

CITY OF CHASKA

State of Minnesota

2016 BUDGET

For the Fiscal Year Ending December 31, 2016

Adopted by Chaska City Council on:

December 21, 2015

and

January 4, 2016

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City of Chaska 2016 Budget

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City Administrator's Budget Message

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City of Chaska 2016 Budget



2016 Annual Budget

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

Submitted for your review is the proposed 2016 Annual Budget for the City of Chaska, along with a review of major issues and opportunities relating to the City's general operations. The budget, as proposed, I believe meets the needs for continuing to provide excellent municipal services, while at the same time meeting the City's objectives that we have established during the budgeting process.

2016 Revenue Discussion

While we have seen increases in market values for the past 2 years, in 2016 we will finally see all of the valuation lost during the "Great Recession" recovered in the community. From 2008-2013, Chaska saw an average annual decrease in property values of over 6%, before seeing a 5.24% increase in 2014 and a 12.24% increase of property values in 2015. This full recovery of taxable market values in the community took 9 years, which illustrates how deeply property values were affected during the last recession. With property taxes tied directly to housing values, this had a direct impact on the revenue we were able to generate during this time period.

As we look at 2016, we continue to see a positive trend occurring in the market, as we will see both commercial and industrial economic development activity occurring and planned for in the community, while also seeing our residential development continue to move forward in a positive direction. This development activity has continued to have a positive impact on both our Electric Franchise Fee to the General Fund and Building Permit revenue. It has also helped increase new market values in the community, in which we have been able to derive additional tax resources to support our service levels, without having a negative impact on existing properties in the community.

As the 2015 budget was put together, there were five major budget environmental factors we needed to consider, as it related to revenues:

- Market Values across the community increased by an average of 8.21%. This brings our overall property values in the community to just over \$2.5 billion, a level of which we have not seen since 2007
- The restoration of Local Government Aid to the community has continued, with Chaska scheduled to receive just over \$500,000 in 2016
- Both residential and commercial building permit activity has continued to be stable, becoming more predictable from a budgeting perspective
- We are once again seeing an increase in population, with our population moving to just over 25,500
- Our Electric Revenue has continued to increase significantly, as we have seen a significant amount of Economic Development activity occur in the last four years, including Data Center development and additions to existing industrial

businesses, driving up this usage. This has had a positive impact on the Electric Franchise Fee coming back to our General Fund

During the recession period from 2008-2013, in order to navigate the financial impacts to our revenue collection to support our budgeted activities, the City needed to defer many planned expenditures as a strategy to balance the budget. With growth in the economy over the past 3 years, the City was once again able to look at some of those areas we had to defer in the past, which we feel will be critical to meet our budgeting objectives over the next 5 years.

This renewed emphasis on reinvestment back into our existing infrastructure has come through the establishment of our Capital Improvement Program. The CIP focuses on how to properly maintain the assets we have already invested into, and have a responsibility to keep in good condition moving into the future. In 2014 we started investment into this program, with a 4 year plan for how to fully fund these needs. With the first two years of the program fully implemented, this document will focus on the next steps we will take in 2016 to continue implementation of our Capital Improvement Program and dedicate the resources we need to not get behind in our reinvestment needs.

This document will also discuss our new tax levy establishment policy which the Council adopted during our 2014 budgeting process. Our new policy focusses more on what the actual driving factors are in setting our tax levy, including actual new growth in our population and inflationary factors, instead of only focusing on keeping a constant tax rate, which was a past policy direction the City utilized. In this respect we feel that any new increases in tax resources is directly tied to the increase we have in the level of services we provide because of growth in the community, and the cost of providing these service because of inflationary factors.

Staff feels that the budget document for this year once again takes a more comprehensive look at not just our current operations, but also the future costs of properly maintaining our assets. We also think that it creates a more logical nexus between how we set our tax levy and what actual changes we see in the community that cause us to increase our resources to meet one of our primary objectives of keeping our service levels constant.

Budget Objectives

As with all of budgeting process, the first place that we start is to look at the objectives we are trying to accomplish in our budget document. Below is the list of those objectives that were used in both the 5-year financial forecast process this year, and the goals that were used in the establishment of the 2015 budget you see before you now:

- 1) Support budgeting 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 our 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 our adopted Street Reconstruction Program*

Based on the objectives above, implementing the 3rd phase of our Capital Improvement Program, and utilizing our new tax levy policy adopted in 2014 for our budgeting process, Staff is recommending a 5.5% increase in our operational tax levy for 2015, in addition to levying the 3rd year of revenue for our CIP program which is scheduled to be an addition \$250,000 tax levy in 2016.

Tax Levy Establishment Policy

For nearly 30 years, the City of Chaska had a policy of establishing our annual tax levy based on keeping a constant tax rate. Based on this policy, the tax levy would go up by the amount of increase we saw annually in our tax capacity within the City, which is directly related to the amount of market value growth we saw in the City. For instance, if market values (and hence tax capacity) increased in the community by 8.4% (as it will in 2016), the levy could also increase by 8.4% and have no impact on the tax rate in the community. This would mean that if someone's property did not change in taxable market value from one year to the next, that their City taxes would not see any increase.

While this policy worked very well for several years, over the past 10 years we did start to experience some of the practical limitations of this policy. The first practical issue experienced is that not all market value increase is associated with the construction of new buildings. Some of the market value increase also occurs on existing properties as we experiencing inflationary growth from year to year. So while the tax rate would not change, and a resident's taxes would not change if their values stayed the same, this often was not the practical reality, as we saw a significant amount of growth in property values in existing properties from 2000-2008.

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

During the 2014 budget process, Staff recommended we make a permanent change to our tax levy establishment policy to learn from the issues we experienced over the past decade. The tax levy policy established in 2014 focuses specifically on looking at the two items that create pressure on our General Fund, if one of our objectives is to keep a constant level of services in the community:

- New construction in the community
- Inflationary increases in the market.

If the City desires to keep services constant, it costs more money to provide the same services to new users in the community. Also, market inflationary increases impact the cost of providing our services, regardless if we make any changes in service levels or not. In order to make sure we take these issues into account, our new tax levy policy states that we would set our increase in levy based on the percentage market value attributed to new growth, in addition to whatever the inflation rate is running in any given year. In that way, we are able to make sure that all new users are paying their fair share of service costs in the community, and that we take into account that costs go up on an annual basis because of inflation no matter what policy decisions we make. The new policy goes on to say that we would only increase the levy beyond this point if we were adding new services, and that the actual cost of providing those new services would determine the amount of additional increase we would need in the tax levy. In the case of this year's budget, the new service we discuss and is in our objectives is funding the 3rd year of our Capital Improvement Program implementation.

Key Factors in Revenue Forecast

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

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

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

decade, and hence an increase in revenue necessary to provide the same level of service in the future to our residents.

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

As was mentioned earlier, this downward trend reversed itself in late 2012, and stabilized, with a number of new residential developments approved over the past 2 years. In 2013, this included the approvals for several new additions of the Chevalle and Nickel Creek developments, the addition of two multi-family projects in downtown Chaska, as well as the first residential developments in the Southwest Chaska Development Area, with over 200 lots being platted. We also saw the addition of several C/I developments including the latest addition to the 212 Medical Center, three new data centers, the new Lakeview Medical Building, the addition of Park Dental in the Hazeltine Commons area and the additions to Lifecore Biomedical, Beckman Coulter and Exactec. We expect to see this level of development activity continue into the 2016 budget year, including the expected addition of 200 new residential properties in the community. Below is a chart illustrating past population growth and the growth Staff anticipates over the 5-year period.

| Year | # of Households | # of New | Est. Pop. |
|------|-----------------|----------|-----------|
| 2000 | 6,979 | 445 | 17,449 |
| 2001 | 7,394 | 415 | 17,746 |
| 2002 | 7,909 | 515 | 18,982 |
| 2003 | 8,378 | 469 | 20,107 |
| 2004 | 8,854 | 476 | 21,250 |
| 2005 | 9,122 | 268 | 21,893 |
| 2006 | 9,323 | 201 | 22,375 |
| 2007 | 9,553 | 230 | 22,927 |
| 2008 | 9,743 | 190 | 23,383 |
| 2009 | 9,767 | 24 | 23,441 |
| 2010 | 9,832 | 65 | 23,652 |
| 2011 | 9,907 | 75 | 23,777 |
| 2012 | 10,039 | 132 | 24,094 |
| 2013 | 10,173 | 134 | 24,415 |
| 2014 | 10,373 | 200 | 25,270 |
| 2015 | 10,523 | 150 | 25,255 |
| 2016 | 10,673 | 150 | 25,615 |
| 2017 | 10,823 | 150 | 25,975 |
| 2018 | 10,973 | 150 | 26,335 |
| 2019 | 11,123 | 150 | 26,695 |
| 2020 | 11,273 | 150 | 27,055 |

An analysis of General Fund revenues by major fund source:

Total revenues anticipated to fund the 2016 General Fund operating budget are \$14,074,193, which is an increase of 10% from the 2014 budget of \$12,794,735. The majority of the increase in revenues is coming from our growing Electric Franchise Fee, as well as additional building permit activity, both of which are driven by our economic development activities. In addition to this, our tax levy policy would have us plan to increase our operating tax levy revenues by 5.5%, for operational expenses based on our new policy, as well as an additional \$250,000 for the 3rd year of implementation of our Capital Improvement Program (~5%). In addition to this, our other two main sources of income in our General Fund is our Gas Franchise Fee, which is approximately \$450,000, and our Local Government Aid, which is just over \$500,000. It should be noted in the chart below that while it shows a 16.9% increase in Property taxes, that is not the overall increase in our Property taxes, as our property taxes are also used for our Equipment Acquisition Fund. This is just saying that more property taxes are being utilized in our General Fund this year, as opposed to our Equipment Acquisition Fund last year, since last year was a year we had a number of pieces of equipment being replaced through ad Equipment Certificate Bonding Process.

| General Fund Revenues | | | | | | |
|-------------------------------|---------------------|---------------------|---------------------|---------------------|--------------------|--------------|
| | 2013 | 2014 | 2015 | 2016 | | |
| | Actual | Actual | Budget | Budget | Increase | %Increase |
| Property Tax | \$4,117,793 | \$3,610,547 | \$3,775,719 | \$4,412,927 | \$637,208 | 16.9% |
| Elec/GasFranchise Fees | 3,101,430 | 3,391,309 | 3,781,000 | 3,868,000 | \$87,000 | 2.3% |
| Other Franchise Fees | 228,380 | 265,414 | 257,500 | 280,000 | \$22,500 | 8.7% |
| License and Permits | 882,202 | 988,912 | 1,086,471 | 1,100,723 | \$14,252 | 1.3% |
| Other Revenues | 1,215,118 | 1,987,570 | 2,039,866 | 2,510,358 | \$470,492 | 23.1% |
| Admin Charges to Funds | 1,094,821 | 1,435,305 | 1,854,179 | 1,902,185 | \$48,006 | 2.6% |
| Total Revenue | \$10,639,744 | \$11,679,057 | \$12,794,735 | \$14,074,193 | \$1,279,458 | 10.0% |

Capital Improvement Program

As in both 2014 and 2015, a main focus of our 2016 budget document is the continued implementation of our Capital Improvement Program. A main objective of this program is to make sure that we have the proper resources in place to fund the necessary replacement and maintenance of the assets we have already invested into, and to make sure that we are ready, from an infrastructure perspective, for the new growth that will come into the community over the next several years.

As we build and bring on new assets into our community, a critical function we have as a local government unit is to plan for the proper maintenance and replacement of these assets to always keep them in good working order. This is a responsibility the City takes on if it is to truly be good stewards of our resources and make sure our assets are as good for future generations as they are for us now.

As the City looked at this objective, it was determined that we were approximately \$1 million short annually in properly funding both replacement and maintenance of our existing assets, but also preparing properly for future development. This is one large

reason we have been able to keep our taxes so low is by not adequately funding these items.

Recognizing this as a significant issue, the Council decided to take on the task of funding the unmet needs of our Capital Improvement Program over a 4 year period, adding \$250,000 in revenue each year until we had filled this \$1 million deficit. This helps assure that we have the funds to do proper maintenance to our roads such as sealcoats and overlays, that we properly maintain and replace things like playgrounds in our parks, that we reinvest back into our many miles of trails, and that we reinvest properly back into our many City buildings. These are all items that have not been adequately addressed in the past, and which will cause long-term issues if not addressed in the near term.

In 2014, the first \$250,000 was raised both through the implementation of a \$50,000 tax increase and the implementation of a gas franchise fee. The Gas Franchise fee that is generated annually is approximately \$450,000. However, it was not implemented until mid-year of 2014, meaning only about \$200,000 was generated in 2014. With a full year of implementation bring \$450,000 in 2015, and the addition of \$50,000 to our tax levy, this brought our total revenue collection at the end of 2015 to \$500,000. 2016 is the third year of our planned four-year implementation, meaning that we would need to add an additional \$250,000 to our tax levy to stay on our original schedule. That \$250,000 addition to our tax levy has been included in 2016 budget document. It should be noted that while we will increase revenues by \$1 million over a 4 year period by fully implementing this plan, Chaska will still remain one of the lowest taxed Cities in the entire Metro Area.

Property Taxes:

For 2016 the General Fund Operating fund, the budget requires a total levy of \$7,130,307, which represents an increase of 5.5% from the 2015 tax levy to account for new construction and inflation in the community, along with the \$250,000 addition (5%) for the third year of implementation of the Capital Improvement Program. As mentioned above in the Revenue discussion, a portion of this total levy goes towards our General Fund Budget, with the remaining going towards our Equipment Acquisition Fund.

In addition to this, it should also be noted, that when the total levy is certified, it will show an additional amount of \$167,697. This additional amount represents the fourth year of tax abatement that was provided to the West Creek Corporate Center Development for development of infrastructure. While we are required to officially levy this assistance, the City is essence is a “pass-through” for these funds, with the same amount coming in from the project that goes out for the tax abatement assistance. It does not have a negative effect on other tax payers in the community.

Beyond the General Fund Levy, the Chaska Economic Development Authority also has a \$430,382 levy, of which \$300,000 goes towards the Community Building Fund, with the remaining dollars supporting the operations of our Economic Development Activity.

In summary, the total levy will include:

- Continuation of dollars added in 2010 to re-institute the Street Reconstruction Program
- \$7,130,307 being levied to support General Fund Operations and existing Equipment Acquisition Fund needs
- \$250,000 of the tax levy amount above is included to go towards the new CIP program, bringing the total amount of new revenue going towards this program raising to \$750,000 over the past three years.
- \$430,282 being levied in the Economic Development Authority Fund, with \$300,000 going to help support the newly established "Community Building Fund"
- 167,697 in tax abatement that is generated off of the new West Creek Corporate Center Development

The following table summarizes Chaska's actual tax levies for 2013, 2014 and 2015, along with the proposed 2016 levy, by each of these funds.

| | 2013 | 2014 | 2015 | 2016 | Increase | % |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|--------------|
| General/Equipment Acquisition | \$ 4,874,354 | \$ 5,045,410 | \$ 6,444,472 | \$ 7,130,307 | \$ 1,399,062 | 10.6% |
| Mt Pleasant | \$ 6,000 | \$ 6,000 | \$ 6,000 | \$ 6,000 | \$ - | 0.0% |
| Total Operating and Special Levy | \$ 4,880,354 | \$ 5,051,410 | \$ 6,450,472 | \$ 7,136,307 | \$ 1,399,062 | 10.6% |

Impact of Tax Levy on Property Owners

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

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

Overall, Chaska's market values, excluding tax-exempt property, increased by \$194,411,300 to \$2,562,950,300, an overall increase of 8.21%. The largest percentage increase that we saw in 2015 was in existing apartment properties, with a 12.50% overall increase. None of that was coming from new construction, indicating the high value of rental properties at this time. The other major area of increase we saw was in residential properties, with a 5.43% increase in market values. 2.52% of this change came through the addition of new houses. Below is a summary of the Market Values for taxes payable 2016 (assessed 2015) as established by the County Assessors office:

| | Residential | Commercial/Industrial | Apartment | Other | Total |
|-----------------------|-----------------|-----------------------|---------------|--------------|-----------------|
| 2015 EMV | \$1,927,223,100 | \$410,905,700 | \$126,594,500 | \$98,227,000 | \$2,562,950,300 |
| 2014 EMV | \$1,781,788,900 | \$385,343,100 | \$112,530,700 | \$88,876,300 | \$2,368,539,000 |
| Total Value Change | \$145,434,200 | \$25,562,600 | \$14,063,800 | \$9,350,700 | \$194,411,300 |
| New Construction | \$48,616,200 | \$11,094,300 | \$0 | \$0 | \$59,710,500 |
| Market Change | \$96,818,000 | \$14,468,300 | \$14,063,800 | \$9,350,700 | \$134,700,800 |
| % New Construction | 2.52% | 2.70% | 0.00% | 0.00% | 2.33% |
| % Market Change | 5.43% | 3.75% | 12.50% | 10.52% | 5.69% |
| 2015 Total % Increase | 8.16% | 6.63% | 12.50% | 10.52% | 8.21% |

Using the 2015 market values and the classification formulas established by the State, the County Auditor has calculated Chaska's 2015 (for taxes payable 2016) gross tax capacity to be \$28,760,935 an increase of 8.2%. To calculate the net tax capacity used for determining Chaska's tax rate, a reduction must be made for captured tax increment and fiscal disparity contributions. Our current captured TIF value is \$572,765 with Chaska's fiscal disparities contribution for 2016 being \$3,014,539 resulting in a net tax capacity of \$25,173,631, an increase of 8.4%.

| | 2015 | 2016 | Increase | % |
|--------------------|----------------|----------------|--------------|-------|
| Gross Tax Capacity | \$ 26,573,116 | \$ 28,760,935 | \$ 2,187,819 | 8.2% |
| TIF | \$ (535,840) | \$ (572,765) | \$ (36,925) | 6.9% |
| Fiscal Disparities | \$ (2,660,167) | \$ (3,014,539) | \$ (354,372) | 13.3% |
| Other | \$ (144,452) | \$ - | \$ 144,452 | |
| Net tax capacity | \$ 23,232,657 | \$ 25,173,631 | \$ 1,940,974 | 8.4% |

Based on these estimates, Chaska's 2016 General Fund tax rate is forecast to be 27.7%. This is an increase of 4.4% from 2015, where we had a tax rate of 26.5%. With the average value of home going up from \$264,290 to \$278,641 in the community (5.43%), this would bring the average valued homes City taxes from \$700 in 2015 to \$773 in 2016. It should be noted that of this amount, approximately \$20 is due to new growth and inflationary increases, with the remaining \$53 due to the third year of implementation of our CIP Program with the additional \$250,000. As always, the actual amount of impact is completely dependent on the actual market value change experienced on that property over the past year.

While Chaska's General Fund operational tax levy will go up in 2016, Chaska will continue to maintain one of the lowest City tax levies per capita of any City in the metropolitan area, ranking fourth lowest in the entire Metro Area. It also remains the lowest tax levy per capita of any City in Carver County as well.

A major concern of property taxpayers is the level of property taxes necessary to fund City services. In considering property taxes in Chaska, three points should be highlighted. First, property taxes account for less than 45% of Chaska's general fund operating revenues. Secondly, Chaska has always ranked extremely low amongst other metropolitan cities when it comes to total City property tax levels. In the latest Minnesota Citizen's League Survey looking at 2015 City tax data, out of 105 local units of government looked at in the metropolitan area, Chaska ranked 102nd lowest in City taxes per capita. In this sense, Chaska has continued to perform very well when comparing our City property tax level compared to all of communities in the metropolitan area. It has allowed the City to keep a competitive edge when it relates to other municipalities in the metropolitan area and Carver County.

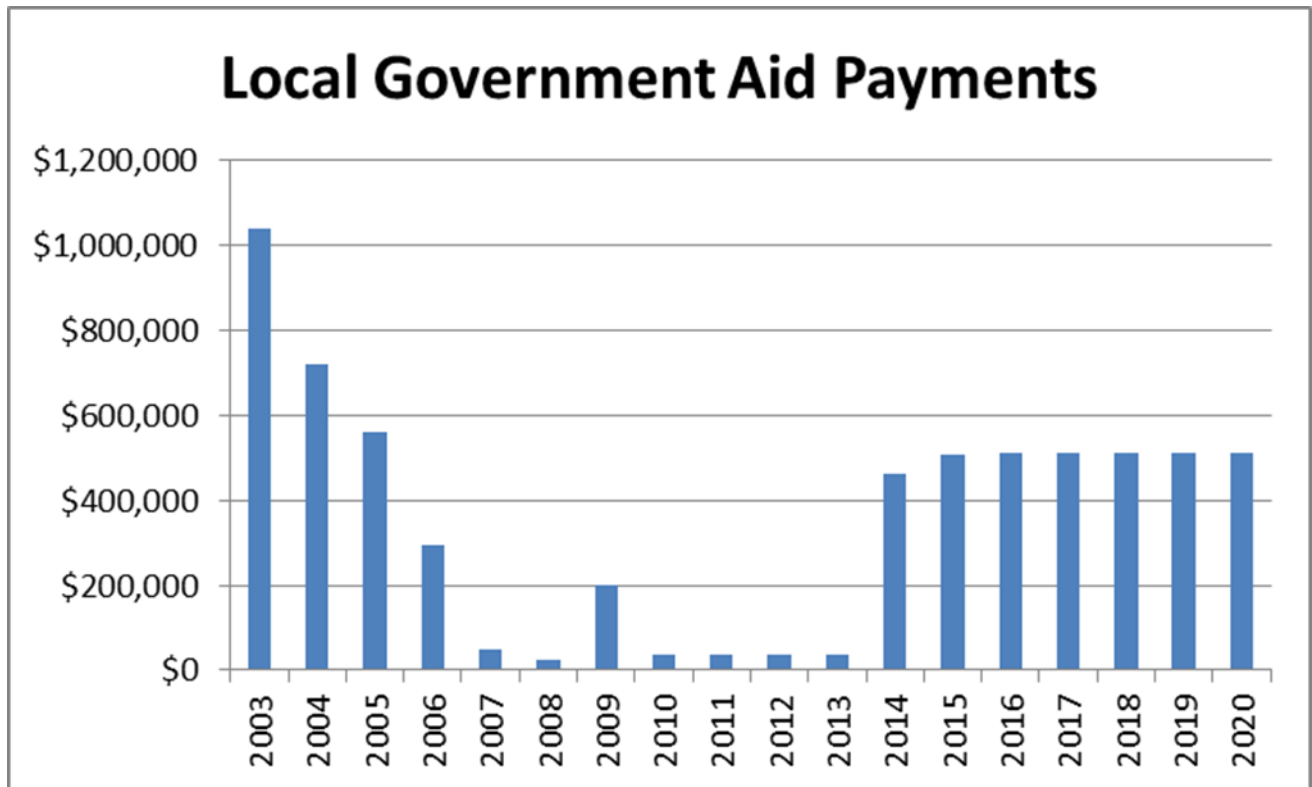
| Ranking | City | 2015 Payable Levy | Population | Levy per Capita |
|---------|------------------|-------------------|------------|-----------------|
| 1 | OAK PARK HEIGHTS | \$ 5,022,731 | 4,648 | \$ 1,081 |
| 2 | WAYZATA | \$ 4,384,948 | 4,476 | \$ 980 |
| 3 | GOLDEN VALLEY | \$ 18,551,428 | 20,790 | \$ 892 |
| 4 | NEW PRAGUE | \$ 3,824,971 | 4,358 | \$ 878 |
| 5 | MAPLE PLAIN | \$ 1,415,305 | 1,777 | \$ 796 |
| 6 | BELLE PLAINE | \$ 4,712,754 | 6,572 | \$ 717 |
| 7 | TONKA BAY | \$ 1,048,566 | 1,488 | \$ 705 |
| 8 | NEWPORT | \$ 2,430,416 | 3,482 | \$ 698 |
| 9 | MINNEAPOLIS | \$ 284,309,000 | 411,273 | \$ 691 |
| 10 | INDEPENDENCE | \$ 2,476,181 | 3,668 | \$ 675 |
| 11 | SHOREWOOD | \$ 4,931,464 | 7,425 | \$ 664 |
| 12 | COLOGNE | \$ 1,050,000 | 1,633 | \$ 643 |

| | | | | |
|----|------------|---------------|--------|--------|
| 68 | CHANHASSEN | \$ 10,484,021 | 24,503 | \$ 428 |
|----|------------|---------------|--------|--------|

| | | | | |
|-----|-----------------|--------------|--------|--------|
| 94 | NEW BRIGHTON | \$ 6,925,000 | 22,084 | \$ 314 |
| 95 | NORTH ST PAUL | \$ 3,631,559 | 12,006 | \$ 302 |
| 96 | VADNAIS HEIGHTS | \$ 3,761,782 | 12,583 | \$ 299 |
| 97 | LITTLE CANADA | \$ 2,878,351 | 9,912 | \$ 290 |
| 98 | HAM LAKE | \$ 4,335,280 | 15,666 | \$ 277 |
| 99 | NOWTHEN | \$ 1,243,409 | 4,496 | \$ 277 |
| 100 | NORTH OAKS | \$ 1,301,310 | 4,793 | \$ 272 |
| 101 | OAK GROVE | \$ 2,188,142 | 8,337 | \$ 262 |
| 102 | CHASKA | \$ 6,571,847 | 25,270 | \$ 260 |
| 103 | GRANT | \$ 1,054,178 | 4,185 | \$ 252 |
| 104 | WHITE BEAR LAKE | \$ 4,845,000 | 23,769 | \$ 204 |
| 105 | FALCON HEIGHTS | \$ 1,083,850 | 5,398 | \$ 201 |

Intergovernmental Revenues:

One recent change we will continue to see in 2016, as we did in 2014 and 2015 that we have not seen for several years, is the reintroduction of Local Government Aid. In 2003, the City of Chaska received approximately \$1 million on LGA from the State on an annual basis. By 2013, that number was very close to \$0. While this was a very significant hit to the City's revenues, representing approximately 10% of our overall revenues, we were able to spend the past several years developing a non-dependence on this State Aid, although much of this was through deferment of expenses into the future. In 2014, the City received an allocation of LGA in the amount of \$462,000, and in 2015 we received just over \$500,000. In 2016, we once again are scheduled to receive just over \$500,000 in LGA. In addition, as with the past 2 years, purchases in our General Government services will no longer be charged a State Sales tax, which did eliminate an annual expense of approximately \$100,000 from our General Fund. Below is a chart of our experience for local government aid, and what we expect to see in LGA over the next 5 year period.



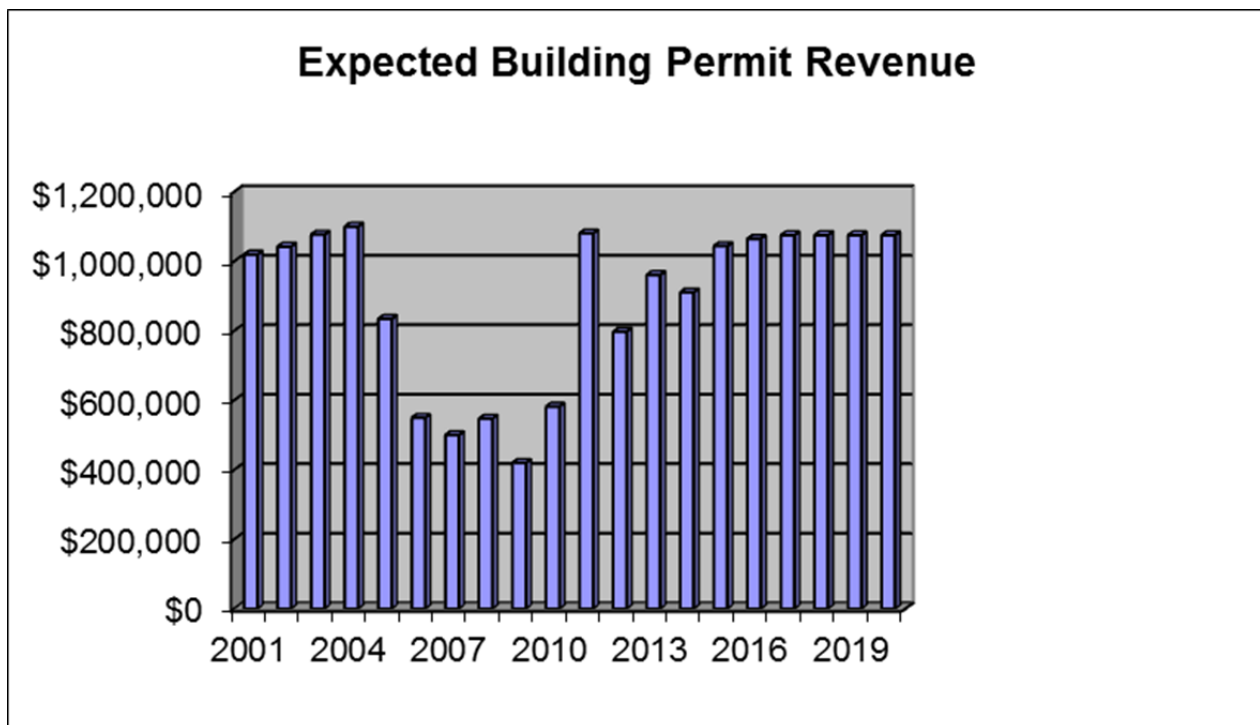
Licenses and Permits

From 2008-2011, Chaska and the rest of the metropolitan area experienced a dramatic slowdown in not only residential development, but development in all sectors of the market. As a result of the downturn, building permit revenues dropped significantly. Up through 2005, this revenue source was over \$1 million per year, and in 2010 brought in approximately \$500,000. In mid-2011, we did start to see this change as

some larger Commercial/Industrial development activity did start to occur, and we ended 2011 with over \$1 million in permit revenue. While we continued to see good activity during 2012 and saw positive movement in 2013, 2014 and 2015 with our revenue currently just under \$1 million, the consistency and predictability of this revenue stream still has some volatility to it, although we do expect to see significantly more activity than we did from 2008-2010.

This positive turn in the market is anticipated to continue into 2016, with Staff anticipating that we will see approximately \$1,000,000 in permits, based on the growth we can anticipate at this point. This growth will likely come through the addition of new residential sub-divisions in our SW Chaska Growth area, and through additional Economic Development activity.

Under our current building projections, our staffing levels will be sufficient to cover the anticipated workload, and be able to turn around building permits in a timely fashion, given the reintroduction of the Community Development Technician in 2013.

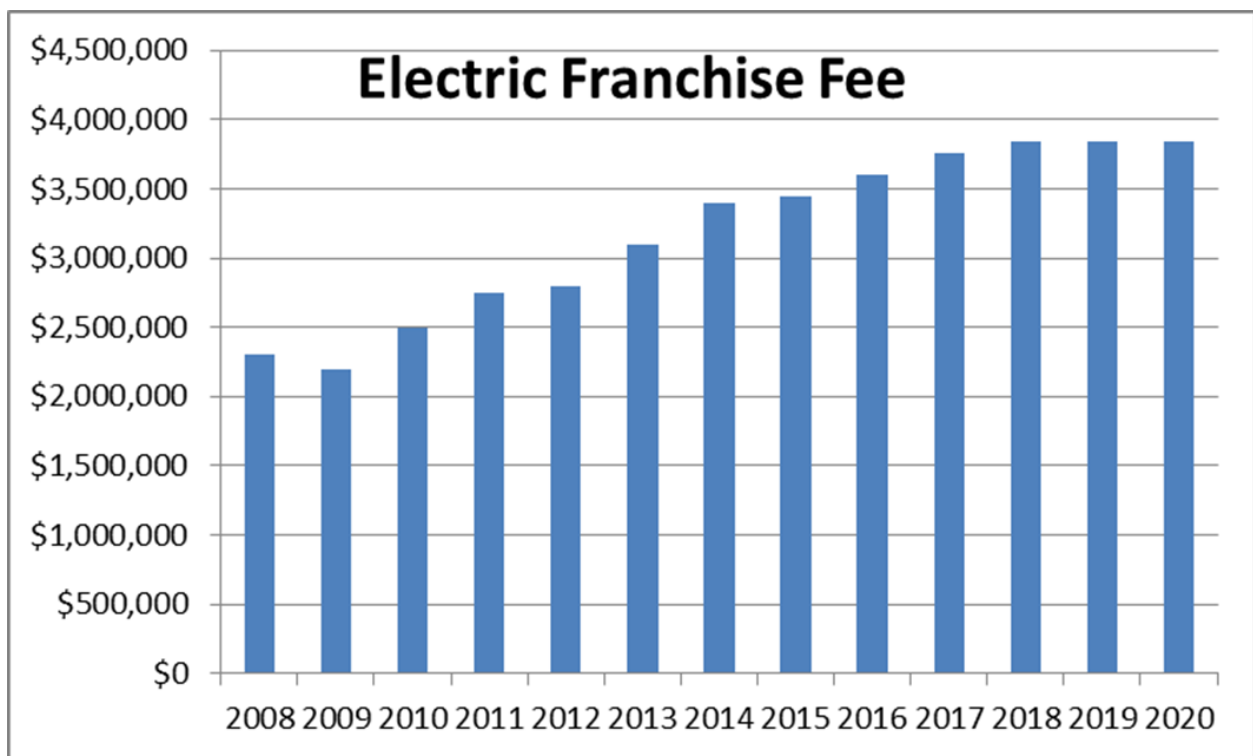


Electric Fund Transfers

The City has a formal policy of charging ourselves a per kilowatt-hour franchise fee, which is roughly equivalent to 10% of the total electric rate of our electric utility. For 2016 the franchise fee is anticipated to generate revenues to the general fund of approximately \$3,500,000. We have seen a dramatic increase in this portion of our revenue over the past 4-5 years, which has represented both an increase in usage by our existing customers, but also reflects the positive impacts we are seeing through the addition of large economic development projects such as increasing usage of our Data Centers, additional commercial uses in town, and the recent expansions we have seen

with existing business in our original Industrial Parks on the north end of the community.

It should be noted that in that total Electric Franchise Fee above, that we do program just under \$50,000 of that to come from Minnesota Valley Electric Cooperative and Xcel for their franchise fee in 2016, with development expected to start in their territory at the Southwest corner of the intersection of 212 and Engler Boulevard within the next couple of years. There is a significant amount of development that will occur in the future in MVEC's territory, with most of the job growth in the Southwest Chaska Master Plan falling within their territory. Because of this, we expect this number to increase significantly as we move into the future and we see this development occur. It should be noted that as opposed to the 10% fee that we have charged by policy to our own Electric Utility, the franchise fee that will be charged to MVEC and Xcel will be based on 5% of their gross revenues for the year. This is because of the limitations State Statute allows us to charge from an outside utility, and also because this percentage matches up with the percentage that is charged to Centerpointe Energy for our recently enacted Gas Franchise Fee. Statute requires that these franchise fees to external business be equitable from one utility to the next. The total Franchise Fee revenue between Chaska, Xcel and MVEC represents over 30% of the General Fund's total revenues.



Charges for Services Charges for services are those revenues, which support City services that are derived from charges to individual users for services, other governmental agencies, or inter-fund charges for administrative services. These would include payroll, finance, administration and Human Resources. For 2016, charges for services are programmed to be \$1,902,185, as compared to \$1,854,179 in 2015. This increase in charges for services is occurring to help us keep up with the actual cost of service the General Fund is providing to our other Enterprise Funds, and also represents a contribution to the general fund for our new

Software as a Service function that we now have with our new financial system, which is housed within our General Fund. As mentioned previously, we want to make sure that the Enterprise Funds are contributing an equitable share to the shared services the General Fund provides to ensure that the General Fund is not bearing an undue burden for these services and subsidizing our Enterprise funds for Administrative Services. The following is a breakdown of the charges to the various departments.

General Fund Expenditures:

General fund operating expenditures are forecast to be \$14,074,193 which is an increase of 10% over the 2015 Operating Budget. When combined with the Equipment Acquisition Fund, Mt. Pleasant Cemetery, and the EDA (all of which are tax supported funds) the overall increase is 8.6% over 2015. In preparing the 2016 budget the following general assumptions were used for the operating budget:

- *Utilize budgeting objectives developed*
- *Increase in the tax levy by 5.5% due to new growth and inflation, with an additional \$250,000 representing the 3rd year of implementation of our CIP*
- *Move into the third year of implementation of Priorities 1 and 2 of Capital Improvement Program, bringing the total additional revenues in 2016 to the CIP of \$750,000, and start implanting \$750,000 of expenditures in the CIP Program*
- *Continue with the 5% Gas Franchise Fee, which will represent approximately \$450,000 in 2015 and be dedicated to the CIP Program*
- *Continuation of \$300,000 tax levy annually to the EDA Fund in 2016 and continuing into the future to support the “Community Building Fund”*
- *Operational costs up 1% in 2016*
- *Personnel salaries up 3%, with employer benefit contribution increases of 6.3%*
- *Assume normal continuation of our Street Reconstruction Program*
- *FT Park Maintenance position and FT Street Maintenance position budgeted for in 2015 for the Public Works Department will be staffed in late 2015/early 2016*
- *PT Park Maintenance budget up by \$12,000 to account for addition work in Firemen’s Park*
- *Addition of Recreational Programming position for Firemen’s Park in 2016 for \$65,000*
- *Contract with City of Carver for shared recreational services, bringing in additional \$65,000 in revenue*
- *\$20,000 in additional programming supply dollars added into Park and Recreation Department in 2016 to support new programs in Firemen’s Park*
- *\$12,000 expense added in 2016 for “Scholarships” to support large community activities utilizing our new banquet facility (\$1,000 per month)*
- *New concession revenue in Firemen’s Park of \$50,000 in 2016*
- *New expenditures of \$45,000 for concession stand supplies in 2016, with addition \$50,000 in PT Staff costs related to new park shelter/concession stand in Firemen’s Park.*
- *Existing Sump Pump/Energy Auditor position currently funded 50/50 between Electric and Water Departments, will now have 50% of the costs assumed by the General Fund to utilize this position to support our Building Inspection services.*
- *Assume no draw-down on General Fund reserves*

| Department | 2013 Actual | 2014 Actual | 2015 Budget | 2016 Budget | Increase | %Increase |
|--------------------------------|------------------------|------------------------|------------------------|------------------------|--------------------|------------------|
| Council | \$145,760 | \$154,859 | \$98,242 | \$110,850 | \$12,608 | 12.83% |
| Administration | \$444,852 | \$537,920 | \$547,261 | \$572,266 | \$25,005 | 4.57% |
| Administrative Services | \$1,124,984 | \$1,160,706 | \$1,283,711 | \$1,342,584 | \$58,873 | 4.59% |
| Data Processing | \$551,818 | \$780,425 | \$953,755 | \$958,798 | \$5,043 | 0.53% |
| Legal | \$152,072 | \$126,855 | \$126,855 | \$85,000 | -\$41,855 | -32.99% |
| Community Development | \$889,249 | \$817,129 | \$878,614 | \$922,447 | \$43,833 | 4.99% |
| Engineering | \$281,287 | \$270,338 | \$340,297 | \$385,911 | \$45,614 | 13.40% |
| Elections | \$144 | \$26,728 | \$5,000 | \$32,027 | \$27,027 | 540.54% |
| Police | \$3,347,143 | \$3,357,451 | \$3,505,220 | \$3,687,860 | \$182,640 | 5.21% |
| Fire | \$1,063,684 | \$1,149,933 | \$1,161,987 | \$1,215,521 | \$53,534 | 4.61% |
| Government Buildings | \$206,322 | \$215,211 | \$218,670 | \$220,850 | \$2,180 | 1.00% |
| Public Works | \$2,603,758 | \$2,641,347 | \$2,744,780 | \$3,515,974 | \$771,194 | 28.10% |
| Recreation | \$500,722 | \$506,030 | \$590,354 | \$810,565 | \$220,211 | 37.30% |
| Communication | \$137,499 | \$125,332 | \$88,989 | \$80,610 | -\$8,379 | -9.42% |
| Unallocated | \$49,000 | \$1,174 | \$251,000 | \$132,930 | -\$118,070 | -47.04% |
| Total | \$11,498,294 | \$11,307,401 | \$12,794,735 | \$14,074,193 | \$1,279,458 | 10.00% |

The two major areas of growth that you can see above in expenditures come both from the 3rd year of implementation of our CIP Program, and the addition of Staff and supply resources to support the new functional areas in Firemen’s Park.

From a CIP perspective, with 2016 marking the 3rd year of implementation of the plan, with \$750,000 now being dedicated to the plan, this now allows us to be able to start programming the exact projects we will be undertaking on an annual basis to support our overall Capital Improvement Program. For 2016, the following three projects are planned to be undertaken:

- \$850,000 to repave Clover Ridge Drive (\$250,000 of unused dollars are being rolled forward from the 2015 budget to support this).
- \$130,000 to replace the chiller unit at City Hall
- \$25,000 to replace Siren #1, which is overdue for replacement

Assuming full implementation of the program in 2017, this number would increase to \$1 million annually, with \$1 million in expenses being budgeted.

The other major addition to expenses is in support the new functional areas at Firemen’s Park. With the addition of a significant number of new amenities will come the need to properly maintain these amenities, and to be able to Staff them and program new events if we are going to be able to fully realize our vision for this park. From a maintenance perspective, we have one new full time maintenance person that is being added, along with \$12,000 in added Part-Time maintenance expenses. On the park staffing and programming side, we would have the addition of part-time staffing for the Concession Area, and the addition of one Full time Programming staff at \$65,000, along with supply costs for concessions and programs at around \$65,000.

This does not include the Staff inside the Curling and Event Center, who are paid for through our Enterprise Fund. In addition to these expenses, there are also new revenues of \$115,000 from Concession revenues and dollars from our new Carver Agreement to support this expense.

Based on this, and the other changes that were listed above, the level of expenditures we are recommending to budget would allow us to meet our budget and service objectives set for the 2016 budget process, while also keeping us very low from a tax perspective in the entire Twin Cities Metropolitan Area.

Specific Department 2016 Activities

Administrative Services

Budgeted staffing levels for the Administrative Services Department will remain steady in 2016. One position that is yet to be hired, that was budgeted for in 2015, was the addition of an Finance Manager Position to ensure we are able to keep up with all new reporting requirements and to support budgeting functions. Because this was already budgeted in 2015, and was carried into 2016, this does not add additional costs to our Administrative Services Department in this upcoming Budget year.

Community Development

As indicated previously, we do anticipate continuing to see an increase in the amount of building activity in the community in 2016, as we seen over the past 3-4 years. In 2010, we saw building permit revenue at only \$500,000 annually, which was down from our past peak of over \$1 million that we had seen each of the years through the mid-part of last decade. In 2016, we anticipate seeing just over \$1,000,000 of building permit activity, which will include both residential and Commercial/Industrial building. Because of the increase in activity, one specific change we are recommending for 2016 is moving our Sump Pump Inspector/Energy Auditor position, which was funded 50/50 between the Water and Electric Department, to be funded 50% from the General Fund to allow the position to move half time back into building inspections. Without making this move, we will not be able to turn building permit applications in a reasonable amount of time, given the volume of activity we are seeing now. This is logistically an easy transition, as the person in this position was formally in our Building Inspection Department prior to the Recession. He has kept all certification required to make this transition.

No change would be recommended to the Engineering Division, who did move to fill and Engineering Technician position last year to be able to absorb the new load of development activity and to free up time in our Engineering Department to complete new reporting requirements for our Storm Water System. This is funded both through the General Fund and Storm Water Utility.

Police

Currently the Police Department is staffed at an appropriate level for the amount of activity we see in the community, once all vacant positions are added. There was a budgeted position added in 2015 that has not been added yet, as the focus has been on replacing vacant positions in the department. There is no increase proposed for staffing in the Police Department for 2016.

Fire Department

Currently, the Fire Department has an authorized staffing level of 44 paid-on-call staff, although because of retirements on the department, the actual staffing level is currently at 35 firefighters, with a full-time Fire Chief and Fire Marshal. The staffing level cap of 44 is scheduled to remain unchanged for 2016, although we do not anticipate that we will have it staffed at that level.

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

In addition to this, in 2015 we also did add some Duty Crew shifts twice a week to both help take the burden off of all fire fighters to respond to calls, and to pilot this program for future use. At this point, no additional dollars are needed to support this pilot program, but we are planning dollars in the future to be able to support this program if the pilot test is a success as we do think that this could go a long way in preserving our volunteer base into the future.

One major expense that is programmed in 2016 is the replacement of our oldest Engine, which has been planned to be replaced for the past 5 years. This new truck would represent an expense of \$550,000 in 2016, and was supported through the Equipment Certificate we bonded for in 2015.

Public Works

Chaska's Public Works activities are anticipated to increase as the community grows. Two factors that continue to place pressure on the Public Works service levels are growth in the City's street mileage and expansion of maintenance activities for parks and other City open spaces and trails. One additional factor that has become much more of a factor over the past several years is storm water maintenance. With new Federal and State requirements on storm water, the City moved in 2009 to create a separate Storm Water Utility Fund, staffed by Public Works personnel, to complete maintenance on our extensive system in the community. All Staff time from Public Works put towards Storm Water activities is charged out to the Storm Water Fund to relieve the General Fund of this liability.

Over the past five years we have been able to maintain a high level of street maintenance and snow plowing activities by better utilization of staff (using utility and golf personnel for snow removal) and upgrades in the versatility and efficiency of our equipment. To meet the growing need, we did add a fulltime position in 2002, and added a second new maintenance worker in 2004. We have not seen the large growth in either the miles of streets maintained or parks during the recession years, but we have seen miles of road increase in the Southwest Chaska development area over the past 2 years, bring on the need to have an additional person to take this new plow route, and meet the expectations residents have for snow removal after a storm. In 2015, we did budget to add an additional person to be able to pick up our new plow routes in the early 2015-2016 winter. We also in 2015 added equipment, such as a dump truck/plow and a pickup truck, to be able to handle the additional service we need to provide in this area. While these were budgeted last year, they are now being implemented in early 2016.

In addition to this, there are several new things being added in Downtown Chaska, both through Streetscape and the redevelopment of Firemen's Park, which will add to the maintenance responsibilities the Public Works Department will have, if we are going to keep our new amenities looking good into the future. In 2016, we would see this being accomplished through the addition of Part-time staff at a cost of \$12,000. We also have a full time maintenance person scheduled to be added to be able to support all new maintenance functions.

The Street Reconstruction Program is scheduled to continue forward in 2016, although the project will be a small one straightening the connection between Hickory and 4th Street to handle all new traffic coming into downtown from the Southwest Chaska Development Area as houses are building. Very little activity was planned in 2016 to make sure we do not have our downtown under construction during the Ryder Cup Event.

Recreation

Although functionally, the Recreation Department, Community Center and new Curling/Event Center are in essence combined, Recreation Administration and Programming are separate General Fund activities. The General Fund currently funds three fulltime positions; Parks and Recreation Director, Assistant Director, and Departmental Secretary. As mentioned above, to support the new functions in Firemen's Park, we do have a new Programmer programmed to be added at a cost of \$65,000, with the addition of Part-Time Staff to work in the Park Shelter/Concession area. These new costs will be partially off-set by the addition of new revenue coming from the Carver Recreation Agreement, and through additional concessions revenue. Finally, we are recommending the addition of \$12,000 annually to support Scholarships during the year to support having large community events in our new Event Center. These would be provided as \$1,000 scholarships once per month.

Community Center Budget

For the Chaska Community Center, 2016 will be its 26th year of operation. As the Center has evolved, we are confident that it is addressing its mission *of being Chaska's community gathering place, while providing an opportunity to run into people you know*. The objectives of the Center are:

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

The Community Center has traditionally done a very good job of accomplishing the first four objectives listed above. Not only has it served as a central gathering place in the community, providing opportunities for family and individual recreation in Chaska, but has also been able to manage the center's day-to-day operations in a financially self-supporting way. In this respect, it is one of the few community centers in the State of this size that is able to offer the services it does, and not utilize tax levy to support its operations. It has also had the affect of keeping the General Fund Park and Recreation services that we provide through the rest of the City at very low expenditure levels compared to cities comparable in size, as the Community Center helps fund our general recreation services through sharing of staff. To put this in perspective, the Statewide average for Park and Recreation expenditures per capita supported from tax levy is just over \$99 per capita, where our tax supported portion of Parks and Recreation was \$34 per capita in the last year that we have had audited. This is a large reason we are able to have such a low overall tax levy in the City of Chaska, while at the same time providing a high level of service to our residents.

Community Center Capital Improvement Program

One objective that the Community Center, up until recently, had not been able to accomplish was building up of cash-reserves in the fund to address capital replacements in the building. With the facility being over 20 years old, and many of the systems in the building, including the mechanical systems for the pool and the ice rinks, being original equipment to the building, the City needed to start taking into consideration the capital replacement costs of equipment that we had in the building, if we wanted this to continue being a quality facility.

Since 1991, when the original section of the Community Center was built, the City has invested \$22.5 million in construction of all the sections of the building. If we were to translate that into today's replacement value, it would be over \$43,000,000 in investment into this facility. With this type of investment, and the age of the facility, addressing the capital reinvestment into the Community Center was a necessity.

To address the aging of the facility, and meet our 5th objective listed above, in 2012 we did include in the budget for the first time a 10-year Capital Improvement Program. The purpose of this program was to develop a comprehensive list of the major capital replacement items we will have over the next 10 years, identify the cost for completing this work, identify funding sources to support these improvements, and to identify ways to finance the improvements that need to be made. As part of this CIP program, \$4.3 million in capital replacements were identified over a 10 year period. The major expenses identified in this program include major mechanical work in the Pool area, and replacement of our entire ice system, which was mandated as part of new environmental laws dictating the type of coolant materials we can use in ice production. Other items in the plan included items such as carpet replacement, curtain replacement in the theater, major work to the entries in the building, and regular replacement of our fitness equipment. While many of the scheduled replacements identified are items unnoticed by the general public, they are essential to keeping a high-quality and functioning facility. The major push over the past few months has been in rotating out some of our aging fitness equipment, with the first replacements coming in tread mills and up-right stationary bicycles.

In 2012, the City did move forward with implementation of the first phase of the program, with complete replacement of the Pool HVAC system and deck. Since this time, we have also completed a significant amount of additional work that was identified as part of the original CIP plan. Below are the CIP items that have been completed since 2012:

- May 2012: Pool Mechanical/HVAC System Replacement, along with upgrade of pool decking system: \$755,226
- Fall 2012: New Ice Mechanical Room Addition: \$195,892
- Winter 2013: Replacement of Recreation Software-Costs offset by savings from current Safari System (also included new website for CCC)
- Summer 2013: Ice Arena Improvements, including all new mechanical and ice making systems, as well as improvements made to the CCC main entry and Ice Arena Entry: \$3,005,602
- Renovation improvements to St. Francis Addition and Breakaway Academy (supported through lease dollars-not dollars directly from CIP): \$800,000
- Fall 2015: Start on the replacement of fitness equipment in fitness center (total program will include around \$50,000 of upgrades)
 - Total of all CIP Improvements : \$3,800,000 (\$800,000 of which are tenant improvements for St. Francis and Breakaway, supported through lease payments)

To financially address the needs of this CIP program, it was determined that the Community Center would need to accommodate approximately \$275,000 of additional

expenses each year to pay for the debt service that would finance each of these improvements. In 2013, we did go through the process of selling debt for these improvements, with the annual debt service payments being very close to the original \$275,000 estimate. It should be noted that the St. Francis Addition Renovation was completed and financed directly by St. Francis as the tenant of the space.

To meet this financial need, while at the same time meeting our objective of not relying on tax levy to support the operations of the Community Center facility, the CIP program would generate additional funds from the following sources:

- Increased contribution from the Electric Fund: \$150,000 annually (\$75,00 of this is a new contribution, with the other \$75,000 being redirected from The Lodge Debt Service already being supported from the Electric Fund)
- Increase in Membership/Admissions (10.5% additional spread over 2-years): \$87,500
- Increase in Ice Rates (7% additional spread over 3 years): \$40,052 annually

As we have gone through implementation of the CIP program, we have kept a close eye on how our assumptions have played out with the generation of these dollars. In 2014, we did complete the final rate increases to Membership, Admissions and the Ice Rink Rates that support the assumptions listed above. We feel confident, especially with Memberships and Admissions, that we were able to do this while still keeping us very competitive within the market. With our Ice Rates, we are at the top end of where we think rates can be brought at this time, and would continue to recommend in 2016 that we not go any higher with our rental rates for the near future. With all of these rate changes having already occurred, we are planning for no increase in ice rates for 2016 in this upcoming budget, we program in 0% increase in Admission Fees, and 2% increase in our Membership Revenue. With our new cooperative partnership with the City of Carver, we expect that the majority of this 2% increase in memberships will be through the actual increase of new members to the facility.

2014 was the first year that we had full principal and interest costs for the debt service supporting these CIP improvements, at a cost of just under \$275,000. This will continue into the 2016 budget year, and continues to be a major focus of our expenditures for the CCC in 2016.

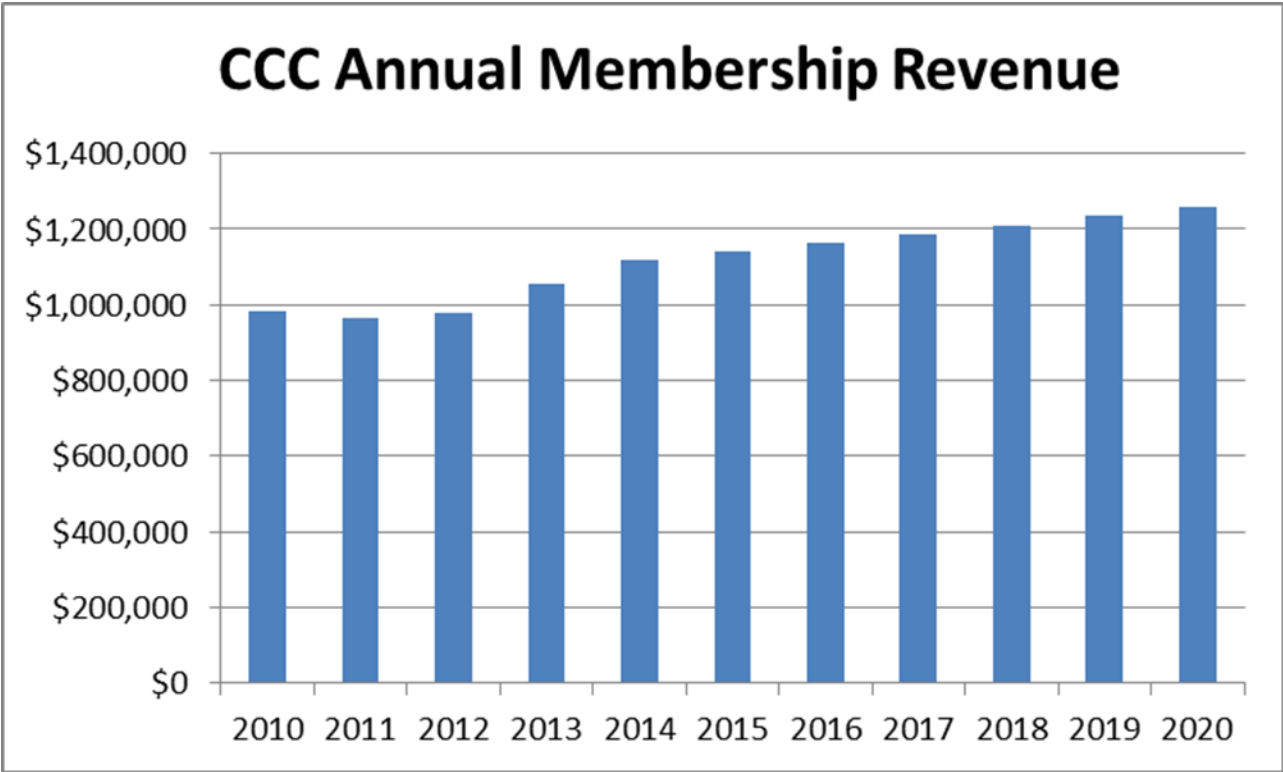
Community Center Revenues

For 2016, we are projecting that the Community Center will generate total operating revenues of \$3,766,266 or an increase of approximately 1% over the budget from 2015. This is smaller than the increase in revenues we experienced from 2013 to 2014, where we saw over a 9% increase in revenue, which was mainly due to the new revenue coming into the fund to support our Capital Improvement Program Debt. As was mentioned earlier, we do plan for a 2% increase in revenues for Membership, but we expect this to mainly come through the increase in members due to our partnership with the City of Carver, and not through any major rate increases. We continue to watch where we fall in the market compared to other municipal community center facilities to make sure we generate sufficient resources to meet our service objectives, but to also make sure that we provide a good value to our customers.

While we have seen a stabilization in the number of daily admissions that we see come into the CCC over the past several years, the number of people purchasing memberships has increased significantly over the past several years. In 2010, for the first time, the CCC achieved approximately \$1 million in annual membership sales, which is an increase of nearly \$400,000 annually since 2005. This has come both from aggressive membership campaigns, and the addition of health membership programs that help offset some of the costs to patrons to have a membership at the Community Center. We also feel that a big part of this has come from our Patrons seeing us continually reinvest back into this facility to keep it in good condition. The chart on the next page assumes growth in our membership of about 2%, with that membership revenue increase mainly coming through the addition of new members to our Community Center. With the new partnership with the City of Carver starting on December 1, 2015, we now have an expanded base of people to draw from for patrons to the Community Center, as well as our other recreational facilities. The agreement with Carver provides us with \$65,000 annually to both make up the difference in lost revenue for those that were already members and were paying non-member rates, and for any additional costs we have in providing service within the City of Carver. Overall, we feel that this is going to be a partnership that is a “win-win” between the City of Carver and Chaska, as it will help to keep our recreation program strong for both communities, while also recognizing that in the long-run, neither community is better off if we try to compete with our services, as the ability for our amenities to remain operationally self-supporting would be less. It is also the hope that it allows us to focus utilizing each of our limited resources in the future to help provide complementary services, thus providing both of our residents with a more diverse set of recreational options to choose from.

As mentioned previously, memberships have increased significantly since 2005. This significant increase has occurred we believe as a result of:

- Addition of Fitness Center
- Agreement for incentives with health insurance providers
- Increase in number of area households, and new agreement with City of Carver
- Enhanced quality marketing efforts by CCC Staff
- Addition of The Lodge with the Treks and Trails Preschool
- Continued quality programming of activities in the CCC
- A commitment to reinvest back into the facility to continue to provide a quality place to gather



Each year we conduct a survey of area community centers to help determine the appropriateness of what the Chaska Community Center charges for memberships and daily admissions. As mentioned previously, since 2012, membership rates have gone up by 10.5%, with the last rate change going into effect in 2014. This has been to help support our increased costs for debt service in relation to the Capital Improvement Program. We also saw a similar increase in admission rates.

Historically we have attempted to charge less than the average for both membership and daily admissions for both Chaska residents and non-residents. Those facilities that we survey are public facilities, including Shoreview, Maplewood, Eden Prairie, and Waconia, although much of our competition comes from Lifetime Fitness and Dakota, both of which are private health clubs and charge significantly more than our annual individual or family membership. As you will see in the charts below, although we have had to increase our rates to help make improvements through our Capital Improvement Program, we are still very competitive for both when we look at our defined market:

| Resident Membership Comparison | | | |
|--------------------------------|----------|----------|----------|
| | Youth | Adult | Family |
| Average Membership Rate | \$287.50 | \$380.50 | \$692.95 |
| Recommended Chaska Rate | \$249.00 | \$338.00 | \$533.00 |
| % of Average | 87% | 89% | 77% |

| Non Resident Membership Comparison | | | |
|------------------------------------|----------|----------|----------|
| | Youth | Adult | Family |
| Average Membership Rate | \$379.00 | \$467.00 | \$823.75 |
| Recommended Chaska Rate | \$324.00 | \$482.00 | \$720.00 |
| % of Average | 85% | 103% | 87% |

Beyond just the municipal community center comparisons, we are significantly lower than the private health clubs such as Lifetime Fitness and Dakota, which often ends up being a main competitor for attracting new memberships. It should be noted that since Lifetime Fitness opened in Chanhassen several years ago, our memberships have continued to increase.

The second major revenue source for the Center is daily admissions. Admission revenues have not grown as quickly in recent years while membership has revenue has increased significantly, although we have seen them start to pick back up over the past couple of years. This may be a sign that the Center is maturing with customers recognizing its ongoing value, and also because of the significant discounts that users can get from their Health Providers for use of their membership incentive programs. Below are the results of the survey showing how we compare to the same public-sector community centers listed above for both resident and non-resident daily admission rates. As you can see in both charts, we are very comparable on daily admission rates to our other public-sector market comparisons.

| Resident Daily Admission Comparison | | | |
|-------------------------------------|--------|--------|---------|
| | Youth | Adult | Family |
| Average Daily Admission | \$7.13 | \$8.13 | \$23.25 |
| Recommended Chaska Rate | \$5.50 | \$6.75 | \$20.00 |
| % of Average | 77% | 83% | 86% |

| Non Resident Daily Admission Comparison | | |
|---|--------|--------|
| | Youth | Adult |
| Average Daily Admission | \$8.63 | \$9.63 |
| Recommended Chaska Rate | \$7.50 | \$8.75 |
| % of Average | 87% | 91% |

Below is a chart showing the major sources of revenue within the Community Center Fund:

| REVENUES | Actual | Budget | Budget | Change | % |
|-------------------------------------|--------------------|--------------------|--------------------|-----------------|-----------|
| | 2014 | 2015 | 2016 | | Change |
| Administration | \$1,384,533 | \$1,570,306 | \$1,595,651 | \$25,345 | 2% |
| Community Events | \$4,766 | \$1,660 | \$1,676 | \$16 | 1% |
| Community Room | \$22,307 | \$20,808 | \$21,016 | \$208 | 1% |
| Craft Rooms | \$34,819 | \$37,944 | \$38,323 | \$379 | 1% |
| Wellness Addition/Water Area | \$1,922 | \$1,275 | \$1,287 | \$12 | 1% |
| Wellness Addition/Studio Area | \$72,345 | \$62,220 | \$62,842 | \$622 | 1% |
| Rainbow Room | \$5,307 | \$5,059 | \$5,109 | \$50 | 1% |
| Wellness Addition/Programs | \$59,498 | \$71,624 | \$72,339 | \$715 | 1% |
| Gym | \$28,527 | \$46,492 | \$46,955 | \$463 | 1% |
| Gym/Batting Cage | \$1,103 | \$1,261 | \$1,273 | \$12 | 1% |
| Gym/Gymnastics | \$21,001 | \$19,700 | \$19,897 | \$197 | 1% |
| Ice Arena | \$629,396 | \$849,356 | \$859,982 | \$10,626 | 1% |
| Ice Arena/Concessions | \$39,258 | \$42,242 | \$42,664 | \$422 | 1% |
| Maintenance | \$19,915 | \$32,094 | \$32,414 | \$320 | 1% |
| Wellness Addition/Cycling | \$679 | \$1,530 | \$1,545 | \$15 | 1% |
| Wellness Addition/Personal Training | \$10,750 | \$7,140 | \$7,211 | \$71 | 1% |
| Day care/ indoor playground | \$24,417 | \$26,920 | \$27,189 | \$269 | 1% |
| Trek and Trails pre school | \$83,868 | \$86,000 | \$86,860 | \$860 | 1% |
| Adventure Prog/Club Extreme | \$96,151 | \$80,000 | \$80,800 | \$800 | 1% |
| Raquetball | \$15,631 | \$14,392 | \$14,534 | \$142 | 1% |
| Swimming Pool | \$19,376 | \$13,200 | \$13,332 | \$132 | 1% |
| Swim Lessons | \$113,769 | \$112,200 | \$113,322 | \$1,122 | 1% |
| Theater | \$80,922 | \$72,564 | \$73,288 | \$724 | 1% |
| The Lodge | \$45,612 | \$29,795 | \$30,092 | \$297 | 1% |
| Birthday Party | \$30,751 | \$37,128 | \$37,498 | \$370 | 1% |
| Tot Time Preschool | \$10,756 | \$10,435 | \$10,539 | \$104 | 1% |
| Adventure Program State Grant | \$2,049 | \$1,436 | \$1,450 | \$14 | 1% |
| Before and After School Program | \$10,383 | \$9,000 | \$9,090 | \$90 | 1% |
| Vending | \$44,285 | \$34,435 | \$34,779 | \$344 | 1% |
| CIP Revenue | \$167,300 | \$0 | \$0 | \$0 | 0% |
| Misc. | \$267 | \$306 | \$0 | (\$306) | |
| Total Operating Revenues | \$3,081,663 | \$3,298,522 | \$3,342,957 | \$44,435 | 1% |
| Non-operating | | | | | |
| Equipment Acquisition/Interest | \$16,728 | \$1,000 | \$1,000 | \$0 | 0% |
| The Lodge Debt Trans | \$182,000 | \$182,000 | \$182,000 | \$0 | 0% |
| Electric fund transfer | <u>\$251,472</u> | <u>\$250,000</u> | <u>\$250,000</u> | \$0 | 0% |
| Total Non operating | \$450,200 | \$433,000 | \$433,000 | \$0 | 0% |
| TOTAL REVENUES | \$3,531,863 | \$3,731,522 | \$3,766,266 | \$34,744 | 1% |

Gym fees relate to activities directly attributable to a class paying for usage of the Community Center's gymnasium, with the revenues in this category forecast to be \$68,125. In 2015, this number was \$67,453. We did see this number drop from 2012 to 2013 by about \$10,000 with the addition of Southwest Christian High School in the community. Prior to the School being built, they did rent space in the CCC for their High School sports. We have seen this number go up as we have found uses to take their spot during the daytime hours.

Swimming pool fees, which relate to lessons offered at the Center, are projected to be \$126,654 for 2016. This is compared to the \$125,400 we budgeted for 2015, and is due mainly to the success we have seen with our Swimming Lesson programs. From 2012 to 2015, we increased our budget from \$85,000 to over \$125,000 due to the success we have seen. We expect to see this continue.

Relative to the two sheets of ice within the arena element of the facility, we are forecasting total revenues for 2016 to be \$902,646, compared with \$891,598 in 2015. As mentioned earlier, a major component of our CIP program was improvements made to our two ice arenas. This work was completed in late 2013, and was a major improvement to the facility, beyond the mechanical upgrades happening behind the scenes. This work not only helped to replace equipment that needed replacement, but also helped us meet changes in regulations that dictate what type of coolant can now utilize in ice arenas. It also helped us improve the visual aesthetics of our facility. It should be noted that we are not planning on increasing the rates again in 2016 for our ice rinks, to make sure that they don't get outside of our defined market. However, we do see the use of daytime ice continuing to increase in 2016 due to the increase popularity and usage of Breakaway Academy, who operates the School in the lower level of the CCC. This increase in revenue was agreed to as part of the original lease agreement for their space, but the demand for them to utilize this agreed to time has also increased usage of time in the facility during the daytime hours, which often are the most difficult times to fill. Breakaway Academy has not only been a significant improvement to our facility from a use perspective, but also a revenue perspective. We will continue to work with them to help them be a long-term user in our facility.

Under our agreement with the Chaska School District, the District has been paying \$42,768 for use of space in the Center. This is due mainly to Middle School East not having the proper physical education spaces within their building, and needing to use the CCC to supplement what they currently have. This daytime usage will likely decrease in the future due to the newly approved domed field facility that will be built behind Middle School East and was approved as part of the latest School District referendum. We would expect to see this first change in the 2017 year. It should be noted that this fee does not include the ice time that is used by the School District for extra-curricular activities.

In 1999, St. Francis began operation of their physical therapy and fitness center under lease for space at the Center. The total annual lease payments for the main facility and the lower level space used for pediatric physical therapy has been approximately \$185,000. In 2013, a change we saw was St. Francis consolidating their Capable Kids space in the basement with their physical rehab center at ground level. With this consolidation, St. Francis put in approximately \$700,000 of improvements into the CCC, and created a space that is very user friendly for customers utilizing this service. One initial downfall of this consolidation was the loss of approximately \$50,000 in rent to lease the lower level space where Capable Kids was located. However, as mentioned above, Breakaway Academy leased this vacant space, rehabilitated it, and provided us with the revenue stream to offset the loss of Capable Kids in the basement space. The net change with this new use in the building is very close to \$0 loss, as both leases together now make up what the one lease used to cover. At the same time, it provided us with new and continued good uses in the building, including daytime ice usage which is not always easy to fill, while also renovating over a quarter of the total CCC space.

The Wellness Addition was completed in 2005, and as a result the fitness programs that the City offers were expanded significantly. For 2016 these activities are anticipated to

generate \$145,224. This is compared to \$144,095 budgeted in 2015. It should be noted that as part of our Capital Improvement Program, one of the changes that is being seen in the Fitness Center at this point is the replacement of our aged fitness equipment, which is now being rotated out as it is no longer able to be maintained.

Finally, with the completion of The Lodge addition, two new program areas were added to the Community Center. The Lodge is budgeted to generate \$30,092 in revenue in 2016. The other major component of the new addition to the Community Center was the addition of the Treks and Trails Preschool area in the lower level of this addition. The Treks and Trails program is budgeted to generate \$86,860 in revenue in 2016 as it continues to be a very popular part of our Community Center facility.

In deciding to proceed with construction of the Center, the Council committed to transferring \$100,000 annually to generate a cumulative capital for future improvements at the Center with the understanding that no property taxes would be used to support the facility. Since the Center's opening, a total of \$2.5 million has been transferred from the Electric Fund to create the ongoing cash replacement fund. This transfer is scheduled to occur again in 2016.

Expenditures

From an expenditure perspective, other than the continued programming of \$275,000 per year to go towards debt service on the CCC Capital Improvement Program, the only other new item that we are focusing on in the Community Center in 2016 will be the addition of Public Wi-Fi throughout the entire building. As we have added more uses in the building, and our customer's technology demands have increased, one area that we have consistently heard from our customers that we have lagged behind is in providing public Wi-Fi hotspots throughout the facility. This is especially true in the areas of the building such as the Ice Arena, where many parents will be there for several hours for practice and tournaments, and are not able to productively use their time without having good access to the Internet. It has been an area we have slipped behind from a customer service perspective, and feel that in order to meet our customer's expectations that we need to start to provide this service.

The cost of adding a wi-fi system will have a \$100,000 upfront cost to install all of the wireless routers through the building, and then will have a \$25,000-\$47,000 cost for actual service from our provider, depending on the amount of bandwidth that is utilized in the facility. We are working to create a flexible bandwidth system in the building that allows it to ramp up when higher bandwidth is needed, while paying for the average use instead of the peak use. Until we start providing this service, we are uncertain what type of bandwidth use customers will have.

Other than filling vacant positions already programmed for previously, no additional major expenditure items are anticipated in the Community Center operating costs for 2016. While we are planning for the replacement of equipment such as our Zambonis and CCC Bus, and are beginning to look at options for how to deal with roof issues we

have experienced in the Community Center, these items are not until later years in our 5-year financial forecast for this fund.

With the items listed above, total budgeted expenditures in 2016 will be \$3,832,301 increasing by 5.39% from 2015.

The following is a summary of all expenses in the Community Center Fund for 2016:

| EXPENSES | Actual 2014 | Budget 2015 | Budget 2016 | Increase | Increase % |
|--|------------------------|------------------------|------------------------|-------------------|-------------------|
| <i>Administration</i> | \$ 530,727 | \$ 637,390 | \$ 679,257 | \$ 41,867 | 6.57% |
| <i>Community Events</i> | \$ 8,276 | \$ 7,743 | \$ 7,820 | \$ 77 | 0.99% |
| <i>Craft Rooms</i> | \$ 11,257 | \$ 19,148 | \$ 19,338 | \$ 190 | 0.99% |
| <i>Wellness Addition/Water</i> | \$ 2,751 | \$ 4,185 | \$ 4,226 | \$ 41 | 0.98% |
| <i>Wellness Addition/Studio</i> | \$ 20,730 | \$ 24,795 | \$ 25,041 | \$ 246 | 0.99% |
| <i>Front Desk</i> | \$ 110,110 | \$ 107,333 | \$ 108,792 | \$ 1,459 | 1.36% |
| <i>Wellness Addition/Programs</i> | \$ 43,066 | \$ 38,167 | \$ 38,546 | \$ 379 | 0.99% |
| <i>Gym</i> | \$ 15,442 | \$ 33,864 | \$ 35,519 | \$ 1,655 | 4.89% |
| <i>Gym/Batting Cages</i> | \$ 1,180 | \$ 1,768 | \$ 1,785 | \$ 17 | 0.96% |
| <i>Gym/Gymnastics</i> | \$ 12,710 | \$ 19,675 | \$ 19,912 | \$ 237 | 1.20% |
| <i>Ice Arena</i> | \$ 140,328 | \$ 157,661 | \$ 155,935 | \$ (1,726) | -1.09% |
| <i>Ice Arena/Concessions</i> | \$ 38,628 | \$ 36,060 | \$ 36,420 | \$ 360 | 1.00% |
| <i>Maintenance</i> | \$1,068,617 | \$ 1,020,861 | \$1,037,150 | \$ 16,289 | 1.60% |
| <i>Wellness Addition/Cycle</i> | \$ 991 | \$ 1,728 | \$ 1,745 | \$ 17 | 0.98% |
| <i>Wellness Addition/Personal Training</i> | \$ 8,538 | \$ 5,969 | \$ 6,029 | \$ 60 | 1.01% |
| <i>Wellness Addition</i> | \$ 108,650 | \$ 144,335 | \$ 182,679 | \$ 38,344 | 26.57% |
| <i>Play and Daycare Room</i> | \$ 57,991 | \$ 49,577 | \$ 46,057 | \$ (3,520) | -7.10% |
| <i>Treks and Trails</i> | \$ 68,363 | \$ 102,469 | \$ 81,903 | \$ (20,566) | -20.07% |
| <i>Club Extreme</i> | \$ 61,126 | \$ 62,366 | \$ 67,591 | \$ 5,225 | 8.38% |
| <i>Raquetball</i> | \$ 1,250 | \$ 2,204 | \$ 2,225 | \$ 21 | 0.95% |
| <i>Swimming Pool</i> | \$ 317,059 | \$ 301,151 | \$ 306,710 | \$ 5,559 | 1.85% |
| <i>Swim Lessons</i> | \$ 30,302 | \$ 37,445 | \$ 37,833 | \$ 388 | 1.04% |
| <i>Theater</i> | \$ 8,572 | \$ 12,018 | \$ 12,137 | \$ 119 | 0.99% |
| <i>Lodge</i> | \$ 94,145 | \$ 92,057 | \$ 94,051 | \$ 1,994 | 2.17% |
| <i>Birthday Party</i> | \$ 6,862 | \$ 6,769 | \$ 6,838 | \$ 69 | 1.02% |
| <i>Tot Time Preschool</i> | \$ 5,918 | \$ 5,936 | \$ 5,996 | \$ 60 | 1.01% |
| <i>General Facility</i> | \$ 65,244 | \$ 50,000 | \$ 150,000 | \$ 100,000 | 200.00% |
| <i>Adventure Program-State Grant</i> | \$ 81,130 | \$ 96,563 | \$ 104,506 | \$ 7,943 | 8.23% |
| <i>Before and After School Program</i> | \$ 8,360 | \$ 6,808 | \$ 6,877 | \$ 69 | 1.01% |
| <i>Vending</i> | \$ 24,098 | \$ 13,121 | \$ 13,252 | \$ 131 | 1.00% |
| <i>Depreciation</i> | \$ 636,663 | \$ - | \$ - | \$ - | |
| <i>Debt Service</i> | \$ 236,672 | \$ 536,670 | \$ 535,621 | \$ (1,049) | -0.20% |
| <i>Other</i> | \$ (1,915) | \$ 505 | \$ 510 | \$ 5 | 0.99% |
| Total expenses | \$3,823,841 | \$ 3,636,341 | \$3,832,301 | \$ 195,960 | 5.39% |

In addition to the debt service dollars for the CIP program, a total of \$50,000 is continuing to be budgeted for general capital improvements in the Community Center, as we have in the past. These are more of the regular improvements we need to make to the Community Center on an annual basis to keep the facility looking and functioning good. Over the past several years, we have put about \$50,000 of these types of improvements into the Community Center on an annual basis.

Based on our forecasted revenues and expenditures for 2016, we are estimating that the facility will have a slight decrease in fund balance of \$56,035. This is due mainly to the 1-time expense of \$100,000 to add the equipment for wi-fi service in the building. In future years, this expense will drop to between \$25,000-\$50,000 per year for bandwidth costs, depending on how much bandwidth is utilized by our customers.

Town Course Budget

The mission of the Chaska Town Course is to develop and operate a quality municipal golf course serving as a community recreational resource, and as a community gathering place that generates an annual profit that may be used to support other "community building" opportunities.

In developing the course's annual budget our objective is to provide adequate resources to meet this mission by maintaining a high quality golfing experience from both a maintenance and customer service perspective. An objective during our budgeting process has also been to position the Town Course in such a way that when its debt service for initial capital construction costs has expired, that we both have generated enough profit to have reserves to keep up with our necessary capital replacement program at the Town Course to keep it running as a high end course.

As we look into the future, this will be the largest single challenge of the course as it has been self-sufficient from an operational standpoint, but has had much more difficulty being able to generate a sufficient amount of reserves to cover all future depreciation costs. This has been true industry wide, as the number of U.S. golfers peaked in 2003 at 30.6 million and dropped to 25.7 million in 2011, according to the National Golf Foundation. This number has slowly increased since the end of the Recession, but has not grown as fast as it did in the early parts of the last decade. With this drop in play, and competition from a large number of golf courses in the area, it has made it more difficult over the years to meet our budgeting objectives beyond making sure that the facility is operationally self-supporting. With that being said, the Chaska Town Course has been an extremely popular facility for the City of Chaska, and has continued to increase its number of rounds, as it did in 2015, and keep a high maintenance standard to allow it to be considered a high quality golf course facility.

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

While these resources have taken the need away from the Town Course to contribute directly towards its annual debt service, the Town Course has continued to meet the annual operational needs of the course but has struggled to generate significant reserves to go towards if future capital replacement needs. As we have done with the Community Center Fund with its Capital Improvement Program, this is an issue that Staff continues to look at to determine the best way to move forward with generating

the reserves necessary to support these future capital replacement needs without having to contribute any property tax subsidy. That is not to say that a significant amount of maintenance work is not done annually to keep our existing assets in as good of shape as possible. However, as we move further into the future, we will have to start looking at assets such as our Clubhouse facility and how we rehabilitate that to address the toll that many years of service will put on a building. As will be discussed later, some of these Clubhouse improvements will need to occur in this off-season, to be able to accommodate Health Department and Safety needs with the transition to a new operator of the Town Course Grill.

As we look at this, we will have to be cognizant of the market of other golf courses in the area, so that our greens fees do not make it difficult to compete with these other courses. We will not be able to address this issue only through rate increases, as too large of an increase could actually have the effect of dropping rounds played and making revenues drop, as golf patrons are sensitive to prices changes and do have a number of choices in the area of where to take their business.

For 2016, we are forecasting total revenues of \$1,845,750. This compares to the budgeted revenues we had for 2015, which were \$1,946,177. For 2016, we are budgeting based on 32,000 total rounds during the season. Our 5-year average has been around 31,500. 2015, while it was a great summer season which was very busy and the course conditions were excellent, with us having not only a great summer season, but a great spring and fall weather season as well. Through the 2015 golf season, we did see over 33,500 rounds, which while it was not our top number of rounds was very close. While we did see over \$2,000,000 million in revenue for 2015, we wanted to budget conservatively on revenue for this upcoming summer.

Based on our assumptions, the total revenues are derived from the following sources:

| <i>Revenues</i> | Actual 2013 | Actual 2014 | Budget 2015 | Budget 2016 | Change | % Change |
|-----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------|
| Green fees | \$ 1,073,670 | \$ 1,139,673 | \$ 1,177,000 | \$ 1,151,000 | \$ (26,000) | -2.21% |
| Driving range | \$ 76,994 | \$ 80,997 | \$ 90,070 | \$ 90,000 | \$ (70) | -0.08% |
| Member fees | \$ 47,861 | \$ 58,427 | \$ 51,878 | \$ 55,000 | \$ 3,122 | 6.02% |
| Sale of supplies | \$ 171,553 | \$ 206,482 | \$ 166,850 | \$ 210,000 | \$ 43,150 | 25.86% |
| Concessions | \$ 43,182 | \$ 20,673 | \$ 58,147 | \$ 30,000 | \$ (28,147) | -48.41% |
| Cart rental | \$ 237,624 | \$ 249,422 | \$ 286,489 | \$ 290,000 | \$ 3,511 | 1.23% |
| Misc | \$ 73,265 | \$ 51,886 | \$ 115,743 | \$ 19,750 | \$ (95,993) | -82.94% |
| Total revenues | \$ 1,724,149 | \$ 1,807,560 | \$ 1,946,177 | \$ 1,845,750 | \$ (100,427) | -5.16% |

Revenues

The major revenue source of the Golf Course is green fees paid by patrons, with this revenue source accounting for 60% of total revenues at the facility.

As mentioned previously, for 2016 we are planning for 32,000 paid rounds being played at the facility. The 5-year average for play at the CTC has been 31,500 paid rounds. In preparing the revenue estimate we are assuming that the resident/non-resident split will be 51% residents/49% non-residents, which reflects a significant increase in resident play from past budget forecasts, but a relatively steady split from the past five years. When the course first opened, we saw about 70% of play from non-residents.

While this change has been great from a mission perspective, in that it has been viewed as a premier community gathering location for Chaska residents, it has created revenue challenges that we continue to have to monitor closely, as resident rounds are approximately \$24 less per round than a typical non-resident round.

A key revenue assumption for the CTC is the green fees schedule, as the greens fees do generate close to 60% of our revenue. Our strategy has been to have green fees for non-residents consistent with the market for other high-end public courses, while at the same time offering a course for our residents of higher quality and challenge compared to any other area course, at a price that is at or below what these area courses may charge.

In 2015 the average metro high-end golf course green fee including cart on weekends was \$99.29, ranging from \$75 for Edinburgh USA to \$138 for Rush Creek. Chaska’s weekend non-resident rate in 2015 of \$87, including cart, was well within this range. In 2015, we did have an increase of both our greens fees and our cart fees for both our residents and non-residents. To avoid rate fatigue, we have restricted any consideration for increases in fees to every-other year, meaning that in 2016, Staff is recommending we have no increase in either our Greens Fees or Cart Rental Fees. We feel that the Town Course will still stay very competitive and meet its pricing objectives, while at the same time being cognizant of the financial needs we will have for the Town Course over the next 5-years to keep it a quality facility. The chart below compares our rates to the other high-end public golfing facilities in the Twin Cities:

| Course | Greens Fees | |
|------------------------|---------------------|---------------------|
| | Weekday 18 holes | Weekend 18 holes |
| Edinburgh USA | \$75 | \$75 |
| Stoneridge | \$92 | \$102 |
| Rush Creek | \$138 | \$138 |
| The Legends | \$89 | \$89 |
| Troy Burne | \$109 | \$109 |
| Meadows at Mystic Lake | \$89 | \$89 |
| The Wilds | \$93 | \$93 |
| Average | \$97.86 | \$99.29 |
| Chaska-Current | \$81.00 | \$87.00 |
| Chaska 2014 Proposed | No Change | No Change |
| Chaska Resident 2014 | \$58.00 | \$63.00 |

As part of Chaska’s mission, our goal is to have the facility both accessible and affordable to Chaska residents. Over the past several years one of the positive trends relative to this element of the mission, was the percent play from resident golfers increasing from 28% in 2003 to 49% in 2015. Although the higher resident participation is positive from a mission standpoint, a negative impact in this trend is the

reduction in total revenues, given the significant differential between resident and non-resident rates.

Just as with non-resident rates, in 2015 we are proposing no rate increase for resident Green Fees, so as to avoid any “rate fatigue”.

This change would result in our rates in 2016 being very competitive to all of the area courses, as it was in 2015. Based on these assumptions, 2016 green fee revenue is projected to be \$1,151,000.

| Course | Greens Fees | |
|----------------------|-------------|-----------|
| | Weekday | Weekend |
| | 18 Hole | 18 Hole |
| Dalgreen | \$51.00 | \$54.00 |
| Bluff Creek | \$52.00 | \$57.50 |
| Ridges at Sand Creek | \$54.50 | \$60 |
| Deer Run | \$57 | \$69 |
| Stonebrook | \$70 | \$78.50 |
| Average | \$56.90 | \$63.80 |
| Town Course Current | \$58.00 | \$63.00 |
| Town Course 2014 | No Change | No Change |

It should be noted with our pricing structure that residents are able to play a top-tier golf course at the Chaska Town Course, while paying a fee that is comparable or less than the area courses that are not ranked in the top-tier. In this respect, Chaska residents are getting a great value for the golf that they play at the CTC.

For the first several years the Town Course was open, we averaged cart rental revenues in the range of \$150,000 to \$175,000, with 22% to 24% of golfers renting carts. In 2006 we modified our cart policy to permit carts off the cart path. Also at that time, we purchased a new set of carts equipped with a GPS system. The system was implemented in 2006 and increased cart revenues to \$212,000.

In 2012, we purchased a replacement fleet of carts, and included enhanced GIS features, including larger screens and remote ordering of food from the clubhouse, to help keep up with our demand for services on the carts. For 2016 we are once again anticipating that 40% of patrons will continue to utilize a cart, as we have seen over the past several years, bringing in total revenue of \$290,000.

Through our eighteen years of operation, the driving range has been a popular element of the facility. One particular attraction to our driving range is the size of the practice facility, being one of the larger driving ranges on golf courses in the area. For

projection purposes, we have assumed that 20% of golfers will use the range before playing and an additional 40 persons per day would come to the facility solely to use the practice complex. Range revenues were budgeted for \$90,070 in 2015. For 2016 the range is estimated to generate \$90,000, as we expect little change in its use.

Pro Shop sales were \$139,303 in 2008, \$141,676 in 2009, and \$143,926 in 2010. In 2012 we had this budgeted \$152,691, and came in at \$176,538. Our pro-shop sales have continued to be very popular and outperform our budget objectives by focusing on selling items that our patrons request. The budget for 2016 assumes merchandise sales of \$210,000, as we have had very strong sales the past few years.

A key service element of the facility is the provision of a quality food and beverage operation, while at the same time assuring that this element does not become a financial drain on the operation. In 2008, we changed vendors. Staff heard very positive comments on this change as it offered more menu variety for patrons, and weekend meal options that have brought non-golfers to the clubhouse for dinner, while not having a negative impact on serving our golf patrons.

With 2015 being the final year of operations for the owner of Charlie's Grill, Staff did recently complete the RFP process, and Council decided on a new vendor for the Town Course. Staff is confident that based on the business plan of the new vendor, that not only will we continue to see great service and food for our golf course patrons, but that the vendor will also try to build additional business from non-golfers viewing it as a destination dining opportunity. While final terms and conditions of the lease are yet to be finally approved, we are budgeting for the lease revenue to be similar to past years, which is based on a percentage of sales within the facility. For 2016, we are programming for this to generate \$30,000 in revenue. It should be noted that our actual revenue in this area has averaged around \$45,000 the past few years. While we do not expect this to go down with our new operator, we did want to budget conservatively in this area since we do have a new operator and we are uncertain exactly where their sales will be. This is a definite opportunity area to outperform our budgeted number.

Two things should be noted as part of the new operations at the Town Course. First, there are going to be some necessary improvements made not only to the ventilation/hood system in the kitchen, but also to the general layout of the kitchen and preparation area to make this more functional for the operator's use. These improvements are likely going to be between \$125,000-\$150,000, and would need to occur during the off-season this year. Second, the operator is going to be marketing their business towards more off-season usage by private parties, meaning that we will likely see some additional source of revenue coming from this facility in the winter which we did not have before. As it is uncertain at this time what this could generate, we are assuming no additional revenue from this in 2016 to be conservative.

Operating Expenses

For the Chaska Town Course to be considered a high-end public facility, the turf maintenance needs to be a very high priority. During the 2013, 2014 and 2015 Golf Seasons, we had some of the best turf conditions since our course opened. This has been confirmed in feedback we've received from golfers over the years, and helped drive patrons to our course during the summer of 2015 at near record levels.

To accomplish the objective of having high-quality turf we have attempted to establish a maintenance budget that will permit adequate resources for above-average maintenance. The key, though, to achieving this objective is attracting and retaining high quality dedicated personnel. It is imperative that our full-time personnel not only have the technical capabilities to maintain a high-level facility, but also (and possibly more important), have a true ownership in the course and a commitment to the facility's quality.

The maintenance staffing anticipates staffing levels similar to 2016, with five full-time Greenskeepers, plus a Superintendent who is responsible for the maintenance of the Chaska Town Course facility as well as the Par 30.

As in the past these full-time positions will be supplemented by eight, six month and six four-month seasonal employees. The following is a summary our estimated costs for each of these categories:

| | Actual 2013 | Actual 2014 | Budget 2015 | Budget 2016 | Change | % Change |
|----------------------------|----------------|----------------|----------------|----------------|------------|----------|
| Personnel Services | \$890,914 | \$876,879 | \$911,420 | \$779,610 | -\$131,810 | -14.46% |
| Operating Supplies | \$141,980 | \$154,828 | \$178,644 | \$177,525 | -\$1,119 | -0.63% |
| Other Services/Charges | \$843,675 | \$1,026,488 | \$511,248 | \$747,805 | \$236,557 | 46.27% |
| Capital Replacements | \$270,662 | \$123,655 | \$227,000 | \$133,000 | -\$94,000 | -41.41% |
| Transfers Out/Debt Service | \$0 | \$6,648 | \$48,000 | \$59,800 | \$11,800 | 24.58% |
| Total Expenses | \$2,147,231 | \$2,188,498 | \$1,876,312 | \$1,897,740 | \$21,428 | 1.14% |

The second cost component of the golf course operation is the Clubhouse and its related activities. Our objective is to differentiate the Town Course and Clubhouse operation from other courses through a noticeable difference in its commitment to customer service. Achieving this objective will be significantly affected by the quality, skill and personality of personnel hired to staff the complex. The overall responsibility of the Clubhouse operation is the responsibility of the Club Pro. For 2015, the total Clubhouse expenses were budgeted to be \$729,621. In 2016, we are budgeting this number to go to \$759,940. It should be noted that one option we are planning for at this time is sharing of our 9-month golf pro position with the Chaska Curling Center during their busier late fall and winter months. In this way we can help retain a good employee during the off-season, and also meet staffing needs we have for this type of position at the Curling Center.

In 2013, we sold Equipment Certificate Bonds to purchase of the equipment needing replacement on our Equipment Acquisition schedule. The proceeds from that sale went to purchasing our needed equipment replacement for both 2013 and 2014. In 2013, before we sold these Equipment Certificates, we did extend out the life of our

equipment at the Town Course, both because the equipment is better quality than in the past, but also to help reduce the long-term costs of paying for maintenance of equipment over the years. This is one of the strategies we have employed to try to get more dollars accumulated in our Town Course Fund balance for future major capital expenses at the Town Course. At the same time, we have made sure that we replace this equipment in a timely manner, as quality of the course is a key to our success at the CTC. For 2015, we once again employed a strategy of using equipment certificates to purchase approximately \$227,000, which includes both 2015 and 2016 expenses. Because of this, all major equipment purchases in 2016 were already planned for in the 2015 budget and financing package. It should also be noted that in 2015 we did complete the planned connection of the Chaska Town Course to our City Fiber network, which was necessitated for support of our Internet and POS system at the Clubhouse when Chaska.net went away.

Besides these changes, we still budget \$15,000 for course improvements in 2015, and \$12,000 to our cart-path replacement program. The course improvements that we are going to be targeting in the next several years will be bridge replacements, as many of them have out-lived their useful life. For 2016, we are proposing to use all \$27,000 towards the bridge replacement on hole #14, which is currently the most critical, with future years then seeing some of these dollars going to bridge replacement, and some continuing to go to our cart path overlay program.

One thing to point out for 2016 which is different than other years, is the improvements that we will need to make in the Town Course Clubhouse to allow for our new restaurant operator to start business in the Spring of 2016. There are improvements that the Health Department will require us to make with the operator now changing. The most expensive and needed of these changes will be to the hood and venting system from the kitchen. This system is required to be replaced as it no longer meets the safety codes that are required of such a unit. At the same time, we feel it is necessary to make some changes to the kitchen area to take advantage of the very limited preparatory and storage areas in the facility. These improvements will cost approximately \$150,000, and will need to be completed prior to the Spring golfing season and restaurant opening up. This is a 1 time expense that will require us to draw down some on our reserves for 2016 to get this completed.

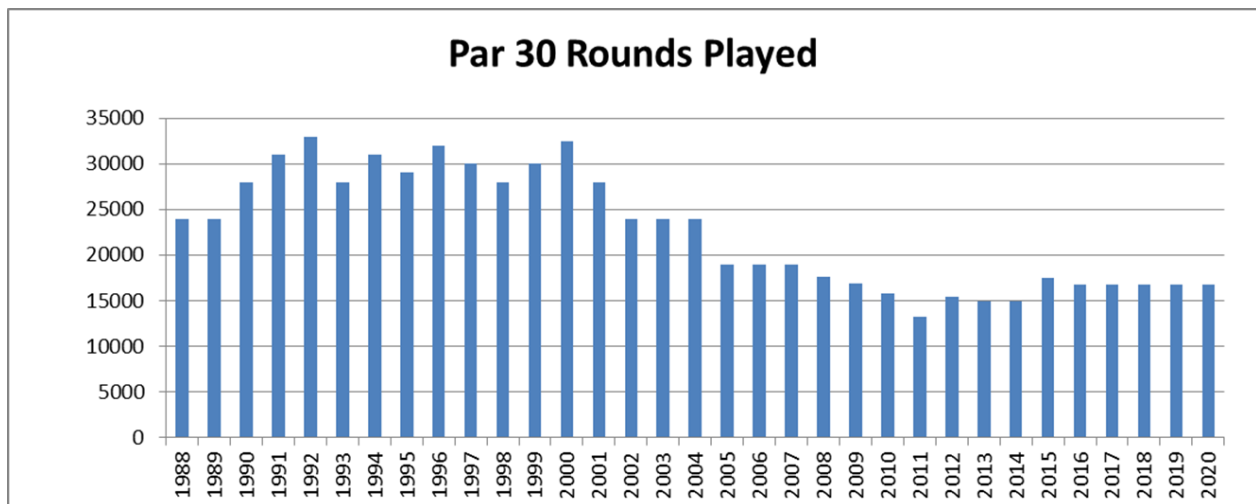
Total budgeted expenses for the golf course operation in 2016 are \$1,897,740, which would result in the facility utilizing \$51,990 of its reserves in 2016. This is due solely to the improvements that we need to make in the kitchen area, but are improvements we cannot avoid as they are both safety and code issues that need to be addressed before the new restaurant operator opens their doors for business.

Par 30 Budget

In establishing the 2016 Par 30 Budget, the following objectives were used:

- ◆ *Provide the necessary resources for the Par 30 to ensure continuation of quality course maintenance and upkeep.*
- ◆ *Maintain rates competitive with other comparable executive courses in the Twin Cities.*
- ◆ *Minimize drastic changes in rates while at the same time maintaining adequate cash reserves for emergencies.*
- ◆ *Allow the Par 30 to be a Self-Supporting Recreational Program*

In determining golf course revenues, two factors directly impact green fees: the number of rounds and rate per round. The following graph depicts the number of annual rounds played at the Par 30 over the past several years.



Over the past several years we have seen a decrease in the number of total rounds at the Par 30. While rounds of play averaged around 25,000 rounds per year in the beginning part of last decade, over the last 10 years, we have seen that drop to approximately 15,000 rounds per year. We believe this has been due both to the increase of competition with the addition of other executive courses such as Halla Greens in the area, and with some shift to the Town Course we have seen with allowing carts on the Fairways, thus making it easier for seniors to play the longer course.

One thing to note on the chart above is the increase we saw in rounds being played in 2015. While, just like the Town Course, weather did play a factor in this, the main factor increasing rounds was the addition of Foot Golf. Foot golf helped us not only generate additional rounds of play at the Par 30, without negatively impacting golf play, but it also created another use that allows our residents who are non-golfers to get out and enjoy this public resource. This is especially true for families, which foot golf is able to cater to. We do expect to see Foot Golf increase in 2016, as we will start to add League play, which will help program some of this activity. Because of that, we increased our programmed rounds per year from 15,100 to 16,800. We do see Foot

Golf as being a long-term addition to the Course that not only opens it to more people, but also helps to stabilize this asset financially.

The second factor in determining green fee revenues is the actual rate charged per round. In 2011, we changed our rate structure based on trying to be much more conscientious of the pricing structures at area Executive Courses, structuring our pricing to be more competitive than our main competitors such as Halla Greens. We structured our pricing to be very attractive for our main users, who are our Seniors and Juniors, while at the same time providing a true price differentiation from our main competitors for our Adult golfers who may be most likely to go to another competitor's course out of town.

Just as with the Town Course, we did see an increase in rates for the Par 30 in 2015, and because of this, we are recommending that we have no increase in rates for 2016. We think this makes the Par 30 very competitive with its competition. Based on this recommendation, the following would be the comparison of the Par 30 for 2016 rates compared to the 2015 rates of the other Executive Courses in the area:

| Course (9) | Junior (9) | Senior (9) | Adult (9) |
|-------------------|------------|------------|-----------|
| Halla Greens | \$14.50 | \$14.50 | \$16.50 |
| Braemar Executive | \$10.00 | \$15.50 | \$15.50 |
| Waters Edge | \$9.00 | \$9.00 | \$14.00 |
| Orono | \$9.00 | \$9.00 | \$14.00 |
| Glen Lake | \$11.00 | \$13.00 | \$17.00 |
| Average | \$10.70 | \$12.20 | \$15.40 |
| Par 30 Rate | \$12.25 | \$12.25 | \$14.25 |
| | | | |
| Par 30 vs Halla | -\$2.25 | -\$2.25 | -\$2.25 |

It should be noted in the chart above, that while we compare to all of the Executive Courses, our main competition for the Chaska Par 30 is Halla Greens, as it is located just off Chaska's eastern border with Chanhassen. As you will see, we are cheaper than Halla Greens, although they do offer a driving range, which we do not have at the Par 30.

Based on this rate structure, we are forecasting green fee revenues for 2016 of \$156,000 compared to the 2015 budget of \$146,000. Staff is expecting that we will see a slight increase in greens fee revenues both because of our new Carver Recreation Agreement, and also because we will do more programming of leagues for Foot Golf in 2016.

Staffing levels are anticipated to remain unchanged for the coming year, continuing with keeping the number of part-time staff at lower levels to keep costs as low as

possible. The staffing for both maintenance and clubhouse activities is provided through the hiring of part-time summer employees.

The budget anticipates that operating expenses in 2016 will be \$165,296. It should be noted that one item that we are still working on to reduce the overall expenditures to the Par 30 Course, is in eliminating the current fee of \$12,000 we have annually to rent parking spaces from the Hazeltine Gates Office Building. Storm water improvements were made to the pond on the Par 30 in 2013 to accommodate a future addition for the Hazeltine Gates project when it moves forward, at the cost of Hazeltine Gates (which is owned by Goodman Group). We will be in discussions with the Goodman Group to explore seeing whether fees could be waived or reduced in exchange for keeping their right to utilize this pond through an easement extend until a point they are ready to develop this site.

As we have done in past years, we are also continuing to budget \$6,000 toward the course to deal with any course improvements that need to be made over the course of 2016.

Based on our forecast of revenues and expenses, we are anticipating that the Par 30 operations will have a small increase in fund balance of \$7,404. Below is a summary of the 2016 revenues/ expenditures:

| | Actual 2013 | Actual 2014 | Budget 2015 | Budget 2016 | Change | %Change |
|-------------------|----------------|----------------|----------------|----------------|----------|----------|
| Green Fees | \$140,459 | \$136,148 | \$146,000 | \$156,000 | \$10,000 | 6.85% |
| Other Fees | \$15,246 | \$15,306 | \$17,000 | \$16,700 | -\$300 | -1.76% |
| Total Revenue | \$155,705 | \$151,454 | \$163,000 | \$172,700 | \$9,700 | 5.95% |
| Personnel | \$86,354 | \$100,597 | \$101,845 | \$103,300 | \$1,455 | 1.43% |
| Operating | \$4,460 | \$5,511 | \$8,855 | \$5,100 | -\$3,755 | -42.41% |
| Merchandise | \$6,870 | \$3,584 | \$4,070 | \$4,500 | \$430 | 10.57% |
| Other | \$54,951 | \$54,366 | \$57,724 | \$52,396 | -\$5,328 | -9.23% |
| Transfers Out | \$0 | \$0 | \$0 | \$0 | \$0 | #DIV/0! |
| Total Expenses | \$152,635 | \$164,058 | \$172,494 | \$165,296 | -\$7,198 | -4.17% |
| Net Income (loss) | \$3,070 | -\$12,604 | -\$9,494 | \$7,404 | \$16,898 | -177.99% |

Utility Fund Overview

The Utility Fund Budgets are broken down into separate categories for the City's four utilities: water, sewer, electric and storm sewer. The total proposed budgets for these four utilities have been developed based on the following objectives:

- *Providing the necessary resources for each utility to assure continuation of quality services to our customers.*
- *Maintaining water/sewer/storm sewer rates competitive with comparable cities.*
- *Maintaining residential electric rates less than comparable rates charged by Xcel.*
- *Maintaining competitive industrial and commercial electric rates compared with Xcel, while also making sure we maintain a system that provides reliability to our customers.*
- *Minimizing drastic changes in utility rates while at the same time maintaining adequate cash reserves for each enterprise.*

As will be discussed in more detail in the breakdown of the Water Fund budget, the City of Chaska did move forward with making some significant changes to the Water Utility rates starting in 2010, as it was found through a comprehensive Water Rate Analysis that was completed in 2009 that the City's water rates were set significantly lower than what was needed both to fund the future maintenance activities of our existing system, and to fund a portion of the debt service on the new Water Treatment Plant. The study found that over the 10-year planning period, that our Water Fund would be \$7 million in debt if changes were not made to our rate structure in the short term. While this study did indicate that Water Rates did need to be increased to keep up with the costs of running our Water utility, because our rates were so low to begin with, the changes to our water rates were able to be made while still keeping our rates very low compared to other Cities in the area. The first half of the rate changes came in 2010, with the 2nd half of the rate adjustment coming in January of 2011. As was planned as part of this rate study, the three years following the rate change were to see 1% increases in Water rates in each of the three years, with us then doing a re-study of our rates after this to make sure our initial assumptions materialized from our last study, and to give us direction of where to go for our next 5-year period if we are to both keep our rates competitive and keep a sustainable water system into the future. 2014 was the final year that we were programmed to see a cap on water rate increases of 1%.

As you will see in this year's budget for the Water Fund, we are proposing to still complete this restudy of our initial Water Rate Analysis. However, because we just completed our Automated Meter Reading Program installation this past summer, and

we are now implementing our new Utility Billing Software that can both incorporate and utilize this newly available data, we will not be ready until mid-2016 to complete this analysis. Because of this, for 2016, we are recommending that we increase our retail rates go up by an average of 3% to make sure that we keep up with inflationary pressures, and do not lose ground on the changes we have been implementing the past 5 years. However, at the same time, we are cognizant of pressure we are receiving from the State of Minnesota to focus more on water conservation, especially with issues some Metropolitan Communities have had with their water supplies. Because of this, we are going to be recommending having a much larger separation between our categories in our rate structure, to not punish those residents who utilize a typical amount of water for a residence, but at the same time create much higher rate increases the higher an end-user goes in water consumption. The theory is to get higher water users to think more about their water usage through economically incenting them to use less. We do feel that we can implement this fee structure, meet the needs of our Water Department, while at the same time stay very competitive to other surrounding Cities from a rate perspective as many Metropolitan Cities have moved in this direction for water pricing to demonstrate that municipalities are taking the issue of water resources seriously.

From a sewer and electric perspective, our rates have remained very competitive over 2015, compared with other municipalities and with Xcel. From an electric fund perspective, our total rates in 2015, including the Energy Adjustment Clause, averaged 6% lower than Xcel for residential customers. Compared to Mn Valley Electric Cooperative, we were approximately 3.2% lower. Xcel and Minnesota Valley are our main competitor.

We do not see this relationship changing very much in 2016, as Xcel has continued to need to request rate increases from the Public Utilities Commission to address major work they have needed to complete on aging infrastructure, and to address the renewable energy requirements imposed by the State, which are even more stringent than the requirements put on municipal and Co-op Electric Utilities. For 2016, the wholesale rate increase from MPPA, the Cities Power Agency, is programmed to increase by between 0.5%-1.8%. Because of this, you will see that our budget recommends a 2% increase to our Retail rates both to accommodate the wholesale rate increase but also our increasing costs associated with replacing aging infrastructure. With this rate increase, we feel that we will still be very competitive with Xcel and Minnesota Valley.

From a sewer perspective, we do know that our overall bill will go up by 5% for sewage treatment at the Met Council's Blue Lake Facility. To address this, as well as our internal costs of providing service, we do recommend having our retail rates go up by 5% in 2016. This is following a 1.5% increase in 2015. As Metro Waste provides treatment services for most surrounding cities, and that is the major cost of sewer service, our rates tend to be very similar from City to City, thus keeping us competitive with our surrounding communities.

Finally, with the Storm Sewer Utility now being fully implemented, we are now better able to see what our base rates for residential should be set at to meet the needs of

this utility, while also being competitive with other surrounding cities. As this is a rapidly growing area for the City and other agencies to be able to address because of increasing regulations, it is one that we have to keep close tabs on to make sure we are properly charging for the amount of services we need to provide in this utility. Based on this analysis, in 2012, we did do an adjustment to our base Storm Sewer rates, increasing our monthly residential fee from \$3 per month to \$4.50 per month. With that base now re-established based on our actual needs in the Storm Water Utility Fund, we are now recommending a 6% increase in rates for 2016 to keep up with changing costs, which is approximately \$0.35 per month. With the average rate of surrounding cities being \$6.35 per month, and Chaska's going to \$5.67 per month, we still would be very competitive compared to the market.

Based on the changes that are being recommended, which will be discussed in more detail in following sections, below is a breakdown of what a typical resident can expect for rate increases in 2016:

| | 2013 | 2014 | 2015 | 2016 | % Increase | Increase |
|-------------|----------|----------|----------|----------|------------|----------|
| Water | \$16.59 | \$16.76 | \$17.26 | \$17.78 | 3.00% | \$0.52 |
| Sewer | \$23.46 | \$24.72 | \$25.09 | \$26.34 | 5.00% | \$1.25 |
| Electric | \$85.91 | \$87.63 | \$90.26 | \$92.07 | 2.00% | \$1.81 |
| Storm Sewer | \$4.75 | \$5.03 | \$5.35 | \$5.67 | 6.00% | \$0.32 |
| Total | \$130.71 | \$134.14 | \$137.96 | \$141.86 | | \$3.90 |

Water Fund Budget

As was mentioned above, in 2009, the City of Chaska completed a comprehensive water rate analysis to look at the financial health of this fund. This water rate analysis was needed due to significant issues that were identified in our 5-year financial forecast and our CIP that indicated that the Water Fund would not be able to remain financially self-supporting if changes were not made. The objectives of this Water Rate Analysis included:

- Develop an inclining block rate that meets all of the DNR water conservation requirements that are required to be implemented by January 1, 2010
- Develop a base rate that meets all of our current operational and debt obligations, especially considering the significant decrease in development experienced at the time
- Develop a rate structure that is competitive with surrounding communities
- Develop an ongoing rate strategy that helps the City maintain a sustainable water system into the future to make sure our existing assets are not being consumed at a higher rate than we are financially replenishing our system

The results of this Water Rate Analysis quantified the issue our Water Fund would face if we continued with our strategy of implementing a 5% rate increase annually for the next 10-years without adjusting our base rate. What the study found was that if we continued with this strategy, that over a 10-year period, the Water Fund would be in deficit \$7 million, not allowing us to have any dollars built up to help support our existing system, nor being able to meet our current operational needs. This was mainly due to both the fact that our water rates were extremely low compared to other municipalities, and because the development slowdown would not allow the City to generate enough resources in Water Access Charges to pay for the debt service of our new Water Treatment Plant.

Based on the results of this study, in August of 2009, the City Council did move forward to implement an increase in Water Rate, which was completed in January of 2011. At the same time, the Council did implement the required DNR inclining block rate to promote water conservation, implemented a service charge of \$2.27 per month, and did refinance a portion of the Water Treatment Plant Debt to match up debt service payments more closely with when we feel development will restart. As was recommended in the Water Rate Study the City did implement a 1% increase in rates in 2012 to keep our rates current with inflationary increases in cost so we would not start to fall behind right after we made these significant changes. The Study showed that we should continue to have a 1% increase for each 2013 and 2014, to keep up with inflationary increases in costs, and then do a re-study again after 2014 to test the assumptions of the first study, see how the implemented changes were meeting the original objectives of the changes we initially made, and to give some direction for how to move with rates over the next 5-year period. In 2014, we did see this initial 5-year

rate change plan get fully completed, with the final 1% rate increase being implemented.

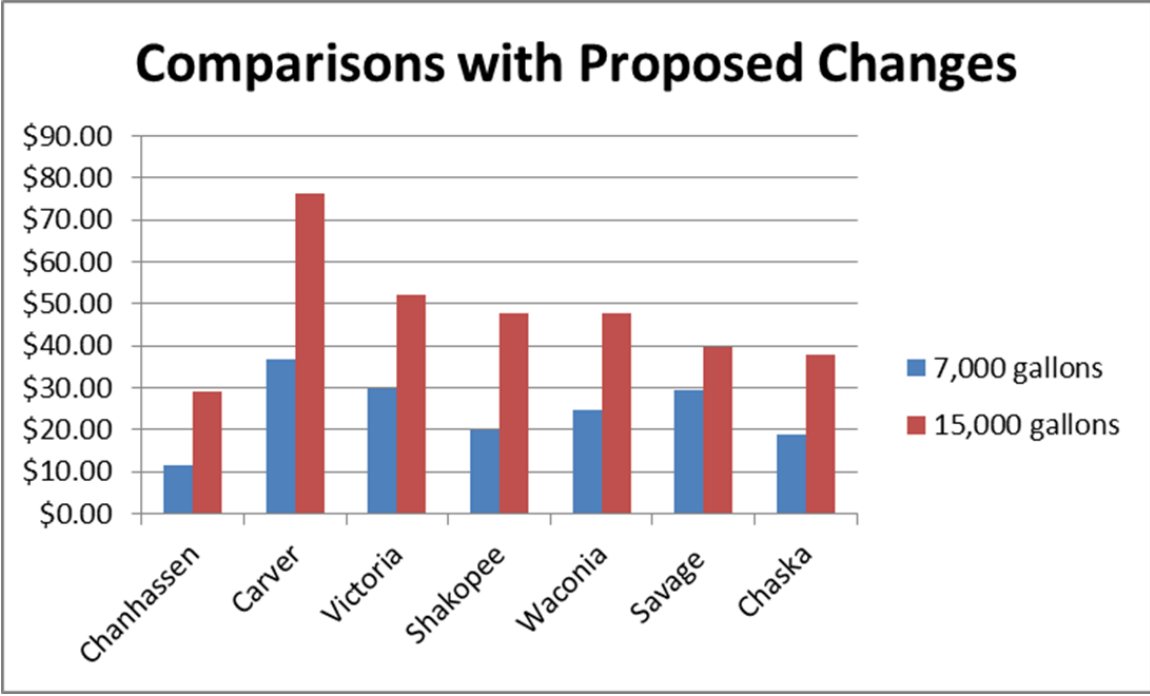
As mentioned above, while Staff feels that we still need to complete a re-study of our Water system in order to get a complete understanding of what assumptions in our 2009 study have been realized, and which have not, and to make sure we have another 5-year strategy for rates, Staff does not feel this should be completed until after both our AMI program is completed, and our new Utility Billing Software is implemented to be able to extract and utilize this data, as this data will provide us with very useful and accurate information on which to draw for this analysis. With the Automated Meter Program completed in the summer of 2015, and us currently now going through the process of implementing our new Utility Billing software, which we expect to be ready for a first billing cycle in March of 2016, Staff feels it is prudent to hold off on this re-study until all of this information is able to be extracted. For this reason, we would see doing the re-study later in 2016. At the same time, we also do not want to see the Water Fund lose ground from the changes that were implemented over the past 5-years, and to see us keep up with our cost of providing services. For that reason, we are recommending a 3% increase in retail rates in 2016 for all average users of water. To keep up with the increasing pressure from the State to address decreasing water supply issues in the Twin Cities, we are recommending that we create a rate structure in 2016 that does create more economic incentive for our customers to conserve water for those using more than the average amount of water. This is something many municipalities are doing to help address the issue of water conservation, and is one we think is going to be increasingly important to address if we want to continue as municipalities to manage our own local water collection and distribution systems.

Specifically, Staff would recommend creating the following separation between rate categories to help economically encourage this change in usage behaviors:

0-7,000 gallons: \$2.27/1,000 gallons (3% increase)
7,001-20,000 gallons: \$2.38/1,000 gallons (3.5% increase)
20,001-30,000 gallons: \$2.57/1,000 gallons (5.5% increase)
30,001-40,000 gallons: \$2.89/1,000 gallons (7.5% increase)
Above 40,001 gallons: \$3.42/1,000 gallons (10.5% increase)

As we looked at other surrounding cities, this type of spread between categories was very typical.

The chart below shows how Chaska would compare both in the Winter, where the average usage is 7,000 gallons per month for residential uses, and the average summer use is 15,000 gallons per month with the addition of lawn sprinkling. This chart illustrates Chaska's 3% increase and compares it to the other City's 2015 rates without taking into account any rate changes they may make:



2016 Budget

Based on the changes described above, Water Fund Revenues for 2016 are estimated to be \$3,223,577 compared to the 2015 budget of \$3,208,673. 2014 and 2015 ended up having a relatively low usage of water due to very well-timed rains, as well as temperatures not getting above 90 degrees very often during both summers. This significantly impacts the amount of water usage we see in a given year, with our usage peaking in the summer with lawn irrigation. We are projecting a 1.1% increase in water usage for 2016. This lower projection in increase in water usage is due to the lower usage from weather we have seen over the past 2 years, and because we do not have as many new residential units being developed as during the early part of the last decade, which requires a significant amount of water to be utilized to irrigate new sod. Over the 5-year period, we are continuing to project a 1.10% increase in water usage each year, although we could see this number go up with some higher water users coming on-line with both Commercial/Industrial projects, and the increase in residential development. Based on this, the revenue projections are meant to be somewhat conservative.

The major categories of revenues and expenses in the Water Fund as compared to past years are presented below:

| Water | Actual 2013 | Actual 2014 | Budget 2015 | Budget 2016 | Change | % Change |
|-----------------|--------------------|--------------------|--------------------|--------------------|-----------------|--------------|
| Revenues | | | | | | |
| Metered | \$2,157,675 | \$2,046,229 | \$2,273,000 | \$2,228,000 | -\$45,000 | -1.98% |
| Other | \$417,240 | \$428,073 | \$334,725 | \$394,429 | \$59,704 | 17.84% |
| Transfers In | \$620,945 | \$618,445 | \$600,948 | \$601,148 | \$200 | 0.03% |
| Total | \$3,195,860 | \$3,092,747 | \$3,208,673 | \$3,223,577 | \$14,904 | 0.46% |
| Expenses | | | | | | |
| Pumping | \$523,068 | \$231,397 | \$438,226 | \$320,554 | -\$117,672 | -26.85% |
| Treatment | \$280,081 | \$258,610 | \$287,390 | \$282,061 | -\$5,329 | -1.85% |
| Distribution | \$591,951 | \$676,094 | \$689,899 | \$742,434 | \$52,535 | 7.61% |
| Administration | \$467,323 | \$527,217 | \$619,909 | \$508,027 | -\$111,882 | -18.05% |
| Depreciation | \$785,579 | \$744,218 | \$0 | \$0 | \$0 | 0.00% |
| Debt Service | \$375,350 | \$369,758 | \$1,216,546 | \$1,202,000 | -\$14,546 | -1.20% |
| Capital | \$0 | \$0 | \$5,200 | \$206,006 | \$200,806 | 3861.65% |
| Transfers Out | \$54,804 | \$55,000 | \$50,000 | \$55,400 | \$5,400 | 10.80% |
| Other | \$0 | -\$337,374 | \$0 | \$26,485 | \$26,485 | |
| Total | \$3,078,156 | \$2,524,920 | \$3,307,170 | \$3,342,967 | \$35,797 | 1.08% |

For 2016, we are projecting that we will generate \$2,228,000 in metered sales. This is down just slightly from the metered sales we budgeted in 2015 of \$2,273,000 due to looking at weather normalized averages of usage. We do expect to see some additional economic development activity in 2016, along with a continued increase in residential activity, with the new housing starts in our Southwest Chaska Growth area which if it is a more normal summer for heat and rain, we would expect to see our sales higher than projected.

Total water expenses for 2016 are programmed to be \$3,342,967. This compares with \$3,307,170 budgeted in 2015. Over the past three years, the major difference in expenses in the fund have come with the addition of our Automated Meter Reading Program installation, was completed at the end of this past summer. In early 2016, we will be focusing on completion of this overall project, as we install our new Utility Billing Software, which will allow us to be able to pull out and extrapolate more of the data we are able to get off of our new meter systems.

In addition to this, our normal maintenance activities are being funded for 2016, we do have \$220,000 scheduled for Tower and Well renovation for 2016, and an additional \$60,000 going toward work on our pressure reduction stations and our pipe corrosion program. All of this work is meant to make sure that we keep up on all maintenance activities to keep our system functioning properly into the future. We will also have a \$15,000 service fee added annually to implement a Software as a System (SAS) solution to our data server storage for our new AMI system, and will share a Backhoe purchase with the Sewer, Electric and Storm Sewer Departments (at a total of \$87,000), which we hope will allow us to do more repair work in-house and avoid contracting fees. Finally, in 2011 the full cost of the Water Treatment Plant Debt service was accounted for through the Water Operating fund at a cost of \$1,263,445. 50% of this comes through our rate revenue with the other 50% coming through a transfer from our Water Trunk Funds, which are supported through development. This continues in 2016.

Personnel Services:

Currently the Water and Sewer staffing consists of the Superintendent, Foreman and seven maintenance employees. The staffing level is recommended to remain unchanged for 2016, and throughout the entire 5-year planning horizon.

Based on this budget we are budgeting to see our fund balance stay relatively stable, as we are finishing up our AMR program and Utility Billing Software implementation and will no longer have cash going to fund this particular project.. However, over the 5-year planning horizon, we do see this fund starting to replenish its cash reserves again.

Sewer Fund

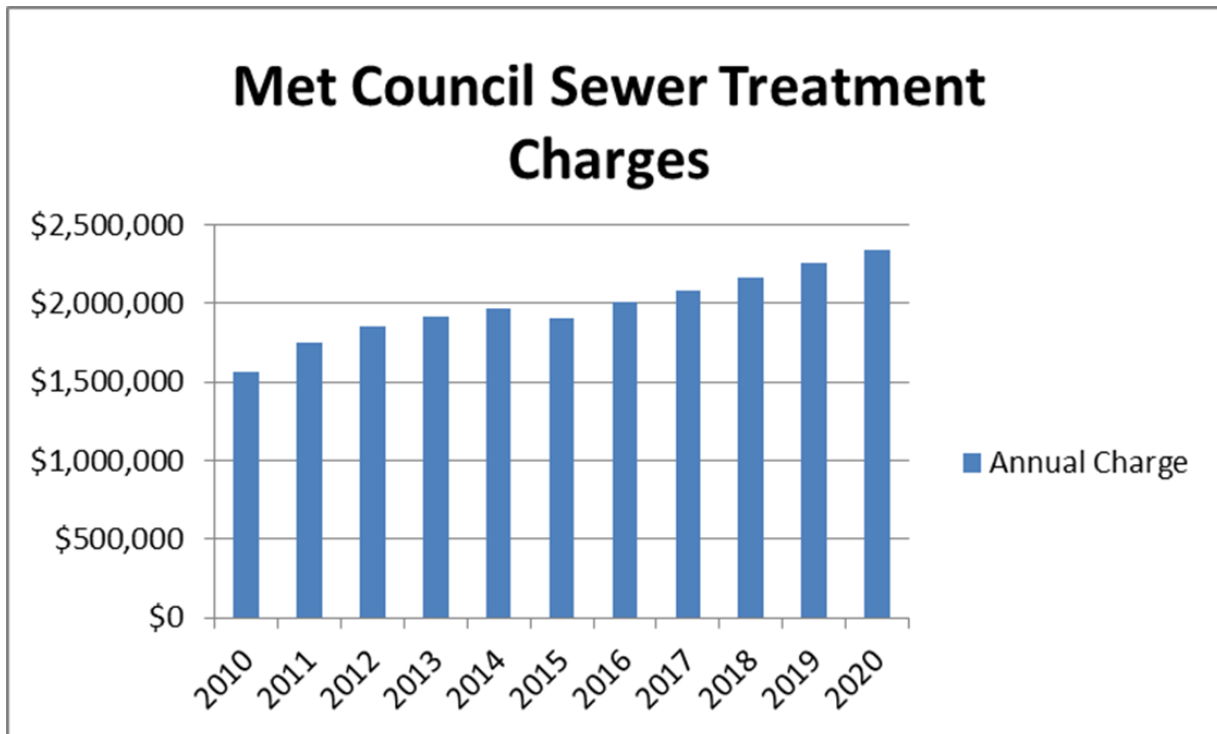
Sewer Fund revenues for 2016 are anticipated to be \$3,562,191 a 9.4% increase over the budget in 2015. This increase in revenue is due mainly to the increase in the number of large sewer customers we have added in our system over the past 3 years, such as Michael's Foods, the 212 Medical Center and its addition, as well as additions to existing Industrial businesses in our Industrial Park such as Beckman Coulter. The following table is a summary of anticipated revenues and expenses for 2016 relative to past years.

| Sewer | Actual 2013 | Actual 2014 | Budget 2015 | Budget 2016 | Change | % Change |
|-----------------|--------------------|--------------------|--------------------|--------------------|------------------|-----------|
| Revenues | | | | | | |
| Metered Sales | \$2,834,300 | \$3,147,057 | \$3,239,806 | \$3,535,300 | \$295,494 | 9% |
| Other Revenues | \$60,303 | \$55,770 | \$15,082 | \$26,891 | \$11,809 | 78% |
| Total | \$2,894,603 | \$3,202,827 | \$3,254,888 | \$3,562,191 | \$307,303 | 9% |
| Expenses | | | | | | |
| Pumping | \$17,956 | \$18,681 | \$23,331 | \$23,560 | \$229 | 1% |
| Treatment | \$1,920,448 | \$1,962,513 | \$1,908,248 | \$2,025,368 | \$117,120 | 6% |
| Collection | \$531,736 | \$513,417 | \$719,007 | \$736,255 | \$17,248 | 2% |
| Administration | \$416,433 | \$559,970 | \$649,487 | \$507,093 | -\$142,394 | -22% |
| Transfers Out | \$189,800 | \$115,000 | \$115,200 | \$115,400 | \$200 | 0% |
| Other | \$0 | \$0 | \$0 | \$232,491 | \$232,491 | |
| Total | \$3,076,373 | \$3,169,581 | \$3,415,273 | \$3,640,167 | \$224,894 | 7% |

Sales revenue is based on seeing a 5% increase in retail rates for 2016. Unlike other utility services we provide, we do know at the beginning of the year exactly what we will be charged by Metro Waste next year for treatment of our sewer, as it is a fixed cost based on past usage of the system. The amount Met Council will charge for 2016 is \$2,003,660. As in other years, any rate determination is based on looking at both our actual cost of treatment service from Metro Waste, and the increase we need in our own internal operations to meet our current and future operational needs. For 2016, we will see approximately a 5% increase in our actual treatment costs with Met Council and we do have increased cost pressures on our internal system, including the major investment we have just completed with the Automated Meter Reading Program. When recommending the rate change for 2016, we have to be cognizant not only of our costs for providing service, but also of how we build and keep a health cash balance in this fund to pay for future improvements needed in our system. For that reason, Staff is recommending the 5% increase in our retail rates for 2016.

Metro Waste treats all of the sewage for not only Chaska, but each of the Cities in the Twin Cities Metropolitan Service Area. It should be noted that in 2010, we saw Metro Waste rates increasing by 12.91% to Chaska to accommodate for increases they needed to consider for reduced growth in the Metro Area, and the need for Metro Waste to cover existing debt service costs for infrastructure built within the last decade. In 2010, they increased our retail rates by 7.93%. 2011 rate increases from Metro Waste were much less, requiring a 1.61% increase in rates to accommodate the

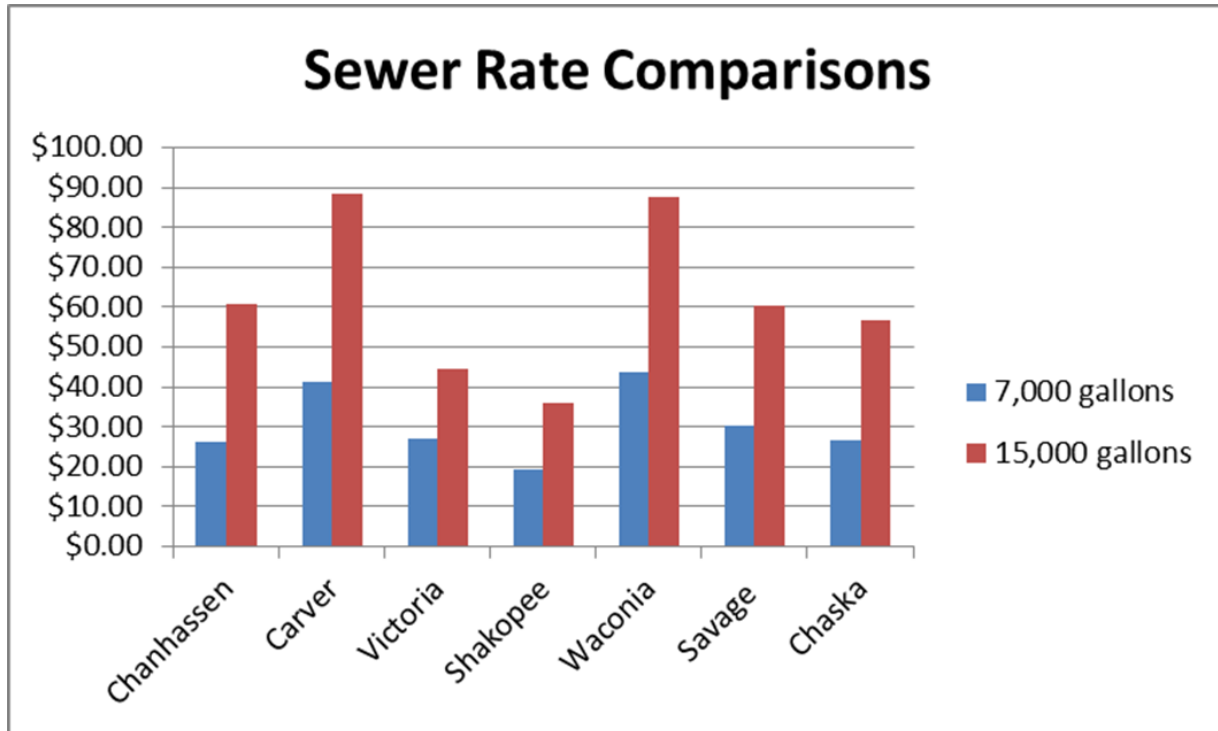
increase in costs we saw from Metro Waste. In 2012, we were able to keep a 0% increase in our Sewer Rates and still meet the financial obligations for the fund. For 2013 and 2014, we saw approximately a 5.4% increase annually to meet the changes in Met Council. And finally, in 2015, we experienced a 1.5% rate increase to accommodate the changes from Met Council. The proposed 5% increase in our retail rates for 2016 will accommodate both the changes we are seeing with our treatment costs at the Met Council, and the increased costs we have experienced at the City level in collecting this sewage. Below is a chart showing how our Metro Waste Charges have changed over time, and how we are planning for them to change over our planning horizon.



Expenses:

Sewer expenses are anticipated to be \$3,640,167 for 2016, an increase of 6.6% from 2015. While we did see the completion of the AMR System installation in 2015, which was funded out of Sewer Fund Reserves, there will continue to be capital improvements planned for in 2016 that will require continuing to make sure we fund our Sewer utility at the proper level to make sure that these improvements continue to occur on a timely basis. The Capital Improvements for 2016 will revolve around our regular maintenance activities for Inflow and Infiltration (I and I) and Lift Station schedule maintenance. Our allocation towards improvements in our I and I program are \$90,000 annually, with \$25,000 annually going towards our Lift Station annual maintenance program. As in our Water Utility, we will also be budgeting for the first time in 2016 annual payments of \$15,000 to purchase into a Software as a System (SAS) server to back up the data from our new AMI system.

Currently, Chaska’s sanitary sewer rates are very comparable to other cities in the metropolitan area, and in the southwest metro area in particular. Metro City sewer rates tend to be very similar from City to City since a significant portion of the monthly bill is based on the Metro Council sewer charges, which are based on the same costs from City to City. Below is a comparison of Chaska sewer rates to other surrounding cities for both winter and summer usage averages:



Personnel Services:

Currently, the Water and Sewer staff consists of the Superintendent, Foreman, and seven maintenance employees. These Staff members are the same as the Water Department, as they are utilized for both Water and Sewer functions. For 2016 it is recommended that the staffing levels remain unchanged. It should be noted that 50% of these personnel costs get charged to the water department, with the other 50% going to the sewer fund.

The only change we will see in the Sewer Fund for 2016 is the decrease of 50% of a position for the Inflow and Infiltration Inspector position. Over the past 5 years, the sewer fund has helped contribute towards the cost of having a Sump Pump Inspector to do inspections in homes and make sure that Storm Water is not being discharged directly into our Sanitary Sewer System, which causes us to pay for the expensive treatment of clean water. This position, over the past 5 years, has completed inspections of all homes in the City to make sure every home is in compliance with our ordinance. While we will in the future do some spot re-checks of sump pumps, to continue to make sure that residents meet this ordinance, since it does save a significant amount of money, the main focus of 50% of this position will go into Building Inspections to ensure we are able to keep to a reasonable time schedule to complete

inspection services in the City. This position will have 50% dedicated towards our Building Inspection Department, with the other 50% remaining with our Electric Department to help fund our Energy Auditing Functions. This position is currently occupied, and will be able to stay occupied with the same person as these building inspection functions are what was completed by this position prior to the economic downturn in 2009.

Equipment:

As mentioned previously, in 2015, our major initiative with the Automated Meter Reader Installation Program came to an end in 2015. The total contribution to this program over the past 3 years has been \$880,000, as it was in the Water Fund. Programs like this are one of the reasons that we try to carry the proper amount of cash balance forward in our Utility Funds to be able to handle these capital reinvestment projects needed to keep our system functional into the future.

In 2016, we would also continue to have \$110,000 contribution to our Street Reconstruction Program to address necessary sewer replacement in our system, which will include the reconstruction of roads going into our downtown commercial district on both sides of Highway 41. The Sewer Department would continue in 2016 with its normal maintenance programs such as lining our Sewer Lines that are in bad shape, working to reduce Inflow and Infiltration of Storm Water in our system, and with maintaining our lift stations on a regular basis. All of this work is done to be proactive on dealing with Sewer Maintenance before any one spot becomes an issue.

From an equipment standpoint, we do have scheduled the purchase of a backhoe that will be shared with Electric, Water and Storm Water (\$15,000 each). This will allow us over the long-run to be able to save money by doing digs into our system more efficiently. Also, as mentioned previously, we will have \$15,000 which will go towards the purchase of a SAS System to be able to have a "server in the sky" to be able to store and manage all of the new data we will be able to collect through our new AMI system.

Based on our total expenditures and revenues, we are budgeting that there is a increase of \$77,976 in the Sewer Fund for 2016. This increase will be made possible by having our large AMI project complete.

Electric Fund Budget

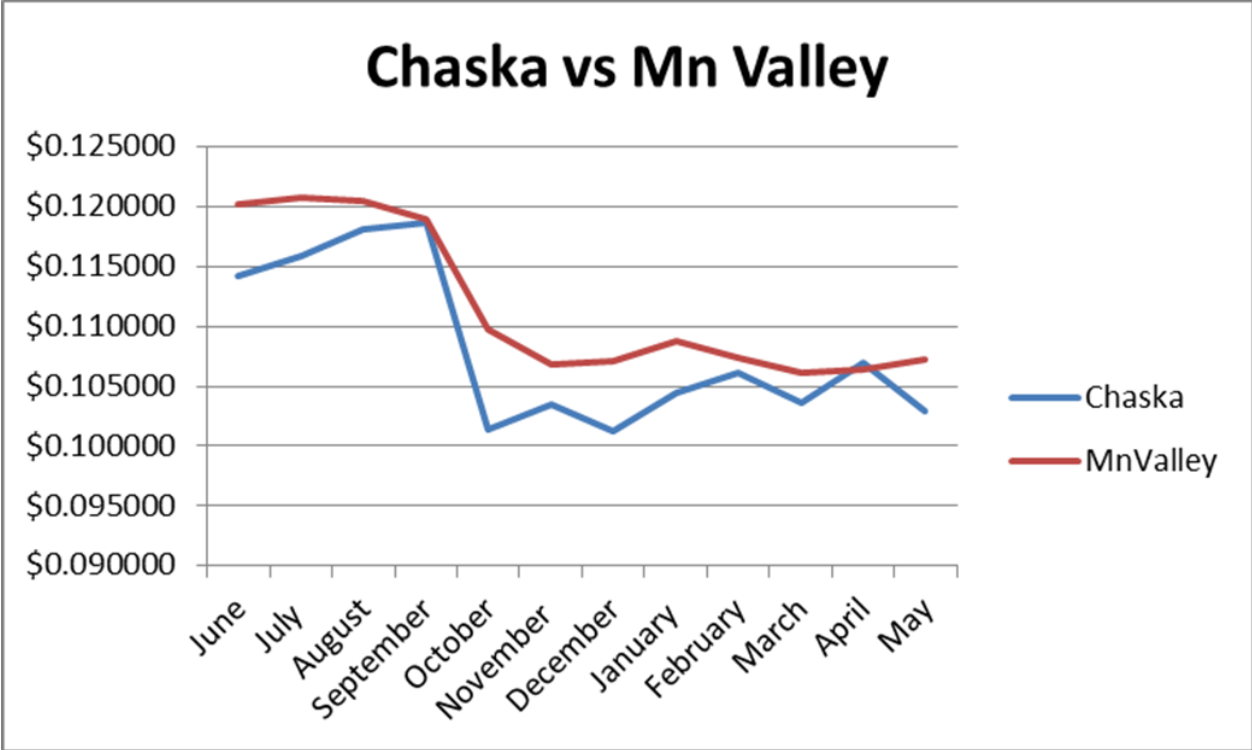
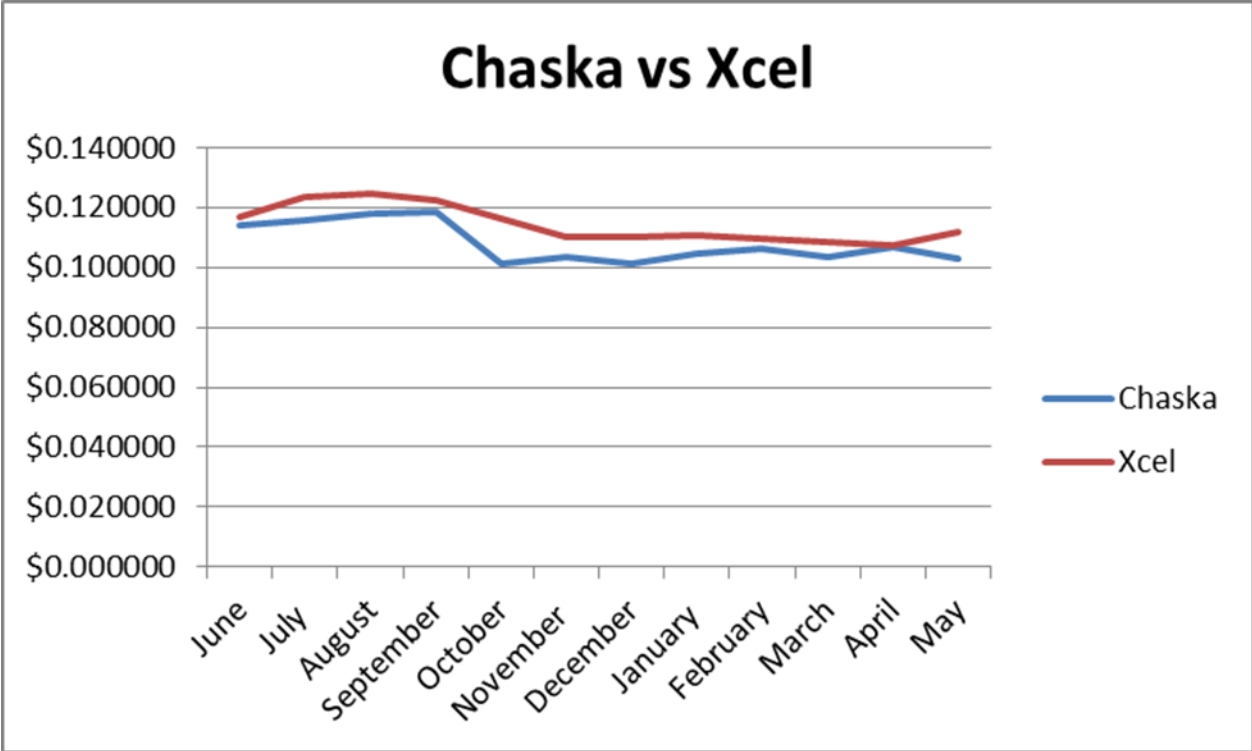
For 2016, Electric Fund revenues are anticipated to be \$32,862,140. This compares to the \$32,278,100 we had budgeted for revenue in 2015, an increase of 1.8%. As part of the 2016 budget process, as we have done the past couple of years, one of the items that Staff continued to look at is the affect that the new large users in our system will have on our overall electric sales, not only for 2016, but for the years included in our 5-year forecast. We will continue to see significant new growth in our commercial/industrial sales in 2016, as we see the new additions to existing Industrial businesses come on-line, and we continue to see the existing data centers increase in capacity. At the same time, we are also seeing residential development increase, which will also increase our usage. Below is a chart looking at our anticipated revenue for 2016.

| | Actual 2012 | Actual 2013 | Actual 2014 | Budget 2015 | Budget 2016 | Change | % Change |
|----------------|----------------|----------------|----------------|----------------|----------------|-----------|----------|
| Electric Sales | \$31,613,644 | \$34,044,736 | \$34,440,081 | \$32,258,000 | \$32,647,000 | \$389,000 | 1.21% |
| Other Revenue | \$387,838 | \$305,491 | \$1,167,155 | \$20,100 | \$215,140 | \$195,040 | 970.35% |
| Total Revenue | \$32,001,482 | \$34,350,227 | \$35,607,236 | \$32,278,100 | \$32,862,140 | \$584,040 | 1.81% |

To develop our 2016 revenue budget, we did utilize the following assumptions:

- Total retail rate increase increases of 2% in 2016 to accommodate for the wholesale power cost increase and capital improvements needed on our aging infrastructure
- Sales increases in 2016 of 4.49%
- A total of 150 residential units added in the community over the year
- Continued Economic Development activity will drive our overall sales up
- Normal weather
- Increase in wholesale power cost of .5-1.8%

The City's objective is to maintain electric rates that are competitive to Xcel Energy. As we have seen over the past 12 months, Chaska's residential rates have faired well compared to the market. Looking at 2015, we did see total bills for residential users that averaged over 6% lower than Xcel, and just over 3.2% lower than Minnesota Valley Electrical Cooperative. Much of this can be attributed to a more stable Natural Gas market over the past few years, than what we saw in 2008, when our total bills were averaging very close to Xcel's overall bill. Our Power Agency, MMPA, currently has most of their assets that are Natural Gas burning, which has resulted in lower costs, and has been able to attain grant financing to support our required renewable energy projects such as Oak Glen Wind Farm and the Hometown Bioenergy Project in Le Sueur, which has the energy from these sources priced very competitively. Xcel has continued to have to seek rate increases to support both their capital improvement projects due to aging facilities, and new renewable energy projects. Below is a graph showing our total residential bill compared to Xcel and Minnesota Valley in 2015:



As mentioned previously, we continue to expect that our overall bills will continue to be lower than Xcel, especially for our residential customers. This is based on the fact that Xcel not only received rate increases over the past few years, but will continue to experience upward pressures on costs due to having to improve aging infrastructure. This will have the effect of keeping our rates very competitive as we look at our main market competition.

Electric Fund expenses for 2016 are projected to be \$32,486,944 compared to \$32,276,147 in 2015, for a total increase of 0.7%. There are two primary factors driving expenses for 2016.

The first primary cost factor in our electric utility is the purchase of wholesale power from the Minnesota Municipal Power Agency. For 2016 we are anticipating that the Agency's wholesale rate will go up 0.5-1.8%. Based on projected wholesale power rates, but also the usage we project, we are anticipating that our total wholesale power costs for 2016 will be \$22,061,000 compared to the budget of \$22,392,000 in 2015. The decrease in projected purchase power is based on looking at the weather normalized average over the past few years, looking at what we have actually used compared to what we have programmed for use.

The other major factor is a significant amount of capital improvements scheduled to be completed in 2016, including work to start on developing our next needed substation which will be located in our North Industrial Park, and will need to be built over the next three year period to meet the increased load demands in our North Industrial Parks that we have seen as businesses have expanded in this area. There is \$700,000 programmed for System Improvement work in 2016. With the completion of our AMR System installation in 2015, just like in our Water and Sewer utilities, we will need to add a Software as a Service (SAS) server solution to be able to store all new data available off of our new system. This will have a \$15,000 annual cost to the Electric Utility. From an equipment standpoint, we do have scheduled the purchase of a backhoe that will be shared with Electric, Water/Sewer and Storm Water (\$15,000 each). This will allow us over the long-run to be able to save money by doing digs into our system more efficiently. Finally, we are scheduled to add one lineman position in 2016 to keep up with the growth that we are seeing in our former Chaska Township Area. This total is \$104,000 and was budgeted for a mid-2015 start. However, we determined at that time we did not need to add the position quite yet, but do anticipate we will need to add this position this year with the increased development activity in the City.

As the electric industry becomes more competitive, it is imperative that the City works closely with the power agency to assure that we are purchasing wholesale power at competitive rates. As we are seeing with the need for Xcel to raise their base rates again, and with their aging infrastructure that will need to be replaced in the future, it does appear that the agency will be well positioned to meet the needs of the City in the foreseeable future, while at the same time maintaining competitive rates.

At the same time, the Agency is positioning itself well to address the State's Renewable Energy Requirements initiatives, which will require us to have 25% of our energy generated from renewable sources by 2025. The Agency opened its Oak Glen Wind Farm in November of 2011, in South Central Minnesota, helping us to meet these initial requirements. This is a 42 MW generation facility, and helped us meet the 2012 requirements of the State mandates in renewable energy. The Agency has also now commissioned its Hometown Bioenergy Park in Le Sueur, MN, with this facility generating 8 MW of electricity using silage decomposition to support the generation of electricity. The Agency is also now looking at purchasing into another Wind Farm

facility in the State. The projects that were developed by the Agency were assisted through Federal Grants, helping keep the price of electricity generated from these plants competitive in the market. Work is continuing with the Agency to look at how we most cost-effectively meet our renewable requirements while continuing to keep our wholesale prices competitive. As the Agency works on this, they are also looking at how we continue to diversify our assets to make sure we have our renewable energy coming from a number of different sources.

Personnel:

Currently we have ten line workers, along with our Electric Director, Foreman, and Technical Support Staff serving this division. As mentioned previously, for 2016 we are recommending that we add our next Electric Lineman position, as we are seeing the need for this with the growth occurring in the Southwest Chaska Development Area. This position was budgeted for and scheduled for a mid-2015 start. However, it was determined that we could hold off until 2016 to actually fill the position. This will have a total cost for the position of \$104,000.

A transfer of \$100,000 is programmed from the Electric Fund to the Community Center as we have done in the past. This transfer is consistent with the funding program for the Community Center and is reflected in the Electric Fund. In addition to this, there will be an additional \$150,000 transfer to the CCC, which will help fund a portion of the new Community Center CIP program, and a \$180,000 contribution going towards the debt service of The Lodge Addition at the CCC.

Finally, as we discussed as part of the Firemen's Park Redevelopment and future large-scale community projects such as the City Square West Redevelopment, a "Community Building Fund" was created to help support development of large-scale community building projects in Chaska once every decade, while also considering the depreciation costs of these projects within this "Community Building Fund". While there are multiple sources of funding for this Fund, it is being recommended that \$600,000 continue to be budgeted annually from the Electric Fund to support this fund, to support the debt service for these projects being developed. In addition to this, in 1997 the City adopted a financing plan for the new Fire Station, including an annual transfer of \$300,000 from the Electric Fund to the Fire Station debt service. This debt service ended after 2015. It is being recommended that we continue to budget these dollars, but move them into the "Community Building Fund" now that the Fire Department Debt Service is fully paid. The hope with this fund is to utilize the Electric Fund like we have in the past to help support significant projects in our community, but to put some limitations around this so that it is limited to the funds we dedicate to this "Community Building Fund" and not just addressed on a project by project basis. This will help make sure that we are also not taking our focus off of the most significant responsibility of the Electric Fund, which is to provide reliable electric power to our customers across the City.

Debt Service:

In 2001 the City developed the new Minnesota River substation jointly with the gas turbine project. The Electric Fund share of the substation was \$2,281,000, which converts to annual debt payment of \$98,419. This will continue in 2016.

In addition to this debt, the Electric Fund will also have debt service of approximately \$260,000 annually to support the construction of the West Creek Substation, which was completed in the summer of 2012.

Based on this, the following would be the expenditures for 2016:

| | Actual 2012 | Actual 2013 | Actual 2014 | Budget 2015 | Budget 2016 | Change | % Change |
|-----------------|----------------|----------------|----------------|----------------|----------------|------------|----------|
| Purchased Power | \$22,544,128 | \$24,098,373 | \$24,930,768 | \$22,392,000 | \$22,061,000 | -\$331,000 | -1.48% |
| Franchise Fee | \$2,988,410 | \$3,101,430 | \$3,210,070 | \$3,331,000 | \$3,364,310 | \$33,310 | 1.00% |
| Operating Costs | \$3,685,397 | \$3,273,084 | \$3,522,785 | \$3,756,279 | \$4,450,114 | \$693,835 | 18.47% |
| Capital | \$0 | \$282,186 | \$0 | \$1,165,000 | \$700,000 | -\$465,000 | -39.91% |
| Debt | \$168,691 | \$303,560 | \$153,470 | \$365,968 | \$640,720 | \$274,752 | 75.08% |
| Transfer | \$287,000 | \$887,300 | \$741,600 | \$1,265,900 | \$1,270,800 | \$4,900 | 0.39% |
| Total | \$29,673,626 | \$31,945,933 | \$32,558,693 | \$32,276,147 | \$32,486,944 | \$210,797 | 0.65% |

Based on the budget as proposed, the Electric Fund would decrease slightly its overall fund balance for 2016, putting our fund balance at just over \$6 million at the end of 2016. It should be noted that with the AMI project completed and other system improvements completed in 2015, we would expect to see our cash balance increase over the 5-year period to approximately \$7 million by 2018.

Storm Water Fund Budget

In 2008, the City of Chaska created, by ordinance, a Storm Water Utility Fund to address the growing requirements of managing surface water runoff throughout the community. With the implementation of new MS4 Storm Water Management requirements at both the State and Federal level, the City of Chaska, along with other communities across the country, needed to look at their surface water management practices differently, and generate the resources necessary to complete all requirements of the new laws. Up until the point of creating a separate Storm Water Utility Fund, any activities that the City of Chaska completed with Storm Water Management were completed by the Public Works department utilizing General Fund resources. With the new statutory requirements, it was apparent that these resources would not be sufficient to complete all necessary activities.

As the City of Chaska established our Storm Water Utility Fund, the City identified a number of objectives to complete in this newest Enterprise Fund, including:

- Provide the necessary resources for the Storm Sewer Fund to assure continuation of quality services to customers
- Maintain rates comparable to other cities, while at the same time generating adequate cash reserves for replacement of existing capital, necessary maintenance on our system, and for emergencies
- Meet all of the new MS4 requirements for Storm Water Management, addressing changes in the requirements as they occur
- Assume that major capital additions to the collection system are not financed from rate revenue (these are financed through Trunk Funds paid through development)
- Move all Storm Water Management activities out of our General Fund, treating the management of our Storm Water System the same financially as our other Utility Enterprise Funds (i.e. Water/Sewer and Electric)

In 2008 when the Storm Water Utility Fund was created, the City identified all of the work that needed to be completed as part of the Storm Water management activities, to develop an estimate on what all of the work would cost on an annual basis, and what future costs would likely be for replacement of infrastructure in our system as it became deteriorated. From this estimate of present and future costs in our Storm Water system, the City developed a rate structure in 2008, charging residential property owners \$3 per month based on each residential parcel that they owned, and attributed a per acre fee to those Commercial/Industrial and undeveloped properties in the City, based on what each of these parcels was contributing for surface water to our overall system. Some of the major operations that these fees helped to fund included:

- Completing certification and maintenance of Chaska's Flood Control System
- Completing maintenance of our Storm Water treatment ponds across the City
- Completing Street Cleaning to keep surface water runoff as clean as possible

- Maintaining our ravine systems throughout the City
- Completing our MS4 reporting and maintenance requirements
- Monitoring development activities to ensure Storm Water runoff and treatment requirement both during construction and after development completed

With the Minnesota River Flood Control system, and the many ravine systems around the community, Chaska's Storm Water Management activities are often more complex than non-river communities. This especially became apparent during the early summer of 2014, as we experienced significant rains in a short period of time. While we did experience some localized issues in our Storm water system, which the 2015 budget addressed, our system in general worked very well, demonstrating the need to have a well maintained and properly functioning system.

2016 Revenues

When the initial fee was established in 2008, this fee was based on estimates that were developed to help complete each of the activities listed above. It was the intent that once we had the Storm Water Utility Fund fully up and running that we would come back and review our fee structure to determine if it had been set at the proper level. In 2012 it became clear that not only was our rate set too low to accommodate all of the activities that needed to be completed in this Fund and with future maintenance expenses, but that we were also very low compared to many of the surrounding cities who also have a Storm Water Utility Fund.

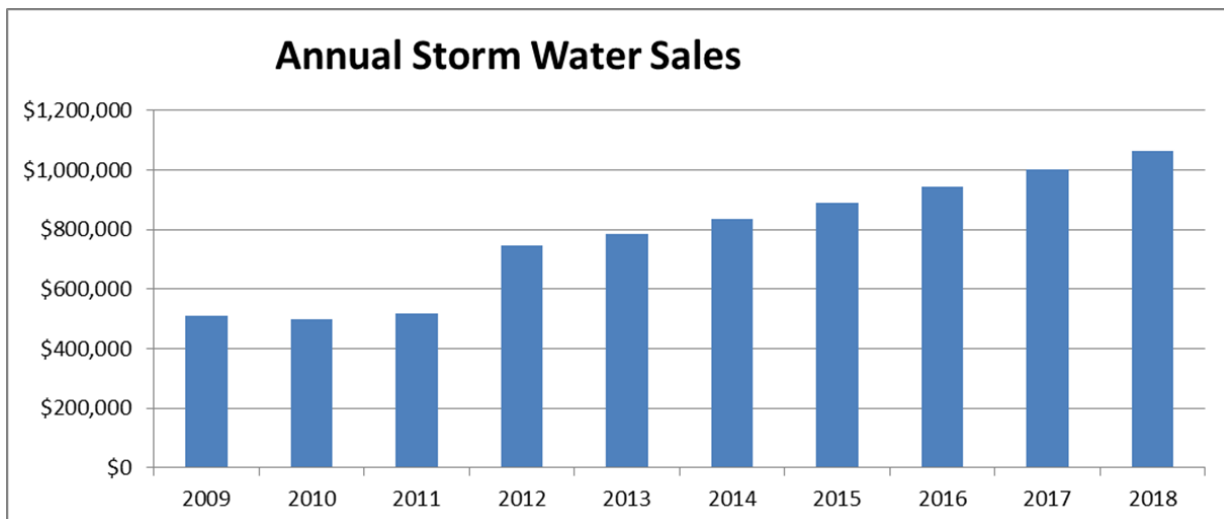
Based on what our actual costs are for Storm Water Management activities, and based on our low position in the cost of our Storm Water Fee, in 2012 it was approved to go up by \$1.50 per month, bringing it to \$4.50 per month, still below the area average. In 2013, this rate went up by \$0.25 to a total of \$4.75 per month. In 2014, this rate went up an additional 6%, which brought the total fee up to \$5.04 per residential lot, and in 2015 this rate went up by 6% to a total of \$5.35/month.

Based on continuing increases in the amount of Storm Water Work that municipalities are now required to take on, and especially because of large projects we will need to continue to undertake to deal with the storm water issues we did experience during the large rains of 2014, we are recommending that the rate increase again by 6%, which would bring it up by \$0.32 per month to a total of \$5.68 per month. This would bring total revenues in the Storm Water Fund to \$1,051,000 for 2016, which is a 16.1% increase from 2015. This increase is not due to a decrease in collections, but in a reflection that we have less dollars coming in from the Storm Water Trunk Fund (Area charges from development) going towards a specific project cost as we did in 2015 to address flooding issues from the summer of 2014. Below is a survey of the other area cities monthly Storm Water fees for 2015 compared to Chaska's proposed 2016 residential rate:

Stormwater Utility Rates

| | |
|--------------|--------|
| Shakopee | \$6.87 |
| Eden Prairie | \$9.10 |
| Carver | \$8.52 |
| Plymouth | \$5.30 |
| Minnetonka | \$6.29 |
| Chanhassen | \$3.35 |
| Buffalo | \$5.00 |
| Chaska | \$5.68 |
| | |
| Average | \$6.35 |

As can be seen in the survey above, Chaska's rate is lower than the average of \$6.35 per month in the area cities, with this being a representation of the rates in these cities during the 2015 budget year. It is also important to point out that our rate stays competitive, even though we are a "River community", which often creates additional work required to be completed compared to communities not located on a major water body. Based on this change to our rate structure, the following chart depicts what we can expect to see in revenue for not only 2016, but through the next 5-year period if we saw approximately a 6% increase in rates over each of the next 3 years:



2016 Expenditures

Within the Storm Water system, there are really two distinct types of activities that occur. There is the day-to-day maintenance of our Storm Water system, and there is the inspection and reporting work that is required as part of the MS4 changes. In 2015, we also added one other category to this work, which is system improvements that need to be completed to address issues that became apparent during the 2014 heavy rain and flooding event.

From a maintenance perspective, the City of Chaska does utilize our Public Works crew to support the maintenance activities of the fund. The time that they put into Storm Water maintenance functions is charged directly back to the Storm Water Fund. One change that we first saw in 2013, and will continue to see in 2016, is the addition of significant work to maintenance of our Flood Control Levy system. In 2012, the Army Corp of Engineers went through an inspection process to re-certify our levy. This inspection included new standards for levy maintenance that were not in affect at the time our Flood Control System was completed in the mid-1990s. One component of the work identified is the annual Rock Channel Weed/Brush control program. This is a program we will have to complete each year, and adds approximately \$30,000 annually to expenditures in our budget. The other items identified were one-time projects that needed to be completed, and which added \$50,000 of costs to our Storm Water Budget in both 2013 and 2014. In 2016, as planned, we will keep this \$50,000 in the budget, but reassign it to Pond Maintenance to be completed on a regular maintenance schedule of the storm water ponds we have scattered throughout the community. This was a change we implemented in 2015. This will be an on-going program, just as the Rock Channel Weed/Brush control program.

Another maintenance activity comes through the maintenance of our Storm Water system as part of our Street Reconstruction Program. To support these activities, the Storm Water Fund contributes \$200,000 annually to the Street Reconstruction program.

To be able to address the ever-increasing areas that we need to address through our Storm Water system, Staff is also recommending in the 2016 budget to increase our annual contribution for system improvements from \$80,000 per year to \$280,000 per year. As we look at the necessary activities coming up over the next several years, including the replacement of the 6th Street and Beech Street bridges, we will need to have this additional \$200,000 allocated to allow these improvement activities to be properly funded.

The functions of inspections and reporting are mainly completed through our Engineering Department and through contract Engineering services. For 2016, \$80,000 of the Storm Water Fund budget is dedicated to these activities, and is planned to be carried forward in each of the 5-year planning horizon. These activities help us to meet our MS4 requirements, as well as identify the priorities for what maintenance work we will have to complete over the next several years. It should be noted that the

Engineering Department did have one additional Staff resource budgeted for 2015 to address increased work load. This is an Engineering Technician position. While this position is budgeted within the General Fund, 25% of the funding for this position is scheduled to come from the Storm Water Fund to recognize the storm water work this position will be doing as part of their job requirements.

Finally, for equipment, the Storm Water Fund will be contributing \$15,000 towards the purchase of a backhoe being shared by the Water/Sewer and Electric Departments. Bringing this piece of equipment in-house will allow our Staff to do more of our necessary digging work "in-house" and avoid contractor costs, which will save the City money in the long-term.

Based on the changes to our rate structure and our budget to fund necessary activities in the Storm Water Management activities, below is a breakdown of the revenues and expenditures for 2016:

| | 2012 | 2013 | 2014 | 2015 | 2016 | | |
|--------------------------------|------------------|------------------|------------------|--------------------|--------------------|-------------------|-----------------|
| Revenues | Actual | Actual | Actual | Budget | Budget | Change | % Change |
| Sales | \$739,587 | \$782,000 | \$837,130 | \$1,250,500 | \$1,048,000 | -\$202,500 | -16.19% |
| Other | \$18,556 | \$2,000 | \$3,480 | \$2,000 | \$3,000 | \$1,000 | 50.00% |
| Total | \$758,143 | \$784,000 | \$840,610 | \$1,252,500 | \$1,051,000 | -\$201,500 | -16.09% |
| Expenditures | | | | | | | |
| Transfer Out (Street/Projects) | \$200,000 | \$228,861 | \$200,000 | \$709,000 | \$200,000 | -\$509,000 | -71.79% |
| Personnel | \$140,384 | \$110,981 | \$126,172 | \$142,989 | \$164,679 | \$21,690 | 15.17% |
| Supplies | \$56,327 | \$35,503 | \$45,582 | \$53,868 | \$60,854 | \$6,986 | 12.97% |
| Professional Services | \$255,122 | \$108,200 | \$185,914 | \$170,000 | \$170,000 | \$0 | 0.00% |
| Capital Outlay | \$0 | \$155,000 | \$49,000 | \$652,500 | \$257,500 | -\$395,000 | -60.54% |
| Administration | \$46,628 | \$52,784 | \$78,161 | \$100,958 | \$320,652 | \$219,694 | 217.61% |
| Utility Billing | \$19,249 | \$8,618 | \$17,016 | \$17,692 | \$22,500 | \$4,808 | 27.18% |
| Depreciation | \$0 | \$30,000 | \$0 | \$30,000 | \$0 | -\$30,000 | -100.00% |
| Other | \$70,880 | \$39,331 | \$34,816 | \$4,394 | \$79,764 | \$75,370 | 1715.29% |
| Total | \$788,590 | \$769,278 | \$736,661 | \$1,881,401 | \$1,275,949 | -\$605,452 | -32.18% |

As can be seen in the chart above, this fund has been a work in progress as different requirements have been implemented, and services have been changed from being charged to the General Fund to being charged to the Storm Water Utility. This budget does start to represent where the expenses and revenues in this Fund should be.

It should be noted that because of the improvements we need to complete this year because of the 2014 flooding activity, this did bring the fund into deficit in 2015. It is also these special projects that we had to do in 2015 because of the floods, and which we do not have to do in 2016, explains why there is such a difference between the amount of revenue coming in during 2016, and why expenditures are so much lower. While the fund will see one more year of slight decrease in fund balance, we do expect to see positive growth in 2017 and forward as this fund will start to stabilize on what annual expenditures we will have to make to take care of our system.

Adopted Budget Resolutions

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**CITY OF CHASKA
CARVER COUNTY, MINNESOTA**

RESOLUTION

DATE DECEMBER 21, 2015 **RESOLUTION NO.** 15-100

MOTION BY COUNCILMEMBER GEISLER **SECOND BY COUNCILMEMBER** ROHE

**A Resolution Adopting the Assessed 2015 Payable 2016 Property Tax Levies
and Adopting 2016 Fund Budgets**

WHEREAS, the City has conducted a public hearing on December 7, 2015 to receive comment from the public on the proposed 2016 Budget and the tax levies recommended therein; and,

WHEREAS, the City must certify to the County Auditor on or before December 28, 2015, property tax levies for assessed 2015 payable 2016.

NOW, THEREFORE, BE IT RESOLVED, that the following assessed 2015 payable 2016 property tax levies be adopted consistent with the 2016 Budget:

| Fund | Levy Amount |
|---------------------------------|--------------------|
| General Fund | \$4,412,927 |
| Equipment Acquisition Fund | 2,711,380 |
| Mt Pleasant Cemetery Fund | <u>6,000</u> |
| Total All City Operating Levies | 7,130,307 |
| Abatement District Levy | <u>167,697</u> |
| Total All City Levies | <u>\$7,298,004</u> |

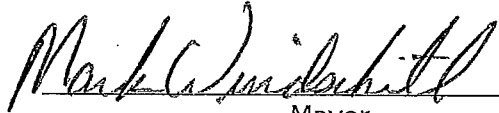
Total EDA Fund Levy, HRA Levy \$ 430,282

FURTHER, BE IT RESOLVED, that the following levy supported fund budgets and special revenue fund budgets be adopted:

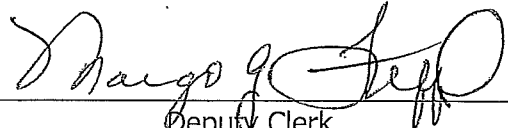
| Fund | Revenues and Other Sources | Expenditures and Other Uses | Fund Balance Reserves (Uses) |
|----------------------------|---------------------------------------|--|---|
| General Fund | \$ 14,074,193 | \$14,074,193 | \$ 0 |
| Equipment / Street Fund | 3,684,480 | 4,431,500 | (747,020) |
| Mt. Pleasant Cemetery Fund | <u>8,500</u> | <u>13,500</u> | <u>(5,000)</u> |
| Total City Funds | <u>\$17,767,173</u> | <u>\$18,519,193</u> | <u>\$(752,020)</u> |
| EDA Fund | <u>\$ 544,460</u> | <u>\$ 544,460</u> | <u>\$ 0</u> |

FURTHER, BE IT RESOLVED, that the City Clerk is directed to file these approved levies with the Carver County Auditor on or before December 28, 2015.

Passed and adopted by the City Council of the City of Chaska, Minnesota, this 21st day of December, 2015.



Mayor

Attest: 

Deputy Clerk

**CHASKA ECONOMIC DEVELOPMENT AUTHORITY
CARVER COUNTY, MINNESOTA**

RESOLUTION

DATE DECEMBER 21, 2015 RESOLUTION NO. EDA 15-09

MOTION BY COMMISSIONER SCHULZ SECOND BY COMMISSIONER ROHE

**Resolution Approving the 2016 EDA Budget and the
Assessed 2015 Payable 2016 EDA Property Tax Levy**

WHEREAS, the Executive Director's proposed 2016 EDA Budget recommends a Housing and Redevelopment Authority special benefit property tax levy in accordance with Minnesota State Statutes, Section 469.033, Subdivision 6; and,

WHEREAS, in accordance with Minnesota State Statutes, Section 469.033, Subdivision 6 the special benefit property tax shall be an amount approved by the City Council of the City of Chaska but shall not exceed 0.0185 percent of estimated market value of the City of Chaska; and,

WHEREAS, the City has conducted a public hearing on December 7, 2015 to receive comment from the public on the proposed 2016 Budget and the tax levies recommended therein including the proposed 2016 EDA Budget and the EDA tax levy recommended therein; and,

WHEREAS, the EDA must certify to the County Auditor on or before December 28, 2015, a property tax levy for assessed 2015 payable 2016.

NOW, THEREFORE, BE IT RESOLVED, that the following assessed 2015 payable 2016 property tax levy be adopted consistent with the 2016 Budget:

| Fund | Levy Amount |
|--------------------|--------------------|
| EDA Fund, HRA Levy | \$ 430,282 |

FURTHER, BE IT RESOLVED, that the following 2016 EDA special revenue fund budget be adopted:

| Fund | Revenues and Other Sources | Expenditures and Other Uses | Fund Balance Reserves (Uses) |
|-------------|---------------------------------------|--|---|
| EDA Fund | \$ 544,460 | \$ 544,460 | \$0 |

AND, FURTHER, BE IT RESOLVED, that the Executive Director of the EDA is directed to file the approved EDA levy with the Carver County Auditor on or before December 28, 2015.

Passed and adopted by the Economic Development Authority of the City of Chaska, Minnesota, this 21st day of December 2015.

Attest: Margo G. Juffo
Deputy Clerk

Mark W. Sundhill
President

**CITY OF CHASKA
CARVER COUNTY, MINNESOTA**

RESOLUTION

DATE JANUARY 4, 2016 **RESOLUTION NO.** 16-01

MOTION BY COUNCILMEMBER BOE **SECOND BY COUNCILMEMBER** GEISLER

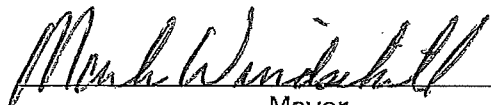
A Resolution Adopting 2016 Enterprise Fund Budgets

WHEREAS, the City Council has conducted a public hearing on December 21, 2015 to receive comment from the public on a proposed 2016 Budget.

NOW, THEREFORE, BE IT RESOVED, that the following 2016 Enterprise Fund Budgets be adopted:

| Fund | Revenues and Other Sources | Expenses and Other Uses | Net Increase (Decrease) |
|-------------------|---------------------------------------|------------------------------------|------------------------------------|
| Electric | \$32,862,140 | \$32,486,945 | \$375,195 |
| Water | 3,223,577 | 3,342,967 | (119,390) |
| Sanitary Sewer | 3,562,191 | 3,650,167 | (87,976) |
| Community Center | 3,776,266 | 3,832,301 | (56,035) |
| Par 30 | 172,700 | 165,296 | 7,404 |
| Town Course | 1,845,750 | 1,898,040 | (52,290) |
| Turbine | 2,590,403 | 2,386,145 | 204,258 |
| ISP (chaska.net) | 145,200 | 145,000 | 200 |
| Storm Water Mngt. | 1,051,000 | 1,275,949 | (224,949) |

Passed and adopted by the City Council of the City of Chaska, Minnesota, this 4th day of January, 2016.



Mayor

Attest: 

Deputy Clerk

Revenues and Other
Financing Sources

and

Expenditures/Expenses and
Other Financing Uses

by Fund

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General Fund

(Fund 101)

All Sources and All Uses

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City of Chaska
NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS

P 1
bgnyrpts

PROJECTION: 16101 2016 Budget Fund 101 General

FOR PERIOD 99

ACCOUNTS FOR:

| 101-General Fund | 2014 ACTUAL | 2015 ORIG BUD | 2015 REVISED BUD | 2015 ACTUAL | 2015 PROJECTION | 2016 5 Council | PCT CHANGE |
|------------------------|----------------|------------------|---------------------|----------------|--------------------|-------------------|---------------|
| 00 Unassigned | | | | | | | |
| General Fund | 9,220,903.40 | 10,101,357.00 | 10,101,357.00 | 9,496,864.27 | 9,431,373.00 | 11,015,436.00 | 9.0% |
| Unassigned | 9,220,903.40 | 10,101,357.00 | 10,101,357.00 | 9,496,864.27 | 9,431,373.00 | 11,015,436.00 | 9.0% |
| 10 General Government | | | | | | | |
| Council | 3,902.88 | .00 | .00 | 19,042.44 | .00 | .00 | .0% |
| Communication | 293,166.86 | 281,331.00 | 281,331.00 | 229,939.95 | 273,364.00 | 304,000.00 | 8.1% |
| Administration | 59,169.00 | 63,825.00 | 63,825.00 | 68,842.00 | 63,825.00 | 62,142.00 | -2.6% |
| AS:Finance | 58,186.30 | 28,961.00 | 28,961.00 | 35,261.92 | 28,687.00 | 23,360.00 | -19.3% |
| AS:IS | .00 | 200,000.00 | 200,000.00 | 149,698.56 | .00 | 400,000.00 | 100.0% |
| Community Development | 988,911.51 | 1,086,471.00 | 1,086,471.00 | 1,238,284.65 | 958,918.00 | 1,100,723.00 | 1.3% |
| Engineering | 39,908.00 | 125,179.00 | 125,179.00 | 88,260.00 | 34,489.00 | 127,882.00 | 2.2% |
| Govt Bldgs - 1 City Ha | 10,994.63 | 12,000.00 | 12,000.00 | 13,494.50 | 12,000.00 | 11,000.00 | -8.3% |
| Unallocated | 3,213.22 | .00 | .00 | 802.60 | .00 | .00 | .0% |
| General Government | 1,457,452.40 | 1,797,767.00 | 1,797,767.00 | 1,843,626.62 | 1,371,283.00 | 2,029,107.00 | 12.9% |
| 20 Public Safety | | | | | | | |
| Police | 460,135.79 | 396,097.00 | 392,597.00 | 403,198.85 | 386,982.00 | 385,362.00 | -1.8% |
| State DUI Stat 169A.63 | 9,695.00 | 10,000.00 | 10,000.00 | 24,853.24 | 10,000.00 | 10,000.00 | .0% |
| Forfeited Drug Propert | 8,809.02 | .00 | .00 | 721.50 | .00 | .00 | .0% |
| Fire | 257,595.26 | 208,008.00 | 208,008.00 | 251,035.10 | 200,746.00 | 219,316.00 | 5.4% |
| Public Safety | 736,235.07 | 614,105.00 | 610,605.00 | 679,808.69 | 597,728.00 | 614,678.00 | .7% |
| 30 Public Works | | | | | | | |
| 311 or 3110 PW Adminis | 157.45 | .00 | .00 | .00 | .00 | .00 | .0% |
| 312 or 3120 Street | 125,919.40 | 120,000.00 | 120,000.00 | 121,961.75 | 120,000.00 | 120,000.00 | .0% |
| 313 or 3130 Snow Remov | 4,315.00 | 2,000.00 | 2,000.00 | 1,295.00 | 2,000.00 | 2,000.00 | .0% |
| 314 or 3140 Sign Machi | 7,604.42 | 1,020.00 | 1,020.00 | 610.20 | 1,000.00 | 1,000.00 | -2.0% |
| Municipal Services Bui | 300.00 | .00 | .00 | .00 | .00 | .00 | .0% |
| Park Maintenance | 1,694.02 | .00 | .00 | 1,266.32 | .00 | .00 | .0% |
| ISD112 Grounds Maint | 93,293.96 | 100,935.00 | 100,935.00 | 99,397.98 | 98,956.00 | 99,472.00 | -1.4% |
| Tree Contol | 20,568.00 | 20,520.00 | 20,520.00 | 18,665.19 | 20,412.00 | 18,500.00 | -9.8% |
| Public Works | 253,852.25 | 244,475.00 | 244,475.00 | 243,196.44 | 242,368.00 | 240,972.00 | -1.4% |
| 50 Parks & Recreation | | | | | | | |

02/01/2016 10:02
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City of Chaska
NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS

P 2
bgnyrpts

PROJECTION: 16101 2016 Budget Fund 101 General

FOR PERIOD 99

ACCOUNTS FOR:

| 101-General Fund | 2014 ACTUAL | 2015 ORIG BUD | 2015 REVISED BUD | 2015 ACTUAL | 2015 PROJECTION | 2016 5 Council | PCT CHANGE |
|--|-----------------------|-----------------------|-----------------------|------------------|-----------------------|-------------------------|------------------|
| 511 or 5110 PRA Admin | 8,839.68 | 2,861.00 | 2,861.00 | 6,251.38 | 2,805.00 | 71,000.00 | 2381.6% |
| 521 or 5210 Youth | 16,564.57 | 15,300.00 | 15,300.00 | 18,918.90 | 15,000.00 | 17,000.00 | 11.1% |
| 523 or 5230 Adult | 16,191.63 | 11,730.00 | 11,730.00 | 17,562.71 | 11,500.00 | 16,000.00 | 36.4% |
| 524 or 5240 Firemens P Parks & Recreation | 5,594.08 47,189.96 | 7,140.00 37,031.00 | 7,140.00 37,031.00 | .00 42,732.99 | 7,000.00 36,305.00 | 70,000.00 174,000.00 | 880.4% 369.9% |
| TOTAL REVENUE | 11,715,633.08 | 12,794,735.00 | 12,791,235.00 | 12,306,229.01 | 11,679,057.00 | 14,074,193.00 | 10.0% |
| TOTAL EXPENSE | .00 | .00 | .00 | .00 | .00 | .00 | .0% |
| GRAND TOTAL | 11,715,633.08 | 12,794,735.00 | 12,791,235.00 | 12,306,229.01 | 11,679,057.00 | 14,074,193.00 | 10.0% |

** END OF REPORT - Generated by Noel Graczyk **

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City of Chaska
NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS

P 1
bgnyrpts

PROJECTION: 16101 2016 Budget Fund 101 General

FOR PERIOD 99

ACCOUNTS FOR:

| 101-General Fund | 2014 ACTUAL | 2015 ORIG BUD | 2015 REVISED BUD | 2015 ACTUAL | 2015 PROJECTION | 2016 5 Council | PCT CHANGE |
|------------------------|----------------|------------------|---------------------|----------------|--------------------|-------------------|---------------|
| 00 Unassigned | | | | | | | |
| General Fund | .00 | .00 | .00 | 4,000.00 | .00 | .00 | .0% |
| Unassigned | .00 | .00 | .00 | 4,000.00 | .00 | .00 | .0% |
| 10 General Government | | | | | | | |
| Council | 154,858.97 | 98,242.00 | 98,242.00 | 172,253.14 | 97,655.00 | 110,850.00 | 12.8% |
| Communication | 125,331.76 | 88,989.00 | 88,989.00 | 52,852.59 | 156,287.00 | 80,610.00 | -9.4% |
| Administration | 537,919.85 | 550,323.00 | 550,323.00 | 662,907.78 | 456,816.00 | 572,266.00 | 4.0% |
| Elections | 26,728.16 | 1,938.00 | 1,938.00 | 1,241.59 | 28,742.00 | 32,027.00 | 1552.6% |
| AS:Finance | 1,160,706.31 | 1,283,711.00 | 1,283,711.00 | 1,232,111.10 | 1,133,153.00 | 1,342,584.00 | 4.6% |
| AS:IS | 780,424.63 | 953,755.00 | 953,755.00 | 976,827.09 | 625,225.00 | 958,798.00 | .5% |
| Legal | 134,972.11 | 126,855.00 | 126,855.00 | 111,710.16 | 125,599.00 | 85,000.00 | -33.0% |
| Community Development | 817,129.05 | 878,614.00 | 878,614.00 | 845,280.87 | 836,346.00 | 922,447.00 | 5.0% |
| Engineering | 270,338.23 | 340,297.00 | 340,297.00 | 371,993.21 | 243,259.00 | 385,911.00 | 13.4% |
| Govt Bldgs - 1 City Ha | 215,210.82 | 218,670.00 | 218,670.00 | 232,713.14 | 216,504.00 | 220,850.00 | 1.0% |
| Unallocated | 1,174.00 | 251,000.00 | 251,000.00 | 39,675.53 | 100,000.00 | 132,930.00 | -47.0% |
| General Government | 4,224,793.89 | 4,792,394.00 | 4,792,394.00 | 4,699,566.20 | 4,019,586.00 | 4,844,273.00 | 1.1% |
| 20 Public Safety | | | | | | | |
| Police | 3,348,128.59 | 3,494,986.00 | 3,494,986.00 | 3,590,100.86 | 3,310,753.00 | 3,677,525.00 | 5.2% |
| State DUI Stat 169A.63 | 9,321.71 | 10,234.00 | 10,234.00 | 7,469.95 | 10,132.00 | 10,335.00 | 1.0% |
| Forfeited Drug Propert | 4,773.17 | .00 | .00 | 216.45 | .00 | .00 | .0% |
| Crime Prevention Progr | 1,010.11 | .00 | .00 | 668.00 | .00 | .00 | .0% |
| Fire | 1,144,632.40 | 1,156,411.00 | 1,156,411.00 | 1,204,527.04 | 1,100,841.00 | 1,209,890.00 | 4.6% |
| Civil Defense | 5,301.00 | 5,576.00 | 5,576.00 | 5,305.00 | 5,521.00 | 5,631.00 | 1.0% |
| Public Safety | 4,513,166.98 | 4,667,207.00 | 4,667,207.00 | 4,808,287.30 | 4,427,247.00 | 4,903,381.00 | 5.1% |
| 30 Public Works | | | | | | | |
| 311 or 3110 PW Adminis | 180,710.90 | 231,788.00 | 231,788.00 | 191,402.55 | 223,175.00 | 188,640.00 | -18.6% |
| 312 or 3120 Street | 1,202,779.88 | 1,297,926.00 | 1,297,926.00 | 1,145,723.72 | 1,308,433.00 | 2,001,168.00 | 54.2% |
| 313 or 3130 Snow Remov | 215,172.67 | 166,145.00 | 166,145.00 | 132,440.29 | 160,635.00 | 180,860.00 | 8.9% |
| 314 or 3140 Sign Machi | 11,010.69 | 14,201.00 | 14,201.00 | 9,925.30 | 14,060.00 | 14,342.00 | 1.0% |
| Municipal Services Bui | 161,863.24 | 172,599.00 | 172,599.00 | 148,828.43 | 170,890.00 | 174,317.00 | 1.0% |
| Park Maintenance | 815,619.74 | 797,253.00 | 797,253.00 | 915,161.91 | 749,910.00 | 891,141.00 | 11.8% |
| ISD112 Grounds Maint | 26,374.38 | 39,072.00 | 39,072.00 | 21,986.60 | 38,734.00 | 39,455.00 | 1.0% |
| Tree Contol | 27,815.21 | 25,796.00 | 25,796.00 | 14,058.24 | 25,540.00 | 26,051.00 | 1.0% |
| Public Works | 2,641,346.71 | 2,744,780.00 | 2,744,780.00 | 2,579,527.04 | 2,691,377.00 | 3,515,974.00 | 28.1% |
| 50 Parks & Recreation | | | | | | | |

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City of Chaska
NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS

P 2
bgnyrpts

PROJECTION: 16101 2016 Budget Fund 101 General

FOR PERIOD 99

ACCOUNTS FOR:

| 101-General Fund | 2014 ACTUAL | 2015 ORIG BUD | 2015 REVISED BUD | 2015 ACTUAL | 2015 PROJECTION | 2016 5 Council | PCT CHANGE |
|--|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|---------------|
| 511 or 5110 PRA Admin | 329,992.44 | 394,145.00 | 394,145.00 | 388,511.04 | 341,440.00 | 465,563.00 | 18.1% |
| 521 or 5210 Youth | 62,412.59 | 51,782.00 | 51,782.00 | 52,867.62 | 67,419.00 | 58,512.00 | 13.0% |
| 523 or 5230 Adult | 72,816.22 | 70,819.00 | 70,819.00 | 66,754.79 | 86,281.00 | 77,739.00 | 9.8% |
| 524 or 5240 Firemens P | 31,576.37 | 64,338.00 | 64,338.00 | 13,874.32 | 36,449.00 | 199,251.00 | 209.7% |
| 527 or 5270 Skating Ri Parks & Recreation | 9,232.75 506,030.37 | 9,270.00 590,354.00 | 9,270.00 590,354.00 | 7,689.95 529,697.72 | 9,258.00 540,847.00 | 9,500.00 810,565.00 | 2.5% 37.3% |
| TOTAL REVENUE | .00 | .00 | .00 | .00 | .00 | .00 | .0% |
| TOTAL EXPENSE | 11,885,337.95 | 12,794,735.00 | 12,794,735.00 | 12,621,078.26 | 11,679,057.00 | 14,074,193.00 | 10.0% |
| GRAND TOTAL | 11,885,337.95 | 12,794,735.00 | 12,794,735.00 | 12,621,078.26 | 11,679,057.00 | 14,074,193.00 | 10.0% |

** END OF REPORT - Generated by Noel Graczyk **

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City of Chaska
NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS

P 1
bgnyrpts

PROJECTION: 16101 2016 Budget Fund 101 General

FOR PERIOD 99

ACCOUNTS FOR:

101-General Fund

| | 2014 ACTUAL | 2015 ORIG BUD | 2015 REVISED BUD | 2015 ACTUAL | 2015 PROJECTION | 2016 5 Council | PCT CHANGE |
|---------------|----------------|------------------|---------------------|----------------|--------------------|-------------------|---------------|
| TOTAL REVENUE | -11,715,633.08 | -12,794,735.00 | -12,791,235.00 | -12,306,229.01 | -11,679,057.00 | -14,074,193.00 | 10.0% |
| TOTAL EXPENSE | 11,885,337.95 | 12,794,735.00 | 12,794,735.00 | 12,621,078.26 | 11,679,057.00 | 14,074,193.00 | 10.0% |
| GRAND TOTAL | 169,704.87 | .00 | 3,500.00 | 314,849.25 | .00 | .00 | -100.0% |

** END OF REPORT - Generated by Noel Graczyk **

Mount Pleasant Fund

(Fund 202)

All Sources and All Uses

02/01/2016 10:14
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City of Chaska
NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS

P 1
bgnyrpts

PROJECTION: 16202 2016 Budget Fund 202 Mt Pleasant

FOR PERIOD 99

ACCOUNTS FOR:

| 202-Mount Pleasant | 2014 ACTUAL | 2015 ORIG BUD | 2015 REVISED BUD | 2015 ACTUAL | 2015 PROJECTION | 2016 5 Council | PCT CHANGE |
|--------------------|----------------|------------------|---------------------|----------------|--------------------|-------------------|---------------|
| 00 Unassigned | | | | | | | |
| Mt Pleasant | 7,556.19 | 8,500.00 | 8,500.00 | 8,028.75 | 8,500.00 | 8,500.00 | .0% |
| Unassigned | 7,556.19 | 8,500.00 | 8,500.00 | 8,028.75 | 8,500.00 | 8,500.00 | .0% |
| TOTAL REVENUE | 7,556.19 | 8,500.00 | 8,500.00 | 8,028.75 | 8,500.00 | 8,500.00 | .0% |
| TOTAL EXPENSE | .00 | .00 | .00 | .00 | .00 | .00 | .0% |
| GRAND TOTAL | 7,556.19 | 8,500.00 | 8,500.00 | 8,028.75 | 8,500.00 | 8,500.00 | .0% |

** END OF REPORT - Generated by Noel Graczyk **

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City of Chaska
NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS

P 1
bgnyrpts

PROJECTION: 16202 2016 Budget Fund 202 Mt Pleasant

FOR PERIOD 99

ACCOUNTS FOR:

| 202-Mount Pleasant | 2014 ACTUAL | 2015 ORIG BUD | 2015 REVISED BUD | 2015 ACTUAL | 2015 PROJECTION | 2016 5 Council | PCT CHANGE |
|--------------------|----------------|------------------|---------------------|----------------|--------------------|-------------------|---------------|
| 30 Public Works | | | | | | | |
| Park Maintenance | 10,779.90 | 13,500.00 | 13,500.00 | 10,500.00 | 13,500.00 | 13,500.00 | .0% |
| Public Works | 10,779.90 | 13,500.00 | 13,500.00 | 10,500.00 | 13,500.00 | 13,500.00 | .0% |
| TOTAL REVENUE | .00 | .00 | .00 | .00 | .00 | .00 | .0% |
| TOTAL EXPENSE | 10,779.90 | 13,500.00 | 13,500.00 | 10,500.00 | 13,500.00 | 13,500.00 | .0% |
| GRAND TOTAL | 10,779.90 | 13,500.00 | 13,500.00 | 10,500.00 | 13,500.00 | 13,500.00 | .0% |

** END OF REPORT - Generated by Noel Graczyk **

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City of Chaska
NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS

P 1
bgnyrpts

PROJECTION: 16202 2016 Budget Fund 202 Mt Pleasant

FOR PERIOD 99

ACCOUNTS FOR:

202-Mount Pleasant

| | 2014 ACTUAL | 2015 ORIG BUD | 2015 REVISED BUD | 2015 ACTUAL | 2015 PROJECTION | 2016 5 Council | PCT CHANGE |
|---------------|----------------|------------------|---------------------|----------------|--------------------|-------------------|---------------|
| TOTAL REVENUE | -7,556.19 | -8,500.00 | -8,500.00 | -8,028.75 | -8,500.00 | -8,500.00 | .0% |
| TOTAL EXPENSE | 10,779.90 | 13,500.00 | 13,500.00 | 10,500.00 | 13,500.00 | 13,500.00 | .0% |
| GRAND TOTAL | 3,223.71 | 5,000.00 | 5,000.00 | 2,471.25 | 5,000.00 | 5,000.00 | .0% |

** END OF REPORT - Generated by Noel Graczyk **

Chaska EDA Fund

(Fund 251)

All Sources and All Uses

02/01/2016 10:16
8482ngra

City of Chaska
NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS

P 1
bgnyrpts

PROJECTION: 16251 2016 Budget Fund 251 EDA

FOR PERIOD 99

ACCOUNTS FOR:

| 251-Chaska EDA | 2014 ACTUAL | 2015 ORIG BUD | 2015 REVISED BUD | 2015 ACTUAL | 2015 PROJECTION | 2016 5 Council | PCT CHANGE |
|-------------------------|----------------|------------------|---------------------|----------------|--------------------|-------------------|---------------|
| 00 Unassigned | | | | | | | |
| Chaska EDA | 245,334.97 | 449,754.00 | 449,754.00 | 467,290.58 | 449,754.00 | 501,460.00 | 11.5% |
| Unassigned | 245,334.97 | 449,754.00 | 449,754.00 | 467,290.58 | 449,754.00 | 501,460.00 | 11.5% |
| 65 Economic Development | | | | | | | |
| Chaska EDA Admin | 5,200.00 | 6,000.00 | 6,000.00 | 2,000.00 | 6,000.00 | 5,200.00 | -13.3% |
| Peacock Inn | 26,400.00 | 26,400.00 | 26,400.00 | 26,400.00 | 26,400.00 | 26,400.00 | .0% |
| DEED-BDPI STATE GRANT | 257,929.00 | .00 | .00 | .00 | .00 | .00 | .0% |
| RiverGables Min.TIF No | .00 | .00 | .00 | 8,320.29 | .00 | .00 | .0% |
| HIA Dist Bavaria Crt | 42,752.23 | .00 | .00 | 15,265.86 | .00 | .00 | .0% |
| HIA Dist Burlington Pa | 66,506.02 | .00 | .00 | 50,194.28 | .00 | .00 | .0% |
| HIA Dist Burlington Pr | .00 | .00 | .00 | 36,864.67 | .00 | .00 | .0% |
| HIA District Bavaria C | .00 | .00 | .00 | 77,434.61 | .00 | .00 | .0% |
| HIA-Center Green Assn | .00 | .00 | .00 | 500.00 | .00 | .00 | .0% |
| Special Service Distri | .00 | .00 | .00 | 22,797.78 | .00 | 11,400.00 | .0% |
| Economic Development | 398,787.25 | 32,400.00 | 32,400.00 | 239,777.49 | 32,400.00 | 43,000.00 | 32.7% |
| TOTAL REVENUE | 644,122.22 | 482,154.00 | 482,154.00 | 707,068.07 | 482,154.00 | 544,460.00 | 12.9% |
| TOTAL EXPENSE | .00 | .00 | .00 | .00 | .00 | .00 | .0% |
| GRAND TOTAL | 644,122.22 | 482,154.00 | 482,154.00 | 707,068.07 | 482,154.00 | 544,460.00 | 12.9% |

** END OF REPORT - Generated by Noel Graczyk **

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City of Chaska
NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS

P 1
bgnyrpts

PROJECTION: 16251 2016 Budget Fund 251 EDA

FOR PERIOD 99

ACCOUNTS FOR:

| 251-Chaska EDA | 2014 ACTUAL | 2015 ORIG BUD | 2015 REVISED BUD | 2015 ACTUAL | 2015 PROJECTION | 2016 5 Council | PCT CHANGE |
|-------------------------|----------------|------------------|---------------------|----------------|--------------------|-------------------|---------------|
| 00 Unassigned | | | | | | | |
| Chaska EDA | .00 | .00 | .00 | 300,000.00 | .00 | 300,000.00 | .0% |
| Unassigned | .00 | .00 | .00 | 300,000.00 | .00 | 300,000.00 | .0% |
| 65 Economic Development | | | | | | | |
| Chaska EDA Admin | 882,822.37 | 522,467.00 | 522,467.00 | 736,139.90 | 522,467.00 | 227,660.00 | -56.4% |
| Peacock Inn | 16,800.00 | 26,400.00 | 26,400.00 | 75,608.12 | 26,400.00 | 16,800.00 | -36.4% |
| DEED-BDPI STATE GRANT | 257,929.00 | .00 | .00 | .00 | .00 | .00 | .0% |
| HIA Dist Bavaria Crt | 104,838.53 | .00 | .00 | 10,813.95 | .00 | .00 | .0% |
| HIA Dist Burlington Pa | 331,871.82 | .00 | .00 | .00 | .00 | .00 | .0% |
| HIA Dist Burlington Pr | .00 | .00 | .00 | 203,556.53 | .00 | .00 | .0% |
| HIA District Bavaria C | .00 | .00 | .00 | 617,922.80 | .00 | .00 | .0% |
| Special Service Distri | 32,294.01 | .00 | .00 | 30,928.67 | .00 | .00 | .0% |
| Economic Development | 1,626,555.73 | 548,867.00 | 548,867.00 | 1,674,969.97 | 548,867.00 | 244,460.00 | -55.5% |
| TOTAL REVENUE | .00 | .00 | .00 | .00 | .00 | .00 | .0% |
| TOTAL EXPENSE | 1,626,555.73 | 548,867.00 | 548,867.00 | 1,974,969.97 | 548,867.00 | 544,460.00 | -.8% |
| GRAND TOTAL | 1,626,555.73 | 548,867.00 | 548,867.00 | 1,974,969.97 | 548,867.00 | 544,460.00 | -.8% |

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City of Chaska
NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS

P 1
bgnyrpts

PROJECTION: 16251 2016 Budget Fund 251 EDA

FOR PERIOD 99

ACCOUNTS FOR:

| 251-Chaska EDA | 2014 ACTUAL | 2015 ORIG BUD | 2015 REVISED BUD | 2015 ACTUAL | 2015 PROJECTION | 2016 5 Council | PCT CHANGE |
|----------------|----------------|------------------|---------------------|----------------|--------------------|-------------------|---------------|
| TOTAL REVENUE | -644,122.22 | -482,154.00 | -482,154.00 | -707,068.07 | -482,154.00 | -544,460.00 | 12.9% |
| TOTAL EXPENSE | 1,626,555.73 | 548,867.00 | 548,867.00 | 1,974,969.97 | 548,867.00 | 544,460.00 | -.8% |
| GRAND TOTAL | 982,433.51 | 66,713.00 | 66,713.00 | 1,267,901.90 | 66,713.00 | .00 | -100.0% |

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Equipment Acquisition Fund

(Fund 448)

All Sources and All Uses

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City of Chaska
NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS

P 1
bgnyrpts

PROJECTION: 16448 2016 Budget Fund 448 Equipment Acquisition

FOR PERIOD 99

ACCOUNTS FOR:

| 448-Equipment Acquisition | 2014 ACTUAL | 2015 ORIG BUD | 2015 REVISED BUD | 2015 ACTUAL | 2015 PROJECTION | 2016 5 Council | PCT CHANGE |
|---------------------------|----------------|------------------|---------------------|----------------|--------------------|-------------------|---------------|
| 00 Unassigned | | | | | | | |
| Equipment Acquisition | 4,573,504.86 | 4,077,053.00 | 4,077,053.00 | 1,333,812.20 | 4,077,053.00 | 3,680,480.00 | -9.7% |
| Unassigned | 4,573,504.86 | 4,077,053.00 | 4,077,053.00 | 1,333,812.20 | 4,077,053.00 | 3,680,480.00 | -9.7% |
| 10 General Government | | | | | | | |
| Communication | .00 | 4,000.00 | 4,000.00 | 4,000.00 | 4,000.00 | 4,000.00 | .0% |
| Community Development | 1,656.00 | .00 | .00 | .00 | .00 | .00 | .0% |
| General Government | 1,656.00 | 4,000.00 | 4,000.00 | 4,000.00 | 4,000.00 | 4,000.00 | .0% |
| 20 Public Safety | | | | | | | |
| Police | 4,508.00 | .00 | .00 | .00 | .00 | .00 | .0% |
| Fire | 5,169.75 | .00 | .00 | 86,945.00 | .00 | .00 | .0% |
| Public Safety | 9,677.75 | .00 | .00 | 86,945.00 | .00 | .00 | .0% |
| TOTAL REVENUE | 4,584,838.61 | 4,081,053.00 | 4,081,053.00 | 1,424,757.20 | 4,081,053.00 | 3,684,480.00 | -9.7% |
| TOTAL EXPENSE | .00 | .00 | .00 | .00 | .00 | .00 | .0% |
| GRAND TOTAL | 4,584,838.61 | 4,081,053.00 | 4,081,053.00 | 1,424,757.20 | 4,081,053.00 | 3,684,480.00 | -9.7% |

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City of Chaska
NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS

P 1
bgnyrpts

PROJECTION: 16448 2016 Budget Fund 448 Equipment Acquisition

FOR PERIOD 99

ACCOUNTS FOR:

| 448-Equipment Acquisition | 2014 ACTUAL | 2015 ORIG BUD | 2015 REVISED BUD | 2015 ACTUAL | 2015 PROJECTION | 2016 5 Council | PCT CHANGE |
|--|-------------------|-------------------|---------------------|-------------------|--------------------|--------------------------|---------------|
| 00 Unassigned | | | | | | | |
| Equipment Acquisition | 1,023,287.00 | 2,617,435.00 | 2,617,435.00 | 409,791.00 | 2,617,435.00 | 2,684,000.00 | 2.5% |
| Unassigned | 1,023,287.00 | 2,617,435.00 | 2,617,435.00 | 409,791.00 | 2,617,435.00 | 2,684,000.00 | 2.5% |
| 10 General Government | | | | | | | |
| Communication | .00 | 4,000.00 | 4,000.00 | .00 | 4,000.00 | 4,000.00 | .0% |
| Administrative Service | 92,070.57 | 102,000.00 | 102,000.00 | 88,018.36 | 102,000.00 | 10,000.00 | -90.2% |
| Information Services | 19,335.40 | 269,000.00 | 269,000.00 | 25,487.16 | 269,000.00 | 486,000.00 | 80.7% |
| Community Development | 37,153.86 | .00 | .00 | .00 | .00 | .00 | .0% |
| Govt Bldgs - 1 City Ha General Government | .00 148,559.83 | .00 375,000.00 | .00 375,000.00 | .00 113,505.52 | .00 375,000.00 | 130,000.00 630,000.00 | .0% 68.0% |
| 20 Public Safety | | | | | | | |
| Police | 38,973.44 | 142,000.00 | 142,000.00 | 128,378.46 | 142,000.00 | 160,000.00 | 12.7% |
| Fire | 25,990.28 | 388,000.00 | 388,000.00 | 224,098.09 | 388,000.00 | 113,000.00 | -70.9% |
| Public Safety | 64,963.72 | 530,000.00 | 530,000.00 | 352,476.55 | 530,000.00 | 273,000.00 | -48.5% |
| 30 Public Works | | | | | | | |
| PW Administration | 145,244.88 | 829,500.00 | 829,500.00 | 635,626.57 | 829,500.00 | 844,500.00 | 1.8% |
| Public Works | 145,244.88 | 829,500.00 | 829,500.00 | 635,626.57 | 829,500.00 | 844,500.00 | 1.8% |
| 70 Debt Service | | | | | | | |
| Equipment Certificate | 43,327.98 | 20,000.00 | 20,000.00 | .00 | 20,000.00 | .00 | -100.0% |
| Debt Service | 43,327.98 | 20,000.00 | 20,000.00 | .00 | 20,000.00 | .00 | -100.0% |
| TOTAL REVENUE | .00 | .00 | .00 | .00 | .00 | .00 | .0% |
| TOTAL EXPENSE | 1,425,383.41 | 4,371,935.00 | 4,371,935.00 | 1,511,399.64 | 4,371,935.00 | 4,431,500.00 | 1.4% |
| GRAND TOTAL | 1,425,383.41 | 4,371,935.00 | 4,371,935.00 | 1,511,399.64 | 4,371,935.00 | 4,431,500.00 | 1.4% |

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City of Chaska
NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS

P 1
bgnyrpts

PROJECTION: 16448 2016 Budget Fund 448 Equipment Acquisition

FOR PERIOD 99

ACCOUNTS FOR:

| 448-Equipment Acquisition | 2014 ACTUAL | 2015 ORIG BUD | 2015 REVISED BUD | 2015 ACTUAL | 2015 PROJECTION | 2016 5 Council | PCT CHANGE |
|---------------------------|----------------|------------------|---------------------|----------------|--------------------|-------------------|---------------|
| TOTAL REVENUE | -4,584,838.61 | -4,081,053.00 | -4,081,053.00 | -1,424,757.20 | -4,081,053.00 | -3,684,480.00 | -9.7% |
| TOTAL EXPENSE | 1,425,383.41 | 4,371,935.00 | 4,371,935.00 | 1,511,399.64 | 4,371,935.00 | 4,431,500.00 | 1.4% |
| GRAND TOTAL | -3,159,455.20 | 290,882.00 | 290,882.00 | 86,642.44 | 290,882.00 | 747,020.00 | 156.8% |

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Electric Fund Fund

(Fund 601)

All Sources and All Uses

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City of Chaska
NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS

P 1
bgnyrpts

PROJECTION: 16601 2016 Budget Fund 601 Electric

FOR PERIOD 99

ACCOUNTS FOR:

| 601-Electric | 2014 ACTUAL | 2015 ORIG BUD | 2015 REVISED BUD | 2015 ACTUAL | 2015 PROJECTION | 2016 5 Council | PCT CHANGE |
|-------------------------------------|----------------|------------------|---------------------|----------------|--------------------|-------------------|---------------|
| 00 Unassigned | | | | | | | |
| Electric Unassigned | 35,592,477.22 | 32,258,000.00 | 32,258,000.00 | 34,276,592.18 | 32,258,000.00 | 32,850,140.00 | 1.8% |
| | 35,592,477.22 | 32,258,000.00 | 32,258,000.00 | 34,276,592.18 | 32,258,000.00 | 32,850,140.00 | 1.8% |
| 80 Enterprise Load Conservation | .00 | .00 | .00 | 4,050.12 | .00 | .00 | .0% |
| Administration Billing Enterprise | 14,704.39 | 20,100.00 | 20,100.00 | 12,254.02 | 20,100.00 | 12,000.00 | -40.3% |
| | 14,704.39 | 20,100.00 | 20,100.00 | 16,304.14 | 20,100.00 | 12,000.00 | -40.3% |
| 90 Non Operating | | | | | | | |
| West Creek Substation-Non Operating | 54.35 | .00 | .00 | 52.01 | .00 | .00 | .0% |
| | 54.35 | .00 | .00 | 52.01 | .00 | .00 | .0% |
| TOTAL REVENUE | 35,607,235.96 | 32,278,100.00 | 32,278,100.00 | 34,292,948.33 | 32,278,100.00 | 32,862,140.00 | 1.8% |
| TOTAL EXPENSE | .00 | .00 | .00 | .00 | .00 | .00 | .0% |
| GRAND TOTAL | 35,607,235.96 | 32,278,100.00 | 32,278,100.00 | 34,292,948.33 | 32,278,100.00 | 32,862,140.00 | 1.8% |

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City of Chaska
NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS

P 1
bgnyrpts

PROJECTION: 16601 2016 Budget Fund 601 Electric

FOR PERIOD 99

ACCOUNTS FOR:

| 601-Electric | 2014 ACTUAL | 2015 ORIG BUD | 2015 REVISED BUD | 2015 ACTUAL | 2015 PROJECTION | 2016 5 Council | PCT CHANGE |
|-------------------------|----------------|------------------|---------------------|----------------|--------------------|-------------------|---------------|
| 00 Unassigned | | | | | | | |
| Electric Unassigned | 741,600.01 | 1,265,900.00 | 1,265,900.00 | 1,342,400.00 | 1,265,900.00 | 1,270,800.00 | .4% |
| | 741,600.01 | 1,265,900.00 | 1,265,900.00 | 1,342,400.00 | 1,265,900.00 | 1,270,800.00 | .4% |
| 80 Enterprise | | | | | | | |
| Product/Production | 24,930,768.26 | 22,392,000.00 | 22,392,000.00 | 24,864,416.77 | 22,392,000.00 | 22,061,000.00 | -1.5% |
| Transmission/Distrib/C | 1,703,063.80 | 2,915,688.00 | 2,915,688.00 | 1,876,556.96 | 2,915,688.00 | 2,555,425.00 | -12.4% |
| Load Conservation | 471,052.29 | 520,500.00 | 520,500.00 | 502,013.05 | 520,500.00 | 526,695.00 | 1.2% |
| Administration Sys | 960,081.10 | 1,149,024.00 | 1,149,024.00 | 1,573,135.33 | 1,149,024.00 | 1,738,605.00 | 51.3% |
| Administration Billing | 342,184.66 | 336,067.00 | 336,067.00 | 384,071.86 | 336,067.00 | 329,389.00 | -2.0% |
| Franchise Fee | 3,210,070.00 | 3,331,000.00 | 3,331,000.00 | 2,815,000.00 | 3,331,000.00 | 3,364,310.00 | 1.0% |
| Depreciation Enterprise | 763,150.16 | .00 | .00 | .00 | .00 | .00 | .0% |
| | 32,380,370.27 | 30,644,279.00 | 30,644,279.00 | 32,015,193.97 | 30,644,279.00 | 30,575,424.00 | -.2% |
| 90 Non Operating | | | | | | | |
| Bluff Creek Substation | .00 | .00 | .00 | .00 | .00 | .00 | .0% |
| Minnesota River Substa | .00 | .00 | .00 | .00 | .00 | .00 | .0% |
| AMI Project | -716,747.15 | .00 | .00 | 196,041.70 | .00 | 181,320.00 | .0% |
| Non-Oprt Dbt Srv Propr | 153,470.00 | 365,968.00 | 365,968.00 | 150,110.00 | 365,968.00 | 459,401.00 | 25.5% |
| Non Operating | -563,277.15 | 365,968.00 | 365,968.00 | 346,151.70 | 365,968.00 | 640,721.00 | 75.1% |
| TOTAL REVENUE | .00 | .00 | .00 | .00 | .00 | .00 | .0% |
| TOTAL EXPENSE | 32,558,693.13 | 32,276,147.00 | 32,276,147.00 | 33,703,745.67 | 32,276,147.00 | 32,486,945.00 | .7% |
| GRAND TOTAL | 32,558,693.13 | 32,276,147.00 | 32,276,147.00 | 33,703,745.67 | 32,276,147.00 | 32,486,945.00 | .7% |

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City of Chaska
NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS

P 1
bgnyrpts

PROJECTION: 16601 2016 Budget Fund 601 Electric

FOR PERIOD 99

ACCOUNTS FOR:

| 601-Electric | 2014 ACTUAL | 2015 ORIG BUD | 2015 REVISED BUD | 2015 ACTUAL | 2015 PROJECTION | 2016 5 Council | PCT CHANGE |
|---------------|----------------|------------------|---------------------|----------------|--------------------|-------------------|---------------|
| TOTAL REVENUE | -35,607,235.96 | -32,278,100.00 | -32,278,100.00 | -34,292,948.33 | -32,278,100.00 | -32,862,140.00 | 1.8% |
| TOTAL EXPENSE | 32,558,693.13 | 32,276,147.00 | 32,276,147.00 | 33,703,745.67 | 32,276,147.00 | 32,486,945.00 | .7% |
| GRAND TOTAL | -3,048,542.83 | -1,953.00 | -1,953.00 | -589,202.66 | -1,953.00 | -375,195.00 | .0% |

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Water Fund Fund

(Fund 602)

All Sources and All Uses

02/01/2016 10:26
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City of Chaska
NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS

P 1
bgnyrpts

PROJECTION: 16602 2016 Budget Fund 602 Water

FOR PERIOD 99

ACCOUNTS FOR:

| 602-Water | 2014 ACTUAL | 2015 ORIG BUD | 2015 REVISED BUD | 2015 ACTUAL | 2015 PROJECTION | 2016 5 Council | PCT CHANGE |
|------------------------|----------------|------------------|---------------------|----------------|--------------------|-------------------|---------------|
| 00 Unassigned | | | | | | | |
| Water | 3,049,750.10 | 3,208,673.00 | 3,181,073.00 | 3,085,892.38 | 3,208,673.00 | 3,190,577.00 | .3% |
| Unassigned | 3,049,750.10 | 3,208,673.00 | 3,181,073.00 | 3,085,892.38 | 3,208,673.00 | 3,190,577.00 | .3% |
| 80 Enterprise | | | | | | | |
| Old Water Treatment Pl | 30,496.50 | .00 | 27,600.00 | 33,433.00 | .00 | 33,000.00 | 19.6% |
| Enterprise | 30,496.50 | .00 | 27,600.00 | 33,433.00 | .00 | 33,000.00 | 19.6% |
| 90 Non Operating | | | | | | | |
| AMI Project | 12,500.00 | .00 | .00 | 17,148.35 | .00 | .00 | .0% |
| Non Operating | 12,500.00 | .00 | .00 | 17,148.35 | .00 | .00 | .0% |
| TOTAL REVENUE | 3,092,746.60 | 3,208,673.00 | 3,208,673.00 | 3,136,473.73 | 3,208,673.00 | 3,223,577.00 | .5% |
| TOTAL EXPENSE | .00 | .00 | .00 | .00 | .00 | .00 | .0% |
| GRAND TOTAL | 3,092,746.60 | 3,208,673.00 | 3,208,673.00 | 3,136,473.73 | 3,208,673.00 | 3,223,577.00 | .5% |

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02/01/2016 10:26
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City of Chaska
NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS

P 1
bgnyrpts

PROJECTION: 16602 2016 Budget Fund 602 Water

FOR PERIOD 99

ACCOUNTS FOR:

| 602-Water | 2014 ACTUAL | 2015 ORIG BUD | 2015 REVISED BUD | 2015 ACTUAL | 2015 PROJECTION | 2016 5 Council | PCT CHANGE |
|-------------------------|----------------|------------------|---------------------|----------------|--------------------|-------------------|---------------|
| 00 Unassigned | | | | | | | |
| Water | 55,000.00 | 55,200.00 | 55,200.00 | 55,200.00 | 55,200.00 | 55,400.00 | .4% |
| Unassigned | 55,000.00 | 55,200.00 | 55,200.00 | 55,200.00 | 55,200.00 | 55,400.00 | .4% |
| 80 Enterprise | | | | | | | |
| Pumping | 231,396.91 | 438,226.00 | 438,226.00 | 593,259.22 | 438,226.00 | 320,554.00 | -26.9% |
| Water Treatment | 258,610.04 | 287,390.00 | 287,390.00 | 258,010.17 | 287,390.00 | 282,061.00 | -1.9% |
| Transmission/Distrib/C | 676,094.05 | 689,899.00 | 689,899.00 | 628,891.41 | 689,899.00 | 742,434.00 | 7.6% |
| Administration Sys | 394,851.86 | 483,820.00 | 483,820.00 | 360,732.89 | 483,820.00 | 379,099.00 | -21.6% |
| Administration Billing | 132,365.46 | 136,089.00 | 136,089.00 | 136,800.54 | 136,089.00 | 128,928.00 | -5.3% |
| Water Treatment Plant | .00 | .00 | .00 | 129.00 | .00 | .00 | .0% |
| Old Water Treatment Pl | 13,929.74 | .00 | .00 | 1,345.06 | .00 | .00 | .0% |
| Depreciation | 744,217.55 | .00 | .00 | .00 | .00 | .00 | .0% |
| Enterprise | 2,451,465.61 | 2,035,424.00 | 2,035,424.00 | 1,979,168.29 | 2,035,424.00 | 1,853,076.00 | -9.0% |
| 90 Non Operating | | | | | | | |
| AMI Project | -351,303.59 | .00 | .00 | 68,740.04 | .00 | 232,491.00 | .0% |
| Non-Opert Dbt Srv Propr | 369,757.52 | 1,216,546.00 | 1,216,546.00 | 381,633.96 | 1,216,546.00 | 1,202,000.00 | -1.2% |
| Non Operating | 18,453.93 | 1,216,546.00 | 1,216,546.00 | 450,374.00 | 1,216,546.00 | 1,434,491.00 | 17.9% |
| TOTAL REVENUE | .00 | .00 | .00 | .00 | .00 | .00 | .0% |
| TOTAL EXPENSE | 2,524,919.54 | 3,307,170.00 | 3,307,170.00 | 2,484,742.29 | 3,307,170.00 | 3,342,967.00 | 1.1% |
| GRAND TOTAL | 2,524,919.54 | 3,307,170.00 | 3,307,170.00 | 2,484,742.29 | 3,307,170.00 | 3,342,967.00 | 1.1% |

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City of Chaska
NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS

P 1
bgnyrpts

PROJECTION: 16602 2016 Budget Fund 602 Water

FOR PERIOD 99

ACCOUNTS FOR:

602-Water

| | 2014 ACTUAL | 2015 ORIG BUD | 2015 REVISED BUD | 2015 ACTUAL | 2015 PROJECTION | 2016 5 Council | PCT CHANGE |
|---------------|----------------|------------------|---------------------|----------------|--------------------|-------------------|---------------|
| TOTAL REVENUE | -3,092,746.60 | -3,208,673.00 | -3,208,673.00 | -3,136,473.73 | -3,208,673.00 | -3,223,577.00 | .5% |
| TOTAL EXPENSE | 2,524,919.54 | 3,307,170.00 | 3,307,170.00 | 2,484,742.29 | 3,307,170.00 | 3,342,967.00 | 1.1% |
| GRAND TOTAL | -567,827.06 | 98,497.00 | 98,497.00 | -651,731.44 | 98,497.00 | 119,390.00 | 21.2% |

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Sewer Fund Fund

(Fund 603)

All Sources and All Uses

02/01/2016 10:27
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City of Chaska
NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS

P 1
bgnyrpts

PROJECTION: 16603 2016 Budget Fund 603 Sewer

FOR PERIOD 99

ACCOUNTS FOR:

| 603-Sewer | 2014 ACTUAL | 2015 ORIG BUD | 2015 REVISED BUD | 2015 ACTUAL | 2015 PROJECTION | 2016 5 Council | PCT CHANGE |
|------------------|----------------|------------------|---------------------|----------------|--------------------|-------------------|---------------|
| 00 Unassigned | | | | | | | |
| Sewer | 3,190,327.32 | 3,254,888.00 | 3,254,888.00 | 3,119,164.26 | 3,254,888.00 | 3,562,191.00 | 9.4% |
| Unassigned | 3,190,327.32 | 3,254,888.00 | 3,254,888.00 | 3,119,164.26 | 3,254,888.00 | 3,562,191.00 | 9.4% |
| 90 Non Operating | | | | | | | |
| Proj Code - Divn | 12,500.00 | .00 | .00 | 17,148.34 | .00 | .00 | .0% |
| Non Operating | 12,500.00 | .00 | .00 | 17,148.34 | .00 | .00 | .0% |
| TOTAL REVENUE | 3,202,827.32 | 3,254,888.00 | 3,254,888.00 | 3,136,312.60 | 3,254,888.00 | 3,562,191.00 | 9.4% |
| TOTAL EXPENSE | .00 | .00 | .00 | .00 | .00 | .00 | .0% |
| GRAND TOTAL | 3,202,827.32 | 3,254,888.00 | 3,254,888.00 | 3,136,312.60 | 3,254,888.00 | 3,562,191.00 | 9.4% |

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02/01/2016 10:28
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City of Chaska
NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS

P 1
bgnyrpts

PROJECTION: 16603 2016 Budget Fund 603 Sewer

FOR PERIOD 99

ACCOUNTS FOR:

| 603-Sewer | 2014 ACTUAL | 2015 ORIG BUD | 2015 REVISED BUD | 2015 ACTUAL | 2015 PROJECTION | 2016 5 Council | PCT CHANGE |
|-------------------------|----------------|------------------|---------------------|----------------|--------------------|-------------------|---------------|
| 00 Unassigned | | | | | | | |
| Sewer | 115,000.00 | 115,200.00 | 115,200.00 | 115,200.00 | 115,200.00 | 115,400.00 | .2% |
| Unassigned | 115,000.00 | 115,200.00 | 115,200.00 | 115,200.00 | 115,200.00 | 115,400.00 | .2% |
| 80 Enterprise | | | | | | | |
| Pumping | 18,681.06 | 23,331.00 | 23,331.00 | 12,818.84 | 23,331.00 | 23,560.00 | 1.0% |
| Water Treatment | 1,962,513.12 | 1,908,248.00 | 1,908,248.00 | 1,908,248.04 | 1,908,248.00 | 2,025,368.00 | 6.1% |
| Transmission/Distrib/C | 513,416.89 | 719,007.00 | 719,007.00 | 628,335.01 | 719,007.00 | 746,255.00 | 3.8% |
| Administration Sys | 422,462.44 | 513,586.00 | 513,586.00 | 390,568.97 | 513,586.00 | 378,354.00 | -26.3% |
| Administration Billing | 137,508.23 | 135,901.00 | 135,901.00 | 141,804.86 | 135,901.00 | 128,739.00 | -5.3% |
| Depreciation | 52,642.63 | .00 | .00 | .00 | .00 | .00 | .0% |
| Enterprise | 3,107,224.37 | 3,300,073.00 | 3,300,073.00 | 3,081,775.72 | 3,300,073.00 | 3,302,276.00 | .1% |
| 90 Non Operating | | | | | | | |
| Proj Code - Divn | -351,303.59 | .00 | .00 | 68,745.98 | .00 | 232,491.00 | .0% |
| Non-Opert Dbt Srv Propr | .00 | .00 | .00 | 32,032.93 | .00 | .00 | .0% |
| Non Operating | -351,303.59 | .00 | .00 | 100,778.91 | .00 | 232,491.00 | .0% |
| TOTAL REVENUE | .00 | .00 | .00 | .00 | .00 | .00 | .0% |
| TOTAL EXPENSE | 2,870,920.78 | 3,415,273.00 | 3,415,273.00 | 3,297,754.63 | 3,415,273.00 | 3,650,167.00 | 6.9% |
| GRAND TOTAL | 2,870,920.78 | 3,415,273.00 | 3,415,273.00 | 3,297,754.63 | 3,415,273.00 | 3,650,167.00 | 6.9% |

** END OF REPORT - Generated by Noel Graczyk **

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City of Chaska
NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS

P 1
bgnyrpts

PROJECTION: 16603 2016 Budget Fund 603 Sewer

FOR PERIOD 99

ACCOUNTS FOR:

603-Sewer

| | 2014 ACTUAL | 2015 ORIG BUD | 2015 REVISED BUD | 2015 ACTUAL | 2015 PROJECTION | 2016 5 Council | PCT CHANGE |
|---------------|----------------|------------------|---------------------|----------------|--------------------|-------------------|---------------|
| TOTAL REVENUE | -3,202,827.32 | -3,254,888.00 | -3,254,888.00 | -3,136,312.60 | -3,254,888.00 | -3,562,191.00 | 9.4% |
| TOTAL EXPENSE | 2,870,920.78 | 3,415,273.00 | 3,415,273.00 | 3,297,754.63 | 3,415,273.00 | 3,650,167.00 | 6.9% |
| GRAND TOTAL | -331,906.54 | 160,385.00 | 160,385.00 | 161,442.03 | 160,385.00 | 87,976.00 | -45.1% |

** END OF REPORT - Generated by Noel Graczyk **

Community Center Fund

(Fund 604)

All Sources and All Uses

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City of Chaska
NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS

P 1
bgnyrpts

PROJECTION: 16604 2016 Budget Fund 604 Community Center

FOR PERIOD 99

ACCOUNTS FOR:

| 604-Community Center | 2014 ACTUAL | 2015 ORIG BUD | 2015 REVISED BUD | 2015 ACTUAL | 2015 PROJECTION | 2016 5 Council | PCT CHANGE |
|-----------------------------|----------------|------------------|---------------------|----------------|--------------------|-------------------|---------------|
| 00 Unassigned | | | | | | | |
| Community Center Unassigned | 450,200.00 | 433,000.00 | 433,000.00 | 429,126.71 | 433,000.00 | 433,000.00 | .0% |
| | 450,200.00 | 433,000.00 | 433,000.00 | 429,126.71 | 433,000.00 | 433,000.00 | .0% |
| 80 Enterprise | | | | | | | |
| Administration | 1,384,533.21 | 1,570,306.00 | 1,570,306.00 | 1,398,330.24 | 1,570,306.00 | 1,595,651.00 | 1.6% |
| Community Events | 4,766.10 | 1,660.00 | 1,660.00 | 4,555.25 | 1,660.00 | 1,676.00 | 1.0% |
| Community Room | 22,307.20 | 20,808.00 | 20,808.00 | 23,602.74 | 20,808.00 | 21,016.00 | 1.0% |
| Craft Rooms | 34,819.25 | 37,944.00 | 37,944.00 | 32,866.68 | 37,944.00 | 38,323.00 | 1.0% |
| Wellness Add Water Aer | 1,921.50 | 1,275.00 | 1,275.00 | 1,904.25 | 1,275.00 | 1,287.00 | .9% |
| Wellness Add Studio Ae | 72,345.00 | 62,220.00 | 62,220.00 | 89,713.78 | 62,220.00 | 62,842.00 | 1.0% |
| Rainbow Room | 5,307.11 | 5,059.00 | 5,059.00 | 2,932.00 | 5,059.00 | 5,109.00 | 1.0% |
| Wellness Add Programs | 59,497.96 | 71,624.00 | 71,624.00 | 56,896.71 | 71,624.00 | 72,339.00 | 1.0% |
| Gym | 28,527.37 | 46,492.00 | 46,492.00 | 26,091.11 | 46,492.00 | 46,955.00 | 1.0% |
| Gym Batting Cage | 1,103.30 | 1,261.00 | 1,261.00 | 415.14 | 1,261.00 | 1,273.00 | 1.0% |
| Gym Gymnastics | 21,001.24 | 19,700.00 | 19,700.00 | 23,334.84 | 19,700.00 | 19,897.00 | 1.0% |
| Ice Arena | 629,396.31 | 849,356.00 | 849,356.00 | 663,561.07 | 849,356.00 | 859,982.00 | 1.3% |
| Ice Arena Concessions | 39,257.84 | 42,242.00 | 42,242.00 | 32,416.63 | 42,242.00 | 42,664.00 | 1.0% |
| Maintenance | 19,914.88 | 32,094.00 | 32,094.00 | 19,413.36 | 32,094.00 | 32,414.00 | 1.0% |
| Wellness Add Cycling | 679.25 | 1,530.00 | 1,530.00 | 571.00 | 1,530.00 | 1,545.00 | 1.0% |
| Wellness Add Pers Trai | 10,750.00 | 7,140.00 | 7,140.00 | 21,930.00 | 7,140.00 | 7,211.00 | 1.0% |
| Wellness Add | 102.00 | 306.00 | 306.00 | 150.00 | 306.00 | 309.00 | 1.0% |
| Play & Daycare Room | 24,416.91 | 26,920.00 | 26,920.00 | 22,725.45 | 26,920.00 | 27,189.00 | 1.0% |
| Trek & Trails | 83,868.14 | 86,000.00 | 86,000.00 | 80,643.58 | 86,000.00 | 86,860.00 | 1.0% |
| Club Extreme | 96,151.32 | 80,000.00 | 80,000.00 | 89,426.75 | 80,000.00 | 80,800.00 | 1.0% |
| Racquetball | 15,630.55 | 14,392.00 | 14,392.00 | 14,226.41 | 14,392.00 | 14,534.00 | 1.0% |
| Swimming Pool | 19,376.45 | 13,200.00 | 13,200.00 | 18,967.12 | 13,200.00 | 13,332.00 | 1.0% |
| Swim Lessons | 113,769.00 | 112,200.00 | 112,200.00 | 116,264.00 | 112,200.00 | 113,322.00 | 1.0% |
| Theater | 80,921.78 | 72,564.00 | 72,564.00 | 77,978.06 | 72,564.00 | 73,288.00 | 1.0% |
| Lodge | 45,612.40 | 29,795.00 | 29,795.00 | 42,798.53 | 29,795.00 | 30,092.00 | 1.0% |
| Birthday Party | 30,751.28 | 37,128.00 | 37,128.00 | 32,980.94 | 37,128.00 | 37,498.00 | 1.0% |
| Tot-Time Preschool | 10,756.36 | 10,435.00 | 10,435.00 | 11,966.40 | 10,435.00 | 10,539.00 | 1.0% |
| Adventure Prgm State G | 2,049.00 | 1,436.00 | 1,436.00 | 3,961.00 | 1,436.00 | 1,450.00 | 1.0% |
| Before & After School | 10,383.00 | 9,000.00 | 9,000.00 | 11,016.00 | 9,000.00 | 9,090.00 | 1.0% |
| Vending | 44,285.74 | 34,435.00 | 34,435.00 | 46,433.68 | 34,435.00 | 34,779.00 | 1.0% |
| CIP Sweep: Adm Admss & | 167,300.00 | .00 | .00 | .00 | .00 | .00 | .0% |
| 2012 CIP Pool HVAC-CLO | 35.37 | .00 | .00 | 12.01 | .00 | .00 | .0% |
| Enterprise | 3,081,536.82 | 3,298,522.00 | 3,298,522.00 | 2,968,084.73 | 3,298,522.00 | 3,343,266.00 | 1.4% |
| 90 Non Operating | | | | | | | |
| 2012 CIP Ice Arena Imp | 126.46 | .00 | .00 | 42.95 | .00 | .00 | .0% |
| Non Operating | 126.46 | .00 | .00 | 42.95 | .00 | .00 | .0% |
| TOTAL REVENUE | 3,531,863.28 | 3,731,522.00 | 3,731,522.00 | 3,397,254.39 | 3,731,522.00 | 3,776,266.00 | 1.2% |

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City of Chaska
NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS

P 2
bgnyrpts

PROJECTION: 16604 2016 Budget Fund 604 Community Center

FOR PERIOD 99

ACCOUNTS FOR:

604-Community Center

| | 2014 ACTUAL | 2015 ORIG BUD | 2015 REVISED BUD | 2015 ACTUAL | 2015 PROJECTION | 2016 5 Council | PCT CHANGE |
|---------------|----------------|------------------|---------------------|----------------|--------------------|-------------------|---------------|
| TOTAL EXPENSE | .00 | .00 | .00 | .00 | .00 | .00 | .0% |
| GRAND TOTAL | 3,531,863.28 | 3,731,522.00 | 3,731,522.00 | 3,397,254.39 | 3,731,522.00 | 3,776,266.00 | 1.2% |

** END OF REPORT - Generated by Noel Graczyk **

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City of Chaska
NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS

P 1
bgnyrpts

PROJECTION: 16604 2016 Budget Fund 604 Community Center

FOR PERIOD 99

ACCOUNTS FOR:

| 604-Community Center | 2014 ACTUAL | 2015 ORIG BUD | 2015 REVISED BUD | 2015 ACTUAL | 2015 PROJECTION | 2016 5 Council | PCT CHANGE |
|------------------------|----------------|------------------|---------------------|----------------|--------------------|-------------------|---------------|
| 00 Unassigned | | | | | | | |
| Community Center | 1,457.85 | .00 | .00 | .00 | .00 | .00 | .0% |
| Unassigned | 1,457.85 | .00 | .00 | .00 | .00 | .00 | .0% |
| 80 Enterprise | | | | | | | |
| Administration | 530,726.67 | 637,390.00 | 637,390.00 | 598,783.24 | 637,390.00 | 679,257.00 | 6.6% |
| Café | .00 | 505.00 | 505.00 | .00 | 505.00 | 510.00 | 1.0% |
| Community Events | 8,275.55 | 7,743.00 | 7,743.00 | 11,328.77 | 7,743.00 | 7,820.00 | 1.0% |
| Craft Rooms | 11,256.94 | 19,148.00 | 19,148.00 | 12,672.38 | 19,148.00 | 19,338.00 | 1.0% |
| Wellness Add Water Aer | 2,751.40 | 4,185.00 | 4,185.00 | 2,150.62 | 4,185.00 | 4,226.00 | 1.0% |
| Wellness Add Studio Ae | 20,729.79 | 24,795.00 | 24,795.00 | 22,939.17 | 24,795.00 | 25,041.00 | 1.0% |
| Front Desk | 110,110.17 | 107,333.00 | 107,333.00 | 110,628.49 | 107,333.00 | 108,792.00 | 1.4% |
| Wellness Add Programs | 43,066.27 | 38,167.00 | 38,167.00 | 45,125.61 | 38,167.00 | 38,546.00 | 1.0% |
| Gym | 15,442.21 | 33,864.00 | 33,864.00 | 19,590.03 | 33,864.00 | 35,519.00 | 4.9% |
| Gym Batting Cage | 1,180.00 | 1,768.00 | 1,768.00 | 573.52 | 1,768.00 | 1,785.00 | 1.0% |
| Gym Gymnastics | 12,709.61 | 19,675.00 | 19,675.00 | 14,599.21 | 19,675.00 | 19,912.00 | 1.2% |
| Ice Arena | 140,328.16 | 157,661.00 | 157,661.00 | 144,186.11 | 157,661.00 | 155,935.00 | -1.1% |
| Ice Arena Concessions | 38,628.04 | 36,060.00 | 36,060.00 | 15,544.83 | 36,060.00 | 36,420.00 | 1.0% |
| Maintenance | 1,068,616.84 | 1,020,861.00 | 1,020,861.00 | 1,078,491.91 | 1,020,861.00 | 1,037,150.00 | 1.6% |
| Wellness Add Cycling | 990.93 | 1,728.00 | 1,728.00 | 1,231.00 | 1,728.00 | 1,745.00 | 1.0% |
| Wellness Add Pers Trai | 8,537.96 | 5,969.00 | 5,969.00 | 18,373.68 | 5,969.00 | 6,029.00 | 1.0% |
| Wellness Add | 108,650.41 | 144,335.00 | 144,335.00 | 106,071.03 | 144,335.00 | 182,679.00 | 26.6% |
| Play & Daycare Room | 57,991.14 | 49,577.00 | 49,577.00 | 55,962.18 | 49,577.00 | 46,057.00 | -7.1% |
| Trek & Trails | 68,363.23 | 102,469.00 | 102,469.00 | 63,918.04 | 102,469.00 | 81,903.00 | -20.1% |
| Club Extreme | 61,126.25 | 62,366.00 | 62,366.00 | 65,627.86 | 62,366.00 | 67,591.00 | 8.4% |
| Racquetball | 1,249.74 | 2,204.00 | 2,204.00 | 744.58 | 2,204.00 | 2,225.00 | 1.0% |
| Swimming Pool | 317,059.45 | 301,151.00 | 301,151.00 | 309,995.58 | 301,151.00 | 306,710.00 | 1.8% |
| Swim Lessons | 30,302.26 | 37,445.00 | 37,445.00 | 30,518.09 | 37,445.00 | 37,833.00 | 1.0% |
| Theater | 8,572.31 | 12,018.00 | 12,018.00 | 7,239.28 | 12,018.00 | 12,137.00 | 1.0% |
| Lodge | 94,144.54 | 92,057.00 | 92,057.00 | 99,825.27 | 92,057.00 | 94,051.00 | 2.2% |
| Birthday Party | 6,862.00 | 6,769.00 | 6,769.00 | 8,484.47 | 6,769.00 | 6,838.00 | 1.0% |
| Tot-Time Preschool | 5,917.94 | 5,936.00 | 5,936.00 | 6,782.35 | 5,936.00 | 5,996.00 | 1.0% |
| General Facility | 65,243.66 | 50,000.00 | 50,000.00 | 268,866.44 | 50,000.00 | 150,000.00 | 200.0% |
| Adventure Prgm State G | 81,130.00 | 96,563.00 | 96,563.00 | 96,733.53 | 96,563.00 | 104,506.00 | 8.2% |
| Before & After School | 8,359.73 | 6,808.00 | 6,808.00 | 8,111.58 | 6,808.00 | 6,877.00 | 1.0% |
| Vending | 24,097.87 | 13,121.00 | 13,121.00 | 22,439.54 | 13,121.00 | 13,252.00 | 1.0% |
| Depreciation | 636,663.39 | .00 | .00 | .00 | .00 | .00 | .0% |
| Enterprise | 3,589,084.46 | 3,099,671.00 | 3,099,671.00 | 3,247,538.39 | 3,099,671.00 | 3,296,680.00 | 6.4% |
| 90 Non Operating | | | | | | | |

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City of Chaska
NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS

P 2
bgnyrpts

PROJECTION: 16604 2016 Budget Fund 604 Community Center

FOR PERIOD 99

ACCOUNTS FOR:

| 604-Community Center | 2014 ACTUAL | 2015 ORIG BUD | 2015 REVISED BUD | 2015 ACTUAL | 2015 PROJECTION | 2016 5 Council | PCT CHANGE |
|-------------------------|----------------|------------------|---------------------|----------------|--------------------|-------------------|---------------|
| 2012 CIP Ice Arena Imp | -3,374.48 | .00 | .00 | .00 | .00 | .00 | .0% |
| Non-Opert Dbt Srv Propr | 236,672.80 | 536,670.00 | 536,670.00 | 229,720.00 | 536,670.00 | 535,621.00 | -.2% |
| Non Operating | 233,298.32 | 536,670.00 | 536,670.00 | 229,720.00 | 536,670.00 | 535,621.00 | -.2% |
| TOTAL REVENUE | .00 | .00 | .00 | .00 | .00 | .00 | .0% |
| TOTAL EXPENSE | 3,823,840.63 | 3,636,341.00 | 3,636,341.00 | 3,477,258.39 | 3,636,341.00 | 3,832,301.00 | 5.4% |
| GRAND TOTAL | 3,823,840.63 | 3,636,341.00 | 3,636,341.00 | 3,477,258.39 | 3,636,341.00 | 3,832,301.00 | 5.4% |

** END OF REPORT - Generated by Noel Graczyk **

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City of Chaska
NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS

P 1
bgnyrpts

PROJECTION: 16604 2016 Budget Fund 604 Community Center

FOR PERIOD 99

ACCOUNTS FOR:

604-Community Center

| | 2014 ACTUAL | 2015 ORIG BUD | 2015 REVISED BUD | 2015 ACTUAL | 2015 PROJECTION | 2016 5 Council | PCT CHANGE |
|---------------|----------------|------------------|---------------------|----------------|--------------------|-------------------|---------------|
| TOTAL REVENUE | -3,531,863.28 | -3,731,522.00 | -3,731,522.00 | -3,397,254.39 | -3,731,522.00 | -3,776,266.00 | 1.2% |
| TOTAL EXPENSE | 3,823,840.63 | 3,636,341.00 | 3,636,341.00 | 3,477,258.39 | 3,636,341.00 | 3,832,301.00 | 5.4% |
| GRAND TOTAL | 291,977.35 | -95,181.00 | -95,181.00 | 80,004.00 | -95,181.00 | 56,035.00 | -158.9% |

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Par Thirty Fund

(Fund 605)

All Sources and All Uses

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City of Chaska
NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS

P 1
bgnyrpts

PROJECTION: 16605 2016 Budget Fund 605 Par Thirty

FOR PERIOD 99

ACCOUNTS FOR:

| 605-Par 30 Golf Course | 2014 ACTUAL | 2015 ORIG BUD | 2015 REVISED BUD | 2015 ACTUAL | 2015 PROJECTION | 2016 5 Council | PCT CHANGE |
|------------------------|----------------|------------------|---------------------|----------------|--------------------|-------------------|---------------|
| <hr/> | | | | | | | |
| 00 Unassigned | | | | | | | |
| Par 30 Golf Course | 149,208.70 | 160,000.00 | 160,000.00 | 182,733.11 | 160,000.00 | 170,200.00 | 6.4% |
| Unassigned | 149,208.70 | 160,000.00 | 160,000.00 | 182,733.11 | 160,000.00 | 170,200.00 | 6.4% |
| <hr/> | | | | | | | |
| 80 Enterprise | | | | | | | |
| Merchandise | 2,245.69 | 3,000.00 | 3,000.00 | 2,790.61 | 3,000.00 | 2,500.00 | -16.7% |
| Enterprise | 2,245.69 | 3,000.00 | 3,000.00 | 2,790.61 | 3,000.00 | 2,500.00 | -16.7% |
| TOTAL REVENUE | 151,454.39 | 163,000.00 | 163,000.00 | 185,523.72 | 163,000.00 | 172,700.00 | 6.0% |
| TOTAL EXPENSE | .00 | .00 | .00 | .00 | .00 | .00 | .0% |
| GRAND TOTAL | 151,454.39 | 163,000.00 | 163,000.00 | 185,523.72 | 163,000.00 | 172,700.00 | 6.0% |

** END OF REPORT - Generated by Noel Graczyk **

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City of Chaska
NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS

P 1
bgnyrpts

PROJECTION: 16605 2016 Budget Fund 605 Par Thirty

FOR PERIOD 99

ACCOUNTS FOR:

| 605-Par 30 Golf Course | 2014 ACTUAL | 2015 ORIG BUD | 2015 REVISED BUD | 2015 ACTUAL | 2015 PROJECTION | 2016 5 Council | PCT CHANGE |
|------------------------|----------------|------------------|---------------------|----------------|--------------------|-------------------|---------------|
| 80 Enterprise | | | | | | | |
| Maintenance | 92,431.45 | 102,709.00 | 102,709.00 | 94,393.27 | 102,709.00 | 98,820.00 | -3.8% |
| Administration/Clubhou | 64,102.60 | 65,715.00 | 65,715.00 | 67,784.66 | 65,715.00 | 61,976.00 | -5.7% |
| Merchandise | 3,584.15 | 4,070.00 | 4,070.00 | 4,599.52 | 4,070.00 | 4,500.00 | 10.6% |
| Depreciation | 3,939.63 | .00 | .00 | .00 | .00 | .00 | .0% |
| Enterprise | 164,057.83 | 172,494.00 | 172,494.00 | 166,777.45 | 172,494.00 | 165,296.00 | -4.2% |
| TOTAL REVENUE | .00 | .00 | .00 | .00 | .00 | .00 | .0% |
| TOTAL EXPENSE | 164,057.83 | 172,494.00 | 172,494.00 | 166,777.45 | 172,494.00 | 165,296.00 | -4.2% |
| GRAND TOTAL | 164,057.83 | 172,494.00 | 172,494.00 | 166,777.45 | 172,494.00 | 165,296.00 | -4.2% |

** END OF REPORT - Generated by Noel Graczyk **

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City of Chaska
NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS

P 1
bgnyrpts

PROJECTION: 16605 2016 Budget Fund 605 Par Thirty

FOR PERIOD 99

ACCOUNTS FOR:

| 605-Par 30 Golf Course | 2014 ACTUAL | 2015 ORIG BUD | 2015 REVISED BUD | 2015 ACTUAL | 2015 PROJECTION | 2016 5 Council | PCT CHANGE |
|------------------------|----------------|------------------|---------------------|----------------|--------------------|-------------------|---------------|
| TOTAL REVENUE | -151,454.39 | -163,000.00 | -163,000.00 | -185,523.72 | -163,000.00 | -172,700.00 | 6.0% |
| TOTAL EXPENSE | 164,057.83 | 172,494.00 | 172,494.00 | 166,777.45 | 172,494.00 | 165,296.00 | -4.2% |
| GRAND TOTAL | 12,603.44 | 9,494.00 | 9,494.00 | -18,746.27 | 9,494.00 | -7,404.00 | -178.0% |

** END OF REPORT - Generated by Noel Graczyk **

Town Course Fund

(Fund 606)

All Sources and All Uses

02/01/2016 10:32
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City of Chaska
NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS

P 1
bgnyrpts

PROJECTION: 16606 2016 Budget Fund 606 Town Course

FOR PERIOD 99

ACCOUNTS FOR:

| 606-Chaska Town Course | 2014 ACTUAL | 2015 ORIG BUD | 2015 REVISED BUD | 2015 ACTUAL | 2015 PROJECTION | 2016 5 Council | PCT CHANGE |
|------------------------|----------------|------------------|---------------------|----------------|--------------------|-------------------|---------------|
| 00 Unassigned | | | | | | | |
| Chaska Town Course | 1,601,078.11 | 1,779,327.00 | 1,779,327.00 | 1,839,776.28 | 1,779,327.00 | 1,635,750.00 | -8.1% |
| Unassigned | 1,601,078.11 | 1,779,327.00 | 1,779,327.00 | 1,839,776.28 | 1,779,327.00 | 1,635,750.00 | -8.1% |
| 80 Enterprise | | | | | | | |
| Merchandise | 206,481.56 | 166,850.00 | 166,850.00 | 221,307.84 | 166,850.00 | 210,000.00 | 25.9% |
| Enterprise | 206,481.56 | 166,850.00 | 166,850.00 | 221,307.84 | 166,850.00 | 210,000.00 | 25.9% |
| TOTAL REVENUE | 1,807,559.67 | 1,946,177.00 | 1,946,177.00 | 2,061,084.12 | 1,946,177.00 | 1,845,750.00 | -5.2% |
| TOTAL EXPENSE | .00 | .00 | .00 | .00 | .00 | .00 | .0% |
| GRAND TOTAL | 1,807,559.67 | 1,946,177.00 | 1,946,177.00 | 2,061,084.12 | 1,946,177.00 | 1,845,750.00 | -5.2% |

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City of Chaska
NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS

P 1
bgnyrpts

PROJECTION: 16606 2016 Budget Fund 606 Town Course

FOR PERIOD 99

ACCOUNTS FOR:

| 606-Chaska Town Course | 2014 ACTUAL | 2015 ORIG BUD | 2015 REVISED BUD | 2015 ACTUAL | 2015 PROJECTION | 2016 5 Council | PCT CHANGE |
|------------------------|----------------|------------------|---------------------|----------------|--------------------|-------------------|---------------|
| 80 Enterprise | | | | | | | |
| Maintenance | 768,459.72 | 995,069.00 | 995,069.00 | 937,492.97 | 995,069.00 | 910,000.00 | -8.5% |
| Administration/Clubhou | 783,482.27 | 729,621.00 | 729,621.00 | 824,498.27 | 729,621.00 | 760,240.00 | 4.2% |
| Merchandise | 133,155.30 | 103,622.00 | 103,622.00 | 167,234.89 | 103,622.00 | 168,000.00 | 62.1% |
| Depreciation | 503,401.15 | .00 | .00 | .00 | .00 | .00 | .0% |
| Enterprise | 2,188,498.44 | 1,828,312.00 | 1,828,312.00 | 1,929,226.13 | 1,828,312.00 | 1,838,240.00 | .5% |
| 90 Non Operating | | | | | | | |
| Non-Oprt Dbt Srv Propr | 6,648.00 | 48,000.00 | 48,000.00 | 9,076.00 | 48,000.00 | 59,800.00 | 24.6% |
| Non Operating | 6,648.00 | 48,000.00 | 48,000.00 | 9,076.00 | 48,000.00 | 59,800.00 | 24.6% |
| TOTAL REVENUE | .00 | .00 | .00 | .00 | .00 | .00 | .0% |
| TOTAL EXPENSE | 2,195,146.44 | 1,876,312.00 | 1,876,312.00 | 1,938,302.13 | 1,876,312.00 | 1,898,040.00 | 1.2% |
| GRAND TOTAL | 2,195,146.44 | 1,876,312.00 | 1,876,312.00 | 1,938,302.13 | 1,876,312.00 | 1,898,040.00 | 1.2% |

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City of Chaska
NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS

P 1
bgnyrpts

PROJECTION: 16606 2016 Budget Fund 606 Town Course

FOR PERIOD 99

ACCOUNTS FOR:

| 606-Chaska Town Course | 2014 ACTUAL | 2015 ORIG BUD | 2015 REVISED BUD | 2015 ACTUAL | 2015 PROJECTION | 2016 5 Council | PCT CHANGE |
|------------------------|----------------|------------------|---------------------|----------------|--------------------|-------------------|---------------|
| TOTAL REVENUE | -1,807,559.67 | -1,946,177.00 | -1,946,177.00 | -2,061,084.12 | -1,946,177.00 | -1,845,750.00 | -5.2% |
| TOTAL EXPENSE | 2,195,146.44 | 1,876,312.00 | 1,876,312.00 | 1,938,302.13 | 1,876,312.00 | 1,898,040.00 | 1.2% |
| GRAND TOTAL | 387,586.77 | -69,865.00 | -69,865.00 | -122,781.99 | -69,865.00 | 52,290.00 | -174.8% |

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Gas Turbine Fund

(Fund 607)

All Sources and All Uses

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City of Chaska
NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS

P 1
bgnyrpts

PROJECTION: 16607 2016 Budget Fund 607 Gas Turbine

FOR PERIOD 99

ACCOUNTS FOR:

| 607-PP#2 Turbine | 2014 ACTUAL | 2015 ORIG BUD | 2015 REVISED BUD | 2015 ACTUAL | 2015 PROJECTION | 2016 5 Council | PCT CHANGE |
|------------------|----------------|------------------|---------------------|----------------|--------------------|-------------------|---------------|
| 00 Unassigned | | | | | | | |
| PP#2 Turbine | 2,251,045.42 | 2,915,287.00 | 2,915,287.00 | 1,708,737.29 | 2,915,287.00 | 2,590,403.00 | -11.1% |
| Unassigned | 2,251,045.42 | 2,915,287.00 | 2,915,287.00 | 1,708,737.29 | 2,915,287.00 | 2,590,403.00 | -11.1% |
| TOTAL REVENUE | 2,251,045.42 | 2,915,287.00 | 2,915,287.00 | 1,708,737.29 | 2,915,287.00 | 2,590,403.00 | -11.1% |
| TOTAL EXPENSE | .00 | .00 | .00 | .00 | .00 | .00 | .0% |
| GRAND TOTAL | 2,251,045.42 | 2,915,287.00 | 2,915,287.00 | 1,708,737.29 | 2,915,287.00 | 2,590,403.00 | -11.1% |

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City of Chaska
NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS

P 1
bgnyrpts

PROJECTION: 16607 2016 Budget Fund 607 Gas Turbine

FOR PERIOD 99

ACCOUNTS FOR:

| 607-PP#2 Turbine | 2014 ACTUAL | 2015 ORIG BUD | 2015 REVISED BUD | 2015 ACTUAL | 2015 PROJECTION | 2016 5 Council | PCT CHANGE |
|------------------------|----------------|------------------|---------------------|----------------|--------------------|-------------------|---------------|
| 00 Unassigned | | | | | | | |
| PP#2 Turbine | 405,000.00 | 345,000.00 | 345,000.00 | 171,862.90 | 345,000.00 | .00 | -100.0% |
| Unassigned | 405,000.00 | 345,000.00 | 345,000.00 | 171,862.90 | 345,000.00 | .00 | -100.0% |
| 80 Enterprise | | | | | | | |
| Administration Sys | 284,255.43 | 119,768.00 | 119,768.00 | 163,921.79 | 119,768.00 | 305,545.00 | 155.1% |
| Enterprise | 284,255.43 | 119,768.00 | 119,768.00 | 163,921.79 | 119,768.00 | 305,545.00 | 155.1% |
| 90 Non Operating | | | | | | | |
| Non-Oprt Dbt Srv Propr | 1,338,819.00 | 2,443,250.00 | 2,443,250.00 | 773,391.20 | 2,443,250.00 | 2,080,600.00 | -14.8% |
| Non Operating | 1,338,819.00 | 2,443,250.00 | 2,443,250.00 | 773,391.20 | 2,443,250.00 | 2,080,600.00 | -14.8% |
| TOTAL REVENUE | .00 | .00 | .00 | .00 | .00 | .00 | .0% |
| TOTAL EXPENSE | 2,028,074.43 | 2,908,018.00 | 2,908,018.00 | 1,109,175.89 | 2,908,018.00 | 2,386,145.00 | -17.9% |
| GRAND TOTAL | 2,028,074.43 | 2,908,018.00 | 2,908,018.00 | 1,109,175.89 | 2,908,018.00 | 2,386,145.00 | -17.9% |

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City of Chaska
NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS

P 1
bgnyrpts

PROJECTION: 16607 2016 Budget Fund 607 Gas Turbine

FOR PERIOD 99

ACCOUNTS FOR:

607-PP#2 Turbine

| | 2014 ACTUAL | 2015 ORIG BUD | 2015 REVISED BUD | 2015 ACTUAL | 2015 PROJECTION | 2016 5 Council | PCT CHANGE |
|---------------|----------------|------------------|---------------------|----------------|--------------------|-------------------|---------------|
| TOTAL REVENUE | -2,251,045.42 | -2,915,287.00 | -2,915,287.00 | -1,708,737.29 | -2,915,287.00 | -2,590,403.00 | -11.1% |
| TOTAL EXPENSE | 2,028,074.43 | 2,908,018.00 | 2,908,018.00 | 1,109,175.89 | 2,908,018.00 | 2,386,145.00 | -17.9% |
| GRAND TOTAL | -222,970.99 | -7,269.00 | -7,269.00 | -599,561.40 | -7,269.00 | -204,258.00 | 2710.0% |

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chaska.net ISP Fund

(Fund 608)

All Sources and All Uses

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City of Chaska
NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS

P 1
bgnyrpts

PROJECTION: 16608 2016 Budget Fund 608 chaska.net

FOR PERIOD 99

ACCOUNTS FOR:

| 608-Chaska.net | 2014 ACTUAL | 2015 ORIG BUD | 2015 REVISED BUD | 2015 ACTUAL | 2015 PROJECTION | 2016 5 Council | PCT CHANGE |
|----------------|----------------|------------------|---------------------|----------------|--------------------|-------------------|---------------|
| <hr/> | | | | | | | |
| 00 Unassigned | | | | | | | |
| Chaska.net | 297,384.84 | 114,200.00 | 114,200.00 | 116,360.28 | 114,200.00 | 70,200.00 | -38.5% |
| Unassigned | 297,384.84 | 114,200.00 | 114,200.00 | 116,360.28 | 114,200.00 | 70,200.00 | -38.5% |
| <hr/> | | | | | | | |
| 80 Enterprise | | | | | | | |
| Franchise Fee | 100,307.26 | 75,000.00 | 75,000.00 | 62,494.07 | 75,000.00 | 75,000.00 | .0% |
| Enterprise | 100,307.26 | 75,000.00 | 75,000.00 | 62,494.07 | 75,000.00 | 75,000.00 | .0% |
| TOTAL REVENUE | 397,692.10 | 189,200.00 | 189,200.00 | 178,854.35 | 189,200.00 | 145,200.00 | -23.3% |
| TOTAL EXPENSE | .00 | .00 | .00 | .00 | .00 | .00 | .0% |
| GRAND TOTAL | 397,692.10 | 189,200.00 | 189,200.00 | 178,854.35 | 189,200.00 | 145,200.00 | -23.3% |

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City of Chaska
NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS

P 1
bgnyrpts

PROJECTION: 16608 2016 Budget Fund 608 chaska.net

FOR PERIOD 99

ACCOUNTS FOR:

| 608-Chaska.net | 2014 ACTUAL | 2015 ORIG BUD | 2015 REVISED BUD | 2015 ACTUAL | 2015 PROJECTION | 2016 5 Council | PCT CHANGE |
|-------------------------|----------------|------------------|---------------------|----------------|--------------------|-------------------|---------------|
| 80 Enterprise | | | | | | | |
| Product/Production | 66,000.00 | 66,000.00 | 66,000.00 | 66,000.00 | 66,000.00 | 66,000.00 | .0% |
| Transmission/Distrib/C | 11,706.52 | 6,500.00 | 6,500.00 | 69,887.47 | 6,500.00 | 2,000.00 | -69.2% |
| Administration Sys | 305,001.22 | 62,414.00 | 62,414.00 | 62,405.87 | 62,414.00 | 2,000.00 | -96.8% |
| Franchise Fee | 57,257.41 | 75,000.00 | 75,000.00 | 83,999.95 | 75,000.00 | 75,000.00 | .0% |
| Administration Billing | 1.46 | .00 | .00 | 3.01 | .00 | .00 | .0% |
| Depreciation Enterprise | 48,772.68 | .00 | .00 | .00 | .00 | .00 | .0% |
| | 488,739.29 | 209,914.00 | 209,914.00 | 282,296.30 | 209,914.00 | 145,000.00 | -30.9% |
| TOTAL REVENUE | .00 | .00 | .00 | .00 | .00 | .00 | .0% |
| TOTAL EXPENSE | 488,739.29 | 209,914.00 | 209,914.00 | 282,296.30 | 209,914.00 | 145,000.00 | -30.9% |
| GRAND TOTAL | 488,739.29 | 209,914.00 | 209,914.00 | 282,296.30 | 209,914.00 | 145,000.00 | -30.9% |

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City of Chaska
NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS

P 1
bgnyrpts

PROJECTION: 16608 2016 Budget Fund 608 chaska.net

FOR PERIOD 99

ACCOUNTS FOR:

608-Chaska.net

| | 2014 ACTUAL | 2015 ORIG BUD | 2015 REVISED BUD | 2015 ACTUAL | 2015 PROJECTION | 2016 5 Council | PCT CHANGE |
|---------------|----------------|------------------|---------------------|----------------|--------------------|-------------------|---------------|
| TOTAL REVENUE | -397,692.10 | -189,200.00 | -189,200.00 | -178,854.35 | -189,200.00 | -145,200.00 | -23.3% |
| TOTAL EXPENSE | 488,739.29 | 209,914.00 | 209,914.00 | 282,296.30 | 209,914.00 | 145,000.00 | -30.9% |
| GRAND TOTAL | 91,047.19 | 20,714.00 | 20,714.00 | 103,441.95 | 20,714.00 | -200.00 | -101.0% |

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Storm Water Fund

(Fund 609)

All Sources and All Uses

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City of Chaska
NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS

P 1
bgnyrpts

PROJECTION: 16609 2016 Budget Fund 609 Storm Water

FOR PERIOD 99

ACCOUNTS FOR:

| 609-Storm Water | 2014 ACTUAL | 2015 ORIG BUD | 2015 REVISED BUD | 2015 ACTUAL | 2015 PROJECTION | 2016 5 Council | PCT CHANGE |
|------------------------|----------------|------------------|---------------------|----------------|--------------------|-------------------|---------------|
| 00 Unassigned | | | | | | | |
| Storm Water | 840,610.26 | 1,252,500.00 | 1,252,500.00 | 1,349,648.14 | 1,252,500.00 | 1,051,000.00 | -16.1% |
| Unassigned | 840,610.26 | 1,252,500.00 | 1,252,500.00 | 1,349,648.14 | 1,252,500.00 | 1,051,000.00 | -16.1% |
| 90 Non Operating | | | | | | | |
| Birdie Lane East Ravin | 49,549.00 | .00 | .00 | 5,692.83 | .00 | .00 | .0% |
| Non Operating | 49,549.00 | .00 | .00 | 5,692.83 | .00 | .00 | .0% |
| TOTAL REVENUE | 890,159.26 | 1,252,500.00 | 1,252,500.00 | 1,355,340.97 | 1,252,500.00 | 1,051,000.00 | -16.1% |
| TOTAL EXPENSE | .00 | .00 | .00 | .00 | .00 | .00 | .0% |
| GRAND TOTAL | 890,159.26 | 1,252,500.00 | 1,252,500.00 | 1,355,340.97 | 1,252,500.00 | 1,051,000.00 | -16.1% |

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City of Chaska
NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS

P 1
bgnyrpts

PROJECTION: 16609 2016 Budget Fund 609 Storm Water

FOR PERIOD 99

ACCOUNTS FOR:

| 609-Storm Water | 2014 ACTUAL | 2015 ORIG BUD | 2015 REVISED BUD | 2015 ACTUAL | 2015 PROJECTION | 2016 5 Council | PCT CHANGE |
|------------------------|----------------|------------------|---------------------|----------------|--------------------|-------------------|---------------|
| 00 Unassigned | | | | | | | |
| Storm Water | 200,000.00 | 709,000.00 | 709,000.00 | 224,922.18 | 709,000.00 | 200,000.00 | -71.8% |
| StrmWtr Hammers Basin | .00 | .00 | .00 | 560,567.93 | .00 | .00 | .0% |
| Unassigned | 200,000.00 | 709,000.00 | 709,000.00 | 785,490.11 | 709,000.00 | 200,000.00 | -71.8% |
| 80 Enterprise | | | | | | | |
| Transmission/Distrib/C | 384,529.11 | 1,023,751.00 | 1,023,751.00 | 753,363.84 | 1,023,751.00 | 673,339.00 | -34.2% |
| Administration Sys | 78,161.48 | 100,958.00 | 100,958.00 | 224,167.75 | 100,958.00 | 320,652.00 | 217.6% |
| Administration Billing | 17,016.38 | 17,692.00 | 17,692.00 | 22,994.48 | 17,692.00 | 22,500.00 | 27.2% |
| Depreciation | 12.94 | 30,000.00 | 30,000.00 | .00 | 30,000.00 | .00 | -100.0% |
| Bluff Ravine/Seminary | 17,526.72 | .00 | .00 | 74,644.90 | .00 | .00 | .0% |
| Water Management Plan | 27,684.25 | .00 | .00 | 12,999.36 | .00 | .00 | .0% |
| Bridge L 2725 Replace | .00 | .00 | .00 | 1,850.00 | .00 | .00 | .0% |
| Bridge L 2727 Replacem | .00 | .00 | .00 | .00 | .00 | .00 | .0% |
| MS4 (SWPPP) | 9,683.50 | .00 | .00 | 10,321.92 | .00 | .00 | .0% |
| Storm Water Oak St Pum | .00 | .00 | .00 | 503,611.89 | .00 | .00 | .0% |
| Enterprise | 534,614.38 | 1,172,401.00 | 1,172,401.00 | 1,603,954.14 | 1,172,401.00 | 1,016,491.00 | -13.3% |
| 90 Non Operating | | | | | | | |
| Birdie Lane East Ravin | .00 | .00 | .00 | .00 | .00 | .00 | .0% |
| Bridge L 2728 Repair | 2,046.49 | .00 | .00 | .00 | .00 | .00 | .0% |
| Firemens Park Ravine | .00 | .00 | .00 | 85.00 | .00 | .00 | .0% |
| Storm Water Debt Servi | .00 | .00 | .00 | 7,502.00 | .00 | 59,458.00 | .0% |
| Non Operating | 2,046.49 | .00 | .00 | 7,587.00 | .00 | 59,458.00 | .0% |
| TOTAL REVENUE | .00 | .00 | .00 | .00 | .00 | .00 | .0% |
| TOTAL EXPENSE | 736,660.87 | 1,881,401.00 | 1,881,401.00 | 2,397,031.25 | 1,881,401.00 | 1,275,949.00 | -32.2% |
| GRAND TOTAL | 736,660.87 | 1,881,401.00 | 1,881,401.00 | 2,397,031.25 | 1,881,401.00 | 1,275,949.00 | -32.2% |

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City of Chaska
NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS

P 1
bgnyrpts

PROJECTION: 16609 2016 Budget Fund 609 Storm Water

FOR PERIOD 99

ACCOUNTS FOR:

609-Storm Water

| | 2014 ACTUAL | 2015 ORIG BUD | 2015 REVISED BUD | 2015 ACTUAL | 2015 PROJECTION | 2016 5 Council | PCT CHANGE |
|---------------|----------------|------------------|---------------------|----------------|--------------------|-------------------|---------------|
| TOTAL REVENUE | -890,159.26 | -1,252,500.00 | -1,252,500.00 | -1,355,340.97 | -1,252,500.00 | -1,051,000.00 | -16.1% |
| TOTAL EXPENSE | 736,660.87 | 1,881,401.00 | 1,881,401.00 | 2,397,031.25 | 1,881,401.00 | 1,275,949.00 | -32.2% |
| GRAND TOTAL | -153,498.39 | 628,901.00 | 628,901.00 | 1,041,690.28 | 628,901.00 | 224,949.00 | -64.2% |

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