Chaska, Minnesota**For the Year Ended December 31, 2022**General Obligation Revenue Bonds:

G.O. Revenue bonds are issued by the City to construct or expand utility systems. Bonds will be repaid with the net revenues of the Water, Sewer, and Storm Water Utilities.

Annual debt service requirements to maturity are as follows:

Year Ending December 31	Governmental Activities		Business-type Activities	
	G.O. Revenue Bonds		G.O. Revenue Bonds	
	Principal	Interest	Principal	Interest
2023	\$ 85,000	\$ 8,075	\$ 1,205,000	\$ 328,116
2024	75,000	6,475	1,250,000	307,491
2025	85,000	4,833	1,275,000	284,281
2026	85,000	3,005	1,320,000	259,241
2027	90,000	1,035	1,345,000	232,251
2028 - 2032	-	-	7,020,000	690,853
2033 - 2037	-	-	1,955,000	121,963
2038	-	-	50,000	781
Total:	<u>\$ 420,000</u>	<u>\$ 23,423</u>	<u>\$ 15,420,000</u>	<u>\$ 2,224,977</u>

Revenue Bonds:

Revenue bonds issued by the City are supported by income derived from specific fee revenues to pay for debt service. These Electric Revenue Bonds in the Electric fund and Turbine Generator fund will be repaid with net revenues of each fund.

Annual debt service requirements to maturity are as follows:

Year Ending December 31	Business-type Activities	
	Revenue Bonds	
	Principal	Interest
2023	\$ 1,850,000	\$ 922,675
2024	1,950,000	834,675
2025	2,035,000	741,925
2026	2,130,000	645,025
2027	2,240,000	543,575
2028 - 2032	8,370,000	1,168,025
2033 - 2037	2,265,000	207,900
Total:	<u>\$ 20,840,000</u>	<u>\$ 5,063,800</u>

City of Chaska, Minnesota**For the Year Ended December 31, 2022**EDA Revenue and EDA Lease Revenue Bonds:

Revenue bonds issued by the Chaska EDA are supported by income derived from specific fee revenues to pay for debt service. These bonds have been issued to construct or improve community parks and community facilities.

Annual debt service requirements to maturity are as follows:

Year Ending December 31	Governmental Activities				Business-type Activities	
	EDA Revenue Bonds		EDA Lease Revenue Bonds		EDA Lease Revenue Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 340,000	\$ 198,892	\$ 305,000	\$ 326,925	\$ 1,420,000	\$ 504,064
2024	345,000	192,977	315,000	316,500	1,460,000	454,051
2025	350,000	186,651	325,000	304,700	1,530,000	401,875
2026	355,000	179,628	735,000	283,500	1,075,000	354,320
2027	365,000	172,220	635,000	256,100	1,110,000	314,237
2028 - 2032	1,955,000	730,748	3,575,000	870,700	4,715,000	957,403
2033 - 2037	2,255,000	447,616	2,510,000	153,200	2,070,000	133,060
2038 - 2040	1,520,000	96,370	-	-	-	-
Total:	<u>\$ 7,485,000</u>	<u>\$ 2,205,102</u>	<u>\$ 8,400,000</u>	<u>\$ 2,511,625</u>	<u>\$13,380,000</u>	<u>\$ 3,119,010</u>

Lease Purchase Bonds:

Lease-Purchase Agreement bonds issued by the City are supported by income derived from specific fee revenues to pay for debt service. This Lease-Purchase Agreement has been issued to reconstruct and improve the City's Par 30 golf course which will now be known as The Loop at Chaska.

Annual debt service requirements to maturity are as follows:

Year Ending December 31	Business-type Activities	
	Principal	Interest
2023	\$ 130,000	\$ 118,986
2024	135,000	114,475
2025	140,000	109,791
2026	145,000	104,933
2027	150,000	99,901
2028 - 2032	829,000	417,858
2033 - 2037	983,000	263,685
2038 - 2041	917,000	80,886
Total:	<u>\$ 3,429,000</u>	<u>\$ 1,310,515</u>

City of Chaska, Minnesota

For the Year Ended December 31, 2022

Revenue Pledged:

Future revenue pledged for the payment of long-term debt (revenue bonds) is as follows:

Bond Issue - Revenue Bonds	Use of Proceeds	Type	Revenue Pledged		Remaining Principal and Interest	Current Year	
			Percent of Total Debt Service	Term of Pledge		Principal and Interest Paid	Pledged Revenue Received
<u>G.O. Water Revenue Bonds:</u>	<u>Water Treatment Plant and Water Systems</u>						\$ 4,319,046
Advance Refunding Bonds	Refund 2011A Bonds	Utility Charges	100%	2020 - 2032	\$ 7,689,797	\$ 705,968	
<u>G.O. Utility Revenue Bonds:</u>	<u>Water, Sanitary Sewer and Storm Water</u>						11,939,874
Series 2015C	Utility System Improvements	Utility Charges	100%	2015 - 2036	4,786,788	340,588	
Series 2017B	Utility System Improvements	Utility Charges	100%	2017 - 2038	827,319	49,187	
Series 2019C	Utility System Improvements	Utility Charges	100%	2019 - 2035	2,220,422	177,781	
Series 2019D	Utility System Improvements	Utility Charges	100%	2019 - 2030	719,651	89,613	
Series 2020C	Utility System Improvements	Utility Charges	100%	2020 - 2031	1,401,000	132,375	
<u>Electric Revenue Bonds:</u>	<u>Electric Utility Systems and Generating Facilities</u>						1,366,151
Series 2015A Refunding Bonds	Refund 2000 & 2005 Bonds - Turbine Generator	Lease Revenue	100%	2015 - 2030	16,598,000	2,077,500	
Electric Utility Revenue Bonds							55,020,552
Series 2017A	Electric System Improvements	Utility Charges	100%	2017 - 2037	7,428,200	496,975	
Series 2020F	Electric System Improvements	Utility Charges	100%	2020 - 2031	1,877,600	202,400	
<u>EDA Revenue Bonds:</u>							
Taxable Installment Purchase Revenue Bonds							
Series 2020A	Southwest Park Development	Revenue	100%	2020 - 2040	7,742,355	431,067	82,201
Series 2020B	NE Collector Phase II - Land	Revenue	100%	2020 - 2040	1,947,747	103,433	45,455
<u>EDA Lease Revenue Bonds:</u>							
	<u>Community Center Additions and Improvements</u>						2,791,020
Series 2017A Refunding Bonds	Refund 2007A Bonds	Lease Revenue	100%	2017 - 2027	1,116,400	219,700	
Series 2020E Refunding Bonds	Refund 2013A Bonds	Lease Revenue	100%	2020 - 2033	2,592,600	233,900	
Taxable Lease Revenue Bonds	<u>Curling Center, Event Center and Restaurant</u>						1,403,440
Series 2015A	Building Construction	Lease Revenue	100%	2015 - 2035	10,065,867	1,164,933	
Series 2015C	Furniture, Fixtures & Equipment	Lease Revenue	100%	2015 - 2031	2,724,143	301,917	
Lease Revenue Bonds	<u>Firemen's Park Improvements</u>						618,969
Series 2015B	Park Construction	Lease Revenue	100%	2015 - 2035	10,403,025	506,100	
Series 2015D	Fixtures and Equipment	Lease Revenue	100%	2015 - 2026	508,600	130,450	
<u>Lease Purchase Bonds:</u>							
Lease-Purchase Agreement Bonds							
Series 2021	Golf Course Improvements	Lease Revenue	100%	2021 - 2041	4,739,515	245,953	-

Arbitrage Rebate:

The Tax Reform Act of 1986 requires governmental entities to pay the federal government income earned on the proceeds from the issuance of debt in excess of interest costs, pending the expenditure of the borrowed funds. This rebate of interest income (known as arbitrage) applies to governmental debt issued after August 31, 1986. In the opinion of management, any obligation would be immaterial.

City of Chaska, Minnesota

For the Year Ended December 31, 2022

Lease Liability:

Lease liabilities outstanding for the year ended December 31, 2022, are as follows:

	Issue Date	Final Maturity Date	Interest Rates	Outstanding 12/31/2022
<u>Governmental Activities</u>				
Pitney Bowes Postage Machine	12/03/18	12/02/23	0.28%	\$ 1,495
Life Fitness Gym Equipment	02/19/19	02/18/24	0.38%	3,696
US Bank Copier	06/25/19	06/24/24	0.38%	3,726
Enterprise Fleet Ford Interceptor 25KF7M	01/25/22	01/31/26	4.35%	25,162
Enterprise Fleet Chevrolet Tahoe 25XJSB	06/16/22	06/30/26	5.81%	28,941
Enterprise Fleet Ford Edge 25MCFR	06/21/22	06/30/27	6.35%	30,308
Enterprise Fleet Ford Edge 25MCGV	06/21/22	06/30/27	6.35%	30,308
Enterprise Fleet Ford Edge 25KQ96	06/23/22	06/30/27	6.35%	30,192
Enterprise Fleet Ford Edge 25MCR8	06/23/22	06/30/27	6.35%	30,308
Enterprise Fleet Ford Edge 25MCGS	06/29/22	06/30/27	6.13%	30,253
Enterprise Fleet Ford Edge 25MCGT	06/29/22	06/30/27	6.13%	30,253
Enterprise Fleet Ford Explorer 25KQBX	08/31/22	08/31/26	6.40%	28,607
Enterprise Fleet Ford Explorer 25KQCX	08/31/22	08/31/26	6.40%	26,536
Enterprise Fleet Ford Interceptor 25KQDS	10/07/22	10/31/26	7.25%	33,613
Governmental Activities				
Total Lease Liabilities:				<u>\$ 333,398</u>
<u>Business-type Activities</u>				
US Bank Copier	06/25/19	06/24/24	0.38%	\$ 3,725
Hazeltine Gates Parking Lot	12/06/21	12/31/71	1.85%	603,487
Shamrock Group Ice Machine	09/22/22	09/15/27	2.43%	20,694
Business-type Activities				
Total Lease Liabilities:				<u>\$ 627,906</u>

- The City entered into a 23-month lease as Lessee with Pitney Bowes for the use of a Postage Machine. An initial lease liability was recorded as of January 1, 2022, in the amount of \$3,485. As of December 31, 2022, the value of the lease liability is \$1,495. The City is required to make quarterly fixed payments of \$499. The lease has an interest rate of 0.28%. The value of the right to use asset as of December 31, 2022, of \$3,485 with accumulated amortization of \$1,813 is included with Leased Equipment for Governmental Activities on Note 4 Capital Assets.
- The City entered into a 25-month lease as Lessee with TCF Equipment Finance (Huntington Bank) for the use of Life Fitness Gym Equipment. An initial lease liability was recorded as of January 1, 2022, in the amount of \$7,095. As of December 31, 2022, the value of the lease liability is \$3,696. The City is required to make monthly fixed payments of \$285. The lease has an interest rate of 0.38%. The value of the right to

use asset as of December 31, 2022, of \$7,095 with accumulated amortization of \$3,326 is included with Leased Equipment for Governmental Activities on Note 4 Capital Assets. The City has the option to purchase the equipment for \$1.

- The City entered into a 29-month lease as Lessee with US Bank Equipment Finance for the use of a Copier. The lease is shared equally between the General Fund and Community Center Fund, with each fund being allocated half of both the lease liability and lease asset. An initial lease liability was recorded as of January 1, 2022, in the amount of \$12,687. As of December 31, 2022, the value of the lease liability is \$7,451. The City is required to make monthly fixed payments of \$440. The lease has an interest rate of 0.38%. The value of the right to use asset as of December 31, 2022, of \$12,687 with accumulated amortization of \$5,109 is included with Leased Equipment for both Governmental and Business-type Activities on Note 4 Capital Assets.
- On January 25, 2022, the City entered into a 48-month lease as Lessee with Enterprise Fleet Management for the use of a 2021 Ford Interceptor (#25KF7M). An initial lease liability was recorded in the amount of \$32,273. As of December 31, 2022, the value of the lease liability is \$25,162. The City is required to make monthly fixed payments of \$728. The lease has an interest rate of 4.35%. The value of the right to use asset as of December 31, 2022, of \$32,273 with accumulated amortization of \$7,499 is included with Leased Equipment for Governmental Activities on Note 4 Capital Assets. The lease has a guaranteed residual value payment of \$7,340.
- On June 16, 2022, the City entered into a 48-month lease as Lessee with Enterprise Fleet Management for the use of a 2022 Chevrolet Tahoe (#25XJSB). An initial lease liability was recorded in the amount of \$33,078. As of December 31, 2022, the value of the lease liability is \$28,941. The City is required to make monthly fixed payments of \$763. The lease has an interest rate of 5.81%. The value of the right to use asset as of December 31, 2022, of \$33,431 with accumulated amortization of \$4,480 is included with Leased Equipment for Governmental Activities on Note 4 Capital Assets. At lease inception, the City paid initial direct costs of \$353 that were not included in the present value calculation of the lease liability but were included in the present value of the lease asset. The lease has a guaranteed residual value payment of \$10,501.
- On June 21, 2022, the City entered into a 60-month lease as Lessee with Enterprise Fleet Management for the use of a 2022 Ford Edge (#25MCFR). An initial lease liability was recorded in the amount of \$33,503. As of December 31, 2022, the value of the lease liability is \$30,308. The City is required to make monthly fixed payments of \$647. The lease has an interest rate of 6.35%. The value of the right to use asset as of December 31, 2022, of \$33,503 with accumulated amortization of \$3,517 is included with Leased Equipment for Governmental Activities on Note 4 Capital Assets. The lease has a guaranteed residual value payment of \$6,581.
- On June 21, 2022, the City entered into a 60-month lease as Lessee with Enterprise Fleet Management for the use of a 2022 Ford Edge (#25MCGV). An initial lease liability was recorded in the amount of \$33,503. As of December 31, 2022, the value of the lease liability is \$30,308. The City is required to make monthly fixed payments of \$647. The lease has an interest rate of 6.35%. The value of the right to use asset as of December 31, 2022, of \$33,503 with accumulated amortization of \$3,517 is included with Leased Equipment for Governmental Activities on Note 4 Capital Assets. The lease has a guaranteed residual value payment of \$6,581.

- On June 23, 2022, the City entered into a 60-month lease as Lessee with Enterprise Fleet Management for the use of a 2022 Ford Edge (#25KQ96). An initial lease liability was recorded in the amount of \$33,345. As of December 31, 2022, the value of the lease liability is \$30,192. The City is required to make monthly fixed payments of \$644. The lease has an interest rate of 6.35%. The value of the right to use asset as of December 31, 2022, of \$33,345 with accumulated amortization of \$3,467 is included with Leased Equipment for Governmental Activities on Note 4 Capital Assets. The lease has a guaranteed residual value payment of \$6,593.
- On June 23, 2022, the City entered into a 60-month lease as Lessee with Enterprise Fleet Management for the use of a 2022 Ford Edge (#25MCR8). An initial lease liability was recorded in the amount of \$33,472. As of December 31, 2022, the value of the lease liability is \$30,308. The City is required to make monthly fixed payments of \$647. The lease has an interest rate of 6.35%. The value of the right to use asset as of December 31, 2022, of \$33,472 with accumulated amortization of \$3,481 is included with Leased Equipment for Governmental Activities on Note 4 Capital Assets. The lease has a guaranteed residual value payment of \$6,620.
- On June 29, 2022, the City entered into a 60-month lease as Lessee with Enterprise Fleet Management for the use of a Ford Edge (#25MCGS). An initial lease liability was recorded in the amount of \$33,329. As of December 31, 2022, the value of the lease liability is \$30,253. The City is required to make monthly fixed payments of \$642. The lease has an interest rate of 6.13%. The value of the right to use asset as of December 31, 2022, of \$33,329 with accumulated amortization of \$3,366 is included with Leased Equipment for Governmental Activities on Note 4 Capital Assets. The lease has a guaranteed residual value payment of \$6,617.
- On June 29, 2022, the City entered into a 60-month lease as Lessee with Enterprise Fleet Management for the use of a Ford Edge (#25MCGT). An initial lease liability was recorded in the amount of \$33,329. As of December 31, 2022, the value of the lease liability is \$30,253. The City is required to make monthly fixed payments of \$642. The lease has an interest rate of 6.13%. The value of the right to use asset as of December 31, 2022, of \$33,329 with accumulated amortization of \$3,366 is included with Leased Equipment for Governmental Activities on Note 4 Capital Assets. The lease has a guaranteed residual value payment of \$6,617.
- On August 31, 2022, the City entered into a 48-month lease as Lessee with Enterprise Fleet Management for the use of a 2022 Ford Explorer (#25KQBX). An initial lease liability was recorded in the amount of \$30,969. As of December 31, 2022, the value of the lease liability is \$28,607. The City is required to make monthly fixed payments of \$731. The lease has an interest rate of 6.40%. The value of the right to use asset as of December 31, 2022, of \$30,969 with accumulated amortization of \$2,601 is included with Leased Equipment for Governmental Activities on Note 4 Capital Assets. The lease has a guaranteed residual value payment of \$10,192.
- On August 31, 2022, the City entered into a 48-month lease as Lessee with Enterprise Fleet Management for the use of a 2022 Ford Explorer (#25KQCX). An initial lease liability was recorded in the amount of \$28,728. As of December 31, 2022, the value of the lease liability is \$26,536. The City is required to make monthly fixed payments of \$678. The lease has an interest rate of 6.40%. The value of the right to use asset as of December 31, 2022, of \$28,728 with accumulated amortization of \$2,412 is included with Leased Equipment for Governmental Activities on Note 4 Capital Assets. The lease has a guaranteed residual value payment of \$9,459.

City of Chaska, Minnesota

For the Year Ended December 31, 2022

- On October 7, 2022, the City entered into a 48-month lease as Lessee with Enterprise Fleet Management for the use of a 2022 Ford Interceptor (#25KQDS). An initial lease liability was recorded in the amount of \$35,460. As of December 31, 2022, the value of the lease liability is \$33,613. The City is required to make monthly fixed payments of \$839. The lease has an interest rate of 7.25%. The value of the right to use asset as of December 31, 2022, of \$35,460 with accumulated amortization of \$2,035 is included with Leased Equipment for Governmental Activities on Note 4 Capital Assets. The lease has a guaranteed residual value payment of \$7,446.
- The City entered into a 600-month lease as Lessee with Hazeltine Gates for the use of Parking Spaces. An initial lease liability was recorded as of January 1, 2022, in the amount of \$611,824. As of December 31, 2022, the value of the lease liability is \$603,487. The City is required to make annual fixed payments of \$14,000 with a fixed annual step increase. The lease has an interest rate of 1.85%. The value of the right to use asset as of December 31, 2022, of \$611,824 with accumulated amortization of \$12,236 is included with Leased Land Improvements for Business-type Activities on Note 4 Capital Assets. The City has 9 extension options, each for 60 months.
- On September 22, 2022, the City entered into a 60-month lease as Lessee with Shamrock Group for the use of an Ice Machine. An initial lease liability was recorded in the amount of \$21,729. As of December 31, 2022, the value of the lease liability is \$20,694. The City is required to make monthly fixed payments of \$385. The lease has an interest rate of 2.43%. The value of the right to use asset as of December 31, 2022, of \$21,729 with accumulated amortization of \$1,199 is included with Leased Equipment for Business-type Activities on Note 4 Capital Assets.

Annual debt service requirements to maturity are as follows:

Year Ending December 31	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2023	\$ 80,741	\$ 18,120	\$ 9,618	\$ 11,636
2024	79,223	13,468	9,243	11,473
2025	82,771	8,536	8,321	11,296
2026	67,865	3,542	8,502	11,115
2027	22,798	419	8,529	10,933
2028 - 2032	-	-	27,959	53,041
2033 - 2037	-	-	35,833	50,167
2038 - 2042	-	-	44,463	46,538
2043 - 2047	-	-	53,921	42,079
2048 - 2052	-	-	64,288	36,712
2053 - 2057	-	-	75,651	30,349
2058 - 2062	-	-	88,105	22,895
2063 - 2067	-	-	101,756	14,244
2068 - 2071	-	-	91,717	4,283
Total:	<u>\$ 333,398</u>	<u>\$ 44,085</u>	<u>\$ 627,906</u>	<u>\$ 356,761</u>

City of Chaska, Minnesota**For the Year Ended December 31, 2022****Financed Purchase Payable:**

The City has the following financed purchase payable for the acquisition of fitness equipment:

- In 2021, the Chaska Community Center entered into a financed purchase agreement for the acquisition of fitness equipment. This agreement qualifies as a financed purchase agreement and was recorded at the present value of the minimum required payments. The equipment was capitalized by the City. The purchase agreement matures in December 2026 and carries an interest rate of 5.20%. In the event of default, Municipal Asset Management, Inc., may exercise one or more of the following remedies: (1) terminate the agreement and any or all of the City's rights to the property; (2) proceed by court action to take possession from the City of any or all property; (3) proceed by court action to enforce performance by the City of its obligations or to recover damages for the breach or pursue any other remedy available to Municipal Asset Management, Inc.; (4) declare all unpaid purchase agreement payments and other sums payable to be immediately due and payable.

Financed purchase payable outstanding for the year ended December 31, 2022, are as follows:

<u>Business-type Activities</u>	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Interest Rates</u>	<u>Original Issue</u>	<u>Outstanding 12/31/2022</u>
Financed Purchase Payable	12/13/21	12/13/26	5.20%	<u>\$ 280,594</u>	<u>\$ 234,292</u>

The future minimum obligation and the net present value of these minimum payments are as follows:

<u>Year Ending December 31</u>	<u>Business-type Activities</u>
2023	\$ 59,800
2024	59,800
2025	59,800
2026	<u>82,875</u>
Total Minimum Payments	262,275
Less: Amount Representing Interest	<u>(27,983)</u>
Present Value of Minimum Payments	<u>\$ 234,292</u>

2022 Activity:

On September 15, 2022, the City approved the issuance and sale of temporary financing for the Highway 41 and CSAH 61 reconstruction project. The City issued \$25,300,000 General Obligation Temporary State Aid Street Bonds, Series 2022A. The bonds are structured in the form of a line of credit. The City requested \$4,190,000 on the line in 2022 and did not repay any of this principal in 2022. Interest is paid quarterly on the amount outstanding at an annual percentage rate of 3.67%. The bonds mature December 31, 2024. The City intends to issue permanent bonds at that time.

Tax Abatements:

The City implemented a Business Incentive Policy (in accordance with Minnesota Statutes, Sections 116J.993 to 116J.995) to assist developers with solutions that increase employment opportunities, improve and develop facilities in the City and increase the availability of essential services. Under this policy, the City provides tax abatements (in accordance with Minnesota Statutes, Section 469.1813, subdivision 8) for up to three times a new developer's total property taxes. The City has eight agreements that could be considered tax abatements under GASB #77 as of December 31, 2022.

- In 2013, the City entered into a development agreement with Ridgeview Two Twelve North Addition, LLC to aid with the construction of an expansion to an existing medical building. The expansion creates employment opportunities, increases resident access to vital services, and increases the tax base of the City. The City assistance helped cover reimbursable costs, including soil correction, architectural enhancement, and fire safety. The maximum assistance is \$777,926. The City's obligation is terminated the earlier of after 20 years of payments or once the Developer has been paid \$777,926 in tax abatement payments. The City has rebated a total of \$208,259, including \$32,048 in 2022.
- In 2013, the City entered into a development agreement with IP Stream Minneapolis, LLC to aid with the construction of a data center. This new construction developed an underutilized site, creates employment opportunities, and increases the tax base of the City. The City assistance helped cover reimbursable costs, including site acquisition and site improvements. The maximum assistance is \$1,228,500. The City's obligation is terminated the earlier of after 20 years of payments or once the Developer has been paid \$1,228,500 in tax abatement payments. The City has rebated a total of \$139,636, including \$26,248 in 2022.
- In 2014, the City entered into a development agreement with Lucrum Properties, LLC to aid with the expansion of an existing manufacturing facility. The expansion of this high-quality business creates employment opportunities and increases the tax base of the City. The City assistance will help cover reimbursable costs, including storm water and grading improvements, permit fees, development charges, and parking lot improvements. The maximum assistance is \$144,699. The City's obligation is terminated the earlier of after 20 years of payments or once the Developer has been paid \$144,699 in tax abatement payments. The City has rebated a total of \$56,159. The City made two years of payments in 2022 to make up for not having made a payment in 2021 due to a change in ownership. The amount rebated for 2021 was \$10,314 and the amount rebated for the 2022 was \$11,287.
- In 2015, the City entered into a development agreement with Lifecore Biomedical, LLC to aid with the expansion of their existing facilities. The expansion of this high-quality business maximized the use of an underutilized site and increases the tax base of the City. The City assistance will help cover reimbursable costs, including site preparation and grading. The maximum assistance is \$144,623. The City's obligation is terminated the earlier of after 20 years of payments or once the Developer has been paid \$144,623 in tax abatement payments. The City has rebated a total of \$50,471, including \$16,061 in 2022.
- In 2016, the City entered into a development agreement with U.S. Bank National Association, to aid with the construction of a new data center. This new construction developed an underutilized site, creates employment opportunities, and increases the tax base, generating substantial revenue for the City. The City assistance will help cover reimbursable costs, including a portion of the construction costs. The maximum assistance is \$548,000. The City's obligation is terminated the earlier of after 20 years of payments or once

the Developer has been paid \$548,000 in tax abatement payments. The City has rebated a total of \$116,376, including \$34,860 in 2022.

- In 2017, the City entered into a development agreement with MSP/Chaska Medical, LLC to aid with construction of a medical office building. This new construction increases the City's tax base, creates employment opportunities, and encourages economic development in its vicinity. The City agreed to reimburse the Developer for eligible construction costs from the proceeds of an interfund loan to the Developer in an amount not to exceed \$280,000 with interest at 3.50% per annum. Tax abatement on the property will be used to repay the loan. The loan will terminate the earlier of December 31, 2039 or when the City has received tax abatements sufficient to repay the principal amount of the loan plus accrued interest. The City advanced \$280,000 to MSP/Chaska Medical, LLC in 2018. Tax abatement payments began in 2019. The interfund loan balance at the end of 2022 was \$231,303.
- In 2018, the City entered into a development agreement with 3919 Bavaria Road, LLC to aid with construction of a facility for weddings, events, and recreational activities. This new construction increases the City's tax base, creates employment opportunities, and encourages economic development. The City agreed to reimburse the Developer for eligible construction costs. The City assistance will help cover reimbursable costs, including a portion of the construction costs. The maximum assistance is \$656,670. The City's obligation is terminated the earlier of after 20 years of payments or once the Developer has been paid \$656,670 in tax abatement payments. The first tax abatement payment was scheduled for payment in 2022, however, the developer did not reach the minimum requirements to start receiving payments.
- In 2022, the City entered into a development agreement with RCS-RCA Oak Ridge, LLC to aid with construction of a roundabout on Minnesota Trunk Highway 41 to accommodate the traffic needs of a new retail and residential development. The new construction will increase the City's tax base as well as create employment opportunities. The City assistance will help cover eligible construction costs. The City has deferred \$1,147,601 of area and trail charges for the development at an interest rate of 4.00% per annum and provided \$700,000 of up-front assistance for construction costs to the Developer in 2022. The deferred charges and upfront assistance are to be reimbursed to the City with 70.00% of the abatement revenues received by the City annually. The maximum assistance the Developer is eligible for is \$492,399 at a 0.00% interest rate with 30.00% of the abatement revenue received by the City annually. The City's obligation is terminated the earlier of after 20 years of payments or once the Developer has been paid \$492,399. The first tax abatement payment is scheduled to be made in 2025.

Tax Increment Pay-As-You-Go Financing Revenue Notes:

The Chaska EDA has entered into private development agreements to facilitate the financing of certain projects established by the Chaska Housing and Redevelopment Authority (pursuant to Minnesota Statutes, Sections 469.001 to 469.047). The costs of these projects are financed using tax increment generated from established tax increment financing districts (pursuant to Minnesota Statutes, Sections 469.174 to 469.179).

As of December 31, 2022, the Chaska Economic Development Authority has entered into six agreements considered Tax Increment Pay-As-You-Go Financing Revenue Notes under GASB #77. The agreements are not general obligations of the EDA or the City and are payable solely from available tax increment. Each note will be cancelled at the end of the agreement term, whether it has been fully repaid or not. Accordingly, the amounts have not been included in long-term debt because the nature of the notes is that repayment is required only if sufficient tax

City of Chaska, Minnesota**For the Year Ended December 31, 2022**

increments are received. The City's position is that these are obligations to assign future and uncertain revenue sources and as such, is not actual debt in substance.

The six agreements were to assist the developer with the financing of certain costs of a project constructed within the Development District and are as follows:

- In 2002, the Chaska EDA issued a pay-as-you-go note to Chaska Place Apartments in the principal sum of \$992,221 with an interest rate of 6.50% per annum and payments due each February 1 and August 1, commencing August 1, 2005, and paid through February 1, 2024. Payments are payable solely from available tax increment derived from the housing development and paid to the EDA. The pay-as-you-go note provides for payment to the developer for 100.00% of the tax increment received in the prior six months, less the administrative fees charged by the County, and less \$31,750 which shall be retained by the EDA. The current year abatement (TIF note payments) totaled \$192,391. On December 31, 2022, the amount outstanding on the note was \$879,790.
- In 2007, the Chaska EDA issued a pay-as-you-go note to Clover Field Sinclair Limited Partnership in the principal sum of \$3,100,000 with an interest rate of 5.65% per annum and payments due each February 1 and August 1, commencing August 1, 2008, and paid through February 1, 2030. Payments are payable solely from available tax increment derived from the housing development and paid to the EDA. The pay-as-you-go note provides for payment to the developer for 95.00% of the tax increment received in the prior six months, less the administrative fees charged by the County. The current year abatement (TIF note payments) totaled \$156,031. On December 31, 2022, the amount outstanding on the note was \$4,202,003.
- In 2004, the Chaska EDA entered into a development agreement with City Square, LLC for private redevelopment. The EDA provided the developer with a \$111,000 subsidy that will be repaid to the EDA as a pay-as-you-go note from available tax increment at a simple non-compounding interest rate of 4.00% with payments due through 2030. The City made a payment to the EDA of \$10,000 in 2022, all of which went to principal. The outstanding balance as of December 31, 2022, is \$10,000.
- In 2015, the Chaska EDA issued a pay-as-you-go note to Chaska Heights Senior Living in the principal sum of \$2,874,667 with an interest rate of 3.25% per annum and payments due each February 1 and August 1, commencing August 1, 2018, and paid through February 1, 2044. Payments are payable solely from available tax increment derived from the housing development and paid to the EDA. The pay-as-you-go note provides for payment to the developer for 100.00% of the tax increment received in the prior six months, less the administrative fees charged by the County, and less \$34,500 which shall be retained by the EDA. The current year abatement (TIF note payments) totaled \$196,214. On December 31, 2022, the amount outstanding on the note was \$2,678,047.
- In 2016, the Chaska EDA issued a pay-as-you-go note to Creeks Run Phase II, LLC in the principal sum of \$242,500 with an interest rate of 4.50% per annum and payments due each February 1 and August 1, commencing August 1, 2018, and paid through February 1, 2036. Payments are payable solely from available tax increment derived from the housing development and paid to the EDA. The pay-as-you-go note provides for payment to the developer for 100.00% of the tax increment received in the prior six months, less the administrative fees charged by the County, and less \$9,000 which shall be retained by the EDA. The current year abatement (TIF note payments) totaled \$16,660. On December 31, 2022, the amount outstanding on the note was \$251,543.

- In 2021, the Chaska EDA issued a pay-as-you-go note to Oppidan, Incorporated in the principal sum of \$1,304,000 between two building sites (Building One: \$994,000, Building Two: \$310,000) with an interest rate of 4.00% per annum and payments due each February 1 and August 1, commencing August 1, 2023, and paid through February 1, 2032. Payments are payable solely from available tax increment derived from the redevelopment project area and paid to the EDA. The pay-as-you-go note provides for payment to the developer for 95.00% of the tax increment received in the prior six months, less the administrative fees charged by the County. On December 31, 2022, the amount outstanding on the note was \$1,304,000. The City expects to start making payments towards the note related to Building One in 2023.

Conduit Debt:

From time to time, the City has issued Industrial Revenue Bonds (IRBs) and Housing Revenue Bonds (HRBs) (collectively the “Revenue Bonds”) to provide financial assistance to private-sector entities for the acquisition and construction of industrial and housing facilities deemed to be in the public interest. The Revenue Bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the Revenue Bonds, ownership of the acquired facilities transfers to the private sector entity served by the bond issuance. Neither the City, nor the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds, excluding the bonds mentioned below. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2022, there were four series of IRBs outstanding. The aggregate principal amount payable for the one series issued after July 1, 1995, was \$685,641. The aggregate principal amount payable for the three series issued prior to July 1, 1995, could not be determined; however, their original issue amounts totaled \$9,625,000. As of December 31, 2022, there were five series of HRBs outstanding. The aggregate principal amounts payable for the three series issued after July 1, 1995, was \$6,060,000. The aggregate principal amount payable for the two series issued prior to July 1, 1995, could not be determined; however, their original issue amounts totaled \$6,260,000.

The outstanding HRB balance includes one issue that is backed by the full faith and credit of the City. In 2020, the Carver County Housing and Redevelopment Authority issued \$2,200,000 in Housing Development Revenue Bonds. (These bonds refunded the \$2,850,000 Housing Revenue Bonds of 2010). This issue is secured by housing revenues and, if not so paid, by a tax levy. The bonds are secured by a general obligation pledge of the City.

City of Chaska, Minnesota

For the Year Ended December 31, 2022

Note 8 Interfund Receivables, Payables and Transfers

Interfund receivables and payables as of December 31, 2022, are as follows:

Due To/From Other Funds		
Receivable Fund	Payable Fund	Amount
General	Nonmajor Governmental	\$ 1,261,708
Water	Curling Center	2,555,000
Internal Service	Community Center	1,750,000
Nonmajor Governmental	Public Improvement Projects	5,266,427
Nonmajor Governmental	Community Center	4,236,907
Nonmajor Governmental	Curling Center	850,000
Nonmajor Governmental	Nonmajor Governmental	912,842
Nonmajor Enterprise	Community Center	2,000,000
Nonmajor Enterprise	Curling Center	1,750,000
Total:		<u>\$ 20,582,884</u>

Interfund borrowing is utilized for cash flow purposes to eliminate temporary cash balance deficits.

Interfund Receivables/Payables And Advances To/From Other Funds					
Receivable Fund	Payable Fund	Interfund Receivables/ Payables	Advances To/From	Total	Purpose
Electric	Nonmajor Governmental	\$ -	\$ 1,191,884	\$ 1,191,884	1
Turbine Generator	Electric	65,192	580,948	646,140	2
Internal Service	Community Center	23,464	286,536	310,000	3
Internal Service	Nonmajor Governmental	-	1,757,025	1,757,025	1, 4
Internal Service	Nonmajor Enterprise	46,549	568,451	615,000	5
Nonmajor Governmental	Water	15,937	72,361	88,298	6
Nonmajor Governmental	Community Center	34,291	515,215	549,506	7
Nonmajor Governmental	Nonmajor Governmental	1,034,599	-	1,034,599	8
Nonmajor Governmental	Nonmajor Enterprise	212,471	584,154	796,625	6, 9
Total:		<u>\$ 1,432,503</u>	<u>\$ 5,556,574</u>	<u>\$ 6,989,077</u>	

Explanation of Interfund Receivables/Payables and Advances To/From Other Funds:

- (1) This 2007 loan from the Electric fund and Internal Service fund provides interim financing for TIF District #14 project costs. The outstanding balance of \$2,248,909 will be repaid from tax increment generated by the district as it becomes available.
- (2) This interfund loan from the Turbine Generator fund to the Electric fund was made in 2001 to finance a substation. Of the \$646,140 due at year end, \$65,192 is due in one year.
- (3) This 2022 loan from the Internal Service fund to the Community Center fund provides financing for equipment and repairs. Of the \$310,000 due at year end, \$23,464 is due in one year.

City of Chaska, Minnesota

For the Year Ended December 31, 2022

- (4) This 2022 loan from the Internal Service fund to the Abatement Program fund provides interim financing for a roundabout and access into a new abatement district. The outstanding balance of \$700,000 will be repaid from abatement revenue generated by the district or from permanent financing for the project.
- (5) This 2022 loan from the Internal Service fund to the Town Course golf fund provides financing for cart path improvements. Of the \$615,000 due at year end, \$46,549 is due in one year.
- (6) This interfund loan from the Equipment Acquisition fund to the Water fund and Sewer fund is for a shared water/sewer equipment purchase. Of the \$176,596 due at year end, \$31,874 is due in one year.
- (7) These interfund loans to the Community Center for locker room improvements are from the following funds:
- Public Facilities Fund - \$85,501 loan balance with \$5,336 due in one year.
 - Improvement Revolving Fund - \$464,005 loan balance with \$28,955 due in one year.
- (8) These loans eliminate what would have been negative cash in TIF District funds. The outstanding balance of \$1,034,599 will be repaid from tax increment generated by the districts as it becomes available.
- (9) These interfund loans are from the Equipment Acquisition fund to the following funds:
- Town Course fund - \$588,658 loan balance for golf equipment purchases with \$139,201 due in one year.
 - Storm Water - \$119,669 loan balance for equipment purchases with \$57,333 due in one year.

Transfers In/Out for 2022 are as follows:

Transfers Out	Transfers In							
	Governmental Funds			Enterprise Funds				
	General	Public Improvement Projects	Nonmajor	Water	Community Center	Curling Center	Nonmajor	Total
General	\$ -	\$ 144,055	\$ 355,000	\$ -	\$ -	\$ -	\$ -	\$ 499,055
Electric	4,279,210	-	1,520,000	-	470,000	-	244,000	6,513,210
Water	40,000	-	77,000	-	-	-	-	117,000
Internal Service	82,346	-	-	-	-	-	-	82,346
Nonmajor Governmental	149,000	1,850,469	4,213,769	465,000	-	1,581,692	383,617	8,643,547
Nonmajor Enterprise	72,300	-	363,000	-	-	-	-	435,300
Total:	\$ 4,622,856	\$ 1,994,524	\$ 6,528,769	\$ 465,000	\$ 470,000	\$ 1,581,692	\$ 627,617	\$ 16,290,458

Explanation of Transfers:

Transfers are used to 1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, 2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and 3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

In the government-wide financial statements, transfers in/out include capital assets transferred from governmental activities to business-type activities in the amount of \$3,168,825. Those transfers are not included in the table above.

City of Chaska, Minnesota

For the Year Ended December 31, 2022

Note 9 Fund Balance and Net Position

A summary of the governmental fund balance classifications as of December 31, 2022, are as follows:

	General	Public Improvement Projects	Nonmajor Governmental	Totals
<u>Nonspendable:</u>				
Prepaid Items	\$ 119,345	\$ -	\$ -	\$ 119,345
Leases	-	-	22,707	22,707
Total Nonspendable Balances	<u>119,345</u>	<u>-</u>	<u>22,707</u>	<u>142,052</u>
<u>Restricted for:</u>				
Housing Loan Program	-	-	13,183	13,183
Police Forfeitures & Evidence	-	-	69,371	69,371
Debt Requirements	-	-	10,452,106	10,452,106
Economic Development	-	-	2,882,510	2,882,510
Road Construction	-	4,039,400	-	4,039,400
Abatement Program	-	-	5,712	5,712
Total Restricted Fund Balances	<u>-</u>	<u>4,039,400</u>	<u>13,422,882</u>	<u>17,462,282</u>
<u>Committed to:</u>				
Compensated Absences	977,890	-	-	977,890
Stabilization Arrangement	300,000	-	-	300,000
Mt. Pleasant Cemetery Care	-	-	246,655	246,655
Economic Development	-	-	113,086	113,086
Road Construction	-	106,832	-	106,832
Community Fund Projects	-	-	102,623	102,623
Southwest Chaska Improvements	-	245	-	245
Street Improvement Program	-	-	1,053,376	1,053,376
Total Committed Fund Balances	<u>1,277,890</u>	<u>107,077</u>	<u>1,515,740</u>	<u>2,900,707</u>
<u>Assigned to:</u>				
Compensated Absences	474,561	-	-	474,561
Mt. Pleasant Cemetery Care	-	-	11,975	11,975
Police Forfeitures	-	-	525	525
Road Construction	-	-	1,626,909	1,626,909
Road Construction	-	80,399	-	80,399
Public Facility Improvements	-	-	465,915	465,915
Fire Protection Improvements	-	-	74,600	74,600
Park Improvements	-	-	1,735,050	1,735,050
Southwest Chaska Improvements	-	-	478,800	478,800
Community Fund Projects	-	-	75,799	75,799
Street Improvement Program	-	-	63,637	63,637
Capital Improvements	-	-	10,716,889	10,716,889
Total Assigned Fund Balances	<u>474,561</u>	<u>80,399</u>	<u>15,250,099</u>	<u>15,805,059</u>
<u>Unassigned</u>	<u>1,781,459</u>	<u>(7,859,982)</u>	<u>(6,212,426)</u>	<u>(12,290,949)</u>
Total Fund Balances:	<u>\$ 3,653,255</u>	<u>\$ (3,633,106)</u>	<u>\$ 23,999,002</u>	<u>\$ 24,019,151</u>

City of Chaska, Minnesota**For the Year Ended December 31, 2022**

The following table provides further detail of the calculation of Net Investment in Capital Assets reported as part of the Net Position in the Government-wide financial statements as of December 31, 2022:

	Governmental Activities	Business-Type Activities
Total capital assets	\$ 317,326,497	\$ 162,113,005
Less: Accumulated depreciation and amortization	118,654,948	76,574,459
Net carrying value of capital assets	198,671,549	85,538,546
Less:		
Outstanding principal of capital-related borrowings related to the City's own capital assets	39,676,981	33,198,130
Outstanding principal of debt and other borrowing used to refund capital-related borrowings	4,670,000	7,210,000
Outstanding principal balance of any other capital related liabilities	690,301	167,873
Unamortized original issue premiums on outstanding capital debt	3,058,945	1,508,159
	48,096,227	42,084,162
Plus:		
Other additions:		
Outstanding principal of debt for assets not reported in business-type activities	-	3,610,000
Unamortized original issue premium for assets not reported in business-type activities	-	88,050
	-	3,698,050
Total Net Investment in Capital Assets	\$ 150,575,322	\$ 47,152,434

Note 10 Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

Workers compensation coverage is provided through a pooled self-insurance program through the League of Minnesota Cities Insurance Trust (LMCIT). The City pays an annual premium to LMCIT. The City is subject to supplemental assessments if deemed necessary by the LMCIT.

The LMCIT reinsures through Workers Compensation Reinsurance Association (WCRA) as required by law. For workers compensation, the City is not subject to a deductible. The City's workers compensation coverage is retrospectively rated. With this type of coverage, final premiums are determined after loss experience is known. The amount of premium adjustment, if any, is considered immaterial and not recorded until received or paid.

Property and casualty insurance coverage is provided through a pooled self-insurance program through the LMCIT. The City pays an annual premium to the LMCIT. The City is subject to supplemental assessments if deemed necessary by the LMCIT. The LMCIT reinsures through commercial companies for claims in excess of various amounts. The City retains risk for the deductible portion of the insurance policies and for any exclusion from the insurance policies. These amounts are considered immaterial to the financial statements.

City of Chaska, Minnesota**For the Year Ended December 31, 2022**

The City continues to carry commercial insurance for all other risks of loss, including life, disability, dental, and health insurance.

There were no significant reductions in insurance from the previous year or settlements in excess of insurance coverage for any of the past three years.

The Self Insurance fund, an internal service fund which charges its costs to user departments, accounts for the risk management activities of the City. The fund is designed to build up a reserve, which will provide the City the opportunity to assume a greater share of its insurance risks and thereby reducing the cost to purchase insurance.

Note 11 Commitments and Contingencies**A) Construction Commitments**

At December 31, 2022, the City had the following construction commitments outstanding:

<u>Project</u>	<u>Contractor</u>	<u>Commitment</u>
The Loop at Chaska Golf Course Improvements	Mid-America Golf and Landscape Inc	\$ 48,868
Creek Road Utility and Street Improvements	Eureka Construction Co	5,498,357
2022 Downtown Street Reconstruction	GMH Asphalt Corp	838,429
2nd and Pine Street Parking Lot Retaining Wall	Haho Companies	9,021
Hundertmark Water Tower Rehab	Viking Industrial Painting	5,300
TH 41/CSAH 61 Highway Improvements	SM Hentges and Sons	21,015,297
	Total	<u>\$27,415,272</u>

B) Federal and State Funding

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

C) Legal Claims

In connection with the normal conduct of its affairs, the City is involved in various claims litigation and judgments. It is expected that the final settlement of those matters will not materially affect the financial statements of the City.

Note 12 Jointly Governed Organizations

The City, in conjunction with 11 other municipalities that provide distribution of electric services, comprises the Minnesota Municipal Power Agency (MMPA). MMPA began operations on July 1, 1995. MMPA purchases power that is purchased and distributed by the 12 municipalities that operate electric distribution systems. MMPA's board of directors is comprised of one member from each participating entity. Except for minimum purchase requirements, no participant has any obligation, entitlement, or residual interest. The City's purchases of power from MMPA for the year ended December 31, 2022, was \$37,929,107. MMPA issues an annual financial report that may be obtained

City of Chaska, Minnesota**For the Year Ended December 31, 2022**

by writing MMPA, 220 S. 6th Street, Suite 1300, Minneapolis, MN 55402, by calling (612) 349-6868, or on the Internet at www.mmpa.org.

Note 13 Defined Benefit Pension Plans

Employees of the City participate in three defined benefit pension plans. Two of the plans are state-wide cost-sharing, multiple employer defined benefit pension plans administered by the Public Employees Retirement Association of Minnesota (PERA): the General Employees Retirement fund and the Public Employees Police and Fire fund. The third is a single-employer defined benefit pension plan administered through the Chaska Fire Department Relief Association (CFDRA). The details of the City's participation in each of these plans are presented later in these notes. The following table summarizes the impact of these plans on the City's government-wide financial statements.

	PERA Pension Plans			Chaska Fire Department Relief Association	Total All Plans
	General Employees Retirement Fund	Public Employees Police & Fire Fund	Total		
Net Pension Asset	\$ -	\$ -	\$ -	\$ 388,899	\$ 388,899
Deferred Outflows	3,783,324	8,966,492	12,749,816	671,259	13,421,075
Net Pension Liability	11,895,889	12,684,929	24,580,818	-	24,580,818
Deferred Inflows	250,100	93,693	343,793	552,786	896,579
Pension Revenue	52,110	133,749	185,859	180,874	366,733
Pension Expense	1,888,981	1,333,864	3,222,845	984,396	4,207,241

Note 14 Defined Benefit Pension Plans – State-wide**A) Plan Description**

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

1. General Employees Retirement Plan

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

2. Public Employees Police and Fire Plan

The Police and Fire Plan, originally established for police officers and firefighters not covered by a local relief association, now covers all police officers and firefighters hired since 1980. Effective July 1, 1999, the Police and Fire Plan also covers police officers and firefighters belonging to local relief associations that elected to merge with and transfer assets and administration to PERA.

B) Benefits Provided

PERA provides retirement, disability, and death benefits. Benefit provisions are established by state statute and can only be modified by the state Legislature. Vested, terminated employees who are entitled to benefits, but are not receiving them yet, are bound by the provisions in effect at the time they last terminated their public service.

1. General Employees Plan Benefits

General Employees Plan benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for PERA's Coordinated Plan members. Members hired prior to July 1, 1989, receive the higher of Method 1 or Method 2 formulas. Only Method 2 is used for members hired after June 30, 1989. Under Method 1, the accrual rate for Coordinated members is 1.2% for each of the first 10 years of service and 1.7% for each additional year. Under Method 2, the accrual rate for Coordinated members is 1.7% for all years of service. For members hired prior to July 1, 1989, a full annuity is available when age plus years of service equal 90 and normal retirement age is 65. For members hired on or after July 1, 1989, normal retirement age is the age for unreduced Social Security benefits capped at 66.

Benefit increases are provided to benefit recipients each January. The postretirement increase is equal to 50% of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1.0% and a maximum of 1.5%. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase will receive the full increase. Recipients receiving the annuity or benefit for at least one month but less than a full year as of the June 30 before the effective date of the increase will receive a reduced prorated increase. For members retiring on January 1, 2024, or later, the increase will be delayed until normal retirement age (age 65 if hired prior to July 1, 1989, or age 66 for individuals hired on or after July 1, 1989). Members retiring under Rule of 90 are exempt from the delay to normal retirement.

2. Police and Fire Plan Benefits

Benefits for the Police and Fire Plan members first hired after June 30, 2010, but before July 1, 2014, vest on a prorated basis from 50% after five years up to 100% after ten years of credited service. Benefits for Police and Fire Plan members first hired after June 30, 2014, vest on a prorated basis from 50% after ten years up to 100% after twenty years of credited service. The annuity accrual rate is 3% of average salary for each year of service. For Police and Fire Plan members who were first hired prior to July 1, 1989, a full annuity is available when age plus years of service equal at least 90.

Benefit increases are provided to benefit recipients each January. The postretirement increase will be fixed at 1.0%. Recipients that have been receiving the annuity or benefit for at least 36 months as of the June 30 before the effective date of the increase will receive the full increase. Recipients receiving the annuity or benefit for at least 25 months but less than 36 months as of the June 30 before the effective date of the increase will receive a reduced prorated increase.

City of Chaska, Minnesota**For the Year Ended December 31, 2022****C) Contributions**

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

1. General Employees Fund Contributions

Coordinated Plan members were required to contribute 6.50% of their annual covered salary in fiscal year 2022 and the City was required to contribute 7.50% for Coordinated Plan members. The City's contributions to the General Employees Fund for the year ended December 31, 2022, were \$899,431. The City's contributions were equal to the required contributions as set by state statute.

2. Police and Fire Fund Contributions

Police and Fire Plan members were required to contribute 11.80% of their annual covered salary in fiscal year 2022 and the City was required to contribute 17.70% for Police and Fire Plan members. The City's contributions to the Police and Fire Fund for the year ended December 31, 2022, were \$689,171. The City's contributions were equal to the required contributions as set by state statute.

D) Pension Costs**1. General Employees Fund Pension Costs**

At December 31, 2022, the City reported a liability of \$11,895,889 for its proportionate share of the General Employees Fund's net pension liability. The City's net pension liability reflected a reduction due to the State of Minnesota's contribution of \$16 million. The State of Minnesota is considered a non-employer contributing entity and the state's contribution meets the definition of a special funding situation. The State of Minnesota's proportionate share of the net pension liability associated with the City totaled \$348,744.

The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportionate share of the net pension liability was based on the City's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2021, through June 30, 2022, relative to the total employer contributions received from all of PERA's participating employers. The City's proportionate share was .1502% at the end of the measurement period and .1525% for the beginning of the period.

City's proportionate share of the net pension liability	\$ 11,895,889
State of Minnesota's proportionate share of the net pension liability associated with the City	348,744
Total:	<u>\$ 12,244,633</u>

For the year ended December 31, 2022, the City recognized pension expense of \$1,836,871 for its proportionate share of the General Employees Plan's pension expense. In addition, the City recognized an additional \$52,110 as grant revenue for its proportionate share of the State of Minnesota's contribution of \$16 million to the General Employees Fund.

City of Chaska, Minnesota

For the Year Ended December 31, 2022

At December 31, 2022, the City reported its proportionate share of the General Employees Plan's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 99,363	\$ 128,697
Changes in actuarial assumptions	2,732,236	47,738
Differences between projected and actual investment earnings	129,553	73,665
Changes in proportion	316,881	-
Contributions paid to PERA subsequent to the measurement date	505,291	-
Total:	<u>\$ 3,783,324</u>	<u>\$ 250,100</u>

The \$505,291 reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2023. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31	Pension Expense Amount
2023	\$ 1,260,003
2024	1,118,977
2025	(426,852)
2026	1,075,805
Total:	<u>\$ 3,027,933</u>

2. Police and Fire Fund Pension Costs

At December 31, 2022, the City reported a liability of \$12,684,929 for its proportionate share of the Police and Fire Fund's net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportionate share of the net pension liability was based on the City's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2021, through June 30, 2022, relative to the total employer contributions received from all of PERA's participating employers. The City's proportionate share was .2915% at the end of the measurement period and .2840% for the beginning of the period.

The State of Minnesota contributed \$18 million to the Police and Fire Fund in the plan fiscal year ended June 30, 2022. The contribution consisted of \$9 million in direct state aid that does meet the definition of a special funding situation and \$9 million is supplemental state aid that does not meet the definition of a special funding situation. The \$9 million direct state aid was paid on October 1, 2021. Thereafter, by October 1 of each year, the state will pay \$9 million to the Police and Fire Fund until full funding is reached or July 1, 2048, whichever is earlier. The \$9 million in supplemental state aid will continue until the fund is 90% funded, or until the State Patrol Plan (administered by the Minnesota State Retirement System) is 90% funded, whichever occurs later.

City of Chaska, Minnesota

For the Year Ended December 31, 2022

The State of Minnesota is included as a non-employer contributing entity in the Police and Fire Retirement Plan Schedule of Employer Allocations and Schedule of Pension Amounts by Employer, Current Reporting Period Only (pension allocation schedules) for the \$9 million in direct state aid. Police and Fire Plan employers need to recognize their proportionate share of the State of Minnesota's pension expense (and grant revenue) under GASB 68 special funding situation accounting and financial reporting requirements. For the year ended December 31, 2022, the City recognized pension expense of \$1,226,350 for its proportionate share of the Police and Fire Plan's pension expense. The City recognized \$107,514 as grant revenue for its proportionate share of the State of Minnesota's pension expense for the contribution of \$9 million to the Police and Fire Fund.

The State of Minnesota is not included as a non-employer contributing entity in the Police and Fire Pension Plan pension allocation schedules for the \$9 million in supplemental state aid. The City recognized \$26,235 for the year ended December 31, 2022, as revenue and an offsetting reduction of net pension liability for its proportionate share of the State of Minnesota's on-behalf contributions to the Police and Fire Fund.

City's proportionate share of the net pension liability	\$ 12,684,929
State of Minnesota's proportionate share of the net pension liability associated with the City	<u>554,268</u>
Total:	<u>\$ 13,239,197</u>

At December 31, 2022, the City reported its proportionate share of the Police and Fire Plan's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 765,278	\$ -
Changes in actuarial assumptions	7,398,965	72,304
Differences between projected and actual investment earnings	248,064	-
Changes in proportion	154,716	21,389
Contributions paid to PERA subsequent to the measurement date	<u>399,469</u>	<u>-</u>
Total:	<u>\$ 8,966,492</u>	<u>\$ 93,693</u>

The \$399,469 reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2023. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended December 31</u>	<u>Pension Expense Amount</u>
2023	\$ 1,661,318
2024	1,665,941
2025	1,468,551
2026	2,612,457
2027	<u>1,065,063</u>
Total:	<u>\$ 8,473,330</u>

E) Long-Term Expected Return on Investment

The State Board of Investment, which manages the investments of PERA, prepares an analysis of the reasonableness on a regular basis on the long-term expected rate of return using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce an expected long-term rate of return by weighting the expected future rates of return by the target asset allocation percentages. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	33.5%	5.10%
International Equity	16.5%	5.30%
Fixed Income	25.0%	0.75%
Private Markets	25.0%	5.90%
Total:	100.0%	

F) Actuarial Methods and Assumptions

The total pension liability in the June 30, 2022, actuarial valuation was determined using an individual entry-age normal actuarial cost method. The long-term rate of return on pension plan investments used in the determination of the total liability is 6.5%. This assumption is based on a review of inflation and investments return assumptions from a number of national investment consulting firms. The review provided a range of investment return rates deemed to be reasonable by the actuary. An investment return of 6.5% was deemed to be within that range of reasonableness for financial reporting purposes.

Inflation is assumed to be 2.25% for the General Employees Plan and 2.25% for the Police and Fire Plan. Benefit increases after retirement are assumed to be 1.25% for the General Employees Plan. The Police and Fire Plan benefit increase is fixed at 1.0% per year and that increase was used in the valuation.

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

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

Actuarial assumptions for the General Employees Plan are reviewed every four years. The most recent four-year experience study for the General Employees Plan was completed in 2019. The assumption changes were adopted by the Board and became effective with the July 1, 2020, actuarial valuation. The most recent four-year experience studies for the Police and Fire Plan were completed in 2020 and were adopted by the Board and became effective with the July 1, 2021, actuarial valuation.

City of Chaska, Minnesota**For the Year Ended December 31, 2022**

The following changes in actuarial assumptions occurred in 2022:

1. General Employees Fund

Changes in Actuarial Assumptions:

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

2. Police and Fire Fund

Changes in Actuarial Assumptions:

- The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021.
- The single discount rate changed from 6.50% to 5.40%.

G) Discount Rate

The discount rate for the General Employees Fund used to measure the total pension liability in 2022 was 6.50%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates set in Minnesota Statutes. Based on these assumptions, the fiduciary net position of the General Employees Fund was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

In the Police and Fire Fund, the fiduciary net position was projected to be available to make all projected future benefit payments of current plan members through June 30, 2060. Beginning in fiscal year ended June 30, 2061, projected benefit payments exceed the funds' projected fiduciary net position. Benefit payments projected after were discounted at the municipal bond rate of 3.69% (based on the weekly rate closest to but not later than the measurement date of the Fidelity "20-Year Municipal GO AA Index"). The resulting equivalent single discount rate of 5.40% for the Police and Fire Funds was determined to give approximately the same present value of projected benefits when applied to all years of projected benefits as the present value of projected benefits using 6.50% applied to all years of projected benefits through the point of asset depletion and 3.69% thereafter.

H) Pension Liability Sensitivity

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

	General Employees Fund		Police and Fire Fund	
1% Lower	5.50%	\$ 18,790,181	4.40%	\$ 19,197,012
Current Discount Rate	6.50%	\$ 11,895,889	5.40%	\$ 12,684,929
1% Higher	7.50%	\$ 6,241,507	6.40%	\$ 7,420,299

I) Pension Plan Fiduciary Net Position

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

Note 15 Defined Contribution Plan – PERA

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

Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses. *Minnesota Statutes*, Chapter 353D.03, specifies plan provisions, including the employee and employer contribution rates for those qualified personnel who elect to participate. An eligible elected official who decides to participate contributes five percent (5.0%) of salary which is matched by the elected official's employer. For ambulance services personnel, employer contributions are determined by the employer and for salaried employees, contributions must be a fixed percentage of salary. Employer contributions for volunteer personnel may be a unit value for each call or period of alert duty. Employees who are paid for their services may elect to make member contributions in an amount not to exceed the employer share. Employer and employee contributions are combined and used to purchase shares in one or more of the seven accounts of the Minnesota Supplemental Investment Fund. For administering the plan, PERA receives two percent (2.0%) of employer contributions and twenty-five hundredths of one percent (0.25%) of the assets in each member's account annually.

Total contributions made by the City during fiscal year 2022 were:

Amount		Percentage of Covered Payroll		Required
Employee	Employer	Employee	Employer	Rate
\$475	\$475	5.00%	5.00%	5.00%

Note 16 Defined Benefit Pension Plans – Fire Relief Association**A) General Information about the Pension Plan**

Plan Description - All members of the Chaska Fire Department (CFD) are covered by a defined benefit pension plan, Chaska Fire Department Relief Association Pension Plan (CFDRAPP), administered by the Chaska Fire Department Relief Association (CFDRA). CFDRAPP is a single-employer defined benefit pension plan. Minnesota Statutes, Chapter 69 grants the authority to the CFDRA Board to establish and amend benefit terms with consenting approval by the Chaska City Council. CFDRA issues a publicly available financial report that can be obtained by writing to City of Chaska, One City Hall Plaza, Chaska, MN 55318-1962 or by phone (952) 448-9200.

Benefits Provided - The plan provides retirement and disability benefits to plan members and beneficiaries.

- **Monthly Service Pension:** \$2,802.50 per month of service; effective June 1, 2022, the monthly service amount increased to \$3,400 per month of service. The maximum number of months is 360 months. The benefit is reduced 8% for each year of service less than 15 years. This benefit is available to members hired prior to November 4, 2013.
- **Lump Sum Service Pension:** \$7,901 per year of service (up to 25 years) plus a Supplemental Benefit of 10% of the lump sum distribution, but not more than \$1,000. Effective June 1, 2022, the benefit increased to \$9,304 per year of service. The benefit is reduced 8% for each year of service less than 15 years.

City of Chaska, Minnesota**For the Year Ended December 31, 2022**

- **Deferred Service Pension:** with termination prior to age 50 and at least ten years of service, a deferred pension is payable at age 50 and reduced 8% for each year of service less than 15 years.
- **Survivor Benefits:** If hired before November 14, 2013, spouse and children receive 100% of the member's monthly pension for life. The surviving spouse may elect the lump sum benefit, plus a Supplemental Benefit of 20% of the regular lump sum distribution, but not more than \$2,000. If hired after November 4, 2013, the spouse, children, or estate will receive 100% of the lump sum benefit plus a Supplemental Benefit of 20% of the regular lump sum distribution, but not more than \$2,000.
- **Disability Benefit:** A disabled member will receive the amount of their monthly service pension based on credited service as of the date eligible.

Members covered by benefit terms - At December 31, 2021, pension plan membership consisted of the following as used to determine Net Pension Liability (Asset) as of December 31, 2022:

Inactive Members Currently Receiving Benefits	41
Inactive Members Currently Receiving Disability Benefits	2
Beneficiaries Currently Receiving Benefits	12
Inactive Members Entitled to But Not Yet Receiving Benefits	3
Active Members	45
Total members:	<u>103</u>

Contributions - Minnesota Statutes, Chapter 424 and 424A, authorize pension benefits for volunteer fire relief associations. The CFDRAPP is funded by fire state aid, investment earnings, and, if necessary, employer contributions as specified in Minnesota Statutes and voluntary City contributions. The State of Minnesota contributed \$202,042 in fire state aid to the CFDRAPP on behalf of the CFD for the year ended December 31, 2022, which was recorded as revenue. Required City contributions are calculated annually based on statutory provisions. The City made all required contributions and additional voluntary contributions to the plan for the year ended December 31, 2022, totaling \$145,612. The City's contributions exceed the required contributions as set by State Statutes. Members of the CFD have no obligation to contribute to the plan.

B) Net Pension Liability (Asset)

The CFDRAPP's net pension liability (asset) was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021.

Actuarial Assumptions - The total pension liability in the December 31, 2021, actuarial valuation was determined using the entry age normal actuarial cost method and the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary Increases	Not applicable as plan members are paid on call volunteers
Investment Rate of Return	5.00% net of pension plan investment expense, including inflation
20-Year Municipal Bond Yield	1.84%

Mortality rates were based on the following:

- **Healthy Pre-retirement** - Pub-2010 Public Safety Employee mortality tables with projected mortality improvement scale MP-2020.

City of Chaska, Minnesota

For the Year Ended December 31, 2022

- Healthy Post-retirement - Pub-2010 Healthy Retired Public Safety mortality tables with projected mortality improvement scale MP-2020. Male rates are adjusted by a factor of 0.98.
- Disabled - Pub-2010 Public Safety Disabled Retiree mortality tables with projected mortality improvement scale MP-2020. Male rates are adjusted by a factor of 1.05.

The demographic actuarial assumptions used in the December 31, 2021, valuation were based on the same assumptions used in the July 1, 2021, PERA Police and Fire actuarial valuation. The economic actuarial assumptions are reviewed annually as part of the fire relief's annual valuation.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These asset class estimates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the current asset allocation percentage (or target allocation, if available) and by adding expected inflation. All results are then rounded to the nearest quarter percentage point.

Best-estimates of geometric real and nominal rates of return for each major asset class included in the pension plan's asset allocation as of the measurement date are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	35%	4.42%
International Equity	20%	4.91%
Fixed Income	10%	1.00%
Multi-Class and Commodities	10%	3.98%
Cash and Equivalents	25%	-0.33%
Total:	100%	

Discount Rate - The discount rate used to measure the total pension liability was 5.00%. The projected cash flows used to determine the discount rate assumed that contributions to the plan will be made as specified in Minnesota Statutes. Based on those assumptions and considering the funding ratio of the plan, the fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits payments to determine the total pension liability.

City of Chaska, Minnesota

For the Year Ended December 31, 2022

C) Changes in the Net Pension Liability (Asset)

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Beginning Balance - January 1, 2022	\$ 6,183,062	\$ 7,130,391	\$ (947,329)
Changes For The Year:			
Service Cost	132,955	-	132,955
Interest	349,928	-	349,928
Change in Benefits Terms	917,120	-	917,120
Differences Between Expected and Actual Experience	(106,649)	-	(106,649)
Changes in Assumptions	480,755	-	480,755
Contribution - Employer	-	549,155	(549,155)
Net Investment Income	-	712,670	(712,670)
Other Additions	-	4,454	(4,454)
Benefit Payments, Including Member Contribution Refunds	(460,621)	(460,621)	-
Administrative Costs	-	(50,600)	50,600
Total Net Changes	1,313,488	755,058	558,430
Ending Balance - December 31, 2022	\$ 7,496,550	\$ 7,885,449	\$ (388,899)

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate - The following presents the net pension liability (asset) of the CFDRAPP, calculated using the discount rate of 5.00%, as well as what the CFDRAPP's net pension liability (asset) would be if it were calculated using a discount rate 1 percentage point lower (4.00%) or 1 percentage point higher (6.00%) than the current discount rate:

	Net Pension Liability (Asset)
1% Decrease in Discount Rate (4.0%)	\$ 421,874
Current Discount Rate (5.0%)	(388,899)
1% Increase in Discount Rate (6%)	(1,069,282)

Pension Plan Fiduciary Net Position - Detailed information about the CFDRAPP's fiduciary net position is available in the separately issued CFDR financial report.

City of Chaska, Minnesota

For the Year Ended December 31, 2022

D) Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2022, the CFDRAPP recognized pension expense of \$984,396. At December 31, 2022, the CFDRAPP reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Liability	\$ 3,951	\$ 114,714
Change in Actuarial Assumptions	521,696	-
Differences Between Projected and Actual Investment Earnings	-	438,072
City Contribution Subsequent to the Measurement Date	145,612	-
Total:	<u>\$ 671,259</u>	<u>\$ 552,786</u>

Deferred outflows of resources totaling \$145,612 related to pensions resulting from City contributions to the plan subsequent to the measurement date will be recognized as an addition of the net pension asset in the year ending December 31, 2023. Other amounts reported as deferred outflows and inflows of resources related to the plan will be recognized in pension expense as follows:

<u>Year Ended December 31</u>	<u>Pension Expense Amount</u>
2023	\$ 46,839
2024	(109,567)
2025	11,959
2026	11,329
2027	12,301
Total:	<u>\$ (27,139)</u>

Note 17 Other Post-Employment Benefits (OPEB) Plan**A) Plan Description**

The City's defined benefit OPEB plan provides a single-employer defined benefit health care plan to eligible employees. The plan offers group health insurance benefits. Medical coverage is administered by Blue Cross Blue Shield. It is the City's policy to periodically review its group health insurance plans and to obtain requests for proposals in order to provide the most favorable benefits and premiums for the City's employees and retirees. No assets are accumulated in a trust.

B) Benefits Provided

The City is required by State Statute to allow retirees to continue participation in the City's group health insurance plan if the individual terminates service with the City through service retirement or disability retirement. Retirees may obtain dependent coverage while the participating retiree is under age 65. Covered spouses may continue

City of Chaska, Minnesota**For the Year Ended December 31, 2022**

coverage after the retiree's death. The surviving spouse of an active employee may continue coverage in the group health insurance plan after the employee's death.

Retirees are required to pay 100% of their premium cost for the City-sponsored group health insurance plan in which they participate. The premium is a blended rate determined on the entire active and retiree population. Since the projected claims costs for retirees exceed the blended premium paid by retirees, the retirees are receiving an implicit rate subsidy (benefit). The coverage levels are the same as those afforded to active employees. Upon a retiree reaching 65 years of age, Medicare becomes the primary insurer and the City's plan becomes secondary.

C) Contributions

The required contributions are based on projected pay-as-you-go financing requirements. For the current year, the City's required pay-as-you go finance benefits totaled \$18,296.

D) Members

Membership in the plan consisted of the following as of the latest actuarial valuation:

Inactive employees or beneficiaries currently receiving benefits	3
Active employees	<u>151</u>
Total employees and beneficiaries:	<u><u>154</u></u>

E) Actuarial Methods and Assumptions

The total OPEB liability was determined by an actuarial valuation as of January 1, 2022, using the entry age, level percentage of pay method. The following actuarial assumptions were applied to all periods included in the measurement, unless otherwise specified:

Discount Rate	2.00%
20-year Municipal Bond Yield	2.00%
Salary Increases	Service graded table - Rates vary based on service and employee classification
Inflation Rate	2.00%
Medical Trend Rate	6.50% as of January 1, 2022 grading to 5.00% over 6 years and then to 4.00% over the next 48 years
Mortality Assumption	Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables (General, Safety) with MP-2021 Generational Improvement Scale

City of Chaska, Minnesota**For the Year Ended December 31, 2022****F) Changes in the Total OPEB Liability**

The City's total OPEB liability of \$966,931 was measured as of January 1, 2022 and was determined by an actuarial valuation as of January 1, 2022.

	Total OPEB Liability
Beginning Balance - January 1, 2022	\$ 1,596,946
Changes for the Year	
Service Cost	76,283
Interest	47,764
Assumption Changes	(253,574)
Differences Between Expected and Actual Economic Experience	(447,705)
Benefit Payments	(52,783)
Net Changes	<u>(630,015)</u>
Ending Balance - December 31, 2022	<u>\$ 966,931</u>

Assumption changes since the prior measurement date include the following:

- The health care trend rates, mortality tables, and salary increase rates were updated.
- The retirement and withdrawal rates were updated.
- The retiree plan participation was reduced.
- The inflation rate was changed from 2.50% to 2.00%
- The discount rate was changed from 2.90% to 2.00%

G) OPEB Liability Sensitivity

The following presents the total OPEB Liability of the City as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is one percent lower and one percent higher than the current discount rate:

	1% Decrease in Discount Rate	Discount Rate	1% Increase in Discount Rate
OPEB Discount Rate	1.00%	2.00%	3.00%
Total OPEB Liability	\$1,050,163	\$966,931	\$888,774

City of Chaska, Minnesota**For the Year Ended December 31, 2022**

The following presents the total OPEB liability of the City as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percent lower or one percent higher than current healthcare cost trend rates:

	<u>1% Decrease in Healthcare Trend Rate</u>	<u>Healthcare Trend Rate</u>	<u>1% Increase in Healthcare Trend Rate</u>
OPEB Healthcare Trend Rate	5.50% decreasing to 4.00% then 3.00%	6.50% decreasing to 5.00% then 4.00%	7.50% decreasing to 6.00% then 5.00%
Total OPEB Liability	\$849,465	\$966,931	\$1,106,324

H) OPEB Expense and Related Deferred Outflows of Resources and Deferred Inflows of Resources

For the current year ended, the City recognized OPEB expense of \$38,992. As of year-end, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual economic experience	\$ 15,786	\$ 391,741
Changes in actuarial assumptions	-	224,636
Contributions subsequent to the measurement date	18,296	-
Total:	<u>\$ 34,082</u>	<u>\$ 616,377</u>

A total of \$18,296 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ending December 31, 2023. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ended December 31</u>	<u>OPEB Expense Amount</u>
2023	\$ (85,055)
2024	(85,055)
2025	(85,055)
2026	(85,055)
2027	(85,058)
Thereafter	(175,313)
Total:	<u>\$ (600,591)</u>

City of Chaska, Minnesota

For the Year Ended December 31, 2022

PERA – General Employees Retirement Fund Schedule of City’s and Non-Employer Proportionate Share of Net Pension Liability

City Fiscal Year-End Date	PERA Fiscal Year-End Date (Measurement Date)	City’s Proportion of the Net Pension Liability	City’s Proportionate Share of the Net Pension Liability	City’s Proportionate Share of the State of Minnesota’s Proportionate Share of the Net Pension Liability	Proportionate Share of the Net Pension Liability and the City’s Share of the State of Minnesota’s Share of the Net Pension Liability	City’s Covered Payroll	City’s Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/2015	06/30/2015	0.13%	\$ 6,504,061	\$ -	\$ 6,504,061	\$ 7,374,827	88.19%	78.19%
12/31/2016	06/30/2016	0.13%	10,441,682	136,394	10,578,076	7,962,313	131.14%	68.90%
12/31/2017	06/30/2017	0.13%	8,439,559	106,148	8,545,707	8,515,662	99.11%	75.90%
12/31/2018	06/30/2018	0.13%	7,350,557	241,206	7,591,763	8,829,904	83.25%	79.50%
12/31/2019	06/30/2019	0.13%	7,441,732	231,323	7,673,055	9,526,900	78.11%	80.20%
12/31/2020	06/30/2020	0.15%	8,885,267	273,865	9,159,132	10,567,372	84.08%	79.10%
12/31/2021	06/30/2021	0.15%	6,512,433	198,804	6,711,237	10,976,594	59.33%	87.00%
12/31/2022	06/30/2022	0.15%	11,895,889	348,744	12,244,633	11,255,867	105.69%	76.70%

PERA – General Employees Retirement Fund Schedule of City Contributions

City Fiscal Year-End Date	Statutorily Required Contributions	Contributions in Relation to the Statutorily Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/2015	\$ 573,571	\$ 573,571	\$ -	\$ 7,647,695	7.50%
12/31/2016	622,514	622,514	-	8,301,166	7.50%
12/31/2017	645,781	645,781	-	8,613,210	7.50%
12/31/2018	684,782	684,782	-	9,130,403	7.50%
12/31/2019	761,477	761,477	-	10,153,003	7.50%
12/31/2020	845,631	845,631	-	11,275,134	7.50%
12/31/2021	823,612	823,612	-	10,981,495	7.50%
12/31/2022	899,431	899,431	-	11,995,296	7.50%

Schedule is intended to present information for 10 years. Additional years will be displayed as they become available.

City of Chaska, Minnesota

For the Year Ended December 31, 2022

PERA – Public Employees Police and Fire Fund Schedule of City’s and Non-Employer Proportionate Share of Net Pension Liability

City Fiscal Year-End Date	PERA Fiscal Year-End Date (Measurement Date)	City’s Proportion of the Net Pension Liability	City’s Proportionate Share of the Net Pension Liability	City’s Proportionate Share of the State of Minnesota’s Proportionate Share of the Net Pension Liability	Proportionate Share of the Net Pension Liability and the City’s Share of the State of Minnesota’s Share of the Net Pension Liability	City’s Covered Payroll	City’s Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/2015	06/30/2015	0.26%	\$ 2,908,759	\$ -	\$ 2,908,759	\$ 2,345,969	123.99%	86.60%
12/31/2016	06/30/2016	0.25%	9,992,803	-	9,992,803	2,397,786	416.75%	63.90%
12/31/2017	06/30/2017	0.26%	3,564,313	-	3,564,313	2,707,514	131.65%	85.40%
12/31/2018	06/30/2018	0.26%	2,788,387	-	2,788,387	2,761,686	100.97%	88.80%
12/31/2019	06/30/2019	0.28%	3,022,404	-	3,022,404	2,996,128	100.88%	89.30%
12/31/2020	06/30/2020	0.28%	3,702,563	87,251	3,789,814	3,174,551	116.63%	87.20%
12/31/2021	06/30/2021	0.28%	2,192,180	98,565	2,290,745	3,356,413	65.31%	93.70%
12/31/2022	06/30/2022	0.29%	12,684,929	554,268	13,239,197	3,541,637	358.17%	70.50%

PERA – Public Employees Police and Fire Fund Schedule of City Contributions

City Fiscal Year-End Date	Statutorily Required Contributions	Contributions in Relation to the Statutorily Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/2015	\$ 384,775	\$ 384,775	\$ -	\$ 2,375,153	16.20%
12/31/2016	421,074	421,074	-	2,600,914	16.20%
12/31/2017	431,127	431,127	-	2,665,551	16.20%
12/31/2018	471,427	471,427	-	2,910,044	16.20%
12/31/2019	531,854	531,854	-	3,137,782	16.95%
12/31/2020	593,739	593,739	-	3,354,460	17.70%
12/31/2021	602,008	602,008	-	3,401,174	17.70%
12/31/2022	689,171	689,171	-	3,899,479	17.67%

Schedule is intended to present information for 10 years. Additional years will be displayed as they become available.

City of Chaska, Minnesota

For the Year Ended December 31, 2022

Chaska Fire Department Relief Association Pension Plan (CFDRAPP), Schedule of Changes in Net Pension Liability (Asset) and Related Ratios

City Fiscal Year-end Date Measurement Date	December 31,								
	2014	2015	2016	2017	2018	2019 (1)	2020	2021	2022
	2014	2015	2016	2017	2018	2018	2019	2020	2021
Total Pension Liability									
Service Cost	\$ 74,610	\$ 76,662	\$ 74,777	\$ 76,833	\$ 97,600	\$ 97,600	\$ 100,284	\$ 129,712	\$ 132,955
Interest	324,731	323,774	318,368	307,707	323,454	323,454	326,559	349,372	349,928
Changes of Benefits Terms	248,676	-	-	229,268	-	-	642,398	-	917,120
Differences Between Expected & Actual Experience	-	(42,040)	-	23,511	-	-	(58,684)	-	(106,649)
Changes of Assumptions	-	-	-	68,838	-	-	250,267	-	480,755
Benefit Payments, Including Refunds of Member Contributions	(318,551)	(517,365)	(451,119)	(595,443)	(354,522)	(354,522)	(393,593)	(484,702)	(460,621)
Net Change in Total Pension Liability	329,466	(158,969)	(57,974)	110,714	66,532	66,532	867,231	(5,618)	1,313,488
Total Pension Liability - Beginning	5,031,680	5,361,146	5,202,177	5,144,203	5,254,917	5,254,917	5,321,449	6,188,680	6,183,062
Total Pension Liability - Ending (a)	<u>\$ 5,361,146</u>	<u>\$ 5,202,177</u>	<u>\$ 5,144,203</u>	<u>\$ 5,254,917</u>	<u>\$ 5,321,449</u>	<u>\$ 5,321,449</u>	<u>\$ 6,188,680</u>	<u>\$ 6,183,062</u>	<u>\$ 7,496,550</u>
Plan Fiduciary Net Position									
Contributions - Employer	\$ 361,296	\$ 401,321	\$ 427,285	\$ 443,793	\$ 465,022	\$ 465,022	\$ 488,466	\$ 531,985	\$ 549,155
Net Investment Income	232,061	(220,343)	408,073	819,964	(342,294)	(342,294)	974,719	512,197	712,670
Other Additions	-	-	-	-	-	-	-	289	4,454
Benefit payments, Including Refunds of Member Contributions	(318,551)	(517,365)	(451,119)	(595,443)	(354,522)	(354,522)	(393,593)	(484,702)	(460,621)
Administrative Expense	(9,463)	(4,226)	(11,561)	(10,295)	(14,407)	(14,407)	(9,862)	(52,987)	(50,600)
Net Change in Plan Fiduciary Net Position	265,343	(340,613)	372,678	658,019	(246,201)	(246,201)	1,059,730	506,782	755,058
Plan Fiduciary Net Position - Beginning	4,854,653	5,119,996	4,779,383	5,152,061	5,810,080	5,810,080	5,563,879	6,623,609	7,130,391
Plan Fiduciary Net Position - Ending (b)	<u>\$ 5,119,996</u>	<u>\$ 4,779,383</u>	<u>\$ 5,152,061</u>	<u>\$ 5,810,080</u>	<u>\$ 5,563,879</u>	<u>\$ 5,563,879</u>	<u>\$ 6,623,609</u>	<u>\$ 7,130,391</u>	<u>\$ 7,885,449</u>
City's Net Pension Liability (Asset) - Ending (a) - (b)	\$ 241,150	\$ 422,794	\$ (7,858)	\$ (555,163)	\$ (242,430)	\$ (242,430)	\$ (434,929)	\$ (947,329)	\$ (388,899)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	95.50%	91.87%	100.15%	110.56%	104.56%	104.56%	107.03%	115.32%	105.19%

(1) The City made a change in accounting principle to utilize the look-back period as of the measurement date. This is an accepted practice and allows the City to complete its Annual Comprehensive Financial Report in a more timely manner. This change required the use of the same actuary study and pension report for the 2018 and 2019 fiscal years.

Note: Schedule is intended to present information for 10 years. Additional years will be displayed as they become available.

City of Chaska, Minnesota

For the Year Ended December 31, 2022

Chaska Fire Department Relief Association Pension Plan (CFDRAPP), Schedule of City Contributions

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Actuarially Determined Contribution(ADC) (a)	\$ 293,799	\$ 267,302	\$ 267,302	\$ 265,347	\$ 265,347	\$ 165,134	\$ 165,134	\$ 208,493	\$ 208,493	\$ 207,338
Contributions in Relation to the ADC	364,512	361,296	401,321	427,285	443,793	465,022	488,466	531,985	549,155	347,654
Contribution Deficiency (Excess)	\$ (70,713)	\$ (93,994)	\$ (134,019)	\$ (161,938)	\$ (178,446)	\$ (299,888)	\$ (323,332)	\$ (323,492)	\$ (340,662)	\$ (140,316)

Valuation Date:

Actuarially determined contribution rates are calculated as of December 31, either two or three years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age Normal actuarial level dollar cost method
Amortization Method	Actuarial Losses - Amortize loss over 10 years per Minnesota Statutes 69.773, Subd 4. (d)(3)(i). Plan Changes - Amortize over 20 years per Minnesota Statutes 69.773, Subd 4. (d)(3)(v).
Remaining Amortization Period	0 years as of December 31, 2022
Asset Valuation Method	Fair Value
Inflation	2.25%
Salary Increases	0.00%, including inflation
Investment Rate of Return	5.00% as per Minnesota State Statutes Chapter 356.215, Subdivision 8
Retirement Age	The latest of age 50 or after 15 years of service
Mortality	Pub-2010 Public Safety Employee Mortality Table with projected mortality improvements based on scale MP-2020

Other Information:

On November 4, 2013, benefit terms were modified to add a \$6,000 per year of service lump sum benefit option for individuals who became members before November 4, 2013. Individuals that became members after November 4, 2013, are only entitled to a lump sum service pension.

On May 5, 2014, benefit terms were modified to increase the monthly benefit from \$1.975 to \$2.085 per month of service and to increase the lump sum benefit from \$6,000 to \$6,255 per year of service effective as of June 1, 2014.

On November 7, 2016, benefit terms were modified to increase the monthly benefit from \$2.085 to \$2.185 per month of service and to increase the lump sum benefit from \$6,255 to \$6,486 per year of service as of January 1, 2017.

On October 15, 2018, benefit terms were modified to increase the monthly benefit from \$2.185 to \$2.4525 per month of service and to increase the lump sum benefit from \$6,486 to \$7,100 per year of service effective January 1, 2019.

On August 2, 2021, benefit terms were modified to increase the monthly benefit from \$2.4525 to \$2.8025 per month of service and to increase the lump sum benefit from \$7,100 to \$7,901 per year of service effective September 1, 2021.

On June 1, 2022, benefit terms were modified to increase the monthly benefit from \$2.8025 to \$3.400 per month of service and to increase the lump sum benefit from \$7,901 to \$9,304 per year of service effective as of June 1, 2022.

Notes to Schedule ¹ ADC amounts are equal to statutory requirements under Minnesota Statutes 424A.092 and 69.773.

The CFDRAPP is comprised of paid on-call fire fighters paid through the City payroll. There is no covered payroll of the Fire Relief to report.

Required Supplementary Information

City of Chaska, Minnesota

For the Year Ended December 31, 2022

Schedule of Changes in Total OPEB Liability and Related Ratios

	Fiscal Year Ended December 31				
	2018	2019	2020	2021	2022
Total OPEB Liability					
Service Cost	\$ 73,812	\$ 76,026	\$ 117,461	\$ 121,278	\$ 76,283
Interest	39,586	42,360	46,644	45,450	47,764
Assumption Changes	-	-	(4,415)	-	(253,574)
Differences Between Expected & Actual Experience	-	-	25,260	-	(447,705)
Benefit Payments	(41,413)	(21,491)	(38,657)	(31,247)	(52,783)
Net Change in Total OPEB Liability	71,985	96,895	146,293	135,481	(630,015)
Total OPEB Liability - Beginning of Year	1,146,292	1,218,277	1,315,172	1,461,465	1,596,946
Total OPEB Liability - End of Year	<u>\$ 1,218,277</u>	<u>\$ 1,315,172</u>	<u>\$ 1,461,465</u>	<u>\$ 1,596,946</u>	<u>\$ 966,931</u>
Covered Employee Payroll	<u>\$ 10,383,422</u>	<u>\$ 10,694,925</u>	<u>\$ 13,076,715</u>	<u>\$ 13,501,708</u>	<u>\$ 13,389,467</u>
Total OPEB Liability as a Percentage of Covered Employee Payroll	11.7%	12.3%	11.2%	11.8%	7.2%

Note 1: The City implemented GASB Statement No. 75 in fiscal year 2018. This schedule is intended to present 10-year trend information. Additional years will be displayed as they become available.

Note 2: No assets are accumulated in a trust to pay related benefits.

PERA – GENERAL EMPLOYEES RETIREMENT FUND

2022 Changes in Actuarial Assumptions:

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

2021 Changes in Actuarial Assumptions:

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

2020 Changes in Actuarial Assumptions:

- The price inflation assumption was decreased from 2.50% to 2.25%.
- The payroll growth assumption was decreased from 3.25% to 3.00%.
- Assumed salary increase rates were changed as recommended in the June 30, 2019 experience study. The net effect is assumed rates that average 0.25% less than previous rates.
- Assumed rates of retirement were changed as recommended in the June 30, 2019 experience study. The changes result in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements.
- Assumed rates of termination were changed as recommended in the June 30, 2019 experience study. The new rates are based on service and are generally lower than the previous rates for years 2-5 and slightly higher thereafter.
- Assumed rates of disability were changed as recommended in the June 30, 2019 experience study. The change results in fewer predicted disability retirements for males and females.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 General Mortality table, with adjustments. The base mortality table for disabled annuitants was changed from the RP-2014 disabled annuitant mortality table to the Pub-2010 General/Teacher disabled annuitant mortality table, with adjustments.
- The mortality improvement scale was changed from Scale MP-2018 to Scale MP-2019.
- The assumed spouse age difference was changed from two years older for females to one year older.
- The assumed number of married male new retirees electing the 100% Joint & Survivor option changed from 35% to 45%. The assumed number of married female new retirees electing the 100% Joint & Survivor option changed from 15% to 30%. The corresponding number of married new retirees electing the Life annuity option was adjusted accordingly.

2020 Changes in Plan Provisions:

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

2019 Changes in Actuarial Assumptions:

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

2019 Changes in Plan Provisions:

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

2018 Changes in Actuarial Assumptions:

- The mortality projection scale was changed from MP-2015 to MP-2017.
- The assumed benefit increase was changed from 1.00% per year through 2044, and 2.50% per year thereafter, to 1.25% per year.

2018 Changes in Plan Provisions:

- The augmentation adjustment in early retirement factors is eliminated over a five-year period starting July 1, 2019, resulting in actuarial equivalence after June 30, 2024.
- Interest credited on member contributions decreased from 4.00% to 3.00%, beginning July 1, 2018.
- Deferred augmentation was changed to 0.00%, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Contribution stabilizer provisions were repealed.

- Post-retirement benefit increases were changed from 1.00% per year with a provision to increase to 2.50% upon attainment of 90.00% funding ratio to 50.00% of the Social Security Cost of living Adjustment, not less than 1.00% and not more than 1.50%, beginning January 1, 2019.
- For retirements on or after January 1, 2024, the first benefit increase is delayed until the retiree reaches normal retirement age; does not apply to Rule of 90 retirees, disability benefit recipients, or survivors.
- Actuarial equivalent factors were updated to reflect revisited mortality and interest assumptions.

2017 Changes in Actuarial Assumptions:

- The Combined Service Annuity (CSA) loads were changed from 0.80% for active members and 60.00% for vested and nonvested deferred members. The revised CSA loads are now zero percent for active member liability, 15.00% for vested deferred member liability, and 3.00% for nonvested deferred member liability.
- The assumed post-retirement benefit increase rate was changed from 1.00% per year for all years, to 1.00% per year through 2044, and 2.50% per year thereafter.

2017 Changes in Plan Provisions:

- The state's contribution for the Minneapolis Employees Retirement Fund equals \$16.0 million in 2017 and 2018, and \$6.0 million thereafter.
- The Employer Supplemental Contribution for the Minneapolis Employees Retirement fund changed from \$21.0 million to \$31.0 million in calendar years 2019 to 2031. The state's contribution changed from \$16.0 million to \$6.0 million in calendar years 2019 to 2031.

2016 Changes in Actuarial Assumptions:

- The assumed post-retirement benefit increase rate was changed from 1.00% per year through 2035, and 2.50% per year thereafter, to 1.00% per year for all years.
- The assumed investment return was changed from 7.90% to 7.50%. The single discount rate was changed from 7.90% to 7.50%.
- Other assumptions were changed pursuant to the experience study dated June 30, 2015. The assumed future salary increases, payroll growth, and inflation were decreased by 0.25%, to 3.25% for payroll growth, and 2.50% for inflation.

2015 Changes in Actuarial Assumptions:

- The assumed post-retirement benefit increase rate was changed from 1.00% per year through 2030, and 2.50% per year thereafter, to 1.00% per year through 2035, and 2.50% per year thereafter.

2015 Changes in Plan Provisions:

- On January 1, 2015, the Minneapolis Employees Retirement Fund was merged into the General Employees Retirement Fund, which increased the total pension liability by \$1.1 billion and increased the fiduciary plan net position by \$892 million. Upon consolidation, state and employer contributions were revised; the state's contribution of \$6.0 million, which meets the special funding situation, was due September 2015.

PERA – PUBLIC EMPLOYEES POLICE AND FIRE FUND

2022 Changes in Actuarial Assumptions:

- The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021.
- The single discount rate changed from 6.50% to 5.40%.

2021 Changes in Actuarial Assumptions:

- The investment return and single discount rates were changed from 7.50% to 6.50%, for financial reporting purposes.
- The inflation assumption was changed from 2.50% to 2.25%.
- The payroll growth assumption was changed from 3.25% to 3.00%.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 Public Safety Mortality table. The mortality improvement scale was changed from MP-2019 to MP-2020.
- The base mortality table for disabled annuitants was changed from the RP-2014 healthy annuitant mortality table (with future mortality improvement according to Scale MP-2019) to the Pub-2010 Public Safety disabled annuitant mortality table (with future mortality improvement according to Scale MP-2020).

- Assumed rates of salary increase were modified as recommended in the July 14, 2020 experience study. The overall impact is a decrease in gross salary increase rates.
- Assumed rates of retirement were changed as recommended in the July 14, 2020 experience study. The changes result in slightly more unreduced retirements and fewer assumed early retirements.
- Assumed rates of withdrawal were changed from select and ultimate rates to service-based rates. The changes result in more assumed terminations.
- Assumed rates of disability were increased for ages 25-44 and decreased for ages over 49. Overall, proposed rates result in more projected disabilities.
- Assumed percent married for active female members was changed from 60% to 70%. Minor changes to form of payment assumptions were applied.

2020 Changes in Actuarial Assumptions:

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

2019 Changes in Actuarial Assumptions:

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

2018 Changes in Actuarial Assumptions:

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

2018 Changes in Plan Provisions:

- Post-retirement benefit increases were changed to 1.00% for all years, with no trigger.
- An end date of July 1, 2048 was added to the existing \$9.0 million state contribution.
- New annual state aid will equal \$4.5 million in fiscal years 2019 and 2020, and \$9.0 million thereafter, until the plan reaches 100.00% funding, July 1, 2048, if earlier.
- Member contributions were changed from 10.80% to 11.3% of pay, effective January 1, 2019 and 11.80% of pay, effective January 1, 2020.
- Employer contributions were changed from 16.20% to 16.95% of pay, effective January 1, 2019, and 17.70% of pay, effective January 1, 2020.
- Interest credited on member contributions decreased from 4.00% to 3.00%, beginning July 1, 2018.
- Deferred augmentation was changed to 0.00% percent, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

2017 Changes in Actuarial Assumptions:

- Assumed salary increases were changed as recommended in the June 30, 2016 experience study. The net effect is proposed rates that average 0.34% lower than the previous rates.
- Assumed rates of retirement were changed, resulting in fewer retirements.
- The Combined Service Annuity (CSA) load was 30.00% for vested and non-vested deferred members. The CSA has been changed to 33.00% for vested members and 2.00% for non-vested members.
- The base mortality table for healthy annuitants was changed from the RP-2000 Fully Generational Table to the RP-2014 Fully Generational Table (with base year of 2006), with male rates adjusted by a factor of 0.96. The mortality improvement scale was changed from Scale AA to Scale MP-2016.
- The base mortality table for disabled annuitants was changed from RP-2000 Disabled Mortality Table to the mortality tables assumed for healthy retirees.
- Assumed termination rates were decreased to 3.00% for the first three years of service. Rates beyond the select period of three years were adjusted, resulting in more expected terminations overall.
- Assumed percentage of married female members was decreased from 65.00% to 60.00%.
- Assumed age difference was changed from separate assumptions for male members (wives assumed to be three years younger) and female members (husbands assumed to be four years older) to the assumption that males are two years older than females.
- The assumed percentage of female members electing joint and survivor annuities was increased.

- The assumed post-retirement benefit increase rate was changed from 1.00% for all years, to 1.00% per year through 2064, and 2.50% thereafter.
- The single discount rate changed from 5.60% per annum to 7.50% per annum.

2016 Changes in Actuarial Assumptions:

- The assumed post-retirement benefit increase rate was changed from 1.00% per year through 2037, and 2.50% thereafter, to 1.00% per year for all future years.
- The assumed investment return was changed from 7.90% to 7.50%.
- The single discount rate changed from 7.90% to 5.60%.
- The assumed future salary increases, payroll growth, and inflation were decreased by 0.25% to 3.25% for payroll growth, and 2.50% for inflation.

2015 Changes in Actuarial Assumptions:

- The assumed post-retirement benefit increase rate was changed from 1.00% per year through 2030, and 2.50% per year thereafter, to 1.00% per year through 2037, and 2.50% per year thereafter.

2015 Changes in Plan Provisions:

- The post-retirement benefit increase to be paid after attainment of the 90.00% funding threshold was changed, from inflation up to 2.50%, to a fixed rate of 2.50%.

OTHER POST-EMPLOYMENT BENEFITS PLAN

2022 Changes in Actuarial Assumptions:

- The health care trend rates were changed to better anticipate short term and long-term medical increases.
- The mortality tables were updated from the Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables (General, Safety) with MP-2019 Generational Improvement Scale to the Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables (General, Safety) with MP-2021 Generational Improvement Scale.
- The salary increase rates were updated to reflect the latest experience study.
- The retirement and withdrawal rates were updated to reflect the latest experience study.
- The retiree plan participation percentage was reduced from 65% to 50%.
- The percentage of married retirees electing post-employment spouse medical coverage was reduced from 60% for police and fire retirees and 40% for all other retirees to 30% for all.
- The inflation rate was changed from 2.50% to 2.00%.
- The discount rate was changed from 2.90% to 2.00%.
- These changes decreased the liability \$253,574.

2020 Changes in Actuarial Assumptions:

- The medical trend rate was changed from 6.25% grading to 5.00% over 5 years to 6.50% grading to 5.00% over 6 years and then to 4.00% over the next 48 years.
- The mortality tables were updated from the RP-2014 Mortality Tables (Blue Collar for Public Safety, White Collar for Others) with MP-2017 Generational Improvement Scale to the Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables (General, Safety) with MP-2019 Generational Improvement Scale.
- The salary increase rates were changed from a flat 3.00% per year for all employees to rates which vary by service and employee classification.
- The discount rate was changed from 3.30% to 2.90%.

2019 Changes in Actuarial Assumptions:

- The medical trend rate was changed from 6.50% grading to 5.00% over 6 years to 6.25% grading to 5.00% over 5 years.

2018 Changes in Actuarial Assumptions:

- The health care trend rates were changed to better anticipate short-term and long-term medical increases.

- The mortality tables were updated from RP-2014 White Collar Mortality Tables with MP-2015 Generational Improvement Scale (with Blue Collar adjustment for Police and Fire Personnel) to the RP-2014 White Collar Mortality Tables with MP-2017 Generation Improvement Scale (with Blue Collar adjustment for Police and Fire Personnel).
- The retirement and withdrawal tables for all employees were updated.
- The discount rate was changed from 3.50% to 3.30%.
- The actuarial cost method was changed from project unit credit to entry age as prescribed by GASB 75.

**Combining and Individual Fund Statements and Schedules
Nonmajor Governmental Funds**

City of Chaska, Minnesota

For the Year Ended December 31, 2022

CITY OF CHASKA, MINNESOTA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2022

	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECT	TOTAL NONMAJOR GOVERNMENTAL FUNDS
ASSETS				
Cash And Investments	\$ 449,843	\$ 9,486,028	\$ 6,652,408	\$ 16,588,279
Cash With Escrow Agent	-	966,283	-	966,283
Receivables:				
Taxes	2,900	2,644	36,086	41,630
Special Assessments	58,260	6,243,655	1,744,990	8,046,905
Accounts	-	-	4,895	4,895
Interest	414	-	48,755	49,169
Due From Other Funds	-	-	11,266,176	11,266,176
Due From Other Governments	-	-	155,545	155,545
Interfund Receivable	-	-	1,297,298	1,297,298
Leases Receivable	204,994	-	1,938,038	2,143,032
Advance To Other Funds	-	-	1,171,730	1,171,730
TOTAL ASSETS	\$ 716,411	\$ 16,698,610	\$ 24,315,921	\$ 41,730,942
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES:				
Accounts Payable	\$ 149	\$ 3,653	\$ 1,374,705	\$ 1,378,507
Deposits Payable	10,460	-	1,314	11,774
Due To Other Funds	912,842	-	1,261,708	2,174,550
Interfund Payable	-	-	1,034,599	1,034,599
Advance From Other Funds	-	-	2,948,909	2,948,909
Unearned Revenue	19,727	1,094,708	-	1,114,435
TOTAL LIABILITIES	943,178	1,098,361	6,621,235	8,662,774
DEFERRED INFLOWS OF RESOURCES:				
Unavailable Revenue - Taxes	1,159	1,192	17,574	19,925
Unavailable Revenue - Special Assessments	38,533	5,146,951	1,743,432	6,928,916
Lease Revenue For Subsequent Years	202,668	-	1,917,657	2,120,325
TOTAL DEFERRED INFLOWS OF RESOURCES	242,360	5,148,143	3,678,663	9,069,166
FUND BALANCES:				
Nonspendable	2,326	-	20,381	22,707
Restricted	82,554	10,452,106	2,888,222	13,422,882
Committed	359,741	-	1,155,999	1,515,740
Assigned	12,500	-	15,237,599	15,250,099
Unassigned	(926,248)	-	(5,286,178)	(6,212,426)
TOTAL FUND BALANCES (DEFICITS)	(469,127)	10,452,106	14,016,023	23,999,002
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 716,411	\$ 16,698,610	\$ 24,315,921	\$ 41,730,942

CITY OF CHASKA, MINNESOTA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2022**

	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECT</u>	<u>TOTAL NONMAJOR GOVERNMENTAL FUNDS</u>
<u>REVENUES</u>				
Taxes:				
Property	\$ 190,310	\$ 2,755,445	\$ 1,316,811	\$ 4,262,566
Tax Increment	-	-	1,317,242	1,317,242
Intergovernmental	27	-	2,747,710	2,747,737
Charges For Services	186,505	-	8,200,959	8,387,464
Fines And Forfeitures	8,540	-	-	8,540
Special Assessments	47,912	1,194,421	775,464	2,017,797
Investment Earnings (Charges)	(10,464)	62,133	222,822	274,491
Leases	21,333	-	145,503	166,836
Other Revenue	30,275	-	107,264	137,539
TOTAL REVENUES	474,438	4,011,999	14,833,775	19,320,212
<u>EXPENDITURES</u>				
CURRENT:				
General Government	-	-	144,808	144,808
Economic Development	370,280	-	1,492,914	1,863,194
Public Safety	8,287	-	4,805	13,092
Public Works	13,939	-	777,870	791,809
Parks, Recreation And Arts	-	-	94,513	94,513
DEBT SERVICE:				
Principal	-	3,695,000	-	3,695,000
Interest	-	1,844,103	104,197	1,948,300
Issuance Costs And Fiscal Agent Fees	-	15,153	-	15,153
CAPITAL OUTLAY	-	-	7,325,445	7,325,445
TOTAL EXPENDITURES	392,506	5,554,256	9,944,552	15,891,314
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	81,932	(1,542,257)	4,889,223	3,428,898
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers In	-	1,513,769	5,015,000	6,528,769
Transfers Out	-	-	(8,643,547)	(8,643,547)
Lease Proceeds	-	-	360,990	360,990
Sale Of Capital Assets	-	-	32,000	32,000
TOTAL OTHER FINANCING SOURCES (USES)	-	1,513,769	(3,235,557)	(1,721,788)
NET CHANGE IN FUND BALANCES	81,932	(28,488)	1,653,666	1,707,110
FUND BALANCES (DEFICITS), JANUARY 1	(551,059)	10,480,594	12,362,357	22,291,892
FUND BALANCES (DEFICITS), DECEMBER 31	\$ (469,127)	\$ 10,452,106	\$ 14,016,023	\$ 23,999,002

Nonmajor Special Revenue Funds

City of Chaska, Minnesota

For the Year Ended December 31, 2022

Nonmajor Special Revenue funds are used to account for specific revenue sources that are legally restricted or committed to expenditures for specified purposes. The City reports the following funds.

- **Mount Pleasant Maintenance & Care Fund:**

This fund is used to account for property tax levies and lot sales that are legally restricted or committed for the maintenance of the cemetery and principal amounts received and related interest income for the care of Mount Pleasant Cemetery.

- **Chaska EDA Fund:**

This fund is used to report administrative activities associated with the Chaska Economic Development Authority. The Authority is authorized to levy ad valorem taxes to provide funds for its operations.

- **Police Forfeitures and Evidence Fund:**

This fund is used to report activities related to DUI and drug forfeitures. DUI forfeitures are administered in accordance with State Statute 169A.63. This fund is also used to account for evidence in the form of cash deposits, which will either be forfeited or returned to owners.

- **Commercial Revolving Loan Fund:**

This fund is used to provide commercial grants and loans, and to account for the payment proceeds.

CITY OF CHASKA, MINNESOTA

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2022

	202 & 801	251	206	210	
	MOUNT PLEASANT MAINTENANCE & CARE	CHASKA EDA	POLICE FORFEITURES AND EVIDENCE	COMMERCIAL REVOLVING LOAN	TOTALS
ASSETS					
Cash And Investments	\$ 258,601	\$ -	\$ 78,156	\$ 113,086	\$ 449,843
Receivables:					
Taxes	59	2,841	-	-	2,900
Special Assessments:					
Delinquent	-	160	-	-	160
Deferred:					
Certified To County	-	38,373	-	-	38,373
City Owned	-	19,727	-	-	19,727
Interest	-	414	-	-	414
Leases Receivable	-	204,994	-	-	204,994
TOTAL ASSETS	\$ 258,660	\$ 266,509	\$ 78,156	\$ 113,086	\$ 716,411
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES:					
Accounts Payable	\$ -	\$ 149	\$ -	\$ -	\$ 149
Deposits Payable	-	2,200	8,260	-	10,460
Due To Other Funds	-	912,842	-	-	912,842
Unearned Revenue	-	19,727	-	-	19,727
TOTAL LIABILITIES	-	934,918	8,260	-	943,178
DEFERRED INFLOWS OF RESOURCES:					
Unavailable Revenue - Taxes	30	1,129	-	-	1,159
Unavailable Revenue - Special Assessments	-	38,533	-	-	38,533
Lease Revenue For Subsequent Years	-	202,668	-	-	202,668
TOTAL DEFERRED INFLOWS OF RESOURCES	30	242,330	-	-	242,360
FUND BALANCES:					
Nonspendable	-	2,326	-	-	2,326
Restricted	-	13,183	69,371	-	82,554
Committed	246,655	-	-	113,086	359,741
Assigned	11,975	-	525	-	12,500
Unassigned	-	(926,248)	-	-	(926,248)
TOTAL FUND BALANCES (DEFICITS)	258,630	(910,739)	69,896	113,086	(469,127)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 258,660	\$ 266,509	\$ 78,156	\$ 113,086	\$ 716,411

CITY OF CHASKA, MINNESOTA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	202 & 801	251	206	210	
	MOUNT PLEASANT MAINTENANCE & CARE	CHASKA EDA	POLICE FORFEITURES AND EVIDENCE	COMMERCIAL REVOLVING LOAN	TOTALS
REVENUES:					
Taxes:					
Property	\$ 6,031	\$ 184,279	\$ -	\$ -	\$ 190,310
Intergovernmental:					
State:					
Market Value Credit	1	26	-	-	27
Charges For Services	3,200	183,305	-	-	186,505
Fines And Forfeitures	-	-	8,540	-	8,540
Special Assessments	-	47,912	-	-	47,912
Investment Earnings (Charges)	1,963	(13,861)	599	835	(10,464)
Leases	-	21,333	-	-	21,333
Other Revenues	-	25,674	-	4,601	30,275
TOTAL REVENUES	11,195	448,668	9,139	5,436	474,438
EXPENDITURES:					
Current:					
Economic Development	-	370,280	-	-	370,280
Public Safety	-	-	8,287	-	8,287
Public Works	13,939	-	-	-	13,939
TOTAL EXPENDITURES	13,939	370,280	8,287	-	392,506
NET CHANGE IN FUND BALANCES	(2,744)	78,388	852	5,436	81,932
FUND BALANCES (DEFICITS), JANUARY 1	261,374	(989,127)	69,044	107,650	(551,059)
FUND BALANCES (DEFICITS), DECEMBER 31	\$ 258,630	\$ (910,739)	\$ 69,896	\$ 113,086	\$ (469,127)

Nonmajor debt service funds are used to account for the accumulation of resources and for the payment of principal, interest, and related costs on long-term debt of governmental funds. The individual nonmajor debt service funds are presented to distinguish between the various bond issues. The City reports the following bond types.

- **Improvement Bond Funds:**

These funds service debt on the improvement bonds issued to finance construction of public improvements. Special assessment improvements are paid for completely or in part by property owners deemed to have benefited from such improvements.

- **Tax Increment Bond Funds:**

These funds service debt on the tax increment bonds issued to finance economic development and redevelopment projects.

- **Equipment Certificate Funds:**

These funds service debt on the general obligation equipment certificates issued to finance equipment purchases.

- **Revenue Bond Funds:**

These funds service debt on bonds that are supported by revenue pledged for repayment, such as specific fee revenue.

- **Tax Abatement Bond Funds:**

These funds service debt from the City's housing improvement areas and tax abatement programs.

CITY OF CHASKA, MINNESOTA

COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
DECEMBER 31, 2022

	314	317	318	320	322	323	324	325	326	327
	\$405,000 TAXABLE GO TA BONDS 2010	\$2,430,000 GO IMP BONDS 2012A	\$4,675,000 GO X-OVER ADV REF BONDS 2012B	\$3,330,000 GO IMP BONDS 2013A	\$915,000 GO EQUIPMENT CERTIFICATES 2013C	\$5,785,000 GO IMP BONDS 2014A	\$9,000,000/ \$1,085,000 EDA LEASE REVENUE BONDS 2015B/2015D	\$5,940,000 GO IMP BONDS 2015B	\$9,570,000 GO IMP BONDS 2017B	\$2,035,000 TAXABLE GO BONDS 2017C
ASSETS										
Cash And Investments	\$ 306,029	\$ 246,164	\$ 443,358	\$ 214,121	\$ 116,501	\$ 613,811	\$ 473,478	\$ 820,751	\$ 3,106,890	\$ 1,022,294
Cash With Escrow Agent	-	-	-	-	-	-	965,459	-	-	-
Receivables:										
Taxes	-	-	-	-	-	-	-	-	-	-
Special Assessments:										
Unremitted	-	-	-	-	-	-	-	228	799	969
Delinquent	-	-	88	31,676	-	-	-	1,335	3,711	1,187
Deferred:										
Certified To County	-	61,898	15,075	862,563	-	86,736	-	223,606	732,617	622,522
City Owned	-	133,592	6,272	212,162	-	-	-	368,791	-	-
TOTAL ASSETS	\$ 306,029	\$ 441,654	\$ 464,793	\$ 1,320,522	\$ 116,501	\$ 700,547	\$ 1,438,937	\$ 1,414,711	\$ 3,844,017	\$ 1,646,972
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES										
LIABILITIES:										
Accounts Payable	\$ -	\$ 256	\$ 256	\$ -	\$ -	\$ 256	\$ 512	\$ 256	\$ 256	\$ 257
Unearned Revenue	-	133,592	6,272	212,162	-	-	-	368,791	-	-
TOTAL LIABILITIES	-	133,848	6,528	212,162	-	256	512	369,047	256	257
DEFERRED INFLOWS OF RESOURCES:										
Unavailable Revenue - Taxes	-	-	-	-	-	-	-	-	-	-
Unavailable Revenue - Special Assessments	-	61,898	15,163	894,239	-	86,736	-	224,941	736,328	623,709
TOTAL DEFERRED INFLOWS OF RESOURCES	-	61,898	15,163	894,239	-	86,736	-	224,941	736,328	623,709
FUND BALANCES:										
Restricted	306,029	245,908	443,102	214,121	116,501	613,555	1,438,425	820,723	3,107,433	1,023,006
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 306,029	\$ 441,654	\$ 464,793	\$ 1,320,522	\$ 116,501	\$ 700,547	\$ 1,438,937	\$ 1,414,711	\$ 3,844,017	\$ 1,646,972

328	329	330	331	332	333, 334, 335	336	337	338	339	340	
\$460,000 TAXABLE GO X-OVER REF BONDS 2017D	\$995,000 GO X-OVER REF BONDS 2017E	\$4,940,000 STATE AID STREET BONDS 2021A	\$5,680,000 GO IMP BONDS 2019B	\$1,250,000 TAXABLE GO IMP BONDS 2019D	\$2,600,000 TAXABLE GO TIF BONDS 2019D	\$1,740,000 GO IMP REF BONDS 2019E	\$6,285,000 TAXABLE REVENUE BONDS 2020A	\$1,530,000 TAXABLE REVENUE BONDS 2020B	\$1,725,000 GO IMP BONDS 2020C	GO TEMPORARY STATE AID STREET BONDS 2022A	TOTALS
\$ 40,763	\$ 185,781	\$ 306,951	\$ 557,008	\$ 376,792	\$ 63,797	\$ 156,459	\$ 38,311	\$ 24,110	\$ 335,774	\$ 36,885	\$ 9,486,028
-	-	-	-	-	-	-	760	64	-	-	966,283
-	-	-	-	-	-	2,644	-	-	-	-	2,644
-	-	-	-	-	-	-	-	-	-	-	1,996
-	-	-	1,650	23,244	-	-	-	-	255	-	63,146
-	22,147	-	878,447	871,291	-	621,543	-	-	137,949	-	5,136,394
-	-	-	321,302	-	-	-	-	-	-	-	1,042,119
<u>\$ 40,763</u>	<u>\$ 207,928</u>	<u>\$ 306,951</u>	<u>\$ 1,758,407</u>	<u>\$ 1,271,327</u>	<u>\$ 63,797</u>	<u>\$ 780,646</u>	<u>\$ 39,071</u>	<u>\$ 24,174</u>	<u>\$ 473,978</u>	<u>\$ 36,885</u>	<u>\$ 16,698,610</u>
\$ -	\$ -	\$ 257	\$ 257	\$ 85	\$ 170	\$ 257	\$ 257	\$ 257	\$ 64	\$ -	\$ 3,653
-	-	-	321,302	-	-	52,589	-	-	-	-	1,094,708
-	-	257	321,559	85	170	52,846	257	257	64	-	1,098,361
-	-	-	-	-	-	1,192	-	-	-	-	1,192
-	22,147	-	880,097	894,535	-	568,954	-	-	138,204	-	5,146,951
-	22,147	-	880,097	894,535	-	570,146	-	-	138,204	-	5,148,143
40,763	185,781	306,694	556,751	376,707	63,627	157,654	38,814	23,917	335,710	36,885	10,452,106
<u>\$ 40,763</u>	<u>\$ 207,928</u>	<u>\$ 306,951</u>	<u>\$ 1,758,407</u>	<u>\$ 1,271,327</u>	<u>\$ 63,797</u>	<u>\$ 780,646</u>	<u>\$ 39,071</u>	<u>\$ 24,174</u>	<u>\$ 473,978</u>	<u>\$ 36,885</u>	<u>\$ 16,698,610</u>

CITY OF CHASKA, MINNESOTA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	314	317	318	320	322	323	324	325	326	327
	\$405,000 TAXABLE GO TA BONDS 2010	\$2,430,000 GO IMP BONDS 2012A	\$4,675,000 GO X-OVER ADV REF BONDS 2012B	\$3,330,000 GO IMP BONDS 2013A	\$915,000 GO EQUIPMENT CERTIFICATES 2013C	\$5,785,000 GO IMP BONDS 2014A	\$9,000,000/ \$1,085,000 EDA LEASE REVENUE BONDS 2015B/2015D	\$5,940,000 GO IMP BONDS 2015B	\$9,570,000 GO IMP BONDS 2017B	\$2,035,000 TAXABLE GO BONDS 2017C
REVENUES:										
Taxes:										
Property	\$ 38,588	\$ 161,000	\$ 65,001	\$ 185,000	\$ 75,000	\$ 464,000	\$ -	\$ 490,000	\$ 482,000	\$ -
Special Assessments	-	18,492	378,889	24,447	-	30,556	-	43,786	141,382	265,791
Investment Earnings	2,273	991	2,512	2,155	578	2,248	8,969	3,784	20,852	6,667
TOTAL REVENUES	40,861	180,483	446,402	211,602	75,578	496,804	8,969	537,570	644,234	272,458
EXPENDITURES:										
Debt Service:										
Principal	25,000	165,000	210,000	245,000	110,000	515,000	300,000	365,000	380,000	140,000
Interest	3,292	23,780	31,935	16,765	5,105	76,000	336,550	167,369	319,475	43,930
Issuance Costs And Fiscal Agent Fees	20	781	256	105	-	256	3,712	256	756	757
TOTAL EXPENDITURES	28,312	189,561	242,191	261,870	115,105	591,256	640,262	532,625	700,231	184,687
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	12,549	(9,078)	204,211	(50,268)	(39,527)	(94,452)	(631,293)	4,945	(55,997)	87,771
OTHER FINANCING SOURCES:										
Transfers In	-	-	-	-	-	77,966	610,000	-	85,417	20,466
NET CHANGE IN FUND BALANCES	12,549	(9,078)	204,211	(50,268)	(39,527)	(16,486)	(21,293)	4,945	29,420	108,237
FUND BALANCES, JANUARY 1	293,480	254,986	238,891	264,389	156,028	630,041	1,459,718	815,778	3,078,013	914,769
FUND BALANCES, DECEMBER 31	\$ 306,029	\$ 245,908	\$ 443,102	\$ 214,121	\$ 116,501	\$ 613,555	\$ 1,438,425	\$ 820,723	\$ 3,107,433	\$ 1,023,006

328	329	330	331	332	333, 334, 335	336	337	338	339	340	
\$460,000 TAXABLE GO X-OVER REF BONDS 2017D	\$995,000 GO X-OVER REF BONDS 2017E	\$4,940,000 TEMP IMP/ STATE AID STREET BONDS 2019A/2021A	\$5,680,000 GO IMP BONDS 2019B	\$1,250,000 TAXABLE GO IMP BONDS 2019D	\$2,600,000 TAXABLE GO TIF BONDS 2019D	\$1,740,000 GO IMP REF BONDS 2019E	\$6,285,000 TAXABLE REVENUE BONDS 2020A	\$1,530,000 TAXABLE REVENUE BONDS 2020B	\$1,725,000 GO IMP BONDS 2020C	GO TEMPORARY STATE AID STREET BONDS 2022A	TOTALS
\$ -	\$ 115,000	\$ -	\$ 452,000	\$ -	\$ -	\$ 119,856	\$ -	\$ -	\$ 108,000	\$ -	\$ 2,755,445
-	4,753	-	95,577	87,028	-	89,573	-	-	14,147	-	1,194,421
43	828	619	1,767	2,459	91	240	2,201	455	2,378	23	62,133
43	120,581	619	549,344	89,487	91	209,669	2,201	455	124,525	23	4,011,999
35,000	95,000	160,000	340,000	80,000	5,000	150,000	270,000	60,000	45,000	-	3,695,000
12,400	19,742	114,285	208,969	32,648	76,545	62,150	161,067	43,433	60,525	28,138	1,844,103
450	450	757	807	335	420	757	1,957	1,957	364	-	15,153
47,850	115,192	275,042	549,776	112,983	81,965	212,907	433,024	105,390	105,889	28,138	5,554,256
(47,807)	5,389	(274,423)	(432)	(23,496)	(81,874)	(3,238)	(430,823)	(104,935)	18,636	(28,115)	(1,542,257)
42,500	-	325,000	48,420	-	114,000	-	80,000	45,000	-	65,000	1,513,769
(5,307)	5,389	50,577	47,988	(23,496)	32,126	(3,238)	(350,823)	(59,935)	18,636	36,885	(28,488)
46,070	180,392	256,117	508,763	400,203	31,501	160,892	389,637	83,852	317,074	-	10,480,594
\$ 40,763	\$ 185,781	\$ 306,694	\$ 556,751	\$ 376,707	\$ 63,627	\$ 157,654	\$ 38,814	\$ 23,917	\$ 335,710	\$ 36,885	\$ 10,452,106

Nonmajor Capital Projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

- **Tax Increment Funds:**

These funds receive revenue from general property taxes in the form of tax increment. Revenues are used by the Chaska Economic Development Authority (EDA) to promote affordable housing and development by providing financing aids to developers.

- **Major Road Construction Fund:**

This fund collects Minnesota State Aid (MSA) revenue designated for road construction.

- **Permanent Improvement Revolving Funds:**

These funds are used to collect development fees charged for the purpose of construction of the City's utility systems. Three separate funds are shown: the Water trunk fund, the Sewer trunk fund and the Storm Water trunk fund.

- **Public Facilities Capital Improvement Fund:**

This fund is used to account for sources to be used to finance future capital facility construction and improvements to existing City facilities.

- **Fire Protection Systems Fund:**

This fund is used to account for receipts and expenditures for the fire protection systems.

- **Improvement Revolving Fund:**

This fund is used to fund un-bonded improvement projects.

- **Equipment Acquisition Fund:**

This fund is used to collect property tax levies appropriated by budget for capital equipment acquisition.

- **Park Development Fund:**

This fund is used to collect park dedication fees for construction of City parks.

- **Southwest Chaska Transportation Fund:**

This fund is used to account for fees charged to developers for the expansion of transportation projects in the southwest Chaska area.

- **Community Fund:**

This fund is used to account for resources to support current and future improvement projects.

- **Abatement Program Fund:**

This fund is used to account for the City and EDA's Tax Abatement program.

- **Annual Street Replacement Fund:**

This fund is used for the City's annual street reconstruction program.

CITY OF CHASKA, MINNESOTA

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS
DECEMBER 31, 2022

		401	402	403	404	407
	TAX INCREMENT	MAJOR ROAD CONSTRUCTION	PERMANENT IMPROVEMENT REVOLVING/ WATER	PERMANENT IMPROVEMENT REVOLVING/ SEWER	PERMANENT IMPROVEMENT REVOLVING/ STORM WATER	PUBLIC FACILITIES CAPITAL IMPROVEMENT
ASSETS						
Cash And Investments	\$ 2,882,013	\$ 374,499	\$ 313,000	\$ 434,367	\$ 52,158	\$ 380,766
Receivables:						
Taxes	2,528	-	-	-	-	-
Special Assessments:						
Unremitted	-	-	-	-	-	-
Delinquent	-	-	-	-	-	-
Deferred:						
Certified To County	79,015	-	58,513	36,288	26,254	-
Accounts	-	-	-	-	-	-
Interest	4,636	4,154	5,545	7,801	-	-
Due From Other Funds	-	1,250,000	3,600,000	4,150,000	-	-
Due From Other Governments	-	-	-	-	-	-
Interfund Receivable	-	-	-	938,356	-	5,336
Leases Receivable	-	-	-	-	-	-
Advance To Other Funds	-	-	-	-	-	80,165
TOTAL ASSETS	\$ 2,968,192	\$ 1,628,653	\$ 3,977,058	\$ 5,566,812	\$ 78,412	\$ 466,267
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
LIABILITIES:						
Accounts Payable	\$ 2,902	\$ 1,744	\$ 2,112	\$ 2,112	\$ 2,112	\$ 352
Deposits Payable	1,314	-	-	-	-	-
Due To Other Funds	-	-	-	-	-	-
Interfund Payable	1,034,599	-	-	-	-	-
Advance From Other Funds	2,248,909	-	-	-	-	-
TOTAL LIABILITIES	3,287,724	1,744	2,112	2,112	2,112	352
DEFERRED INFLOWS OF RESOURCES:						
Unavailable Revenue - Taxes	2,032	-	-	-	-	-
Unavailable Revenue - Special Assessments	79,015	-	58,513	36,288	26,254	-
Lease Revenue For Subsequent Years	-	-	-	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	81,047	-	58,513	36,288	26,254	-
FUND BALANCES:						
Nonspendable	-	-	-	-	-	-
Restricted	2,882,510	-	-	-	-	-
Committed	-	-	-	-	-	-
Assigned	-	1,626,909	3,916,433	5,528,412	50,046	465,915
Unassigned	(3,283,089)	-	-	-	-	-
TOTAL FUND BALANCES (DEFICITS)	(400,579)	1,626,909	3,916,433	5,528,412	50,046	465,915
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 2,968,192	\$ 1,628,653	\$ 3,977,058	\$ 5,566,812	\$ 78,412	\$ 466,267

444	445	448	449	450	451	453	524	
FIRE PROTECTION SYSTEMS	IMPROVEMENT REVOLVING	EQUIPMENT ACQUISITION	PARK DEVELOPMENT	SOUTHWEST CHASKA TRANSPORTATION	COMMUNITY FUND	ABATEMENT PROGRAM	ANNUAL STREET REPLACEMENT	TOTALS
\$ 74,600	\$ 72,453	\$ -	\$ 836,635	\$ 477,739	\$ 178,422	\$ 3,899	\$ 571,857	\$ 6,652,408
-	-	33,558	-	-	-	-	-	36,086
-	1,558	-	-	-	-	-	-	1,558
-	3,312	-	-	-	-	-	-	3,312
-	507,519	-	226,715	332,990	-	-	472,826	1,740,120
-	-	4,895	-	-	-	-	-	4,895
-	832	16,146	2,870	1,061	-	-	5,710	48,755
-	586,907	-	912,842	-	-	-	766,427	11,266,176
-	-	-	-	-	-	-	155,545	155,545
-	125,198	228,408	-	-	-	-	-	1,297,298
-	-	1,938,038	-	-	-	-	-	1,938,038
-	435,050	656,515	-	-	-	-	-	1,171,730
<u>\$ 74,600</u>	<u>\$ 1,732,829</u>	<u>\$ 2,877,560</u>	<u>\$ 1,979,062</u>	<u>\$ 811,790</u>	<u>\$ 178,422</u>	<u>\$ 3,899</u>	<u>\$ 1,972,365</u>	<u>\$ 24,315,921</u>
\$ -	\$ -	\$ 963,038	\$ 17,297	\$ -	\$ -	\$ 510	\$ 382,526	\$ 1,374,705
-	-	-	-	-	-	-	-	1,314
-	-	1,261,708	-	-	-	-	-	1,261,708
-	-	-	-	-	-	-	-	1,034,599
-	-	-	-	-	-	700,000	-	2,948,909
-	-	2,224,746	17,297	-	-	700,510	382,526	6,621,235
-	-	15,542	-	-	-	-	-	17,574
-	510,831	-	226,715	332,990	-	-	472,826	1,743,432
-	-	1,917,657	-	-	-	-	-	1,917,657
-	510,831	1,933,199	226,715	332,990	-	-	472,826	3,678,663
-	-	20,381	-	-	-	-	-	20,381
-	-	-	-	-	-	5,712	-	2,888,222
-	-	-	-	-	102,623	-	1,053,376	1,155,999
74,600	1,221,998	-	1,735,050	478,800	75,799	-	63,637	15,237,599
-	-	(1,300,766)	-	-	-	(702,323)	-	(5,286,178)
<u>74,600</u>	<u>1,221,998</u>	<u>(1,280,385)</u>	<u>1,735,050</u>	<u>478,800</u>	<u>178,422</u>	<u>(696,611)</u>	<u>1,117,013</u>	<u>14,016,023</u>
<u>\$ 74,600</u>	<u>\$ 1,732,829</u>	<u>\$ 2,877,560</u>	<u>\$ 1,979,062</u>	<u>\$ 811,790</u>	<u>\$ 178,422</u>	<u>\$ 3,899</u>	<u>\$ 1,972,365</u>	<u>\$ 24,315,921</u>

CITY OF CHASKA, MINNESOTA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECT FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	401	402	403	404	407	
	TAX INCREMENT	MAJOR ROAD CONSTRUCTION	PERMANENT IMPROVEMENT REVOLVING/ WATER	PERMANENT IMPROVEMENT REVOLVING/ SEWER	PERMANENT IMPROVEMENT REVOLVING/ STORM WATER	PUBLIC FACILITIES CAPITAL IMPROVEMENT
REVENUES:						
Taxes:						
General Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tax Increment	1,317,242	-	-	-	-	-
Intergovernmental:						
Federal	-	-	-	-	-	-
State	-	1,238,820	-	-	-	-
Charges For Services:						
Connection Charges	-	-	2,754,181	2,214,785	-	-
Acreage Charges	-	-	397,078	412,384	515,590	-
Other Charges for Services	10,000	-	-	-	-	50,465
Special Assessments	-	-	13,060	24,080	15,479	-
Investment Earnings (Charges)	19,799	15,082	22,247	65,241	(896)	5,743
Leases	-	-	-	-	-	-
Other Revenues	-	-	-	-	-	-
TOTAL REVENUES	1,347,041	1,253,902	3,186,566	2,716,490	530,173	56,208
EXPENDITURES:						
Current:						
General Government	38,211	-	-	-	-	49,188
Economic Development	647,989	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	14,448	13,623	13,623	13,974	-
Parks, Recreation And Arts	-	-	-	-	-	-
Debt Service:						
Interest	104,197	-	-	-	-	-
Capital Outlay:						
Land	227,021	-	-	-	-	-
Furniture And Equipment	-	-	-	-	-	-
System Improvements:						
Water	-	-	-	-	-	-
Sanitary Sewer	-	-	-	-	-	-
Streets	-	-	-	-	-	-
Storm Sewer	-	-	-	-	-	-
Other Improvements	-	-	-	-	-	-
Leased Equipment	-	-	-	-	-	-
TOTAL EXPENDITURES	1,017,418	14,448	13,623	13,623	13,974	49,188
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	329,623	1,239,454	3,172,943	2,702,867	516,199	7,020
OTHER FINANCING SOURCES (USES):						
Transfers In	2,225,000	-	-	-	-	206,000
Transfers Out	(2,381,500)	(1,629,297)	(920,072)	(180,000)	(263,005)	-
Lease Proceeds	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(156,500)	(1,629,297)	(920,072)	(180,000)	(263,005)	206,000
NET CHANGE IN FUND BALANCES	173,123	(389,843)	2,252,871	2,522,867	253,194	213,020
FUND BALANCES (DEFICITS), JANUARY 1	(573,702)	2,016,752	1,663,562	3,005,545	(203,148)	252,895
FUND BALANCES (DEFICITS), DECEMBER 31	\$ (400,579)	\$ 1,626,909	\$ 3,916,433	\$ 5,528,412	\$ 50,046	\$ 465,915

444	445	448	449	450	451	453	524	
FIRE PROTECTION SYSTEMS	IMPROVEMENT REVOLVING	EQUIPMENT ACQUISITION	PARK DEVELOPMENT	SOUTHWEST CHASKA TRANSPORTATION	COMMUNITY FUND	ABATEMENT PROGRAM	ANNUAL STREET REPLACEMENT	TOTALS
\$ -	\$ -	\$ 1,171,372	\$ -	\$ -	\$ -	\$ 145,439	\$ -	\$ 1,316,811
-	-	-	-	-	-	-	-	1,317,242
-	-	-	-	-	-	-	1,508,370	1,508,370
-	-	520	-	-	-	-	-	1,239,340
-	-	-	-	-	-	-	-	4,968,966
-	-	-	1,812,521	-	-	-	-	3,137,573
-	-	23,955	-	-	-	10,000	-	94,420
-	568,957	-	92,004	930	-	-	60,954	775,464
559	31,378	22,118	11,202	3,955	1,312	(135)	25,217	222,822
-	-	145,503	-	-	-	-	-	145,503
-	-	51,103	54,753	-	-	-	1,408	107,264
559	600,335	1,414,571	1,970,480	4,885	1,312	155,304	1,595,949	14,833,775
-	-	57,409	-	-	-	-	-	144,808
-	-	-	-	-	-	844,925	-	1,492,914
-	-	4,805	-	-	-	-	-	4,805
-	7,974	4,697	-	-	-	-	709,531	777,870
-	-	-	94,513	-	-	-	-	94,513
-	-	-	-	-	-	-	-	104,197
-	-	-	-	-	-	-	-	227,021
-	-	3,004,012	-	-	-	-	-	3,004,012
-	-	-	-	-	-	-	384,398	384,398
-	-	-	-	-	-	-	496,156	496,156
-	-	-	-	-	-	-	1,985,438	1,985,438
-	-	-	-	-	-	-	281,030	281,030
-	-	67,814	518,234	-	-	-	-	586,048
-	-	361,342	-	-	-	-	-	361,342
-	7,974	3,500,079	612,747	-	-	844,925	3,856,553	9,944,552
559	592,361	(2,085,508)	1,357,733	4,885	1,312	(689,621)	(2,260,604)	4,889,223
-	-	28,000	-	-	2,130,000	-	426,000	5,015,000
-	-	(835,803)	(221,712)	-	(2,191,692)	(20,466)	-	(8,643,547)
-	-	360,990	-	-	-	-	-	360,990
-	-	32,000	-	-	-	-	-	32,000
-	-	(414,813)	(221,712)	-	(61,692)	(20,466)	426,000	(3,235,557)
559	592,361	(2,500,321)	1,136,021	4,885	(60,380)	(710,087)	(1,834,604)	1,653,666
74,041	629,637	1,219,936	599,029	473,915	238,802	13,476	2,951,617	12,362,357
\$ 74,600	\$ 1,221,998	\$ (1,280,385)	\$ 1,735,050	\$ 478,800	\$ 178,422	\$ (696,611)	\$ 1,117,013	\$ 14,016,023

CITY OF CHASKA, MINNESOTA

COMBINING BALANCE SHEET
CAPITAL PROJECT FUNDS - TAX INCREMENT
DECEMBER 31, 2022

	426	427	428	429	431	432
	DIST # 12 CLOVER FIELDS	DIST # 13 NORTH MEADOWS	DIST #14 DOWNTOWN REDEVELOPMENT	DIST #15 CHAMBER REDEVELOPMENT	DIST #17 CHASKA PRESERVE	DIST #18 CHASKA BUILDING CENTER
ASSETS						
Cash And Investments	\$ 115,300	\$ 127,446	\$ 2,300	\$ 4,128	\$ 36,392	\$ 248,407
Receivables:						
Taxes	2,528	-	-	-	-	-
Special Assessments:						
Deferred:						
Certified To County	-	-	-	-	-	79,015
Interest	2,742	607	-	-	-	603
TOTAL ASSETS	\$ 120,570	\$ 128,053	\$ 2,300	\$ 4,128	\$ 36,392	\$ 328,025
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
LIABILITIES:						
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ 6	\$ 2,277
Deposits Payable	-	-	-	-	-	-
Interfund Payable	-	-	-	-	-	-
Advance From Other Funds	-	-	2,248,909	-	-	-
TOTAL LIABILITIES	-	-	2,248,909	-	6	2,277
DEFERRED INFLOWS OF RESOURCES:						
Unavailable Revenue - Taxes	2,032	-	-	-	-	-
Unavailable Revenue - Special Assessments	-	-	-	-	-	79,015
TOTAL DEFERRED INFLOWS OF RESOURCES	2,032	-	-	-	-	79,015
FUND BALANCES:						
Restricted	118,538	128,053	-	4,128	36,386	246,733
Unassigned	-	-	(2,246,609)	-	-	-
TOTAL FUND BALANCES (DEFICITS)	118,538	128,053	(2,246,609)	4,128	36,386	246,733
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 120,570	\$ 128,053	\$ 2,300	\$ 4,128	\$ 36,392	\$ 328,025

433	434	435	436	437	438 DIST #24	439	
DIST #19 CHASKA HEIGHTS	DIST #20 BREWERY PROJECT	DIST #21 HOT SPOT PROJECT	DIST #22 ERNST HOUSE PROJECT	DIST #23 CITY SQUARE WEST PROJECT	CHASKA CREEK INDUSTRIAL PROJECT	TEMPORARY TRANSFER AUTHORITY	TOTALS
\$ 121,630	\$ -	\$ -	\$ -	\$ -	\$ 9	\$ 2,226,401	\$ 2,882,013
-	-	-	-	-	-	-	2,528
-	-	-	-	-	-	-	79,015
684	-	-	-	-	-	-	4,636
<u>\$ 122,314</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9</u>	<u>\$ 2,226,401</u>	<u>\$ 2,968,192</u>
\$ 43	\$ -	\$ -	\$ 121	\$ 455	\$ -	\$ -	\$ 2,902
-	-	1,314	-	-	-	-	1,314
-	20,567	75,676	64,118	830,655	43,583	-	1,034,599
-	-	-	-	-	-	-	2,248,909
<u>43</u>	<u>20,567</u>	<u>76,990</u>	<u>64,239</u>	<u>831,110</u>	<u>43,583</u>	<u>-</u>	<u>3,287,724</u>
-	-	-	-	-	-	-	2,032
-	-	-	-	-	-	-	79,015
-	-	-	-	-	-	-	81,047
122,271	-	-	-	-	-	2,226,401	2,882,510
-	(20,567)	(76,990)	(64,239)	(831,110)	(43,574)	-	(3,283,089)
<u>122,271</u>	<u>(20,567)</u>	<u>(76,990)</u>	<u>(64,239)</u>	<u>(831,110)</u>	<u>(43,574)</u>	<u>2,226,401</u>	<u>(400,579)</u>
<u>\$ 122,314</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9</u>	<u>\$ 2,226,401</u>	<u>\$ 2,968,192</u>

CITY OF CHASKA, MINNESOTA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 CAPITAL PROJECT FUNDS - TAX INCREMENT
 FOR THE YEAR ENDED DECEMBER 31, 2022

	426	427	428	429	431	432
	DIST # 12 CLOVER FIELDS	DIST # 13 NORTH MEADOWS	DIST #14 DOWNTOWN REDEVELOPMENT	DIST #15 CHAMBER REDEVELOPMENT	DIST #17 CHASKA PRESERVE	DIST #18 CHASKA BUILDING CENTER
REVENUES:						
Taxes:						
Tax Increment (Charges)	\$ 524,750	\$ 266,988	\$ 128,801	\$ 12,841	\$ 83,823	\$ (4,686)
Charges For Services:						
Other Charges for Services	-	-	-	-	-	-
Investment Earnings	10,496	2,654	230	7	187	2,222
TOTAL REVENUES	535,246	269,642	129,031	12,848	84,010	(2,464)
EXPENDITURES:						
Current:						
General Government	-	-	-	-	-	-
Economic Development	169,885	192,927	650	10,300	17,110	15,144
Capital Outlay	-	-	-	-	-	-
Debt Service:						
Interest	-	-	100,660	-	3,537	-
TOTAL EXPENDITURES	169,885	192,927	101,310	10,300	20,647	15,144
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	365,361	76,715	27,721	2,548	63,363	(17,608)
OTHER FINANCING SOURCES (USES):						
Transfers In	-	-	-	-	-	-
Transfers Out	(1,570,000)	(300,000)	(42,500)	-	-	(80,000)
TOTAL OTHER FINANCING SOURCES (USES)	(1,570,000)	(300,000)	(42,500)	-	-	(80,000)
NET CHANGE IN FUND BALANCES	(1,204,639)	(223,285)	(14,779)	2,548	63,363	(97,608)
FUND BALANCES (DEFICITS), JANUARY 1	1,323,177	351,338	(2,231,830)	1,580	(26,977)	344,341
FUND BALANCES (DEFICITS), DECEMBER 31	\$ 118,538	\$ 128,053	\$ (2,246,609)	\$ 4,128	\$ 36,386	\$ 246,733

433	434	435	436	437	438	439	
DIST #19 CHASKA HEIGHTS	DIST #20 BREWERY PROJECT	DIST #21 HOT SPOT PROJECT	DIST #22 ERNST HOUSE PROJECT	DIST #23 CITY SQUARE WEST PROJECT	DIST #24 CHASKA CREEK INDUSTRIAL PROJECT	TEMPORARY TRANSFER AUTHORITY	TOTALS
\$ 267,788	\$ 8,746	\$ 28,191	\$ -	\$ -	\$ -	\$ -	\$ 1,317,242
-	-	-	-	-	10,000	-	10,000
2,592	-	1	-	-	9	1,401	19,799
270,380	8,746	28,192	-	-	10,009	1,401	1,347,041
-	810	2,977	2,303	30,237	1,884	-	38,211
196,751	300	550	10,201	18,701	15,470	-	647,989
-	-	-	-	227,021	-	-	227,021
-	-	-	-	-	-	-	104,197
196,751	1,110	3,527	12,504	275,959	17,354	-	1,017,418
73,629	7,636	24,665	(12,504)	(275,959)	(7,345)	1,401	329,623
-	-	-	-	-	-	2,225,000	2,225,000
(355,000)	(8,000)	(26,000)	-	-	-	-	(2,381,500)
(355,000)	(8,000)	(26,000)	-	-	-	2,225,000	(156,500)
(281,371)	(364)	(1,335)	(12,504)	(275,959)	(7,345)	2,226,401	173,123
403,642	(20,203)	(75,655)	(51,735)	(555,151)	(36,229)	-	(573,702)
\$ 122,271	\$ (20,567)	\$ (76,990)	\$ (64,239)	\$ (831,110)	\$ (43,574)	\$ 2,226,401	\$ (400,579)

Nonmajor Budgeted Special Revenue and Capital Project Funds

City of Chaska, Minnesota

For the Year Ended December 31, 2022

The City adopts budgets for the following two nonmajor special revenue funds and one nonmajor capital project fund:

- **Mount Pleasant Maintenance & Care Fund – Special Revenue**
- **Chaska EDA Fund – Special Revenue**
- **Equipment Acquisition Fund – Capital Project**

CITY OF CHASKA, MINNESOTA**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
MOUNT PLEASANT MAINTENANCE & CARE SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2022**

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
<u>REVENUES:</u>			
Taxes:			
Property	\$ 6,000	\$ 6,031	\$ 31
Intergovernmental:			
State:			
Market Value Credit	-	1	1
Charges For Services	2,400	3,200	800
Investment Earnings	300	1,963	1,663
TOTAL REVENUES	8,700	11,195	2,495
<u>EXPENDITURES:</u>			
Current:			
Public Works:			
Other Services And Charges	13,500	13,939	(439)
NET CHANGE IN FUND BALANCES	(4,800)	(2,744)	2,056
FUND BALANCES, JANUARY 1	261,374	261,374	-
FUND BALANCES, DECEMBER 31	\$ 256,574	\$ 258,630	\$ 2,056

CITY OF CHASKA, MINNESOTA**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
CHASKA EDA SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2022**

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
<u>REVENUES:</u>			
Taxes:			
Property	\$ 182,989	\$ 184,279	\$ 1,290
Intergovernmental:			
State:			
Market Value Credit	-	26	26
Charges For Services	172,500	183,305	10,805
Special Assessments	40,000	47,912	7,912
Investment Earnings (Charges)	(5,400)	(13,861)	(8,461)
Leases	32,400	21,333	(11,067)
Other:			
Payments	-	25,674	25,674
TOTAL REVENUES	422,489	448,668	26,179
<u>EXPENDITURES:</u>			
Current:			
Economic Development:			
Other Services And Charges	402,789	370,280	32,509
Debt Service:			
Principal	16,800	-	16,800
Interest	2,900	-	2,900
TOTAL EXPENDITURES	422,489	370,280	52,209
NET CHANGE IN FUND BALANCES	-	78,388	78,388
FUND BALANCES (DEFICITS), JANUARY 1	(971,927)	(989,127)	17,200
FUND BALANCES (DEFICITS), DECEMBER 31	\$ (971,927)	\$ (910,739)	\$ 95,588

CITY OF CHASKA, MINNESOTA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 EQUIPMENT ACQUISITION CAPITAL PROJECT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2022

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES:				
Taxes:				
Property	\$ 3,751,317	\$ 3,751,317	\$ 1,171,372	\$ (2,579,945)
Intergovernmental:				
State:				
Market Value Credit	-	-	520	520
Grants	188,000	188,000	-	(188,000)
Charges For Services	30,500	30,500	23,955	(6,545)
Investment Earnings	-	-	22,118	22,118
Leases	106,000	106,000	145,503	39,503
Other Revenue	-	-	51,103	51,103
TOTAL REVENUES	4,075,817	4,075,817	1,414,571	(2,661,246)
EXPENDITURES:				
Current:				
General Government	10,000	10,000	57,409	(47,409)
Public Safety	188,000	188,000	4,805	183,195
Public Works	-	-	4,697	(4,697)
Debt Service:				
Issuance Costs And Fiscal Agent Fees	50,000	50,000	-	50,000
Capital Outlay:				
Furniture And Equipment:				
General Government	93,500	93,500	73,704	19,796
Public Safety	468,000	319,000	2,657,958	(2,338,958)
Public Works	220,000	220,000	230,594	(10,594)
Parks, Recreation and Arts	-	-	109,570	(109,570)
Leased Equipment:				
Public Safety	-	-	361,342	(361,342)
TOTAL EXPENDITURES	1,029,500	880,500	3,500,079	(2,619,579)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	3,046,317	3,195,317	(2,085,508)	(5,280,825)
OTHER FINANCING SOURCES (USES):				
Transfers In	28,000	28,000	28,000	-
Transfers Out	(3,511,317)	(3,660,317)	(835,803)	2,824,514
Bonds Issued	437,000	437,000	-	(437,000)
Lease Proceeds	-	-	360,990	360,990
Sale of Capital Assets	-	-	32,000	32,000
TOTAL OTHER FINANCING SOURCES (USES)	(3,046,317)	(3,195,317)	(414,813)	2,780,504
NET CHANGE IN FUND BALANCES	-	-	(2,500,321)	(2,500,321)
FUND BALANCES, JANUARY 1	1,219,936	1,219,936	1,219,936	-
FUND BALANCES (DEFICITS), DECEMBER 31	\$ 1,219,936	\$ 1,219,936	\$ (1,280,385)	\$ (2,500,321)

Enterprise funds are used to account for operations that are financed and operated in a manner similar to a private business enterprise. It is the intent of the City Council that the costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges. This type of fund is also used where the City Council has decided that periodic determination of net income is appropriate for accountability purposes. The City has four nonmajor enterprise funds.

- **Sewer Fund:**
This fund is used to account for the operation of the City's Sewer Utility.
- **The Loop at Chaska Fund:**
This fund is used to account for the operation of the City's 9-hole barrier-free public golf course.
- **Chaska Town Course Fund:**
This fund is used to account for the operation of the City's 18-hole public golf course.
- **Storm Water Fund:**
This fund is used to account for the operation of the City's Storm Water Utility.

CITY OF CHASKA, MINNESOTA

COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
DECEMBER 31, 2022

	SEWER	THE LOOP AT CHASKA	CHASKA TOWN COURSE	STORM WATER	TOTALS
ASSETS					
Current Assets:					
Cash And Investments	\$ 434,596	\$ 4,726	\$ 493,675	\$ 467,514	\$ 1,400,511
Restricted Assets:					
Cash And Investments	-	113,068	-	-	113,068
Receivables:					
Special Assessments	2,086	-	-	947	3,033
Accounts					
Current	459,874	-	250	169,315	629,439
Unbilled	558,276	-	-	164,443	722,719
Allowance For Uncollectible Accounts	(13,185)	-	(4)	(5,003)	(18,192)
Interest	1,479	-	2,538	4,890	8,907
Due From Other Funds	750,000	-	1,250,000	1,750,000	3,750,000
Due From Other Governments	-	-	-	45,000	45,000
Inventories	5,108	-	55,524	-	60,632
Total Current Assets	2,198,234	117,794	1,801,983	2,597,106	6,715,117
Noncurrent Assets:					
Capital Assets:					
Land	-	-	-	466,545	466,545
Construction In Progress	-	3,659,470	90,538	260,744	4,010,752
Buildings	255,000	10,891	8,013,896	604,308	8,884,095
Other Improvements	-	27,970	568,183	132,172	728,325
Furniture And Equipment	1,145,192	33,779	2,462,355	481,156	4,122,482
Infrastructure	6,771,589	-	-	8,269,276	15,040,865
Leased Land Improvements	-	611,824	-	-	611,824
Leased Equipment	-	-	21,729	-	21,729
Less: Accumulated Depreciation and Amortization	(2,006,357)	(80,085)	(9,893,077)	(1,321,207)	(13,300,726)
Total Net Capital Assets	6,165,424	4,263,849	1,263,624	8,892,994	20,585,891
TOTAL ASSETS	8,363,658	4,381,643	3,065,607	11,490,100	27,301,008
DEFERRED OUTFLOWS OF RESOURCES					
Pension Plan Deferments	189,166	-	226,999	113,500	529,665
OPEB Plan Deferments	742	-	1,097	174	2,013
TOTAL DEFERRED OUTFLOWS OF RESOURCES	189,908	-	228,096	113,674	531,678
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 8,553,566	\$ 4,381,643	\$ 3,293,703	\$ 11,603,774	\$ 27,832,686
LIABILITIES					
Current Liabilities:					
Accounts Payable	\$ 121,451	\$ 107,206	\$ 8,279	\$ 21,025	\$ 257,961
Salaries Payable	11,536	-	12,334	3,445	27,315
Deposits Payable	-	-	334,397	-	334,397
Compensated Absences	56,911	-	81,917	10,492	149,320
Accrued Interest Payable	48,723	15,501	22	32,493	96,739
Due To Other Governments	21,060	5	1,880	5,204	28,149
Interfund Payable	15,937	-	185,750	57,333	259,020
Revenue Bonds Payable	255,914	130,000	-	152,851	538,765
Lease Liability	-	2,830	4,161	-	6,991
Other Post Employment Benefits	399	-	587	93	1,079
Unearned Revenue	2,071	-	-	28,797	30,868
Total Current Liabilities	534,002	255,542	629,327	311,733	1,730,604
Noncurrent Liabilities:					
Compensated Absences	8,820	-	47,105	7,553	63,478
Advance From Other Funds	72,361	-	1,017,908	62,336	1,152,605
Revenue Bonds Payable	3,623,130	3,299,000	-	2,368,331	9,290,461
Lease Liability	-	600,657	16,533	-	617,190
Other Post Employment Benefits	20,649	-	30,532	4,830	56,011
Net Pension Liability	594,794	-	713,753	356,877	1,665,424
Total Noncurrent Liabilities	4,319,754	3,899,657	1,825,831	2,799,927	12,845,169
TOTAL LIABILITIES	4,853,756	4,155,199	2,455,158	3,111,660	14,575,773
DEFERRED INFLOWS OF RESOURCES					
Pension Plan Deferments	12,505	-	15,006	7,503	35,014
OPEB Plan Deferments	13,417	-	19,837	3,138	36,392
TOTAL DEFERRED INFLOWS OF RESOURCES	25,922	-	34,843	10,641	71,406
NET POSITION					
Net Investment In Capital Assets	4,515,818	245,384	1,242,930	6,992,884	12,997,016
Unrestricted	(841,930)	(18,940)	(439,228)	1,488,589	188,491
TOTAL NET POSITION	3,673,888	226,444	803,702	8,481,473	13,185,507
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	\$ 8,553,566	\$ 4,381,643	\$ 3,293,703	\$ 11,603,774	\$ 27,832,686

CITY OF CHASKA, MINNESOTA

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	SEWER	THE LOOP AT CHASKA	CHASKA TOWN COURSE	STORM WATER	TOTALS
OPERATING REVENUES:					
Sales	\$ 5,666,239	\$ -	\$ 3,016,808	\$ 1,954,589	\$ 10,637,636
OPERATING EXPENSES:					
Production	3,095,565	-	-	-	3,095,565
Distribution / Collections	795,294	-	-	586,069	1,381,363
Administration	958,929	42,940	2,547,551	784,566	4,333,986
Depreciation And Amortization	197,970	12,821	484,959	267,481	963,231
TOTAL OPERATING EXPENSES	5,047,758	55,761	3,032,510	1,638,116	9,774,145
OPERATING INCOME (LOSS)	618,481	(55,761)	(15,702)	316,473	863,491
NON-OPERATING REVENUES:					
Investment Earnings	6,466	1,049	10,067	18,526	36,108
Intergovernmental	2,768	-	3,127	41,563	47,458
Gain on Sale Of Capital Assets	-	-	10,206	-	10,206
TOTAL NON-OPERATING REVENUES	9,234	1,049	23,400	60,089	93,772
NON-OPERATING EXPENSES:					
Interest	107,674	136,117	26,169	71,023	340,983
Fiscal Agent Fees	795	-	-	595	1,390
TOTAL NON-OPERATING EXPENSES	108,469	136,117	26,169	71,618	342,373
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	519,246	(190,829)	(18,471)	304,944	614,890
CAPITAL CONTRIBUTIONS	1,365,918	106,250	-	1,853,774	3,325,942
TRANSFERS IN (OUT)					
Transfers In	180,000	244,000	-	203,617	627,617
Transfers Out	(177,000)	-	(12,300)	(246,000)	(435,300)
TOTAL TRANSFERS IN (OUT)	3,000	244,000	(12,300)	(42,383)	192,317
CHANGE IN NET POSITION	1,888,164	159,421	(30,771)	2,116,335	4,133,149
NET POSITION, JANUARY 1	1,785,724	67,023	834,473	6,365,138	9,052,358
NET POSITION, DECEMBER 31	\$ 3,673,888	\$ 226,444	\$ 803,702	\$ 8,481,473	\$ 13,185,507

CITY OF CHASKA, MINNESOTA

COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	SEWER	THE LOOP AT CHASKA	CHASKA TOWN COURSE	STORM WATER	TOTALS
CASH FLOWS FROM OPERATING ACTIVITIES:					
Receipts From Customers and Users	\$ 5,553,026	\$ -	\$ 3,088,912	\$ 1,950,707	\$ 10,592,645
Payments to Suppliers	(4,015,625)	(247,816)	(1,107,644)	(849,714)	(6,220,799)
Payments to Employees	(724,556)	1,270	(1,417,537)	(463,622)	(2,604,445)
Net Cash Provided (Used) By Operating Activities	812,845	(246,546)	563,731	637,371	1,767,401
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:					
Transfers From Other Funds	180,000	-	-	203,617	383,617
Transfers To Other Funds	(177,000)	-	(12,300)	(246,000)	(435,300)
Due From Other Funds	(750,000)	-	(1,250,000)	(155,000)	(2,155,000)
Intergovernmental	2,768	-	3,127	41,563	47,458
Net Cash Provided (Used) By Non-Capital Financing Activities	(744,232)	-	(1,259,173)	(155,820)	(2,159,225)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Capital Contributions	-	106,250	-	147,310	253,560
Principal Paid On Bonds	(239,365)	(131,000)	-	(142,600)	(512,965)
Principal Paid On Leases	-	(8,337)	(1,035)	-	(9,372)
Interest And Fiscal Charges on Bonds & Leases	(121,021)	(120,616)	(120)	(78,956)	(320,713)
Proceeds From Sale Of Capital Assets	-	-	10,206	-	10,206
Construction And Acquisition of Capital Assets	(14,772)	(186,822)	(334,808)	(671,256)	(1,207,658)
Transfers From Other Funds	-	244,000	-	-	244,000
Interfund Loan Payments To Other Funds	(15,075)	-	488,828	(57,333)	416,420
Interest Payments On Interfund Loans	(4,792)	-	(26,027)	(5,625)	(36,444)
Net Cash Provided (Used) By Capital And Related Financing Activities	(395,025)	(96,525)	137,044	(808,460)	(1,162,966)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Interest On Investments	4,987	1,049	8,557	16,486	31,079
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(321,425)	(342,022)	(549,841)	(310,423)	(1,523,711)
CASH AND CASH EQUIVALENTS, January 1	756,021	459,816	1,043,516	777,937	3,037,290
CASH AND CASH EQUIVALENTS, December 31	<u>\$ 434,596</u>	<u>\$ 117,794</u>	<u>\$ 493,675</u>	<u>\$ 467,514</u>	<u>\$ 1,513,579</u>
CASH AND CASH EQUIVALENTS:					
Cash And Investments	\$ 434,596	\$ 4,726	\$ 493,675	\$ 467,514	\$ 1,400,511
Restricted Assets-Bonds:					
Cash And Investments For Construction	-	113,068	-	-	113,068
Total Cash And Cash Equivalents	<u>\$ 434,596</u>	<u>\$ 117,794</u>	<u>\$ 493,675</u>	<u>\$ 467,514</u>	<u>\$ 1,513,579</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:					
Operating Income (Loss)	\$ 618,481	\$ (55,761)	\$ (15,702)	\$ 316,473	\$ 863,491
Adjustments To Reconcile Operating Income (Loss) To Net Cash Provided (Used) By Operating Activities:					
Depreciation And Amortization Expense	197,970	12,821	484,959	267,481	963,231
Allowance For Uncollectible Accounts	(68)	-	-	(113)	(181)
(Increase) Decrease In Assets And Deferred Outflows:					
Special Assessments	3,578	-	-	13,708	17,286
Accounts Receivable	(113,130)	-	1,154	(16,674)	(128,650)
Due From Other Governments	-	-	-	33,500	33,500
Inventory	554	-	(31,041)	-	(30,487)
Deferred Outflows	65,101	-	78,058	(12,141)	131,018
Increase (Decrease) In Liabilities And Deferred Inflows:					
Accounts Payable	117,064	(198,006)	101	(55,274)	(136,115)
Salaries Payable	639	-	140	63	842
Deposits Payable	-	-	70,950	-	70,950
Compensated Absences Payable	3,720	-	9,430	5,974	19,124
Net Pension Liability	269,172	-	323,007	226,628	818,807
Due To Other Governments	(50,065)	(5,600)	(7,824)	3,400	(60,089)
Unearned Revenue	(3,593)	-	-	(34,303)	(37,896)
Other Post Employment Benefits	(23,741)	-	(25,827)	(2,511)	(52,079)
Deferred Inflows	(272,837)	-	(323,674)	(108,840)	(705,351)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 812,845</u>	<u>\$ (246,546)</u>	<u>\$ 563,731</u>	<u>\$ 637,371</u>	<u>\$ 1,767,401</u>
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:					
Transfers Of Capital Assets	\$ 1,150,166	\$ -	\$ -	\$ 1,348,195	\$ 2,498,361
Contributions of Capital Assets	\$ 215,752	\$ -	\$ -	\$ 358,269	\$ 574,021
Amortization Of Bond Premiums	\$ 14,602	\$ -	\$ -	\$ 11,274	\$ 25,876
Acquisition of Leased Assets	\$ -	\$ 611,824	\$ 21,729	\$ -	\$ 633,553

This part of the City of Chaska's Annual Comprehensive Financial Report represents detailed information as a context for understanding this year's financial statements, note disclosures and supplementary information. This information has not been audited by the independent auditor.

Content

- **Financial Trends:**

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Table 1 – Net Position by Component

Table 2 – Changes in Net Position

Table 3 – Governmental Activities Tax Revenues by Source

Table 4 – Fund Balances of Governmental Funds

Table 5 – Changes in Fund Balances of Governmental Funds

Table 6 – General Governmental Tax Revenues by Source

- **Revenue Capacity:**

These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.

Table 7 – Tax Capacity Value and Estimated Actual Value of Real and Personal Property

Table 8 – Property Tax Rates – Direct and Overlapping Governments

Table 9 – Principal Property Taxpayers

Table 10 – Property Tax Levies and Collections

- **Debt Capacity:**

These schedules contain information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue debt in the future.

Table 11 – Ratios of Outstanding Debt by Type

Table 12 – Ratios of General Bonded Debt Outstanding to Estimated Actual Taxable Value

Table 13 – Direct and Overlapping Governmental Activities Debt

Table 14 – Legal Debt Margin Information

Table 15 – Pledged Revenue Coverage

- **Demographic and Economic Information:**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activity takes place.

Table 16 – Demographic and Economic Statistics

Table 17 – Principal Employers

- **Operating Information:**

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities that it performs.

Table 18 – Full-Time Equivalent City Government Employees by Function/Program

Table 19 – Operating Indicators by Function/Program

Table 20 – Capital Asset Statistics by Function/Program

- **Sources:**

Unless otherwise noted, the information in these schedules derives from the Annual Comprehensive Financial Report for the relevant year(s).

CITY OF CHASKA, MINNESOTA

**NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

	FISCAL YEAR			
	2013	2014	2015 (1)	2016
Governmental Activities				
Net Investment In Capital Assets	\$ 118,818,535	\$ 125,511,881	\$ 127,278,758	\$ 132,552,673
Restricted	25,069,356	24,001,479	14,955,015	14,175,353
Unrestricted	(2,173,764)	(3,712,091)	(20,840)	(640,332)
Total Governmental Activities Net Position:	\$ 141,714,127	\$ 145,801,269	\$ 142,212,933	\$ 146,087,694
Business-Type Activities				
Net Investment In Capital Assets	\$ 25,818,904	\$ 27,939,635	\$ 33,274,260	\$ 31,821,470
Restricted	4,451,868	4,030,287	5,190,437	5,609,821
Unrestricted	13,378,058	13,818,352	(919,545)	1,918,324
Total Business-Type Activities Net Position:	\$ 43,648,830	\$ 45,788,274	\$ 37,545,152	\$ 39,349,615
Primary Government				
Net Investment In Capital Assets	\$ 144,637,439	\$ 153,451,516	\$ 160,553,018	\$ 164,374,143
Restricted	29,521,224	28,031,766	20,145,452	19,785,174
Unrestricted	11,204,294	10,106,261	(940,385)	1,277,992
Total Primary Government Net Position:	\$ 185,362,957	\$ 191,589,543	\$ 179,758,085	\$ 185,437,309

(1) The City implemented GASB Statement No. 68 in 2015. Net position for previous years have not been restated.

(2) The City implemented GASB Statement No. 75 in 2018. Net position for previous years have not been restated.

(3) The City implemented GASB Statement No. 87 in 2022. Net position for previous years have not been restated.

Table 1

FISCAL YEAR					
2017	2018 (2)	2019	2020	2021	2022 (3)
\$ 137,122,192	\$ 146,659,763	\$ 143,383,394	\$ 134,205,413	\$ 141,167,187	\$ 150,575,322
19,807,677	20,434,329	16,956,396	16,683,713	19,532,032	18,560,127
(2,060,473)	(11,503,698)	(9,838,641)	(3,239,169)	(4,703,055)	(5,433,372)
<u>\$ 154,869,396</u>	<u>\$ 155,590,394</u>	<u>\$ 150,501,149</u>	<u>\$ 147,649,957</u>	<u>\$ 155,996,164</u>	<u>\$ 163,702,077</u>
\$ 30,523,279	\$ 33,206,537	\$ 32,618,078	\$ 37,138,756	\$ 40,160,983	\$ 47,152,434
17,986,742	16,111,606	16,407,157	16,866,244	16,714,615	15,356,458
(7,433,427)	(7,147,929)	(8,973,291)	(10,744,178)	(4,074,040)	(2,601,306)
<u>\$ 41,076,594</u>	<u>\$ 42,170,214</u>	<u>\$ 40,051,944</u>	<u>\$ 43,260,822</u>	<u>\$ 52,801,558</u>	<u>\$ 59,907,586</u>
\$ 167,645,471	\$ 179,866,300	\$ 176,001,472	\$ 171,344,169	\$ 181,328,170	\$ 197,727,756
37,794,419	36,545,935	33,363,553	33,549,957	36,246,647	33,916,585
(9,493,900)	(18,651,627)	(18,811,932)	(13,983,347)	(8,777,095)	(8,034,678)
<u>\$ 195,945,990</u>	<u>\$ 197,760,608</u>	<u>\$ 190,553,093</u>	<u>\$ 190,910,779</u>	<u>\$ 208,797,722</u>	<u>\$ 223,609,663</u>

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	Fiscal Year									
	2013	2014	2015 (1)(2)	2016	2017	2018 (3)	2019	2020	2021	2022 (6)
EXPENSES										
Governmental Activities										
General Government	\$ 4,590,619	\$ 4,960,161	\$ 5,627,642	\$ 5,975,566	\$ 6,603,240	\$ 6,025,119	\$ 6,466,463	\$ 6,404,435	\$ 6,308,239	\$ 7,582,962
Economic Development	1,445,963	1,853,189	8,778,959	1,078,389	2,005,808	4,352,049	1,682,326	1,353,256	1,184,162	1,963,279
Public Safety	4,705,235	4,977,668	4,764,269	6,878,111	6,063,781	6,189,888	6,805,386	8,940,448	7,542,110	11,018,862
Public Works	9,758,311	8,850,036	8,488,231	8,566,638	9,042,167	10,088,913	26,781,348	16,348,045	14,663,395	13,902,073
Parks, Recreation And Arts	779,705	765,955	1,210,234	1,067,514	1,286,155	1,526,003	1,636,562	1,622,431	1,761,967	4,005,037
Interest On Long-Term Debt	1,361,830	1,037,857	1,330,444	1,424,886	1,264,604	1,550,437	1,522,276	1,812,949	1,709,519	1,676,423
Total Governmental Activities Expenses:	22,641,663	22,444,866	30,199,779	24,991,104	26,265,755	29,732,409	44,894,361	36,481,564	33,169,392	40,048,636
Business-type Activities										
Electric	31,058,570	32,528,332	33,417,358	35,236,356	35,744,098	38,896,423	35,599,483	36,587,314	41,793,193	47,590,197
Water	2,794,378	2,817,249	2,785,714	2,859,401	2,883,350	3,015,694	3,391,370	3,680,044	3,605,735	3,601,725
Sewer	2,843,831	3,104,992	3,150,447	3,254,994	3,494,259	3,801,595	4,091,831	4,560,553	4,676,438	5,154,941
Chaska Community Center	3,854,763	3,816,200	4,077,426	4,419,881	4,536,723	4,752,021	4,716,992	4,822,493	4,381,300	4,934,083
The Loop at Chaska (7)	151,575	163,112	183,136	240,047	193,856	189,814	187,568	177,696	23,721	191,878
Chaska Town Course	2,148,077	2,193,635	2,310,651	2,433,909	2,512,410	2,452,056	2,505,095	2,485,892	2,765,627	3,065,247
Turbine Generator	1,505,608	1,623,074	1,730,079	1,057,383	1,019,671	1,016,539	1,023,865	921,659	867,361	832,886
Internet Service Provider (4)	604,813	488,728	293,951	168,783	-	159,357	-	-	-	-
Storm Water	541,700	536,364	760,340	993,816	980,334	1,072,424	1,173,012	1,268,421	1,308,391	1,716,611
Chaska Curling Center (2)	-	3,391	835,012	1,516,260	2,330,918	2,635,334	2,419,331	2,200,635	2,215,831	2,378,347
Total Business-type Activities Expenses:	45,503,315	47,275,077	49,544,114	52,180,830	53,880,459	57,991,257	55,108,547	56,704,707	61,637,597	69,465,915
Total Primary Government Expenses:	\$ 68,144,978	\$ 69,719,943	\$ 79,743,893	\$ 77,171,934	\$ 80,146,214	\$ 87,723,666	\$ 100,002,908	\$ 93,186,271	\$ 94,806,989	\$ 109,514,551
PROGRAM REVENUES										
Governmental Activities										
Charges For Services										
General Government	\$ 2,465,448	\$ 2,548,055	\$ 3,440,547	\$ 3,381,482	\$ 3,716,746	\$ 4,235,869	\$ 4,522,047	\$ 4,775,856	\$ 4,988,367	\$ 5,560,975
Economic Development	163,426	167,000	70,340	77,421	76,000	80,000	85,000	85,000	177,435	203,833
Public Safety	267,962	271,613	219,590	180,603	263,033	331,251	240,462	907,268	1,823,406	2,270,380
Public Works	1,290,754	1,328,069	1,876,750	2,516,820	1,882,531	2,178,832	1,794,876	1,877,244	2,927,311	6,447,527
Parks, Recreation And Arts	462,884	281,805	132,621	317,749	182,462	429,577	652,394	655,261	559,749	2,458,046
Operating Grants And Contributions	1,234,843	854,330	667,025	626,278	1,477,224	777,833	10,909,953	7,010,170	3,729,076	976,529
Capital Grants And Contributions	5,285,987	4,968,378	6,737,538	8,226,427	14,086,637	7,951,347	2,644,120	2,296,609	11,685,438	13,399,011
Total Governmental Activities Program Revenues:	11,171,304	10,419,240	13,144,411	15,328,780	21,684,633	15,984,709	20,848,852	17,607,408	25,890,782	31,316,301
Business-type Activities										
Charges for Services										
Electric	33,831,735	34,673,309	35,565,149	37,500,384	37,542,385	41,193,202	41,203,336	43,028,104	49,019,072	55,020,552
Water	2,528,547	2,409,274	2,534,074	2,714,932	2,768,225	2,861,416	2,921,859	3,372,280	4,004,847	4,319,046
Sewer	2,948,150	3,177,511	3,267,600	3,423,610	3,601,281	3,789,275	4,136,124	4,612,317	4,986,322	5,666,239
Chaska Community Center	2,840,092	3,081,500	3,246,108	2,735,432	3,163,971	3,085,972	3,264,746	1,830,242	2,163,808	2,791,020
The Loop at Chaska (7)	155,706	151,454	192,164	170,732	167,726	154,621	136,903	204,789	59	-
Chaska Town Course	1,724,149	1,807,559	2,089,861	2,137,035	2,133,510	1,966,812	2,105,154	2,536,210	3,006,247	3,016,808
Turbine Generator	2,065,965	2,014,655	1,842,662	1,781,846	1,719,136	1,650,846	1,576,477	1,495,484	1,422,057	1,366,151
Internet Service Provider (4)	489,466	397,692	173,816	103,569	117,718	100,033	-	-	-	-
Storm Water	782,202	840,052	912,936	969,248	1,097,344	1,581,812	1,688,118	1,756,180	2,131,730	1,954,589
Chaska Curling Center (2)	-	-	65,022	1,173,795	1,221,472	1,299,997	1,240,291	641,658	915,179	1,403,440
Operating Grants And Contributions	-	-	-	100,379	99,052	142,669	141,351	145,088	66,775	-
Capital Grants And Contributions	351,542	693,238	181,839	647,918	704,759	198,433	678,369	881,172	4,712,247	1,523,889
Total Business-type Activities Program Revenues:	47,717,454	49,246,244	50,071,231	53,458,880	54,239,153	57,981,471	59,094,046	60,399,787	72,506,656	77,128,509
Total Primary Government Program Revenues:	\$ 58,888,758	\$ 59,665,484	\$ 63,215,642	\$ 68,787,660	\$ 75,923,786	\$ 73,966,180	\$ 79,942,898	\$ 78,007,195	\$ 98,397,438	\$ 108,444,810
NET EXPENSE / REVENUE										
Governmental Activities	\$ (11,470,359)	\$ (12,025,626)	\$ (17,055,368)	\$ (9,662,324)	\$ (4,581,122)	\$ (13,747,700)	\$ (24,045,509)	\$ (18,874,156)	\$ (7,278,610)	\$ (8,732,335)
Business-type Activities	2,214,139	1,971,167	527,117	1,278,050	358,694	(9,786)	3,985,499	3,695,080	10,869,059	7,662,594
Total Primary Government Net Expense:	\$ (9,256,220)	\$ (10,054,459)	\$ (16,528,251)	\$ (8,384,274)	\$ (4,222,428)	\$ (13,757,486)	\$ (20,060,010)	\$ (15,179,076)	\$ 3,590,449	\$ (1,069,741)
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Governmental Activities										
Taxes										
Property Taxes	\$ 10,104,762	\$ 10,703,248	\$ 9,063,743	\$ 8,189,403	\$ 9,089,057	\$ 10,129,998	\$ 10,805,084	\$ 11,731,744	\$ 12,625,690	\$ 14,033,350
Franchise Taxes	3,355,672	3,656,724	4,079,404	4,224,548	4,300,526	4,576,985	752,914	763,101	768,243	770,755
Unrestricted Grants and Contributions	58,761	491,545	530,868	585,679	310,188	26,334	42,379	2,110,628	129,545	10,150
Investment Earnings	41,179	429,177	264,180	247,788	253,578	400,814	428,710	189,473	136,732	361,050
Other	267,711	365,919	545,596	510,860	416,642	366,702	277,822	428,225	475,224	510,567
Transfers	855,816	466,155	5,086,416	(221,383)	(1,007,167)	(769,471)	6,649,355	4,927,249	4,081,951	3,921,201
Transfers - Capital Assets (5)	-	-	-	-	-	-	-	(4,127,456)	(2,592,568)	(3,168,825)
Total Governmental Activities:	14,683,901	16,112,768	19,570,207	13,537,085	13,362,824	14,731,362	18,956,264	16,022,964	15,624,817	16,438,248
Business-type Activities										
Unrestricted Grants and Contributions	-	-	-	-	41,184	211	283	165	689	616
Investment Earnings	419,145	550,131	455,526	241,753	260,708	362,111	407,297	134,799	57,955	110,438
Other	133,823	84,301	63,440	63,277	59,226	82,857	138,006	178,627	102,416	84,756
Transfers	(855,816)	(466,155)	(5,086,416)	221,383	1,007,167	769,471	(6,649,355)	(4,927,249)	(4,081,951)	(3,921,201)
Transfers - Capital Assets (5)	-	-	-	-	-	-	-	-	2,592,568	3,168,825
Total Business-type Activities:	(302,848)	168,277	(4,567,450)	526,413	1,368,285	1,214,650	(6,103,769)	(486,202)	(1,328,323)	(556,566)
Total Primary Government:	\$ 14,381,053	\$ 16,281,045	\$ 15,002,757	\$ 14,063,498	\$ 14,731,109	\$ 15,946,012	\$ 12,852,495	\$ 15,536,762	\$ 14,296,494	\$ 15,881,682
CHANGE IN NET POSITION										
Governmental Activities	\$ 3,213,542	\$ 4,087,142	\$ 2,514,839	\$ 3,874,761	\$ 8,781,702	\$ 983,662	\$ (5,089,245)	\$ (2,851,192)	\$ 8,346,207	\$ 7,705,913
Business-type Activities	1,911,291	2,139,444	(4,040,333)	1,804,463	1,726,979	1,204,864	(2,115,270)	3,208,878	9,540,736	7,106,028
Total Primary Government:	\$ 5,124,833	\$ 6,226,586	\$ (1,525,494)	\$ 5,679,224	\$ 10,508,681	\$ 2,188,526	\$ (7,207,515)	\$ 357,686	\$ 17,886,943	\$ 14,811,941

Change in Net Position is explained in the Management's Discussion & Analysis.

- (1) The City implemented GASB Statement No. 68 in 2015. Change in Net Position for previous years have not been restated.
- (2) Chaska Curling Center fund was established in 2015.
- (3) The City implemented GASB Statement No. 75 in 2018. Change in Net Position for previous years have not been restated.
- (4) The Internet Service Provider fund closed in 2018.
- (5) Starting in 2020, Transfers of Capital Assets will be shown separately from Operating Transfers.
- (6) The City implemented GASB Statement No. 87 in 2022. Change in Net Position for previous years have not been restated.
- (7) Par 30 golf course has been renamed The Loop at Chaska.

GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
 LAST TEN FISCAL YEARS
 (ACCRUAL BASIS OF ACCOUNTING)
 (UNAUDITED)

FISCAL YEAR	PROPERTY TAXES		FRANCHISE TAXES			TOTAL TAXES
	LEVIED	TAX INCREMENT	ELECTRIC (2)	CABLE	GAS (1)	
2013	\$ 5,001,413	\$ 5,103,349	\$ 3,101,430	\$ 254,242	\$ -	\$ 13,460,434
2014 (1)	5,250,479	5,452,769	3,210,070	265,415	181,239	14,359,972
2015	8,501,586	562,157	3,339,440	284,886	455,078	13,143,147
2016	7,559,289	630,114	3,458,900	304,017	461,631	12,413,951
2017	8,367,604	721,453	3,521,540	321,423	457,563	13,389,583
2018	9,091,373	1,038,625	3,820,670	306,860	449,455	14,706,983
2019 (2)	9,702,004	1,103,080	-	302,522	450,392	11,557,998
2020	10,546,479	1,185,265	-	300,269	462,832	12,494,845
2021	11,318,040	1,307,650	-	311,830	456,413	13,393,933
2022	12,716,108	1,317,242	-	307,061	463,694	14,804,105

(1) Chaska implemented a Gas Franchise Tax in 2014.

(2) Beginning in 2019, the City did not assess a franchise fee on the City-owned electric.

CITY OF CHASKA, MINNESOTA

**FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

	FISCAL YEAR			
	2013	2014	2015	2016
General Fund				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Committed	739,540	891,416	852,664	924,378
Assigned	-	-	-	-
Unassigned	1,965,790	1,644,738	2,232,766	1,615,179
Total General Fund:	\$ 2,705,330	\$ 2,536,154	\$ 3,085,430	\$ 2,539,557
General Fund % Change	-10.99%	-6.25%	21.66%	-17.69%
All Other Governmental Funds				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	15,968,896	19,114,183	11,557,173	8,022,515
Committed	1,068,969	1,912,764	3,368,508	2,456,381
Assigned	4,732,649	5,529,159	6,845,131	6,646,255
Unassigned, Reported In:				
Special Revenue Funds	(259,844)	(1,242,278)	(1,451,333)	(701,789)
Capital Project Funds	(7,456,476)	(11,708,398)	(6,914,737)	(5,224,315)
Total All Other Governmental Funds:	\$ 14,054,194	\$ 13,605,430	\$ 13,404,742	\$ 11,199,047
All Other Governmental Funds % Change	-3.75%	-3.19%	-1.48%	-16.45%
Total Governmental Funds				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	15,968,896	19,114,183	11,557,173	8,022,515
Committed	1,808,509	2,804,180	4,221,172	3,380,759
Assigned	4,732,649	5,529,159	6,845,131	6,646,255
Unassigned	(5,750,530)	(11,305,938)	(6,133,304)	(4,310,925)
Total Governmental Funds:	\$ 16,759,524	\$ 16,141,584	\$ 16,490,172	\$ 13,738,604
Total Governmental Funds % Change	-4.99%	-3.69%	2.16%	-16.69%

Table 4

FISCAL YEAR					
2017	2018	2019	2020	2021	2022
\$ -	\$ -	\$ -	\$ 53,268	\$ 54,866	\$ 119,345
908,494	1,010,606	1,133,435	970,088	1,204,624	1,277,890
-	-	-	448,864	447,206	474,561
1,103,421	1,078,348	777,426	460,243	1,324,228	1,781,459
<u>\$ 2,011,915</u>	<u>\$ 2,088,954</u>	<u>\$ 1,910,861</u>	<u>\$ 1,932,463</u>	<u>\$ 3,030,924</u>	<u>\$ 3,653,255</u>
-20.78%	3.83%	-8.53%	1.13%	56.84%	20.53%
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,707
11,726,442	10,712,645	13,546,921	13,411,432	12,986,899	17,462,282
2,889,920	3,746,951	4,487,945	5,353,884	3,489,302	1,622,817
8,571,632	8,011,826	8,511,304	9,235,585	10,039,314	15,330,498
(793,665)	(1,096,949)	(1,008,180)	(985,110)	(1,002,310)	(926,248)
<u>(5,637,984)</u>	<u>(15,082,217)</u>	<u>(8,565,055)</u>	<u>(3,325,670)</u>	<u>(7,012,273)</u>	<u>(13,146,160)</u>
<u>\$ 16,756,345</u>	<u>\$ 6,292,256</u>	<u>\$ 16,972,935</u>	<u>\$ 23,690,121</u>	<u>\$ 18,500,932</u>	<u>\$ 20,365,896</u>
49.62%	-62.45%	169.74%	39.58%	-21.90%	10.08%
\$ -	\$ -	\$ -	\$ 53,268	\$ 54,866	\$ 142,052
11,726,442	10,712,645	13,546,921	13,411,432	12,986,899	17,462,282
3,798,414	4,757,557	5,621,380	6,323,972	4,693,926	2,900,707
8,571,632	8,011,826	8,511,304	9,684,449	10,486,520	15,805,059
<u>(5,328,228)</u>	<u>(15,100,818)</u>	<u>(8,795,809)</u>	<u>(3,850,537)</u>	<u>(6,690,355)</u>	<u>(12,290,949)</u>
<u>\$ 18,768,260</u>	<u>\$ 8,381,210</u>	<u>\$ 18,883,796</u>	<u>\$ 25,622,584</u>	<u>\$ 21,531,856</u>	<u>\$ 24,019,151</u>
36.61%	-55.34%	125.31%	35.69%	-15.97%	11.55%

CITY OF CHASKA, MINNESOTA

**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

	FISCAL YEAR			
	2013	2014	2015	2016
<u>REVENUES</u>				
Taxes	\$ 13,502,612	\$ 14,386,746	\$ 13,150,434	\$ 12,470,764
Licenses and Permits	1,135,211	995,263	1,259,621	1,033,383
Intergovernmental	2,919,055	2,568,108	2,678,760	2,772,705
Charges for Services	3,388,069	3,470,471	4,387,691	5,316,461
Fines and Forfeitures	123,687	128,966	95,736	104,226
Special Assessments	3,918,217	2,867,959	2,076,637	2,121,412
Other Revenue	1,237,814	794,135	1,103,179	600,089
Total Revenue	26,224,665	25,211,648	24,752,058	24,419,040
<u>EXPENDITURES</u>				
General Government	4,077,218	4,361,531	4,889,132	5,228,459
Economic Development	1,460,259	1,899,514	8,766,389	1,070,364
Public Safety	4,411,566	4,513,886	4,837,862	5,270,617
Public Works	6,249,199	7,269,352	6,686,444	4,537,040
Parks, Recreation and Arts	517,843	837,886	1,086,472	828,065
Debt Service:				
Principal	5,427,723	4,948,206	5,398,720	3,013,768
Interest	1,396,806	1,109,996	1,115,857	1,429,478
Issuance Costs & Fiscal Agent Fees	112,905	95,788	353,521	4,725
Capital Outlay	4,075,585	7,367,993	13,778,776	5,633,034
Total Expenditures	27,729,104	32,404,152	46,913,173	27,015,550
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,504,439)	(7,192,504)	(22,161,115)	(2,596,510)
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers In	7,641,975	6,622,433	14,212,528	6,242,220
Transfers Out	(6,786,159)	(6,156,278)	(8,968,112)	(6,423,134)
Bonds Issued	4,245,000	5,785,000	16,025,000	-
Refunding Bonds Issued	580,000	-	-	-
Premium on Bonds Issued	123,513	317,245	1,156,342	-
Capital Lease Issued	-	-	-	-
Payments to Refunded Bond Escrow Agent	(5,210,000)	-	-	-
Lease Proceeds	-	-	-	-
Sale of Capital Assets	29,032	6,164	83,945	25,856
Total Other Financing Sources (Uses)	623,361	6,574,564	22,509,703	(155,058)
NET CHANGE IN FUND BALANCES	\$ (881,078)	\$ (617,940)	\$ 348,588	\$ (2,751,568)
Expenditures for Capitalized Assets (1)	\$ 5,063,042	\$ 12,451,676	\$ 19,782,837	\$ 12,340,550
Debt Service as a Percentage of Noncapital Expenditures	30.11%	30.36%	24.01%	30.28%

(1) Expenditures for capitalized assets per the Reconciliation of The Statement of Revenues, Expenditures And Changes In Fund Balances of Governmental Funds to The Statement of Activities.

Table 5

FISCAL YEAR						
2017	2018	2019	2020	2021	2022	
\$ 13,420,767	\$ 14,709,783	\$ 11,550,747	\$ 12,501,723	\$ 13,381,311	\$ 14,818,067	
1,302,593	928,825	910,342	943,410	1,836,260	2,284,612	
2,653,945	1,726,502	11,747,098	10,254,538	5,185,714	9,407,131	
5,717,156	6,220,296	6,299,265	7,213,755	8,571,378	14,418,565	
113,158	109,319	72,456	55,563	49,047	49,224	
2,835,792	2,350,349	2,535,593	1,970,086	4,100,056	2,039,491	
659,861	1,151,947	1,165,778	796,000	699,768	1,054,551	
26,703,272	27,197,021	34,281,279	33,735,075	33,823,534	44,071,641	
5,630,604	5,696,448	5,986,973	5,941,684	6,052,154	7,123,734	
1,919,188	3,183,480	1,590,071	1,332,462	1,200,386	1,863,194	
5,738,341	6,193,049	6,498,679	8,215,497	8,342,505	9,258,613	
5,213,582	7,699,681	6,922,693	6,188,270	9,007,484	7,219,707	
1,140,929	1,062,569	1,052,775	935,834	1,285,840	3,233,202	
3,061,302	2,901,859	3,323,855	6,200,609	8,373,410	3,747,070	
1,380,700	1,618,919	1,718,079	2,026,111	2,084,534	1,949,607	
250,271	11,850	319,028	286,253	104,030	60,153	
9,808,124	8,295,131	20,187,457	12,731,606	8,681,661	15,715,603	
34,143,041	36,662,986	47,599,610	43,858,326	45,132,004	50,170,883	
(7,439,769)	(9,465,965)	(13,318,331)	(10,123,251)	(11,308,470)	(6,099,242)	
4,624,645	4,297,144	17,758,206	14,860,764	10,351,559	13,146,149	
(5,617,190)	(5,252,205)	(10,082,386)	(9,923,825)	(6,240,450)	(9,142,602)	
10,870,000	-	14,735,000	11,290,000	4,940,000	4,190,000	
1,455,000	-	1,740,000	2,580,000	-	-	
1,125,229	-	1,015,807	320,429	319,635	-	
-	-	14,290	-	-	-	
-	-	(1,360,000)	(2,280,000)	(2,180,000)	-	
-	-	-	-	-	360,990	
11,741	33,976	-	14,671	26,998	32,000	
12,469,425	(921,085)	23,820,917	16,862,039	7,217,742	8,586,537	
\$ 5,029,656	\$ (10,387,050)	\$ 10,502,586	\$ 6,738,788	\$ (4,090,728)	\$ 2,487,295	
\$ 16,094,547	\$ 16,582,006	\$ 6,758,755	\$ 9,230,118	\$ 16,651,724	\$ 17,848,607	
24.61%	22.51%	12.35%	23.76%	36.72%	17.62%	

GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
 LAST TEN FISCAL YEARS
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)
 (UNAUDITED)

FISCAL YEAR	PROPERTY TAXES		FRANCHISE TAXES			TOTAL TAXES
	LEVIED	TAX INCREMENT	ELECTRIC (4)	CABLE	GAS (1)	
2013	\$ 5,001,614	\$ 5,145,326	\$ 3,101,430	\$ 254,242	\$ -	\$ 13,502,612
2014 (1)	5,276,218	5,453,804	3,210,070	265,415	181,239	14,386,746
2015	8,479,872 (2)	591,158 (3)	3,339,440	284,886	455,078	13,150,434
2016	7,573,635	672,581	3,458,900	304,017	461,631	12,470,764
2017	8,395,597	724,644	3,521,540	321,423	457,563	13,420,767
2018	9,091,839	1,040,959	3,820,670	306,860	449,455	14,709,783
2019 (4)	9,694,753	1,103,080	-	302,522	450,392	11,550,747
2020	10,553,357	1,185,265	-	300,269	462,832	12,501,723
2021	11,305,418	1,307,650	-	311,830	456,413	13,381,311
2022	12,730,070	1,317,242	-	307,061	463,694	14,818,067

(1) Chaska implemented a Gas Franchise Tax in 2014.

(2) Includes \$1,532,865 in tax increment that was returned to the General fund after a TIF district decertification and after the City's payment to the County.

(3) There were three (3) TIF districts decertified in 2014.

(4) Beginning in 2019, the City did not assess a franchise fee on the City-owned electric.

CITY OF CHASKA, MINNESOTA

TAX CAPACITY VALUE AND ESTIMATED ACTUAL VALUE OF REAL AND PERSONAL PROPERTY
LAST TEN FISCAL YEARS
(UNAUDITED)

TAXES PAYABLE YEAR	REAL PROPERTY - TAX CAPACITY VALUE			PERSONAL PROPERTY TAX CAPACITY VALUE	FISCAL DISPARITIES	
	RESIDENTIAL PROPERTY	COMMERCIAL PROPERTY	OTHER REAL PROPERTY		CONTRIBUTION	DISTRIBUTION
2013	\$ 14,776,641	\$ 7,336,053	\$ 358,867	\$ 197,498	\$ (2,765,398)	\$ 3,001,764
2014	16,020,027	7,116,774	351,263	222,966	(2,756,785)	2,881,368
2015	18,484,795	7,492,534	345,751	242,162	(2,660,168)	2,956,196
2016	20,127,637	7,990,194	340,891	278,734	(3,014,532)	3,061,538
2017	20,776,485	8,161,059	356,694	375,132	(3,226,831)	3,313,011
2018	22,608,652	8,613,755	367,741	401,546	(3,096,739)	3,595,500
2019	24,058,344	9,060,705	395,846	428,354	(3,523,591)	3,946,302
2020	26,467,511	9,696,784	496,454	437,324	(3,698,495)	4,336,565
2021	27,243,413	10,004,871	527,544	511,600	(3,959,880)	4,521,556
2022	28,838,975	10,314,040	554,959	530,046	(4,068,054)	4,920,087

Source: Carver County Auditor

Table 7

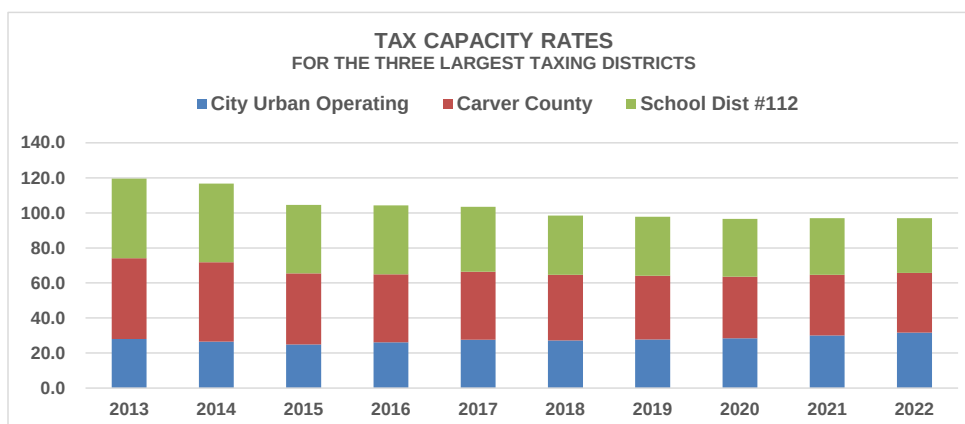
TAX INCREMENT ADJUSTED TO TAX CAPACITY VALUE		ADJUSTED TAX CAPACITY VALUE	CITY TOTAL DIRECT TAX RATE	EDA TOTAL DIRECT TAX RATE	ESTIMATED ACTUAL MARKET VALUE REAL & PERSONAL	ADJ TAX CAPACITY VALUE AS A PERCENTAGE OF ACTUAL VALUE
\$	(4,543,317)	\$ 18,362,108	28.075	0.411	\$ 2,020,207,000	0.91%
	(4,464,026)	19,371,587	26.586	0.391	2,121,003,200	0.91%
	(535,631)	26,325,639	24.928	1.574	2,380,806,300	1.11%
	(572,333)	28,212,129	26.118	1.519	2,573,342,000	1.10%
	(658,411)	29,097,139	27.564	1.557	2,652,305,300	1.10%
	(973,689)	31,516,766	27.234	1.503	2,847,274,600	1.11%
	(1,052,097)	33,313,863	27.678	1.497	3,007,913,300	1.11%
	(1,209,027)	36,527,116	28.425	0.313	3,281,441,700	1.11%
	(1,215,297)	37,633,807	30.068	0.475	3,368,610,400	1.12%
	(1,355,539)	39,734,514	31.625	0.458	3,536,714,700	1.12%

PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(UNAUDITED)

TAXES PAYABLE YEAR	DIRECT RATES			OVERLAPPING RATES (2)				TOTAL DIRECT AND OVERLAPPING RATES (1)
	CITY URBAN OPERATING	CITY ECONOMIC DEVELOPMENT AUTHORITY	CITY ECONOMIC DEVELOPMENT AUTHORITY	COUNTY	COUNTY COMMUNITY DEVELOPMENT AUTHORITY	INDEPENDENT SCHOOL DISTRICT #112	SPECIAL DISTRICTS (3)	
2013	28.075	14.038	0.411	46.115	1.799	45.319	5.069	(4) 126.790
2014	26.586	13.293	0.391	45.211	1.759	44.917	4.072	122.936
2015	24.928	14.957	1.574	40.488	1.589	39.120	3.422	111.122
2016	26.118	18.283	1.519	38.880	1.701	39.245	3.614	111.077
2017	27.564	22.051	1.557	38.851	1.731	37.005	3.615	110.323
2018	27.234	24.511	1.503	37.436	1.640	33.837	3.347	104.997
2019	27.678	27.678	1.497	36.488	1.626	33.631	3.300	104.220
2020	28.425	28.425	0.313	35.179	1.598	33.006	3.061	101.584
2021	30.068	30.068	0.475	34.634	1.664	32.327	2.876	102.045
2022	31.625	31.625	0.458	34.170	1.635	31.220	2.753	101.861

Source: Carver County Auditor

- (1) Total direct and overlapping rate excludes the City Rural rate. In 2005, as part of the annexation of Chaska Township, a rural rate of 50 percent of the City "urban" rate was established for ten years for the annexed properties. Starting in 2015, the rural rate increased 10 percent each year. Beginning in 2019, the annexed area is taxed at the City "urban" rate.
- (2) Overlapping rates are those of other governments that apply to property owners within the City. Not all overlapping rates apply to all property owners (e.g., the rates for special districts apply only to property owners whose property is located within the geographic boundaries of the special district.).
- (3) Special Districts include:
Metropolitan Council, Regional Transit District, Lower Minnesota Watershed #1, Mosquito Control, and Carver County Rail Authority.
- (4) 2013 rate includes the Carver County Water Management Organization.



PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

TAXPAYER	ASSESSED 2021 - PAYABLE 2022				ASSESSED 2012 - PAYABLE 2013			
	ESTIMATED ACTUAL VALUE ⁽¹⁾	ESTIMATED NET TAX CAPACITY	RANK	PERCENT OF REAL PROPERTY TAX CAPACITY VALUE	ESTIMATED ACTUAL VALUE	ESTIMATED NET TAX CAPACITY	RANK	PERCENT OF REAL PROPERTY TAX CAPACITY VALUE
United Healthcare Services Inc.	\$ 27,054,600	\$ 539,592	1	1.36%	\$ 21,804,300	\$ 434,586	1	2.37%
Aurora Investments LLC	22,512,300	430,951	2	1.08%	16,836,300	321,514	3	1.75%
CenterPoint Energy Minnegasco	19,864,000	396,530	3	1.00%	*	*	*	*
Arrow Hazeltine Shores LLC	23,258,300	290,729	4	0.73%	*	*	*	*
Aurora-Chaska Medical LLC	32,023,700	281,058	5	0.71%	23,924,300	209,784	7	1.14%
Via West Inc.	13,894,000	277,130	6	0.70%	*	*	*	*
Chaska Heights Senior Living LLC	21,878,700	273,484	7	0.69%	*	*	*	*
Target Corp	13,549,500	270,240	8	0.68%	12,288,100	245,012	6	1.33%
SB Chaska Partners LLC	21,142,600	264,283	9	0.67%	*	*	*	*
RCS-RCA Oak Ridge LLC	13,646,000	236,096	10	0.59%	*	*	*	*
Ameriprise Financial Inc.	*	*	*	*	21,346,300	397,387	2	2.16%
Hazeltine National Golf Club	*	*	*	*	15,941,700	284,463	4	1.55%
Fluoroware Inc.	*	*	*	*	12,393,900	245,628	5	1.34%
Kohl's Illinois Inc.	*	*	*	*	8,854,400	176,338	8	0.96%
Northern Star Co.	*	*	*	*	8,278,900	164,828	9	0.90%
FSI International Inc.	*	*	*	*	8,180,100	162,852	10	0.89%
	<u>\$ 208,823,700</u>	<u>\$ 3,260,093</u>		<u>8.21%</u>	<u>\$ 149,848,300</u>	<u>\$ 2,642,392</u>		<u>14.39%</u>

Source: Carver County Auditor

(1) Assessed 2022 values are determined as of January 2, 2021

Ranked in order of Estimated Net Tax Capacity.

* Denotes taxpayer was not a principal taxpayer for the year reported.

CITY OF CHASKA, MINNESOTA

**PROPERTY TAX LEVIES AND COLLECTIONS (1)
LAST TEN FISCAL YEARS
(UNAUDITED)**

TAXES PAYABLE YEAR	LEVY FOR CALCULATION OF TAX RATE			LEVY ADJUSTMENT AFTER RATE CALCULATION	COUNTY ADJUSTED NET TAX LEVY
	CERTIFIED LEVY	CREDITS AND ADJUSTMENTS	COUNTY ADJUSTED TAX LEVY		
2013	\$ 5,107,919	\$ (767)	\$ 5,107,152	\$ (33,561)	\$ 5,073,591
2014	5,222,224	(802)	5,221,422	(5,276)	5,216,146
2015	6,951,262	(1,390)	6,949,872	(1,590)	6,948,282
2016	7,728,287	(1,462)	7,726,825	(35,220)	7,691,605
2017	8,396,405	(1,611)	8,394,794	(20,108)	8,374,686
2018	9,057,344	(1,614)	9,055,730	21,726	9,077,456
2019	9,700,652	(1,655)	9,698,997	(28,286)	9,670,711
2020	10,516,131	(1,679)	10,514,452	47,705	10,562,157
2021	11,412,924	(1,632)	11,411,292	(26,381)	11,384,911
2022	12,672,429	(1,716)	12,670,713	12,408	12,683,121

Source: Carver County Auditor

(1) Collections do not include tax increment or mobile home.

Table 10

COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS AND ABATEMENTS IN SUBSEQUENT YEARS	TOTAL COLLECTIONS TO DATE	
AMOUNT	PERCENTAGE OF LEVY		AMOUNT	PERCENTAGE OF LEVY
\$ 5,011,429	98.77%	\$ 61,909	\$ 5,073,338	100.00%
5,179,682	99.30%	37,330	5,216,146	100.00%
6,889,114	99.15%	52,974	6,942,088	99.91%
7,649,215	99.45%	39,058	7,688,273	99.96%
8,348,563	99.69%	25,864	8,374,427	100.00%
9,053,269	99.73%	23,823	9,077,092	100.00%
9,642,349	99.71%	4,792	9,647,141	99.76%
10,539,422	99.78%	17,493	10,556,915	99.95%
11,353,727	99.73%	27,939	11,381,666	99.97%
12,659,037	99.81%	-	12,659,037	99.81%

CITY OF CHASKA, MINNESOTA

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)

GOVERNMENTAL ACTIVITIES											
FISCAL YEAR	GENERAL OBLIGATION EQUIPMENT CERTIFICATES	OTHER GENERAL OBLIGATION BONDS (4)	GENERAL OBLIGATION TAX INCREMENT BONDS	GENERAL OBLIGATION ABATEMENT BONDS	GENERAL OBLIGATION IMPROVEMENT BONDS	GENERAL OBLIGATION REVENUE BONDS	REVENUE BONDS	NOTES PAYABLE	LEASES	DEBT ISSUANCE PREMIUMS/ (DISCOUNTS)	TOTAL GOVERNMENTAL ACTIVITIES DEBT
2013	\$ 1,320,000	\$ 3,120,000	\$ 7,235,000	\$ 405,000	\$ 18,870,000	\$ -	\$ -	\$ 144,994	\$ -	\$ 610,991	\$ 31,705,985
2014	1,190,000	2,755,000	3,835,000	405,000	23,610,000	-	-	136,788	-	842,462	32,774,250
2015	975,000	2,315,000	945,000	405,000	27,705,000	-	10,085,000	128,068	-	1,908,544	44,466,612
2016	740,000	1,835,000	850,000	405,000	25,510,000	-	10,085,000	119,300	-	1,783,175	41,327,475
2017	2,605,000	1,635,000	1,220,000	2,430,000	30,995,000	-	9,815,000	107,998	-	2,785,053	51,593,051
2018	2,505,000	1,880,000	1,125,000	630,000	29,405,000	720,000	9,545,000	96,139	-	2,587,041	48,493,180
2019 (2)	3,480,000	6,795,000	3,210,000	620,000	33,595,000	645,000	9,270,000	83,696	12,878	3,400,438	61,112,012
2020 (3)	3,185,000	6,440,000	3,100,000	610,000	32,310,000	570,000	16,805,000	70,652	10,313	3,428,009	66,528,974
2021	2,780,000	5,920,000	2,990,000	575,000	28,205,000	495,000	16,515,000	-	7,555	3,345,308	60,832,863
2022	2,345,000	9,635,000	2,950,000	540,000	26,200,000	420,000	15,885,000	-	333,398 (5)	3,058,945	61,367,343

Note: Details regarding the City's outstanding debt can be found in the Notes to the Financial Statements.

- (1) See the Schedule of Demographics and Economic Statistics for personal income and population data.
- (2) Governmental Activities Other General Obligation Bonds include Temporary GO Bonds issued in 2019 with an outstanding balance of \$5,205,000.
- (3) Governmental Activities Other General Obligation Bonds include Temporary GO Bonds issued in 2019 with an outstanding balance of \$5,150,000.
- (4) Governmental Activities Other General Obligation Bonds include both permanent and temporary GO State Aid Street Bonds issued in 2021 and 2022.
- (5) City implemented GASB 87 in 2022.

Table 11

BUSINESS-TYPE ACTIVITIES									
GENERAL OBLIGATION REVENUE BONDS	REVENUE BONDS	LEASE PURCHASE BONDS	FINANCED PURCHASE PAYABLE	LEASES	DEBT ISSUANCE PREMIUMS/ (DISCOUNTS)	TOTAL BUSINESS-TYPE ACTIVITIES DEBT	TOTAL PRIMARY GOVERNMENT	PERCENTAGE OF PERSONAL INCOME ⁽¹⁾	PER CAPITA ⁽¹⁾
\$ 11,700,000	\$ 37,125,000	\$ -	\$ -	\$ -	\$ 894,630	\$ 49,719,630	\$ 81,425,615	5.51%	3,282
11,370,000	35,625,000	-	-	-	840,869	47,835,869	80,610,119	5.09%	3,190
16,170,000	46,970,000	-	-	-	3,524,126	66,664,126	111,130,738	6.69%	4,340
15,745,000	45,435,000	-	-	-	3,289,591	64,469,591	105,797,066	6.10%	4,002
15,820,000	52,015,000	-	-	-	3,572,665	71,407,665	123,000,716	6.67%	4,566
15,100,000	47,050,000	-	145,571	-	3,305,892	65,601,463	114,094,643	5.80%	4,131
17,220,000	44,125,000	-	101,541	-	3,169,083	64,615,624	125,727,636	6.15%	4,540
25,450,000	42,540,000	-	54,528	-	4,058,492	72,103,020	138,631,994	6.55%	4,985
16,720,000	37,360,000	3,560,000	280,594	-	3,575,299	61,495,893	122,328,756	5.44%	4,380
15,420,000	34,220,000	3,429,000	234,292	627,906 (5)	3,216,727	57,147,925	118,515,268	5.27%	4,243

RATIOS OF GENERAL BONDED DEBT OUTSTANDING
TO ESTIMATED ACTUAL TAXABLE VALUE
LAST TEN FISCAL YEARS
(UNAUDITED)

FISCAL YEAR	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		LESS AMOUNT RESTRICTED TO DEBT SERVICE (2)	NET GENERAL OBLIGATION DEBT	PERCENTAGE OF ESTIMATED ACTUAL MARKET VALUE OF PROPERTY (3)		PER CAPITA (4)
	GENERAL OBLIGATION BONDS (1)	DEBT ISSUANCE PREMIUMS/ (DISCOUNTS)	GENERAL OBLIGATION BONDS (1)	DEBT ISSUANCE PREMIUMS/ (DISCOUNTS)					
2013	\$ 30,950,000	\$ 610,991	\$ 11,700,000	\$ 223,777	\$ 7,675,532	\$ 35,809,236	1.77%		\$ 1,443
2014	31,795,000	842,462	11,370,000	209,294	8,117,087	36,099,669	1.70%		1,429
2015	32,345,000	1,291,364	16,170,000	283,655	5,994,522	44,095,497	1.85%		1,722
2016	29,340,000	1,199,669	15,745,000	264,948	5,897,191	40,652,426	1.58%		1,538
2017	38,885,000	2,235,225	15,820,000	302,416	7,042,822	50,199,819	1.89%		1,863
2018	36,265,000	2,070,891	15,100,000	281,020	7,634,833	46,082,078	1.62%		1,668
2019	48,345,000	2,917,966	17,220,000	387,246	8,319,472	60,550,740	2.01%		2,192
2020	46,215,000	2,927,265	25,450,000	666,467	8,661,721	66,597,011	2.03%		2,395
2021	40,965,000	2,930,192	16,720,000	508,354	9,020,876	52,102,670	1.55%		1,865
2022	42,090,000	2,677,507	15,420,000	462,349	9,013,681	51,636,175	1.46%		1,849

Note: Details regarding the City's outstanding debt can be found in the Notes to the Financial Statements.

(1) Includes all general obligation bonds, including general obligation equipment certificates, general obligation tax increment bonds, general obligation taxable abatement bonds, general obligation improvement bonds, general obligation state aid street bonds, and general obligation revenue bonds.

(2) Amount restricted for repayment of general obligation bonds.

(3) See the Schedule of Tax Capacity Value and Estimated Actual Market Value of Real and Personal Property for property value data.

(4) Population data can be found in the Schedule of Demographic and Economic Statistics.

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
DECEMBER 31, 2022
(UNAUDITED)

	DEBT OUTSTANDING	PERCENT OF DEBT APPLICABLE TO CITY	AMOUNT OF DEBT APPLICABLE TO CITY
DIRECT DEBT			
City of Chaska and Chaska EDA	<u>\$ 61,367,343 (1)</u>	100.00%	<u>\$ 61,367,343</u>
OVERLAPPING DEBT			
Carver County	18,031,939	21.72%	3,916,537
Carver County CDA	25,550,000 (2)	-	-
Independent School District 112	146,024,000	37.16%	54,262,518
Metropolitan Council	<u>1,717,186,171 (3)</u>	0.78%	<u>13,394,052</u>
Total Overlapping Debt	<u>1,906,792,110</u>		<u>71,573,108</u>
 Total Direct and Overlapping Debt	 <u><u>\$ 1,968,159,453</u></u>		 <u><u>\$ 132,940,451</u></u>

Source: Carver County Auditor

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

- (1) Excludes general obligation, lease purchase, and revenue bonds reported in the enterprise funds.
Includes premium related to governmental activities general obligation bonds and notes payable.
Includes GASB 87 lease liabilities related to governmental activities.
- (2) No percentage of the Carver County CDA bonds is applicable because the bonds will be repaid primarily from housing revenues.
- (3) Excludes general obligation debt supported by wastewater revenues and housing rental payments.
Includes certificates of participation, governmental activities general obligation bonds, and notes payable.

CITY OF CHASKA, MINNESOTA

**LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

	2013	2014	2015	2016
Market Value	\$ 2,020,207,000	\$ 2,121,003,200	\$ 2,380,806,300	\$ 2,573,342,000
Debt Limit - 3% of Market Value (A)	60,606,210	63,630,096	71,424,189	77,200,260
Amount of Debt Applicable to Debt Limit:				
GO Improvement Bonds and				
Equipment Certificates	1,480,000	3,895,000	3,680,000	3,180,000
Capital Improvement Plan Refunding	1,195,000	750,000	295,000	-
Lease Obligations issued by the EDA	6,610,000	6,315,000	32,360,000	32,045,000
Installment Purchase Revenue Debt	-	-	-	-
Lease Purchase Bonds	-	-	-	-
Total Debt Applicable to Debt Limit	9,285,000	10,960,000	36,335,000	35,225,000
Legal Debt Margin	\$ 51,321,210	\$ 52,670,096	\$ 35,089,189	\$ 41,975,260
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit (B)	15.32%	17.22%	50.87%	45.63%

Source: Carver County Auditor (Market Value)

(A) Sec. 475.53 MN Statutes - Generally. Except as otherwise provided in sections 475.51 to 475.74, no municipality, except a school district or a city of the first class, shall incur or be subject to a net debt in excess of three percent of the taxable property in the municipality.

(B) Sec. 475.51 MN Statutes - Definitions: Subdivision 4. "Net debt" means the amount remaining after deduction from its gross debt the aggregate of the principal of the following:

- (1) Obligations issued for improvements which are payable wholly or partly from the proceeds of special assessments levied upon property specially benefited thereby, including those which are general obligations of the municipality issuing them, if the municipality is entitled to reimbursement in whole or in part from the proceeds of the special assessments.
- (2) Warrants or orders having no definite or fixed maturity.
- (3) Obligations payable wholly from the income from revenue producing conveniences.
- (4) Obligations issued to create or maintain a permanent improvement revolving fund.
- (5) Obligations issued for the acquisition, and betterment of public waterworks systems, and public lighting, heating or power systems, and of any combination thereof or for any other public convenience from which a revenue is or may be derived.
- (6) Debt service loans and capital loans made to a school district under the provisions of sections 126C.68 and 126C.69.
- (7) Amount of all money and the face value of all securities held as a debt service fund for the extinguishment of obligations other than those deductible under this subdivision.
- (8) Obligations to repay loans made under section 216C.37.
- (9) Obligations to repay loans made from money received from litigation or settlement of alleged violations of federal petroleum pricing regulations.
- (10) Obligations issued to pay pension fund or other postemployment benefit liabilities under section 475.52, subdivision 6, or any charter authority.
- (11) Obligations issued to pay judgments against the municipality under section 475.52, subdivision 6, or any charter authority.
- (12) All other obligations which under the provisions of law authorizing their issuance are not to be included in computing the net debt of the municipality.

Table 14

2017	2018	2019	2020	2021	2022
\$ 2,652,305,300	\$ 2,847,274,600	\$ 3,007,913,300	\$ 3,281,441,700	\$ 3,368,610,400	\$ 3,536,714,700
79,569,159	85,418,238	90,237,399	98,443,251	101,058,312	106,101,441
4,765,000	4,385,000	5,070,000	4,475,000	3,760,000	3,010,000
-	-	-	-	-	-
32,390,000	28,690,000	27,105,000	25,060,000	23,450,000	21,780,000
-	-	-	7,815,000.00	7,815,000	7,485,000
-	-	-	-	3,560,000	3,429,000
37,155,000	33,075,000	32,175,000	37,350,000	38,585,000	35,704,000
\$ 42,414,159	\$ 52,343,238	\$ 58,062,399	\$ 61,093,251	\$ 62,473,312	\$ 70,397,441
46.70%	38.72%	35.66%	37.94%	38.18%	33.65%

CITY OF CHASKA, MINNESOTA

 PLEDGED REVENUE COVERAGE
 LAST TEN FISCAL YEARS
 (UNAUDITED)

FISCAL YEAR	OPERATING REVENUE (2)	OPERATING EXPENSES (3)	NET AVAILABLE	DEBT SERVICE REQUIREMENTS (4)			COVERAGE	
			FOR DEBT SERVICE	PRINCIPAL	INTEREST	TOTAL		
DEBT SERVICE FUNDS - REVENUE BONDS: LAST TEN FISCAL YEARS								
2013	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	
2014	-	-	-	-	-	-	-	
2015	112	-	112	-	99,640	99,640	0.00	
2016	932	1,600	(668)	-	358,474	358,474	(0.00)	
2017	1,799	3,200	(1,401)	270,000	369,950	639,950	(0.00)	
2018	2,563	3,200	(637)	270,000	364,550	634,550	(0.00)	
2019	2,546	3,200	(654)	275,000	359,100	634,100	(0.00)	
2020	1,080,081 (6)	9,400	1,070,681	280,000	470,271	750,271	1.43	
2021	1,017,433	7,746	1,009,687	290,000	567,152	857,152	1.18	
2022	746,625	7,626	738,999	630,000	541,050	1,171,050	0.63	
ELECTRIC ENTERPRISE FUND: LAST TEN FISCAL YEARS								
2013	\$ 34,068,387	\$ 30,140,170	\$ 3,928,217	\$ 145,000	\$ 90,607	\$ 235,607	16.67	
2014	35,013,104	31,617,219	3,395,885	145,000	87,707	232,707	14.59	
2015	35,859,710	32,487,115	3,372,595	140,000	84,832	224,832	15.00	
2016	37,703,918	34,201,984	3,501,934	150,000	83,870	233,870	14.97	
2017	37,751,011	34,381,108	3,369,903	145,000	80,870	225,870	14.92	
2018	41,513,669	37,413,217	4,100,452	395,000	336,161	731,161	5.61	
2019	41,565,560	34,058,548	7,507,012	420,000	309,145	729,145	10.30	
2020	43,028,104	34,972,958	8,055,146	430,000	295,545	725,545	11.10	
2021	49,019,072	39,995,030	9,024,042	425,000 (7)	291,138	716,138	12.60	
2022	55,020,552	45,758,924	9,261,628	430,000	269,375	699,375	13.24	
WATER ENTERPRISE FUND: LAST TEN FISCAL YEARS								
2013	\$ 2,536,026	\$ 1,601,751	\$ 934,275	\$ 320,000	\$ 375,351	\$ 695,351	1.34	
2014	2,419,202	1,707,247	711,955	330,000	367,008	697,008	1.02	
2015	2,551,958	1,703,500	848,458	370,000	359,789	729,789	1.16	
2016	2,735,781	1,760,515	975,266	425,000	376,418	801,418	1.22	
2017	2,787,654	1,768,636	1,019,018	482,000	359,051	841,051	1.21	
2018	2,908,068	1,860,948	1,047,120	529,000	361,505	890,505	1.18	
2019	2,999,645	2,181,688	817,957	594,000	362,430	956,430	0.86	
2020	3,372,280	2,353,522	1,018,758	625,000	381,098	1,006,098	1.01	
2021	4,004,847	2,441,121	1,563,726	740,440 (8)	443,557	1,183,997	1.32	
2022	4,319,046	2,577,302	1,741,744	918,035	150,150	1,068,185	1.63	
SEWER ENTERPRISE FUND: EIGHT FISCAL YEARS								
2015	\$ 3,275,998	\$ 3,062,822	\$ 213,176	\$ -	\$ -	\$ -	-	
2016	3,433,187	3,110,423	322,764	-	45,259	45,259	7.13	
2017	3,612,296	3,340,582	271,714	104,000	73,473	177,473	1.53	
2018	3,809,359	3,610,519	198,840	116,000	73,973	189,973	1.05	
2019	4,158,322	3,838,809	319,513	121,000	76,644	197,644	1.62	
2020	4,612,317	4,300,056	312,261	125,000	99,796	224,796	1.39	
2021	4,986,322	4,406,445	579,877	203,561	124,337	327,898	1.77	
2022	5,666,239	4,849,788	816,451	239,365	120,226	359,591	2.27	
COMMUNITY CENTER ENTERPRISE FUND: LAST TEN FISCAL YEARS								
2013	\$ 2,840,473	\$ 2,882,382	\$ (41,909)	\$ 140,000	\$ 175,333	\$ 315,333	(0.13)	
2014	3,098,390	2,949,046	149,344	295,000	233,923	528,923	0.28	
2015	3,250,759	3,101,196	149,563	305,000	225,594	530,594	0.28	
2016	2,737,031	3,470,538	(733,507)	315,000	217,870	532,870	(1.38)	
2017	3,165,224	3,570,939	(405,715)	325,000	204,528	529,528	(0.77)	
2018	3,069,710	3,834,757	(765,047)	2,465,000	185,834	2,650,834	(0.29)	
2019	3,215,817	3,786,406	(570,589)	330,000	160,795	490,795	(1.16)	
2020	1,830,242	3,737,706	(1,907,464)	3,075,000	154,030	3,229,030	(0.59)	
2021	2,163,808	3,455,882	(1,292,074)	295,000	171,186	466,186	(2.77)	
2022	2,791,020	3,933,413	(1,142,393)	320,000	133,600	453,600	(2.52)	

FISCAL YEAR	OPERATING REVENUE (2)	OPERATING EXPENSES (3)	NET AVAILABLE FOR DEBT SERVICE	DEBT SERVICE REQUIREMENTS (4)			COVERAGE						
				PRINCIPAL	INTEREST	TOTAL							
THE LOOP AT CHASKA ENTERPRISE FUND: TWO FISCAL YEARS													
2021	(1) \$	59 (9) \$	(43,856) (9) \$	43,915	\$ -	\$ -	\$ -	-					
2022		-	42,940	(42,940)	131,000	114,953	245,953	(0.17)					
TURBINE GENERATOR ENTERPRISE FUND: LAST TEN FISCAL YEARS													
2013	\$	2,236,674	\$	125,474	\$	2,111,200	\$	1,015,000	\$	1,377,384	\$	2,392,384	0.88
2014		2,185,282		284,255		1,901,027		1,060,000		1,336,069		2,396,069	0.79
2015		1,969,875		220,558		1,749,317		1,100,000 (5)		1,223,907		2,323,907	0.75
2016		1,786,037		304,332		1,481,705		1,070,000		1,007,850		2,077,850	0.71
2017		1,734,137		309,043		1,425,094		1,110,000		706,128		1,816,128	0.78
2018		1,712,581		342,286		1,370,295		1,140,000		931,750		2,071,750	0.66
2019		1,657,288		389,787		1,267,501		1,195,000		886,150		2,081,150	0.61
2020		1,495,484		320,756		1,174,728		1,220,000		862,250		2,082,250	0.56
2021		1,422,057		328,146		1,093,911		1,275,000		801,250		2,076,250	0.53
2022		1,366,151		331,016		1,035,135		1,340,000		737,500		2,077,500	0.50
STORM WATER ENTERPRISE FUND: EIGHT FISCAL YEARS													
2015	(1) \$	913,884	\$	698,036	\$	215,848	\$	-	\$	7,502	\$	7,502	28.77
2016		969,639		802,266		167,373		-		29,770		29,770	5.62
2017		1,099,143		752,510		346,633		74,000		59,766		133,766	2.59
2018		1,587,676		841,372		746,304		75,000		48,572		123,572	6.04
2019		1,714,251		911,156		803,095		80,000		47,076		127,076	6.32
2020		1,756,180		1,004,334		751,846		80,000		64,226		144,226	5.21
2021		2,131,730		1,014,679		1,117,051		115,999		82,028		198,027	5.64
2022		1,954,589		1,370,635		583,954		142,600		80,011		222,611	2.62
CURLING CENTER ENTERPRISE FUND: EIGHT FISCAL YEARS													
2015	(1) \$	65,663	\$	208,181	\$	(142,518)	\$	-	\$	290,781	\$	290,781	(0.49)
2016		1,175,144		925,311		249,833		-		484,225		484,225	0.52
2017		1,224,086		1,177,073		47,013		940,000		523,917		1,463,917	0.03
2018		1,223,657		1,497,227		(273,570)		965,000		514,389		1,479,389	(0.18)
2019		1,133,372		1,295,609		(162,237)		980,000		495,446		1,475,446	(0.11)
2020		641,658		1,105,354		(463,696)		1,000,000		472,636		1,472,636	(0.31)
2021		915,179		1,150,177		(234,998)		1,025,000		446,260		1,471,260	(0.16)
2022		1,403,440		1,342,839		60,601		1,050,000		416,850		1,466,850	0.04

Note: Bonds in the Electric, Water and Storm Water Enterprise funds are supported by charges for services; The Loop at Chaska, Turbine Generator, Community Center and Curling Center Enterprise funds are supported by specific fee revenue; and the Debt Service funds are supported by specific fee revenue.

- (1) First year shown is first year of issuance.
- (2) Includes interest revenue for years 2013 - 2019. For 2020 and future years, interest revenue is not included.
- (3) Does not include depreciation or transfers to other funds.
- (4) Includes principal and interest payment of revenue bonds only.
- (5) 2015 principal payment does not include \$100,000 or \$25,035,000 paid from refunding bond investments to refund the 2000 Electric Revenue bonds or the 2005 Electric Revenue Refunding Bonds respectively.
- (6) In 2020, Transfers were included to be consistent with Note 7 - Long Term Liabilities, Revenue Pledged
- (7) 2021 principal payment does not include \$2,160,000 paid from refunding bond investments to refund the 2011 Electric Utility Revenue Bonds.
- (8) 2021 principal payment does not include \$7,670,000 paid from refunding bond investments to refund the 2011 GO Water Revenue Bonds.
- (9) The Loop at Chaska (formerly known as Par 30 Golf Course) was closed for construction in 2021 and 2022, resulting in minimal operating revenues. The negative operating expense is due to negative pension expense of \$78,504 offsetting other operating expenses of \$34,648.

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)

FISCAL YEAR	POPULATION (1)	NUMBER OF HOUSEHOLDS (1)	ESTIMATED PERSONAL INCOME (2)	PER CAPITA INCOME (2)	MEDIAN AGE (3)	K-12 SCHOOL ENROLLMENT (4)	UNEMPLOYMENT RATE (5)
2013	24,811	9,143	\$ 1,477,197,318	\$ 59,538	34.2	6,086	4.31%
2014	25,270	9,278	1,584,075,220	62,686	35.6	5,797	3.70%
2015	25,607	9,492	1,661,330,946	64,878	35.7	5,854	3.20%
2016	26,439	9,823	1,733,473,035	65,565	36.2	5,700	3.30%
2017	26,941	10,012	1,845,323,795	68,495	36.1	5,662	3.00%
2018	27,622	10,136	1,967,459,816	71,228	36.0	5,561	2.50%
2019	27,692	10,228	2,043,254,220	73,785	36.2	5,725	2.80%
2020	27,810	10,438	2,117,369,970	76,137	36.2	5,769	5.20%
2021	27,931	10,508	2,250,177,222	80,562	36.2	5,700 (6)	3.00%
2022	27,931 (7)	10,508 (7)	2,250,177,222 (7)	80,562 (7)	37.4	5,687	2.20%

(1) Source: Metropolitan Council annual estimate as of April 1st of the previous year.

(2) Source: Minnesota State Demographer, using U.S. Department of Commerce, Bureau of Economic Analysis (BEA), Carver County personal income and per capita income (City personal income as a ratio of Carver County personal income).

(3) Source: US Census Bureau, Chaska City, MN.

(4) Source: Minnesota Department of Education for Independent School District #112, includes private school data for St. John's Lutheran, Guardian Angels Catholic, Southwest Christian High School, Jonathan Mont. and Step/Step Enrollment excludes K-12 District #112 buildings not located within the City.

(5) Source: Minnesota Department of Employment and Economic Development Average Annual Unemployment Rate for Carver County (not seasonally adjusted). (Number of people estimated by place of residence).

(6) Guardian Angels School permanently closed in 2020. Enrollment that year was 64 students.

(7) 2022 data is not available at this time. Data is from 2021, and will be updated as it becomes available.

PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

EMPLOYER	2022			2013		
	ESTIMATED EMPLOYEES	RANK	PERCENTAGE OF TOTAL CITY EMPLOYMENT (1)	ESTIMATED EMPLOYEES	RANK	PERCENTAGE OF TOTAL CITY EMPLOYMENT
ISD #112/Eastern Carver County	1,567	1	12.41%	1,100	1	9.24%
Beckman-Coulter, Inc	850	2	6.73%	750	4	6.20%
Entegris Inc	777	3	6.15%	350	7	2.94%
Carver County	727	4	5.76%	815	3	6.85%
City of Chaska (2)	535	5	4.24%	*	*	*
Apex International, MFG	400	6	3.17%	*	*	*
Old National Bank (3)	400	6	3.17%	*	*	*
Lake Region Manufacturing Co., Inc	370	8	2.93%	745	5	6.26%
Import Specialties, Inc.	250	9	1.98%	*	*	*
TEL-FSI, Inc (4)	140	10	1.11%	850	2	7.14%
Sanofi Diagnostics Pasteur, Inc	*	*	*	415	6	3.49%
Century Link	*	*	*	210	8	1.76%
The Bernard Group	*	*	*	210	8	1.76%
Maximum Graphics	*	*	*	190	10	1.60%
Total:	6,016		47.63%	5,635		47.24%

Sources: Minnesota Department of Employment and Economic Development, Baker Tilly survey,

(1) Total City Employment based on the most recent Metropolitan Council estimate as of 2020.

(2) Includes seasonal and part-time employees

(3) Formerly known as Klein Financial, Inc

(4) Formerly known as FSI International. Updated count from employer (2022)

* Denotes employer was not a principal employer for the year reported.

CITY OF CHASKA, MINNESOTA**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)**

FUNCTION/PROGRAM	FULL-TIME EQUIVALENT EMPLOYEES AS OF DECEMBER 31			
	2013	2014	2015	2016
General Government	28.8	29.4 (1)	30.2	31.2 (1)
Public Safety				
Police Department	32.8	30.0	30.0	31.9
Fire Department	6.4	8.8	11.5	11.1
Building Inspections (5)	0.0	0.0	0.0	0.0
Public Works	21.2	20.3	19.5	20.9
Parks, Recreation and Arts	5.7	5.6	4.6	7.2
Electric	15.9	17.0	17.6	17.6
Water	7.0	7.4	7.6	7.1
Sewer	6.7	7.2	7.0	6.9
Chaska Community Center	37.7	37.1	37.7	38.8
The Loop at Chaska (8)	2.4	2.3	2.6	2.7
Chaska Town Course	17.9	17.9	18.6	19.3
Internet Service Provider	2.3	1.0	0.0 (2)	0.0
Storm Water	2.3	2.6	2.7	3.1
Chaska Curling/Event Center	N/A	N/A	1.0 (3)	6.0
Total	186.9	186.4	190.6	203.5

Source: City of Chaska Payroll.

- (1) Includes election judges which increases General Government totals by a range of 1 - 1.2 equivalent employees each election year.
- (2) Residential internet service ended in 2015 and Chaska.Net employee moved to General Government.
- (3) Curling/Event Center opened 2015.
- (4) KPMG Golf Tournament 2019 required extra Police & Fire Hours
- (5) Building Inspectors were previously included in General Government.
- (6) Closed for reconstruction at the end of the 2020 season.
- (7) Park maintenance was moved from Public Works to Park, Recreation and Arts.
- (8) Par 30 golf course has been renamed The Loop at Chaska

Table 18

FULL-TIME EQUIVALENT EMPLOYEES AS OF DECEMBER 31									
2017	2018		2019		2020		2021		2022
29.7	32.2	(1)	32.2		31.9	(1)	29.9		32.6 (1)
31.5	32.7		35.1	(4)	35.8		35.7		37.3
12.3	14.1		16.1	(4)	16.3		16.3		18.2
0.0	0.0		0.0		5.6		6.6		6.9
22.1	24.6		25.0		25.2		24.7		12.0 (7)
7.0	7.7		9.4		8.2		8.2		22.3 (7)
17.4	16.0		17.2		19.3		17.5		19.2
7.1	6.8		6.8		6.8		6.4		6.3
7.1	6.9		6.8		6.8		6.4		6.3
39.0	38.1		39.1		35.4		31.8		35.3
2.6	2.4		2.5		2.3		0.0 (6)		0.0
18.5	18.4		18.7		18.0		20.2		19.4
0.0	0.0		0.0		0.0		0.0		0.0
3.2	2.9		2.9		2.9		2.4		3.9
8.6	9.2		9.6		8.2		7.4		8.2
206.0	211.9		221.5		222.6		213.4		227.9

CITY OF CHASKA, MINNESOTA

OPERATING INDICATORS BY FUNCTION/PROGRAM
 LAST TEN FISCAL YEARS
 (UNAUDITED)

FUNCTION / PROGRAM	FISCAL YEAR			
	2013	2014	2015	2016
Electric				
Number of Connections (Billed)	9,887	10,054	9,912	10,002
Purchased KWH Power Wholesale				
From MMPA	355,358,125	360,570,327	360,908,813	367,267,226
Total kWh Sales	342,701,568	347,410,769	350,780,886	355,853,340
Total kWh Received (8)	-	-	-	-
Peak kW Demand	76,147	72,641	70,061	77,637
Water				
Number of Connections (Billed)	6,448	6,613	6,797	6,912
Total Water Pumped (Gallons)	1,089,134,000	1,036,324,000	1,030,518,000	1,040,547,000
Total Water Sold (Gallons)	1,031,696,000	972,503,000	991,284,000	1,016,915,000
Average Daily Usage (Gallons Per Day)	2,827,000	2,664,392	2,715,847	2,786,000
System Peak Day (Gallons Per Day)	6,847,000	6,429,000	6,007,000	7,047,000
Sewer (10)				
Number of Connections (Billed)	6,380	6,545	6,710	6,827
Total Gallons Treated (Gallons)	920,399,000	930,431,000	931,203,000	924,965,000
Storm Water				
Number of Utility Customers (Billed)	7,954	8,051	8,153	8,292
Internet Service Provider (5)				
Number of Connections (Billed)	1,080	730	2	2
Golf Courses				
Town Course Rounds / Golfers	28,519	31,199	34,253	33,403
The Loop at Chaska (Par 30) Rounds / Golfers (11)	14,982	14,907	15,560	14,810
Par 30 Rounds / Foot Golf (4)	-	-	1,925	1,108
General Government / Building Department				
Building Permits And Market Value				
Commercial, Industrial And Public (1)				
Permits	44	51	43	38
Market Value (7)	\$ 37,794,640	\$ 11,117,620	\$ 26,204,786	\$ 14,769,385
Single Family Homes And Townhomes (2)				
Permits	130	138	135	134
Market Value	\$ 34,957,157	\$ 35,216,150	\$ 35,690,048	\$ 34,199,578
Condos, Apartments And Multi-Family Homes (2)				
Permits	8	6	1	10
Market Value	\$ 3,317,416	\$ 5,005,291	\$ 17,000,000	\$ 6,303,563
Misc. Residential And Other Bldgs (3)				
Permits	620	591	658	1,234
Market Value (6)	\$ 6,337,948	\$ 6,642,933	\$ 8,275,817	\$ 15,058,650
Total Building Permits:	802	786	837	1,416
Total Market Value:	\$ 82,407,161	\$ 57,981,994	\$ 87,170,651	\$ 70,331,176

Source: City Utility, Golf Courses and Building Departments.

- (1) Includes new construction and additions/alterations.
- (2) Includes new construction only.
- (3) Includes additions, alterations, garages, accessory structures, pools and commercial re-roofing.
- (4) Par 30 Golf Course introduced Foot Golf in 2015 which was offered through the 2019 season.
- (5) Residential internet service ended in 2015. 2018 was last year of billed service to outside customers.
- (6) 2016 Miscellaneous residential and other buildings includes 1,138 residential single family alterations/additions valued at \$12,102,429. 2021 was a record year for miscellaneous residential permits for alterations/additions.
- (7) 2017 increase in the market value of commercial, industrial and public permits is due to several large projects including a new Data Center valued at \$32.3 million.
- (8) In 2017 started tracking annual kWh Sales Received on a Gross basis rather than a Net basis
- (9) Par 30 closed for construction at the end of the 2020 season.
- (10) Sewer Service through Metropolitan Council Environmental Services
- (11) Par 30 golf course has been renamed The Loop at Chaska

Table 19

FISCAL YEAR					
2017	2018	2019	2020	2021	2022
10,240	10,296	10,488	10,618	10,739	11,000
364,637,712	383,993,272	388,005,113	399,816,088	415,067,637	419,512,809
354,994,175	371,631,841	374,349,964	383,968,650	403,721,262	408,983,778
1,267	29,118	38,945	94,676	232,636	449,364
73,472	78,428	77,413	80,485	85,839	86,662
7,063	7,151	7,260	7,362	7,487	7,720
1,071,455,000	1,037,845,000	1,030,142,000	1,100,289,000	1,232,289,000	1,223,274,000
1,029,698,000	981,943,000	986,551,000	1,056,638,979	1,177,971,910	1,166,580,000
2,821,000	2,843,411	2,822,000	2,895,000	3,227,320	3,196,109
6,554,000	6,579,000	5,939,000	6,589,000	7,376,000	7,824,000
6,916	6,999	7,093	7,186	7,304	7,545
912,076,000	845,848,000	870,838,000	882,570,979	909,148,000	895,871,000
8,364	8,438	8,517	8,615	8,728	9,152
2	2	-	-	-	-
32,642	30,157	29,374	38,550	42,715	39,094
14,130	13,206	13,020	20,488	- (9)	-
681	647	380	-	-	-
45	49	34	47	44	344
\$ 69,759,098	\$ 14,207,139	\$ 6,587,100	\$ 8,694,470	\$ 22,041,285	\$ 76,853,099
103	78	114	113	226	177
\$ 24,339,375	\$ 18,788,936	\$ 31,901,390	\$ 28,362,364	\$ 74,768,560	\$ 57,411,144
-	1	-	-	-	3
\$ -	\$ 17,500,000	\$ -	\$ -	\$ -	\$ 25,407,216
678	570	636	917	1,363	2,063
\$ 11,310,594	\$ 7,125,660	\$ 7,365,467	\$ 14,342,105	\$ 23,491,778	\$ 19,902,467
826	698	784	1,077	1,633	2,587
\$ 105,409,067	\$ 57,621,735	\$ 45,853,957	\$ 51,398,939	\$ 120,301,623	\$ 179,573,926

CITY OF CHASKA, MINNESOTA

**CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)**

FUNCTION/PROGRAM	FISCAL YEAR			
	2013	2014	2015	2016
Public Safety				
Police:				
Stations	1	1	1	1
Fire:				
Stations	1	1	1	1
Number of Fire Hydrants (Private)	1,865	414 (2)	416	422
Number of Fire Hydrants (Public)		1,371 (2)	1,390	1,393
Public Works				
Miles of Streets:				
City / Local	78.19	76.81 (1)	77.78	78.36
City MSA	20.47	20.95	20.95	20.94
Parks, Recreation and Arts				
Number of Parks	26	26	26	26
Acres of Parks	970	970	970	973
Miles of Trails	66	66	67	67
Golf Courses	2	2	2	2
Electric				
Number of Substations	4	4	3 (3)	3
Water				
Water Mains (Miles)	151	153	154	155
Number of Wells	6	6	6	6
Total Pumping Capacity (Gallons Per Day)	13,400,000	13,400,000	13,400,000	13,400,000
Filtration Capacity (Gallons Per Day)	12,600,000	12,600,000	12,600,000	12,600,000
Total Storage Capacity (Gallons)	4,800,000	4,800,000	4,800,000	4,800,000

Source: City Departments

- (1) Decrease in City / Local Streets due to Common Boundary Mileage per State Aid Division.
 (2) Count of hydrants was recalculated per City GIS system resulting in an adjustment downward of 80 hydrants. Prior years have not been restated.
 (3) Closed the Chaska Downtown Substation to convert it into a switching station.

Table 20

FISCAL YEAR					
2017	2018	2019	2020	2021	2022
1	1	1	1	1	1
1	1	1	1	1	1
494	517	518	521	526	525
1,393	1,431	1,450	1,504	1,521	1,531
79.17	79.36	80.71	81.70	83.65	86.50
20.94	20.79	20.79	22.92	22.98	22.98
26	26	28	28	28	29
973	973	985	985	985	992
68	68	69	70.5	70.5	71.0
2	2	2	2	2	2
3	4	4	4	4	4
155	160	163	169	172	174
6	6	6	6	6	6
13,400,000	13,400,000	13,400,000	13,400,000	13,400,000	13,400,000
12,600,000	12,600,000	12,600,000	12,600,000	12,600,000	12,600,000
4,800,000	4,800,000	4,800,000	4,800,000	4,800,000	4,800,000

TERMS OF PROPOSAL

THE AUTHORITY HAS AUTHORIZED BAKER TILLY MUNICIPAL ADVISORS, LLC TO NEGOTIATE THIS ISSUE ON ITS BEHALF. PROPOSALS WILL BE RECEIVED ON THE FOLLOWING BASIS:

\$51,370,000*

ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF CHASKA, MINNESOTA

LEASE REVENUE BONDS, SERIES 2024A (CITY OF CHASKA, MINNESOTA LEASE OBLIGATION)

(BOOK ENTRY ONLY)

Proposals for the above-referenced obligations (the “Bonds”) will be received by the Economic Development Authority of the City of Chaska, Minnesota (the “Authority”) on Monday, June 24, 2024, (the “Sale Date”) until 10:00 A.M., Central Time (the “Sale Time”) at the offices of Baker Tilly Municipal Advisors, LLC (“Baker Tilly MA”), 30 East 7th Street, Suite 3025, Saint Paul, MN 55101, after which time proposals will be opened and tabulated. Consideration for award of the Bonds will be by a designated pricing committee (the “Pricing Committee”) following the opening of proposals.

SUBMISSION OF PROPOSALS

Baker Tilly MA will assume no liability for the inability of a bidder or its proposal to reach Baker Tilly MA prior to the Sale Time, and neither the Authority nor Baker Tilly MA shall be responsible for any failure, misdirection or error in the means of transmission selected by any bidder. All bidders are advised that each proposal shall be deemed to constitute a contract between the bidder and the Authority to purchase the Bonds regardless of the manner in which the proposal is submitted.

(a) **Sealed Bidding.** Completed, signed proposals may be submitted to Baker Tilly MA by email to bids@bakertilly.com and must be received prior to the Sale Time.

OR

(b) **Electronic Bidding.** Proposals may also be received via PARITY®. For purposes of the electronic bidding process, the time as maintained by PARITY® shall constitute the official time with respect to all proposals submitted to PARITY®. *Each bidder shall be solely responsible for making necessary arrangements to access PARITY® for purposes of submitting its electronic proposal in a timely manner and in compliance with the requirements of the Terms of Proposal.* Neither the Authority, its agents, nor PARITY® shall have any duty or obligation to undertake registration to bid for any prospective bidder or to provide or ensure electronic access to any qualified prospective bidder, and neither the Authority, its agents, nor PARITY® shall be responsible for a bidder’s failure to register to bid or for any failure in the proper operation of, or have any liability for any delays or interruptions of or any damages caused by the services of PARITY®. The Authority is using the services of PARITY® solely as a communication mechanism to conduct the electronic bidding for the Bonds, and PARITY® is not an agent of the Authority.

If any provisions of this Terms of Proposal conflict with information provided by PARITY®, this Terms of Proposal shall control. Further information about PARITY®, including any fee charged, may be obtained from:

PARITY®, 1359 Broadway, 2nd Floor, New York, New York 10018
Customer Support: (212) 849-5000

*Preliminary; subject to change.

Baker Tilly Municipal Advisors, LLC is a registered municipal advisor and controlled subsidiary of Baker Tilly US, LLP, an accounting firm. Baker Tilly US, LLP trading as Baker Tilly is a member of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities. © 2024 Baker Tilly Municipal Advisors, LLC.

DETAILS OF THE BONDS

The Bonds will be dated as of the date of delivery and will bear interest payable on February 1 and August 1 of each year, commencing February 1, 2025. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

The Bonds will mature February 1 in the years and amounts as follows:

2026	\$1,020,000	2032	\$1,245,000	2038	\$1,515,000	2044	\$1,920,000	2050	\$2,495,000
2027	\$1,055,000	2033	\$1,285,000	2039	\$1,570,000	2045	\$2,005,000	2051	\$2,610,000
2028	\$1,095,000	2034	\$1,330,000	2040	\$1,630,000	2046	\$2,090,000	2052	\$2,730,000
2029	\$1,130,000	2035	\$1,375,000	2041	\$1,695,000	2047	\$2,185,000	2053	\$2,860,000
2030	\$1,170,000	2036	\$1,420,000	2042	\$1,765,000	2048	\$2,280,000	2054	\$2,995,000
2031	\$1,210,000	2037	\$1,465,000	2043	\$1,840,000	2049	\$2,385,000		

*The Authority reserves the right, after proposals are opened and prior to award, to increase or reduce the principal amount of the Bonds or the amount of any maturity or maturities in multiples of \$5,000. In the event the amount of any maturity is modified, the aggregate purchase price will be adjusted to result in the same gross spread per \$1,000 of Bonds as that of the original proposal. Gross spread for this purpose is the differential between the price paid to the Authority for the new issue and the prices at which the proposal indicates the securities will be initially offered to the investing public.

BOOK ENTRY SYSTEM

The Bonds will be issued by means of a book entry system with no physical distribution of Bonds made to the public. The Bonds will be issued in fully registered form and one Bond, representing the aggregate principal amount of the Bonds maturing in each year, will be registered in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), New York, New York, which will act as securities depository for the Bonds. Individual purchases of the Bonds may be made in the principal amount of \$5,000 or any multiple thereof of a single maturity through book entries made on the books and records of DTC and its participants. Principal and interest are payable by the registrar to DTC or its nominee as registered owner of the Bonds. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC; transfer of principal and interest payments to beneficial owners by participants will be the responsibility of such participants and other nominees of beneficial owners. The lowest bidder (the "Purchaser"), as a condition of delivery of the Bonds, will be required to deposit the Bonds with DTC.

TRUSTEE

U.S. Bank Trust Company, National Association, Saint Paul, Minnesota will serve as trustee (the "Trustee") for the Bonds, and the Authority will pay for the services of the Trustee.

OPTIONAL REDEMPTION

The Authority may elect on February 1, 2034, and on any day thereafter, to redeem Bonds due on or after February 1, 2035. The Bonds are subject redemption at the option of the Authority on any Business Day, in whole or in part in integral multiples of \$5,000, and if in part in such order of maturity dates as the Authority may determine and by lot or other manner deemed fair as to Bonds maturing on the same date, in the event that all or any part of the Project is lost, stolen, destroyed or damaged beyond repair and the Authority determines that the reconstruction and restoration of the Project to its prior condition is not economically feasible. All prepayments shall be at a price equal to the principal amount thereof to be redeemed plus accrued interest to the redemption date.

SECURITY AND PURPOSE

The Bonds will be special, limited obligations of the Authority payable solely from rental payments to be received by the Authority from the City of Chaska, Minnesota (the "City") pursuant to a Lease Agreement

between the Authority and the City dated July 1, 2024 (the "Lease"). The Bonds will be issued pursuant to a Trust Indenture between the Authority and the Trustee dated July 1, 2024 (the "Indenture"); a resolution of the Authority dated May 20, 2024 (the "Authority Resolution"); and a concurring resolution of the City dated May 20, 2024 (the "City Resolution"). The Bonds do not constitute a debt for which the faith and credit or taxing powers of the Authority, the City, or the State of Minnesota will be pledged. The City's obligation under the Lease is subject to annual appropriation. The proceeds of the Bonds will be used to (i) construct a new public safety campus within the City; (ii) fund capitalized interest to pay a portion of the debt service due on the Bonds; and (iii) pay the costs associated with the issuance of the Bonds. The Project is pledged as collateral for the Bonds pursuant to the terms of the Indenture and the Lease. Upon termination of the Lease in the event of nonappropriation, the City shall not be responsible for the payment of any additional Rental Payments coming due with respect to succeeding Fiscal Years, but if the City has not delivered possession of the Project to the Authority in accordance with the terms of the Lease and conveyed to the Authority or released its interest in the Project granted under the Lease within ten (10) days after the termination of the Lease, the termination shall nevertheless be effective, but the City shall be responsible for the payment of damages in an amount equal to the amount of the Rental Payments thereafter coming due which are attributable to the number of days after such ten (10) day period during which the City fails to take such actions. Upon termination of the Lease upon nonappropriation, the Trustee, on behalf of the Authority, may lease or sell the Authority's interests in the Project or any portion thereof in a commercially reasonable manner at public or private sale in accordance with applicable State laws and apply the proceeds of such lease or sale in accordance with the Trust Indenture.

NOT BANK QUALIFIED TAX-EXEMPT OBLIGATIONS

The Authority will not designate the Bonds as qualified tax-exempt obligations for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

BIDDING PARAMETERS

Proposals shall be for not less than \$51,370,000 (Par) plus accrued interest, if any, on the total principal amount of the Bonds. Rates shall be in integral multiples of 1/100 or 1/8 of 1%. The initial price to the public for each maturity as stated on the proposal must be 98.0% or greater.

Proposals for the Bonds may contain a maturity schedule providing for a combination of serial bonds and term bonds. All term bonds shall be subject to mandatory sinking fund redemption at a price of par plus accrued interest to the date of redemption scheduled to conform to the maturity schedule set forth herein. In order to designate term bonds, the proposal must specify "Years of Term Maturities" in the spaces provided on the proposal form.

No proposal can be withdrawn or amended after the time set for receiving proposals unless award of the Bonds is not made by the Pricing Committee following the opening of proposals, as designated by the Authority Resolution. Bonds of the same maturity shall bear a single rate from the date of the Bonds to the date of maturity. No conditional proposals will be accepted.

ESTABLISHMENT OF ISSUE PRICE

In order to establish the issue price of the Bonds for federal income tax purposes, the Authority requires bidders to agree to the following, and by submitting a proposal, each bidder agrees to the following.

If a proposal is submitted by a potential underwriter, the bidder confirms that (i) the underwriters have offered or reasonably expect to offer the Bonds to the public on or before the date of the award at the offering price (the "initial offering price") for each maturity as set forth in the proposal and (ii) the bidder, if it is the winning bidder, shall require any agreement among underwriters, selling group agreement, third-party distribution agreement or other agreement relating to the initial sale of the Bonds to the public to which it is a party to include provisions requiring compliance by all parties to such agreements with the provisions contained herein. For purposes hereof, Bonds with a separate CUSIP number constitute a

separate “maturity,” and “the public” does not include underwriters of the Bonds (including members of a selling group or retail distribution group) or persons related to underwriters of the Bonds.

If, however, a proposal is submitted for the bidder’s own account in a capacity other than as an underwriter of the Bonds, and the bidder has no current intention to sell, reoffer, or otherwise dispose of the Bonds, the bidder shall notify the District to that effect at the time it submits its proposal and shall provide a certificate to that effect in place of the certificate otherwise required below.

If the winning bidder intends to act as an underwriter, the Authority shall advise the winning bidder at or prior to the time of award whether (i) the competitive sale rule or (ii) the “hold-the-offering price” rule applies.

If the Authority advises the Purchaser that the requirements for a competitive sale have been satisfied and that the competitive sale rule applies, the Purchaser will be required to deliver to the Authority at or prior to closing a certification, substantially in the form attached hereto as Exhibit A, as to the reasonably expected initial offering price as of the award date.

If the Authority advises the Purchaser that the requirements for a competitive sale have not been satisfied, the hold-the-offering price rule will apply. The Purchaser shall (1) upon the request of the Authority confirm that the underwriters did not offer or sell any maturity of the Bonds to any person at a price higher than the initial offering price of that maturity during the period starting on the award date and ending on the earlier of (a) the close of the fifth business day after the sale date or (b) the date on which the underwriters have sold at least 10% of that maturity to the public at or below the initial offering price; and (2) at or prior to closing, deliver to the Authority a certification substantially in the form attached hereto as Exhibit B, together with a copy of the pricing wire.

Any action to be taken or documentation to be received by the Authority pursuant hereto may be taken or received on behalf of the Authority by Baker Tilly MA.

Bidders should prepare their proposals on the assumption that the Bonds will be subject to the “hold-the-offering-price” rule. Any proposal submitted pursuant to the Terms of Proposal shall be considered a firm offer for the purchase of the Bonds, and proposals submitted will not be subject to cancellation or withdrawal.

GOOD FAITH DEPOSIT

To have its proposal considered for award, the Purchaser is required to submit a good faith deposit via wire transfer to the Authority in the amount of \$513,700 (the “Deposit”) no later than 1:00 P.M., Central Time on the Sale Date. The Purchaser shall be solely responsible for the timely delivery of its Deposit, and neither the Authority nor Baker Tilly MA have any liability for delays in the receipt of the Deposit. If the Deposit is not received by the specified time, the Authority may, at its sole discretion, reject the proposal of the lowest bidder, direct the second lowest bidder to submit a Deposit, and thereafter award the sale to such bidder.

A Deposit will be considered timely delivered to the Authority upon submission of a federal wire reference number by the specified time. Wire transfer instructions will be available from Baker Tilly MA following the receipt and tabulation of proposals. The successful bidder must send an e-mail including the following information: (i) the federal reference number and time released; (ii) the amount of the wire transfer; and (iii) the issue to which it applies.

Once an award has been made, the Deposit received from the Purchaser will be retained by the Authority and no interest will accrue to the Purchaser. The amount of the Deposit will be deducted at settlement from the purchase price. In the event the Purchaser fails to comply with the accepted proposal, said amount will be retained by the Authority.

AWARD

The Bonds will be awarded on the basis of the lowest interest rate to be determined on a true interest cost (TIC) basis calculated on the proposal prior to any adjustment made by the Authority. The Authority's computation of the interest rate of each proposal, in accordance with customary practice, will be controlling.

The Authority will reserve the right to: (i) waive non-substantive informalities of any proposal or of matters relating to the receipt of proposals and award of the Bonds, (ii) reject all proposals without cause, and (iii) reject any proposal that the Authority determines to have failed to comply with the terms herein.

BOND INSURANCE AT PURCHASER'S OPTION

The Authority has **not** applied for or pre-approved a commitment for any policy of municipal bond insurance with respect to the Bonds. If the Bonds qualify for municipal bond insurance and a bidder desires to purchase a policy, such indication, the maturities to be insured, and the name of the desired insurer must be set forth on the bidder's proposal. The Authority specifically reserves the right to reject any proposal specifying municipal bond insurance, even though such proposal may result in the lowest TIC to the Authority. All costs associated with the issuance and administration of such policy and associated ratings and expenses (other than any independent rating requested by the Authority) shall be paid by the successful bidder. Failure of the municipal bond insurer to issue the policy after the award of the Bonds shall not constitute cause for failure or refusal by the successful bidder to accept delivery of the Bonds.

CUSIP NUMBERS

If the Bonds qualify for the assignment of CUSIP numbers such numbers will be printed on the Bonds; however, neither the failure to print such numbers on any Bond nor any error with respect thereto will constitute cause for failure or refusal by the Purchaser to accept delivery of the Bonds. Baker Tilly MA will apply for CUSIP numbers pursuant to Rule G-34 implemented by the Municipal Securities Rulemaking Board. The CUSIP Service Bureau charge for the assignment of CUSIP identification numbers shall be paid by the Purchaser.

SETTLEMENT

On or about July 17, 2024, the Bonds will be delivered without cost to the Purchaser through DTC in New York, New York. Delivery will be subject to receipt by the Purchaser of an approving legal opinion of Dorsey & Whitney LLP of Minneapolis, Minnesota, and of customary closing papers, including a no-litigation certificate. On the date of settlement, payment for the Bonds shall be made in federal, or equivalent, funds that shall be received at the offices of the Authority or its designee not later than 12:00 Noon, Central Time. Unless compliance with the terms of payment for the Bonds has been made impossible by action of the Authority, or its agents, the Purchaser shall be liable to the Authority for any loss suffered by the Authority by reason of the Purchaser's non-compliance with said terms for payment.

CONTINUING DISCLOSURE

In accordance with SEC Rule 15c2-12(b)(5), the Authority will undertake, pursuant to the Authority Resolution, to provide annual reports and notices of certain events. A description of this undertaking is set forth in the Official Statement. The Purchaser's obligation to purchase the Bonds will be conditioned upon receiving evidence of this undertaking at or prior to delivery of the Bonds.

OFFICIAL STATEMENT

The Authority has authorized the preparation of a Preliminary Official Statement containing pertinent information relative to the Bonds, and said Preliminary Official Statement has been deemed final by the Authority as of the date thereof within the meaning of Rule 15c2-12 of the Securities and Exchange Commission. The City has also provided a certificate regarding the accuracy and completeness of the Preliminary Official Statement. For an electronic copy of the Preliminary Official Statement or for any additional information prior to sale, any prospective purchaser is referred to the Municipal Advisor to the

Authority, Baker Tilly Municipal Advisors, LLC, by telephone (651) 223-3000, or by email bids@bakertilly.com.

A Final Official Statement (as that term is defined in Rule 15c2-12) will be prepared, specifying the maturity dates, principal amounts, and interest rates of the Bonds, together with any other information required by law. By awarding the Bonds to the Purchaser, the Authority agrees that, no more than seven business days after the date of such award, it shall provide to the Purchaser an electronic copy of the Final Official Statement. The Authority designates the Purchaser as its agent for purposes of distributing the Final Official Statement to each syndicate member, if applicable. The Purchaser agrees that if its proposal is accepted by the Authority, (i) it shall accept designation and (ii) it shall enter into a contractual relationship with its syndicate members for purposes of assuring the receipt of the Final Official Statement by each such syndicate member.

Dated May 20, 2024

BY ORDER OF THE BOARD OF COMMISSIONERS

/s/ Matthew Podhradsky
Executive Director

EXHIBIT A

ISSUE PRICE CERTIFICATE – COMPETITIVE SALES WITH AT LEAST THREE BIDS FROM
ESTABLISHED UNDERWRITERS

\$[PRINCIPAL AMOUNT]
[BOND CAPTION]
ISSUE PRICE CERTIFICATE

The undersigned, on behalf of [NAME OF UNDERWRITER] (“[SHORT NAME OF UNDERWRITER]”), hereby certifies as set forth below with respect to the sale of the obligations named above (the “Bonds”).

1. ***Reasonably Expected Initial Offering Price.***

(a) As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by [SHORT NAME OF UNDERWRITER] are the prices listed in Schedule A (the “Expected Offering Prices”). The Expected Offering Prices are the prices for the Maturities of the Bonds used by [SHORT NAME OF UNDERWRITER] in formulating its bid to purchase the Bonds. Attached as Schedule B is a true and correct copy of the bid provided by [SHORT NAME OF UNDERWRITER] to purchase the Bonds.

(b) [SHORT NAME OF UNDERWRITER] was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by [SHORT NAME OF UNDERWRITER] constituted a firm offer to purchase the Bonds.

2. ***Defined Terms.*** For purposes of this Issue Price Certificate:

(a) *Authority* means [DESCRIBE ISSUER].

(b) *Maturity* means Bonds with the same credit and payment terms. Any Bonds with different maturity dates, or with the same maturity date but different stated interest rates, are treated as separate Maturities.

(c) *Member of the Distribution Group* means (i) any person that agrees pursuant to a written contract with the Authority (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

(d) *Public* means any person (i.e., an individual, trust, estate, partnership, association, company, or corporation) other than a Member of the Distribution Group or a related party to a Member of the Distribution Group. A person is a “related party” to a Member of the Distribution Group if the Member of the Distribution Group and that person are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

(e) *Sale Date* means the first day on which there is a binding contract in writing for the sale of the respective Maturity. The Sale Date of each Maturity was [DATE].

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents [SHORT NAME OF UNDERWRITER]’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Authority[and BORROWER (the “Borrower”)] with respect to certain of the representations set forth in the [Tax Certificate][Tax Exemption Agreement] and with respect to compliance with the federal income tax rules affecting the Bonds, and by [BOND COUNSEL] in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038[-G][-GC][-TC], and other federal income tax advice that it may give to the Authority[and the Borrower] from time to time relating to the Bonds.

[UNDERWRITER]

By: _____

Name: _____

Dated: [ISSUE DATE]

SCHEDULE A
EXPECTED OFFERING PRICES
(Attached)

SCHEDULE B
COPY OF UNDERWRITER'S BID
(Attached)

EXHIBIT B

ISSUE PRICE CERTIFICATE – COMPETITIVE SALES WITH FEWER THAN THREE BIDS FROM ESTABLISHED UNDERWRITERS

\$(PRINCIPAL AMOUNT)
[BOND CAPTION]
ISSUE PRICE CERTIFICATE

The undersigned, on behalf of [NAME OF UNDERWRITER/REPRESENTATIVE] (“[SHORT NAME OF UNDERWRITER]”)[the “Representative”]), on behalf of itself and [NAMES OF OTHER UNDERWRITERS] (together, the “Underwriting Group”), hereby certifies as set forth below with respect to the sale of the obligations named above (the “Bonds”).

1. **Initial Offering Price of the Bonds.** [SHORT NAME OF UNDERWRITER][The Underwriting Group] offered the Bonds to the Public for purchase at the specified initial offering prices listed in Schedule A (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire for the Bonds is attached to this certificate as Schedule B.

2. **First Price at which Sold to the Public.** On the Sale Date, at least 10% of each Maturity [listed in Schedule C] was first sold to the Public at the respective Initial Offering Price [or price specified [therein][in Schedule C], if different].

3. **Hold the Offering Price Rule.** [SHORT NAME OF UNDERWRITER][Each member of the Underwriting Group] has agreed in writing that, (i) for each Maturity less than 10% of which was first sold to the Public at a single price as of the Sale Date, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “Hold-the-Offering-Price Rule”), and (ii) any agreement among underwriters, selling group agreement, or third-party distribution agreement contains the agreement of each underwriter, dealer, or broker-dealer who is a party to such agreement to comply with the Hold-the-Offering-Price Rule. Based on the [Representative][SHORT NAME OF UNDERWRITER]’s own knowledge and, in the case of sales by other Members of the Distribution Group, representations obtained from the other Members of the Distribution Group, no Member of the Distribution Group has offered or sold any such Maturity at a price that is higher than the respective Initial Offering Price during the respective Holding Period.

4. **Defined Terms.** For purposes of this Issue Price Certificate:

(a) **Holding Period** means the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date ([DATE]), or (ii) the date on which Members of the Distribution Group have sold at least 10% of such Maturity to the Public at one or more prices, none of which is higher than the Initial Offering Price for such Maturity.

(b) **Authority** means [DESCRIBE ISSUER].

(c) **Maturity** means Bonds with the same credit and payment terms. Any Bonds with different maturity dates, or with the same maturity date but different stated interest rates, are treated as separate Maturities.

(d) **Member of the Distribution Group** means (i) any person that agrees pursuant to a written contract with the Authority (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

(e) **Public** means any person (i.e., an individual, trust, estate, partnership, association, company, or corporation) other than a Member of the Distribution Group or a related party to a Member of the Distribution Group. A person is a “related party” to a Member of the Distribution Group if the Member of the Distribution Group and that person are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

(f) **Sale Date** means the first day on which there is a binding contract in writing for the sale of the respective Maturity. The Sale Date of each Maturity was [DATE].

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents [NAME OF UNDEWRITING FIRM][the Representative’s] interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Authority[and BORROWER (the “Borrower”)] with respect to certain of the representations set forth in the [Tax Certificate][Tax Exemption Agreement] and with respect to compliance with the federal income tax rules affecting the Bonds, and by [BOND COUNSEL] in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service

Form 8038[-G][-GC][-TC], and other federal income tax advice that it may give to the Authority[and the Borrower] from time to time relating to the Bonds.

[UNDERWRITER][REPRESENTATIVE]

By: _____

Name: _____

Dated: [ISSUE DATE]

SCHEDULE A
INITIAL OFFERING PRICES OF THE BONDS

(Attached)

**SCHEDULE B
PRICING WIRE**

(Attached)

SCHEDULE C
SALES OF AT LEAST 10% OF MATURITY TO THE PUBLIC ON THE SALE DATE
AT THE INITIAL OFFERING PRICE

(Attached)

ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF CHASKA, MINNESOTA
\$51,370,000* Lease Revenue Bonds, Series 2024A

For the Bonds of this Issue which shall mature and bear interest at the respective annual rates, as follow, we offer a price of \$_____ (which may not be less than \$_____) plus accrued interest, if any, to the date of delivery.

Year	Interest Rate (%)	Yield (%)	Dollar Price	Year	Interest Rate (%)	Yield (%)	Dollar Price
2026	_____ %	_____ %	_____ %	2041	_____ %	_____ %	_____ %
2027	_____ %	_____ %	_____ %	2042	_____ %	_____ %	_____ %
2028	_____ %	_____ %	_____ %	2043	_____ %	_____ %	_____ %
2029	_____ %	_____ %	_____ %	2044	_____ %	_____ %	_____ %
2030	_____ %	_____ %	_____ %	2045	_____ %	_____ %	_____ %
2031	_____ %	_____ %	_____ %	2046	_____ %	_____ %	_____ %
2032	_____ %	_____ %	_____ %	2047	_____ %	_____ %	_____ %
2033	_____ %	_____ %	_____ %	2048	_____ %	_____ %	_____ %
2034	_____ %	_____ %	_____ %	2049	_____ %	_____ %	_____ %
2035	_____ %	_____ %	_____ %	2050	_____ %	_____ %	_____ %
2036	_____ %	_____ %	_____ %	2051	_____ %	_____ %	_____ %
2037	_____ %	_____ %	_____ %	2052	_____ %	_____ %	_____ %
2038	_____ %	_____ %	_____ %	2053	_____ %	_____ %	_____ %
2039	_____ %	_____ %	_____ %	2054	_____ %	_____ %	_____ %
2040	_____ %	_____ %	_____ %				

Designation of Term Maturities

Years of Term Maturities _____

In making this offer on the sale date of June 24, 2024 we accept all of the terms and conditions of the Terms of Proposal published in the Preliminary Official Statement dated June 14, 2024 including the Authority’s right to modify the principal amount of the Bonds. (See “Terms of Proposal” herein.) In the event of failure to deliver these Bonds in accordance with said Terms of Proposal, we reserve the right to withdraw our offer, whereupon the deposit accompanying it will be immediately returned. All blank spaces of this offer are intentional and are not to be construed as an omission.

By submitting this proposal, we confirm that we have an established industry reputation for underwriting municipal bonds such as the Bonds.

Not as a part of our offer, the above quoted prices being controlling, but only as an aid for the verification of the offer, we have made the following computations:

NET INTEREST COST: \$ _____

TRUE INTEREST RATE: _____ %

The Bidder ☐ will not ☐ will purchase municipal bond insurance from _____.

Account Members

Account Manager
By: _____
Phone: _____

.....
The foregoing proposal has been accepted by the Authority.

Attest: _____

Date: _____

Phone: 651-223-3000

Email: bids@bakertilly.com

* Preliminary; subject to change.

\$51,370,000*

**ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF CHASKA, MINNESOTA
LEASE REVENUE BONDS, SERIES 2024A
(CITY OF CHASKA, MINNESOTA LEASE OBLIGATION)**

S&P Rating: AA-

Sale Date: June 24, 2024

**BBI: 3.90%
Average Maturity: 18.203 Years**

Bidder	TIC
RBC Capital Markets	4.0764%
Mesirow Financial, Inc.	4.1691%
Fidelity Capital Markets	4.1930%
TD Securities (USA) LLC	4.1954%
Hilltop Securities Inc.	4.2248%
Wells Fargo Bank, National Association	4.2459%
Robert W. Baird & Co., Incorporated	4.2554%

Winning Bidder Information	Maturity	Interest Rate	Reoffering Yield	Reoffering Price
RBC CAPITAL MARKETS	2/1/2026	5.000%	3.250%	102.604%
	2/1/2027	5.000%	3.150%	104.478%
	2/1/2028	5.000%	3.150%	106.148%
	2/1/2029	5.000%	3.150%	107.766%
	2/1/2030	5.000%	3.150%	109.334%
	2/1/2031	5.000%	3.150%	110.854%
	2/1/2032	5.000%	3.150%	112.327%
	2/1/2033	5.000%	3.150%	113.755%
	2/1/2034	5.000%	3.150%	115.139%
	2/1/2035	5.000%	3.160%	115.050%
	2/1/2036	5.000%	3.200%	114.695%
	2/1/2037	5.000%	3.300%	113.813%
	2/1/2038	5.000%	3.390%	113.027%
	2/1/2039	5.000%	3.450%	112.506%
	2/1/2040	5.000%	3.570%	111.473%
	2/1/2041	4.000%	3.850%	101.186%
	2/1/2042	4.000%	3.900%	100.788%
	2/1/2043	4.000%	3.950%	100.392%
	2/1/2044	4.000%	4.000%	100.000%
	2/1/2049	4.000%	4.130%	98.000%
	2/1/2054	4.125%	4.244%	98.000%

Purchase Price: \$52,604,496.70*
Net Interest Cost: \$38,428,848.09*
TIC: 4.076%*

* Subsequent to bid opening, the par amount decreased to \$49,650,000; and the price, net interest cost, and true interest cost have changed to \$50,765,576.50, \$37,836,627.77, and 4.1132%, respectively.

Baker Tilly Municipal Advisors, LLC is a registered municipal advisor and controlled subsidiary of Baker Tilly Advisory Group, LP. Baker Tilly Advisory Group, LP and Baker Tilly US, LLP, trading as Baker Tilly, operate under an alternative practice structure and are members of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities. Baker Tilly US, LLP is a licensed CPA firm and provides assurance services to its clients. Baker Tilly Advisory Group, LP and its subsidiary entities provide tax and consulting services to their clients and are not licensed CPA firms. ©2024 Baker Tilly Municipal Advisors, LLC

RBC Capital Markets - New York, NY's Bid
ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF CHASKA, MINNESOTA
\$51,370,000 \$49,650,000 Lease Revenue Bonds, Series 2024A

For the aggregate principal amount of ~~\$51,370,000.00~~ \$49,650,000.00, we will pay you ~~\$52,604,496.70~~ \$50,765,576.50, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Amount \$	Coupon %	Yield %	Dollar Price	Bond Insurance
02/01/2026	4,020M	835M	5.0000	3.2500	102.604	
02/01/2027	4,055M	875M	5.0000	3.1500	104.478	
02/01/2028	4,095M	920M	5.0000	3.1500	106.148	
02/01/2029	4,130M	965M	5.0000	3.1500	107.766	
02/01/2030	4,170M	1,010M	5.0000	3.1500	109.334	
02/01/2031	4,210M	1,060M	5.0000	3.1500	110.854	
02/01/2032	4,245M	1,115M	5.0000	3.1500	112.327	
02/01/2033	4,285M	1,170M	5.0000	3.1500	113.755	
02/01/2034	4,330M	1,230M	5.0000	3.1500	115.139	
02/01/2035	4,375M	1,290M	5.0000	3.1600	115.050	
02/01/2036	4,420M	1,355M	5.0000	3.2000	114.695	
02/01/2037	4,465M	1,425M	5.0000	3.3000	113.813	
02/01/2038	4,515M	1,495M	5.0000	3.3900	113.027	
02/01/2039	4,570M	1,570M	5.0000	3.4500	112.506	
02/01/2040	4,630M	1,650M	5.0000	3.5700	111.473	
02/01/2041	4,695M	1,730M	4.0000	3.8500	101.186	
02/01/2042	4,765M	1,800M	4.0000	3.9000	100.788	
02/01/2043	4,840M	1,870M	4.0000	3.9500	100.392	
02/01/2044	4,920M	1,945M	4.0000	4.0000	100.000	
02/01/2045	-					
02/01/2046	-					
02/01/2047	-					
02/01/2048	-					
02/01/2049	40,945M	10,965M	4.0000	4.1300	98.000	
02/01/2050	-					
02/01/2051	-					
02/01/2052	-					
02/01/2053	-					
02/01/2054	43,690M	13,375M	4.1250	4.2440	98.000	

Total Interest Cost: \$39,663,344.79 \$38,952,204.27
Premium: \$1,234,496.70 \$1,115,576.50
Net Interest Cost: \$38,428,848.09 \$37,836,627.77
TIC: 4.076438 4.113299
Total Insurance Premium: \$0.00
Time Last Bid Received On: 06/24/2024 9:59:47 CDST

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Bidder: RBC Capital Markets, New York, NY
Contact: David Officer
Title: Director
Telephone: 212-858-7353

Issuer Name: Economic Development Authority of the City of Chaska

Accepted By:

Matthew [Signature]
6-24-2024, 2:48 PM - CDT

Date:

Company Name: RBC Capital Markets

Accepted By:

David Officer

Digitally signed
by David Officer
Date: 2024.06.24
12:31:22 -04'00'

Date:

REQUEST FOR ACTION CHASKA CITY COUNCIL 7/1/2024

Subject: Transient Accommodation Renewal – TownSquare Place

Prepared By: Denise Beebe, Senior Clerk

Background

In 2018 Council adopted an ordinance requiring hotel and motel operations, known as transient accommodations, to be licensed and in 2021 Council amended said ordinance. The purpose of the ordinance is to ensure transient accommodations take steps and implement measures to discourage the use of their facilities for criminal activities and to protect the safety of their guests and the public.

As part of the license, one of three levels is assigned. The level corresponds to any special requirements that need to be met to address public safety, nuisances, and deter crime. The level is determined annually by qualifying calls for service over the past year.

- Level I - 0 to 9 annual qualifying calls for service; 0 annual qualifying felony complaints.
- Level II - 10 to 19 annual qualifying calls for service; 1 annual qualifying felony complaints.
- Level III - 20 or more annual qualifying calls for service; 2 or more annual qualifying felony complaints.

Transient accommodations licenses run from May 1-April 30. Earlier this year, the City Council approved a license for Super 8.

TownSquare Place

The hotel where the existing TownSquare Place is has held a transient accommodation since inception. The history of levels for this facility is as follows:

- 2019—Level I
- 2020—Level I
- 2021—Level I
- 2022—Level II
- 2023—Level III

In the City Code, Level II and Level III licensees have additional requirements which must be met to help address public safety concerns. During 2023, after the Level III license was issued, the Chaska Police Department and hotel management had continued discussions and check ins regarding the additional requirements to be put into place as well as the ongoing concerns at the facility.

Earlier this year, qualifying calls were reviewed by the Chaska Police Department. Based upon that review, TownSquare Place has been classified as Level III again.

On April 18 staff had discussions with TownSquare Place regarding recommendations to Council to deny the renewal of their transient accommodation license based on their Level III classification and continued issues, unless changes were made, specifically with the management of the facility. On May 21, a corrective action plan by the ownership of TownSquare Place was received by the city (attached), and a meeting between the City and TownSquare Place ownership occurred.

Following the May meeting, the city provided a letter dated June 3rd, attached to this report, outlining two recommendations that are in addition to the Level III requirements in the ordinance. TownSquare Place understands these additional requirements and submitted their renewal paperwork and Level III Transient Accommodations License fee of \$900.

Staff recommends renewal of TownSquare Place transient accommodation license with the additional requirements stated in the June 3 letter.

CITY COUNCIL ACTION REQUESTED

Motion to approve the 2024-2025 transient accommodation license for TownSquare Place effective July 1, 2024, through April 30, 2025.

THE HOFFNER FIRM, LTD.
THE FLOUR EXCHANGE BUILDING
310 4TH AVENUE SOUTH, SUITE 5010
MINNEAPOLIS, MN 55415

FABIAN HOFFNER
ATTORNEY
612.206-3777

May 21, 2024

City of Chaska

RE: TownSquare Proposed Corrective Action Plan

To Whom It May Concern:

Please find attached a Proposed Corrective Action Plan for TownSquare Place Extended Stay Hotel at 1 River Bend Place, Chaska, MN, sent for discussion at our meeting on May 22, 2024, at 1:00 p.m. We welcome any feedback you might have on the Proposal and will be happy to answer any questions during our call tomorrow.

Thank you for your willingness to discuss how we can best move forward in this process.

Sincerely,



Fabian Hoffner
The Hoffner Firm, Ltd.
(612) 206-3777

THE HOFFNER FIRM, LTD.
THE FLOUR EXCHANGE BUILDING
310 4TH AVENUE SOUTH, SUITE 5010
MINNEAPOLIS, MN 55415

FABIAN HOFFNER
ATTORNEY
612.206-3777

May 21, 2024

TO: City of Chaska

CC: Denise Beebe, Matt Podhradsky, Nathan Kabat, Ryan Seibert, Jamie Personius, Martin Godinez; Elise Durbin

RE: TownSquare Place Proposed Corrective Action Plan

To Whom It May Concern:

This memorandum summarizes the proposed corrective action plan for managing TownSquare Place Extended Stay Hotel at 1 River Bend Place, Chaska, MN (“TownSquare”). The ownership team has been in discussions with the City of Chaska to improve operations and public safety while minimizing police calls and public nuisance issues and striving to eliminate negative impacts on the city.

The ownership team believes that the best long-term use for the property in the city of Chaska is as a multifamily property and is planning to pursue rezoning and development to that end. The rezoning and development will take place over the next one to two years. In the interim, the ownership team proposes to continue operating the building as an extended-stay hotel under new management, with new policies and enhanced security as outlined below.

1. Background

The ownership group purchased TownSquare in March 2020. The hotel has had a challenging business history. Multiple ownership groups have attempted to operate TownSquare as a nightly hotel over the past 25 years. The current ownership group has pursued a more economically viable business strategy by operating the hotel in an extended stay format rather than a traditional nightly hotel.

The ownership team contracted J&P Asset Management to assume management of the property in September 2021 as Covid restrictions and the eviction moratorium were winding down. Under the contract, J&P implemented its own policies and operating procedures and significantly limited the involvement of the ownership team. Some examples of these policies are listed below:

- J&P did not screen the criminal history of incoming guests, which allowed individuals with previous criminal histories or other problematic issues to enter and reside at the property.
- J&P attempted to maximize units occupied without regard for secondary impacts. Individuals were not removed from TownSquare if they continued to pay.

- J&P’s corporate-wide pay equalization policy restricted the ability to pay an above-market rate to the onsite manager.
- J&P enforced no limits on the number of guests per room, which resulted in some units having large numbers of unregistered and undesirable guests essentially living on the premises.
- J&P’s Regional Managers were inexperienced and underpaid, which caused frequent turnover and a lack of support for the onsite General Manager.

These policies, to varying degrees, resulted in higher levels of calls for service, including calls related to undesirable activity in and around the property as well as community safety issues and public nuisances.

Under Section 5.20.030 of the Chaska Code, each property licensed for transient accommodations is assigned a status of Level I, Level II, or Level III depending on the number of “incidents,” “qualifying calls for service,” and “annual qualifying felony complaints.” Properties that are assigned Level II or Level III status must meet certain special requirements to maintain their license.

In 2022 and 2023, TownSquare documented a high number of calls for service. In 2022, there were 158 calls for service, including 17 qualifying calls for service and 2 felony complaints. In 2023, there were 167 calls for service, including 31 qualifying calls for service and 1 felony complaint. Because of the number of incidents and calls for service, TownSquare was assigned a Level III status.

In September 2023, the ownership group met with the City of Chaska to discuss the special requirements and outline steps to meet them. The ownership group offered the hotel for sale in October 2023 and entered into a sale agreement in November. That agreement was intended to close within 30 days but dragged on for several months due to buyer financing issues. While the ownership was not satisfied with J&P’s management and wished to terminate them, they were contractually unable to make any changes to the property or operations during the contract lockup period, which ran from November 2023 through the final expiration of the purchase agreement extensions on April 30, 2024. On May 1, 2024, the ownership group was released from contractual restrictions and promptly terminated the management contract with J&P Asset Management that same day.

On April 16, 2024, the City of Chaska contacted the ownership group regarding TownSquare’s licensing renewal and outlined various concerns about the property. The letter outlined several specific issues related to the Level III assignment:

- Failure to maintain surveillance camera recordings.
- Failure to provide 24-hour front desk personnel.
- Failure to issue parking passes to all vehicles allowed to park on the Licensed Property
- Failure to have a licensed, armed, and uniformed security guard on the premises every day from 6:00 p.m. until 6:00 a.m.

Since receiving the letter on April 16, 2024, the ownership group has worked to create a remediation plan and has taken significant actions to address the concerns and meet the requirements under the level III assignment.

2. Proposed Corrective Action Plan

a. New Management Company

To address guest behavior, staffing, and parking issues, the ownership group has contracted Josh Galloway of Galloway Hospitality to provide management of the operations of the hotel. Josh has served in management roles in extended-stay hotels such as Candlewood Suites for more than 15 years. The contract requires that Mr. Galloway be responsive to the ownership group and community stakeholders.

As of May 1, 2024, the ownership group has taken over operations and reversed the above-mentioned problematic policies. The following policies have been implemented:

- Background checks are performed on all non-corporate incoming guests with stays of more than 7 days. No applicants with felonies in the past 5 years are allowed.
- Occupancy is limited to 2 guests per room maximum except for the 2-bedroom apartments.
- A No-Tolerance Behavior Policy is in place for all guests. Guests who create disturbances, cause excessive noise, or exhibit undesirable behaviors are promptly removed from the property.

Other policies that have been in place and will remain in place include:

- Front desk personnel are present at the front desk 24 hours per day.
- A security guard is present from 6 pm-6 am daily and walks rounds every 30 minutes and records activities in daily reports.
- An automated system is in place to capture the license plate information of all cars entering the parking lot.
- A Parking pass system is in place to issue passes to vehicles allowed to park on the property. Any vehicles without passes are removed.

b. Updated Policy for Addressing Problematic Guests

To address problematic guests and the number of incidents at TownSquare, the ownership group has evaluated existing guests on a unit-by-unit basis, reviewing both background checks and police call logs. Management has begun removing problematic guests since taking over operations. Since May 1, 2024, Management has taken the following steps with respect to problematic guests:

- Removed or refused to renew 15 rooms due to bad behavior since taking over management on 5/1/24.
- Flagged additional guests who have prepaid with plans to have them removed from TownSquare by the end of May 2024.
- Begun the eviction process for guests who refuse to leave.

In addition, the ownership group has terminated contracts with some non-profit organizations using the property as a temporary shelter. While these guests are not uniformly causing issues, it was decided that their needs could best be served elsewhere as they need more care and supervision than can be provided at TownSquare.

c. Upgraded Security

To address security issues, Management has implemented full-access security with all entrance

doors remaining locked 24 hours a day and only accessible by key cards provided to staff and registered guests. All other visitors can gain access to the building only by using a phone in the front vestibule that is monitored by staff. This is intended to eliminate all unregulated traffic in the building.

TownSquare currently has a 32-camera system that monitors common areas. The system retains recordings for 7 days. The system has been reconfigured, and access to the system is now limited to the general manager and ownership. The hotel also has a camera in the parking lot that automatically records the license plates of all cars entering the lot.

Management has replaced the security patrol company with a new company committed to working to reduce police calls and eliminate guest behavior problems. The company is known as XT Protection (doing business as Integrity Protection Agency). Xzavier Sezerino is one of the owners and our point of contact.

The new company began patrol effective May 2, 2024, and sends reports daily on issues and recommendations to address them. The security company performs foot patrols on and around the property every 30 minutes from 6:00 p.m. to 6:00 a.m. seven days per week. Security personnel maintain daily logs documenting any events related to each patrol.

d. Communications

The ownership and management group intends to provide routine reports to update the city on progress at the hotel and elicit feedback. The ownership group would also propose establishing regular meetings with the City to discuss any issues and provide updates on any issues at TownSquare. The reports will specifically target issues related to guests and staff, any impact on public resources, and any complaints or issues related to livability in the immediate neighborhood.

The new management group is committed to providing daily communication with the ownership team and collaboratively addressing operational issues effectively and quickly. The focus of the management group will be on removing problem individuals and screening out future potential problems. The reports provided will document how the new partnership is meeting its goals and hopefully will result in measurable improvements in police call frequency and type.

3. Path Forward

The changes made at TownSquare have already improved the quality of the guests and property and will continue to improve over time as some of the remaining guests depart.

The ownership group understands that this property has been a priority concern for the city. It is committed to doing everything possible to ensure that, during the 1-2 years that TownSquare continues operating as an extended-stay hotel, the guests in the property do not cause problems for the surrounding community.

Ultimately, the goal is to rezone and develop the property into a market-rate multifamily property, which would be a better long-term asset for the city. The ownership and management group would appreciate any feedback and guidance the city can provide on this long-term vision.

The ownership and management group would also appreciate any feedback from the city on this plan and any recommendations on improvements to the hotel and operations during the transitional period.



Chaska

June 3, 2024

Via Overnight Delivery

Chaska Lodging Management LLC
3909 25th Ave. S.
Minneapolis, MN 55406

Via Overnight Delivery and Email

Jaden Ghylin
13714 Green Hammock Pl
Bradenton, FL 34211

RE: 1 River Bend Pl., Chaska, MN 55318 (the "Property")
Transient Accommodation License # 23-02

To Whom it May Concern,

Thank you for meeting with the City of Chaska (the "City") on May 22, 2024, regarding Company's Chaska Lodging Management, LLC's (the "Company") transient accommodation license. After considering your proposed management plan, City staff will recommend that the City Council issue the Company a new license for 2024, subject to conditions to be imposed by the City Council.

The City reminds the Company that the license holder, not the Company's property management, is ultimately responsible for adhering to the requirements of the license and the City's ordinances. Though prior violations occurred under the administration of a previous property management company, the Company is also responsible for the violations. The presence of new management does not absolve the Company of the previous pattern of non-compliance. The history of violations remains relevant to the classification of the Property and, as a result, any future violations or non-compliance with any condition of the new license will be grounds for revocation.

City staff has determined that the Property will retain its classification as a Level III transient accommodation and will be subject to all conditions and requirements of the Code and Section 5.20.110. Further, City staff will also recommend that the following conditions be placed on the Company's license:

1. The Company must cooperate with any random, unannounced inspections by the City to check the Property's compliance with the conditions of the Ordinance and the Property's license.
2. Any property management firm engaged by the Company to manage the Property must have the ability for its agents to be physically present at the Property within two (2) hours of notice from the City or the Company. This requirement includes no more than one unscheduled call by the City during a six-month rolling period made solely to determine compliance with this requirement.

The conditions on the Company's transient accommodation license are necessary to protect the health and safety of the Property's guests and staff, and the community at large, by deterring the incidence of criminal activity. The Company violated prior conditions imposed on the Company's license, and it is imperative that the new management does not lapse into similar patterns of non-compliance. Random and unannounced compliance review incentivizes the Company and its property management to diligent adherence to the license conditions. Furthermore, while the City recognizes that there are various factors which impact the Company's choice of property management, responsiveness and physical presence are critical for addressing issues as they arise. Responses that require management's physical presence may include filling in for any staff who may not be available to report to work for any reason, or disciplining or immediately replacing staff in the event of serious violations of policy.

City staff's support for issuing a license to the Company is conditioned on assurances of the Company's cooperation moving forward. The last month's forbearance from enforcing the license ordinance effectively allowed the license to lapse. The City's proposed course of action to issue a new license subject to conditions puts the Company into the same situation as it would have been in if the City had revoked the license and then Company subsequently received a license under the proposed management plan. Please review the enclosed acknowledgment as to the Company's prior license, sign, and return it to me prior to initiating your application for a new license.

The City recognizes that the Company and the City have a mutually aligned interest in ensuring that the Property comes into compliance with the City Code, that criminal activity by guests at the Property is decreased, and that the Property is put to compliant and productive use. To this end, the City will bring this item before the City Council on June 17, 2024. Please reach out to Denise Beebe, the City Clerk, to coordinate the Company's submission of any required materials to support the license renewal application.

ACKNOWLEDGMENT REGARDING TRANSIENT ACCOMMODATION LICENSE

WHEREAS, the City of Chaska (the “**City**”) is a Minnesota municipal corporation empowered to license and regulate the operation of businesses within its municipal boundaries; and

WHEREAS, Chaska Lodging Management LLC (the “**Company**”) is the owner of 1 River Bend Pl, Chaska, Minnesota 55318 (the “**Property**”); and

WHEREAS, the Company held a transient accommodation license for the Property (the “**License**”), conditioned on the Company’s compliance with the City’s transient accommodation license ordinance; and

WHEREAS, the Company violated the transient accommodation license ordinance; and

WHEREAS, the license expired automatically on April 30, 2024, without an action to renew or to revoke the license because the City and the Company were mutually cooperating to establish conditions which allowed the renewal of the Company’s license; and

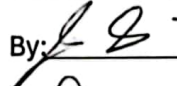
WHEREAS, the Company has proposed a management plan which, if implemented as presented by the Company, supports the re-issuance of a license under the City’s ordinance; and

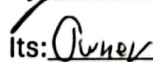
WHEREAS, this acknowledgment clarifies the status of the transient accommodation license.

NOW, THEREFORE, the Company hereby acknowledges that:

1. The foregoing recitals are hereby incorporated in this acknowledgement as true and correct statements.
2. The Company acknowledges that valid grounds for License revocation occurred at the Property during relevant periods of time.
3. The City staff will recommend that its City Council issue a new license to Company subject to all conditions set forth in the City’s ordinance for a level III transient accommodation and two additional conditions.
4. The City’s ordinances allow the City Council to place conditions on the Company’s license upon any renewal, and the City’s proposed conditions are both reasonable and rationally related to the valid public aims of public safety and the deterrence of crime.
5. The Company waives any process requirements for the non-renewal of the License as of April 30, 2024, specifically including any hearing before the City council provided for in the City’s ordinance.

Chaska Lodging Management LLC

By: 

Its:  Owner

CLAIMS ROSTER REPORT

FOR COUNCIL MEETING:

July 1, 2024

Paid and Unpaid Invoices:

Check #'s 351915-352110

\$2,655,105.96

Paid Electronic Invoices:

Wire #'s 4198-4219

\$5,917,746.54

Amount for Approval-Council Meeting:

July 1, 2024

\$8,572,852.50

CHAPTER 10: THE ENVIRONMENT

10.1 THE ENVIRONMENT AND THE EARTH

10.1.1 The Earth's Environment

The Earth's environment is the natural world around us, including the atmosphere, hydrosphere, and lithosphere. It is a complex system that interacts with the human population and the built environment.

10.1.2 The Earth's Resources

The Earth's resources are the natural assets that we use to sustain our lives and our economy. These resources include water, land, and minerals.

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
109767 A&J OUTDOOR POWER LLC										
13868		05/21/2024	070224	351934	532.99	532.99	06/21/2024	INV	PD	MULCH KIT EXMARK
CHECK DATE: 07/02/2024										
100028 ACME ELECTRIC MOTOR INC										
12923760		06/18/2024	070224	351935	1,501.70	1,501.70	07/18/2024	INV	PD	2" PUMP FOR STORM WATE
CHECK DATE: 07/02/2024										
12924517		06/18/2024	070224	351935	442.68	442.68	07/18/2024	INV	PD	FITTINGS & HOSES FOR 2
CHECK DATE: 07/02/2024										
103825 ACUSHNET COMPANY										
					1,944.38					
918190136		05/30/2024	070224	351936	-415.00	-415.00	06/30/2024	CRM	PD	RESALE PRICE NET DOWN
CHECK DATE: 07/02/2024										
918325830		06/18/2024	070224	351936	1,373.55	1,373.55	07/18/2024	INV	PD	RESALE
CHECK DATE: 07/02/2024										
918336055		06/20/2024	070224	351936	1,612.32	1,612.32	08/19/2024	INV	PD	RESALE
CHECK DATE: 07/02/2024										
918345238		06/21/2024	070224	351936	3,946.04	3,946.04	07/21/2024	INV	PD	RESALE
CHECK DATE: 07/02/2024										
106669 ADIDAS AMERICA INC										
					6,516.91					
6161455950		06/11/2024	070224	351937	306.00	306.00	08/10/2024	INV	PD	RESALE
CHECK DATE: 07/02/2024										
100843 AH HERMEL CANDY & TOBACCO CO										
1024532		06/12/2024	070224	351938	277.04	277.04	07/12/2024	INV	PD	Concession Resale
CHECK DATE: 07/02/2024										
1025562		06/19/2024	070224	351938	969.16	969.16	07/19/2024	INV	PD	Concession Resale
CHECK DATE: 07/02/2024										
111405 ALERT 360 OPCO INC										
					1,246.20					
19002939		07/01/2024	070224	351939	107.85	107.85	07/13/2024	INV	PD	CITY HALL MONITORING 7
CHECK DATE: 07/02/2024										

Report generated: 06/27/2024 11:25
 User: 8482mrob
 Program ID: apinvlst

Page 1

City of Chaska

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
100096 AMERICAN TEST CENTER										
2241225		06/18/2024	070224	351940	2,925.00	2,925.00	07/18/2024	INV	PD	ANNUAL TESTING CRANES/
CHECK DATE: 07/02/2024										
100102 ANCOM COMMUNICATIONS INC										
122035		06/11/2024	070224	351941	5,571.00	5,571.00	07/11/2024	INV	PD	6 NEW PAGERS FOR FF'S
CHECK DATE: 07/02/2024										
122104		06/13/2024	070224	351941	288.00	288.00	07/13/2024	INV	PD	PAGER REPAIR
CHECK DATE: 07/02/2024										
122105		06/13/2024	070224	351941	303.00	303.00	07/13/2024	INV	PD	PAGER REPAIR
CHECK DATE: 07/02/2024										
100119 SHAKOPEE VALLEY FORD										
					6,162.00					
381345FOW		06/07/2024	070224	351942	71.28	71.28	07/07/2024	INV	PD	#1193 EVAP SOLINOID
CHECK DATE: 07/02/2024										
381885FOW		06/18/2024	070224	351942	100.10	100.10	07/18/2024	INV	PD	#501 FLOOR MATS
CHECK DATE: 07/02/2024										
381913FOW		06/18/2024	070224	351942	300.30	300.30	07/18/2024	INV	PD	#104 & #203 FLOOR MATS
CHECK DATE: 07/02/2024										
100132 ARNOLD'S OF GLENCOE INC										
					471.68					
P80673		06/17/2024	070224	351943	378.39	378.39	07/17/2024	INV	PD	#240 CASTER WHEEL YOKE
CHECK DATE: 07/02/2024										
106918 ARTHUR CLESEN INC										
6867-01		06/18/2024	070224	351944	3,350.67	3,350.67	07/18/2024	INV	PD	ANNUAL IRRIGATION SVC
CHECK DATE: 07/02/2024										
100146 ASPEN MILLS INC										
334457		06/12/2024	070224	351945	95.81	95.81	07/12/2024	INV	PD	DUTY UNIFORM-TARMAN
CHECK DATE: 07/02/2024										
334795		06/18/2024	070224	351945	398.00	398.00	07/18/2024	INV	PD	CHASKA FIRE PATCHES
CHECK DATE: 07/02/2024										
334826		06/19/2024	070224	351945	188.69	188.69	07/19/2024	INV	PD	DUTY UNIFORM-OPEN
CHECK DATE: 07/02/2024										

Report generated: 06/27/2024 11:25
 User: 8482mrob
 Program ID: apinvlist

Page 2

City of Chaska

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
334827		06/19/2024	070224	351945	95.00	95.00	07/19/2024	INV	PD	DUTY UNIFORM-K TREBIAT
CHECK DATE: 07/02/2024										
334828		06/19/2024	070224	351945	111.50	111.50	07/19/2024	INV	PD	DUTY UNIFORM-OPEN
CHECK DATE: 07/02/2024										
100155	AUBURN MANOR				889.00					
JUL 2024	240002	07/01/2024	070224	351946	200.00	200.00	07/31/2024	INV	PD	JUL SENIOR CITIZEN DON
CHECK DATE: 07/02/2024										
105236	B & B TRANSFORMER INC									
29005	240157	06/20/2024	070224	351947	21,495.00	21,495.00	07/20/2024	INV	PD	TRN UG 300KVA 7.9 120/
CHECK DATE: 07/02/2024										
103703	BAILIWICK SERVICES LLC									
260408001-2024-1		06/13/2024	070224	351948	2,280.00	2,280.00	07/13/2024	INV	PD	MAY REBATE-BUSINESS LI
CHECK DATE: 07/02/2024										
109997	GARY ALLEN BARNES									
128297		02/29/2024	070224	351949	340.00	340.00	07/12/2024	INV	PD	F&I Solid Gold Band 7/
CHECK DATE: 07/02/2024										
105265	BEEBE, DENISE									
128314		06/20/2024	070224	351950	28.68	28.68	07/20/2024	INV	PD	MILEAGE-MCFOA MTG & CI
CHECK DATE: 07/02/2024										
100196	BIFFS INC									
INV20172		07/01/2024	070224	351951	400.00	400.00	07/29/2024	INV	PD	EMPTY FD BATHROOM TRAI
CHECK DATE: 07/02/2024										
112075	BLONSKI, COLIN									
36084		06/18/2024	070224	351952	73.69	73.69	07/18/2024	INV	PD	CREDIT BALANCE REFUND-
CHECK DATE: 07/02/2024										
102279	BOLTON & MENK INC									
0338254		06/17/2024	070224	351953	19,605.00	19,605.00	07/17/2024	INV	PD	CIRCLE THE BRICK TRL P
CHECK DATE: 07/02/2024										

Report generated: 06/27/2024 11:25
 User: 8482mrob
 Program ID: apinvlst

Page 3

City of Chaska

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
112077 BONAPARTE, CHRISTINE										
37616		06/18/2024	070224	351954	20.33	20.33	07/18/2024	INV	PD	CREDIT BALANCE REFUND-
CHECK DATE: 07/02/2024										
112078 BOOHER, ALECIA										
37718		06/18/2024	070224	351955	132.91	132.91	07/18/2024	INV	PD	CREDIT BALANCE REFUND-
CHECK DATE: 07/02/2024										
100214 BORDER STATES INDUSTRIES INC										
928498575		06/07/2024	070224	351956	322.25	322.25	07/25/2024	INV	PD	AQUA-SEAL TAPE
CHECK DATE: 07/02/2024										
928531126		06/13/2024	070224	351956	651.64	651.64	07/25/2024	INV	PD	SUPPLIES ~ ELEC TAPE &
CHECK DATE: 07/02/2024										
928563479	240156	06/19/2024	070224	351956	291.60	291.60	07/25/2024	INV	PD	15 - FUSE BAYONET 15AM
CHECK DATE: 07/02/2024										
928587736		06/24/2024	070224	351956	166.55	166.55	07/25/2024	INV	PD	CAUTION TAPE FOR TRENC
CHECK DATE: 07/02/2024										
928587741	240165	06/24/2024	070224	351956	540.00	540.00	07/25/2024	INV	PD	30 - INSUL SUSP 15KV P
CHECK DATE: 07/02/2024										
100226 BRAUN INTERTEC CORPORATION										
B388870		06/13/2024	070224	351957	2,198.50	2,198.50	07/13/2024	INV	PD	BAVARIA RD/INNSBRUCK D
CHECK DATE: 07/02/2024										
B388871		06/13/2024	070224	351957	1,983.00	1,983.00	06/20/2024	INV	PD	WELL 11 & 12
CHECK DATE: 07/02/2024										
100254 BRYAN ROCK PRODUCTS INC										
64615		06/15/2024	070224	351958	551.00	551.00	07/15/2024	INV	PD	W/S STOCKPILE
CHECK DATE: 07/02/2024										
100275 CALLAWAY GOLF										
938436236		06/11/2024	070224	351959	777.60	777.60	10/09/2024	INV	PD	RESALE
CHECK DATE: 07/02/2024										
938461496		06/14/2024	070224	351959	518.40	518.40	10/12/2024	INV	PD	RESALE
CHECK DATE: 07/02/2024										

Report generated: 06/27/2024 11:25
 User: 8482mrob
 Program ID: apinvlist

City of Chaska

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
938496685 CHECK DATE: 07/02/2024		06/19/2024	070224	351959	-680.00	-680.00	07/19/2024	CRM	PD	RESALE CREDIT-CLUB NET
938516705 CHECK DATE: 07/02/2024		06/24/2024	070224	351959	518.40	518.40	08/23/2024	INV	PD	RESALE
					1,134.40					
100314 CARVER COUNTY IS/GIS DEPT										
INTINV-535 CHECK DATE: 07/02/2024		06/25/2024	070224	351960	594.00	594.00	07/25/2024	INV	PD	PICTOMETRY - YR 1 OF 3
100332 CENTERPOINT ENERGY RESOURCES CORP										
120012646/MAY24 CHECK DATE: 06/25/2024		06/05/2024	062524	351926	42.25	42.25	07/03/2024	INV	PD	MAY LOOP CLUBHOUSE GAS
120164413/MAY24 CHECK DATE: 06/25/2024		06/05/2024	062524	351926	126.00	126.00	07/03/2024	INV	PD	MAY LOOP MAINT BLDG GA
120564141/MAY24 CHECK DATE: 06/18/2024		06/04/2024	061824-2	351915	23.59	23.59	07/02/2024	INV	PD	MAY 1599 OAK CREEK PAS
64030828871/MAY24 CHECK DATE: 06/18/2024		06/04/2024	061824-2	351915	16.30	16.30	07/02/2024	INV	PD	MAY 423 N WALNUT ST GA
80000167793/MAY24 CHECK DATE: 06/25/2024		06/13/2024	062524	351926	59.85	59.85	07/10/2024	INV	PD	MAY CITY PKS GAS SVC
80000167843/MAY24 CHECK DATE: 06/25/2024		06/13/2024	062524	351926	1,646.47	1,646.47	07/10/2024	INV	PD	MAY GAS SVC
					1,914.46					
100337 QWEST CORPORATION										
313196254/JUN24 CHECK DATE: 06/25/2024		06/18/2024	062524	351927	281.56	281.56	07/15/2024	INV	PD	JUN CITY HALL LOC PHN
313249294/JUN24 CHECK DATE: 06/18/2024		06/11/2024	061824-2	351916	57.45	57.45	07/08/2024	INV	PD	JUN TC MAINT LOC PHN S
313408124/JUN24 CHECK DATE: 06/18/2024		06/11/2024	061824-2	351916	68.91	68.91	07/08/2024	INV	PD	JUN TC MAINT LOC PHN S
313773369/JUN24 CHECK DATE: 06/18/2024		06/01/2024	061824-2	351916	38.55	38.55	06/27/2024	INV	PD	JUN CCC BURGLAR ALARM
					446.47					
100379 CITY OF CHANHASSEN										

Report generated: 06/27/2024 11:25
 User: 8482mrob
 Program ID: apinvlst

Page 5

City of Chaska

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
128370		06/20/2024	070224	351961	2,181.60	2,181.60	07/24/2024	INV	PD	tickets & transportati
CHECK DATE: 07/02/2024										
112083 CHASKA BOYS LACROSSE										
2013976.002		06/21/2024	070224	351962	89.25	89.25	07/21/2024	INV	PD	DAMAGE DEPOSIT REFUND
CHECK DATE: 07/02/2024 PAYEE: CHASKA BOYS LACROSSE										
100350 CHASKA, CITY OF										
F&I 2024 BEAN BAG		06/25/2024	070224	351964	360.00	360.00	07/13/2024	INV	PD	F&I BEAN BAG TOURNAMEN
CHECK DATE: 07/02/2024										
F&I 2024 BONSPIEL		06/10/2024	070224	351965	1,820.00	1,820.00	07/13/2024	INV	PD	F&I BONSPIEL PRIZE MON
CHECK DATE: 07/02/2024										
F&I 2024 DUNK TANK		06/25/2024	070224	351963	200.00	200.00	07/13/2024	INV	PD	F&I CASH FOR DUNK TANK
CHECK DATE: 07/02/2024										
					2,380.00					
110240 CINTAS CORPORATION NO 2										
5215132377		06/07/2024	070224	351968	249.94	249.94	07/07/2024	INV	PD	FIRST AID SUPPLIES-TC
CHECK DATE: 07/02/2024										
5216147967		06/14/2024	070224	351967	498.74	498.74	07/14/2024	INV	PD	FIRST AID SUPPLIES-CCC
CHECK DATE: 07/02/2024										
5217138761		06/21/2024	070224	351966	64.27	64.27	07/21/2024	INV	PD	MEDICAL SUPPLIES-FD
CHECK DATE: 07/02/2024										
					812.95					
100401 CITY OF BLOOMINGTON										
23646		06/06/2024	070224	351969	60.00	60.00	07/06/2024	INV	PD	Water Testing Clayhole
CHECK DATE: 07/02/2024										
102293 CITY OF CHASKA-ELECT										
XMAS IN MAY-2024		06/13/2024	070224	351970	10,372.25	10,372.25	07/13/2024	INV	PD	MAY REBATE-CUSTOM
CHECK DATE: 07/02/2024										
104831 PACIFIC RIM VENTURES INC										
1645734-00		06/14/2024	070224	351971	41.15	41.15	07/14/2024	INV	PD	RESALE
CHECK DATE: 07/02/2024										
100768 CODE 4 SERVICES INC										

Report generated: 06/27/2024 11:25
 User: 8482mrob
 Program ID: apinvlist

Page 6

City of Chaska

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
9628		06/11/2024	070224	351972	2,861.94	2,861.94	07/11/2024	INV	PD	EQUIP FOR CSO TRUCKS
CHECK DATE: 07/02/2024										
9653		06/20/2024	070224	351972	555.30	555.30	07/20/2024	INV	PD	Network Equip for 41 T
CHECK DATE: 07/02/2024										
9656		06/17/2024	070224	351972	302.15	302.15	07/17/2024	INV	PD	#1227 CIRCUIT BOARD CO
CHECK DATE: 07/02/2024										
100436 COMCAST CORPORATION					3,719.39					
0055482/JUN24-FD		06/12/2024	062724	351930	6.81	6.81	07/07/2024	INV	PD	JUN FD CABLE
CHECK DATE: 06/27/2024										
128139		06/09/2024	062524	351928	80.38	80.38	07/04/2024	INV	PD	JUN PD Cable
CHECK DATE: 06/25/2024										
204909033		06/15/2024	062524	351929	775.00	775.00	07/15/2024	INV	PD	JUN CITY HALL FIBER
CHECK DATE: 06/25/2024										
105466 COMPUTER INTEGRATION TECHNOLOGIES INC					862.19					
377438		06/14/2024	070224	351973	6,527.20	6,527.20	07/14/2024	INV	PD	JUN OFFICE 365 AGREEME
CHECK DATE: 07/02/2024										
377715		06/14/2024	070224	351973	256.30	256.30	07/14/2024	INV	PD	JUL CYBER SECURITY TRA
CHECK DATE: 07/02/2024										
107686 CONCENTRA HEALTH SERVICES INC					6,783.50					
17484951		05/21/2024	062724	351931	512.00	512.00	07/19/2024	INV	PD	DRUG TESTING
CHECK DATE: 06/27/2024										
103813 CONCRETE CUTTING & CORING INC										
7445		06/03/2024	070224	351974	106.40	106.40	07/03/2024	INV	PD	SAW BLADES
CHECK DATE: 07/02/2024										
111875 CONTINENTAL 589 FUND										
550300302-2024-4		06/13/2024	070224	351975	7,025.00	7,025.00	07/13/2024	INV	PD	MAY REBATE-CUSTOM
CHECK DATE: 07/02/2024										
106301 CORE AND MAIN LP										

Report generated: 06/27/2024 11:25
 User: 8482mrob
 Program ID: apinvlst

Page 7

City of Chaska

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
V022845	240149	06/07/2024	070224	351976	510.00	510.00	07/07/2024	INV	PD	INVENTORY-MEGALUG/GASK
CHECK DATE: 07/02/2024										
V104082	240155	06/20/2024	070224	351976	1,573.40	1,573.40	07/20/2024	INV	PD	INVENTORY-CURB STOP &
CHECK DATE: 07/02/2024										
105823 COSTCO WHOLESALE CORPORATION					2,083.40					
550200010-2024-1		06/13/2024	070224	351977	27,650.00	27,650.00	07/13/2024	INV	PD	MAY REBATE-BUSINESS LI
CHECK DATE: 07/02/2024										
112084 COURNEYA, JAMES										
128320		06/25/2024	070224	351978	200.00	200.00	07/25/2024	INV	PD	Block Party Wagon Dama
CHECK DATE: 07/02/2024										
100475 CRYSTEEL TRUCK EQUIPMENT INC										
FP195784		06/18/2024	070224	351979	136.98	136.98	07/18/2024	INV	PD	#122 TOOL BOX HANDLE
CHECK DATE: 07/02/2024										
100479 CULLIGAN-METRO BROOKLYN PARK										
114-01594506-5 MAY24		05/31/2024	062724	351932	65.52	65.52	06/20/2024	INV	PD	COOLER RENT & WATER-TC
CHECK DATE: 06/27/2024										
111925 REBECCA RAE DALTON										
128321		02/23/2024	070224	351980	350.00	350.00	07/10/2024	INV	PD	Wednesday Night Concer
CHECK DATE: 07/02/2024										
100504 DAVE SCOTT										
128087		05/29/2024	070224	351981	2,175.00	2,175.00	06/29/2024	INV	PD	SOD FOR CART PATH REST
CHECK DATE: 07/02/2024										
128089		06/10/2024	070224	351981	1,770.00	1,770.00	07/10/2024	INV	PD	SOD FOR CART PATH REST
CHECK DATE: 07/02/2024										
111166 MICHAEL DAVID DORSHAK					3,945.00					
128300		02/29/2024	070224	351982	140.00	140.00	07/12/2024	INV	PD	F&I Solid Gold Band 7/
CHECK DATE: 07/02/2024										
100591 ELECTRICAL PRODUCTION SERVICES INC										

City of Chaska

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
9623		06/25/2024	070224	351983	265.00	265.00	07/25/2024	INV	PD	WO# 16459 1019 BLUFF P
CHECK DATE: 07/02/2024										
110104 RAINY FALLS VENTURES LLC										
1406		06/17/2024	070224	351984	819.00	819.00	07/17/2024	INV	PD	FF GEAR DECON
CHECK DATE: 07/02/2024										
100628 EXCEL AUTO GLASS										
15257		06/18/2024	070224	351985	730.00	730.00	07/18/2024	INV	PD	Park Maint/#2902 Winds
CHECK DATE: 07/02/2024										
111170 ELLIOTT AUTO SUPPLY CO INC										
1-9798292		06/12/2024	070224	351986	272.78	272.78	07/12/2024	INV	PD	WINDSHIELD WASHER FLUI
CHECK DATE: 07/02/2024										
100649 FEDERAL EXPRESS CORPORATION										
8-528-56419		06/12/2024	061824-2	351917	38.10	38.10	06/27/2024	INV	PD	UB SHIPPING FROM US BA
CHECK DATE: 06/18/2024										
110169 FELHABER LARSON FENLON AND VOGT PA										
851317		06/04/2024	070224	351987	2,637.00	2,637.00	07/04/2024	INV	PD	GM DAVIS PROPERTIES CO
CHECK DATE: 07/02/2024										
851318		06/04/2024	070224	351987	11,573.50	11,573.50	07/04/2024	INV	PD	CHASKA RETAIL CONDEMN
CHECK DATE: 07/02/2024										
851319		06/04/2024	070224	351987	9,588.00	9,588.00	07/04/2024	INV	PD	JAMS PROPERTIES & SIEG
CHECK DATE: 07/02/2024										
851320		06/04/2024	070224	351987	59,812.25	59,812.25	07/04/2024	INV	PD	MEADOW SPRING CHURCH C
CHECK DATE: 07/02/2024										
851321		06/04/2024	070224	351987	1,951.00	1,951.00	07/04/2024	INV	PD	DT TH 41 PROJECT-PROPE
CHECK DATE: 07/02/2024										
					85,561.75					
100653 FERGUSON ENTERPRISES INC										
0263311		06/04/2024	070224	351988	2,146.25	2,146.25	07/04/2024	INV	PD	EMERGENCY REPAIR NUTS
CHECK DATE: 07/02/2024										
107106 THE BEISTLE COMPANY										

Report generated: 06/27/2024 11:25
 User: 8482mrob
 Program ID: apinvlst

City of Chaska

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
117247 CHECK DATE: 07/02/2024		06/14/2024	070224	351989	1,255.00	1,255.00	07/14/2024	INV	PD	Supplies for Open Hous
109838 FITTING REFLECTIONS LLC										
3389 CHECK DATE: 07/02/2024		06/12/2024	070224	351990	209.00	209.00	07/12/2024	INV	PD	SVC #3 POND AERATION S
112073 FLIGGE, DANIEL										
10014701 CHECK DATE: 07/02/2024		06/18/2024	070224	351991	180.00	180.00	07/18/2024	INV	PD	CREDIT BALANCE REFUND-
112067 FOUNDATIONS PSA										
172933992-2024-1 CHECK DATE: 07/02/2024		06/13/2024	070224	351992	260.00	260.00	07/13/2024	INV	PD	MAY REBATE-BUSINESS LI
112076 FOX, JOHN										
36879 CHECK DATE: 07/02/2024		06/18/2024	070224	351993	166.50	166.50	07/18/2024	INV	PD	CREDIT BALANCE REFUND-
100699 PLAYCORE WISCONSIN INC										
PJI-0240336 CHECK DATE: 07/02/2024		06/18/2024	070224	351994	490.27	490.27	07/18/2024	INV	PD	PLAYGROUND EQUIP PARTS
110270 GARTNER REFRIGERATION INC										
12451165 CHECK DATE: 07/02/2024		05/09/2024	070224	351995	2,087.74	2,087.74	07/24/2024	INV	PD	Cooling valves for com
100705 GCSAA										
1381300 CHECK DATE: 07/02/2024		06/06/2024	070224	351996	465.00	465.00	07/06/2024	INV	PD	MOERS MEMBERSHIP DUES
1381866 CHECK DATE: 07/02/2024		06/03/2024	070224	351996	240.00	240.00	07/03/2024	INV	PD	HOLDEN MEMBERSHIP DUES
1383323 CHECK DATE: 07/02/2024		06/14/2024	070224	351996	240.00	240.00	07/01/2024	INV	PD	MEMBERSHIP RENEWAL-D R
					945.00					
112085 GORDON, JAMES										

City of Chaska

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
2013996.002 CHECK DATE: 07/02/2024		06/26/2024	070224	351997	100.00	100.00	07/26/2024	INV	PD	RFD FOOD VENDOR FEE PAYEE: GORDAN, JAMES
100763 GRACZYK, NOEL										
128311 CHECK DATE: 07/02/2024		06/12/2024	070224	351998	138.77	138.77	07/12/2024	INV	PD	REIMB MEALS-GFOA CONF/
100759 WW GRAINGER INC										
9147067087 CHECK DATE: 07/02/2024		06/11/2024	070224	351999	64.90	64.90	07/11/2024	INV	PD	PLUMBING WENCH/SOCKET
112072 GREEN, MONICA										
10010310 CHECK DATE: 07/02/2024		06/18/2024	070224	352000	64.59	64.59	07/18/2024	INV	PD	CREDIT BALANCE REFUND-
105773 HALL SIGNS INC										
93514 CHECK DATE: 07/02/2024		06/07/2024	070224	352001	2,996.52	2,996.52	07/07/2024	INV	PD	SIGN BLANKS
100807 HARTMAN COMPANIES INC										
13660 CHECK DATE: 07/02/2024		06/20/2024	070224	352002	350.00	350.00	07/20/2024	INV	PD	DT BLVD TREE REPLACEME
100810 HAWKINS INC										
6783549 CHECK DATE: 07/02/2024		06/15/2024	070224	352003	30.00	30.00	07/30/2024	INV	PD	DEMURRAGE
6786331 CHECK DATE: 07/02/2024		06/14/2024	070224	352003	5,359.13	5,359.13	07/29/2024	INV	PD	WTP CHEMICALS
111844 HD ENTERTAINMENT INC					5,389.13					
128289 CHECK DATE: 07/02/2024		02/28/2024	070224	352004	1,375.00	1,375.00	07/13/2024	INV	PD	F&I Balance for Power
100827 HEGERS DAIRY LLC										
1350 CHECK DATE: 07/02/2024		06/14/2024	070224	352005	519.91	519.91	07/14/2024	INV	PD	Concession Resale

Report generated: 06/27/2024 11:25
User: 8482mrob
Program ID: apinvlst

City of Chaska

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
1351										
CHECK DATE: 07/02/2024		06/20/2024	070224	352005	222.78	222.78	07/20/2024	INV	PD	Ice Cream, cones, etc
					742.69					
104805 HELLO! BOOKING INC										
128302										
CHECK DATE: 07/02/2024		06/19/2024	070224	352006	3,500.00	3,500.00	07/22/2024	INV	PD	F&I Balance for Stage
105920 HIGH FIVE ERECTORS II INC										
24470										
CHECK DATE: 07/02/2024		02/10/2024	070224	352007	448.00	448.00	06/20/2024	INV	PD	COSTCO ~ NEW PERM UG
100848 HIGH TECH CLEANING INC										
20080										
CHECK DATE: 07/02/2024		06/01/2024	070224	352008	1,195.00	1,195.00	07/01/2024	INV	PD	FIRE STATION-CLEANING
20139										
CHECK DATE: 07/02/2024		06/10/2024	070224	352008	13,880.90	13,880.90	07/10/2024	INV	PD	LION'S WARMING HOUSE C
					15,075.90					
112070 HOHBEIN, GINA										
10004941										
CHECK DATE: 07/02/2024		06/18/2024	070224	352009	120.89	120.89	07/18/2024	INV	PD	CREDIT BALANCE REFUND-
100859 HOISINGTON KOEGLER GROUP INC										
022-046-20										
CHECK DATE: 07/02/2024		06/14/2024	070224	352010	481.25	481.25	07/14/2024	INV	PD	CITY SQUARE PARK RENOV
023-068-5										
CHECK DATE: 07/02/2024		06/14/2024	070224	352010	5,482.50	5,482.50	07/14/2024	INV	PD	ZONING CODE PHASE 1
					5,963.75					
112080 HORIZON CONSTRUCTION										
39404										
CHECK DATE: 07/02/2024		06/17/2024	070224	352011	564.21	564.21	07/18/2024	INV	PD	OVERPAYMENT REFUNDED-1
										PAYEE: HORIZON CONSTRUCTION
100889 INTERNATIONAL CITY MGMT ASSN RETIREMENT CORP										
2024/0614-ICMA										
CHECK DATE: 06/18/2024		06/14/2024	061824-2	351918	4,815.96	4,815.96	06/14/2024	INV	PD	061424 Payroll - 457 &

Report generated: 06/27/2024 11:25
 User: 8482mrob
 Program ID: apinvlist

Page 12

City of Chaska

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
104751	IMPACT MAILING OF MINNESOTA INC									
211597	CHECK DATE: 07/02/2024	06/18/2024	070224	352012	649.21	649.21	07/18/2024	INV	PD	Jun Finals
112068	I:SPACE FURNITURE INC									
29320	CHECK DATE: 07/02/2024	06/11/2024	070224	352013	2,318.31	2,318.31	07/11/2024	INV	PD	Event Ctr Office Door
102925	KORTERRA INC									
24990	CHECK DATE: 07/02/2024	06/15/2024	070224	352014	5,450.00	5,450.00	07/15/2024	INV	PD	KORTERRA LOCATE MGT 6/
101018	KRISS PREMIUM PRODUCTS INC									
188959	CHECK DATE: 07/02/2024	05/31/2024	070224	352015	1,052.50	1,052.50	06/29/2024	INV	PD	Arena Condensing Tower
189267	CHECK DATE: 07/02/2024	06/19/2024	070224	352015	450.25	450.25	07/19/2024	INV	PD	Arena Condensing tower
					1,502.75					
101022	KUSSKE CONSTRUCTION COMPANY LLC									
53390100-6	CHECK DATE: 07/02/2024	06/20/2024	070224	352016	79,552.33	79,552.33	07/20/2024	INV	PD	CREEK RD UTILITY & ST/
102695	LAKE REGION MEDICAL									
1834970000-2024-1	CHECK DATE: 07/02/2024	06/13/2024	070224	352017	14,592.00	14,592.00	07/13/2024	INV	PD	MAY REBATE-CUSTOM
112074	LANNING, SHANNON									
10015094	CHECK DATE: 07/02/2024	06/18/2024	070224	352018	52.25	52.25	07/18/2024	INV	PD	CREDIT BALANCE REFUND-
101050	LAW ENFORCEMENT LABOR SERVICES INC									
Jun-24	CHECK DATE: 06/18/2024	06/14/2024	061824-2	351919	1,974.00	1,974.00	06/14/2024	INV	PD	Jun-24 Police Union Du
108054	LEADSONLINE LLC									

Report generated: 06/27/2024 11:25
 User: 8482mrob
 Program ID: apinvlst

Page 13

City of Chaska

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
412335		06/15/2024	070224	352019	2,699.00	2,699.00	07/16/2024	INV	PD	CellHawk Software Subs
CHECK DATE: 07/02/2024										
110940 TIMOTHY RANDALL LEE										
3424		06/18/2024	070224	352020	262.25	262.25	07/18/2024	INV	PD	FRIDGE REPAIR AT CLAYH
CHECK DATE: 07/02/2024										
101071 LENZEN CHEVROLET BUICK INC										
89172		06/14/2024	070224	352021	391.94	391.94	07/14/2024	INV	PD	#303 ENGINE REPAIR PAR
CHECK DATE: 07/02/2024										
107984 LEXIPOL LLC										
INVLEX11238008		07/01/2024	070224	352022	5,648.27	5,648.27	07/31/2024	INV	PD	Annual Fire Policy Man
CHECK DATE: 07/02/2024										
109995 WAYNE D LIEBHARD										
128299		02/29/2024	070224	352023	340.00	340.00	07/12/2024	INV	PD	F&I Solid Gold Band 7/
CHECK DATE: 07/02/2024										
101097 LOCATORS & SUPPLIES INC										
0314876-IN		06/17/2024	070224	352024	243.05	243.05	07/17/2024	INV	PD	BLUETOOTH MODULE FOR L
CHECK DATE: 07/02/2024										
105710 MACQUEEN EMERGENCY GROUP										
P31146		06/12/2024	070224	352025	2,017.50	2,017.50	07/12/2024	INV	PD	#303, #306 GAS MONITOR
CHECK DATE: 07/02/2024										
P31303		06/14/2024	070224	352025	712.36	712.36	07/14/2024	INV	PD	CHARGERS FOR GAS MONIT
CHECK DATE: 07/02/2024										
101124 MACQUEEN EQUIPMENT										
P58282		06/10/2024	070224	352026	53.14	53.14	07/10/2024	INV	PD	#142 CYLINDER BUSHINGS
CHECK DATE: 07/02/2024										
P58322		06/13/2024	070224	352026	728.70	728.70	07/13/2024	INV	PD	#921 HOSE REEL SWIVEL
CHECK DATE: 07/02/2024										
110107 CARRIE CORLEE GOETTLICHER										

City of Chaska

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
71324-1 CHECK DATE: 07/02/2024		06/21/2024	070224	352027	1,800.00	1,800.00	07/13/2024	INV	PD	F&I Face Painter 7/13
111712 MALLRATS BAND										
128287 CHECK DATE: 07/02/2024		06/01/2024	070224	352028	2,750.00	2,750.00	07/13/2024	INV	PD	F&I Balance for Mall R
103176 MANSFIELD OIL COMPANY										
25457216 CHECK DATE: 07/02/2024		06/18/2024	070224	352029	9,231.70	9,231.70	07/18/2024	INV	PD	UNLEADED FUEL
25457217 CHECK DATE: 07/02/2024		06/18/2024	070224	352029	8,113.67	8,113.67	07/18/2024	INV	PD	DYED DIESEL
112082 MARIE, CURTIS					17,345.37					
2013972.002 CHECK DATE: 07/02/2024		06/20/2024	070224	352030	100.00	100.00	07/20/2024	INV	PD	RFD FOOD VENDOR FEE PAYEE: MARIE, CURTIS
111457 MARTIN MARIETTA MATERIALS INC										
42624365 CHECK DATE: 07/02/2024		05/31/2024	070224	352031	2,351.87	2,351.87	06/30/2024	INV	PD	82ND & COLUMBIA PATCH
101168 MELCHERT HUBERT SJODIN PLLP										
174574 CHECK DATE: 07/02/2024		06/19/2024	070224	352032	4,500.58	4,500.58	07/19/2024	INV	PD	GENERAL FUND
174575 CHECK DATE: 07/02/2024		06/19/2024	070224	352032	640.00	640.00	07/19/2024	INV	PD	COUNCIL MTGS
174576 CHECK DATE: 07/02/2024		06/19/2024	070224	352032	637.30	637.30	07/19/2024	INV	PD	PLANNING & ZONING
174577 CHECK DATE: 07/02/2024		06/19/2024	070224	352032	976.50	976.50	07/19/2024	INV	PD	ELECTRIC DEPARTMENT
174578 CHECK DATE: 07/02/2024		06/19/2024	070224	352032	347.20	347.20	07/19/2024	INV	PD	ENERGY FRANCHISE ORDIN
174579 CHECK DATE: 07/02/2024		06/19/2024	070224	352032	1,321.95	1,321.95	07/19/2024	INV	PD	KRUSE EASEMENTS
174580 CHECK DATE: 07/02/2024		06/19/2024	070224	352032	371.25	371.25	07/19/2024	INV	PD	CREEK RD PROJECT - KRU

Report generated: 06/27/2024 11:25
User: 8482mrob
Program ID: apinvlst

Page 15

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
174581 CHECK DATE: 07/02/2024		06/19/2024	070224	352032	137.50	137.50	07/19/2024	INV	PD	MUELLER SYSTEMS ARBITR
174582 CHECK DATE: 07/02/2024		06/19/2024	070224	352032	192.50	192.50	07/19/2024	INV	PD	MN RIVER BLUFFS REGION
174583 CHECK DATE: 07/02/2024		06/19/2024	070224	352032	412.30	412.30	07/19/2024	INV	PD	NEW AMI SYSTEM
174584 CHECK DATE: 07/02/2024		06/19/2024	070224	352032	923.40	923.40	07/19/2024	INV	PD	WETLAND BANK
174585 CHECK DATE: 07/02/2024		06/19/2024	070224	352032	2,394.00	2,394.00	07/19/2024	INV	PD	82ND ST W PROJECT
174586 CHECK DATE: 07/02/2024		06/19/2024	070224	352032	357.50	357.50	07/19/2024	INV	PD	HIGHPOINT VISTAS
174587 CHECK DATE: 07/02/2024		06/19/2024	070224	352032	217.00	217.00	07/19/2024	INV	PD	CRIME PREVENTION FUND
					13,428.98					
101187 METRO SALES INC										
INV2538479 CHECK DATE: 07/02/2024		06/04/2024	070224	352033	303.07	303.07	07/04/2024	INV	PD	Ricoh/IM C6010 Color
INV2542770 CHECK DATE: 07/02/2024		06/11/2024	070224	352033	685.61	685.61	07/11/2024	INV	PD	RICOH COPIER CONTRACT
					988.68					
112069 MIAR, MAZI										
10012989-1 CHECK DATE: 07/02/2024		06/18/2024	070224	352034	4.92	4.92	07/18/2024	INV	PD	CREDIT BALANCE REFUND-
10012989-2 CHECK DATE: 07/02/2024		06/18/2024	070224	352034	148.68	148.68	07/18/2024	INV	PD	CREDIT BALANCE REFUND-
					153.60					
101196 MID COUNTY COOP #122622										
172 CHECK DATE: 06/18/2024		06/11/2024	061824-2	351920	1,262.26	1,262.26	06/21/2024	INV	PD	404 GLS GAS-TC
173 CHECK DATE: 06/18/2024		06/11/2024	061824-2	351920	934.16	934.16	06/21/2024	INV	PD	308 GLS DIESEL-TC
					2,196.42					
112048 MIDWAY FORD COMPANY										

Report generated: 06/27/2024 11:25
 User: 8482mrob
 Program ID: apinvlist

Page 16

City of Chaska

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
240376 CHECK DATE: 07/02/2024		06/12/2024	070224	352035	51,106.93	51,106.93	07/12/2024	INV	PD	#501 FORD F250 PICKUP
112065 MINNEAPOLIS AREA SYNOD ELCA										
128050 CHECK DATE: 07/02/2024		05/30/2024	070224	352036	175.00	175.00	07/13/2024	INV	PD	Synod Senior Band Conc
101217 MINNESOTA CHILD SUPPORT PMT CTR										
PR0614240015806598 CHECK DATE: 06/18/2024		06/14/2024	061824-2	351921	461.46	461.46	06/14/2024	INV	PD	061424 Payroll - Child
101229 MN DEPARTMENT OF EMPLOYMENT & ECONOMIC DEVELOPMENT										
53 CHECK DATE: 07/02/2024	240003	07/01/2024	070224	352037	2,433.64	2,433.64	07/15/2024	INV	PD	FORMACOAT LLC LOAN REP
101337 MINNESOTA DEPARTMENT OF HEALTH										
1100002 2nd Quarter CHECK DATE: 07/02/2024		05/16/2024	070224	352038	19,068.21	19,068.21	07/30/2024	INV	PD	Q2 Community Water Sup
101303 MN TEAMSTER PUBLIC AND LAW ENFORCEMENT										
Jun-24 CHECK DATE: 06/18/2024		06/14/2024	061824-2	351922	5,655.00	5,655.00	06/14/2024	INV	PD	Jun-24 Local #320 Unio
101276 MINNESOTA VALLEY ELECTRIC COOPERATIVE										
778377500/MAY24 CHECK DATE: 06/18/2024		06/07/2024	061824-2	351923	61.81	61.81	07/02/2024	INV	PD	MAY 12500 COUNTY RD 11
778377800/MAY24 CHECK DATE: 06/18/2024		06/07/2024	061824-2	351923	41.32	41.32	07/02/2024	INV	PD	MAY 4250 ENGLER BLVD S
778377900/MAY24 CHECK DATE: 06/18/2024		06/07/2024	061824-2	351923	47.15	47.15	07/02/2024	INV	PD	MAY 4100 ENGLER BLVD S
781385500/MAY24 CHECK DATE: 06/27/2024		06/07/2024	062724	351933	15.42	15.42	07/02/2024	INV	PD	MAY 4463 COUNTY RD 44
					165.70					
101134 MALLOY MONTAGUE KARNOWSKI RADOSEVICH & CO PA										
56465 CHECK DATE: 07/02/2024		06/17/2024	070224	352039	10,190.00	10,190.00	07/21/2024	INV	PD	2023 AUDIT THROUGH MAY

Report generated: 06/27/2024 11:25
 User: 8482mrob
 Program ID: apinvlst

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
101351 MN DEPARTMENT OF TRANSPORTATION										
P00018605		06/21/2024	070224	352040	952.12	952.12	07/21/2024	INV	PD	CREEK RD MATERIAL TEST
CHECK DATE: 07/02/2024										
105995 MONEY MOVERS INC										
166356		06/04/2024	070224	352041	23.95	23.95	07/04/2024	INV	PD	May NIHCA Rewards
CHECK DATE: 07/02/2024										
105853 MOR GOLF AND UTILITY INC										
47255		06/18/2024	070224	352042	39.06	39.06	07/18/2024	INV	PD	CART REPAIR PARTS
CHECK DATE: 07/02/2024										
47388		06/24/2024	070224	352042	39.67	39.67	07/24/2024	INV	PD	CART PARTS
CHECK DATE: 07/02/2024										
					78.73					
103236 MRA-THE MANAGEMENT ASSOCIATION										
00463031		06/05/2024	070224	352043	370.00	370.00	07/05/2024	INV	PD	MAY COMPENSATION SERVI
CHECK DATE: 07/02/2024										
103088 SID TOOL CO INC										
78291788		05/31/2024	070224	352044	62.75	62.75	06/30/2024	INV	PD	GRINDER DISCS
CHECK DATE: 07/02/2024										
81651198		06/13/2024	070224	352044	279.45	279.45	07/13/2024	INV	PD	FIRE EXTINGUISHERS NEW
CHECK DATE: 07/02/2024										
81651208		06/14/2024	070224	352044	279.45	279.45	07/14/2024	INV	PD	#102 & #121 FIRE EXTIN
CHECK DATE: 07/02/2024										
81651218		06/12/2024	070224	352044	201.50	201.50	07/12/2024	INV	PD	DRILL BITS
CHECK DATE: 07/02/2024										
					823.15					
101356 MTI DISTRIBUTING INC #31380										
1433500-00		06/10/2024	070224	352045	641.74	641.74	07/10/2024	INV	PD	#234 & #230 MOWER DECK
CHECK DATE: 07/02/2024										
1433882-00		06/12/2024	070224	352045	39.35	39.35	07/12/2024	INV	PD	#234 & #230 MOWER DECK
CHECK DATE: 07/02/2024										
1433882-01		06/20/2024	070224	352045	80.47	80.47	07/20/2024	INV	PD	#234 & #230 DECK HINGE

Report generated: 06/27/2024 11:25
 User: 8482mrob
 Program ID: apinvlist

Page 18

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
CHECK DATE: 07/02/2024										
1434300-00		06/13/2024	070224	352045	293.16	293.16	07/13/2024	INV	PD	#242 BRAKE PARTS
CHECK DATE: 07/02/2024										
1434300-01		06/14/2024	070224	352045	65.51	65.51	07/14/2024	INV	PD	#242 BRAKE PARTS
CHECK DATE: 07/02/2024										
1434941-00		06/17/2024	070224	352045	297.07	297.07	07/17/2024	INV	PD	#242 MASTER CYLINDER -
CHECK DATE: 07/02/2024										
1434987-00		06/19/2024	070224	352045	80.47	80.47	07/19/2024	INV	PD	#234 & #230 MOWER DECK
CHECK DATE: 07/02/2024										
1436122-00		06/24/2024	070224	352045	108.75	108.75	07/24/2024	INV	PD	#239 BELT ENGAGEMENT P
CHECK DATE: 07/02/2024										
101354 MTI DISTRIBUTING INC #700767					1,606.52					
1433432-00		06/10/2024	070224	352046	218.82	218.82	07/10/2024	INV	PD	BEDKNIFE SCREWS
CHECK DATE: 07/02/2024										
1434101-00		06/13/2024	070224	352046	72.33	72.33	07/13/2024	INV	PD	THROTTLE CABLE FWY MOW
CHECK DATE: 07/02/2024										
1434680-00		06/17/2024	070224	352046	535.74	535.74	07/17/2024	INV	PD	NOZZLES FOR BLOWERS
CHECK DATE: 07/02/2024										
1436087-00		06/24/2024	070224	352046	215.86	215.86	07/24/2024	INV	PD	SPEED SENSOR GTX
CHECK DATE: 07/02/2024										
106657 MUNICIPAL ASSET MANAGEMENT INC					1,042.75					
01132022H31		06/17/2024	070224	352047	4,983.31	4,983.31	07/13/2024	INV	PD	CCC FITNESS EQUIP LEAS
CHECK DATE: 07/02/2024										
109998 PAUL MUSIKOV										
128296		02/29/2024	070224	352048	340.00	340.00	07/12/2024	INV	PD	F&I Solid Gold Band 7/
CHECK DATE: 07/02/2024										
101391 NELSON, LISA										
128313		06/13/2024	070224	352049	45.02	45.02	07/13/2024	INV	PD	MILEAGE-TYLER MN USER
CHECK DATE: 07/02/2024										
102654 NORTH AMERICAN SAFETY INC										

Report generated: 06/27/2024 11:25
 User: 8482mrob
 Program ID: apinvlst

Page 19

City of Chaska

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
INV88710		06/07/2024	070224	352050	408.00	408.00	08/07/2024	INV	PD	SUMMER GLOVES
CHECK DATE:	07/02/2024									
INV88758		06/10/2024	070224	352050	247.39	247.39	08/10/2024	INV	PD	SAFETY VESTS-BLDG INSP
CHECK DATE:	07/02/2024									
INV88841		06/13/2024	070224	352050	138.84	138.84	07/13/2024	INV	PD	SAFETY GLASSES AND GLO
CHECK DATE:	07/02/2024									
					794.23					
100202 BLUETARP FINANCIAL INC										
53736639		06/18/2024	070224	352051	208.98	208.98	07/18/2024	INV	PD	#104 & #203 REC HITCHE
CHECK DATE:	07/02/2024									
111958 O'CONNOR INC										
81575		06/13/2024	070224	352052	1,160.90	1,160.90	07/13/2024	INV	PD	LOOP RESALE
CHECK DATE:	07/02/2024									
112071 O'DONNELL, TERRENCE										
10008372		06/18/2024	070224	352053	100.17	100.17	07/18/2024	INV	PD	CREDIT BALANCE REFUND-
CHECK DATE:	07/02/2024									
101454 OLSEN CHAIN AND CABLE CO INC										
716859		06/14/2024	070224	352054	278.92	278.92	07/14/2024	INV	PD	CHOKER CABLE - DIGS
CHECK DATE:	07/02/2024									
101465 ON SITE SANITATION INC										
0001726123		06/08/2024	070224	352055	178.00	178.00	07/08/2024	INV	PD	TOWN COURSE-MAINTENANC
CHECK DATE:	07/02/2024									
0001726124		06/08/2024	070224	352055	146.00	146.00	07/08/2024	INV	PD	SUNSET PARK
CHECK DATE:	07/02/2024									
0001726125		06/08/2024	070224	352055	146.00	146.00	07/08/2024	INV	PD	CLOVER RIDGE SOCCER FI
CHECK DATE:	07/02/2024									
0001726126		06/08/2024	070224	352055	178.00	178.00	07/08/2024	INV	PD	TOWN COURSE
CHECK DATE:	07/02/2024									
0001726127		06/08/2024	070224	352055	292.00	292.00	07/08/2024	INV	PD	LIONS PARK
CHECK DATE:	07/02/2024									
					940.00					
111049 OPPIDAN INCORPORATED										

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
128322 CHECK DATE: 07/02/2024		06/25/2024	070224	352056	153,000.00	153,000.00	07/25/2024	INV	PD	Refund Builder Escrow-
109996 TERRY L PARTINGTON										
128298 CHECK DATE: 07/02/2024		02/29/2024	070224	352057	340.00	340.00	07/12/2024	INV	PD	F&I Solid Gold Band 7/
105181 BOTTLING GROUP LLC										
29060408 CHECK DATE: 07/02/2024		06/19/2024	070224	352058	380.75	380.75	07/19/2024	INV	PD	Concession Resale
32123111 CHECK DATE: 07/02/2024		05/14/2024	070224	352058	804.98	804.98	06/14/2024	INV	PD	LOOP CONCESSION RESALE
					1,185.73					
101510 PERFORMANCE PLUS LLC										
50496 CHECK DATE: 07/02/2024		06/17/2024	070224	352059	2,000.00	2,000.00	07/17/2024	INV	PD	FF PREPLACEMENT EXAMS
50501 CHECK DATE: 07/02/2024		06/17/2024	070224	352059	1,396.00	1,396.00	07/17/2024	INV	PD	FF PREPLACEMENT EXAMS
					3,396.00					
101522 THE PGA OF AMERICA										
03619257-2024 CHECK DATE: 07/02/2024		06/17/2024	070224	352060	482.55	482.55	07/17/2024	INV	PD	ANNUAL PGA DUES-YOUNG
101525 THE PITNEY BOWES BANK INC										
8000909011411548-624 CHECK DATE: 07/02/2024		06/20/2024	070224	352061	42.11	42.11	07/17/2024	INV	PD	LATE FEE ON LATE FEE
107855 STAPLES INC										
38934394 CHECK DATE: 07/02/2024		06/03/2024	070224	352063	107.55	107.55	07/03/2024	INV	PD	BREAKROOM SUPPLIES
39129445-1 CHECK DATE: 07/02/2024		06/14/2024	070224	352062	72.10	72.10	07/14/2024	INV	PD	Copy Paper for City Ha
39129445-2 CHECK DATE: 07/02/2024		06/14/2024	070224	352062	195.33	195.33	07/14/2024	INV	PD	Forks, Knives, spoons,
39129445-3		06/14/2024	070224	352062	6.74	6.74	07/14/2024	INV	PD	Composition Book for D

Report generated: 06/27/2024 11:25
 User: 8482mrob
 Program ID: apinvlst

Page 21

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
CHECK DATE: 07/02/2024										
39170260		06/18/2024	070224	352062	32.78	32.78	07/18/2024	INV	PD	Labels and Post-it-sig
CHECK DATE: 07/02/2024										
101684 R & R SPECIALTIES OF WISCONSIN INC					414.50					
0082194-IN		06/05/2024	070224	352064	45.75	45.75	07/05/2024	INV	PD	Extension Rod for Zamb
CHECK DATE: 07/02/2024										
0082330-IN		06/21/2024	070224	352064	145.00	145.00	07/21/2024	INV	PD	Zamboni Blade Sharpeni
CHECK DATE: 07/02/2024										
101616 RDO EQUIPMENT COMPANY					190.75					
W3924370		06/18/2024	070224	352065	917.13	917.13	07/18/2024	INV	PD	#724 BORE RIG REPAIRS
CHECK DATE: 07/02/2024										
111983 REC-TECH SALES & SERVICE COMPANY										
2761		06/24/2024	070224	352066	264.06	264.06	07/24/2024	INV	PD	CHAINSAW PARTS
CHECK DATE: 07/02/2024										
111900 SCP DISTRIBUTORS LLC										
526548		06/19/2024	070224	352067	39.34	39.34	07/19/2024	INV	PD	Spider gasket for Hot
CHECK DATE: 07/02/2024										
526549		06/19/2024	070224	352067	60.56	60.56	07/19/2024	INV	PD	Rubber sealant for gas
CHECK DATE: 07/02/2024										
101631 REINDERS INC					99.90					
3189938-00		04/08/2024	070224	352068	8,122.02	8,122.02	06/20/2024	INV	PD	EARLY ORDER CHEMICALS
CHECK DATE: 07/02/2024										
3189941-00		04/08/2024	070224	352068	16,776.51	16,776.51	06/20/2024	INV	PD	EARLY ORDER CHEMICALS
CHECK DATE: 07/02/2024										
3189944-00		04/08/2024	070224	352068	13,694.90	13,694.90	06/20/2024	INV	PD	EARLY ORDER CHEMICALS
CHECK DATE: 07/02/2024										
3189944-01		04/08/2024	070224	352068	3,420.00	3,420.00	06/20/2024	INV	PD	EARLY ORDER CHEMICALS
CHECK DATE: 07/02/2024										
3189945-00		04/08/2024	070224	352068	13,219.04	13,219.04	06/20/2024	INV	PD	EARLY ORDER CHEMICALS
CHECK DATE: 07/02/2024										

Report generated: 06/27/2024 11:25
User: 8482mrob
Program ID: apinvlst

Page 22

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
3402711-00 CHECK DATE: 07/02/2024		06/07/2024	070224	352069	1,572.00	1,572.00	07/07/2024	INV	PD	LIQUID FERTILIZER FOR
101638 RURAL ELECTRIC SUPPLY COOPERATIVE					56,804.47					
3036512 CHECK DATE: 07/02/2024	240148	06/11/2024	070224	352070	7,686.75	7,686.75	07/11/2024	INV	PD	15 - ELBOW 4WAY FEED T
3037001 CHECK DATE: 07/02/2024	240152	06/14/2024	070224	352070	1,586.88	1,586.88	07/14/2024	INV	PD	24 - SPLICE SJIA COLD
3037006 CHECK DATE: 07/02/2024	240153	06/14/2024	070224	352070	1,359.60	1,359.60	07/14/2024	INV	PD	15 - SPLICE 1/0 QUICK
101744 SCOTT COUNTY TREASURER					10,633.23					
IN30971 CHECK DATE: 07/02/2024		06/12/2024	070224	352071	1,800.00	1,800.00	07/09/2024	INV	PD	FIRE TOWER TRAINING
101775 THE SHERWIN-WILLIAMS COMPANY-CHANHASSEN										
6095-6 CHECK DATE: 07/02/2024		06/18/2024	070224	352072	281.93	281.93	07/20/2024	INV	PD	PAINT FOR LION'S PARK
6403-2 CHECK DATE: 07/02/2024		06/24/2024	070224	352072	1,014.40	1,014.40	07/20/2024	INV	PD	PAINT SPRAYER PARTS
104827 ROHN INDUSTRIES					1,296.33					
0025953 CHECK DATE: 07/02/2024		06/10/2024	070224	352073	26.85	26.85	07/10/2024	INV	PD	Service Security Conso
104547 SITEONE LANDSCAPE SUPPLY HOLDING LLC										
142604401-001 CHECK DATE: 07/02/2024		06/10/2024	070224	352074	103.58	103.58	07/15/2024	INV	PD	IRRIGATION SUPPLIES PA
142827027-001 CHECK DATE: 07/02/2024		06/21/2024	070224	352074	2,640.00	2,640.00	07/21/2024	INV	PD	HERBICIDE FOR SCHOOL D
143131556-001 CHECK DATE: 07/02/2024		06/21/2024	070224	352074	1,699.58	1,699.58	07/21/2024	INV	PD	IRRIGATION/HERBICIDE S
143187395-001 CHECK DATE: 07/02/2024		06/24/2024	070224	352074	749.47	749.47	07/24/2024	INV	PD	HERBICIDE FOR PARKS

Report generated: 06/27/2024 11:25
 User: 8482mrob
 Program ID: apinvlst

Page 23

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
103601 GREG SLETTEN					5,192.63					
128368 CHECK DATE: 07/02/2024		06/25/2024	070224	352075	250.00	250.00	07/25/2024	INV	PD	music performance Summ
101803 SM HENTGES & SONS INC										
SP1008-87-19 CHECK DATE: 07/02/2024		06/18/2024	070224	352076	1,277,999.51	1,277,999.51	07/18/2024	INV	PD	TH 41/CSAH 61 IMPROVEM
107195 SOCIAL INDOOR LLC										
8606 CHECK DATE: 07/02/2024		06/14/2024	070224	352077	500.00	500.00	07/14/2024	INV	PD	JUN TC ADVERTISING
101916 SOUTHWEST POWER EQUIPMENT										
1-539240 CHECK DATE: 07/02/2024		06/20/2024	070224	352078	189.97	189.97	07/20/2024	INV	PD	POLE SAW PARTS
103950 APPLIED CONCEPTS										
440023 CHECK DATE: 07/02/2024		06/19/2024	070224	352079	197.50	197.50	07/19/2024	INV	PD	Squad 1221 - Radio Rep
101859 STANDARD & POORS GLOBAL RATINGS										
11476531 CHECK DATE: 07/02/2024		06/11/2024	070224	352080	42,512.00	42,512.00	07/11/2024	INV	PD	2024A RATING FEE
101874 STEPP MANUFACTURING CO INC										
064643 CHECK DATE: 07/02/2024		06/11/2024	070224	352081	225.33	225.33	07/11/2024	INV	PD	#132 BURNER PARTS FOR
110200 STERICYCLE INC										
8007450484 CHECK DATE: 07/02/2024		06/18/2024	070224	352082	132.38	132.38	07/18/2024	INV	PD	May Shredding
111577 KELLIE ANNE CAMERON										
128035 CHECK DATE: 07/02/2024		06/05/2024	070224	352083	2,440.20	2,440.20	06/23/2024	INV	PD	Goldilocks Jun 23-29

Report generated: 06/27/2024 11:25
 User: 8482mrob
 Program ID: apinvist

Page 24

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
101888 STREICHERS										
I1704640		06/14/2024	070224	352084	73.99	73.99	07/14/2024	INV	PD	Cadet Uniforms
CHECK DATE:	07/02/2024									
I1705353		06/20/2024	070224	352084	8,455.98	8,455.98	07/20/2024	INV	PD	SWAT - Uniform/Gear
CHECK DATE:	07/02/2024									
I1705423		06/20/2024	070224	352084	379.97	379.97	07/20/2024	INV	PD	Boll-Bike Patrol Initi
CHECK DATE:	07/02/2024									
I1705916		06/24/2024	070224	352084	43.97	43.97	07/24/2024	INV	PD	VanDaalen-Initial Issu
CHECK DATE:	07/02/2024									
					8,953.91					
101892 STUART C IRBY CO										
S013562555.001	240159	06/19/2024	070224	352085	23,850.00	23,850.00	07/19/2024	INV	PD	SW CAB S&C PME9 600A 3
CHECK DATE:	07/02/2024									
S013562563.001	240160	06/19/2024	070224	352085	23,850.00	23,850.00	07/19/2024	INV	PD	SW CAB S&C PME9 600A 3
CHECK DATE:	07/02/2024									
S013562566.001	240161	06/19/2024	070224	352085	23,850.00	23,850.00	07/19/2024	INV	PD	SW CAB S&C PME9 600A 3
CHECK DATE:	07/02/2024									
S013562573.001	240162	06/19/2024	070224	352085	23,850.00	23,850.00	07/19/2024	INV	PD	SW CAB S&C PME9 600A 3
CHECK DATE:	07/02/2024									
S013562579.001	240164	06/19/2024	070224	352085	23,850.00	23,850.00	07/19/2024	INV	PD	SW CAB S&C PME9 600A 3
CHECK DATE:	07/02/2024									
S013562635.001	240163	06/19/2024	070224	352085	23,850.00	23,850.00	07/19/2024	INV	PD	SW CAB S&C PME9 600A 3
CHECK DATE:	07/02/2024									
S013899075.001	240158	06/17/2024	070224	352085	4,400.00	4,400.00	07/17/2024	INV	PD	20 - ELBOW 2WAY FEED T
CHECK DATE:	07/02/2024									
S013981995.001	240154	06/17/2024	070224	352085	2,215.00	2,215.00	07/17/2024	INV	PD	500 - COND CU 4/9 STR
CHECK DATE:	07/02/2024									
					149,715.00					
102247 SUMMIT FIRE PROTECTION CO										
130105118		04/08/2024	070224	352086	373.50	373.50	07/24/2024	INV	PD	TC Extinguisher Svc
CHECK DATE:	07/02/2024									
101898 SUN MOUNTAIN SPORTS										
1223247		06/13/2024	070224	352087	40.65	40.65	08/13/2024	INV	PD	LOOP RESALE
CHECK DATE:	07/02/2024									

Report generated: 06/27/2024 11:25
 User: 8482mrob
 Program ID: apinvlst

Page 25

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
101932 TAYLOR MADE GOLF CO INC										
37338510		04/10/2024	070224	352088	134.12	134.12	06/09/2024	INV	PD	RESALE & INTEREST
CHECK DATE: 07/02/2024										
37514987		06/10/2024	070224	352088	1,238.79	1,238.79	07/25/2024	INV	PD	RESALE
CHECK DATE: 07/02/2024										
37515065		06/10/2024	070224	352088	22.03	22.03	07/25/2024	INV	PD	RESALE
CHECK DATE: 07/02/2024										
37527737		06/14/2024	070224	352088	442.49	442.49	07/29/2024	INV	PD	RESALE
CHECK DATE: 07/02/2024										
37533621		06/18/2024	070224	352088	442.49	442.49	08/02/2024	INV	PD	RESALE
CHECK DATE: 07/02/2024										
					2,279.92					
112081 RICHARD ALAN ERICKSON										
128301		03/12/2024	070224	352089	500.00	500.00	07/11/2024	INV	PD	Kids Concert Series 7/
CHECK DATE: 07/02/2024										
109943 TEREX USA LLC										
7442863		06/18/2024	070224	352090	2,022.18	2,022.18	07/18/2024	INV	PD	#704 BOOM TESTING W/ R
CHECK DATE: 07/02/2024										
100757 THE GRAPHIC EDGE LLC										
10260647		06/04/2024	070224	352091	1,018.63	1,018.63	07/04/2024	INV	PD	Youth Sports - Baseball
CHECK DATE: 07/02/2024										
101964 PMT EMBROIDERY LLC										
19882		06/23/2024	070224	352092	340.00	340.00	07/23/2024	INV	PD	Event Ctr Staff Unifor
CHECK DATE: 07/02/2024										
104908 TIMESAVER OFF SITE SECRETARIAL INC										
M29246		06/14/2024	070224	352093	768.00	768.00	06/17/2024	INV	PD	HCR, Council, HPC & PI
CHECK DATE: 07/02/2024										
101994 TRAVIS MATHEW LLC										
91927574		06/13/2024	070224	352094	129.78	129.78	07/13/2024	INV	PD	RESALE
CHECK DATE: 07/02/2024										

Report generated: 06/27/2024 11:25
 User: 8482mrob
 Program ID: apinvist

Page 26

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
91949407 CHECK DATE: 07/02/2024		06/21/2024	070224	352094	46.20	46.20	07/21/2024	INV	PD	RESALE
102027 TWIN CITIES & WESTERN RAILROAD CO					175.98					
M900646-IN CHECK DATE: 07/02/2024		06/17/2024	070224	352095	695.43	695.43	07/17/2024	INV	PD	ELEC UG LINE CROSSING
102028 TWIN CITY WATER CLINIC INC										
20582 CHECK DATE: 07/02/2024		06/05/2024	070224	352096	510.00	510.00	07/05/2024	INV	PD	MAY WTP SAMPLES
110053 TX CHILD SUPPORT SDU										
PR0614240012725283 CHECK DATE: 06/18/2024		06/14/2024	061824-2	351924	115.38	115.38	06/14/2024	INV	PD	061424 Payroll - Child
104522 US FOODS INC										
5688782 CHECK DATE: 07/02/2024		06/18/2024	070224	352097	494.92	494.92	07/18/2024	INV	PD	TOWELS & SOAP
5781738 CHECK DATE: 07/02/2024		06/21/2024	070224	352097	191.49	191.49	07/21/2024	INV	PD	TOWELS & SOAP
5924897 CHECK DATE: 07/02/2024		06/19/2024	070224	352097	193.44	193.44	07/19/2024	INV	PD	MAY DISH MACHINE RENTA
5948309 CHECK DATE: 07/02/2024		06/24/2024	070224	352097	-110.88	-110.88	07/25/2024	CRM	PD	CREDIT-SOAP-ORDER ENTR
107815 UTILITY LOGIC LLC					768.97					
14725 CHECK DATE: 07/02/2024		06/13/2024	070224	352098	29.60	29.60	07/13/2024	INV	PD	POWER CORD FOR THE OLD
112017 VADA CONTRACTING LLC										
53290420-1 CHECK DATE: 06/20/2024		05/21/2024	062024	351925	129,547.22	129,547.22	06/21/2024	INV	PD	REISSUE-INNSBRUCK DR R
53290420-2 CHECK DATE: 07/02/2024		06/18/2024	070224	352099	28,708.42	28,708.42	07/18/2024	INV	PD	INNSBRUCK DR RETAINING

Report generated: 06/27/2024 11:25
 User: 8482mrob
 Program ID: apinvlst

Page 27

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
112050 VALDES LAWN CARE & SNOW REMOVAL LLC					158,255.64					
35570		06/06/2024	070224	352100	13,405.97	13,405.97	07/06/2024	INV	PD	RELANDSCAPING HWY 41
CHECK DATE: 07/02/2024										
52492400-1		06/19/2024	070224	352100	136,884.12	136,884.12	07/19/2024	INV	PD	TH 41 LANDSCAPING & IR
CHECK DATE: 07/02/2024										
102115 VIKING AUTOMATIC SPRINKLER CO					150,290.09					
1025-F363064		06/20/2024	070224	352101	415.00	415.00	07/20/2024	INV	PD	MSB ANNUAL SPRINKLER I
CHECK DATE: 07/02/2024										
1025-F363066		06/20/2024	070224	352101	365.00	365.00	07/20/2024	INV	PD	MSB ANNUAL INSPECTION
CHECK DATE: 07/02/2024										
102133 WAGNER PRESS & GRAPHICS					780.00					
37488		06/10/2024	070224	352102	525.00	525.00	07/10/2024	INV	PD	Activity Book
CHECK DATE: 07/02/2024										
37517		06/17/2024	070224	352102	668.00	668.00	07/17/2024	INV	PD	Bike Labels
CHECK DATE: 07/02/2024										
37523		06/19/2024	070224	352102	953.00	953.00	07/19/2024	INV	PD	Department forms/Busin
CHECK DATE: 07/02/2024										
37524		06/19/2024	070224	352102	222.00	222.00	07/09/2024	INV	PD	Business Cards-CCC Sta
CHECK DATE: 07/02/2024										
102146 WATER SPECIALTY OF MINNESOTA INC					2,368.00					
13226		06/14/2024	070224	352103	4,379.33	4,379.33	07/14/2024	INV	PD	Pool Chemicals
CHECK DATE: 07/02/2024										
13227		06/14/2024	070224	352103	409.46	409.46	07/14/2024	INV	PD	Pool Chemicals for the
CHECK DATE: 07/02/2024										
13231		06/21/2024	070224	352103	689.14	689.14	07/21/2024	INV	PD	Pool Chemicals for the
CHECK DATE: 07/02/2024										
112079 WENDLAND, RANDALL					5,477.93					
37833		06/18/2024	070224	352104	221.36	221.36	07/18/2024	INV	PD	CREDIT BALANCE REFUND-
CHECK DATE: 07/02/2024										

Report generated: 06/27/2024 11:25
 User: 8482mrob
 Program ID: apinvlist

Page 28

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
102166 WESCO DISTRIBUTION INC										
404471		06/05/2024	070224	352105	21,640.00	21,640.00	07/05/2024	INV	PD	CT's for WEST CREEK SU
CHECK DATE: 07/02/2024										
406779	240146	06/10/2024	070224	352105	17,946.74	17,946.74	07/10/2024	INV	PD	2 - SW CAB ELASTIMOLD
CHECK DATE: 07/02/2024										
408602	240150	06/13/2024	070224	352105	909.36	909.36	07/13/2024	INV	PD	6 - TERMINATOR 4/0 ALU
CHECK DATE: 07/02/2024										
409227	240151	06/14/2024	070224	352105	9,364.25	9,364.25	07/14/2024	INV	PD	8 - SW CAB BSMNT MVI S
CHECK DATE: 07/02/2024										
412661		06/24/2024	070224	352105	801.56	801.56	07/24/2024	INV	PD	WIRE TAGS
CHECK DATE: 07/02/2024										
					50,661.91					
102174 WHEELER HARDWARE COMPANY										
SPI151059		06/19/2024	070224	352106	133.60	133.60	07/19/2024	INV	PD	RE-KEY MCKNIGHT PARK
CHECK DATE: 07/02/2024										
102189 WM MUELLER & SONS										
300172		06/10/2024	070224	352107	70.79	70.79	07/25/2024	INV	PD	W/S STOCKPILE
CHECK DATE: 07/02/2024										
300253		06/11/2024	070224	352107	190.37	190.37	07/25/2024	INV	PD	POTHOLE PATCHING
CHECK DATE: 07/02/2024										
300322		06/12/2024	070224	352107	1,755.93	1,755.93	07/25/2024	INV	PD	TEMP MSB PARKING LOT E
CHECK DATE: 07/02/2024										
300393		06/13/2024	070224	352107	3,518.46	3,518.46	07/25/2024	INV	PD	TEMP MSB PARKING LOT E
CHECK DATE: 07/02/2024										
300509		06/17/2024	070224	352107	114.10	114.10	07/25/2024	INV	PD	W/S STOCKPILE
CHECK DATE: 07/02/2024										
300646		06/20/2024	070224	352107	977.80	977.80	07/25/2024	INV	PD	HYDRANT DIGS - SANDY A
CHECK DATE: 07/02/2024										
					6,627.45					
111214 WYFFELS, PETE										
128122		06/12/2024	070224	352108	19.31	19.31	07/12/2024	INV	PD	UBER FOR APPA NTL CONF
CHECK DATE: 07/02/2024										

Report generated: 06/27/2024 11:25
 User: 8482mrob
 Program ID: apinvlst

Page 29

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
102231	ZIEGLER INC									
IN001511576		06/08/2024	070224	352110	126.71	126.71	07/08/2024	INV	PD	#140 ARTICULATING CYLI
CHECK DATE:	07/02/2024									
SI000496044		06/04/2024	070224	352110	1,143.18	1,143.18	07/04/2024	INV	PD	BATTERY MAINT FOR SUBS
CHECK DATE:	07/02/2024									
					1,269.89					
331 INVOICES					2,655,105.96					

** 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										
128154 CHECK DATE: 06/18/2024		06/18/2024	061824-3	4206	2,000,000.00	2,000,000.00	06/18/2024	DIR	PD	XFER ONB TO 4M-CASHFLO
105243 ALERUS FINANCIAL										
C157585 CHECK DATE: 06/20/2024		06/07/2024	062024-7	4217	123.20	123.20	06/20/2024	DIR	PD	MAY PARTICIPANT FEES
107490 GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY										
128015 CHECK DATE: 06/14/2024		06/14/2024	061424	4204	7,934.68	7,934.68	06/14/2024	DIR	PD	061424 Payroll - HCSP
107744 GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY										
128016 CHECK DATE: 06/14/2024		06/14/2024	061424	4205	3,216.06	3,216.06	06/14/2024	DIR	PD	061424 Payroll - MNDP
110382 ENTERPRISE FM TRUST										
FBN5059661 CHECK DATE: 06/20/2024		06/07/2024	062024-6	4215	13,332.73	13,332.73	06/20/2024	DIR	PD	JUN FLEET LEASES
101756 MII LIFE INCORPORATED										
16948847 CHECK DATE: 06/21/2024		06/07/2024	062124	4216	135.00	135.00	07/07/2024	DIR	PD	JUN FSA PARTICIPANT FE
41032848 CHECK DATE: 06/18/2024		06/18/2024	WIRE_001	4207	35.72	35.72	06/18/2024	DIR	PD	6/18/24 FSA REIMB-HEAL
41038976 CHECK DATE: 06/26/2024		06/25/2024	062624	4218	1,698.60	1,698.60	06/26/2024	DIR	PD	6/26/24 FSA REIMB-HEAL
					1,869.32					
100927 INTERNAL REVENUE SERVICE										
128009 CHECK DATE: 06/14/2024		06/14/2024	061424	4199	196,185.94	196,185.94	06/14/2024	DIR	PD	061424 Payroll - SS, M
101346 MINNESOTA COMMISSIONER OF REVENUE										
2024/0531-CC CHECK DATE: 06/20/2024		05/31/2024	062024-5	4211	12,738.37	12,738.37	06/20/2024	DIR	PD	MAY-24 CARVER CTY TRAN

Report generated: 06/27/2024 12:16
 User: 8482mrob
 Program ID: apinvlst

Page 1

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
2024/0531-MH CHECK DATE: 06/20/2024		05/31/2024	062024-5	4212	6,291.88	6,291.88	06/20/2024	DIR	PD	MAY-24 METRO HOUSING S
2024/0531-MT CHECK DATE: 06/20/2024		05/31/2024	062024-5	4213	19,015.53	19,015.53	06/20/2024	DIR	PD	MAY-24 METRO TRANSPORT
2024/0531-SLS/UB CHECK DATE: 06/20/2024		05/31/2024	062024-5	4209	174,847.72	174,847.72	06/20/2024	DIR	PD	MAY-24 GEN/UB SALES TA
2024/0531-USE CHECK DATE: 06/20/2024		05/31/2024	062024-5	4210	6,727.01	6,727.01	06/20/2024	DIR	PD	MAY-24 USE TAX
101343 MINNESOTA DEPT OF REVENUE-PAYROLL WIRES					219,620.51					
128010 CHECK DATE: 06/14/2024		06/14/2024	061424	4200	39,099.08	39,099.08	06/14/2024	DIR	PD	061424 Payroll - MN St
101249 MINNESOTA MUNICIPAL POWER AGENCY										
4078 CHECK DATE: 06/20/2024		06/04/2024	062024-5	4214	3,117,426.95	3,117,426.95	06/20/2024	DIR	PD	MAY ELEC SVC W/EV CRED
101376 NATIONWIDE RETIREMENT SOLUTIONS(USCM)										
128011 CHECK DATE: 06/14/2024		06/14/2024	061424	4201	18,868.01	18,868.01	06/14/2024	DIR	PD	061424 Payroll - 457 C
106955 NATIONWIDE RETIREMENT SOLUTIONS(USCM)										
128014 CHECK DATE: 06/14/2024		06/14/2024	061424	4203	7,748.58	7,748.58	06/14/2024	DIR	PD	061424 Payroll - Roth
104668 OPTUM BANK INC										
128013 CHECK DATE: 06/13/2024		06/14/2024	WIRE_001	4198	22,275.79	22,275.79	06/14/2024	DIR	PD	061424 Payroll - HSA C
101498 PCARD										
2024/0612-PC CHECK DATE: 06/18/2024		06/12/2024		4208	114,603.76	114,603.76	06/18/2024	DIR	PD	JUN 2024 PCARD PURCHAS
101506 PUBLIC EMPLOYEES RETIREMENT ASSOCIATION										
128012 CHECK DATE: 06/14/2024		06/14/2024	061424	4202	126,986.43	126,986.43	06/14/2024	DIR	PD	061424 Payroll - PERA

Detail to follow

Detail to follow

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	CHECK RUN	CHECK #	INVOICE NET	PAID AMOUNT	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
101973	CARVER COUNTY TITLE MANAGEMENT INC									
416	CHESTNUT ST N	06/21/2024	062724-2	4219	28,455.50	28,455.50	06/27/2024	DIR	PD	KD PROPERTIES EASEMENT
CHECK DATE: 06/27/2024										
22 INVOICES					5,917,746.54					

** END OF REPORT - Generated by Michelle Robbin **

**PURCHASE CARD TRANSACTIONS
JUNE 2024 STATEMENT**

Department	Transaction Date	Merchant DBA Name	Amount	Charge Desc.
ADMINISTRATION	2024/05/16	GREEN + THE GRAIN	50.76	Lunch during mediation for Podhradsky, Kabat & Attorney Radio
ADMINISTRATION	2024/05/17	AMAZON.COM	79.99	Drone Landing Pad for Kevin Wright
ADMINISTRATION	2024/05/24	CHASKA RIVER CITY DAYS	275.00	Chaska River City Days Booth Rental for City and HR Commission
ADMINISTRATION	2024/05/24	LEAGUE OF MINNESOTA CITIE	15.00	On-line Class from LMC for City Clerks
ADMINISTRATION	2024/05/29	IIMC	50.00	CMC (Certified Municipal Clerk) IIMC - Admission Fee for Denise Beebe
ADMINISTRATION	2024/05/30	IIMC	75.00	CMC (Certified Municipal Clerk) IIMC Certification Fee - Denise Beebe
ADMINISTRATION	2024/06/03	USPS	60.90	Overnight Delivery for Transient Accommodations for Administration
ADMINISTRATION	2024/06/03	AMAZON.COM	9.98	Markers-HR Commission Pride Event
ADMINISTRATION	2024/06/03	AMAZON.COM	19.59	Sun Hood for Drone for Kevin Wright
ADMINISTRATION	2024/06/04	MCFOA	50.00	Membership Renewal for MCFOA for Vicki Schmid
ADMINISTRATION	2024/06/04	AMAZON.COM	15.97	Cups-HR Commission Pride Event
ADMINISTRATION	2024/06/04	AMAZON.COM	8.98	Tatoos-HR Commission Pride Event
ADMINISTRATION	2024/06/04	MCFOA	50.00	MCFOA - Membership Renewal 2024-2025 for Denise Beebe
ADMINISTRATION	2024/06/05	AMAZON.COM	137.45	Mics. Supplies-HR Commission Pride Event
ADMINISTRATION	2024/06/06	MICRO CENTER	28.98	HDMI ADAPTER CORDS
ADMINISTRATION	2024/06/06	AMAZON.COM	25.22	Note Cards-HR Commission Pride Event
ADMINISTRATION	2024/06/07	CUSTOMINK	1,496.00	HRC T-Shirts to tie-dye for Pride Day
ADMINISTRATION	2024/06/11	CUSTOMINK	-288.00	Credit-Pride Day T-shirts for Tie-dye due to less color used on logo
CCC	2024/05/13	AMAZON.COM	44.45	EXERCISE BANDS
CCC	2024/05/14	COMCAST	42.00	MAY CCC CABLE
CCC	2024/05/14	COMCAST	300.92	MAY FITNESS CABLE
CCC	2024/05/15	PSI SERVICES	175.00	FAA DRONE TEST
CCC	2024/05/17	FACEBOOK	89.76	FACEBOOK AD-PARKS & REC DEPARTMENT
CCC	2024/05/17	LITTLE CAESARS PIZZA	26.00	PNO-PIZZA
CCC	2024/05/17	CINTAS	106.26	CCC RUG SERVICE
CCC	2024/05/17	CINTAS	106.26	CCC RUG SERVICE
CCC	2024/05/17	ULINE	51.91	TWO RETRACTABLE KEY HOLDERS
CCC	2024/05/17	ULINE	197.09	5-50 FOOT EXTENSION CORDS
CCC	2024/05/21	CINTAS	610.00	AED MAINTENANCE
CCC	2024/05/21	CINTAS	106.26	CCC RUG SERVICE
CCC	2024/05/21	MINNESOTA CLAY CO USA	149.93	KILN PARTS, ADULT POTTERY-GLAZES
CCC	2024/05/21	DOLLAR TREE	19.00	SR PROGRAMS-DECOR, NAPKINS & BALLOONS
CCC	2024/05/21	WAL-MART	25.16	SR PROGRAMS-YOGURT & PLASTIC CUPS
CCC	2024/05/21	SAMS CLUB	102.28	SR PROGRAMS-WATER FRUIT/COFFEE NAPKINS
CCC	2024/05/22	AMAZON.COM	58.94	WATER FILTERS FOR FIREMENS SPLASH PAD
CCC	2024/05/23	MICRO CENTER	20.61	3D PRINTER FILAMENT
CCC	2024/05/23	LIFETIME PRODUCTS	2,450.00	NEW TABLES FOR RED MAPLE & WHITE OAK ROOMS
CCC	2024/05/23	SHERWIN WILLIAMS	539.83	PAINT FOR CCC
CCC	2024/05/23	ANNIE'S CATERING	2,064.79	SR PROGRAMS-125 CHICKEN DINNERS
CCC	2024/05/24	AZ POOL SUPPLIES INC.	459.90	SKIMMER WEIRS FOR POOLS
CCC	2024/05/24	HOME DEPOT	7.03	DRYWALL TAPE RINK 1 ICE IN
CCC	2024/05/24	SURVEYMONKEY	300.00	ANNUAL SUBSCRIPTION RENEWAL
CCC	2024/05/29	HOME DEPOT	51.94	CHEMICAL SPRAYERS
CCC	2024/05/29	SAMS CLUB	25.76	SR PROGRAMS-STIR STICKS, SWEETENER
CCC	2024/05/30	B & H PHOTO-VIDEO	191.97	BANNER VINYL, FILTER SET
CCC	2024/05/30	SAMS CLUB	322.36	PLATES, WATER, COFFEE, BATTERIES
CCC	2024/05/31	SHERWIN WILLIAMS	231.21	PAINT FOR CCC
CCC	2024/06/02	HOME DEPOT	14.06	DAWN DISH SOAP
CCC	2024/06/03	WASTE CONNECTIONS	172.13	GARBAGE PICKUP
CCC	2024/06/03	CINTAS	106.26	CCC RUG SERVICE
CCC	2024/06/03	MINNESOTA TWINS	1,877.00	TWINS TICKETS
CCC	2024/06/03	MIAMA	575.00	FALL CONFERENCE/CLASS REGISTRATION
CCC	2024/06/04	COMCAST	42.00	JUNE CCC CABLE
CCC	2024/06/04	COMCAST	300.92	JUNE FITNESS CABLE
CCC	2024/06/04	SAMS CLUB	61.80	WIPES, LEMONADE, SPOONS
CCC	2024/06/05	AMAZON.COM	76.98	HEADSET MICROPHONE, BARBELL PAD
CCC	2024/06/05	CUB FOODS	31.72	CONCESSION SUPPLIES-DISTILLED WATER, SPRAY MARGARINE
CCC	2024/06/05	GRAINGER	7.20	O-RINGS FOR PUMPS
CCC	2024/06/06	GRAINGER	62.52	BELTS FOR MOTORS
CCC	2024/06/06	HOME DEPOT	334.08	CARPET SQUARE REPLACEMENT FOR EXTREME KIDS ROOM
CCC	2024/06/06	HOME DEPOT	91.58	FLOWERS, SOIL, BATTERIES, SPONGES
CCC	2024/06/07	REACH MEDIA NETWORK	1,400.00	REACH ANNUAL SUBSCRIPTION-LICENSE RENEWALS
CCC	2024/06/07	REACH MEDIA NETWORK	774.00	LICENSE RENEWALS
CCC	2024/06/10	CUB FOODS	156.83	SR PROGRAMS-SANDWICHES FOR BOX LUNCH BINGO
CCC	2024/06/10	KWIK TRIP	5.64	BANANAS-BOX LUNCH BINGO
CCC	2024/06/11	CINTAS	106.26	CCC RUG SERVICE
CCC	2024/06/11	CINTAS	106.26	CCC RUG SERVICE
CCC	2024/06/11	DOLLAR TREE	6.25	SR PROGRAMS-SUGAR & CREAMER SHAKERS
COMMUNITY DEVELOPMENT	2024/05/22	EDAM	365.00	EDAM CONFERENCE REGISTRATION
COMMUNITY DEVELOPMENT	2024/06/06	NATIONAL ASSN INDUS OFF P	80.00	CONFERENCE REGISTRATION
CURLING CENTER	2024/05/14	CINTAS	115.69	FIRST AID CABINET RE-FILLS/UPDATED
CURLING CENTER	2024/05/16	AJ SCHAAKE COMPANY-CLVR	24.00	2024 LEAGUE WINNERS PLAQUE ENGRAVING
CURLING CENTER	2024/05/21	SCHILLING SUPPLY COMPANY	755.84	SUPPLIES-TB CLEANER, TISSUE, CANLINERS
CURLING CENTER	2024/05/24	FOAM FACTORY, INC.	348.97	FOAM FOR ARENA

**PURCHASE CARD TRANSACTIONS
JUNE 2024 STATEMENT**

Department	Transaction Date	Merchant DBA Name	Amount	Charge Desc.
CURLING CENTER	2024/06/03	WASTE CONNECTIONS	836.03	GARBAGE PICKUP
CURLING CENTER	2024/06/04	HUMERATECH	282.00	BLDG CONTROL SYSTEM RESET
CURLING CENTER	2024/06/04	DAKOTA CURLING SUPPLIES	4.08	RESALE-BROOMS, PADS-BALANCE OWING ON ORDER
CURLING CENTER	2024/06/05	CLEARSOFT WATER CONDITION	391.51	BLDG WATER SOFTENER SALT
CURLING CENTER	2024/06/07	HUMERATECH	511.00	UPDATING FAILURES IN BLDG CONTROL HVAC SYSTEM
CURLING CENTER	2024/06/08	CINTAS	73.69	UPDATING/RE-FILL FIRST AID KIT
ELECTRIC	2024/05/16	1000 BULBS.COM	-363.52	LIGHT BULB CREDIT-INVENTORY
ELECTRIC	2024/05/17	KWIK TRIP	4.49	ACCIDENTAL CHARGE - WATER
ELECTRIC	2024/05/21	HOME DEPOT	78.92	ELECTRIC OPERATING SUPPLIES-MARKERS/BLADES
ELECTRIC	2024/05/30	LOWES	233.59	GRASS SEED/STRAW BALES
ELECTRIC	2024/05/31	HOME DEPOT	38.82	BUG SPRAY
ELECTRIC	2024/05/31	HOME DEPOT	59.94	CHIPPING HAMMERS
ELECTRIC	2024/06/03	AMAZON.COM	26.97	IPAD CHARGERS FOR TRUCKS
ELECTRIC	2024/06/03	AMAZON.COM	21.31	IPAD CHARGERS FOR TRUCKS
ELECTRIC	2024/06/03	HOME DEPOT	153.76	SHOVELS AND BUG SPRAY
ELECTRIC	2024/06/04	AMAZON.COM	69.37	AMI VEHICLE CHARGER
ELECTRIC	2024/06/04	HOME DEPOT	76.61	TOOLS FOR DIG TRAILER
ELECTRIC	2024/06/06	ACME TOOLS	421.57	SAWZALL
ELECTRIC	2024/06/07	ACME TOOLS	5,147.80	REMOTE CABLE CUTTER
FINANCE	2024/05/27	AMERICAN PAYROLL ASSOC	299.00	PAYO ANNUAL MEMBERSHIP RENEWAL FEE
FINANCE	2024/05/28	CENTURYLINK	770.34	JUN PHONE & LONG DIST SVC
FINANCE	2024/06/04	MET COUNCIL ACCTS REC WEB	20,000.00	JUL SEWER SERVICES FOR MET COUNCIL
FINANCE	2024/06/10	VERIZON	7,798.18	JUN 2024 PHONE SERVICE
FIRE	2024/05/13	AMAZON.COM	97.99	CLEANING SUPPLIES-CONCRETE CLEANER
FIRE	2024/05/13	AMAZON.COM	12.50	SCOOP FOR ICE MACHINE
FIRE	2024/05/13	PAPA JOHNS	257.11	X-MAS IN MAY-DINNER
FIRE	2024/05/15	AMERICANMUSCLE	238.32	#301 & #306 TAHOE LEVELING KIT
FIRE	2024/05/16	BOUND TREE MEDICAL LLC	430.49	MEDICAL SUPPLIES-SYRINGES, BP CUFF, OB KITS
FIRE	2024/05/19	AMAZON.COM	60.09	BATHROOM TRAILERS TOILET DEODORIZER TREATMENTS
FIRE	2024/05/21	BOUND TREE MEDICAL LLC	11.89	MEDICAL SUPPLIES-CHILD BP CUFF
FIRE	2024/05/23	BOUND TREE MEDICAL LLC	77.99	MOAB BAG
FIRE	2024/05/25	EASY KEYS.COM	25.93	DESK KEYS
FIRE	2024/05/30	AMAZON.COM	46.75	OFFICE SUPPLIES-MARKERS, KEY TAGS
FIRE	2024/05/31	BOUND TREE MEDICAL LLC	32.98	OPIOID OVERDOSE KIT CASE
FIRE	2024/06/01	CIRCLE K	22.00	SMALLER VEHICLE CAR WASHES
FIRE	2024/06/01	CHASKA SELF STORAGE	425.00	STORAGE UNIT RENTAL
FIRE	2024/06/03	BOUND TREE MEDICAL LLC	991.36	MEDICAL SUPPLIES-OXYGEN PACK, AED BACKPACK
FIRE	2024/06/03	OFFICE MAX	70.97	PRESENTER CONTROL, USB HUB
FIRE	2024/06/04	FIRENUGGETS INC	-160.00	CONF REGISTRATION REFUNDED
FIRE	2024/06/04	AMAZON.COM	279.98	#303 & 306 NEW TAHOES-FLOOR MATS
FIRE	2024/06/06	CHASKA LAUNDRY CENTER, IN	35.58	TOWELS FOR DRYING TRUCKS
FIRE	2024/06/06	THEFIRE STORE.COM	756.22	#303 & #306 LIGHTING
FIRE	2024/06/07	BOUND TREE MEDICAL LLC	259.77	MEDICAL SUPPLIES-DEFIB PADS
FIRE	2024/06/07	EMBASSY SUITES	114.04	LODGING-OUT OF STATE TRAINING
FIRE	2024/06/11	SEWN PRODUCTS DIVISION	682.00	#303 & #306 TAHOE HEAVY DUTY SEAT COVERS
HUMAN RESOURCES	2024/05/16	SARPINO'S PIZZERIA	41.28	POC FIREFIGHTER RECRUITING-DINNER-BETH, AL, STEPHEN, ZACK
HUMAN RESOURCES	2024/05/17	STAR TRIBUNE MEDIA COMPANY	1,197.27	2024 TOP WORKPLACE LUNCHEON RESERVATION
HUMAN RESOURCES	2024/06/05	CHECKR INC	669.39	BACKGROUND CHECKS
INFORMATION TECHNOLOGY	2024/05/13	PORKBUN.COM	10.37	domain name transfer to our registrar cccmasterplan.com
INFORMATION TECHNOLOGY	2024/05/19	AMAZON.COM	1,044.90	Security Cameras for Curling Center Ice Arena
INFORMATION TECHNOLOGY	2024/05/19	AIRPORT TAXI	40.42	Tyler Connect Taxi from airport to Hotel
INFORMATION TECHNOLOGY	2024/05/20	AMAZON.COM	25.98	Equipment For Curling Arena Cameras
INFORMATION TECHNOLOGY	2024/05/20	HOME DEPOT	4.98	Velcro for office whiteboard
INFORMATION TECHNOLOGY	2024/05/22	AMAZON.COM	350.70	Equipment for Curling Arena Ice Cameras
INFORMATION TECHNOLOGY	2024/05/22	AIRPORT TAXI	38.35	Tyler Connect Taxi from Hotel to Airport
INFORMATION TECHNOLOGY	2024/05/22	MSP AIRPORT	99.00	Tyler Connect Parking at MSP Airport
INFORMATION TECHNOLOGY	2024/05/22	HOME2 SUITES BY HILTON	733.59	Tyler Connect Hotel 3 days
INFORMATION TECHNOLOGY	2024/05/28	AMAZON.COM	289.99	Voice Translator Purchase for the PD
INFORMATION TECHNOLOGY	2024/05/31	AMAZON.COM	228.96	Equipment Purchase for Curling Arena Ice Cameras
INFORMATION TECHNOLOGY	2024/05/31	HOME DEPOT	14.96	Home Depot IT Equipment Purchase
INFORMATION TECHNOLOGY	2024/06/02	BITWARDEN INC.	300.00	IT Password Vault Software Renewal
INFORMATION TECHNOLOGY	2024/06/03	AMAZON.COM	-289.99	PD Voice Translator Purchase Refund
INFORMATION TECHNOLOGY	2024/06/03	ARIN	2,000.00	Yearly Payment for IP addresses that the City of Chaska own
INFORMATION TECHNOLOGY	2024/06/04	MICRO CENTER	1,528.89	PC Equipment for CCA Camera Server
INFORMATION TECHNOLOGY	2024/06/06	AMAZON.COM	191.56	Privacy Screens for Police Department
INFORMATION TECHNOLOGY	2024/06/11	AMAZON.COM	302.95	Cameras and Equipment for Curling Event Center
MSB	2024/05/13	CHASKA DRIVER LICENSE EXA	3,339.23	#102 VEHICLE REGISTRATION
MSB	2024/05/13	ELAVON INC	71.79	#102 VEHICLE REGISTRATION FEE
MSB	2024/05/13	CANNON POWER SPORTS	2,041.02	GRASS 12 RANGER-TRACK, DRIVE SPROCKETS & IDLER WHEELS
MSB	2024/05/16	CHASKA DRIVER LICENSE EXA	9,084.26	#116 VEHICLE REGISTRATION
MSB	2024/05/16	ELAVON INC	195.31	#116 VEHICLE REGISTRATION FEE
MSB	2024/05/19	AMAZON.COM	51.36	HYDRATION MIXES - BREAKROOMS
MSB	2024/05/22	AMAZON.COM	69.99	HYDRAULIC FITTING KIT
MSB	2024/05/22	CANNON POWER SPORTS	30.00	SHIPPING/HANDLING FOR PARTS

PURCHASE CARD TRANSACTIONS
JUNE 2024 STATEMENT

Department	Transaction Date	Merchant DBA Name	Amount	Charge Desc.
MSB	2024/05/29	ATV TRACK SYSTEMS	104.00	G12 RANGER TRACK PARTS
MSB	2024/05/30	AMAZON.COM	13.99	G12 RANGER JOINT BOOSTER KIT
MSB	2024/05/30	CHASKA DRIVER LICENSE EXA	27.00	#303 VEHICLE REGISTRATION
MSB	2024/05/30	ELAVON INC	0.58	#303 VEHICLE REGISTRATION FEE
MSB	2024/05/31	CANNON POWER SPORTS	-92.11	G12 RANGER SALES TAX CREDIT INVOICE #55933
MSB	2024/06/03	UPS	14.73	LIGHT MODULE WARRANTY RETURN
MSB	2024/06/03	AMAZON.COM	13.99	CARBURETOR PARK PUSH MOWER
MSB	2024/06/04	WASTE CONNECTIONS	1,147.56	MSB-GARBAGE
MSB	2024/06/04	WASTE CONNECTIONS	761.47	CITY HALL-GARBAGE
MSB	2024/06/04	WASTE CONNECTIONS	296.45	ATHLETIC PARK- GARBAGE
MSB	2024/06/04	WASTE CONNECTIONS	179.40	LIONS PARK-GARBAGE
MSB	2024/06/04	WASTE CONNECTIONS	237.61	VETERANS PARK-GARBAGE
MSB	2024/06/04	WASTE CONNECTIONS	179.40	COMMUNITY PARK-GARBAGE
MSB	2024/06/04	WASTE CONNECTIONS	162.31	MCKNIGHT PARK-GARBAGE
MSB	2024/06/04	WASTE CONNECTIONS	162.31	SUNSET PARK-GARBAGE
MSB	2024/06/04	WASTE CONNECTIONS	510.58	TOWN COURSE-GARBAGE
MSB	2024/06/04	WASTE CONNECTIONS	180.41	THE LOOP-GARBAGE
MSB	2024/06/04	WASTE CONNECTIONS	315.78	TOWN COURSE MAINTENANCE-GARBAGE
MSB	2024/06/04	PLUNKETT'S PEST CONTROL	56.36	BLUFF CREEK SUBSTATION-PEST CONTROL
MSB	2024/06/04	PLUNKETT'S PEST CONTROL	56.36	LAKE HAZELTINE SUBSTATION-PEST CONTROL
MSB	2024/06/04	PLUNKETT'S PEST CONTROL	56.36	WEST CREEK SUBSTATION-PEST CONTROL
MSB	2024/06/05	PSN MINNESOTA RWA MN	900.00	MRWA 13TH ANNUAL OP EXPO
MSB	2024/06/05	AMAZON.COM	25.98	TRAILER JACK WHEEL HOLDERS
MSB	2024/06/06	PRO SUSPENSION.COM	197.66	SUSPENSION LEVELING KIT
MSB	2024/06/06	SARIS CYCLING GROUP	96.90	BIKE RACK AIR VALVES
MSB	2024/06/10	KIBBLE EQUIPMENT LLC	99.94	#254 WINDOW GASKET
MSB	2024/06/11	EV DRIVES	443.86	#516 BATTERY CHARGER
MSB	2024/06/11	CHASKA DRIVER LICENSE EXA	2,715.72	#404 VEHICLE REGISTRATION
MSB	2024/06/11	ELAVON INC	58.39	#404 VEHICLE REGISTRATION
PARK & REC	2024/05/12	ALDI SUPERMARKET	16.23	FRUIT FOR BOX LUNCH BINGO PRIZE
PARK & REC	2024/05/13	ALDI SUPERMARKET	12.11	VEGETABLES FOR BOX LUNCH BINGO
PARK & REC	2024/05/13	EASTERN CARVER COUNTY SCLS	375.00	ADULT SPORTS-VOLLEYBALL-GYM RENTALS-APRIL
PARK & REC	2024/05/13	EASTERN CARVER COUNTY SCLS	375.00	ADULT SPORTS VOLLEYBALL-GYM RENTALS-MARCH
PARK & REC	2024/05/13	LITTLE CAESARS PIZZA	61.92	LODGE-BOX LUNCH BINGO-PIZZA
PARK & REC	2024/05/18	AMAZON.COM	57.83	EXTREME KIDS-SWIMMING BANDS, CLASSROOM TENSION ROD
PARK & REC	2024/05/18	AMAZON.COM	109.08	EXTREME KIDS-CEREAL
PARK & REC	2024/05/20	TOTAL ENTERTAINMENT K	100.00	F & I KIDS DJ DEPOSIT
PARK & REC	2024/05/20	TOTAL ENTERTAINMENT K	100.00	TOUCH-A-TRUCK DJ DEPOSIT
PARK & REC	2024/05/20	SKYWAY CLASSIC EVENTS	445.00	F & I TENT RENTAL DEPOSIT
PARK & REC	2024/05/21	AMAZON.COM	92.99	EXTREME KIDS-CEREAL
PARK & REC	2024/05/21	AMAZON.COM	467.18	EXTREME KIDS-CEREAL
PARK & REC	2024/05/22	AMAZON.COM	-28.49	YOUTH SPORTS-WHISTLES RETURNED
PARK & REC	2024/05/22	EPIC SPORTS	71.21	YOUTH SPORTS-BASEBALL HELMETS
PARK & REC	2024/05/22	EPIC SPORTS	92.35	CHURCH SOFTBALL-BASES/YOUTH SPORTS-HELMETS
PARK & REC	2024/05/23	ACTION PACKED PAINTBA	50.00	TEEN PROGRAM-ADDITIONAL 500 PAINTBALLS
PARK & REC	2024/05/23	LITTLE CAESARS PIZZA	53.43	TEEN PAINTBALL-PIZZA DINNER
PARK & REC	2024/05/25	QUILL LLC	429.41	OFFICE SUPPLIES-LABELS, ENVELOPES, RUBBER BANDS
PARK & REC	2024/05/29	GAME ONE	54.56	Memorial Day WOD T-SHIRTS
PARK & REC	2024/05/30	AMAZON.COM	24.88	SOCKS FOR RESALE
PARK & REC	2024/05/30	AMAZON.COM	27.44	PNO SUPPLIES-CHALK, CONSTRUCTION PAPER
PARK & REC	2024/05/30	LITTLE CAESARS PIZZA	30.46	STAFF TRAINING-PIZZA
PARK & REC	2024/05/31	TARGET	352.87	EXTREME KIDS-CLASSROOM TOYS
PARK & REC	2024/05/31	AMAZON.COM	58.37	EXTREME KIDS-CEREAL
PARK & REC	2024/05/31	DISCOUNTSCH 8006272829	252.84	EXTREME KIDS-CRAFT SUPPLIES-PAPER, YARN, GLUE, STREAMERS
PARK & REC	2024/06/02	AMAZON.COM	60.39	EXTREME KIDS-SPORTS BALLS
PARK & REC	2024/06/03	EPIC SPORTS	90.77	YOUTH SPORTS-BASEBALLS, BASES
PARK & REC	2024/06/03	AMAZON.COM	76.03	EXTREME KIDS-CEREAL
PARK & REC	2024/06/04	SAMS CLUB	664.70	EXTREME KIDS-SNACKS-CRACKERS, CHIPS, JUICE
PARK & REC	2024/06/05	CUB FOODS	208.44	EXTREME KIDS-KOOL AID FOR SNACKS
PARK & REC	2024/06/05	AMAZON.COM	19.99	EXTREME KIDS-WRISTBANDS FOR FIELD TRIPS
PARK & REC	2024/06/05	AMAZON.COM	96.31	EXTREME KIDS CRAFT SUPPLY-ELASTIC BRACELETS, BEADS
PARK & REC	2024/06/06	DOLLAR TREE	18.75	EXTREME KIDS-WEEK 1 SUPPLY-SPOON, SWIM NOODLES
PARK & REC	2024/06/07	AMAZON.COM	86.21	EXTREME KIDS-TABLECLOTHS
PARK & REC	2024/06/08	MICHAELS ARTS AND CRAFT S	50.93	EXTREME KIDS-CRAFT SUPPLY-EMBROIDERY FLOSS, BEADS
PARK & REC	2024/06/09	AMAZON.COM	16.79	LODGE-COFFEE FILTERS
PARK & REC	2024/06/10	TARGET	145.87	EXTREME KIDS-WEEK 1 SUPPLY-SUNSCREEN, PENCILS, JELLO
PARK & REC	2024/06/10	CUB FOODS	27.97	EXTREME KIDS-WEEK 1 SUPPLY-FOAM CUPS, GRAPES
PARK & REC	2024/06/10	MICHAELS ARTS AND CRAFT S	24.98	EXTREME KIDS-WEEK 1 CRAFT SUPPLY-LOOM, RIBBON
PARK & REC	2024/06/10	AMAZON.COM	36.99	TEEN BOOK CLUB-CRAFT PROJECT-TOTE BAGS
PARK & REC	2024/06/11	AMAZON.COM	23.90	EXTREME KIDS-CLASSROOM CHESS GAMES
PARK & REC	2024/06/11	AMAZON.COM	149.34	EXTREME KIDS-MAGNETIC TILES TOY
PARK & REC	2024/06/11	AMAZON.COM	15.88	EXTREME KIDS-WEEK 1 CRAFT SUPPLY-JEWEL CASES, EMBROIDERY FLOSS
POLICE	2024/05/13	BCA TRAINING EDUCATION	600.00	Trust and Legitimacy/Organizational and Employee Wellness Trainings - #412
POLICE	2024/05/17	SECRETARY OF STATE	90.00	Crime Prevention Dues #414

PURCHASE CARD TRANSACTIONS
JUNE 2024 STATEMENT

Department	Transaction Date	Merchant DBA Name	Amount	Charge Desc.
POLICE	2024/05/21	MINNESOTA COUNTY ATTORNEY	55.00	Forms - Notice of Seizure of MV for Fleeing
POLICE	2024/05/22	COSTCO WHOLESALE	24.99	Cake - Julie Vilks Retirement Party
POLICE	2024/05/29	AMAZON.COM	72.98	Coffee cups/lids
POLICE	2024/05/30	DOLLAR TREE	19.51	Balloons/Decorations - Julie Janke Retirement
POLICE	2024/05/30	HOLIDAY STATIONSTORES	7.49	Ice - Julie Janke - Retirement
POLICE	2024/05/30	CUB FOODS	72.24	Refreshment - Julie Janke Retirement
POLICE	2024/06/01	STORAGE MART #0971	99.99	Bike Storage
POLICE	2024/06/01	AMAZON.COM	28.88	Stapler/Business Card Hold
POLICE	2024/06/01	CIRCLE K	125.00	Fleet Car Wash
POLICE	2024/06/01	AMAZON.COM	20.85	Iphone Charging cords
POLICE	2024/06/02	ADOBE SYSTEMS	21.66	Acrobat Pro Subscription
POLICE	2024/06/03	USP LE STORE	191.90	SWAT - Uniform Pants
POLICE	2024/06/03	TRANSUNION	96.40	Data Processing - GPS
POLICE	2024/06/03	MARIE RIDGEWAY LICSW	400.00	Officer Wellness
POLICE	2024/06/04	AMAZON.COM	112.47	Batteries for patrol rifle flashlights and Sight adjusting tool for glock pistol
POLICE	2024/06/11	AMAZON.COM	50.16	Plates/forks
PUBLIC WORKS	2024/05/13	HOME DEPOT	16.16	MAINTENANCE SUPPLIES
PUBLIC WORKS	2024/05/13	WINSUPPLY EDEN PRAIRIE MN	607.38	LED REPLACEMENT BULBS
PUBLIC WORKS	2024/05/13	WINSUPPLY EDEN PRAIRIE MN	492.66	EXTERIOR REPLACEMENT FIXTURES
PUBLIC WORKS	2024/05/14	HOME DEPOT	100.56	TUTOR HOUSE WATER LINE
PUBLIC WORKS	2024/05/14	HOME DEPOT	35.72	XMAS IN MAY BRANDONDALE
PUBLIC WORKS	2024/05/14	HOME DEPOT	31.98	XMAS IN MAY BRANDONDALE
PUBLIC WORKS	2024/05/14	HOME DEPOT	81.72	XMAS IN MAY-BRANDONDALE
PUBLIC WORKS	2024/05/15	HOME DEPOT	54.88	SCREWDRIVER/HEX SET & LOOP KEYS
PUBLIC WORKS	2024/05/15	HOME DEPOT	218.24	LIBRARY GARDEN SUPPLIES
PUBLIC WORKS	2024/05/16	CAMFIL USA INC	72.26	CP ROOFTOP UNIT FILTERS
PUBLIC WORKS	2024/05/16	HOME DEPOT	83.82	FURNACE FILTERS
PUBLIC WORKS	2024/05/16	HOME DEPOT	45.08	CURLING CTR WALL REPAIR
PUBLIC WORKS	2024/05/16	ACE SUPPLY CO, INC - ST	809.99	LION'S PARK WARMING HOUSE
PUBLIC WORKS	2024/05/17	KIBBLE EQUIPMENT	108.09	#504 IGNITION KEY
PUBLIC WORKS	2024/05/20	HOME DEPOT	21.88	TOILET SUPPLIES/LINERS
PUBLIC WORKS	2024/05/20	HOME DEPOT	140.50	CONCRETE FOR FLAG POLE - MOUNT PLEASANT
PUBLIC WORKS	2024/05/20	WINSUPPLY EDEN PRAIRIE MN	411.67	WORKOUT AREA LED LIGHTS
PUBLIC WORKS	2024/05/21	SAILER'S GREENHOUSE	492.70	FLOWERS FOR DOWNTOWN AREA
PUBLIC WORKS	2024/05/21	HOME DEPOT	42.71	LOOP MAINT-CAR LIFT
PUBLIC WORKS	2024/05/21	HOME DEPOT	10.72	MAINTENANCE SUPPLIES
PUBLIC WORKS	2024/05/21	UNITED LABORATORIES	339.88	CLEANING SUPPLIES
PUBLIC WORKS	2024/05/21	HOME DEPOT	-25.00	PALLET RETURN-CONCRETE
PUBLIC WORKS	2024/05/21	HOME DEPOT	99.77	TRAYS FOR ROOF LEAKS
PUBLIC WORKS	2024/05/22	GERTENS	806.96	FLOWERS DOWNTOWN PLANTING BEDS
PUBLIC WORKS	2024/05/22	HOME DEPOT	17.97	SCREWS
PUBLIC WORKS	2024/05/23	HOME DEPOT	39.66	CEMETERY FLAG POLE
PUBLIC WORKS	2024/05/23	MENARDS	42.86	SPLASH PAD FIX
PUBLIC WORKS	2024/05/23	HOME DEPOT	5.74	PVC FITTINGS
PUBLIC WORKS	2024/05/23	HOME DEPOT	5.98	DOOR KNOB BLANK
PUBLIC WORKS	2024/05/23	ENCORE HEATING AND AIR	6,800.00	XMAS IN MAY - HVAC SCHOOLMASTER
PUBLIC WORKS	2024/05/24	HOME DEPOT	14.30	MSB-OUTLETS
PUBLIC WORKS	2024/05/28	GERTENS	816.24	DOWNTOWN ANNUAL FLOWERS
PUBLIC WORKS	2024/05/28	HOME DEPOT	33.29	BOLLARD ANCHORS/SHIMS
PUBLIC WORKS	2024/05/29	GERTENS	359.28	DOWNTOWN FLOWER BEDS
PUBLIC WORKS	2024/05/29	HOME DEPOT	38.35	MAINT SUPPLIES - PAINT ROLLERS, SCREW AND BOLTS
PUBLIC WORKS	2024/05/29	AMAZON.COM	234.00	BOLLARD COVERS
PUBLIC WORKS	2024/05/29	HOME DEPOT	19.88	LOOP FLOWER BASKET HANGERS
PUBLIC WORKS	2024/05/29	HOME DEPOT	20.48	CORD HIDE - MSB
PUBLIC WORKS	2024/05/29	HOME DEPOT	16.97	DRILL BITS FOR PARK PROJECTS
PUBLIC WORKS	2024/05/30	HOME DEPOT	26.04	CAULKING
PUBLIC WORKS	2024/05/30	HOME DEPOT	50.88	CAULKING
PUBLIC WORKS	2024/05/30	HOME DEPOT	9.22	SPLASH PAD MAINTENANCE
PUBLIC WORKS	2024/05/30	HOME DEPOT	12.54	WASP SPRAY
PUBLIC WORKS	2024/06/01	AMAZON.COM	430.49	PARK OPERATING SUPPLIES-WASHERS, TRIMMER HEAD AND ETC...
PUBLIC WORKS	2024/06/02	AMAZON.COM	169.88	LIGHT BULBS
PUBLIC WORKS	2024/06/03	HOME DEPOT	53.28	BOARDWALK REPAIR
PUBLIC WORKS	2024/06/03	SHERWIN WILLIAMS	64.86	EXTERIOR PAINT FOR CEDAR BOARDS
PUBLIC WORKS	2024/06/04	MENARDS	42.82	PIPE FITTINGS
PUBLIC WORKS	2024/06/04	AMAZON.COM	179.99	BLUETOOTH HEADSET
PUBLIC WORKS	2024/06/04	HOME DEPOT	99.96	WINDOW BLINDS FD 2.5
PUBLIC WORKS	2024/06/05	HOME DEPOT	398.16	CONCRETE FOR PARK PROJECTS
PUBLIC WORKS	2024/06/05	HOME DEPOT	252.64	SPLASH PAD REPAIR
PUBLIC WORKS	2024/06/05	HOME DEPOT	32.52	SPLASH PAD REPAIR
PUBLIC WORKS	2024/06/05	HOME DEPOT	28.73	PIPE FITTINGS
PUBLIC WORKS	2024/06/06	HOME DEPOT	90.18	CONCRETE WORK IN PARKS
PUBLIC WORKS	2024/06/06	HOME DEPOT	35.05	MATERIALS FOR CONCRETE WORK IN PARKS
PUBLIC WORKS	2024/06/06	HOME DEPOT	29.88	LIONS WARMING HOUSE PARTS
PUBLIC WORKS	2024/06/06	HOME DEPOT	-25.00	PALLET RETURN

PURCHASE CARD TRANSACTIONS
JUNE 2024 STATEMENT

Department	Transaction Date	Merchant DBA Name	Amount	Charge Desc.
PUBLIC WORKS	2024/06/06	HOME DEPOT	180.20	IRRIGATION OUTLETS
PUBLIC WORKS	2024/06/06	HOME DEPOT	50.97	LION'S PARK WARMING HOUSE INSULATION
PUBLIC WORKS	2024/06/06	HOME DEPOT	57.98	FLOOR SCRAPER-SPRAY ADHESIVE
PUBLIC WORKS	2024/06/06	WINSUPPLY EDEN PRAIRIE MN	732.72	FISH TAPE AND WIRE FOR CAMERAS
PUBLIC WORKS	2024/06/06	WINSUPPLY EDEN PRAIRIE MN	369.66	FISH STICKS FOR FISHING WIRES
PUBLIC WORKS	2024/06/06	WINSUPPLY EDEN PRAIRIE MN	404.40	WIRE FOR CURLING CTR WIRES
PUBLIC WORKS	2024/06/06	HOME DEPOT	38.20	CONCRETE SEALER/ROLLER COVERS
PUBLIC WORKS	2024/06/07	HOME DEPOT	-188.97	CONCRETE CREDIT
PUBLIC WORKS	2024/06/07	MENARDS	202.71	LION'S PARK WARMING HOUSE HVAC REPAIR
PUBLIC WORKS	2024/06/07	ACE SUPPLY CO, INC - ST	972.93	LION'S PARK WARMING HOUSE HVAC REPAIR
PUBLIC WORKS	2024/06/10	ACE SUPPLY CO, INC - ST	124.43	MAINT SMALL TOOLS/BUILDING SUPPLIES
PUBLIC WORKS	2024/06/10	HOME DEPOT	163.24	PARK SHELTER CLEANING SUPPLIES
THE LOOP	2024/05/19	AMAZON.COM	24.99	AIR HORN
THE LOOP	2024/05/21	COSTCO WHOLESALE	281.97	RESALE
THE LOOP	2024/05/21	BATTERIES PLUS	42.50	SECURITY SYSTEM BATTERY
THE LOOP	2024/05/22	OFFICE DEPOT	431.08	OFFICE SUPPLIES-RECEIPT PAPER, INK CARTRIDGES
THE LOOP	2024/05/22	THE MUSTARD SEED	60.66	DECORATIVE GRASSES
THE LOOP	2024/06/05	HOME DEPOT	59.97	TRASH CAN
THE LOOP	2024/06/06	AMAZON.COM	13.99	CLEAR TOTE BAGS FOR TOWELS, SOAP, ETC FOR USE IN ADA SHOWER
TOWN COURSE	2024/04/30	AMAZON.COM	-36.99	CREDIT FOR PREVIOUS FRAUD CHARGE
TOWN COURSE	2024/05/07	AMAZON.COM	-52.36	CREDIT FOR PREVIOUS FRAUD CHARGE
TOWN COURSE	2024/05/13	OFFICE MAX	15.16	LOOP OFFICE-RECEIPT PAPER
TOWN COURSE	2024/05/13	OFFICE MAX	-31.42	CREDIT FOR RETURNED RECEIPT PAPER
TOWN COURSE	2024/05/17	HOME DEPOT	77.08	PAPER TOWELS
TOWN COURSE	2024/05/28	HOME DEPOT	43.33	WATERING HOSE
TOWN COURSE	2024/05/30	HOME DEPOT	19.38	UTILITY HOSE, NOZZLE
TOWN COURSE	2024/05/31	UNDERHILL INTERNATIONAL	283.50	PELLET PRO & APPLICATOR
TOWN COURSE	2024/06/04	HOME DEPOT	37.91	HOSE REEL
TOWN COURSE	2024/06/07	SEWER SERVICES, INC	489.00	1 LOAD PUMPED-SEWER SERVICES
TOWN COURSE	2024/06/07	HOME DEPOT	162.40	OPERATING SUPPLIES-WOOD BUNDLE & GALLON BAGS
TOWN COURSE	2024/06/10	HOME DEPOT	21.56	PARTS FOR FUEL BARRELS
TOWN COURSE	2024/06/10	HOME DEPOT	25.88	TAPE
WATER/SEWER	2024/05/21	HOME DEPOT	25.96	KNEE PADS
			31.42	Plus credits from previous month
			-7,033.91	Less Pending Rebates
			114,603.76	



COUNCIL MEETING/WORK SESSION SCHEDULE

Below is a list of the upcoming Council Meetings and Work Sessions to plan for:

July 1: We will be having a regular meeting of the Council on this night. Currently, we are not planning on having a work session prior to the meeting. I will let you know if that changes.

July 15: We will be having a Work Session prior to the Council meeting. The purpose of this Work Session will be to share with the Council the final drafts of the material that will be put on the Historic Columns through downtown Chaska. This will be a joint session with the HPC so that we make sure we get everyone's final input into the signage before we move forward. We will have a regular Council meeting to follow.

July 29th: At this time, we are not planning on having a Council meeting on this night as it is the 5th Monday of the month and we do not anticipate needing it. If this changes, we will let you know.

August 5th: Prior to the Council meeting, we will be having a work session to continue discussions on planning, design and cost for the Engler Boulevard Reconstruction project. We will have representatives of the County present for this meeting. Following the work session, we will have a regular meeting of the Council.

August 19th: Prior to the Council meeting we will have a Work Session. This work session will be the first of our budgeting work sessions to prepare for establishing the 2025 Budget. In addition to this work session, we will also plan on having General Fund Budget Work Sessions on September 9th and September 16th, with us taking action on the Preliminary Tax Levy at the September 30th Council meeting. We will have regular meetings following each of these Work Sessions.

If you are unable to attend any of these meetings, just let me know so we can plan around it.

PUBLIC SAFETY FACILITY UPDATES

As an update to the progress on the new Public Safety Facility, below are a few highlights of activities that have occurred over the past two weeks:

- Progress on the project has continued to be slowed by the wet weather. However, they have been able to make up some time by working a couple of Saturdays.
- Given where they are at with prepping the soils on the site, it is expected that we will see the footings and foundations of Section A of the Building (Fire Station Apparatus Bays) around July 15th. Wall sections for this part of the building will come shortly thereafter, as the walls in this section of the building are pre-cast.

Every bi-weekly throughout the course of this project I will provide you with the highlights of the items that the contractor is currently working on, and any other notable items that may be coming up. We will also be providing periodic updates to the public as well, so they are able to know what is occurring and when.

If there are any questions about the information I provided, or anything else, please don't hesitate to contact me.

IMPROVEMENTS TO HIGHWAY 41 IN SCOTT COUNTY-UPDATE

As I was able to share at the end of the last Council meeting, MnDOT and the Shakopee Mdewakaton Tribal Community have been working to take advantage of Highway 41 being closed for flooding to complete the work that they need to do to install turn lanes into their new environmental center. Their project also includes reconstructing the UP rail crossing at 41 as that has become a hazard over time.

The good news is that they have been making a lot of progress on that project, and it does appear that they will at least have the turn lanes completed prior to Highway 41 opening because of flooding. The one item that remains in question is when Union Pacific will be able to get in to get their work completed. They have had their work crews pulled into critical repair projects because of the flood and have not yet been able to commit to the time they will be here for this project. MnDOT is working hard to try to get the timing to work with the flood, but we will not be certain whether this will be able to occur in this time period for a while longer as the flood work has taken priority for them. The good news is that the railroad work, when it is completed, was one of the shortest time durations of construction activity in the overall project meaning that once it starts it will be able to be completed in a relatively short period of time. As we find out more about this timing of this, we will let you know.

If you have any questions about this, please let Elise or me know.

GRANT RECEIVED FOR BIG WOODS PRESERVATION

As Council is aware, as we have discussed the housing development being planned around the Big Woods area, one of the primary objectives we have had is to preserve as much of the remaining Big Woods area as possible located around this development area. We were able to preserve some through our Parkland Dedication process, but were seeking funds from the State to help preserve other areas that are currently protected through our Zoning Ordinance (i.e. Wooded Steep Slopes and Wetland protection). Staff did submit 2 grants to the State totaling around \$1 million between the two to help preserve the areas that otherwise could be developed.

I am pleased to announce that this past week we did receive notification from the State that we have been awarded 1 of the two grants we submitted for, which is a Scenic Area Grant through the DNR for \$475,000. At the same time, we did do an interview with a State committee for the second grant which would be a little over \$550,000 if we were to receive it. A big thank you to Ashley Cauley who led up the team putting this together along with Nate Kabat, Marshall Grange and Elise Durbin. We will let you know once we have more information on the second grant.

Flooding Update:

As you have seen over the past week, we have been in severe flood conditions, with the River topping out at 35.2 feet, which was just over the 1965 level. This occurred on Friday evening. As we look at the projections going forward, things are expected to drop off relatively quickly, with things looking much different by the end of next week. We expect that sometime later next week we will be able to start pumping water off of the Athletic Park field, which if we are able to do that would mean that the grass that has been covered should survive.

I want to give a large shout out to our Public Works crews who have been working shifts 24/7 for several days to monitor the levee system and operate our pumps to make sure that we do not flood from within the City. The work they do is critical to keeping people and property safe in the downtown area.

If you have any questions about the flood, just let me know.

Highway 41 Paver Work:

If you have been driving through the downtown lately, you may have noticed that there are quite a few weeds growing through the cracks between the yellow pavers laid throughout the Highway 41 project area. The reason for this is that the wrong type of sand was put down between these pavers. The correct sand actually prevents that from happening. We are currently working with the Engineering Firm and the contractor to come up with the plan to fix it, and I'll let you know once that occurs. In the meantime, we are having our Public Works Crews spray these weeds and weed whip them to try to make them look nicer in the interim time. As this is a pretty visible part of the project, I wanted to let you know that we are aware of this and are working on the solution. Let me know if you have any questions.

Downtown Grocery Store Update:

As a quick update to reuse of the old Cooper's Grocery Store location, I wanted to let you know what we are continuing to work with a grocer who is very interested in the building. They currently have a Letter of Intent with the building owner and are working not only on financing, but what improvements they would do as part of their project to the inside and outside of the store.

UPCOMING EVENTS:

- Chaska Farmer's Markets: Every Wednesday night down at Fireman's Park
- Chaska Pride Festival: June 22nd 3-6 pm at Veteran's Park
- Chaska Fire and Ice Celebration: July 12-13
- River City Days: July 26-28
- U.S Amateur Tournament: August 12-18-More to come on this event

City of Chaska Memorandum

To: Administration, Mayor, and City Council

From: Lisa Nelson, Controller

Date: June 28, 2024

RE: Financial Reports – Year-To-Date (YTD) Ending April 30, 2024

FINACIAL REPORTS

Attached are year-to-date financial reports as of April 30, 2024.

Each fund includes the adopted budget compared to YTD actuals and the resulting variance.

Prior year revenues and expenditures/expenses are reported to allow comparisons of current year and prior year activity.

These draft reports include the following revenues and expenditures/expenses as of the report date:

- YTD revenue receipted by the City.
- YTD revenue from invoices issued by the City.
- YTD payroll expenditures.
- YTD vendor payments that:
 - 1) were previously approved by the City Council, or
 - 2) are pending approval by the Council at the July 1st meeting.

These draft reports do not include the following revenues and expenditures/expenses:

- General investment earnings revenue (allocated at year-end)
- Depreciation and amortization expense (recorded at year-end)

GENERAL FUND
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE PERIODS ENDING 04/30/2024 AND 04/30/23

	2024			PERCENT OF BUDGET	2023
	BUDGET	ACTUAL AS OF 4/30/2024	VARIANCE WITH BUDGET	RECEIVED/ EXPENDED	ACTUAL AS OF 4/30/2023
REVENUES:					
Property Taxes *	\$ 13,358,797	\$ -	\$ (13,358,797)	0%	\$ -
Franchise Fees (Cable TV & Gas)	780,150	-	(780,150)	0%	-
Licenses	222,732	142,149	(80,583)	64%	138,455
Permits:					
Building	1,135,098	715,573	(419,525)	63%	944,721
Other Permits	58,193	33,103	(25,090)	57%	25,545
Intergovernmental:					
State	1,080,303	122,758	(957,545)	11%	130,589
Regional, County, School & Local	235,696	38,485	(197,211)	16%	37,247
Charges For Services:					
General Government	6,068,829	1,998,894	(4,069,935)	33%	1,848,531
Public Safety	48,352	2,927	(45,425)	6%	3,863
Public Works, Admin and Streets	14,525	15,524	999	107%	19,867
Parks & Recreation and Park Maint.	651,911	138,520	(513,391)	21%	132,992
Fines And Forfeitures	41,027	16,141	(24,886)	39%	13,349
Investment Earnings	25,000	-	(25,000)	0%	-
Other Revenue	230,160	62,057	(168,103)	27%	74,651
TOTAL REVENUES	23,950,773	3,286,131	(20,664,642)	14%	3,369,810
EXPENDITURES:					
General Government:					
Mayor & Council	199,486	50,354	149,132	25%	39,612
Communications	354,330	94,096	260,234	27%	21,470
Administration	1,049,096	306,306	742,790	29%	292,242
Human Resources	492,336	165,289	327,047	34%	178,001
Elections	40,783	14,012	26,771	34%	6,480
Finance/Admin Services	2,022,258	759,019	1,263,239	38%	665,610
Information Services & Fiber Sys.	1,364,418	358,957	1,005,461	26%	429,035
Legal - City Attorney	140,000	36,675	103,325	26%	54,444
Community Development	590,700	175,021	415,679	30%	128,953
Engineering	657,531	190,798	466,733	29%	184,528
Government Buildings	235,505	53,929	181,576	23%	69,670
Facility Maintenance	967,283	182,346	784,937	19%	181,520
Total General Government	8,113,726	2,386,802	5,726,924	29%	2,251,565
Public Safety:					
Police	6,722,293	2,005,706	4,716,587	30%	1,895,826
Fire	2,929,751	770,917	2,158,834	26%	740,981
Building Inspections (Comm.Dev)	990,044	292,871	697,173	30%	346,684
Civil Defense	5,843	-	5,843	0%	148
Total Public Safety	10,647,931	3,069,494	7,578,437	29%	2,983,639
Public Works:					
Administration	459,911	127,179	332,732	28%	128,370
Streets & Alleys	2,056,646	361,306	1,695,340	18%	411,835
Snow Removal	322,861	133,910	188,951	41%	319,145
Signs	19,535	7,409	12,126	38%	4,895
Municipal Services/Building	261,792	54,979	206,813	21%	84,333
Tree Maintenance	85,293	25,988	59,305	30%	218
Total Public Works	3,206,038	710,771	2,495,267	22%	948,796
Parks & Recreation:					
Administration	771,513	208,672	562,841	27%	238,182
Community Events	170,995	39,970	131,025	23%	37,002
Programs (Youth/Teen/Adult/Sr.)	718,244	194,622	523,622	27%	176,856
Beach/Firemen's Park	122,053	81	121,972	0%	4,044
Hockey & Skating Rinks	12,612	1,778	10,834	14%	3,802
Park Maintenance	1,544,524	384,923	1,159,601	25%	312,419
Total Parks & Recreation	3,339,941	830,046	2,509,895	25%	772,305
Unallocated	316,837	(963)	317,800	0%	(21,813)
Debt Service & Lease Payments	110,300	61,391	48,909		37,426
TOTAL EXPENDITURES	25,734,773	7,057,541	18,677,232	27%	6,971,918
OTHER FINANCING SOURCES (USES):					
Transfers In	4,898,000	1,426,660	(3,471,340)	29%	1,373,760
Transfers Out	(3,114,000)	-	3,114,000	0%	(285,000)
NET TRANSFERS	1,784,000	1,426,660	(357,340)	80%	1,088,760
NET CHANGE IN FUND BALANCES	\$ -	\$ (2,344,750)	\$ (2,344,750)		\$ (2,513,348)

* 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 04/30/2024 AND 04/30/2023

	2024			PERCENT OF BUDGET RECEIVED/ EXPENDED	2023
	BUDGET	ACTUAL AS OF 4/30/2024	VARIANCE WITH BUDGET		ACTUAL AS OF 4/30/2023
<u>REVENUES:</u>					
Property Taxes *	\$ 6,000	\$ -	\$ (6,000)	0%	\$ -
Charges For Services/Lot Sales	2,400	2,500	100	104%	600
Investment Earnings	300	-	(300)	0%	-
TOTAL REVENUES	8,700	2,500	(6,200)	29%	600
<u>EXPENDITURES:</u>					
Current:					
Public Works:					
Professional Services And Charges	13,500	150	13,350	1%	-
NET CHANGE IN FUND BALANCES	\$ (4,800)	\$ 2,350	\$ 7,150		\$ 600

* 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 04/30/24 AND 04/30/23

	2024			PERCENT OF BUDGET	2023
	BUDGET	ACTUAL AS OF 4/30/2024	VARIANCE WITH BUDGET	% RECEIVED/ EXPENDED	ACTUAL AS OF 4/30/2023
REVENUES:					
Property Taxes *	\$ 212,801	\$ -	\$ (212,801)	0%	\$ -
Intergovernmental	-	-	-	0%	210,000
Charges For Services	328,900	109,632	(219,268)	33%	87,967
Special Assessments	40,000	-	(40,000)	0%	-
Investment Earnings (Charges)	(5,400)	-	5,400	0%	-
Leases/Rent	34,100	-	(34,100)	0%	-
TOTAL REVENUES	610,401	109,632	(500,769)	18%	297,967
EXPENDITURES:					
Current:					
Administration:					
Professional Services	40,407	344	40,063	1%	4,707
Other Charges and Special Events	478,606	154,100	324,506	32%	121,932
Remit Grant Revenue	-	-	-		210,000
Economic Development Projects/Programs:					
Supplies	-	-	-		-
Professional Services	61,616	29,050	32,566		29,281
Other Charges and Special Events	29,772	-	29,772	0%	-
TOTAL EXPENDITURES	610,401	183,494	426,907	30%	365,920
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	(73,862)	(73,862)		(67,953)
OTHER FINANCING SOURCES (USES):					
Sale of Land	-	399,827	399,827		
NET CHANGE IN FUND BALANCES	\$ -	\$ 325,965	\$ 325,965		\$ (67,953)

* 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 04/30/2024 AND 04/30/2023

	2024			PERCENT OF BUDGET	2023
	BUDGET	ACTUAL AS OF 4/30/2024	VARIANCE WITH BUDGET	RECEIVED/ EXPENDED	ACTUAL AS OF 4/30/2023
REVENUES:					
Property Taxes *	\$ 4,184,000	\$ -	\$ (4,184,000)	0%	\$ -
Charges For Services	30,500	-	(30,500)	0%	-
Interest Earnings	-	78,864	78,864		31,531
Leases (tower)	147,500	-	(147,500)	0%	11,835
Other Revenue	-	-	-		3,008
TOTAL REVENUES	4,362,000	78,864	(4,283,136)	2%	46,374
EXPENDITURES:					
Current:					
General Government	10,000	45,533	(35,533)	455%	-
Public Safety	-	10,135	(10,135)		5,044
Debt Service:					
Issuance Costs & Fiscal Agent Fees	207,000	-	207,000		-
Capital Outlay:					
Furniture And Equipment					
Communications	30,500	-	30,500	0%	-
Administration	-	12,230	(12,230)		-
Admin. Services-Finance	13,000	-	13,000	0%	-
Information Technology	415,000	-	415,000	0%	168,548
Police	40,000	-	40,000		59,004
Fire	-	71,842	(71,842)		-
Public Works	682,500	145,776	536,724	21%	-
TOTAL EXPENDITURES	1,398,000	285,516	1,112,484	20%	232,596
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	2,964,000	(206,652)	(3,170,652)		(186,222)
OTHER FINANCING SOURCES (USES):					
Transfers In	147,000	-	(147,000)	0%	-
Transfers Out	(3,713,000)	-	3,713,000	0%	(215,302)
Bonds Issued	602,000	-	(602,000)	0%	-
Sale of Capital Assets	-	7,650	7,650		25,425
TOTAL OTHER FINANCING SOURCES (USES)	(2,964,000)	7,650	2,971,650		(189,877)
NET CHANGE IN FUND BALANCES	\$ -	\$ (199,002)	\$ (199,002)		\$ (376,099)

* 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 04/30/2024 AND 04/30/23

	2024			PERCENT OF BUDGET	2023
	BUDGET	ACTUAL AS OF 4/30/2024	VARIANCE WITH BUDGET	RECEIVED / EXPENDED	ACTUAL AS OF 4/30/2023
OPERATING REVENUES:					
Residential & Senior Sales	\$ 11,340,000	\$ 3,104,440	\$ (8,235,560)	27%	\$ 2,677,624
Commercial Sales	1,191,000	371,643	(819,357)	31%	321,803
Industrial Sales	33,327,000	9,593,020	(23,733,980)	29%	8,771,995
Other Charges and Sales	3,495,200	4,112,733	617,533	118%	4,637,812
TOTAL OPERATING REVENUES	49,353,200	17,181,836	(32,171,364)	35%	16,409,234
OPERATING EXPENSES:					
Purchased Power	29,909,000	10,674,329	19,234,671	36%	10,423,806
Distribution:					
Personnel Services	2,385,616	600,408	1,785,208	25%	615,522
Supplies, Services & Other Charges	945,893	280,381	665,512	30%	288,680
Administration:					
Personnel Services	437,832	131,907	305,925	30%	126,922
Supplies, Services & Other Charges	3,625,904	1,264,164	2,361,740	35%	1,184,986
Utility Billing:					
Personnel Services	382,182	118,571	263,611	31%	110,907
Supplies, Services & Other Charges	420,971	83,735	337,236	20%	92,014
Conservation Programs	487,589	115,805	371,784	24%	52,904
Capital Outlay	4,220,000	326,888	3,893,112	8%	235,223
TOTAL OPERATING EXPENSES	42,814,987	13,596,188	29,218,799	32%	13,130,964
OPERATING INCOME	6,538,213	3,585,648	(2,952,565)		3,278,270
NON-OPERATING REVENUES:					
Investment Earnings	52,900	-	(52,900)	0%	-
Intergovernmental	-	10	10		97
TOTAL NON-OPERATING REVENUES	52,900	10	(52,890)		97
NON-OPERATING EXPENSES:					
Debt Service - Principal & Interest	710,000	116,136	593,864	16%	126,088
Debt Service - Agent Fees	1,000	500	500		500
TOTAL NON-OPERATING EXPENSES	711,000	116,636	594,364	16%	126,588
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	5,880,113	3,469,022	(2,411,091)		3,151,779
CAPITAL CONTRIBUTIONS	-	358,858	358,858		16,668
TRANSFERS IN (OUT):					
Transfers Out	(7,693,700)	(1,452,600)	6,241,100		(1,373,760)
CHANGE IN NET POSITION	\$ (1,813,587)	\$ 2,375,280	\$ 4,188,867		\$ 1,794,687

WATER FUND
REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE PERIOD ENDED 04/30/2024 AND 04/30/2023

	2024			PERCENT	2023
	BUDGET	ACTUAL AS OF 4/30/2024	VARIANCE WITH BUDGET	OF BUDGET RECEIVED/ EXPENDED	ACTUAL AS OF 4/30/2023
OPERATING REVENUES:					
Residential Sales	\$ 2,166,000	\$ 353,469	\$ (1,812,531)	16%	\$ 326,232
Commercial Sales	1,545,000	281,186	(1,263,814)	18%	249,872
Industrial Sales	515,000	260,581	(254,419)	51%	133,046
Other Sales & Charges	995,240	349,415	(645,825)	35%	295,190
TOTAL OPERATING REVENUES	5,221,240	1,244,651	(3,976,589)	24%	1,004,340
OPERATING EXPENSES:					
Pumping	378,110	104,405	273,705	28%	102,763
Treatment	467,487	142,365	325,122	30%	129,396
Distribution:					
Personnel Services	770,161	176,957	593,204	23%	180,439
Supplies, Services & Other Charges	361,738	61,974	299,764	17%	72,474
Administration:					
Personnel Services	142,650	44,006	98,644	31%	42,823
Supplies, Services & Other Charges	754,581	249,382	505,199	33%	238,745
Utility Billing:					
Personnel Services	68,248	21,173	47,075	31%	20,333
Supplies, Services & Other Charges	91,396	20,774	70,622	23%	22,377
Capital Outlay	510,500	210,471	300,029	41%	589,087
TOTAL OPERATING EXPENSES	3,544,871	1,031,507	2,513,364	29%	1,398,437
OPERATING INCOME	1,676,369	213,144	(1,463,225)	13%	(394,097)
NON-OPERATING REVENUES:					
Investment Earnings	17,700	-	(17,700)	0%	-
Intergovernmental	-	8	8		-
TOTAL NON-OPERATING REVENUES	17,700	8	(17,692)	0%	-
NON-OPERATING EXPENSES:					
Debt Service	1,160,000	256,376	903,624	22%	182,428
Issuance Costs & Fiscal Agent Fees	1,000	75	925		75
Old Water Treatment Plant/Bountiful Basket	1,933	586	1,347		276
TOTAL NON-OPERATING EXPENSES	1,162,933	257,037	905,896	22%	182,779
INCOME (LOSS) BEFORE TRANSFERS	531,136	(43,885)	(575,021)		(576,876)
TRANSFERS IN (OUT):					
Transfers In	402,000	-	(402,000)		-
Transfers (Out)	(330,850)	-	330,850		-
NET TRANSFERS IN (OUT)	71,150	-	(71,150)		-
CHANGE IN NET POSITION	\$ 602,286	\$ (43,885)	\$ (646,171)		\$ (576,876)

SEWER FUND
REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE PERIODS ENDING 04/30/2024 AND 04/30/2023

	2024			PERCENT OF BUDGET	2023
	BUDGET	ACTUAL AS OF 4/30/2024	VARIANCE WITH BUDGET	RECEIVED/ EXPENDED	ACTUAL AS OF 4/30/2023
OPERATING REVENUES:					
Residential Sales	\$ 2,406,500	\$ 790,665	\$ (1,615,835)	33%	\$ 653,982
Commercial Sales	1,663,800	552,140	(1,111,660)	33%	459,569
Industrial Sales	1,852,400	598,984	(1,253,416)	32%	495,091
Other Sales & Charges	1,640,750	550,632	(1,090,118)	34%	536,763
TOTAL OPERATING REVENUE	7,563,450	2,492,421	(5,071,029)	33%	2,145,405
OPERATING EXPENSES:					
Pumping	31,014	5,519	25,495	18%	4,829
Treatment	4,170,070	1,737,529	2,432,541	42%	1,546,918
Collection:					
Personnel Services	770,164	176,069	594,095	23%	179,991
Supplies, Services & Other Charges	193,167	23,286	169,881	12%	46,800
Administration:					
Personnel Services	142,648	44,006	98,642	31%	42,823
Supplies, Services & Other Charges	740,200	246,257	493,943	33%	232,216
Utility Billing:					
Personnel Services	68,248	21,173	47,075	31%	20,333
Supplies, Services & Other Charges	71,843	20,058	51,785	28%	22,397
Capital Outlay	55,500	37,958	17,542	68%	879
TOTAL OPERATING EXPENSES	6,242,854	2,311,855	3,930,999	37%	2,097,186
OPERATING INCOME	1,320,596	180,566	(1,140,030)		48,219
NON-OPERATING REVENUES:					
Investment Earnings	5,100	-	(5,100)	0%	-
Intergovernmental	-	14	14		19
TOTAL NON-OPERATING REVENUES	5,100	14	(5,086)	0%	19
NON-OPERATING EXPENSES:					
Debt Service	576,200	320,620	255,580	56%	318,398
Issuance Costs & Fiscal Agent Fees	-	275	(275)		275
TOTAL NON-OPERATING EXPENSES	576,200	320,895	255,305		318,673
INCOME (LOSS) BEFORE TRANSFERS	749,496	(140,315)	(889,811)		(270,435)
TRANSFERS IN (OUT):					
Transfers (Out)	(399,112)	-	399,112		-
CHANGE IN NET POSITION	\$ 350,384	\$ (140,315)	\$ (490,699)		\$ (270,435)

CHASKA COMMUNITY CENTER FUND
REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE PERIODS ENDING 04/30/2024 AND 04/30/2023

				PERCENT OF BUDGET	2023
	BUDGET	ACTUAL AS OF 4/30/2024	VARIANCE WITH BUDGET	RECEIVED/ EXPENDED	ACTUAL AS OF 4/30/2023
OPERATING REVENUES:					
Admissions	\$ 418,780	\$ 114,524	\$ (304,256)	27%	\$ 105,982
Memberships	1,299,360	435,744	(863,616)	34%	413,028
Rentals	1,109,261	422,815	(686,446)	38%	470,712
Charges for Services/Lessons	514,357	152,863	(361,494)	30%	139,409
Other Revenue	432,330	16,491	(415,839)	4%	28,481
TOTAL OPERATING REVENUE	<u>\$ 3,774,088</u>	<u>\$ 1,142,437</u>	<u>\$ (2,631,651)</u>	30%	<u>\$ 1,157,612</u>
OPERATING EXPENSES:					
Personnel Services	2,441,985	740,631	1,701,354	30%	762,503
Operating Supplies	264,804	66,107	198,697	25%	88,263
Professional & Other Services	1,023,054	249,747	773,307	24%	346,027
Other Charges	678,504	169,228	509,276	25%	103,317
Capital Outlay	-	43,858	(43,858)		50,913
TOTAL OPERATING EXPENSES	<u>4,408,347</u>	<u>1,269,571</u>	<u>3,138,776</u>	29%	<u>1,351,023</u>
OPERATING INCOME (LOSS)	<u>(634,259)</u>	<u>(127,134)</u>	<u>507,125</u>		<u>(193,411)</u>
NON-OPERATING REVENUES:					
Investment Earnings (Charges)	(11,400)	5,000	16,400	-44%	2,907
Sale of Capital Assets	-	4,050	4,050		-
TOTAL NON-OPERATING REVENUES	<u>(11,400)</u>	<u>9,050</u>	<u>20,450</u>	-79%	<u>2,907</u>
NON-OPERATING EXPENSES:					
Debt Service	552,905	3,986	548,919	1%	5,783
Issuance Costs & Fiscal Agent Fees	4,000	1,700	2,300	43%	1,700
TOTAL NON-OPERATING EXPENSES	<u>556,905</u>	<u>5,686</u>	<u>551,219</u>	1%	<u>7,483</u>
INCOME (LOSS) BEFORE TRANSFERS	<u>(1,202,564)</u>	<u>(123,770)</u>	<u>1,078,794</u>		<u>(197,987)</u>
TRANSFERS IN (OUT):					
Transfers In	<u>1,203,524</u>	<u>-</u>	<u>(1,203,524)</u>	0%	<u>-</u>
CHANGE IN NET POSITION	<u>\$ 960</u>	<u>\$ (123,770)</u>	<u>\$ (124,730)</u>		<u>\$ (197,987)</u>

THE LOOP AT CHASKA
REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE PERIOD ENDED 04/30/2024 AND 04/30/2023

	2024			PERCENT OF BUDGET	2023
	BUDGET	ACTUAL AS OF 4/30/2024	VARIANCE WITH BUDGET	RECEIVED/ EXPENDED	ACTUAL AS OF 4/30/2023
OPERATING REVENUES:					
Green Fees	\$ 575,000	\$ 17,148	\$ (557,852)	3%	\$ -
Merchandise & Other Sales	22,400	99	(22,301)	0%	-
TOTAL OPERATING REVENUES	597,400	17,247	(580,153)		-
OPERATING EXPENSES:					
Golf - Maintenance Dept:					
Personnel Services	261,264	26,412	234,852	10%	-
Supplies, Services & Other Charges	60,000	16,575	43,425	28%	7,952
Golf - Club House:					
Personnel Services	168,546	22,541	146,005	13%	-
Supplies, Services & Other Charges	60,101	18,403	41,698	31%	1,636
Merchandise for Resale	15,000	11,429	3,571	76%	-
Capital Outlay - Equipment	63,000	4,750	58,250	8%	-
Capital Outlay - Golf Course Construction	-	237,648	(237,648)		85,102
TOTAL OPERATING EXPENSES	627,911	337,758	290,153		94,690
OPERATING INCOME (LOSS)	(30,511)	(320,511)	(290,000)		(94,690)
NON-OPERATING REVENUES:					
Investment Earnings (Charges)	500	-	(500)	0%	1,695
Gain on Disposal of Capital Assets	-	13,306	13,306		-
TOTAL NON-OPERATING REVENUES	500	13,306	12,806		1,695
NON-OPERATING EXPENSES:					
Debt Service	369,500	-	369,500	0%	-
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(399,511)	(307,205)	92,306		(92,995)
CAPITAL CONTRIBUTIONS	161,000	-	(161,000)	0%	-
TRANSFERS IN (OUT):					
Transfers In	244,000	-	(244,000)	0%	-
CHANGE IN NET POSITION	\$ 5,489	\$ (307,205)	\$ (312,694)		\$ (92,995)

Note: The Loop at Chaska was closed in 2023 for construction

CHASKA TOWN COURSE FUND
REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE PERIOD ENDED 04/30/2024 AND 04/30/2023

	2024			PERCENT OF BUDGET	2023
	BUDGET	ACTUAL AS OF 4/30/2024	VARIANCE WITH BUDGET	RECEIVED/ EXPENDED	ACTUAL AS OF 4/30/2023
OPERATING REVENUES:					
Green Fees	\$ 1,984,000	\$ 208,475	\$ (1,775,525)	11%	\$ 112,618
Driving Range	170,000	26,918	(143,082)	16%	15,577
Golf Rentals	430,000	21,950	(408,050)	5%	7,646
Merchandise	300,000	86,408	(213,592)	29%	51,812
Other Sales	199,000	106,090	(92,910)	53%	97,561
TOTAL OPERATING REVENUE	\$ 3,083,000	\$ 449,841	\$ (2,633,159)	15%	\$ 285,214
OPERATING EXPENSES:					
Golf - Maintenance Dept:					
Personnel Services	753,168	179,260	573,908	24%	176,693
Supplies, Services & Other Charges	330,119	166,297	163,822	50%	92,362
Golf - Club House:					
Personnel Services	666,483	135,908	530,575	20%	124,182
Supplies, Services & Other Charges	542,373	111,773	430,600	21%	129,785
Merchandise for Resale	226,125	239,109	(12,984)	106%	207,727
Capital Outlay	147,000	31,188	115,812	21%	66,716
TOTAL OPERATING EXPENSES	2,665,268	863,535	1,801,733	32%	797,465
OPERATING INCOME	417,732	(413,694)	(831,426)		(512,251)
NON-OPERATING REVENUES:					
Investment Earnings (Charges)	(2,600)	-	2,600		-
Bond Proceeds	112,000	-	(112,000)		-
TOTAL NON-OPERATING REVENUES	109,400	-	2,600		-
NON-OPERATING EXPENSES:					
Debt Service	331,700	-	331,700	0%	21,152
CHANGE IN NET POSITION	\$ 195,432	\$ (413,694)	\$ (497,126)		\$ (533,403)

TURBINE GENERATOR FUND
REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE PERIOD ENDED 04/30/2024 AND 04/30/23

	2024			PERCENT OF BUDGET	2023
	BUDGET	ACTUAL AS OF 4/30/2024	VARIANCE WITH BUDGET	RECEIVED/ EXPENDED	ACTUAL AS OF 4/30/2023
OPERATING REVENUES:					
Lease Revenue *	\$ 2,486,184	\$ 849,460	\$ (1,636,724)	34%	\$ 849,460
OPERATING EXPENSES:					
Professional Services	108,000	141,675	(33,675)	131%	122,906
Other Charges	230,170	56,942	173,228	25%	57,542
TOTAL OPERATING EXPENSES	338,170	198,617	139,553	59%	180,448
OPERATING INCOME	2,148,014	650,843	(1,497,171)		669,012
NON-OPERATING REVENUES:					
Investment Earnings	-	4,884	4,884		3,066
Interfund Loan Payments	104,219	-	(104,219)	0%	-
TOTAL NON-OPERATING REVENUES	104,219	4,884	(99,335)	5%	3,066
NON-OPERATING EXPENSES:					
Debt Service	2,075,500	300,250	1,775,250	14%	335,250
Issuance Costs & Fiscal Agent Fees	4,500	-	4,500	0%	-
TOTAL NON-OPERATING EXPENSES	2,080,000	300,250	1,779,750	14%	335,250
CHANGE IN NET POSITION	\$ 172,233	\$ 355,477	\$ 183,244		\$ 336,828

* Lease Revenue includes payments applied to lease receivable

STORM WATER FUND
REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE PERIODS ENDING 04/30/2024 AND 04/30/2023

	2024			PERCENT OF BUDGET	2023
	BUDGET	ACTUAL AS OF 4/30/2024	VARIANCE WITH BUDGET	RECEIVED/ EXPENDED	ACTUAL AS OF 4/30/2023
OPERATING REVENUES:					
Residential Sales	\$ 1,280,000	\$ 423,463	\$ (856,537)	33%	\$ 415,509
Industrial Sales	929,000	307,576	(621,424)	33%	302,581
All Other Receipts	3,000	2,176	(824)	73%	1,694
TOTAL OPERATING REVENUE	2,212,000	733,215	(1,478,785)	33%	719,784
OPERATING EXPENSES:					
Collections:					
Personnel Services	432,876	54,509	378,367	13%	25,683
Supplies, Services & Other Charges	293,899	40,924	252,975	14%	45,692
Administration:					
Personnel Services	233,765	69,890	163,875	30%	68,634
Supplies, Services & Other Charges	446,422	148,562	297,860	33%	139,532
Utility Billing:					
Personnel Services	27,299	8,469	18,830	31%	7,001
Supplies, Services & Other Charges	86,459	20,910	65,549	24%	24,601
Capital Outlay	900,000	13,677	886,323	2%	7,587
TOTAL OPERATING EXPENSES	2,420,720	356,941	2,063,779	15%	318,730
OPERATING INCOME (LOSS)	(208,720)	376,274	584,994		401,054
NON-OPERATING REVENUES:					
Investment Earnings	5,500	-	(5,500)	0%	-
Bond Proceeds	700,000	-	(700,000)		-
TOTAL NON-OPERATING REVENUES	705,500	-	(705,500)		-
NON-OPERATING EXPENSES:					
Debt Service	295,500	198,362	97,138	67%	185,344
Issuance Costs & Fiscal Agent Fees	500	200	300	40%	200
TOTAL NON-OPERATING EXPENSES	296,000	198,562	97,438	67%	185,544
INCOME (LOSS) BEFORE TRANSFERS	200,780	177,712	(23,068)		215,510
TRANSFERS IN (OUT):					
Transfers In	210,600	-	(210,600)	0%	-
Transfers (Out)	(327,600)	-	327,600	0%	-
NET TRANSFERS IN (OUT)	(117,000)	-	117,000		-
CHANGE IN NET POSITION	\$ 83,780	\$ 177,712	\$ 93,932		\$ 215,510

CHASKA CURLING AND EVENT CENTER FUND
REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE PERIODS ENDING 04/30/2024 AND 04/30/2023

				PERCENT OF BUDGET RECEIVED/ EXPENDED	2023 ACTUAL AS OF 4/30/2023
	BUDGET	ACTUAL AS OF 4/30/2024	VARIANCE WITH BUDGET		
OPERATING REVENUES:					
Memberships	\$ 151,840	\$ 50,425	\$ (101,415)	33%	\$ 56,212
Rentals	202,925	49,110	(153,815)	24%	43,236
Lessons	242,000	102,973	(139,027)	43%	123,780
Leagues	180,000	2,160	(177,840)	1%	-
Leases	402,000	95,841	(306,159)	24%	108,753
Other Revenue	54,087	12,952	(41,135)	24%	16,601
TOTAL OPERATING REVENUES	1,232,852	313,461	(919,391)	25%	348,582
OPERATING EXPENSES:					
Administration:					
Personnel Services	438,907	137,468	301,439	31%	113,411
Supplies, Services & Other Charges	498,118	120,218	377,900	24%	127,688
Event Center:					
Personnel Services	10,863	2,574	8,289	24%	35,814
Supplies, Services & Other Charges	22,498	6,655	15,843	30%	7,776
Curling Center:					
Personnel Services	221,697	72,001	149,696	32%	68,460
Supplies, Services & Other Charges	92,137	47,038	45,099	51%	33,180
Crooked Pint	65,890	10,425	55,465	16%	13,539
Capital Outlay	16,000	4,200	11,800		-
TOTAL OPERATING EXPENSES	1,366,110	400,579	965,531	29%	399,868
OPERATING INCOME (LOSS)	(133,258)	(87,118)	46,140		(51,286)
NON-OPERATING REVENUES:					
Investment Earnings (Charges)	(12,000)	21,348	33,348	-178%	17,681
TOTAL NON-OPERATING REVENUES	(12,000)	21,348	33,348		17,681
NON-OPERATING EXPENSES:					
Debt Service	1,577,763	1,298,952	278,811	82%	1,118,452
Issuance Costs & Fiscal Agent Fees	1,600	3,200	(1,600)	200%	3,200
TOTAL NON-OPERATING EXPENSES	1,579,363	1,302,152	277,211	82%	1,121,652
INCOME (LOSS) BEFORE TRANSFERS	(1,724,621)	(1,367,922)	356,699		(1,155,257)
TRANSFERS IN (OUT):					
Transfers In	1,733,922	1,300,000	(433,922)	75%	1,286,000
CHANGE IN NET POSITION	\$ 9,301	\$ (67,922)	\$ (77,223)		\$ 130,743