

CITY OF CHASKA

STATE OF MINNESOTA



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

**CITY OF CHASKA
CARVER COUNTY, MINNESOTA**

Annual Comprehensive Financial Report

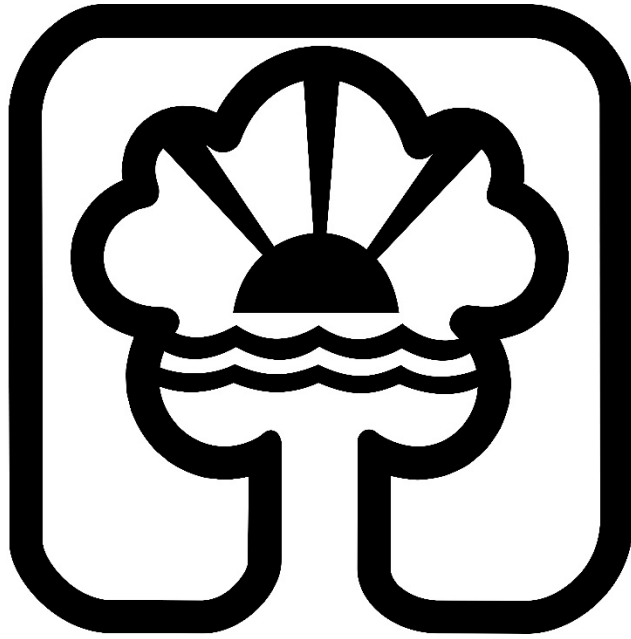
For the Fiscal Year Ended
December 31, 2024

Matthew Podhradsky, City Administrator

Report Prepared by
Administrative Services Department

Noel Graczyk, Administrative Services Director

Erica Mattice, Finance Division Director



Chaska

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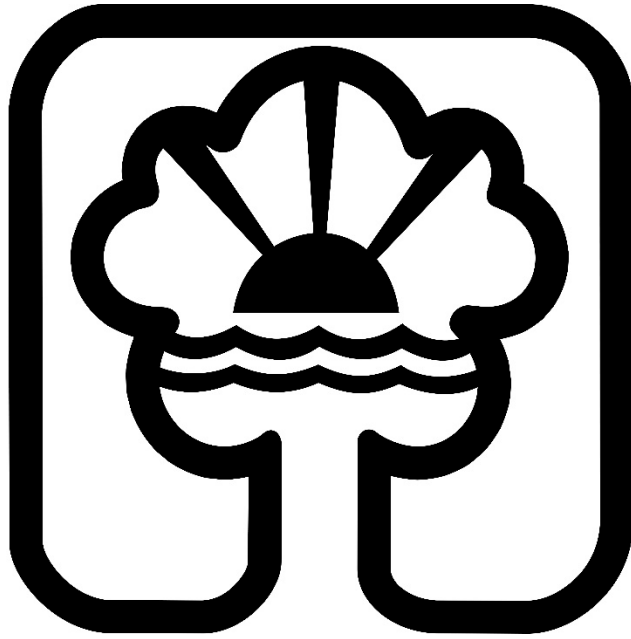
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Chaska



City of Chaska

June 30, 2025

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

The Annual Comprehensive Financial Report of the City of Chaska, Minnesota, for the year ended December 31, 2024, is hereby submitted. The report was prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as established by the Governmental Accounting Standards Board and meets the requirements of the Minnesota State Auditor's Office.

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

The City's financial statements have been audited by CliftonLarsonAllen LLP (CLA), a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended December 31, 2024, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial presentation. Based upon the audit, the independent auditor concluded that there was reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended December 31, 2024, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first item in the financial section of this report.

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

City Profile

The City of Chaska was founded in 1851 and incorporated on March 3, 1891. The City is located in eastern Carver County, with the Minnesota River bordering the City to the south. It encompasses 17.8 square miles and has an estimated population of 29,739. The City operates under a Statutory Plan A form of government where policymaking and legislative authorities are vested in the City Council. The City Council consists of a mayor and four council members and is responsible, among other things, for passing ordinances, adopting the budget, and appointing committees. The mayor is elected for a two-year term of office and four council members serve four-year staggered terms, with two council members elected every two years. Non-partisan elections are held on the Tuesday after the first Monday in November, of each even-numbered year.

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

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

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

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

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

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

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

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

Economic Condition and Outlook

Since 2000, the City of Chaska has seen significant population growth and expects to continue growth through 2050.

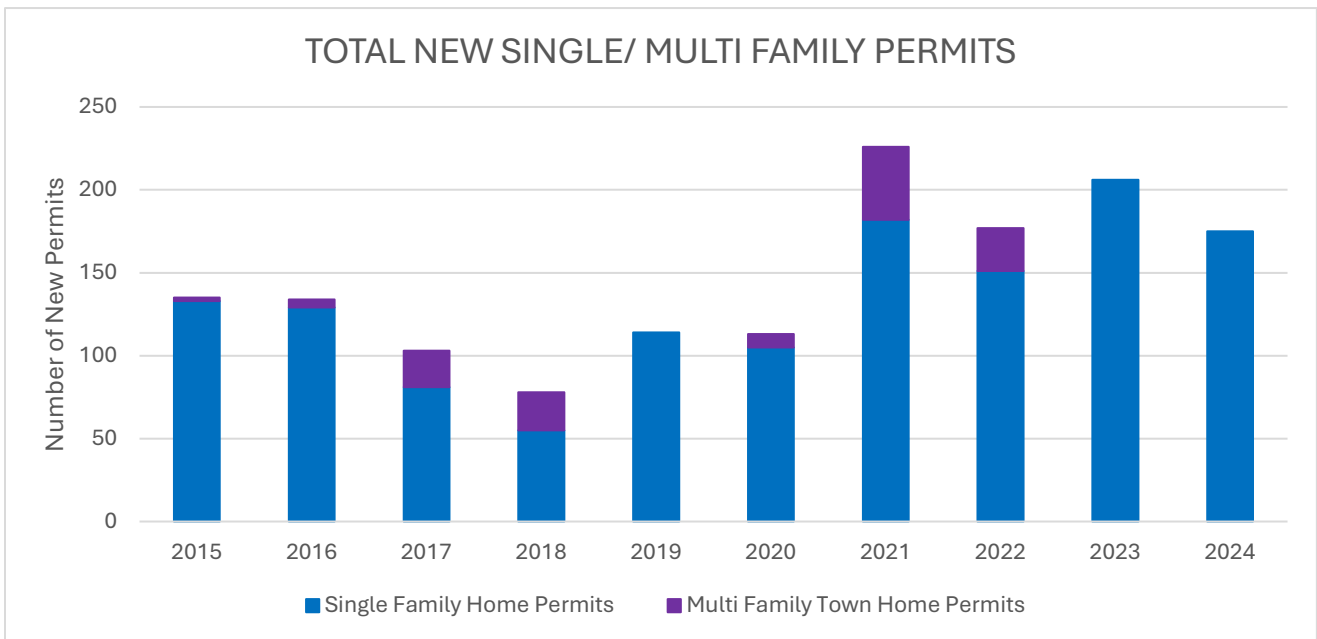
<i>Year</i>	<i>Population*</i>	<i>% Increase</i>
2000	17,603	
2010	23,770	35.0%
2020	27,810	17.0%
2023	29,739	6.9%
2030 Projected	31,300	5.2%
2040 Projected	33,300	6.4%
2050 Projected	36,800	10.5%

**Source of Projected Population: Metropolitan Council*

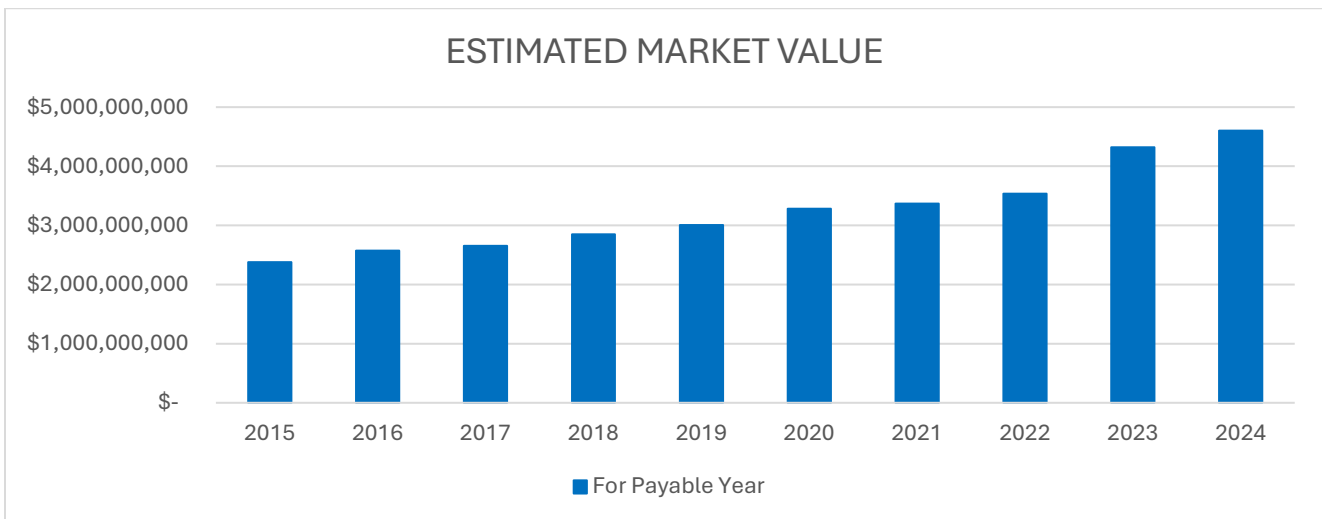
The increase in population between 2000 and 2010 is attributed to the addition of approximately 200 to 500 housing units (both single family and multifamily units) per year from 2002 through 2005, as well as the addition of a significant amount of commercial development in the community. This commercial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

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

As with other communities across the county, the City saw a drop in new housing development beginning in 2007. The number of new single family home permits rebounded beginning in 2012. Between 2015 and 2023 the City averaged 128 new single family permits annually. With 175 new single-family permits in 2024, the city has seen new construction continue above the 9-year average for a third consecutive year.



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



Other development opportunities within the City include the following:

Industrial Parks

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

Southwest Chaska Corporate and Industrial Development

The City has approximately 390 acres of corporate and industrial land that has started to develop along Highway 212. There is room for 5.5 million square feet of office and industrial space which will be marketed towards bioscience and high-tech companies. When complete, it is expected to add between \$300 and \$500 million of taxable market value as well as 4,000 to 6,000 quality jobs.

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

Southwest Chaska Master Plan

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

The City received approval in late 2011 for the addition of an interchange off of U.S. Highway 212 at Carver County Road 44. Substantial project completion occurred in 2020. This project enabled the City to expand industrial development rapidly.

To support access to the southwest Chaska area, the City began working on Creek Road. Creek Road is a major development in Chaska that began in 2017, with substantial completion in 2024. This \$14.2 million dollar project is anticipated to provide access to 5,000 new jobs over the next 5 years for the metro area.

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

Tax Abatement

In order to encourage jobs, investment and essential services to Chaska, the City implemented a Business Incentive Policy to assist developers with expansion projects and new development. Under this policy, the city provides tax abatements for up to three times a new developer's total property taxes. The City has entered into a number of tax abatement agreements. The benefit to the City is development of underutilized properties, job creation, and increased tax base in future years.

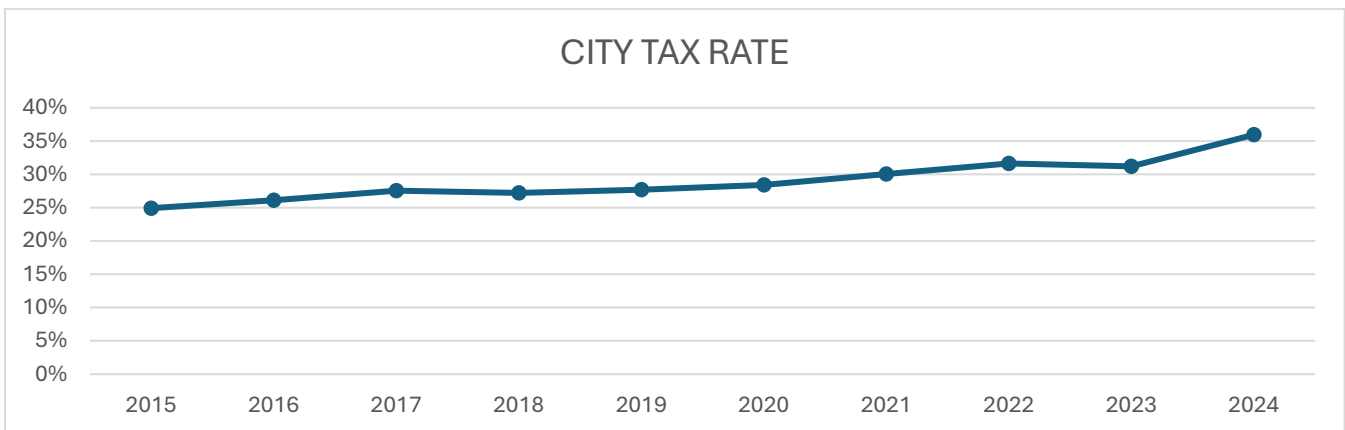
Long-Term Financial Planning

Each year the City develops a five-year financial forecast. The primary purpose of the forecast is to project available revenues and anticipated expenditures for all operating funds supported by property tax levies. The forecast is also used to establish the City's maximum tax levy. In preparing the five-year forecast, every attempt is made to accurately and conservatively estimate revenues and expenditures. The 2024 budget and five-year forecast were both developed based on the following objectives:

1. Support budget programs that help Chaska strengthen its mission of being “The Best Small Town in Minnesota.”
2. Maintain existing high-quality service levels.
3. Limit tax levy growth to capture only new growth in the community and inflation. Only increasing levy beyond this point if new service levels and/or assets are added.
4. Fully fund maintenance and replacement of our vehicles, equipment, and physical assets on a regular schedule to ensure sustainability of investments already made.
5. Fund new programs only after existing, necessary programs are funded.
6. Budget utilizing a plan that avoids draw-down of the City’s general fund reserves and builds these reserves to a targeted level.
7. Fully fund levy needs of the Street Reconstruction Program.
8. Develop a budget plan that is sustainable from a resource perspective to support the service levels residents expect.

Key factors which impact both the cost of providing services and the City’s revenue resources include changes in Chaska’s population and households. The current 2024 – 2028 financial forecast strives to balance existing and future service level demands within the forecasted revenues while at the same time maintaining a low property tax rate.

The City’s tax rate decreased after the Great Recession in 2008 – 2009 due to declines in market value. Market values have recovered allowing the City to implement a capital asset maintenance program while keeping property tax rates relatively constant. The tax rate is 35.9 percent in 2024.



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

Major Initiatives

One of the City’s main initiatives has been the development and implementation of its Downtown Master Plan. Chaska has a historic downtown, with several commercial buildings and homes over 100 years old. A major focus

of this initiative is to define how the City, businesses, and residents reinvest back into this unique area, to make it economically viable in the future. The City continues its multi-year program to reconstruct streets in the historic downtown core. This reconstruction has reinvigorated the coordination and planning efforts for the transformation of another downtown block, which will be called City Square West.

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

The City also views its building program as a major initiative. In 2023, the City started increasing the tax levy by \$1,125,000 to fund renovation of four City Facilities. The first is a Public Safety facility where the Police and Fire departments will be located. Construction of this building began in 2024. The next building is the Municipal Service Building where Public works, Electric, Water, and Sewer personnel and services are located. After that, the Library will be relocated from City Hall to a new building. The last building to be renovated will be City Hall. 2024 brought forth the second year that the tax levy was increased to fund replacement of these buildings.

Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Chaska for its Annual Comprehensive Financial Report for fiscal year ended December 31, 2023.

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

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

Acknowledgements

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

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

Respectfully submitted,

Noel J. Graczyk
Administrative Services Director, Treasurer

Erica H. Mattice
Finance Division Director



Government Finance Officers Association

Certificate of
Achievement for
Excellence in
Financial Reporting

Presented to

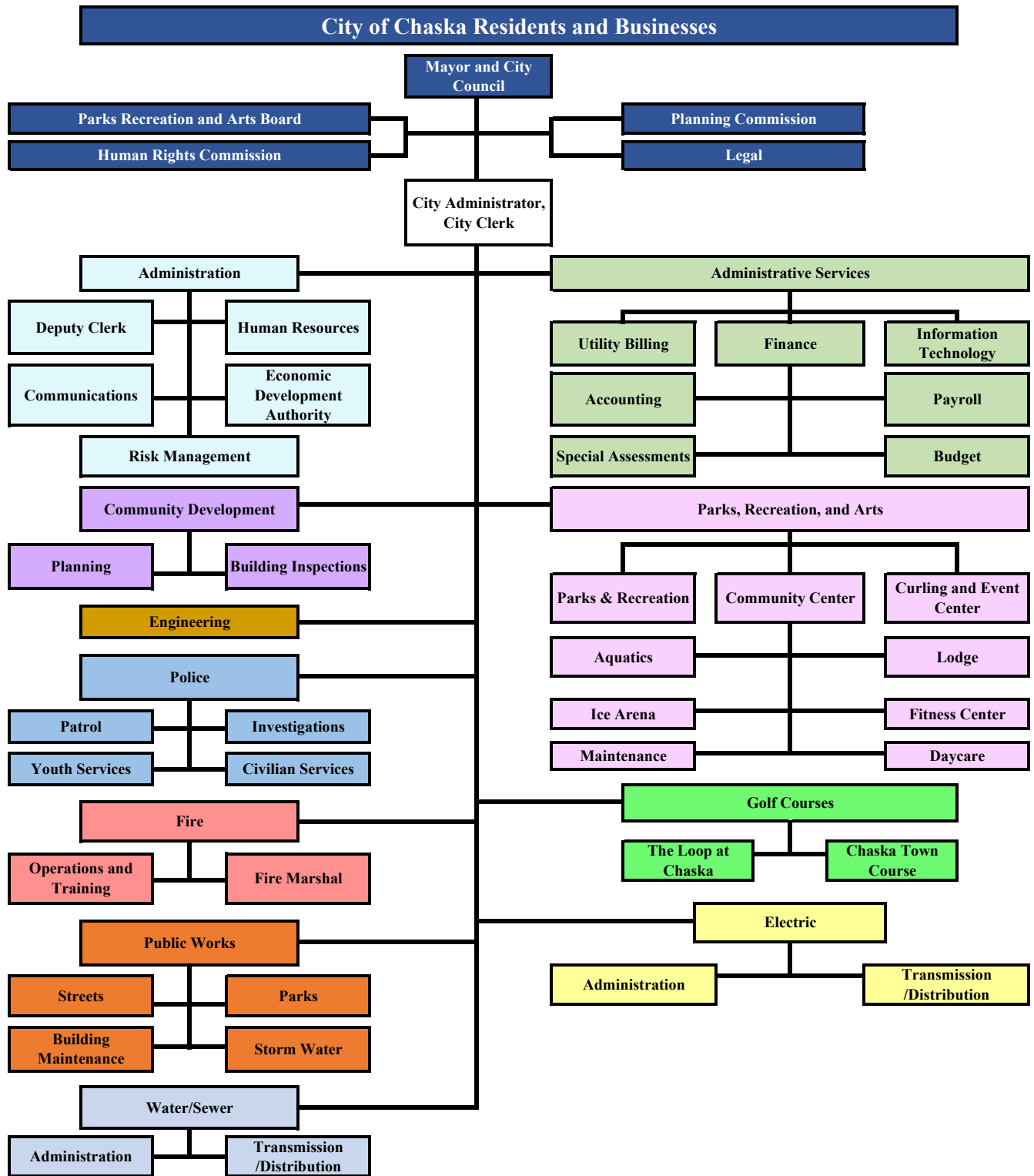
**City of Chaska
Minnesota**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2023

Christopher P. Morrill

Executive Director/CEO



Elected Officials

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

Administrative Officials

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



INDEPENDENT AUDITORS' REPORT

Honorable Mayor and
Members of the City Council
City of Chaska
Chaska, Minnesota

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Chaska, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City of Chaska's basic financial statements as listed in the table of contents.

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

Basis for Opinions

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

Emphasis of Matter – Restatements

We draw attention to Note 17 of the financial statements, which describes the City's restatements to correct errors in prior year financial statements. Our opinions are not modified with respect to this matter.



Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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



Required Supplementary Information

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

Supplementary Information

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

Other Information

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

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



Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2025, on our consideration of the City of Chaska’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Chaska’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Chaska’s internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Minneapolis, Minnesota
June 30, 2025

As management of the City of Chaska (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the year ended December 31, 2024. We encourage readers to consider the information presented here in conjunction with additional information we have furnished in our letter of transmittal, located earlier in the report, and the City's basic financial statements following this section.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$271,612,264 (*net position*). Of that amount, \$36,196,266 is restricted for specific purposes (*restricted net position*) and \$236,773,779 represents the net investment in capital assets.
- The City's governmental funds reported combined ending fund balances of \$80,114,299. This is an increase of \$43,128,263 from the prior year.
- At the end of the current fiscal year, the General fund had a fund balance of \$6,946,269. Although not legally restricted, the City has committed \$2,473,668 in fund balance, with \$1,273,668 committed for compensated absences and \$1,200,000 for a stabilization arrangement. The City has assigned \$482,438 in fund balance for compensated absences. The City has \$233,032 in non-spendable fund balance for prepaid supplies and items, leaving \$3,757,131 in unassigned fund balance.
- Total bonds and premium payable increased \$45,376,861 during the year. At the end of the year, the City reported \$168,047,420 in bonds and premium payable. The most significant change from the prior year was the issuance of EDA Lease Revenue Bonds in the amount of \$49,650,000 for the new public safety facility.
- As described in Note 1 of the notes to the financial statements, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*, effective January 1, 2024. This standard changed the way compensated absences are reported by the City, but did not result in a restatement of net position in the current year.
- At the beginning of 2024, the City transferred existing utility infrastructure assets from Governmental Activities to Business-Type Activities. The transfers resulted in a restatement of net position in the amount of \$40,159,643.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

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

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

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

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

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

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

The City maintains numerous individual governmental funds. Information is presented separately in the governmental funds Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, Temporary State Aid Street Bonds 2022A, Public Facilities Capital Improvement, and Public Improvement Projects Fund, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements or schedules elsewhere in this report.

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

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

- *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its Electric, Water, Sewer, and Storm Water utilities, along with the Community Center, The Loop at Chaska, Chaska Town Course, Turbine Generator, and Curling Center operations.
- *Internal service funds* are used to accumulate and allocate costs internally among the City's various functions. The City has one internal service fund that is used to account for the purchase of property, liability, and worker's compensation insurance. This internal service fund is included in the governmental activities in the government-wide financial statements. The internal service fund is presented in a single column in the proprietary funds financial statements.

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

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

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

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of the City's financial position. For the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$271,612,264 at the close of 2024.

By far, the largest portion of the City's net position (87.2%) reflects its net investment in capital assets (e.g., land, buildings, machinery, equipment, lease assets, subscription-based assets, and infrastructure), reduced by the outstanding balance of any long-term debt used to acquire those assets and the outstanding balance of any capital related payables, such as contracts and retainage payable. The City uses capital assets, including lease assets and subscription assets, to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position represents resources that are subject to external restriction on how they may be used. The amount of restricted net position is \$36,196,266. After restrictions, the City is reporting an unrestricted net position deficit of \$1,357,781, an improvement of \$2,163,350 from the prior year.

Summary of Net Position

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Assets						
Current and Other Assets	\$ 108,954,803	\$ 64,320,376	\$ 39,441,037	\$ 42,295,859	\$ 148,395,840	\$ 106,616,235
Capital Assets	190,291,582	165,323,835	157,925,198	140,025,420	348,216,780	305,349,255
Total Assets	<u>\$ 299,246,385</u>	<u>\$ 229,644,211</u>	<u>\$ 197,366,235</u>	<u>\$ 182,321,279</u>	<u>\$ 496,612,620</u>	<u>\$ 411,965,490</u>
Deferred Outflows of Resources						
Pension Plan Deferments	\$ 9,150,045	\$ 11,680,896	\$ 734,097	\$ 1,418,057	\$ 9,884,142	\$ 13,098,953
OPEB Plan Deferments	25,713	28,842	10,406	12,638	36,119	41,480
Total Deferred Outflows of Resources	<u>\$ 9,175,758</u>	<u>\$ 11,709,738</u>	<u>\$ 744,503</u>	<u>\$ 1,430,695</u>	<u>\$ 9,920,261</u>	<u>\$ 13,140,433</u>
Total Assets and Deferred Outflows	<u>\$ 308,422,143</u>	<u>\$ 241,353,949</u>	<u>\$ 198,110,738</u>	<u>\$ 183,751,974</u>	<u>\$ 506,532,881</u>	<u>\$ 425,105,923</u>
Liabilities						
Other Liabilities	\$ 16,402,810	\$ 11,988,074	\$ 5,471,480	\$ 6,300,223	\$ 21,874,290	\$ 18,288,297
Noncurrent Liabilities	134,754,989	87,458,654	49,802,776	57,552,979	184,557,765	145,011,633
Total Liabilities	<u>\$ 151,157,799</u>	<u>\$ 99,446,728</u>	<u>\$ 55,274,256</u>	<u>\$ 63,853,202</u>	<u>\$ 206,432,055</u>	<u>\$ 163,299,930</u>
Deferred Inflows of Resources						
Leases	\$ 1,851,456	\$ 1,993,848	\$ 13,224,926	\$ 15,245,022	\$ 15,076,382	\$ 17,238,870
Debt Refunding Deferments	-	-	222,156	259,182	222,156	259,182
Pension Plan Deferments	10,620,095	9,718,388	1,989,865	1,427,717	12,609,960	11,146,105
OPEB Plan Deferments	412,936	367,240	167,128	160,924	580,064	528,164
Total Deferred Inflows of Resources	<u>\$ 12,884,487</u>	<u>\$ 12,079,476</u>	<u>\$ 15,604,075</u>	<u>\$ 17,092,845</u>	<u>\$ 28,488,562</u>	<u>\$ 29,172,321</u>
Net Position						
Net Investment in Capital Assets	\$ 125,048,189	\$ 117,405,116	\$ 111,725,590	\$ 84,128,792	\$ 236,773,779	\$ 201,533,908
Restricted	20,757,570	19,906,018	15,438,696	15,341,574	36,196,266	35,247,592
Unrestricted	(1,425,902)	(7,483,389)	68,121	3,962,258	(1,357,781)	(3,521,131)
Total Net Position	<u>\$ 144,379,857</u>	<u>\$ 129,827,745</u>	<u>\$ 127,232,407</u>	<u>\$ 103,432,624</u>	<u>\$ 271,612,264</u>	<u>\$ 233,260,369</u>
Total Liabilities, Deferred Inflows, and Net Position	<u>\$ 308,422,143</u>	<u>\$ 241,353,949</u>	<u>\$ 198,110,738</u>	<u>\$ 184,378,671</u>	<u>\$ 506,532,881</u>	<u>\$ 425,732,620</u>

Governmental activities – Total net position of the governmental activities increased \$14,552,112 to \$144,379,857. Net investment in capital assets increased \$7,643,073 due to various road improvement projects and construction that began on the new public safety campus. Unrestricted net position improved \$6,057,487 from the prior year. The improvement in unrestricted net position stems from construction projects that received funding during the year.

Business-type activities – Total net position of the business-type activities increased \$23,799,783 to \$127,232,407. Net investment in capital assets increased \$27,596,798 due to the construction of electric, water, sewer, and storm water system assets, the utility meter replacement project, water tower and well improvements, and developer donated utility infrastructure. Unrestricted net position decreased \$3,894,137 from the prior year.

	Changes in Net Position					
	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues						
Program Revenues:						
Charges for Services	\$ 11,434,981	\$ 17,943,329	\$ 82,217,723	\$ 79,244,925	\$ 93,652,704	\$ 97,188,254
Operating Grants & Contributions	7,651,814	6,175,382	-	13,796	7,651,814	6,189,178
Capital Grants & Contributions	18,400,195	16,128,935	11,194,164	1,316,894	29,594,359	17,445,829
General Revenues:						
Property Taxes	20,618,682	16,932,255	-	-	20,618,682	16,932,255
Franchise Taxes	772,621	783,615	-	-	772,621	783,615
Grants & Contributions Not Restricted	10,102	10,772	563	645	10,665	11,417
Investment Earnings	2,995,886	1,389,424	730,733	641,539	3,726,619	2,030,963
Other General Revenues	505,989	803,970	1,154,175	70,409	1,660,164	874,379
Total Revenues	<u>62,390,270</u>	<u>60,167,682</u>	<u>95,297,358</u>	<u>81,288,208</u>	<u>157,687,628</u>	<u>141,455,890</u>
Expenses						
General Government	7,736,835	7,828,871	-	-	7,736,835	7,828,871
Economic Development	1,810,824	2,488,535	-	-	1,810,824	2,488,535
Public Safety	12,260,433	13,449,171	-	-	12,260,433	13,449,171
Public Works	12,230,186	27,888,319	-	-	12,230,186	27,888,319
Parks, Recreation & Arts	6,045,540	4,110,717	-	-	6,045,540	4,110,717
Interest on Long-term Debt	3,970,358	1,845,976	-	-	3,970,358	1,845,976
Electric	-	-	47,649,505	47,812,178	47,649,505	47,812,178
Water	-	-	4,595,273	3,711,226	4,595,273	3,711,226
Sewer	-	-	7,587,553	5,775,590	7,587,553	5,775,590
Community Center	-	-	4,915,842	4,977,486	4,915,842	4,977,486
The Loop at Chaska	-	-	658,213	307,285	658,213	307,285
Chaska Town Course	-	-	3,506,545	2,803,226	3,506,545	2,803,226
Turbine Generator	-	-	1,705,658	788,095	1,705,658	788,095
Storm Water	-	-	2,295,546	1,577,772	2,295,546	1,577,772
Chaska Curling Center	-	-	2,367,422	2,304,717	2,367,422	2,304,717
Total Expenses	<u>44,054,176</u>	<u>57,611,589</u>	<u>75,281,557</u>	<u>70,057,575</u>	<u>119,335,733</u>	<u>127,669,164</u>
Excess Before Transfers	18,336,094	2,556,093	20,015,801	11,230,633	38,351,895	13,786,726
Transfers	<u>(3,783,982)</u>	<u>3,729,218</u>	<u>3,783,982</u>	<u>(3,729,218)</u>	<u>-</u>	<u>-</u>
Change in Net Position	14,552,112	6,285,311	23,799,783	7,501,415	38,351,895	13,786,726
Net Position - Beginning	<u>129,827,745</u>	<u>123,542,434</u>	<u>103,432,624</u>	<u>95,931,209</u>	<u>233,260,369</u>	<u>219,473,643</u>
Net Position - Ending	<u>\$ 144,379,857</u>	<u>\$ 129,827,745</u>	<u>\$ 127,232,407</u>	<u>\$ 103,432,624</u>	<u>\$ 271,612,264</u>	<u>\$ 233,260,369</u>

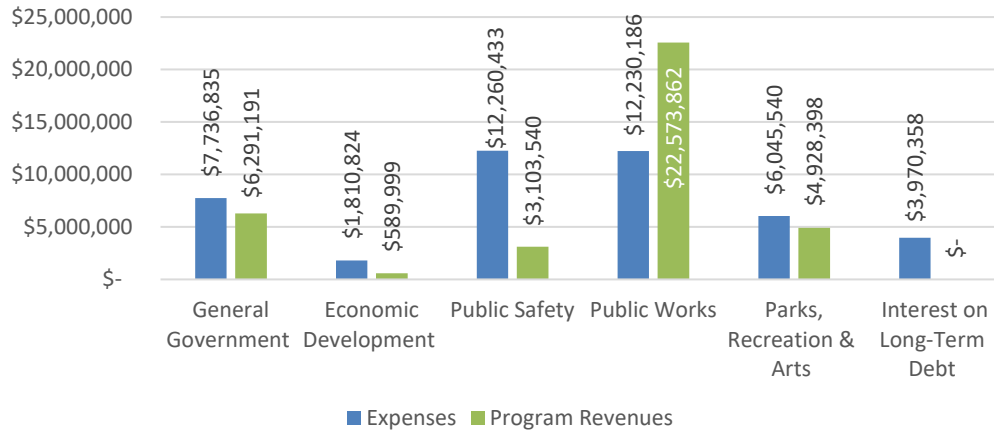
As a whole, the City had total revenues of \$157,687,628, for the year ended December 31, 2024. This is an increase of \$16,231,738 from the prior year.

The total cost of all programs and services was \$119,335,733 which is \$8,333,431 lower than the prior year. The City’s expenses are predominantly related to providing services such as police, fire, building inspections, street maintenance, snow removal, purchasing power for electric service, and other utility operations for the citizens of Chaska. Recreation expenses include those related to the wide variety of opportunities offered through the Community Center, Curling Center, golf courses and Park and Recreation programs. Other expenses include economic development and interest on long-term debt.

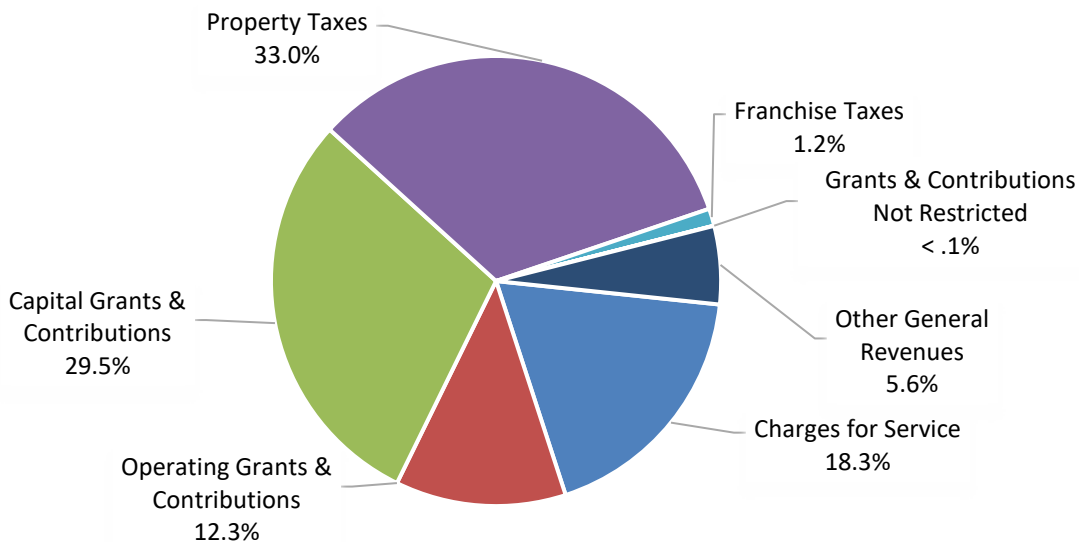
Governmental activities – Governmental Activities revenue increased \$2,222,588 from the prior year and expenses decreased \$13,557,413. Significant components of revenue and expenses include:

- Property Taxes were the largest source of revenue at \$20,618,682 or 33.0%. Property Taxes for 2024 were \$3,686,427 more than the prior year due to increased tax levy based on growth, inflation, and enhanced services.
- Charges for Services made up 18.3% of total revenue, compared to 29.8% the prior year. Charges for services were \$6,508,348 lower than the prior year. The majority of this change is due to lower connection and acreage fees collected in trunk funds as new development starts to moderate. Public Safety revenue was \$962,510 lower than the prior year due to decreased building permit revenue. The number of permits issued in 2024 was similar to the prior year, but 2023 permits included higher value projects. These decreases were offset by increases in administrative fees for services provided to City departments.
- Operating Grants and Contributions for 2024 were \$1,476,432 higher than the prior year, due to reimbursements from the County and Federal Government for each agency's share of public improvement projects.
- Capital Grants and Contributions were \$18,400,195 and the second largest source of revenue in 2024. Revenue in this category increased \$2,271,260 from the prior year. Special assessments, intergovernmental aid and grants, and developer donated assets make up the majority of this revenue.
- Total expenses for all programs and services were \$44,054,176. Street maintenance/construction makes up 27.8% of this total. Public safety services also make up 27.8% of this total. Total expenses were \$13,557,413 lower than the prior year.
- The Public Works function decreased \$15,658,133 from the prior year, due to several projects wrapping up construction in 2024. The majority of construction for some large projects occurred in 2023.
- Public safety expenses were \$1,188,738 lower than the prior year due to changes in pension expense related to the fire relief and full-time employees of the police and fire departments.
- General government expenses account for 17.6% of the total and were \$92,036, or 1.2% lower than the prior year due to various small changes across departments.
- Interest on long-term debt increased \$2,124,382 for interest payments on the Temporary State Aid Street bonds and year-end accrual of interest on the 2024A bonds for the Public Safety Campus.
- Net transfers in 2024 include \$8,667,834 in capital asset transfers from governmental activities to business-type activities. Utility infrastructure projects that were reported as construction in progress in governmental activities last year, and completed in 2024, have been transferred to water, sewer and storm water utilities.
- Additional comparisons can be found in the accompanying graphs.

Expenses and Program Revenues - Governmental Activities



Revenues by Source - Governmental Activities

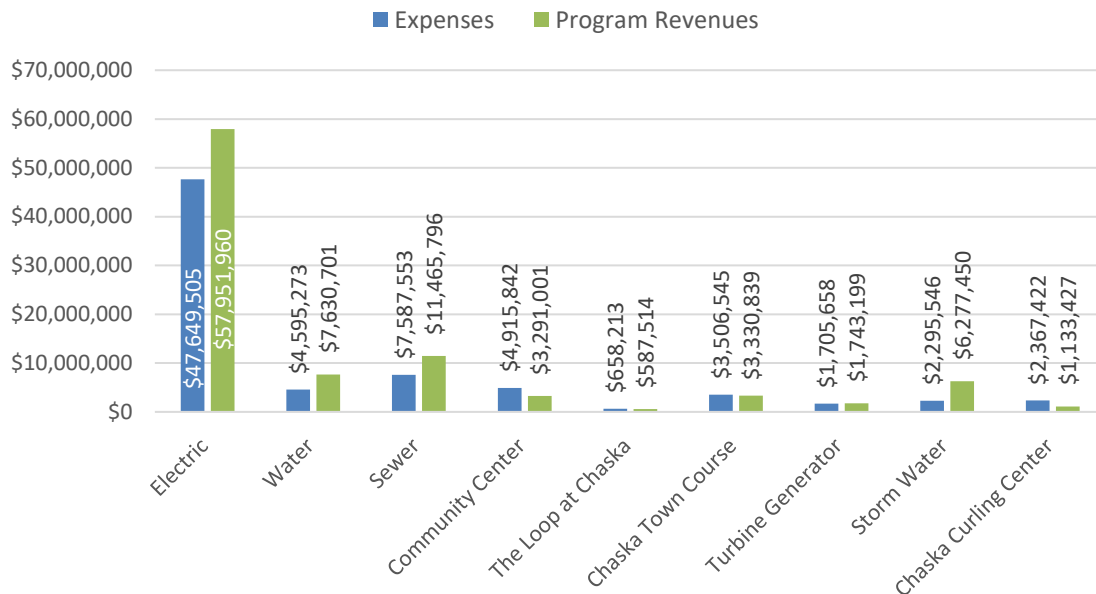


Business-type activities – Business-type Activities revenue increased \$14,009,150 from the prior year and expenses increased \$5,223,982. Significant components of revenue and expenses include:

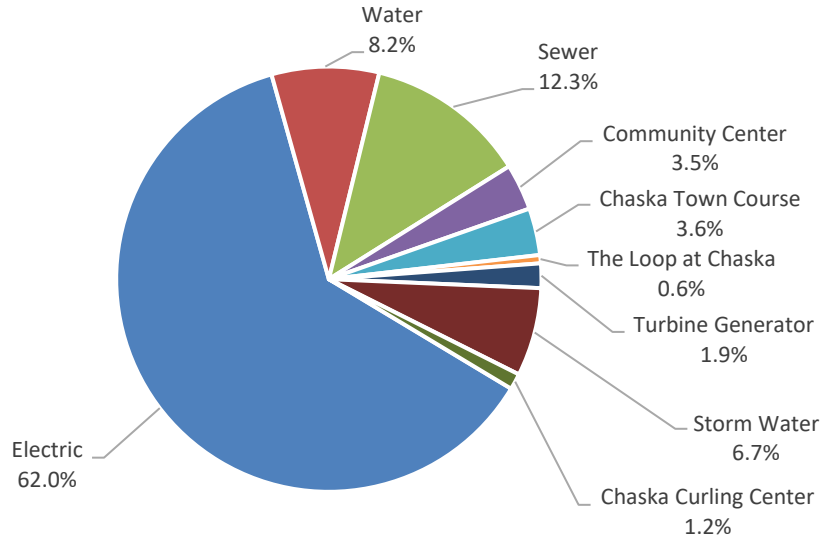
- Charges for services for business-type activities include charges for Electric, Water, Sewer, and Storm Water utilities. Also included in charges for services are Community Center, The Loop at Chaska golf course, Chaska Town Course golf course, Turbine Generator, and Curling Center operations. The Loop at Chaska reopened in 2024 after being closed the prior 3 years for reconstruction.

- The Electric operations comprise 62.0% of all business-type program revenue and 63.3% of all business-type expenses.
- Charges for services increased \$2,972,798, or 3.8% compared to the prior year. The sewer and storm water utilities each had significant increases over the prior year. The Loop at Chaska opened in 2024 and recorded \$396,264 in sales compared to no sales the prior year. Rounds of golf played at the Chaska Town Course also continues to stay strong.
- Capital Grants and Contributions increased \$9,877,270 from the prior year due to developer contributed utility assets.
- Electric charges for services were \$440,327 higher than last year due to continued growth in customer base. 2023 was hotter than usual resulting in higher usage and level of revenue. 2024 had closer to normal temperatures, but the utility still recorded increased revenue over the prior year.
- Charges for Services at the Chaska Community Center increased \$107,034. The Community Center is seeing increases in memberships and participation in classes, lessons, and programs after several years of decreases due to the pandemic.
- Additional comparisons can be found in the accompanying graphs.

Expenses and Program Revenues - Business-type Activities



Program Revenues - Business-type Activities



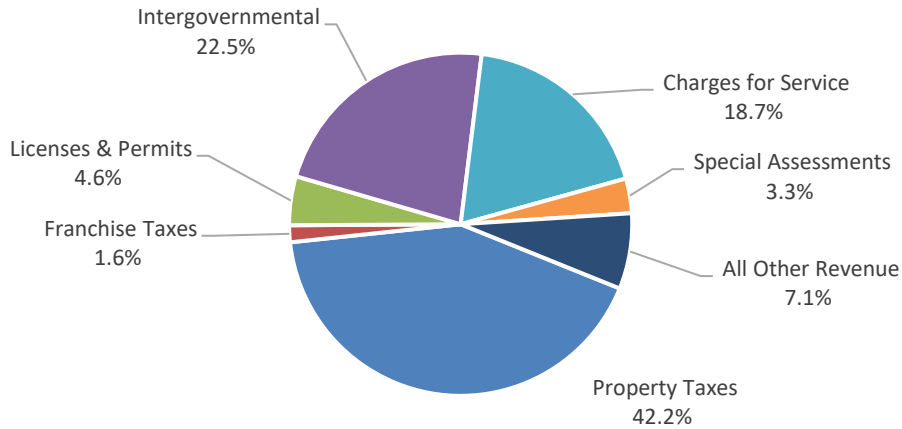
FINANCIAL ANALYSIS OF THE GOVERNMENT’S FUNDS

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

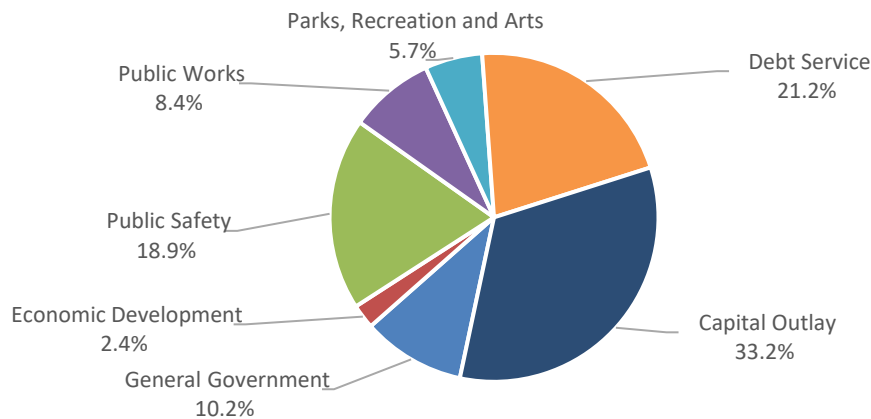
Governmental Funds - The focus of the City’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City of Chaska’s financing requirements. In particular, assigned and unassigned fund balance may serve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

At the end of the current fiscal year, the City’s governmental funds reported a combined fund balance of \$80,114,299. Revenues for the City’s governmental funds were \$48,717,867, while total expenditures were \$75,532,714. After other financing sources and uses, the net change in fund balances increased \$43,128,263.

Governmental Funds Revenues



Governmental Fund Expenditures



The **General Fund** is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$3,757,131. Total fund balance increased \$1,427,295 to \$6,946,269 as of December 31, 2024.

- Total revenues of \$25,039,823 and transfers into the fund of \$5,178,505 less total expenditures of \$25,677,033 and transfers out of \$3,114,000, resulted in the \$1,427,295 increase in fund balance. Total revenues were \$637,210 less than total expenditures. Overall revenues were higher than the prior year due to increases in tax revenue, intergovernmental revenue and administrative fees. Tax revenue was higher due to the increased tax levy and intergovernmental revenue was higher due to police and state aid from the state. Administrative fees increased based on services provided to departments across the city. Expenditures were also higher than last year as new positions were added in general government, police and fire.
- The City has committed \$1,273,668 in the general fund for compensated absences estimated to be used in the next year based on a three-year average. The remaining balance of compensated absences has been set

aside as assigned. The remaining \$1,200,000 in committed fund balance is set aside for working capital and reserve needs.

The **GO Temporary State Aid Street Bonds 2022A** Fund is used to account for the debt service on the temporary bonds issued for the Highway 41/County Road 61 reconstruction project. The temporary bonds matured in 2024. The outstanding balance of \$8,287,000 in temporary bonds were paid off with a transfer in to the fund using available funds and the issuance of \$5,855,000 2024B bonds.

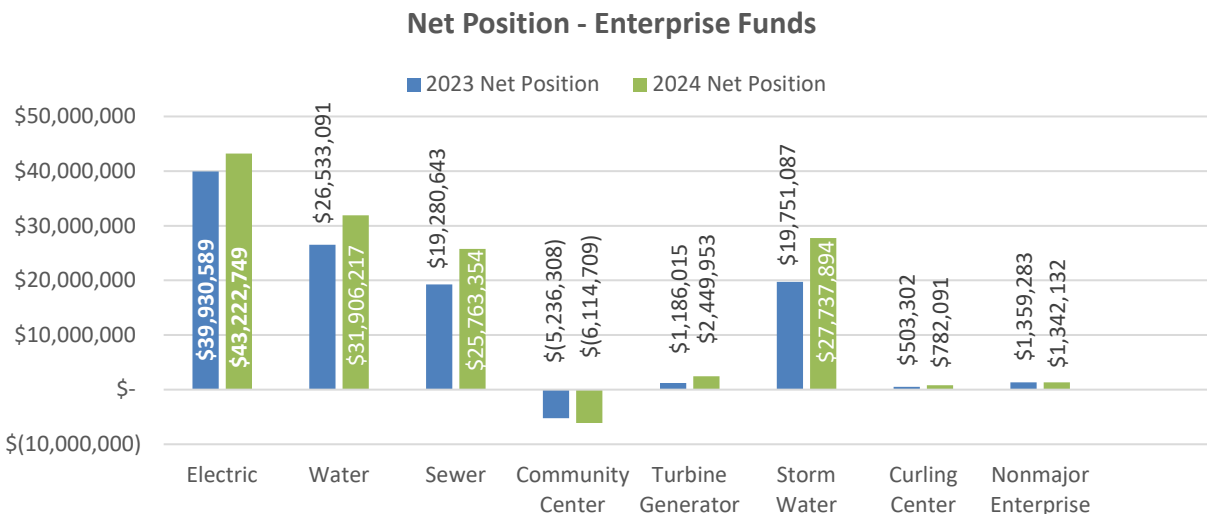
The **Public Facilities Capital Improvement** Fund is used to account for the financing, improvements, and construction of public facilities. The Public Safety campus, the first of four planned facility renovations, began construction in 2024. Bonds for the public safety campus were issued in 2024 in the par amount of \$49,650,000. Capital outlay and other expenditures were \$15,341,109, mainly for construction of the new facility. The fund ended the year with a fund balance of \$39,354,327.

The **Public Improvement Projects Capital Project** Fund is used to account for the revenues and expenditures for various public improvement projects, many of which are in the southwest Chaska growth area. This fund received \$5,281,081 in Federal, State, and local governmental revenue for each agency’s share of major construction projects where the City is the lead agency. Expenditures were \$10,132,788 relating to construction of roads and other infrastructure. The fund ended the year with a fund balance deficit of \$13,134,089 which will be resolved as projects receive final funding, assessment revenue, or bond proceeds.

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

The combined net position of all enterprise funds increased \$23,781,979 to \$127,089,681. Capital contributions for the year were \$19,861,998 which includes developer contributions of water, sewer and storm water infrastructure assets. Other factors concerning the finances of these funds have been addressed in the discussion of the City’s business-type activities.

The following table shows net position changes in individual major funds and combined non-major funds between 2023 and 2024. The Sewer fund and Storm Water fund are presented individually for comparison. These funds were non-major in 2023.



General Fund Budgetary Highlights

The final amended budget for the General fund includes the original adopted budget plus any additional supplemental appropriations that were approved by the City Council during the year. In 2024, the original budget was amended, increasing revenues and expenditures by \$159,133 each.

- The police department was able to use one-time public safety aid to accelerate hiring and to cover wages of staff dedicated to special projects. Within the public safety function, the budget for police wages was amended and increased \$159,133. Transfers in from the Public Safety Aid special revenue fund was also amended and increased by \$159,133.

The City's final budget for the General fund anticipated that revenues and other financing sources would be equal to expenditures and other financing uses. At year-end, revenues were \$1,089,050 higher than the final budget, and expenditures were \$216,873 lower than the final budget. Other financing sources and uses were \$121,372 higher than the budget. For the year, the net change in fund balance was an increase of \$1,427,295.

Budgetary variances – Revenues

- Total General Fund property taxes were \$13,258,633 which is \$100,164 lower than the final budget of \$13,358,797. Taxes for the 2024 levy had a collection rate of 99.6%, which is typical for the City.
- License and Permit revenue was \$828,958 more than the final budget. The City budgets permit revenue conservatively and for several years permit revenue has outperformed the budget due to the high volume and value of construction. 2024 revenue for licenses and permits was \$2,244,981.
- Investment earnings were \$298,657 more than the final budget due to favorable interest rates on cash deposits and general investments. The City budgets investment earnings conservatively due to the possibility of economic fluctuations. A significant cash balance, along with higher interest rates, led to more interest allocated to the fund.
- Charges for services and other revenues were \$145,610 and \$138,603 higher than budget, respectively. Recreation program participation led to higher than budgeted charges for services. Miscellaneous refunds, reimbursements and contributions increased in the other revenue category. These revenues vary year-to-year and are less predictable.

Budgetary variances – Expenditures

- General government expenditures were \$776,754 less than budgeted. Many departments were slightly under budget contributing to the favorable difference. The building maintenance department was significantly under budget for repairs and professional services. Budgeted contingency was not needed for general government expenditures.
- Public Safety expenditures were \$349,063 higher than budgeted in the police department and fire department. Police wages and benefits and costs for fuel and upfitting leased vehicles were over budget. The union contract was settled after the budget was established. The contract included an additional market increase for the city to stay competitive with neighboring communities. Fire department gear purchases, education and training costs, and payments remitted to the fire relief were all over budget. The department updated older gear and continued to invest in training for new hires and existing fire personnel. Revenue

from the State offsets the overage in payments to the fire relief. A transfer in from the Public Safety Aid special revenue fund offsets a portion of the overages for both police and fire.

- Public Works expenditures were \$234,773 under budget. Snow removal was \$202,607 under budget due lower than usual snowfall. Other public works departments were relatively close to budget.
- Parks, Recreation and Arts expenditures were over budget by \$253,822 largely due to park maintenance costs for wages and benefits. Park maintenance employees allocate time between parks and storm water based on service needs. In 2024, more hours were allocated to park maintenance activities resulting in general fund activities being over budget and storm water activities under budget.

CAPITAL ASSETS AND LONG-TERM DEBT

Capital Assets

As shown in the capital asset table below, at the end of 2024, the City had \$348,216,780 (net of depreciation and amortization) invested in a broad range of capital assets, including police and fire equipment, buildings, park facilities, roads and highways, land, and utility infrastructure. Additional detailed information on the City of Chaska’s capital assets can be found in **Note 4** of the basic financial statements.

Capital Assets - Net of Depreciation and Amortization

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land	\$ 69,756,449	\$ 58,952,146	\$ 1,625,670	\$ 1,587,984	\$ 71,382,119	\$ 60,540,130
Works of Art/Historical Treasures	114,943	105,027	-	-	114,943	105,027
Construction in Progress	33,938,343	35,410,917	8,741,465	11,213,970	42,679,808	46,624,887
Buildings	2,701,578	2,508,483	31,429,106	31,538,248	34,130,684	34,046,731
Other Improvements	13,173,545	12,670,248	5,655,069	1,774,135	18,828,614	14,444,383
Furniture & Equipment	3,964,457	3,514,997	6,406,559	6,037,498	10,371,016	9,552,495
Infrastructure	65,695,356	51,658,289	104,014,289	87,237,878	169,709,645	138,896,167
Lease Land Improvements	-	-	-	587,351	-	587,351
Lease Equipment	349,722	383,617	14,769	1,235	364,491	384,852
Subscriptions	597,189	120,111	38,271	47,121	635,460	167,232
Total Capital Assets, Net of Depreciation and Amortization	<u>\$ 190,291,582</u>	<u>\$ 165,323,835</u>	<u>\$ 157,925,198</u>	<u>\$ 140,025,420</u>	<u>\$ 348,216,780</u>	<u>\$ 305,349,255</u>

- The increase in land is due to completion of construction in progress projects as well as the addition of developer donated land.
- The increase in infrastructure is due to the completion of several large construction projects, as well as the addition of developer donated utility infrastructure.

Long-Term Debt

At year-end, the City had \$169,118,962 in bonds, bond premium, financed purchase payables, as well as subscription and lease liabilities outstanding, as shown in the following table. Additional detailed information about the City’s long-term liabilities is presented in **Note 6** to the financial statements.

Outstanding Long-Term Debt, Lease and Subscription Liabilities

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

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
General Obligation Equipment Certificates	\$ 10,340,000	\$ 10,700,000	\$ -	\$ -	\$ 10,340,000	\$ 10,700,000
General Obligation Bonds	-	340,000	12,965,000	14,215,000	12,965,000	14,555,000
General Obligation Tax Increment Bonds	2,765,000	2,880,000	-	-	2,765,000	2,880,000
General Obligation Abatement Bonds	465,000	500,000	-	-	465,000	500,000
General Obligation Improvement Bonds	25,385,000	25,375,000	-	-	25,385,000	25,375,000
General Obligation State Aid Street Bonds	13,200,000	12,877,000	-	-	13,200,000	12,877,000
General Obligation Revenue Bonds	260,000	335,000	-	-	260,000	335,000
Revenue Bonds	-	-	17,040,000	18,990,000	17,040,000	18,990,000
EDA Revenue Bonds	6,800,000	7,145,000	-	-	6,800,000	7,145,000
EDA Lease Revenue Bonds	57,430,000	8,095,000	10,500,000	11,960,000	67,930,000	20,055,000
Lease Purchase Bonds	-	-	3,164,000	3,299,000	3,164,000	3,299,000
Premium	5,850,253	3,722,960	1,883,167	2,863,295	7,733,420	6,586,255
Financed Purchase Payable	-	-	134,159	185,524	134,159	185,524
Lease Liability	359,785	391,737	15,136	601,755	374,921	993,492
Subscription Liability	521,457	106,642	41,005	45,213	562,462	151,855
Total	\$ 123,376,495	\$ 72,468,339	\$ 45,742,467	\$ 52,159,787	\$ 169,118,962	\$ 124,628,126

- During the year, the City made principal payments of \$17,347,000 on outstanding bonds which includes \$8,287,000 paid on the GO Temporary State Aid Street bonds that matured at the end of 2024. The City made principal payments of \$51,365 on financed purchase payable, \$744,219 on lease liabilities, and \$152,820 on subscription liabilities.
- During the year, the Chaska EDA issued \$49,650,000 Lease Revenue Bonds, 2024A, and the City issued \$11,300,000 General Obligation Bonds, 2024B. The Lease Revenue bonds will finance the new Public Safety campus. The \$11,300,000 General Obligation bonds are comprised of State Aid Street bonds that were used to pay off the 2022A Temporary State Aid Street Bonds and to finance reconstruction of Engler Boulevard. The 2024B bonds also include GO improvement bonds for the 2024 Downtown Street Reconstruction project.

The EDA Lease Revenue bonds issued in 2024 carry an AA- rating and GO Bonds issued in 2024 carry an AA rating by Standard and Poor’s. The City was rated A1 from Moody’s for Chaska Electric Revenue Bonds issued in 2017 and in 2020, Standard and Poor’s reaffirmed the City’s A rating for its 2020F Electric Revenue Bonds.

Under Minnesota State Statutes, the general obligation bonded debt issued by the City is subject to a legal debt limitation based on 3% of market value. On December 31, 2024, the City’s legal debt margin was \$49,858,952. The statutes provide that debt issues supported by tax increment, special assessment revenues or available dedicated reserves are excluded from the total limited debt.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

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

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

City Council continues to commit funding to the multi-year Public Facility renovation program. The City is dedicating an additional \$1,125,000 in property tax levy and \$590,000 in utility funds in 2025 to fund a series of four City building renovations. Construction and renovation of facilities began in 2024 and will continue through 2030.

City operations at the Chaska Community Center and Chaska Curling and Event Center continue to rebound after the pandemic. In 2023 and 2024 the Community Center began to see memberships improve from the initial loss during the pandemic, although, not quite back to pre-pandemic levels. The City will continue to identify capital improvements and annually plan for new equipment and repairs when budgeting for the Community Center to keep it a facility that attracts new members. Membership and program rates will increase slightly in 2025 based on comparative rates in neighboring communities. Curling Center operations include curling, an event center and restaurant. Operations have rebounded after the pandemic and the City continues to look for ways to increase revenue through usage of the facilities during the least used time slots.

The City's elected and appointed officials considered many factors when setting the fiscal year 2025 budget. Considerations include:

- The City will continue to prioritize ensuring General Fund reserve balances are sufficient for cash flow and other needs, and to also maintain the City's bond rating. The General Fund fund balance is projected to increase \$300,000 by year-end 2025.
- The City will continue to fully fund the established Capital Asset Maintenance Program. The City dedicates \$1,000,000 of tax levy each year for reinvestment back into existing governmental assets such as roads, trails and parks. 2025 projects include, street overlay, 3 miles of trail resurfacing, and playground equipment replacement.
- The City will use the balance of one-time public safety aid received from the State to support police and fire services.
- In the 2023 Legislative session, the State created a Metro Sales Tax with a portion of sales tax coming back to each metro area city for the purpose of supporting affordable housing stock. The city's allocation in 2024 was approximately \$130,000 with the expectation that 2025 revenue will be similar.
- Building permit revenue is expected to be similar to 2024 based on the market for commercial and industrial projects as well as residential housing.

- Population continues to increase steadily as a result of the number of residential units being built each year. The city anticipates a population of approximately 30,500 by the end of 2025.
- Electric revenue continues to increase due to economic development activity occurring in recent years, including data center development and additions to existing industrial businesses, driving up this usage. This has had a positive impact on electric fund right-of-way transfers to the General fund.
- The City completed a staffing study in 2019 that identified a gap of 16 employees needed to sustainably provide city services at expected levels. In 2024, the city completed the program with all anticipated positions now added. Looking forward, the city will plan to add positions to keep up with growth and to maintain a consistent level of service to the city and its residents.
- The City will be in the third year of implementing the building improvement program to support public facility renovations. The third year of the program includes an additional \$1.125 million in tax levy and \$590,000 in transfers from the Enterprise Utility Funds to support the construction and renovation of the City's Public Safety Campus, Municipal Services Building, City Hall, and a new Library.

Market values across the community increased by an average of 6.7% for taxes payable 2025 with 3.6% driven by new construction and 3.1% driven by changes in existing property values. For the second year in a row, the strongest growth has been in the category of apartments with over 600 new rental units built last year. Tax capacity is slated to grow at a slightly faster rate of 6.6% compared to 5.4% in 2024.

The City property tax levy is increasing from \$17,941,393 for taxes payable in 2024 to \$20,806,116 for taxes payable in 2025, which, along with other property tax factors, results in an increase of the City tax rate from 35.9% to 38.9%. The Chaska EDA property tax levy is increasing from \$212,801 for taxes payable in 2024 to \$231,440 for taxes payable in 2025. The EDA tax rate will increase from 0.42% to 0.43%. Annual taxes on the median value home are projected to increase from \$1,379 in 2024 to \$1,520 in 2025.

Requests for Information

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

Government-Wide Financial Statements

City of Chaska, Minnesota

For the Year Ended December 31, 2024

CITY OF CHASKA, MINNESOTA

STATEMENT OF NET POSITION
DECEMBER 31, 2024

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
Cash And Investments	\$ 38,147,459	\$ 5,914,642	\$ 44,062,101
Receivables:			
Taxes	408,120	-	408,120
Special Assessments	10,075,576	1,011	10,076,587
Accounts, Net Of Allowance	260,244	10,479,496	10,739,740
Interest	61,153	139,932	201,085
Notes	27,833	-	27,833
Internal Balances	11,737,845	(11,737,845)	-
Due From Other Governments	2,239,650	3,343	2,242,993
Leases Receivable	1,933,066	1,841,909	3,774,975
Inventories	-	44,340	44,340
Prepaid Items	233,032	5,563,599	5,796,631
Restricted Assets:			
Cash And Investments For Operating And Maintenance	-	10,000,000	10,000,000
Cash And Investments For Debt Service	42,500,552	5,438,696	47,939,248
Cash And Investments Held For Developer	1,330,273	-	1,330,273
Leases Receivable, Non-Current	-	11,751,914	11,751,914
Capital Assets:			
Not Depreciated Or Amortized	103,809,735	10,367,135	114,176,870
Net Of Depreciation And Amortization	86,481,847	147,558,063	234,039,910
TOTAL ASSETS	299,246,385	197,366,235	496,612,620
DEFERRED OUTFLOWS OF RESOURCES			
Pension Plan Deferments	9,150,045	734,097	9,884,142
OPEB Plan Deferments	25,713	10,406	36,119
TOTAL DEFERRED OUTFLOWS OF RESOURCES	9,175,758	744,503	9,920,261
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 308,422,143	\$ 198,110,738	\$ 506,532,881
LIABILITIES			
Accounts Payable	\$ 8,139,436	\$ 657,630	\$ 8,797,066
Salaries Payable	413,596	236,878	650,474
Deposits Payable	2,493,718	480,294	2,974,012
Accrued Interest Payable	1,744,990	442,092	2,187,082
Due To Other Governments	32,732	2,938,064	2,970,796
Unearned Revenue	3,578,338	716,522	4,294,860
Non-Current Liabilities:			
Due Within One Year	13,217,987	5,661,135	18,879,122
Due In More Than One Year	121,537,002	44,141,641	165,678,643
TOTAL LIABILITIES	151,157,799	55,274,256	206,432,055
DEFERRED INFLOWS OF RESOURCES			
Leases	1,851,456	13,224,926	15,076,382
Debt Refunding Deferments	-	222,156	222,156
Pension Plan Deferments	10,620,095	1,989,865	12,609,960
OPEB Plan Deferments	412,936	167,128	580,064
TOTAL DEFERRED INFLOWS OF RESOURCES	12,884,487	15,604,075	28,488,562
NET POSITION			
Net Investment in Capital Assets	125,048,189	111,725,590	236,773,779
Restricted for:			
Special Purposes	1,232,281	-	1,232,281
Capital Projects	20,892	-	20,892
Debt Service	14,276,696	15,438,696	29,715,392
Economic Development	5,227,701	-	5,227,701
Unrestricted	(1,425,902)	68,121	(1,357,781)
TOTAL NET POSITION	144,379,857	127,232,407	271,612,264
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	\$ 308,422,143	\$ 198,110,738	\$ 506,532,881

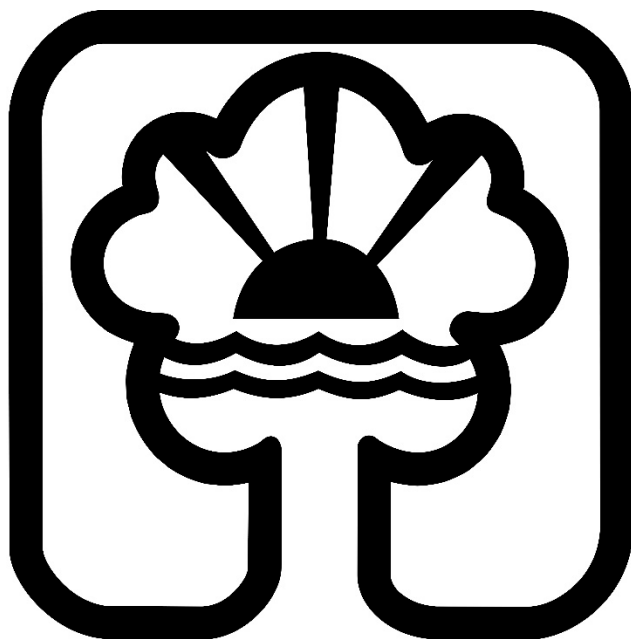
The notes to the financial statements are an integral part of this statement.

CITY OF CHASKA, MINNESOTA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024

FUNCTIONS/PROGRAMS	PROGRAM REVENUES				NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING	CAPITAL	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
			GRANTS AND CONTRIBUTIONS	GRANTS AND CONTRIBUTIONS			
Governmental Activities:							
General Government	\$ 7,736,835	\$ 6,178,686	\$ 112,505	\$ -	\$ (1,445,644)	\$ -	\$ (1,445,644)
Economic Development	1,810,824	328,900	156,685	104,414	(1,220,825)	-	(1,220,825)
Public Safety	12,260,433	2,203,943	832,163	67,434	(9,156,893)	-	(9,156,893)
Public Works	12,230,186	1,961,555	4,671,024	15,941,283	10,343,676	-	10,343,676
Parks, Recreation And Arts	6,045,540	761,897	1,879,437	2,287,064	(1,117,142)	-	(1,117,142)
Interest On Long-Term Debt	3,970,358	-	-	-	(3,970,358)	-	(3,970,358)
Total Governmental Activities	44,054,176	11,434,981	7,651,814	18,400,195	(6,567,186)	-	(6,567,186)
Business-type Activities:							
Electric	47,649,505	57,182,709	-	769,251	-	10,302,455	10,302,455
Water	4,595,273	5,074,005	-	2,556,696	-	3,035,428	3,035,428
Sewer	7,587,553	7,822,847	-	3,642,949	-	3,878,243	3,878,243
Chaska Community Center	4,915,842	3,291,001	-	-	-	(1,624,841)	(1,624,841)
The Loop at Chaska	658,213	396,264	-	191,250	-	(70,699)	(70,699)
Chaska Town Course	3,506,545	3,330,839	-	-	-	(175,706)	(175,706)
Turbine Generator	1,705,658	1,743,199	-	-	-	37,541	37,541
Storm Water	2,295,546	2,243,432	-	4,034,018	-	3,981,904	3,981,904
Chaska Curling Center	2,367,422	1,133,427	-	-	-	(1,233,995)	(1,233,995)
Total Business-type Activities	75,281,557	82,217,723	-	11,194,164	-	18,130,330	18,130,330
TOTAL	\$ 119,335,733	\$ 93,652,704	\$ 7,651,814	\$ 29,594,359	(6,567,186)	18,130,330	11,563,144
General Revenues:							
Property Taxes					20,618,682	-	20,618,682
Franchise Taxes					772,621	-	772,621
Grants & Contributions Not Restricted to Specific Functions					10,102	563	10,665
Investment Earnings					2,995,886	730,733	3,726,619
Interest Revenue					-	1,092,702	1,092,702
Other					505,989	61,473	567,462
Transfers					4,883,852	(4,883,852)	-
Transfers - Capital Assets					(8,667,834)	8,667,834	-
Total General Revenues & Transfers					21,119,298	5,669,453	26,788,751
Change in Net Position					14,552,112	23,799,783	38,351,895
Net Position - Beginning, As Previously Reported					169,987,388	67,409,001	237,396,389
Restatement					(40,159,643)	36,023,623	(4,136,020)
Net Position - Beginning, As Restated					129,827,745	103,432,624	233,260,369
Net Position - Ending					\$ 144,379,857	\$ 127,232,407	\$ 271,612,264

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



Chaska

CITY OF CHASKA, MINNESOTA

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2024

	GENERAL	GO TEMPORARY STATE AID STREET BONDS 2022A	PUBLIC FACILITIES CAPITAL IMPROVEMENT	PUBLIC IMPROVEMENT PROJECTS	NONMAJOR GOVERNMENTAL	TOTAL GOVERNMENTAL FUNDS
ASSETS						
Cash And Investments	\$ 7,869,083	\$ 5,065	\$ 2,165,951	\$ -	\$ 27,818,341	\$ 37,858,440
Cash With Escrow Agent	-	-	40,349,055	-	2,151,497	42,500,552
Restricted Cash And Investments	1,330,273	-	-	-	-	1,330,273
Receivables:						
Taxes	308,240	-	-	-	99,880	408,120
Special Assessments	-	-	-	1,477,769	8,597,807	10,075,576
Accounts, Net of Allowance	235,958	-	-	-	24,286	260,244
Interest	8,924	-	2,674	-	45,914	57,512
Notes	-	-	-	-	27,833	27,833
Due From Other Funds	-	-	3,000,000	-	16,047,051	19,047,051
Due From Other Governments	47,707	-	-	510,612	1,681,331	2,239,650
Interfund Receivable	-	-	5,896	-	1,583,176	1,589,072
Leases Receivable	-	-	-	-	1,933,066	1,933,066
Advance To Other Funds	-	-	68,660	-	4,808,759	4,877,419
Prepaid Items	233,032	-	-	-	-	233,032
TOTAL ASSETS	\$ 10,033,217	\$ 5,065	\$ 45,592,236	\$ 1,988,381	\$ 64,818,941	\$ 122,437,840
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
LIABILITIES:						
Accounts Payable	\$ 194,162	\$ -	\$ 6,236,428	\$ 1,194,663	\$ 506,917	\$ 8,132,170
Salaries Payable	413,596	-	-	-	-	413,596
Deposits Payable	2,364,207	-	-	-	129,511	2,493,718
Due To Other Funds	-	-	-	12,230,243	2,566,808	14,797,051
Due To Other Governments	25,544	-	1,481	-	5,707	32,732
Interfund Payable	-	-	-	-	1,174,773	1,174,773
Advance From Other Funds	-	-	-	-	2,968,475	2,968,475
Unearned Revenue	306	-	-	7,050	3,570,982	3,578,338
TOTAL LIABILITIES	2,997,815	-	6,237,909	13,431,956	10,923,173	33,590,853
DEFERRED INFLOWS OF RESOURCES:						
Unavailable Revenue - Taxes	89,133	-	-	-	45,242	134,375
Unavailable Revenue - Special Assessments	-	-	-	1,477,769	5,028,510	6,506,279
Unavailable Revenue - Notes Receivable	-	-	-	-	27,833	27,833
Unavailable Revenue - Intergovernmental Grants	-	-	-	212,745	-	212,745
Lease Revenue For Subsequent Years	-	-	-	-	1,851,456	1,851,456
TOTAL DEFERRED INFLOWS OF RESOURCES	89,133	-	-	1,690,514	6,953,041	8,732,688
FUND BALANCES:						
Nonspendable	233,032	-	-	-	81,610	314,642
Restricted	-	5,065	40,349,055	-	26,183,975	66,538,095
Committed	2,473,668	-	-	-	3,226,647	5,700,315
Assigned	482,438	-	-	-	22,987,457	23,469,895
Unassigned	3,757,131	-	(994,728)	(13,134,089)	(5,536,962)	(15,908,648)
TOTAL FUND BALANCES (DEFICITS)	6,946,269	5,065	39,354,327	(13,134,089)	46,942,727	80,114,299
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 10,033,217	\$ 5,065	\$ 45,592,236	\$ 1,988,381	\$ 64,818,941	\$ 122,437,840

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

CITY OF CHASKA, MINNESOTA

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2024

Total fund balances - governmental funds \$ 80,114,299

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

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

Cost of Capital Assets	269,646,736
Less: Accumulated Depreciation and Amortization	(79,355,154)

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

Delinquent Taxes	134,375
Special Assessments	6,506,279
Notes Receivable	27,833
Intergovernmental Grants	212,745

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

Deferred Outflows - Pension Plan Deferments	9,150,045
Deferred Inflows - Pension Plan Deferments	(10,620,095)
Deferred Outflows - OPEB Plan Deferments	25,713
Deferred Inflows - OPEB Plan Deferments	(412,936)

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

5,592,722

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

(142,726)

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

(1,744,990)

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

Due within one year	(13,217,987)
Due in more than one year	(121,537,002)

Net position of governmental activities \$ 144,379,857

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

CITY OF CHASKA, MINNESOTA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2024

	GENERAL	GO TEMPORARY STATE AID STREET BONDS 2022A	PUBLIC FACILITIES CAPITAL IMPROVEMENT	PUBLIC IMPROVEMENT PROJECTS	NONMAJOR GOVERNMENTAL	TOTAL GOVERNMENTAL FUNDS
REVENUES						
Taxes:						
Property	\$ 13,258,633	\$ -	\$ -	\$ -	\$ 7,303,482	\$ 20,562,115
Franchise	772,621	-	-	-	-	772,621
Licenses And Permits	2,244,981	-	-	-	-	2,244,981
Intergovernmental	1,088,320	-	-	5,281,081	4,568,466	10,937,867
Charges For Services	6,931,711	-	53,020	5,700	2,140,276	9,130,707
Fines And Forfeitures	53,621	-	-	-	500	54,121
Special Assessments	-	-	-	-	1,592,710	1,592,710
Investment Earnings (Charges)	323,657	36	938,286	(511,362)	2,013,122	2,763,739
Leases	-	-	-	-	142,391	142,391
Other Revenue	366,279	-	46,031	-	104,305	516,615
TOTAL REVENUES	25,039,823	36	1,037,337	4,775,419	17,865,252	48,717,867
EXPENDITURES						
CURRENT:						
General Government	7,653,809	-	3,389	-	13,996	7,671,194
Economic Development	-	-	-	-	1,810,596	1,810,596
Public Safety	11,156,127	-	2,953,884	-	180,685	14,290,696
Public Works	2,971,265	-	2,850	2,284,285	1,071,464	6,329,864
Parks, Recreation And Arts	3,593,763	-	-	-	681,527	4,275,290
DEBT SERVICE:						
Principal	272,467	2,432,000	-	-	4,265,000	6,969,467
Interest	29,602	350,043	-	-	1,932,528	2,312,173
Issuance Costs And Fiscal Agent Fees	-	90,210	699,462	-	116,718	906,390
CAPITAL OUTLAY	-	-	11,681,524	7,848,503	5,582,017	25,112,044
TOTAL EXPENDITURES	25,677,033	2,872,253	15,341,109	10,132,788	15,654,531	69,677,714
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(637,210)	(2,872,217)	(14,303,772)	(5,357,369)	2,210,721	(20,959,847)
OTHER FINANCING SOURCES (USES)						
Transfers In	5,178,505	2,419,316	3,095,000	2,586,424	6,982,385	20,261,630
Transfers Out	(3,114,000)	-	-	(2,193,916)	(9,520,622)	(14,828,538)
Bonds Issued	-	-	48,473,946	-	6,621,054	55,095,000
Proceeds of Refunding Bonds	-	5,855,000	-	-	-	5,855,000
Premium on Bonds Issued	-	398,035	1,612,077	-	453,769	2,463,881
Debt Service - Principal	-	(5,855,000)	-	-	-	(5,855,000)
Lease Proceeds	-	-	-	-	107,802	107,802
Subscription Proceeds	-	-	-	-	547,528	547,528
Sale Of Capital Assets	-	-	-	-	440,807	440,807
TOTAL OTHER FINANCING SOURCES (USES)	2,064,505	2,817,351	53,181,023	392,508	5,632,723	64,088,110
NET CHANGE IN FUND BALANCES	1,427,295	(54,866)	38,877,251	(4,964,861)	7,843,444	43,128,263
FUND BALANCES (DEFICITS), JANUARY 1, As Previously Reported	5,518,974	-	-	(7,312,937)	39,636,290	37,842,327
Adjustment	-	59,931	477,076	(856,291)	(537,007)	(856,291)
FUND BALANCES (DEFICITS), JANUARY 1, As Adjusted	5,518,974	59,931	477,076	(8,169,228)	39,099,283	36,986,036
FUND BALANCES (DEFICITS), DECEMBER 31	\$ 6,946,269	\$ 5,065	\$ 39,354,327	\$ (13,134,089)	\$ 46,942,727	\$ 80,114,299

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

CITY OF CHASKA, MINNESOTA

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

Total net change in fund balances - governmental funds	\$ 43,128,263
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation and amortization expense. Further detail on increases and decreases can be found in the note on capital assets. (Increases include donations of capital assets.)	
Capital Outlay	39,980,117
Less: Depreciation and Amortization Expense	(5,367,220)
Net Book Value of assets sold or disposed	(977,316)
Asset Transfers	(8,667,834)
Under modified accrual basis of accounting, certain revenues cannot be recognized until they are available to liquidate liabilities of the current period. Under the full accrual basis of accounting, these revenues are recognized when earned.	
Delinquent Taxes	56,567
Special Assessments	(1,129,810)
Notes Receivable	10,509
Intergovernmental Grants	(643,546)
Long-term debt and other long-term liabilities provide current financial resources to governmental funds, while the repayment of long-term debt and liabilities consume the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Further detail on the additions and reductions can be found in the note on long-term liabilities.	
Additions to long-term liabilities	(64,383,737)
Reductions to long-term liabilities	17,087,402
Net pension and OPEB activity is not recognized in the governmental funds but recognized as the expense/revenue is incurred in the Statement of Activities.	
Deferred Outflows - Pension Plan Deferments	(2,530,851)
Deferred Inflows - Pension Plan Deferments	(901,707)
Deferred Outflows - OPEB Deferments	(3,129)
Deferred Inflows - OPEB Deferments	(45,696)
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.	
	(1,088,383)
Internal service funds are used by management to charge the costs of property and liability insurance to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.	
	46,287
Internal service fund loss allocated to business-type activities.	<u>(17,804)</u>
Change in net position - governmental activities	<u>\$ 14,552,112</u>

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

CITY OF CHASKA, MINNESOTA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2024**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES:				
Taxes:				
Property	\$ 13,358,797	\$ 13,358,797	\$ 13,258,633	\$ (100,164)
Franchise	780,150	780,150	772,621	(7,529)
Licenses And Permits	1,416,023	1,416,023	2,244,981	828,958
Intergovernmental	1,315,999	1,315,999	1,088,320	(227,679)
Charges For Services	6,786,101	6,786,101	6,931,711	145,610
Fines And Forfeitures	41,027	41,027	53,621	12,594
Investment Earnings	25,000	25,000	323,657	298,657
Other Revenue	227,676	227,676	366,279	138,603
TOTAL REVENUES	23,950,773	23,950,773	25,039,823	1,089,050
EXPENDITURES:				
Current:				
General Government	8,430,563	8,430,563	7,653,809	776,754
Public Safety	10,647,931	10,807,064	11,156,127	(349,063)
Public Works	3,206,038	3,206,038	2,971,265	234,773
Parks, Recreation And Arts	3,339,941	3,339,941	3,593,763	(253,822)
Debt Service:				
Principal	91,200	91,200	272,467	(181,267)
Interest	19,100	19,100	29,602	(10,502)
TOTAL EXPENDITURES	25,734,773	25,893,906	25,677,033	216,873
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,784,000)	(1,943,133)	(637,210)	1,305,923
OTHER FINANCING SOURCES (USES):				
Transfers In	4,898,000	5,057,133	5,178,505	121,372
Transfers Out	(3,114,000)	(3,114,000)	(3,114,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	1,784,000	1,943,133	2,064,505	121,372
NET CHANGE IN FUND BALANCES	-	-	1,427,295	1,427,295
FUND BALANCES, January 1	5,518,974	5,518,974	5,518,974	-
FUND BALANCES, December 31	\$ 5,518,974	\$ 5,518,974	\$ 6,946,269	\$ 1,427,295

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

CITY OF CHASKA, MINNESOTA

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 DECEMBER 31, 2024

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS								TOTALS	GOVERNMENTAL ACTIVITIES- INTERNAL SERVICE FUND
	ELECTRIC	WATER	SEWER	COMMUNITY CENTER	TURBINE GENERATOR	STORM WATER	CURLING CENTER	NONMAJOR ENTERPRISE		
ASSETS										
Current Assets:										
Cash And Investments	\$ 1,981,593	\$ 557,976	\$ 677,917	\$ -	\$ 1,894,185	\$ 449,680	\$ -	\$ 353,291	\$ 5,914,642	\$ 289,019
Restricted Assets:										
Cash And Investments For Operating And Maintenance	10,000,000	-	-	-	-	-	-	-	10,000,000	-
Cash And Investments For Debt Service	859,127	-	-	239,110	3,049,768	-	1,290,691	-	5,438,696	-
Receivables:										
Special Assessments	309	476	211	-	-	15	-	-	1,011	-
Accounts:										
Current	4,027,629	304,960	576,233	179,249	-	195,388	97,776	12,516	5,393,751	-
Unbilled	4,227,203	347,501	663,729	-	-	-	-	-	5,238,433	-
Allowance For Uncollectible Accounts	(119,843)	(8,768)	(16,759)	(73)	-	(5,728)	(1,467)	(50)	(152,688)	-
Interest	18,953	5,880	4,062	952	101,874	5,764	-	2,447	139,932	3,641
Due From Other Funds	-	3,257,493	2,600,000	-	-	3,750,000	-	1,196,382	10,803,875	2,750,000
Due From Other Governments	-	-	-	3,343	-	-	-	-	3,343	-
Leases Receivable	-	26,707	-	255,480	1,559,722	-	-	-	1,841,909	-
Inventories	-	-	-	-	-	-	-	44,340	44,340	-
Prepaid Items	4,991,184	235,225	336,470	-	-	-	720	-	5,563,599	-
Total Current Assets	25,986,155	4,727,450	4,841,863	678,061	6,678,854	4,395,119	1,387,720	1,608,926	50,304,148	3,121,401
Noncurrent Assets:										
Leases Receivable	-	180,829	-	647,095	10,923,990	-	-	-	11,751,914	-
Advance To Other Funds	1,191,884	-	-	-	438,513	-	-	-	1,630,397	2,478,587
Capital Assets:										
Land	778,843	252,130	-	90,466	-	504,231	-	-	1,625,670	-
Construction In Progress	4,991,332	3,149,696	265,641	-	-	334,796	-	-	8,741,465	-
Buildings	9,799,403	17,625,520	255,000	26,036,260	-	604,308	17,040,442	9,796,509	81,157,442	-
Other Improvements	-	1,271,864	-	1,005,036	-	132,172	-	5,172,604	7,581,676	-
Furniture And Equipment	2,819,322	932,167	1,276,811	3,957,853	-	1,144,929	1,866,462	3,199,312	15,196,916	-
Infrastructure	36,138,603	48,614,124	47,625,451	-	29,662,102	38,636,800	-	-	200,677,080	-
Lease Equipment	-	-	-	8,513	-	-	-	9,246	17,599	-
Subscriptions	69,083	3,975	3,975	-	-	-	-	-	77,033	-
Less: Accumulated Depreciation And Amortization	(25,786,694)	(34,589,050)	(23,210,057)	(22,188,717)	(21,454,650)	(14,575,682)	(5,142,981)	(10,202,012)	(157,149,843)	-
Total Net Capital Assets	28,809,892	37,260,426	26,216,881	8,909,411	8,207,452	26,781,554	13,773,169	7,966,413	157,925,198	-
Total Noncurrent Assets	30,001,776	37,441,255	26,216,881	9,556,506	19,569,955	26,781,554	13,773,169	7,966,413	171,307,509	2,478,587
TOTAL ASSETS	55,987,931	42,168,705	31,058,744	10,234,567	26,248,809	31,176,673	15,160,889	9,575,339	221,611,657	5,599,988
DEFERRED OUTFLOWS OF RESOURCES										
Pension Plan Deferrals	235,583	66,070	65,695	164,867	-	43,360	51,710	106,812	734,097	-
OPEB Plan Deferrals	5,493	794	794	1,602	-	221	336	1,166	10,406	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	241,076	66,864	66,489	166,469	-	43,581	52,046	107,978	744,503	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 56,229,007	\$ 42,235,569	\$ 31,125,233	\$ 10,401,036	\$ 26,248,809	\$ 31,220,254	\$ 15,212,935	\$ 9,683,317	\$ 222,356,160	\$ 5,599,988
LIABILITIES										
Current Liabilities:										
Accounts Payable	\$ 186,562	\$ 268,132	\$ 23,930	\$ 119,774	\$ 1,750	\$ 24,838	\$ 33,173	\$ (529)	\$ 657,630	\$ 7,266
Salaries Payable	74,487	20,577	20,577	64,207	-	14,307	16,337	26,386	236,878	-
Deposits Payable	209,877	23,350	-	7,566	-	-	20,399	219,102	480,294	-
Compensated Absences	260,004	68,627	68,627	68,172	-	16,468	68,125	595,665	595,665	-
Accrued Interest Payable	54,524	30,782	42,093	7,598	131,688	28,287	137,971	9,149	442,092	-
Due To Other Funds	-	-	-	10,145,997	-	-	5,561,496	2,096,382	17,803,875	-
Due To Other Governments	2,743,609	45,099	40,521	12,161	87,750	3,315	1,378	4,231	2,938,064	-
Interfund Payable	73,305	55,260	55,260	64,279	-	55,650	-	262,591	566,345	-
Revenue Bonds Payable	485,000	839,558	267,416	375,000	1,550,000	168,026	1,155,000	140,000	4,980,000	-
Financed Purchase Payable	-	-	-	54,101	-	-	-	-	54,101	-
Lease Liability	-	-	-	1,638	-	-	1,833	-	3,471	-
Subscription Liability	17,642	1,288	1,288	-	-	-	-	-	20,218	-
Other Post Employment Benefits	4,053	586	586	1,183	-	163	248	861	7,680	-
Unearned Revenue	309	476	211	379,482	-	208,644	127,400	-	716,522	-
Total Current Liabilities	4,109,372	1,353,735	520,509	11,301,158	1,771,188	519,698	7,081,877	2,845,298	29,502,835	7,266
Noncurrent Liabilities:										
Compensated Absences	175,763	16,691	15,691	48,785	-	9,063	40,634	65,891	372,518	-
Advance From Other Funds	438,513	1,300,303	1,300,303	676,542	-	644,350	-	1,657,917	6,017,928	-
Revenue Bonds Payable	6,492,287	6,993,743	3,060,745	2,395,531	9,639,730	2,016,131	6,950,000	3,024,000	40,572,167	-
Financed Purchase Payable	-	-	-	80,058	-	-	-	-	80,058	-
Lease Liability	-	-	-	5,935	-	-	5,730	-	11,665	-
Subscription Liability	18,138	1,325	1,324	-	-	-	-	-	20,787	-
Other Post Employment Benefits	141,682	20,474	20,474	41,321	-	5,704	8,673	30,084	268,412	-
Net Pension Liability	903,707	253,449	252,010	632,440	-	166,330	198,363	409,735	2,816,034	-
Total Noncurrent Liabilities	8,170,090	8,585,985	4,650,547	3,880,612	9,639,730	2,841,578	7,203,400	5,187,627	50,159,569	-
TOTAL LIABILITIES	12,279,462	9,939,720	5,171,056	15,181,770	11,410,918	3,361,276	14,285,277	8,032,925	79,662,404	7,266
DEFERRED INFLOWS OF RESOURCES										
Leases	-	197,792	-	861,352	12,165,782	-	-	-	13,224,926	-
Debt Refunding Deferrals	-	-	-	-	222,156	-	-	-	222,156	-
Pension Plan Deferrals	638,577	179,092	178,075	446,894	-	117,532	140,167	289,528	1,989,865	-
OPEB Plan Deferrals	88,219	12,748	12,748	25,729	-	3,552	5,400	18,732	167,128	-
TOTAL DEFERRED INFLOWS OF RESOURCES	726,796	389,632	190,823	1,333,975	12,387,938	121,084	145,567	308,260	15,604,075	-
NET POSITION										
Net Investment In Capital Assets	21,746,233	29,233,165	22,885,499	5,997,148	(3,204,434)	24,597,397	5,668,169	4,802,413	111,725,590	-
Restricted For Debt Service	10,859,127	-	-	239,110	3,049,768	-	1,290,691	-	15,438,696	-
Unrestricted	10,617,389	2,673,052	2,877,855	(12,350,967)	2,604,619	3,140,497	(6,176,769)	(3,460,281)	(74,605)	5,592,722
TOTAL NET POSITION	43,222,749	31,906,217	25,763,354	(6,114,709)	2,449,953	27,737,894	782,091	1,342,132	127,089,681	5,592,722
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION										
	\$ 56,229,007	\$ 42,235,569	\$ 31,125,233	\$ 10,401,036	\$ 26,248,809	\$ 31,220,254	\$ 15,212,935	\$ 9,683,317	222,356,160	\$ 5,599,988
									Net position - total enterprise funds	127,089,681
									Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	142,726
									Net position of business-type activities	<u>\$ 127,232,407</u>

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

CITY OF CHASKA, MINNESOTA

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2024

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS								GOVERNMENTAL	
	ELECTRIC	WATER	SEWER	COMMUNITY CENTER	TURBINE GENERATOR	STORM WATER	CURLING CENTER	NONMAJOR ENTERPRISE	TOTALS	ACTIVITIES - INTERNAL SERVICE FUND
CASH FLOWS FROM OPERATING ACTIVITIES:										
Receipts From Customers And Users	\$ 57,390,127	\$ 5,028,537	\$ 7,763,211	\$ 3,365,570	\$ -	\$ 2,247,159	\$ 1,177,559	\$ 3,575,510	\$ 80,547,673	\$ 1,475,724
Payments To Suppliers	(44,054,391)	(1,880,968)	(5,477,268)	(1,543,503)	(373,697)	(723,702)	(704,464)	(2,051,771)	(56,809,764)	(1,242,884)
Payments To Employees	(2,947,627)	(862,230)	(857,297)	-	-	(503,050)	-	(1,913,737)	(10,213,425)	-
Miscellaneous Receipts	-	-	-	-	-	-	-	-	-	137,806
Net Cash Provided (Used) By Operating Activities	10,388,109	2,285,339	1,428,646	(642,022)	(373,697)	1,020,407	(192,300)	(389,998)	13,524,484	370,646
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:										
Transfers From Other Funds	-	473,842	55,000	1,203,524	-	257,600	1,733,922	2,624	3,726,512	-
Transfers To Other Funds	(7,788,540)	(339,112)	(399,112)	-	-	(327,600)	-	-	(8,854,364)	(549,240)
Due From Other Funds	-	189,255	(600,000)	-	-	(750,000)	-	242,342	(918,403)	(250,000)
Due To Other Funds	-	-	-	780,835	-	-	114,748	657,658	1,553,241	-
Interfund Loan Payments From Other Funds	-	-	-	-	69,130	-	-	-	69,130	74,250
Interest Receipts On Interfund Loans	-	-	-	-	35,089	-	-	-	35,089	-
Interest Payments On Leases	-	2,836	-	13,212	-	-	-	-	16,048	-
Intergovernmental Receipts	333	43	187	-	-	-	-	-	563	-
Net Cash Provided (Used) By Non-Capital Financing Activities	(7,788,207)	326,864	(943,925)	1,997,571	104,219	(820,000)	1,848,670	902,624	(4,372,184)	(724,990)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:										
Capital Contributions	769,251	-	-	-	-	452,033	-	191,250	1,412,534	-
Principal Paid On Bonds	(475,000)	(822,608)	(265,766)	(345,000)	(1,475,000)	(161,626)	(1,115,000)	(135,000)	(4,795,000)	-
Principal Paid On Financed Purchase	-	-	-	(51,365)	-	-	-	-	(51,365)	-
Principal Paid On Leases	-	-	-	(1,598)	-	-	(1,683)	-	(3,281)	-
Principal Paid On Subscriptions	(17,382)	(1,363)	(1,363)	-	-	-	-	-	(20,108)	-
Interest And Fiscal Charges	(236,940)	(166,204)	(139,873)	(118,207)	(605,000)	(71,066)	(353,550)	(115,963)	(1,806,803)	-
Proceeds From Sale Of Capital Assets	-	-	-	6,855	-	13,583	-	9,038	29,476	-
Construction And Acquisition Of Capital Assets	(5,134,132)	(2,152,793)	(349,039)	(270,886)	-	(735,975)	-	(444,601)	(9,087,426)	-
Transfers From Other Funds	-	-	-	-	-	-	-	244,000	244,000	-
Lease Receipts	-	-	-	-	1,444,936	-	-	-	1,444,936	-
Lease Interest	-	-	-	-	1,103,403	-	-	-	1,103,403	-
Interfund Loan Payments To Other Funds	(69,130)	(16,798)	(16,798)	(60,930)	-	(62,336)	-	(148,400)	(374,392)	-
Interest Payments On Interfund Loans	(35,089)	(4,016)	(4,016)	(42,277)	-	(21,205)	-	(80,275)	(186,879)	-
Net Cash Provided (Used) By Capital And Related Financing Activities	(5,198,422)	(3,163,782)	(776,855)	(883,408)	468,339	(586,592)	(1,470,233)	(479,951)	(12,090,904)	-
CASH FLOWS FROM INVESTING ACTIVITIES:										
Interest (Charges) On Investments	791,903	205,502	147,571	(470,619)	89,533	209,403	(221,223)	(15,041)	737,029	232,431
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,806,617)	(346,077)	(144,563)	1,522	288,394	(176,782)	(35,086)	17,634	(2,201,575)	(121,913)
CASH AND CASH EQUIVALENTS, January 1	14,647,337	904,053	822,480	237,588	4,655,559	626,462	1,325,777	335,657	23,554,913	410,932
CASH AND CASH EQUIVALENTS, December 31	\$ 12,840,720	\$ 557,976	\$ 677,917	\$ 239,110	\$ 4,943,953	\$ 449,680	\$ 1,290,691	\$ 353,291	\$ 21,353,338	\$ 289,019
CASH AND CASH EQUIVALENTS:										
Cash And Investments	\$ 1,981,593	\$ 557,976	\$ 677,917	\$ -	\$ 1,894,185	\$ 449,680	\$ -	\$ 353,291	\$ 5,914,642	\$ 289,019
Restricted Assets-Bonds:										
Cash And Investments For Operating And Maintenance	10,000,000	-	-	-	-	-	-	-	10,000,000	-
Cash And Investments For Debt Service	859,127	-	-	239,110	3,049,768	-	1,290,691	-	5,438,696	-
Total Cash And Cash Equivalents	\$ 12,840,720	\$ 557,976	\$ 677,917	\$ 239,110	\$ 4,943,953	\$ 449,680	\$ 1,290,691	\$ 353,291	\$ 21,353,338	\$ 289,019
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:										
Operating Income (Loss)	\$ 10,102,355	\$ 691,921	\$ 415,447	\$ (1,519,129)	\$ 373,507	\$ 973	\$ (895,682)	\$ (271,313)	\$ 8,898,079	\$ 225,574
Adjustments To Reconcile Operating Income (Loss) To Net Cash Provided (Used) By Operating Activities:										
Depreciation And Amortization Expense	1,769,140	1,792,777	1,413,000	860,497	998,716	1,037,419	634,796	364,040	8,870,385	-
Allowance For Uncollectible Accounts	(6,098)	165	(313)	(457)	(558)	321	(520)	-	(7,003)	-
Miscellaneous Receipts	-	-	-	-	-	-	-	-	-	137,806
Sales Related To Leases	-	-	-	-	(1,321,996)	-	-	-	(1,321,996)	-
(Increase) Decrease In Assets And Deferred Outflows:										
Special Assessments	5,783	1,508	1,677	-	-	3,349	-	-	12,317	-
Accounts Receivable	481,570	(43,266)	(59,323)	(243)	-	(11,503)	34,720	(5,972)	395,983	-
Due From Other Governments	-	1,360	-	(3,343)	-	4,000	-	-	2,017	-
Prepaid Expense	(1,459,083)	(21,110)	(331,042)	-	-	-	(720)	-	(1,811,955)	-
Leases Receivable	-	25,791	-	250,576	1,321,996	-	-	-	1,598,363	-
Inventory	-	-	-	-	-	-	-	22,152	22,152	-
Deferred Outflows	248,887	54,725	55,100	167,009	-	47,144	38,942	74,385	686,192	-
Increase (Decrease) In Liabilities And Deferred Inflows:										
Accounts Payable	(14,125)	(180,504)	(44,769)	31,962	1,750	5,464	8,149	(401,178)	(593,251)	7,266
Salaries Payable	30,342	8,462	8,638	16,295	-	3,130	5,088	8,060	80,015	-
Deposits Payable	(268,054)	(1,261)	-	489	-	-	(6,750)	(145,821)	(421,197)	-
Compensated Absences Payable	147,489	17,289	16,289	(19,765)	-	3,923	2,800	18,086	186,110	-
Net Pension Liability	(557,341)	(111,813)	(113,252)	(372,031)	-	(107,817)	(75,584)	(138,158)	(1,475,798)	-
Due To Other Governments	(199,124)	21,976	12,804	(1,910)	(4,471)	-	424	(20,698)	(192,551)	-
Unearned Revenue	(5,783)	(1,509)	(1,677)	76,289	-	7,560	16,682	-	91,562	-
Other Post Employment Benefits	(36,677)	(1,751)	(1,751)	2,278	-	532	(3,048)	30,322	(10,095)	-
Deferred Inflows - Leases	-	(28,256)	-	(248,641)	(1,743,199)	-	-	-	(2,020,096)	-
Deferred Inflows	148,829	58,835	57,818	118,203	-	27,264	48,403	75,897	535,249	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 10,388,109	\$ 2,285,339	\$ 1,428,646	\$ (642,022)	\$ (373,697)	\$ 1,020,407	\$ (192,300)	\$ (389,998)	\$ 13,524,484	\$ 370,646
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:										
Contributions of Capital Assets	\$ -	\$ 4,547,077	\$ 6,444,070	\$ -	\$ -	\$ 7,910,350	\$ -	\$ -	\$ 18,901,497	\$ -
Payment of Capital Assets on Account	(50,592)	(193,960)	(3,221)	-	-	-	(13,322)	-	(261,095)	-
Net Book Value of Capital Assets Disposed	360,331	56,602	56,602	-	-	16,417	-	-	489,952	-
Net Book Value of Lease Assets Disposed	-	-	-	-	-	-	-	587,351	587,351	-
Gain on Disposal of Lease Asset	-	-	-	-	-	13,583	-	13,306	26,889	-
Loss on Disposal of Lease Asset	-	-	-	(596)	-	-	-	-	(596)	-
Termination of Lease Liability	-	-	-	440	-	-	-	(600,657)	(600,217)	-
Acquisition of Lease Assets	-	-	-	8,513	-	-	9,246	-	17,759	-
Acquisition of Subscription Assets	7,949	3,975	3,975	-	-	-	-	-	15,899	-
Lease Revenue Over(Under) Lease Receivable Payments	-	2,465	-	(1,935)	421,203	-	-	-	421,733	-
Amortization Of Bond Premiums	51,441	14,989	14,602	47,555	213,571	11,274	-	-	353,432	-
Amortization Of Gain On Refunding	-	-	-	-	37,026	-	-	-	37,026	-

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

Note 1 Summary of Significant Accounting Policies

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

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

A) The Financial Reporting Entity

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

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

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

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

B) Government-Wide and Fund Financial Statements

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

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

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

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

Major Funds

The City reports the following major governmental funds:

- **General Fund** – This fund is the City’s primary operating fund and is used to account for all financial resources except those required to be accounted for in another fund.
- **GO Temporary State Aid Street Bonds 2022A Debt Service Fund** – This fund accounts for the debt service on the temporary bonds issued for the Highway 41/County Road 61 reconstruction project. The temporary bonds matured in 2024.
- **Public Facilities Capital Improvement Capital Project Fund** – This fund accounts for the financing and construction of new public facilities and facility improvements.
- **Public Improvement Projects Capital Project Fund** – This fund accounts for the financing and construction of public improvement projects.

The City reports the following major proprietary funds:

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

Additionally, the City reports the following fund type:

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

C) Measurement Focus and Basis of Accounting

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities for the current period. For this purpose, the City generally considers revenues to be available if they are collected within 60 days of the end of the current period. Intergovernmental revenue is considered available if collected within 90 days of the end of the current period. Expenditures are generally recorded when a liability is incurred, as under the accrual basis of accounting. However, principal and interest on long-term debt and other long-term obligations are recognized as expenditures to the extent they have matured.

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

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

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

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

amortization of right to use lease and subscription assets. All other revenues and expenses are reported as non-operating items.

D) Budgetary Accounting

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

E) Cash and Investments

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

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

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

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

F) Receivables

- **Property Tax**

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

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

- **Special Assessments**

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

The City recognizes special assessment revenue in the government-wide financial statements when the assessment rolls are levied. In the governmental fund financial statements, the City recognizes special assessment revenue when it becomes both measurable and available. Current assessments, which remain unpaid at December 31 are classified as delinquent receivables and together with deferred assessments are fully offset by unavailable revenue – special assessments, a deferred inflow of resources, because it is not known when they will be available to finance current expenditures. Delinquent special assessments receivable at December 31, 2024, totaled \$282,934.

- **Trade Receivables**

Utility and miscellaneous accounts receivable are shown net of an allowance for uncollectible accounts on the Statement of Net Position. On December 31, 2024, the allowance for uncollectible accounts is \$153,257.

- **Leases Receivable**

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

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

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

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

H) Inventory

The original cost of materials and supplies are recorded as expenditures at the time of purchase for Governmental Funds. These funds do not maintain material amounts of inventories.

Inventories in the Proprietary Funds are valued at cost, which approximates market, using the first in-first out (FIFO) method. Inventory is recorded as an expense when consumed. For the year ended December 31, 2024, amounts that were previously reported as Inventory in the Electric, Water and Sewer funds are now reported with Prepaid Items on the financial statements.

D) Prepaid Items

Certain prepayments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items are reported as expense or expenditure during the period benefited.

J) Restricted Assets

In the government-wide statement of net position and proprietary fund financial statements, unspent bond proceeds, as well as certain resources set aside for their repayment, are classified as restricted assets because their use is limited by applicable bond covenants. Investment earnings on these assets are allocated directly to the appropriate funds. The City has also restricted cash in the governmental funds. A deposit is being held and administered by the City on behalf of a developer for the sole purpose of funding construction-related expenses.

K) Capital Assets

Capital assets, which include property, buildings, improvements, equipment, right to use lease assets, right to use subscription assets, and infrastructure (e.g., roads, bridges, streets, sidewalks, drainage systems, and lighting systems) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the proprietary fund financial statements. Such assets are capitalized at historical cost or estimated historical cost for assets where actual historical cost is not available. Donated assets are valued at their estimated acquisition value on the date of donation. The City uses the following capitalization policy:

Description	Capitalization Threshold
Land	\$25,000
Works of Art/Treasures	5,000
Buildings and Building Improvements	25,000
Other Improvements	25,000
Furniture and Equipment	5,000
Infrastructure	50,000

Depreciation and amortization of assets on the government-wide statements for the primary government (governmental and business-type activities) and in the proprietary funds financial statements is charged as an expense against operations using the straight-line method and the following estimated useful lives:

Description	Life
Buildings and Building Improvements	25 years
Other Improvements	25 - 50 years
Furniture and Equipment	3 - 25 years
Infrastructure	10 - 50 years

Right to use lease assets (hereinafter known as lease assets) are recorded at the value of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. Right to use subscription assets (hereinafter known as subscription assets) are recorded at the value of the subscription liability, plus any payments made prior to commencement of the subscription term and any capitalizable implementation costs. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Lease assets are amortized over the shorter of the useful life of the underlying asset (using the table and asset category above) or the related lease term. Subscription assets are amortized over the shorter of the useful life of the underlying asset (using the table and category above) or the related subscription term. Capital assets not being depreciated or amortized include land, because land is believed to have an unlimited useful life; works of art/historical treasures, because these assets do not have a determinable useful life; and construction in progress, because construction on the asset has not been fully completed.

L) Compensated Absences

The City provides various forms of employee leave including paid personal leave (PPL), vacation and sick leave, and compensatory time benefits. Employees are compensated upon termination for unused PPL, vacation, and compensatory time. Unused sick leave is not paid upon termination. The liability for compensated absences reported in the government-wide and proprietary fund statements consists of leave that has not been used that is attributable to services already rendered, accumulates, and is more likely than not to be used for time off or otherwise paid in cash. The liability also includes amounts for leave that has been used for time off but has not yet been paid in cash.

For the General Fund, the City commits a portion of fund balance for compensated absences equal to the three-year average as a percent of compensated absences expected to be used in the coming year. The remaining portion of compensated absences in the General Fund is set aside in Assigned Fund Balance at the discretion of the Administrative Services Director.

M) Deferred Outflows/Inflows of Resources

In addition to assets and liabilities, statements of financial position will sometimes report separate sections for deferred outflows or inflows of resources. These separate financial statement elements represent a consumption or acquisition of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) or an inflow of financial resources (revenue) until then.

The City reports deferred outflows and inflows of resources related to pensions and other post-employment benefits (OPEB) in the government-wide and enterprise funds Statements of Net Position. These deferred outflows and inflows result from the difference between expected and actual economic experience, changes in actuarial assumptions, net collective difference between projected and actual investment earnings, changes in proportion, and contributions to the plan subsequent to the measurement date and before the end of the reporting period. These amounts are deferred and amortized as required under pension and OPEB standards.

The City reports deferred inflows of resources related to debt refunding in the government-wide and enterprise funds Statements of Net Position. This deferred inflow results from the differences between the resources required to refund debt and the net carrying amount of the refunded issue. These amounts are deferred and amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter.

The City also reports deferred inflows of resources for leases receivable in the government-wide and enterprise funds Statements of Net Position and governmental funds balance sheet. These deferred inflows are amortized on a straight-line basis over the term of the related leases.

Unavailable revenue arises only under the modified accrual basis of accounting and therefore is only reported in the governmental funds balance sheet. The governmental funds report unavailable revenues for taxes, special assessments, notes outstanding and intergovernmental grants. These amounts are deferred and recognized as an

inflow of resources in the period that the amounts become available. Property tax revenue, special assessment revenue, and notes outstanding revenue, is generally considered available if collected within 60 days after year-end. Intergovernmental revenue is generally considered available if collected within 90 days after year-end.

N) Long-Term Obligations

In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed in the period incurred.

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

O) Fund Balance Classifications

The difference between fund assets and deferred outflows of resources less liabilities and deferred inflows of resources is “fund balance” on the governmental fund statements. In the fund financial statements, fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of resources reported in governmental funds. These classifications are as follows:

- **Nonspendable** – consists of amounts that cannot be spent because it is not in spendable form, such as prepaid items, inventory, leases receivable net of deferred inflows, and other long-term assets.
- **Restricted** – consists of amounts related to externally imposed constraints established by creditors, grantors or contributors; or constraints imposed by state statutory provisions.
- **Committed** – consists of amounts related to internally imposed constraints that are established by formal action (resolution) of the City Council. Those committed amounts cannot be used for any other purposes unless the City Council removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.
- **Assigned** – consists of amounts intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General fund, assigned amounts represent intended use established by the governing body itself or by an official to which the governing body delegates authority. Pursuant to City Council Resolution, the City’s Administrative Services Director is authorized to establish assignments of fund balance.
- **Unassigned** – is the residual classification for the General fund and also reflects negative residual amounts in other funds.

When both restricted and unrestricted resources are available for use, it is the City’s policy to use restricted resources first and then unrestricted as needed. When committed, assigned or unassigned funds are available for expenditure, it is the City’s policy to spend committed funds first, assigned funds second, and unassigned funds last.

P) Net Position

Net position represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources in the government-wide and proprietary fund financial statements. Net position is displayed in three components:

- **Net Investment in Capital Assets** - consists of capital assets, net of accumulated depreciation and amortization, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets and the outstanding balance of any capital related payables such as contracts and retainage payable.
- **Restricted Net Position** - consists of net position restricted by limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulation of other governments.
- **Unrestricted Net Position** – all other elements of net position that do not meet the definition of “restricted” or “net investment in capital assets” are reported as unrestricted.

The City applies restricted resources first when an expense is incurred for which both restricted and unrestricted resources are available.

Q) Interfund Transactions

Interfund services provided are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. In the ordinary course of business, transfers between funds are made to finance projects. Other interfund transactions are reported as transfers in/out. Interfund transactions within the respective categories of governmental activities and business-type activities in the government-wide statement of activities are eliminated. The internal balances caption on the government-wide statement of net position represents interfund receivable or payable between governmental and business-type activities.

R) Use of Estimates

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

S) Pension Plans

For purposes of measuring the net pension liability (asset), deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and additions to/deductions from PERA’s fiduciary net position have been determined on the same basis as they are reported by PERA. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments, and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

For purposes of measuring the net pension liability (asset), deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Chaska Fire Department Relief Association Pension

Plan (CFDRAPP) and additions to/deductions from CFDRAPP's fiduciary net position have been reported using a one-year look-back period. Investments are reported at fair value.

T) Change in Accounting Principle

Effective January 1, 2024, the City implemented GASB Statement No. 101, *Compensated Absences*. This statement updated the recognition and measurement guidance for compensated absences and associated salary-related payments and amended certain previously required disclosures. There was no material impact as a result of the implementation of this standard.

Note 2 Compliance and Accountability

A) Budget

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annually appropriated budgets are adopted for the General Fund, two Special Revenue Funds: Mount Pleasant Maintenance & Care Fund and Chaska EDA Fund, and one Capital Project Fund: Equipment Acquisition Fund. Budgeted amounts are as originally adopted and as amended by the City Council.

The City follows these procedures in establishing and monitoring the annual budget:

1. Prior to September 30 each year, the City Administrator submits to the City Council a proposed operating budget for the year commencing the following January 1.
2. Public hearings are held to obtain public comments.
3. The budget is legally enacted by resolution after obtaining public comments.
4. The legal level of budgetary control is at the fund level. Budgetary control is maintained by department heads for all assigned divisions. Department heads may reallocate budget appropriations between divisions within the same fund, but not reallocate between funds or functions. The City Administrator may reallocate budget appropriations between functions within the same fund.
5. During the year, expenditures in various categories (i.e., personal services, operating supplies, other services and charges, capital outlay, and other financing uses) may exceed the level of appropriation if additional revenues or reduced expenditures in another account are identified and available to offset the additional expenditures.
6. Unused budgeted expenditure appropriations lapse at year-end.
7. Annual appropriated budgets are not adopted for Debt Service Funds because budgetary control is achieved through bond indenture provisions. Budgetary control for other Capital Project Funds is accomplished through project controls, so budgets are not adopted.

B) Excess of Expenditures Over Appropriations

For the year ended December 31, 2024, expenditures exceeded appropriations in the Mount Pleasant Maintenance & Care Special Revenue fund by \$839, and the Equipment Acquisition Capital Project fund by \$476,461. Variances in the Mount Pleasant Special Revenue fund were offset by revenues greater than expected. The Equipment Acquisition fund variance was offset by other financing sources.

C) Nonmajor Funds with Negative Equity

The following nonmajor funds maintained a deficit fund balance at December 31, 2024:

Special Revenue Fund	
Chaska EDA	\$ 745,847
Capital Project Funds	
Permanent Improvement Revolving/Storm Water	\$ 128,306
Fire Protection Systems	19,582
Abatement Program	677,966
Creek Road Phase II Improvements	37,142
Minnesota River Bluffs Regional Trail	363,154
TIF Dist #14 - Downtown Redevelopment	2,265,951
TIF Dist #20 - Brewery Project	27,585
TIF Dist #21 - Hot Spot Project	83,221
TIF Dist #22 - Ernst House Project	111,343
TIF Dist #23 - City Square West Project	952,919

The deficit in the Chaska EDA fund is due to various economic development projects, some of which have not received final funding. Ongoing activities of the Chaska EDA fund will eliminate this deficit.

The deficits in the Capital Project funds relate to capital projects that have incurred expenditures and have not received final financing. The Permanent Improvement Storm Water fund deficit is due to transfers to other funds to support project and debt service costs. This fund will receive future area charges and assessment payments to eliminate the deficit. The Fire Protection System deficit is due to developer assistance which will be collected through annual assessments. The Abatement Program and TIF District deficits are due to project costs for the districts. Abatement and tax increment revenue collected in future years will eliminate these deficits. All funds are expected to recover their deficits.

Note 3 Cash and Investments

The City maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the government-wide statement of net position as "cash and investments."

Deposits, investments, petty cash and change funds are reported on the City's financial statements as follows:

Statement of Net Position - Government-Wide	
Cash and Investments	\$44,062,101
Restricted Cash and Investments	<u>59,269,521</u>
Total Cash and Investments	<u><u>\$103,331,622</u></u>

B) Deposits

In accordance with applicable Minnesota Statutes, the City maintains deposits at depository banks authorized by the City Council, including checking accounts and certificates of deposits.

The following is considered the most significant risk associated with deposits:

Custodial Credit Risk – In the case of deposits, this is the risk that in the event of bank failure, the City’s deposits may be lost and not recovered.

Minnesota Statutes require that federal deposit insurance, corporate surety bond or collateral protect all deposits. The fair value of collateral pledged must equal 110% of the deposits not covered by insurance or bonds. Authorized collateral includes the legal investments described below under “credit risk”, as well as certain first mortgage notes and certain other state or local government obligations. Minnesota Statutes require that securities pledged as collateral be held in safekeeping by the City or in a financial institution other than that furnishing the collateral. The City’s investment policies do not further address limiting exposure to custodial credit risk for deposits.

At year-end, the carrying amount of the City’s deposits was \$7,615,384, while the balance on the bank records was \$9,129,636. Total bank deposits include a developer’s escrow with an account balance of \$1,330,273. These funds are being held and administered by the City on behalf of the developer for the sole purpose of funding construction-related expenses. At December 31, 2024, all deposits were insured, or collateralized by securities held by the City’s agent in the City’s name.

C) Investments

The City has the following investments at year-end:

Investment Type	Credit Risk		Fair Value Measurements Using	Interest Risk - Maturity Duration in Years		Total
	Rating	Agency		Less Than 1	1 to 5	
U.S. Treasury Securities	N/R	N/R	Level 1	\$ 1,224,938	\$ -	\$ 1,224,938
U.S. Treasury Securities	AAA	Moody	Level 1	28,785,253	697,655	29,482,908
U.S. Government Agencies	AAA	Moody	Level 2	3,208,708	-	3,208,708
U.S. Government Agencies	AA	S&P	Level 2	997,700	2,303,409	3,301,109
State and Local Bonds	AA	S&P	Level 2	1,250,000	977,130	2,227,130
Negotiable CDs	N/R	N/R	Level 2	731,305	-	731,305
Investments in Mutual Funds & Money Markets						
First American Government Obligations	AAA	S&P	Level 1	15,245,099	-	15,245,099
100% Treasury MM Fund	AAA	S&P	Level 1	3,351,600	-	3,351,600
Minnesota Municipal MM Fund	N/R	N/R	Amortized Cost	36,943,441	-	36,943,441
Total Investments:				<u>\$ 91,738,044</u>	<u>\$ 3,978,194</u>	<u>95,716,238</u>
					Total Deposits	7,611,962
					Petty Cash and Change Funds	3,422
					Total Deposits and Investments	<u>\$ 103,331,622</u>

N/R - Not Rated

The Minnesota Municipal Money Market Fund (the 4M Fund) is regulated by Minnesota statutes and the Board of Directors of the League of Minnesota Cities and is a customized cash management program for Minnesota public funds. It is also sponsored and governed by the League of Minnesota Cities since 1987. Allowable under Minnesota Statutes, the 4M Fund is comprised of top quality, highly rated investments.

The 4M Fund is an external investment pool not registered with the Securities and Exchange Commission (SEC); however, it follows the same regulatory rules of the SEC. The reported value of the pool is the same as the fair value of the pool share. The City's investment in this fund is measured at amortized cost. For this investment pool, there are no unfunded commitments, redemption frequency is daily, and there is no redemption notice required for the Liquid Class; the redemption notice period is 14 days for the Plus Class.

Investments are subject to various risks, the following of which are considered the most significant:

Custodial Credit Risk – For investments, this is the risk that in the event of a failure of the counterparty to an investment transaction (typically a broker-dealer) the City would not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment policies do not address limiting exposure to custodial credit risk.

Credit Risk – This is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Minnesota Statutes limit the City's investments to direct obligations or obligations guaranteed by the United States or its agencies; shares of investment companies registered under the Federal Investment Company Act of 1940 that receive the highest credit rating are rated in one of the two highest rating categories by a statistical rating agency, and all of the investments have a final maturity of thirteen months or less; general obligations rated "A" or better; revenue obligations rated "AA" or better; general obligations of the Minnesota Housing Finance Agency rated "A" or better; bankers acceptances of United States banks eligible for purchase by the Federal Reserve System; commercial paper issued by United States corporations or their Canadian subsidiaries, rated of the highest quality category by at least two nationally recognized rating agencies, and maturing in 270 days or less; Guaranteed Investment Contracts guaranteed by a United States commercial bank, domestic branch of a foreign bank, or a United States insurance company, with a credit quality in one of the top two highest categories; repurchase or reverse purchase agreements and securities lending agreements with financial institutions qualified as a "depository" by the government entity, with banks that are members of the Federal Reserve System with capitalization exceeding \$10,000,000, that are a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York, or certain Minnesota securities broker-dealers. The City's investment policies do not further address credit risk.

Concentration Risk – This is the risk associated with investing a significant portion of the City's investment (considered 5.0% or more) in the securities of a single issuer, excluding U.S. guaranteed investments (such as Treasuries), investment pools, and mutual funds. The City's investment policy does not limit the concentration of investments.

At year-end, the City did not have more than 5.0% of its investments in a single issuer.

Interest Rate Risk - This is the risk of potential variability in the fair value of fixed rate investments resulting from changes in interest rates (the longer the period for which an interest rate is fixed, the greater the risk). The City's investment policy does not limit the duration of investments.

Note 4 Capital Assets

Capital asset activity for Governmental and Business-Type activities for the year ended December 31, 2024, was as follows:

	<u>Beginning Balance</u>	<u>Prior Period Restatement*</u>	<u>Restated Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Reclass & Transfers</u>	<u>Ending Balance</u>
Governmental Activities							
Capital assets, not depreciated/amortized:							
Land	\$ 58,982,146	\$ (30,000)	\$ 58,952,146	\$ 5,651,011	\$ (412,743)	\$ 5,566,035	\$ 69,756,449
Works of Art/Treasures	105,027	-	105,027	9,916	-	-	114,943
Construction In Progress	35,410,917	-	35,410,917	21,213,819	-	(22,686,393)	33,938,343
Total capital assets, not depreciated/amortized:	<u>94,498,090</u>	<u>(30,000)</u>	<u>94,468,090</u>	<u>26,874,746</u>	<u>(412,743)</u>	<u>(17,120,358)</u>	<u>103,809,735</u>
Capital assets, depreciated and amortized:							
Buildings and Building Improvements	11,344,771	-	11,344,771	204,689	(3,016,565)	569,295	9,102,190
Other Improvements	24,923,660	-	24,923,660	1,033,089	(260,369)	365,289	26,061,669
Furniture & Equipment	13,514,814	-	13,514,814	1,281,679	(2,134,284)	206,616	12,868,825
Infrastructure	186,802,158	(87,542,008)	99,260,150	9,920,054	-	7,303,648	116,483,852
Intangible Right-to-Use Assets							
Lease Equipment	543,547	-	543,547	115,601	(13,438)	-	645,710
Subscriptions	196,371	-	196,371	550,259	(71,875)	-	674,755
Total capital assets, depreciated and amortized:	<u>237,325,321</u>	<u>(87,542,008)</u>	<u>149,783,313</u>	<u>13,105,371</u>	<u>(5,496,531)</u>	<u>8,444,848</u>	<u>165,837,001</u>
Less accumulated depreciation and amortization for:							
Buildings and Building Improvements	(8,836,288)	-	(8,836,288)	(220,577)	2,656,253	-	(6,400,612)
Other Improvements	(12,253,412)	-	(12,253,412)	(718,486)	83,774	-	(12,888,124)
Furniture & Equipment	(9,999,817)	-	(9,999,817)	(1,019,441)	2,107,214	7,676	(8,904,368)
Infrastructure	(95,014,226)	47,412,365	(47,601,861)	(3,186,635)	-	-	(50,788,496)
Intangible Right-to-Use Assets							
Lease Equipment	(159,930)	-	(159,930)	(148,900)	12,842	-	(295,988)
Subscriptions	(76,260)	-	(76,260)	(73,181)	71,875	-	(77,566)
Total accumulated depreciation and amortization:	<u>(126,339,933)</u>	<u>47,412,365</u>	<u>(78,927,568)</u>	<u>(5,367,220)</u>	<u>4,931,958</u>	<u>7,676</u>	<u>(79,355,154)</u>
Net capital assets, depreciated and amortized:	<u>110,985,388</u>	<u>(40,129,643)</u>	<u>70,855,745</u>	<u>7,738,151</u>	<u>(564,573)</u>	<u>8,452,524</u>	<u>86,481,847</u>
Governmental activities capital assets, net:	<u>\$ 205,483,478</u>	<u>\$ (40,159,643)</u>	<u>\$ 165,323,835</u>	<u>\$ 34,612,897</u>	<u>\$ (977,316)</u>	<u>\$ (8,667,834)</u>	<u>\$ 190,291,582</u>

*Prior period restatements are due to transfers of infrastructure assets to Business-type Activities. See additional information related to restatements in Note 17.

Notes to the Financial Statements

City of Chaska, Minnesota

For the Year Ended December 31, 2024

	Beginning Balance	Prior Period Restatement*	Restated Beginning Balance	Increases	Decreases	Reclass & Transfers	Ending Balance
Business-Type Activities							
Capital assets, not depreciated/amortized:							
Land	\$ 1,557,984	\$ 30,000	\$ 1,587,984	\$ 37,686	\$ -	\$ -	\$ 1,625,670
Construction In Progress	11,213,970	-	11,213,970	6,610,840	-	(9,083,345)	8,741,465
Total capital assets, not depreciated/amortized:	12,771,954	30,000	12,801,954	6,648,526	-	(9,083,345)	10,367,135
Capital assets, depreciated and amortized:							
Buildings and Building Improvements	79,197,734	-	79,197,734	411,552	-	1,548,156	81,157,442
Other Improvements	3,565,195	-	3,565,195	61,025	-	3,955,456	7,581,676
Furniture & Equipment	14,172,457	-	14,172,457	1,270,910	(312,358)	65,907	15,196,916
Infrastructure	61,789,037	116,686,994	178,476,032	10,754,557	(742,845)	12,189,336	200,677,080
Intangible Right-to-Use Assets							
Lease Land Improvements	611,824	-	611,824	-	(611,824)	-	-
Lease Equipment	6,343	-	6,343	17,759	(6,343)	-	17,759
Subscriptions	65,579	-	65,578	15,899	(4,444)	-	77,033
Total capital assets, depreciated and amortized:	159,408,169	116,686,994	276,095,163	12,531,702	(1,677,814)	17,758,855	304,707,906
Less accumulated depreciation and amortization for:							
Buildings and Building Improvements	(47,659,486)	-	(47,659,486)	(2,068,850)	-	-	(49,728,336)
Other Improvements	(1,791,060)	-	(1,791,060)	(135,547)	-	-	(1,926,607)
Furniture & Equipment	(8,134,959)	-	(8,134,959)	(943,664)	295,942	(7,676)	(8,790,357)
Infrastructure	(23,424,288)	(67,813,866)	(91,238,154)	(5,693,947)	269,310	-	(96,662,791)
Intangible Right-to-Use Assets							
Lease Land Improvements	(24,473)	-	(24,473)	-	24,473	-	-
Lease Equipment	(5,108)	-	(5,108)	(3,628)	5,746	-	(2,990)
Subscriptions	(18,457)	-	(18,457)	(24,749)	4,444	-	(38,762)
Total accumulated depreciation and amortization:	(81,057,831)	(67,813,866)	(148,871,697)	(8,870,385)	599,915	(7,676)	(157,149,843)
Net capital assets, depreciated and amortized:	78,350,338	48,873,128	127,223,466	3,661,317	(1,077,899)	17,751,179	147,558,063
Business-type activities capital assets, net:	<u>\$ 91,122,292</u>	<u>\$ 48,903,128</u>	<u>\$ 140,025,420</u>	<u>\$ 10,309,843</u>	<u>\$ (1,077,899)</u>	<u>\$ 8,667,834</u>	<u>\$ 157,925,198</u>

*Prior period restatements are due to transfers of infrastructure assets from Governmental Activities and the addition of the turbine asset. See additional information related to the restatements in Note 17.

Depreciation and amortization expense was charged to functions/programs of the primary government as follows:

Governmental Activities		Business-Type Activities	
General Government	\$ 484,097	Electric	\$ 1,769,140
Public Safety	574,681	Water	1,792,777
Public Works	3,568,620	Sewer	1,413,000
Parks, Recreation and Arts	739,822	Chaska Community Center	860,497
Total Depreciation and Amortization Expense - Governmental Activities:	<u>\$ 5,367,220</u>	The Loop at Chaska	31,029
		Chaska Town Course	333,011
		Turbine	998,716
		Storm Water	1,037,419
		Chaska Curling Center	634,796
		Total Depreciation and Amortization Expense - Business-Type Activities:	<u>\$ 8,870,385</u>

Note 5 Leases Receivable Agreements

For the year ended December 31, 2024, the City had 10 active leases. The leases have annual receipts that range from \$8,226 to \$2,308,096 and interest rates that range from 1.05% to 8.56%. As of December 31, 2024, the total combined value of the leases receivable is \$15,526,889, the total combined value of the short-term lease receivable is \$1,961,844, and the total combined value of the deferred inflow of resources is \$15,076,383. The leases had \$6,818 of variable CPI receipts within the fiscal year that were not included in the Leases Receivables.

Leases receivable activity for the year ended December 31, 2024, was as follows:

	Beginning Balance (1)	Additions	Reductions	Ending Balance
<u>Governmental Activities</u>				
T-Mobile Cell Tower Site A1P757E	\$ 172,181	\$ -	\$ (5,349)	\$ 166,832
T-Mobile Cell Tower Site A1P0059A	771,270	-	(22,314)	748,956
Verizon Cell Tower	662,469	-	(22,007)	640,462
Sprint Cell Tower MS70XC498-A/A1P032	265,689	-	(34,790)	230,899
Northstar Regional Building Space	176,148	-	(30,231)	145,917
Governmental Activities Leases Receivable:	<u>\$ 2,047,757</u>	<u>\$ -</u>	<u>\$ (114,691)</u>	<u>\$ 1,933,066</u>
<u>Business-type Activities</u>				
Bountiful Baskets Office Space	\$ 233,327	\$ -	\$ (25,791)	\$ 207,536
St. Francis Gym Space	962,414	-	(202,291)	760,123
MMPA MRS Breaker Station	412,617	-	(51,493)	361,124
MMPA Gas Turbine	13,506,202	-	(1,383,614)	12,122,588
Orchard Hill Daycare Building Space	190,737	-	(48,285)	142,452
Business-type Activities Leases Receivable:	<u>\$ 15,305,297</u>	<u>\$ -</u>	<u>\$ (1,711,474)</u>	<u>\$ 13,593,823</u>

(1) See additional information related to the restatement in Note 17

Lease activity reported in deferred inflows of resources for the year ended December 31, 2024, was as follows:

	Beginning Balance (1)	Additions	Reductions	Ending Balance
<u>Governmental Activities</u>				
T-Mobile Cell Tower Site A1P757E	\$ 161,441	\$ -	\$ (8,572)	\$ 152,869
T-Mobile Cell Tower Site A1P0059A	772,461	-	(28,610)	743,851
Verizon Cell Tower	633,798	-	(34,888)	598,910
Sprint Cell Tower MS70XC498-A/A1P032	255,479	-	(38,321)	217,158
Northstar Regional Building Space	170,668	-	(32,000)	138,668
Governmental Activities Deferred Inflows - Leases:	<u>\$ 1,993,847</u>	<u>\$ -</u>	<u>\$ (142,391)</u>	<u>\$ 1,851,456</u>
<u>Business-type Activities</u>				
Bountiful Basket Office Space	\$ 226,048	\$ -	\$ (28,256)	\$ 197,792
St. Francis Gym Space	925,438	-	(198,308)	727,130
MMPA MRS Breaker Station	402,779	-	(54,924)	347,855
MMPA Gas Turbine	13,506,202	-	(1,688,275)	11,817,927
Orchard Hill Daycare Building Space	184,555	-	(50,333)	134,222
Business-type Activities Deferred Inflows - Leases:	<u>\$ 15,245,022</u>	<u>\$ -</u>	<u>\$ (2,020,096)</u>	<u>\$ 13,224,926</u>

(1) See additional information related to the restatement in Note 17

City of Chaska, Minnesota

For the Year Ended December 31, 2024

Annual payment requirements to maturity are as follows:

Year Ending December 31	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2025	\$ 119,935	\$ 33,480	\$ 1,841,909	\$ 1,001,085
2026	125,361	31,212	1,983,516	861,682
2027	130,496	28,847	2,117,756	710,248
2028	135,562	26,393	2,173,594	546,767
2029	116,767	24,018	2,209,090	370,956
2030-2034	374,515	98,834	3,267,958	195,131
2035-2039	418,494	65,925	-	-
2040-2044	306,369	30,668	-	-
2045-2049	169,726	12,775	-	-
2050	35,841	659	-	-
Total:	<u>\$ 1,933,066</u>	<u>\$ 352,811</u>	<u>\$ 13,593,823</u>	<u>\$ 3,685,869</u>

Note 6 Long-Term Liabilities

Long-term liabilities for the year ended December 31, 2024, are as follows:

<u>Governmental Activities</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Bonds Payable:					
General Obligation Bonds:					
Equipment Certificates	\$ 10,700,000	\$ -	\$ (360,000)	\$ 10,340,000	\$ 635,000
General Obligation Bonds	340,000	-	(340,000)	-	-
Tax Increment Bonds	2,880,000	-	(115,000)	2,765,000	120,000
Taxable Abatement Bonds	500,000	-	(35,000)	465,000	35,000
Improvement Bonds	25,375,000	2,490,000	(2,480,000)	25,385,000	2,595,000
State Aid Street Bonds	12,877,000	8,810,000	(8,487,000)	13,200,000	205,000
Revenue Bonds	335,000	-	(75,000)	260,000	85,000
EDA Revenue Bonds	7,145,000	-	(345,000)	6,800,000	350,000
EDA Lease Revenue Bonds	8,095,000	49,650,000	(315,000)	57,430,000	7,655,000
Plus: Premium	3,722,960	2,463,881	(336,588)	5,850,253	-
Total Bonds Payable:	<u>71,969,960</u>	<u>63,413,881</u>	<u>(12,888,588)</u>	<u>122,495,253</u>	<u>11,680,000</u>
Lease Liability	391,737	107,802	(139,754)	359,785	148,574
Subscription Liability	106,642	547,528	(132,713)	521,457	124,507
Compensated Absences	1,441,580	314,526	-	1,756,106	1,245,937
Total OPEB Liability	728,645	-	(46,491)	682,154	18,969
Net Pension Liability	12,820,090	-	(3,879,856)	8,940,234	-
Governmental Activities					
Long-term Liabilities:	<u>\$87,458,654</u>	<u>\$64,383,737</u>	<u>\$ (17,087,402)</u>	<u>\$ 134,754,989</u>	<u>\$13,217,987</u>

City of Chaska, Minnesota

For the Year Ended December 31, 2024

Business-type Activities	Beginning Balance, Restated (1)	Additions	Reductions	Ending Balance	Due Within One Year
Bonds Payable:					
General Obligation Revenue Bonds	\$ 14,215,000	\$ -	\$ (1,250,000)	\$ 12,965,000	\$ 1,275,000
Revenue Bonds	18,990,000	-	(1,950,000)	17,040,000	2,035,000
EDA Lease Revenue Bonds	11,960,000	-	(1,460,000)	10,500,000	1,530,000
Lease Purchase Bonds	3,299,000	-	(135,000)	3,164,000	140,000
Plus: Premium	2,236,599	-	(353,432)	1,883,167	-
Total Bonds Payable:	<u>50,700,599</u>	<u>-</u>	<u>(5,148,432)</u>	<u>45,552,167</u>	<u>4,980,000</u>
Financed Purchase Payable	185,524	-	(51,365)	134,159	54,101
Lease Liability	601,755	17,846	(604,465)	15,136	3,471
Subscription Liability	45,213	15,899	(20,107)	41,005	20,218
Compensated absences	782,072	186,111	-	968,183	595,665
Total OPEB Liability	319,290	-	(43,198)	276,092	7,680
Net Pension Liability	<u>4,291,830</u>	<u>-</u>	<u>(1,475,796)</u>	<u>2,816,034</u>	<u>-</u>
Business-type Activities Long-term Liabilities:	<u>\$56,926,283</u>	<u>\$ 219,856</u>	<u>\$ (7,343,363)</u>	<u>\$ 49,802,776</u>	<u>\$ 5,661,135</u>

(1) See additional information related to the restatement in Note 17

The change in the compensated absences liability is presented as a net change.

For the Governmental Activities, lease liabilities, subscription liabilities, other post-employment benefits, and net pension liabilities are generally liquidated by the General fund. In business-type activities, financed purchase payable, lease liabilities, subscription liabilities, other post-employment benefits, and net pension liabilities are liquidated within the respective Enterprise fund.

Bonds Payable:

The City issues general obligation bonds to provide funds for the construction of capital projects and acquisition of equipment. General obligation bonds have been issued for both governmental and business-type activities.

General obligation debt is supported by the “full faith and credit” of the City including tax increment and improvement bond issues. Bonds in the governmental activities will be repaid by future property tax levies, tax increments or special assessments accumulated in the specific debt service funds. Bonds in the business-type activities will be repaid with the net revenues of the utility issuing the bonds. For both governmental and business-type activities, in the event a deficiency exists at the time a debt service payment is due, the City must provide resources to cover the deficiency until other resources are available.

The City and the Chaska EDA also issue revenue bonds. Revenue bonds are supported by specific fee revenues to pay for debt service.

City of Chaska, Minnesota

For the Year Ended December 31, 2024

Bonds outstanding for the year ended December 31, 2024, are as follows:

Governmental Activities	Issue Date	Final Maturity Date	Interest Rate	Original Issue	Outstanding 12/31/2024
Bonds Payable					
General Obligation Bonds					
Equipment Certificates					
G.O. Equipment Certificates, Series 2017B	11/29/17	02/01/27	5.00%	\$ 1,960,000	\$ 760,000
G.O. Equipment Certificates, Series 2019B	11/06/19	02/01/29	4.00-5.00%	1,240,000	765,000
G.O. Equipment Certificates, Series 2023A	12/28/23	02/01/43	3.75-5.00%	8,815,000	8,815,000
Total Equipment Certificates				<u>12,015,000</u>	<u>10,340,000</u>
Tax Increment Bonds					
G.O. Taxable Cross-over Refunding Bonds, Series 2017D	12/27/17	02/01/31	3.00-3.50%	460,000	285,000
G.O. Taxable TI Bonds, Series 2019D	12/04/19	02/01/40	2.55-3.05%	1,670,000	1,565,000
G.O. Taxable TI Bonds, Series 2019D	12/04/19	02/01/40	2.55-3.05%	260,000	255,000
G.O. Taxable TI Bonds, Series 2019D	12/04/19	02/01/40	2.55-3.05%	670,000	660,000
Total Tax Increment Bonds				<u>3,060,000</u>	<u>2,765,000</u>
Taxable Abatement Bonds					
G.O. Taxable Bonds, Series 2017C	11/29/17	02/01/39	1.80-3.45%	245,000	195,000
G.O. Taxable Advance Refunding Bonds, Series 2020D	09/02/20	12/01/32	0.15-1.50%	375,000	270,000
Total Taxable Abatement Bonds				<u>620,000</u>	<u>465,000</u>
Improvement Bonds					
G.O. Improvement Bonds, Series 2012A	08/15/12	02/01/28	2.00-2.40%	2,430,000	695,000
G.O. Cross-over Refunding, Series 2012B	08/15/12	02/01/27	2.00-2.30%	3,295,000	645,000
G.O. Improvement Bonds, Series 2014A	12/30/14	02/01/30	0.70-3.00%	3,080,000	1,360,000
G.O. Improvement Bonds, Series 2015B	08/19/15	02/01/31	3.00-5.00%	5,940,000	3,310,000
G.O. Improvement Bonds, Series 2017B	11/29/17	02/01/38	2.25-5.00%	6,875,000	5,605,000
G.O. Taxable Bonds, Series 2017C	11/29/17	02/01/33	1.70-3.45%	1,790,000	1,010,000
G.O. Cross-over Refunding, Series 2017E	12/27/17	02/01/29	2.01-2.87%	995,000	525,000
G.O. Improvement Bonds, Series 2019B	11/06/19	02/01/39	2.13-5.00%	4,440,000	3,565,000
G.O. Improvement Bonds, Series 2019D	12/04/19	02/01/35	2.55-3.00%	1,165,000	890,000
G.O. Improvement Bonds, Series 2019D	12/04/19	02/01/29	2.55-3.00%	85,000	50,000
G.O. Improvement Refunding, Series 2019E	12/04/19	02/01/33	3.00-5.00%	1,180,000	680,000
G.O. Improvement Refunding, Series 2019E	12/04/19	02/01/31	4.00-5.00%	560,000	315,000
G.O. Improvement Bonds, Series 2020C	09/02/20	02/01/37	2.00-5.00%	1,725,000	1,515,000
G.O. Taxable Advance Refunding Bonds, Series 2020D	09/02/20	12/01/34	0.20-1.70%	2,205,000	1,480,000
G.O. Improvement Bonds, Series 2023A	12/28/23	02/01/38	5.00%	1,250,000	1,250,000
G.O. Improvement Bonds, Series 2024B	12/19/24	02/01/40	4.00-5.00%	2,490,000	2,490,000
Total Improvement Bonds				<u>39,505,000</u>	<u>25,385,000</u>
G.O. State Aid Bonds					
G.O. State Aid Street Bonds, Series 2021A	01/14/21	04/01/41	1.00-4.00%	4,940,000	4,390,000
G.O. State Aid Bonds, Series 2024B	12/19/24	02/01/45	4.00-5.00%	5,855,000	5,855,000
G.O. State Aid Bonds, Series 2024B	12/19/24	02/01/45	4.00-5.00%	2,955,000	2,955,000
Total State Aid Street Bonds				<u>13,750,000</u>	<u>13,200,000</u>
G.O. Revenue Bonds					
G.O. Cross-over Refunding, Series 2012B	08/15/12	02/01/27	2.00-2.30%	1,025,000	260,000
EDA Revenue Bonds					
EDA Taxable Installment Purchase Revenue Bonds, Series 2020A	03/09/20	12/01/40	1.75-3.08%	6,285,000	5,460,000
EDA Taxable Installment Purchase Revenue Bonds, Series 2020B	07/08/20	12/01/40	1.47-3.40%	1,530,000	1,340,000
Total EDA Revenue Bonds				<u>7,815,000</u>	<u>6,800,000</u>

(Continued)

(Continued)

	Issue Date	Final Maturity Date	Interest Rate	Original Issue	Outstanding 12/31/2024
Governmental Activities					
EDA Lease Revenue Bonds					
Lease Revenue Bonds, Series 2015B	04/15/15	02/01/35	2.00-4.00%	\$ 9,000,000	\$ 7,535,000
Lease Revenue Bonds, Series 2015D	12/30/15	02/01/26	2.00-4.00%	1,085,000	245,000
Lease Revenue Bonds, Series 2024A	07/17/24	02/01/54	4.00-5.00%	49,650,000	49,650,000
Total EDA Lease Revenue Bonds				<u>59,735,000</u>	<u>57,430,000</u>
Premium				7,926,336	5,850,253
Total Bonds Payable - Governmental Activities:				<u>\$ 145,451,336</u>	<u>\$ 122,495,253</u>
Business-type Activities					
Bonds Payable					
General Obligation Revenue Bonds					
G.O. Utility Revenue Bonds, Series 2015C	12/30/15	02/01/36	2.00-4.00%	\$ 5,170,000	\$ 3,420,000
G.O. Utility Revenue Bonds, Series 2017B	11/29/17	02/01/38	2.25-5.00%	735,000	585,000
G.O. Utility Revenue Bonds, Series 2019C	11/06/19	02/01/35	2.00-3.00%	2,135,000	1,645,000
G.O. Utility Revenue Bonds, Series 2019D	12/04/19	02/01/30	2.55-3.00%	780,000	495,000
G.O. Utility Revenue Bonds, Series 2020C	09/02/20	02/01/31	4.00-5.00%	1,215,000	925,000
G.O. Taxable Crossover Advance Refunding Bonds, Series 2020D	09/02/20	12/01/32	0.20-1.50%	<u>7,845,000</u>	<u>5,895,000</u>
Total General Obligation Revenue Bonds				<u>17,880,000</u>	<u>12,965,000</u>
Revenue Bonds					
Electric Revenue Refunding Bonds, Series 2015A	10/01/15	10/01/30	2.00-5.00%	21,760,000	10,535,000
Electric Utility Revenue Bonds, Series 2017A	09/06/17	10/01/37	2.25-4.00%	7,220,000	5,255,000
Electric Utility Revenue Refunding Bonds, Series 2020F	12/29/20	10/01/31	4.00%	1,830,000	1,250,000
Total Revenue Bonds				<u>30,810,000</u>	<u>17,040,000</u>
EDA Lease Revenue Bonds					
Taxable Lease Revenue Bonds, Series 2015A	04/15/15	02/01/35	1.22-4.40%	12,855,000	6,285,000
Taxable Lease Revenue Bonds, Series 2015C	12/30/15	02/01/31	1.53-4.57%	3,410,000	1,820,000
Lease Revenue Refunding Bonds, Series 2017A	12/27/17	12/01/27	2.00-4.00%	1,880,000	645,000
EDA Lease Revenue & Limited Tax Refunding Bonds, Series 2020E	09/02/20	12/01/33	4.00-5.00%	<u>2,310,000</u>	<u>1,750,000</u>
Total EDA Lease Revenue Bonds				<u>20,455,000</u>	<u>10,500,000</u>
Lease Purchase Bonds					
Lease-Purchase Agreement, Series 2021	12/28/21	12/01/41	3.47%	<u>3,560,000</u>	<u>3,164,000</u>
Premium				5,109,034	1,883,167
Total Bonds Payable - Business-type Activities:				<u>\$ 77,814,034</u>	<u>\$ 45,552,167</u>

General Obligation Bonds:

The City issues the following types of general obligation bonds:

- Equipment certificates and GO bonds provide funding for the acquisition of equipment and vehicles for various departments.
- Tax Increment bonds provide financing for the construction of streets and utilities and the acquisition of property for business development.
- Taxable abatement bonds provide financing for the City's Housing Improvement Areas and Tax Abatement programs.
- Improvement bonds provide financing for construction projects such as streets, infrastructure, and utilities.
- State Aid Street bonds provide funding for road construction.

City of Chaska, Minnesota

For the Year Ended December 31, 2024

Annual debt service requirements to maturity are as follows:

Year Ending December 31	Governmental Activities					
	G.O. Equipment Certificates		G.O. Tax Increment Bonds		G.O. Abatement Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 635,000	\$ 464,813	\$ 120,000	\$ 80,995	\$ 35,000	\$ 9,228
2026	705,000	431,312	125,000	77,220	40,000	8,827
2027	735,000	395,312	125,000	73,282	40,000	8,342
2028	500,000	364,438	135,000	69,195	45,000	7,773
2029	525,000	339,663	145,000	65,008	45,000	7,093
2030 - 2034	2,060,000	1,389,438	690,000	264,312	185,000	22,557
2035 - 2039	2,630,000	809,087	780,000	160,439	75,000	6,469
2040 - 2043	2,550,000	199,031	645,000	9,836	-	-
Total:	<u>\$ 10,340,000</u>	<u>\$ 4,393,094</u>	<u>\$ 2,765,000</u>	<u>\$ 800,287</u>	<u>\$ 465,000</u>	<u>\$ 70,289</u>

Year Ending December 31	Governmental Activities			
	G.O. Improvement Bonds		G.O. State Aid Street Bonds	
	Principal	Interest	Principal	Interest
2025	\$ 2,595,000	\$ 800,613	\$ 205,000	\$ 338,083
2026	2,765,000	749,859	440,000	477,410
2027	2,895,000	646,915	505,000	455,960
2028	2,770,000	542,228	530,000	432,335
2029	2,685,000	450,040	555,000	407,160
2030 - 2034	8,780,000	1,143,355	3,125,000	1,689,730
2035 - 2039	2,670,000	261,163	3,720,000	1,089,670
2040 - 2044	225,000	4,500	3,475,000	436,987
2045	-	-	645,000	12,900
Total:	<u>\$ 25,385,000</u>	<u>\$ 4,598,673</u>	<u>\$ 13,200,000</u>	<u>\$ 5,340,235</u>

General Obligation Revenue Bonds:

G.O. Revenue bonds are issued by the City to construct or expand utility systems. Bonds will be repaid with the net revenues of the Water, Sewer, and Storm Water Utilities.

Annual debt service requirements to maturity are as follows:

Year Ending December 31	Governmental Activities		Business-type Activities	
	G.O. Revenue Bonds		G.O. Revenue Bonds	
	Principal	Interest	Principal	Interest
2025	\$ 85,000	\$ 4,833	\$ 1,275,000	\$ 284,281
2026	85,000	3,005	1,320,000	259,241
2027	90,000	1,035	1,345,000	232,251
2028	-	-	1,375,000	201,579
2029	-	-	1,440,000	169,475
2030 - 2034	-	-	5,265,000	407,920
2035 - 2038	-	-	945,000	34,622
Total:	<u>\$ 260,000</u>	<u>\$ 8,873</u>	<u>\$ 12,965,000</u>	<u>\$ 1,589,369</u>

Revenue Bonds:

Revenue bonds issued by the City are supported by income derived from specific fee revenues to pay for debt service. These Electric Revenue Bonds in the Electric fund and Turbine Generator fund will be repaid with net revenues of each fund.

Annual debt service requirements to maturity are as follows:

Year Ending December 31	Business-type Activities	
	Revenue Bonds	
	Principal	Interest
2025	\$ 2,035,000	\$ 741,925
2026	2,130,000	645,025
2027	2,240,000	543,575
2028	2,345,000	436,825
2029	2,450,000	331,550
2030 - 2034	4,440,000	522,800
2035 - 2037	1,400,000	84,750
Total:	<u>\$ 17,040,000</u>	<u>\$ 3,306,450</u>

EDA Revenue and EDA Lease Revenue Bonds:

Revenue bonds issued by the Chaska EDA are supported by income derived from specific fee revenues to pay for debt service. These bonds have been issued to construct or improve community parks and community facilities.

Annual debt service requirements to maturity are as follows:

Year Ending December 31	Governmental Activities				Business-type Activities	
	EDA Revenue Bonds		EDA Lease Revenue Bonds		EDA Lease Revenue Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 350,000	\$ 186,651	\$ 7,655,000	\$ 2,571,938	\$ 1,530,000	\$ 401,875
2026	355,000	179,628	960,000	2,163,994	1,075,000	354,320
2027	365,000	172,220	875,000	2,118,744	1,110,000	314,237
2028	370,000	164,294	920,000	2,073,869	925,000	271,320
2029	380,000	155,933	965,000	2,026,744	960,000	232,927
2030 - 2034	2,065,000	627,497	5,585,000	9,342,469	4,260,000	572,136
2035 - 2039	2,395,000	310,657	7,135,000	7,759,969	640,000	14,080
2040 - 2044	520,000	16,352	8,995,000	5,888,544	-	-
2045 - 2049	-	-	10,965,000	3,889,494	-	-
2050 - 2054	-	-	13,375,000	1,423,640	-	-
Total:	<u>\$ 6,800,000</u>	<u>\$ 1,813,232</u>	<u>\$ 57,430,000</u>	<u>\$ 39,259,405</u>	<u>\$ 10,500,000</u>	<u>\$ 2,160,895</u>

Lease Purchase Bonds:

Lease-Purchase Agreement bonds issued by the City are supported by income derived from specific fee revenues to pay for debt service. This Lease-Purchase Agreement was issued to reconstruct and improve the City's Par 30 golf course which is now known as The Loop at Chaska.

Annual debt service requirements to maturity are as follows:

Year Ending December 31	Business-type Activities	
	Principal	Interest
2025	\$ 140,000	\$ 109,791
2026	145,000	104,933
2027	150,000	99,901
2028	155,000	94,696
2029	160,000	89,318
2030 - 2034	888,000	359,319
2035 - 2039	1,052,000	194,285
2040 - 2041	474,000	24,810
Total:	\$ 3,164,000	\$ 1,077,053

Revenue Pledged:

Future revenue pledged for the payment of long-term debt (revenue bonds) is as follows:

Bond Issue - Revenue Bonds	Use of Proceeds	Type	Revenue Pledged			Current Year	
			Percent of Total Debt Service	Term of Pledge	Remaining Principal and Interest	Principal Paid	Pledged Revenue Received
<u>G.O. Water Revenue Bonds:</u>	<u>Water Treatment Plant and Water Systems</u>						\$ 5,074,005
Series 2020D Refunding Bonds	Refund 2011A Bonds	Utility Charges	100%	2020 - 2032	\$ 6,237,352	\$ 732,748	
<u>G.O. Utility Revenue Bonds:</u>	<u>Water, Sanitary Sewer and Storm Water</u>						15,140,284
Series 2015C	Utility System Improvements	Utility Charges	100%	2015 - 2036	4,100,288	345,362	
Series 2017B	Utility System Improvements	Utility Charges	100%	2017 - 2038	727,818	51,563	
Series 2019C	Utility System Improvements	Utility Charges	100%	2019 - 2035	1,866,260	180,131	
Series 2019D	Utility System Improvements	Utility Charges	100%	2019 - 2030	537,026	90,188	
Series 2020C	Utility System Improvements	Utility Charges	100%	2020 - 2031	1,085,625	157,500	
<u>Electric Revenue Bonds:</u>	<u>Electric Utility Systems and Generating Facilities</u>						1,743,199
Series 2015A Refunding Bonds	Refund 2000 & 2005 Bonds - Turbine Generator	Lease Revenue	100%	2015 - 2030	12,452,000	2,075,500	
Electric Utility Revenue Bonds							57,182,709
Series 2017A	Electric System Improvements	Utility Charges	100%	2017 - 2037	6,435,050	497,975	
Series 2020F	Electric System Improvements	Utility Charges	100%	2020 - 2031	1,459,400	211,200	
<u>EDA Revenue Bonds:</u>							
Taxable Installment Purchase Revenue Bonds							
Series 2020A	Southwest Park Development	Revenue	100%	2020 - 2040	6,879,566	431,447	475,355
Series 2020B	NE Collector Phase II - Land	Revenue	100%	2020 - 2040	1,733,666	106,530	110,672
<u>EDA Lease Revenue Bonds:</u>							
Series 2017A Refunding Bonds	Refund 2007A Bonds	Lease Revenue	100%	2017 - 2027	684,000	209,900	3,291,001
Series 2020E Refunding Bonds	Refund 2013A Bonds	Lease Revenue	100%	2020 - 2033	2,121,050	239,650	
Taxable Lease Revenue Bonds	<u>Curling Center, Event Center and Restaurant</u>						2,712,770
Series 2015A	Building Construction	Lease Revenue	100%	2015 - 2035	7,739,118	1,162,079	
Series 2015C	Furniture, Fixtures & Equipment	Lease Revenue	100%	2015 - 2031	2,116,727	302,422	
Lease Revenue Bonds	<u>Firemen's Park Improvements</u>						675,960
Series 2015B	Park Construction	Lease Revenue	100%	2015 - 2035	7,832,300	504,400	
Series 2015D	Fixtures and Equipment	Lease Revenue	100%	2015 - 2026	254,900	127,100	
<u>Lease Purchase Bonds:</u>							
Lease-Purchase Agreement Bonds							396,264
Series 2021	Golf Course Improvements	Lease Revenue	100%	2021 - 2041	4,241,054	249,475	

City of Chaska, Minnesota

For the Year Ended December 31, 2024

Arbitrage Rebate:

The Tax Reform Act of 1986 requires governmental entities to pay the federal government income earned on the proceeds from the issuance of debt in excess of interest costs, pending the expenditure of the borrowed funds. This rebate of interest income (known as arbitrage) applies to governmental debt issued after August 31, 1986. In the opinion of management, any obligation would be immaterial.

Lease Liability:

For the year ended December 31, 2024, the City had 24 active leases. The leases have annual payments that range from \$285 to \$11,728 and interest rates that range from 2.31% to 7.25%. As of December 31, 2024, the total combined value of the lease liabilities is \$374,921, the total combined value of the short-term lease liabilities is \$152,046. The combined value of the lease assets of \$663,469 with accumulated amortization of \$298,978 is included in the capital asset activity in Note 4 Capital Assets. The leases had \$7,834 of other initial costs, not included in the Lease Liability.

Lease liabilities outstanding for the year ended December 31, 2024, are as follows:

<u>Governmental Activities</u>	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Interest Rates</u>	<u>Outstanding 12/31/2024</u>
Enterprise Fleet Ford Interceptor 25KF7M	01/25/22	01/31/26	4.35%	\$ 9,227
Enterprise Fleet Chevrolet Tahoe 25XJSB	06/16/22	06/30/26	5.81%	13,125
Enterprise Fleet Ford Edge 25MCFR	06/21/22	06/30/27	6.35%	17,897
Enterprise Fleet Ford Edge 25MCGV	06/21/22	06/30/27	6.35%	17,897
Enterprise Fleet Ford Edge 25KQ96	06/23/22	06/30/27	6.35%	17,828
Enterprise Fleet Ford Edge 25MCR8	06/23/22	06/30/27	6.35%	17,897
Enterprise Fleet Ford Edge 25MCGS	06/29/22	06/30/27	6.13%	17,828
Enterprise Fleet Ford Edge 25MCGT	06/29/22	06/30/27	6.13%	17,828
Enterprise Fleet Ford Explorer 25KQBX	08/31/22	08/31/26	6.40%	13,835
Enterprise Fleet Ford Explorer 25KQCX	08/31/22	08/31/26	6.40%	12,834
Enterprise Fleet Ford Interceptor 25KQDS	10/07/22	10/31/26	7.25%	17,238
Enterprise Fleet Ford Interceptor 25KT49	02/07/23	02/28/27	6.90%	20,746
Enterprise Fleet Ford Interceptor 25KT93	02/18/23	02/28/27	7.19%	20,812
Enterprise Fleet Ford Interceptor 26ZPWK	06/05/23	06/30/27	7.04%	26,538
Enterprise Fleet Ford Interceptor 26ZQ6L	06/05/23	06/30/27	7.04%	26,594
Pitney Bowes Postage Machine	10/30/23	10/29/28	3.65%	6,803
123707 - Metro Sales Copier	01/01/24	11/04/25	3.24%	1,606
157943 - Metro Sales Copier	01/17/24	01/16/29	2.31%	6,908
Enterprise Fleet Ford Interceptor 2699SC	01/23/24	01/31/28	7.18%	34,385
Enterprise Fleet Ford Interceptor 2699S5	01/23/24	01/31/28	7.18%	34,385
159737 - Metro Sales Copier	05/10/24	05/09/29	2.64%	7,574
Governmental Activities				
Total Lease Liabilities:				<u>\$ 359,785</u>

City of Chaska, Minnesota

For the Year Ended December 31, 2024

<u>Business-type Activities</u>	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Interest Rates</u>	<u>Outstanding 12/31/2024</u>
154649 - Metro Sales Copier	01/01/24	11/15/28	3.51%	\$ 7,563
159737 - Metro Sales Copier	05/10/24	05/09/29	2.64%	7,573
Business-type Activities				
Total Lease Liabilities:				<u>\$ 15,136</u>

Annual debt service requirements to maturity are as follows:

<u>Year Ending December 31</u>	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 148,574	\$ 18,814	\$ 3,472	\$ 416
2026	136,543	9,313	3,581	307
2027	66,744	2,022	3,694	194
2028	7,023	109	3,638	78
2029	901	5	751	5
Total:	<u>\$ 359,785</u>	<u>\$ 30,263</u>	<u>\$ 15,136</u>	<u>\$ 1,000</u>

Subscription Liabilities:

For the year ended December 31, 2024, the City had 13 active subscriptions. The subscriptions have payments that range from \$1,188 to \$86,428 and interest rates that range from 2.64% to 2.93%. As of December 31, 2024, the total combined value of the subscription liabilities is \$562,461, and the total combined value of the short-term subscription liabilities is \$144,725. The combined value of the subscription assets of \$751,788 with accumulated amortization of \$116,328 is included with capital asset activity in Note 4 Capital Assets. The subscriptions had \$0 of variable payments and other payments, not included in the Subscription Liability.

Subscription liabilities outstanding for the year ended December 31, 2024, are as follows:

<u>Governmental Activities</u>	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Interest Rates</u>	<u>Outstanding 12/31/2024</u>
Axon Interview Room	03/01/20	04/30/25	2.85%	\$ 1,155
PlanSource Software	12/01/20	11/30/26	2.82%	31,160
DebtBook Platform	08/31/21	12/31/28	2.93%	56,890
Axon Air UAS	05/08/24	05/07/29	2.64%	32,248
Axon Fleet 3	09/01/24	08/31/29	2.64%	75,927
Axon OSP 10	11/01/24	10/31/29	2.64%	324,077
Governmental Activities				
Total Subscription Liabilities:				<u>\$ 521,457</u>

<u>Business-type Activities</u>	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Interest Rates</u>	<u>Outstanding 12/31/2024</u>
GIS Software License	03/31/23	03/31/26	2.80%	\$ 30,556
Korwebb Mapping Software	06/02/24	06/01/27	2.87%	10,449
Business-type Activities Total Subscription Liabilities:				<u>\$ 41,005</u>

Annual debt service requirements to maturity are as follows:

<u>Year Ending December 31</u>	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 124,507	\$ 13,971	\$ 20,218	\$ 1,154
2026	140,766	10,641	20,787	585
2027	124,923	6,854	-	-
2028	131,261	3,516	-	-
Total:	<u>\$ 521,457</u>	<u>\$ 34,982</u>	<u>\$ 41,005</u>	<u>\$ 1,739</u>

Financed Purchase Payable:

The City has the following financed purchase payable for the acquisition of fitness equipment:

- In 2021, the Chaska Community Center entered into a financed purchase agreement for the acquisition of fitness equipment. This agreement qualifies as a financed purchase agreement and was recorded at the present value of the minimum required payments. The equipment was capitalized by the City. The purchase agreement matures in December 2026 and carries an interest rate of 5.20%. In the event of default, Municipal Asset Management, Inc., may exercise one or more of the following remedies: (1) terminate the agreement and any or all of the City’s rights to the property; (2) proceed by court action to take possession from the City of any or all property; (3) proceed by court action to enforce performance by the City of its obligations or to recover damages for the breach or pursue any other remedy available to Municipal Asset Management, Inc.; (4) declare all unpaid purchase agreement payments and other sums payable to be immediately due and payable.

Financed purchase payable outstanding for the year ended December 31, 2024, is as follows:

<u>Business-type Activities</u>	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Interest Rates</u>	<u>Original Issue</u>	<u>Outstanding 12/31/2024</u>
Financed Purchase Payable	12/13/21	12/13/26	5.20%	<u>\$ 280,594</u>	<u>\$ 134,159</u>

City of Chaska, Minnesota

For the Year Ended December 31, 2024

The future minimum obligation and the net present value of these minimum payments are as follows:

Year Ending December 31	Business-type Activities
2025	\$ 59,800
2026	82,875
Total Minimum Payments	142,675
Less: Amount Representing Interest	(8,516)
Present Value of Minimum Payments	<u>\$ 134,159</u>

2024 Activity:

On July 17, 2024, the Chaska EDA issued \$49,650,000 in Lease Revenue Bonds, Series 2024A. The true interest cost is 4.08% (coupons range from 4.00% to 5.00%). The final maturity date is February 1, 2054. The Lease Revenue Bonds will be used to finance the acquisition, construction, improvement and equipping of the Chaska Public Safety Building. Bonds will be repaid from rental payments made by the City pursuant to the lease agreement.

On December 19, 2024, the City issued \$11,300,000 in General Obligation Bonds, Series 2024B. The true interest cost is 3.66% (coupons range from 4.00% to 5.00%). The final maturity date is February 1, 2045. The bonds will be used to pay off the outstanding principal and interest due on the City's General Obligation Temporary State Aid Street Bonds, Series 2022A, finance reconstruction of Engler Boulevard, and finance downtown street improvements. Bonds will be repaid from State-Aid allotments received annually from the Minnesota Department of Transportation and special assessments on property benefited by street improvements.

Tax Abatements:

The City implemented a Business Incentive Policy (in accordance with Minnesota Statutes, Sections 116J.993 to 116J.995) to assist developers with solutions that increase employment opportunities, improve and develop facilities in the City and increase the availability of essential services. Under this policy, the City provides tax abatements (in accordance with Minnesota Statutes, Section 469.1813, subdivision 8) for up to three times a new developer's total property taxes. The City has eight agreements that could be considered tax abatements under GASB #77 as of December 31, 2024.

- In 2013, the City entered into a development agreement with Ridgeview Two Twelve North Addition, LLC to aid with the construction of an expansion to an existing medical building. The expansion creates employment opportunities, increases resident access to vital services, and increases the tax base of the City. The City assistance helped cover reimbursable costs, including soil correction, architectural enhancement, and fire safety. The maximum assistance is \$777,926. The City's obligation is terminated after the earlier of 20 years of payments or once the Developer has been paid \$777,926 in tax abatement payments. The City has rebated a total of \$281,288, including \$38,772 in 2024.
- In 2013, the City entered into a development agreement with IP Stream Minneapolis, LLC to aid with the construction of a data center. This new construction developed an underutilized site, creates employment opportunities, and increases the tax base of the City. The City assistance helped cover reimbursable costs,

including site acquisition and site improvements. The maximum assistance is \$1,228,500. The City's obligation is terminated after the earlier of 20 years of payments or once the Developer has been paid \$1,228,500 in tax abatement payments. The City has rebated a total of \$214,025, including \$39,257 in 2024.

- In 2014, the City entered into a development agreement with Lucrum Properties, LLC to aid with the expansion of an existing manufacturing facility. The expansion of this high-quality business creates employment opportunities and increases the tax base of the City. The City assistance will help cover reimbursable costs, including storm water and grading improvements, permit fees, development charges, and parking lot improvements. The maximum assistance is \$144,699. The City's obligation is terminated the earlier of after 20 years of payments or once the Developer has been paid \$144,699 in tax abatement payments. The City has rebated a total of \$92,639, including \$19,001 in 2024.
- In 2015, the City entered into a development agreement with Lifecore Biomedical, LLC to aid with the expansion of their existing facilities. The expansion of this high-quality business maximized the use of an underutilized site and increases the tax base of the City. The City assistance will help cover reimbursable costs, including site preparation and grading. The maximum assistance is \$144,623. The City's obligation is terminated the earlier of after 20 years of payments or once the Developer has been paid \$144,623 in tax abatement payments. The City has rebated a total of \$86,542, including \$19,147 in 2024.
- In 2016, the City entered into a development agreement with U.S. Bank National Association, to aid with the construction of a new data center. This new construction developed an underutilized site, creates employment opportunities, and increases the tax base, generating substantial revenue for the City. The City assistance will help cover reimbursable costs, including a portion of the construction costs. The maximum assistance is \$548,000. The City's obligation is terminated the earlier of after 20 years of payments or once the Developer has been paid \$548,000 in tax abatement payments. The City has rebated a total of \$219,384, including \$56,553 in 2024.
- In 2017, the City of Chaska entered into a development agreement with MSP/Chaska Medical, LLC to aid with construction of a medical office building. This new construction increases the City's tax base, creates employment opportunities, and encourages economic development in its vicinity. The City agreed to reimburse the Developer for eligible construction costs from the proceeds of an interfund loan to the Developer in an amount not to exceed \$280,000 with interest at 3.5% per annum. Tax abatement on the property will be used to repay the loan. The loan will terminate the earlier of December 31, 2039, or when the City has received tax abatements sufficient to repay the principal amount of the loan plus accrued interest. The City advanced \$280,000 to MSP/Chaska Medical, LLC in 2018. Tax abatement payments began in 2019. The interfund loan balance at the end of 2024 was \$201,407.
- In 2018, the City of Chaska entered into a development agreement with 3919 Bavaria Road, LLC to aid with construction of a facility for weddings, events, and recreational activities. This new construction increases the City's tax base, creates employment opportunities, and encourages economic development. The City agreed to reimburse the Developer for eligible construction costs. The City assistance will help cover reimbursable costs, including a portion of the construction costs. The maximum assistance is \$656,670. The City's obligation is terminated the earlier of after 20 years of payments or once the Developer has been paid \$656,670 in tax abatement payments. The City has rebated a total of \$16,443, including \$16,443 in 2024.

- In 2022, the City entered into a development agreement with RCS-RCA Oak Ridge, LLC to aid with construction of a roundabout on Minnesota Trunk Highway 41 to accommodate the traffic needs of a new retail and residential development. The new construction will increase the City's tax base as well as create employment opportunities. The City assistance will help cover eligible construction costs. The City has deferred \$1,147,601 of area and trail charges for the development at an interest rate of 4.00% per annum and provided \$700,000 of up-front assistance for construction costs to the Developer in 2022. The deferred charges and upfront assistance are to be reimbursed to the City with 70.00% of the abatement revenues received by the City annually. The maximum assistance the Developer is eligible for is \$492,399 at a 0.00% interest rate with 30.00% of the abatement revenue received by the City annually. The City's obligation is terminated the earlier of after 20 years of payments or once the Developer has been paid \$492,399. The first tax abatement payment is scheduled to be made in 2025.

Tax Increment Pay-As-You-Go Financing Revenue Notes:

The Chaska EDA has entered into private development agreements to facilitate the financing of certain projects established by the Chaska Housing and Redevelopment Authority (pursuant to Minnesota Statutes, Sections 469.001 to 469.047). The costs of these projects are financed using tax increment generated from established tax increment financing districts (pursuant to Minnesota Statutes, Sections 469.174 to 469.179).

As of December 31, 2024, the Chaska Economic Development Authority has entered into five agreements considered Tax Increment Pay-As-You-Go Financing Revenue Notes under GASB #77. The agreements are not general obligations of the EDA or the City and are payable solely from available tax increment. Each note will be cancelled at the end of the agreement term, whether it has been fully repaid or not. Accordingly, the amounts have not been included in long-term debt because the nature of the notes is that repayment is required only if sufficient tax increments are received. The City's position is that these are obligations to assign future and uncertain revenue sources and as such, is not actual debt in substance.

The five agreements were to assist the developer with the financing of certain costs of a project constructed within the Development District and are as follows:

- In 2002, the Chaska EDA issued a pay-as-you-go note to Chaska Place Apartments in the principal sum of \$992,221 with an interest rate of 6.5% per annum and payments due each February 1 and August 1, commencing August 1, 2005, and paid through February 1, 2024. Payments are payable solely from available tax increment derived from the housing development and paid to the EDA. The pay-as-you-go note provides for payment to the developer for 100% of the tax increment received in the prior six months, less the administrative fees charged by the County, and less \$31,750 which shall be retained by the EDA. The current year abatement (TIF note payments) totaled \$101,046. On December 31, 2024, the amount outstanding on the note was \$0.00 as the balance of \$654,548 was cancelled at the end of the agreement term.
- In 2007, the Chaska EDA issued a pay-as-you-go note to Clover Field Sinclair Limited Partnership in the principal sum of \$3,100,000 with an interest rate of 5.65% per annum and payments due each February 1 and August 1, commencing August 1, 2008, and paid through February 1, 2030. Payments are payable solely from available tax increment derived from the housing development and paid to the EDA. The pay-as-you-go note provides for payment to the developer for 95% of the tax increment received in the prior six

months, less the administrative fees charged by the County. The current year abatement (TIF note payments) totaled \$201,663. On December 31, 2024, the amount outstanding on the note was \$4,203,306.

- In 2015, the Chaska EDA issued a pay-as-you-go note to Chaska Heights Senior Living in the principal sum of \$2,874,667 with an interest rate of 3.25% per annum and payments due each February 1 and August 1, commencing August 1, 2018, and paid through February 1, 2044. Payments are payable solely from available tax increment derived from the housing development and paid to the EDA. The pay-as-you-go note provides for payment to the developer for 100% of the tax increment received in the prior six months, less the administrative fees charged by the County, and less \$34,500 which shall be retained by the EDA. The current year abatement (TIF note payments) totaled \$247,156. On December 31, 2024, the amount outstanding on the note was \$2,390,058.
- In 2016, the Chaska EDA issued a pay-as-you-go note to Creeks Run Phase II, LLC in the principal sum of \$242,500 with an interest rate of 4.5% per annum and payments due each February 1 and August 1, commencing August 1, 2018, and paid through February 1, 2036. Payments are payable solely from available tax increment derived from the housing development and paid to the EDA. The pay-as-you-go note provides for payment to the developer for 100% of the tax increment received in the prior six months, less the administrative fees charged by the County, and less \$9,000 which shall be retained by the EDA. The current year abatement (TIF note payments) totaled \$19,221. On December 31, 2024, the amount outstanding on the note was \$237,691.
- In 2021, the Chaska EDA issued a pay-as-you-go note to Oppidan, Incorporated in the principal sum of \$1,304,000 between two building sites (Building One: \$994,000, Building Two: \$310,000) with an interest rate of 4.00% per annum and payments due each February 1 and August 1, commencing August 1, 2023, and paid through February 1, 2032. Payments are payable solely from available tax increment derived from the redevelopment project area and paid to the EDA. The pay-as-you-go note provides payment to the developer for 95% of the tax increment received in the prior six months, less the administrative fees charged by the County. The current year abatement (TIF note payments) towards Building One totaled \$198,500 and Building Two totaled \$107,799. On December 31, 2024, the amount outstanding on the note for Building One was \$778,485 and the amount outstanding on the note for Building Two was \$214,222.

Conduit Debt:

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

As of December 31, 2024, there were two series of IRBs outstanding. The aggregate principal amount payable for the two series issued after July 1, 1995, was \$19,588,236. The aggregate principal amount payable for the three series issued prior to July 1, 1995, could not be determined; however, their original issue amounts totaled \$9,625,000. As of December 31, 2024, there were three series of HRBs outstanding. The aggregate principal amounts payable for the three series issued after July 1, 1995, was \$4,870,000. The aggregate principal amount

City of Chaska, Minnesota

For the Year Ended December 31, 2024

payable for the series issued prior to July 1, 1995, could not be determined; however, the original issue amounts totaled \$3,600,000.

The outstanding HRB balance includes one issue that is backed by the full faith and credit of the City. In 2020, the Carver County Housing and Redevelopment Authority issued \$2,200,000 in Housing Development Revenue Bonds. (These bonds refunded the \$2,850,000 Housing Revenue Bonds of 2010). This issue is secured by housing revenues and, if not so paid, by a tax levy. The bonds are secured by a general obligation pledge of the City.

Note 7 Interfund Receivables, Payables and Transfers

Interfund receivables and payables as of December 31, 2024, are as follows:

Due To/From Other Funds		
Receivable Fund	Payable Fund	Amount
Public Facilities Cap. Imp.	Community Center	\$ 3,000,000
Water	Community Center	1,445,997
Water	Curling Center	1,811,496
Sewer	Community Center	1,700,000
Sewer	Nonmajor Enterprise	900,000
Storm Water	Curling Center	3,750,000
Internal Service	Community Center	2,750,000
Nonmajor Governmental	Public Improvement Projects	12,230,243
Nonmajor Governmental	Community Center	1,250,000
Nonmajor Governmental	Nonmajor Governmental	2,566,808
Nonmajor Enterprise	Nonmajor Enterprise	1,196,382
Total:		<u>\$ 32,600,926</u>

Due to other funds, and due from other funds, is utilized for cash flow purposes and eliminates temporary cash balance deficits in the payable fund.

City of Chaska, Minnesota

For the Year Ended December 31, 2024

Interfund Receivables/Payables And Advances To/From Other Funds

Receivable Fund	Payable Fund	Interfund Receivables/ Payables	Advances To/From	Total	Purpose
Public Facilities Cap. Imp.	Community Center	\$ 5,896	\$ 68,660	\$ 74,556	1
Electric	Nonmajor Governmental	-	1,191,884	1,191,884	2
Turbine Generator	Electric	73,305	438,513	511,818	3
Internal Service	Community Center	26,389	235,263	261,652	4
Internal Service	Nonmajor Governmental	-	1,776,591	1,776,591	2, 5
Internal Service	Nonmajor Enterprise	52,352	466,733	519,085	6
Nonmajor Governmental	Water	55,260	1,300,303	1,355,563	7
Nonmajor Governmental	Sewer	55,260	1,300,303	1,355,563	7
Nonmajor Governmental	Community Center	31,994	372,619	404,613	1
Nonmajor Governmental	Storm Water	55,650	644,350	700,000	8
Nonmajor Governmental	Nonmajor Governmental	1,174,773	-	1,174,773	9
Nonmajor Governmental	Nonmajor Enterprise	210,239	1,191,184	1,401,423	10
Total:		<u>\$ 1,741,118</u>	<u>\$ 8,986,403</u>	<u>\$ 10,727,521</u>	

Explanation of Interfund Receivables/Payables and Advances To/From Other Funds:

- (1) These interfund loans to the Community Center for locker room improvements are from the following funds:
 - Public Facilities Fund - \$74,556 loan balance with \$5,896 due in one year.
 - Improvement Revolving Fund - \$404,613 loan balance with \$31,994 due in one year
- (2) This 2007 loan from the Electric fund and Internal Service fund provides interim financing for TIF District #14 project costs. The outstanding balance of \$2,268,475 will be repaid from tax increment generated by the district as it becomes available.
- (3) This interfund loan from the Turbine Generator fund to the Electric fund was made in 2001 to finance a substation. Of the \$511,818 due at year end, \$73,305 is due in one year.
- (4) This 2022 loan from the Internal Service fund to the Community Center fund provides financing for equipment and repairs. Of the \$261,652 due at year end, \$26,389 is due in one year.
- (5) This 2022 loan from the Internal Service fund to the Abatement Program fund provides interim financing for a roundabout and access into a new abatement district. The outstanding balance of \$700,000 will be repaid from abatement revenue generated by the district or from permanent financing for the project.
- (6) This 2022 loan from the Internal Service fund to the Town Course golf fund provides financing for cart path improvements. Of the \$519,085 due at year end, \$52,352 is due in one year.
- (7) These interfund loans from the Equipment Acquisition fund to the Water fund and Sewer fund are for shared water/sewer equipment purchases. Of the \$2,711,126 due at year end, \$110,520 is due in one year.
- (8) This interfund loan from the Equipment Acquisition fund to the Storm Water fund is for a storm water equipment purchase. Of the \$700,000 due at year end, \$55,650 is due in one year.
- (9) These loans eliminate what would have been negative cash in TIF District funds. The outstanding balance of \$1,174,773 will be repaid from tax increment generated by the districts as it becomes available.
- (10) These interfund loans are from the Equipment Acquisition fund to the following funds:
 - The Loop at Chaska - \$51,000 loan balance for golf equipment purchases with \$6,260 due in one year.
 - Town Course - \$1,350,423 loan balance for golf equipment purchases with \$203,979 due in one year.

Transfers In/Out for 2024 are as follows:

Transfers Out	Governmental Funds					Enterprise Funds						Total
	General	GO Temp State Aid Street Bonds	Public Facilities Cap. Imp.	Public Improvement Projects	Nonmajor	Water	Sewer	Community Center	Storm Water	Curling Center	Nonmajor	
General	\$ -	\$ -	\$ 2,279,000	\$ 215,000	\$ 620,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,114,000
Public Improvement												
Projects	-	2,193,916	-	-	-	-	-	-	-	-	-	2,193,916
Electric	4,892,840	-	489,600	-	1,432,500	-	-	678,600	-	51,000	244,000	7,788,540
Water	40,000	-	122,400	-	96,750	-	-	67,962	-	12,000	-	339,112
Sewer	60,000	-	122,400	-	136,750	-	-	67,962	-	12,000	-	399,112
Storm Water	-	-	81,600	-	246,000	-	-	-	-	-	-	327,600
Internal Service	21,834	-	-	129,940	-	5,842	-	389,000	-	-	2,624	549,240
Nonmajor Governmental	163,831	225,400	-	2,241,484	4,450,385	468,000	55,000	-	257,600	1,658,922	-	9,520,622
Total:	<u>\$ 5,178,505</u>	<u>\$ 2,419,316</u>	<u>\$ 3,095,000</u>	<u>\$ 2,586,424</u>	<u>\$ 6,982,385</u>	<u>\$ 473,842</u>	<u>\$ 55,000</u>	<u>\$ 1,203,524</u>	<u>\$ 257,600</u>	<u>\$ 1,733,922</u>	<u>\$ 246,624</u>	<u>\$ 24,232,142</u>

Explanation of Transfers:

Transfers are used to 1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, 2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and 3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

The internal service fund transfers include a transfer to the Community Center fund for planned capital improvements and repairs. This transfer was budgeted within the Community Center fund. Transfers to other funds are related to costs for repairs that were not reimbursed by insurance claims.

In the government-wide financial statements, transfers in/out include capital assets transferred from governmental activities to business-type activities in the amount of \$8,667,834. Those transfers are not included in the table above. At the beginning of 2024, the City transferred existing water, sewer and storm water infrastructure assets from governmental activities to business-type activities. These assets were previously recorded in governmental activities because the projects had been funded by the Public Improvements Project and other Nonmajor Capital Projects funds. To better reflect the financial position of the Proprietary funds, these assets were transferred at their acquisition value, with accumulated depreciation to date. A restatement of net position, in the amount of \$40,159,643, was required as a result of the asset transfers. Those transfers are not included in the table above.

Note 8 Fund Balance and Net Position

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

	General	GO Temporary State Aid Street Bonds 2022A	Public Facilities Capital Improvement	Public Improvement Projects	Nonmajor Governmental	Totals
<u>Nonspendable:</u>						
Prepaid Items	\$ 233,032	\$ -	\$ -	\$ -	\$ -	\$ 233,032
Leases	-	-	-	-	81,610	81,610
Total Nonspendable Balances	<u>233,032</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>81,610</u>	<u>314,642</u>
<u>Restricted for:</u>						
Housing Loan Program	-	-	-	-	13,183	13,183
Police Forfeitures & Evidence	-	-	-	-	6,453	6,453
Public Safety	-	-	-	-	1,040,168	1,040,168
Debt Requirements	-	5,065	-	-	11,707,241	11,712,306
Economic Development	-	-	-	-	5,349,059	5,349,059
Street Improvement Project	-	-	-	-	1,532,412	1,532,412
Capital Equipment	-	-	-	-	3,549,357	3,549,357
Public Facility Improvements	-	-	40,349,055	-	-	40,349,055
Road Construction	-	-	-	-	2,965,210	2,965,210
Abatement Program	-	-	-	-	20,892	20,892
Total Restricted Fund Balances	<u>-</u>	<u>5,065</u>	<u>40,349,055</u>	<u>-</u>	<u>26,183,975</u>	<u>66,538,095</u>
<u>Committed to:</u>						
Compensated Absences	1,273,668	-	-	-	-	1,273,668
Stabilization Arrangement	1,200,000	-	-	-	-	1,200,000
Mt. Pleasant Cemetery Care	-	-	-	-	274,735	274,735
Economic Development	-	-	-	-	53,158	53,158
Capital Equipment	-	-	-	-	1,871,443	1,871,443
Community Fund Projects	-	-	-	-	13,495	13,495
Street Improvement Program	-	-	-	-	1,013,816	1,013,816
Total Committed Fund Balances	<u>2,473,668</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,226,647</u>	<u>5,700,315</u>
<u>Assigned to:</u>						
Compensated Absences	482,438	-	-	-	-	482,438
Mt. Pleasant Cemetery Care	-	-	-	-	11,975	11,975
Police Forfeitures	-	-	-	-	4,776	4,776
Road Construction	-	-	-	-	94,158	94,158
Capital Equipment	-	-	-	-	4,731,610	4,731,610
Park Improvements	-	-	-	-	1,210,096	1,210,096
Southwest Chaska Improvements	-	-	-	-	1,267,473	1,267,473
Community Fund Projects	-	-	-	-	102,103	102,103
Street Improvement Program	-	-	-	-	170,454	170,454
Capital Improvements	-	-	-	-	15,394,812	15,394,812
Total Assigned Fund Balances	<u>482,438</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,987,457</u>	<u>23,469,895</u>
<u>Unassigned</u>	<u>3,757,131</u>	<u>-</u>	<u>(994,728)</u>	<u>(13,134,089)</u>	<u>(5,536,962)</u>	<u>(15,908,648)</u>
Total Fund Balances:	<u>\$ 6,946,269</u>	<u>\$ 5,065</u>	<u>\$ 39,354,327</u>	<u>\$ (13,134,089)</u>	<u>\$ 46,942,727</u>	<u>\$ 80,114,299</u>

The following table provides further detail of the calculation of Net Investment in Capital Assets reported as part of the Net Position in the Government-wide financial statements as of December 31, 2024:

**Net Investment in Capital Assets
As of December 31, 2024**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Total capital assets	\$ 269,646,736	\$ 315,075,041
Less: Accumulated depreciation and amortization	79,355,154	157,149,843
Net carrying value of capital assets	<u>190,291,582</u>	<u>157,925,198</u>
Less:		
Outstanding principal of capital-related borrowings related to the City's own capital assets	51,499,975	38,423,799
Outstanding principal of debt and other borrowing used to refund capital-related borrowings	1,173,091	5,895,000
Outstanding principal balance of any other capital related liabilities	6,720,074	247,773
Unamortized original issue premiums on outstanding capital debt	5,850,253	1,410,880
Unamortized balance of capital-related deferred inflows of resources including amounts on refunding	-	222,156
	<u>65,243,393</u>	<u>46,199,608</u>
Total Net Investment in Capital Assets	<u>\$ 125,048,189</u>	<u>\$ 111,725,590</u>

Note 9 Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

Workers compensation coverage is provided through a pooled self-insurance program through the League of Minnesota Cities Insurance Trust (LMCIT). The City pays an annual premium to LMCIT. The City is subject to supplemental assessments if deemed necessary by the LMCIT.

The LMCIT reinsures through Workers Compensation Reinsurance Association (WCRA) as required by law. For workers compensation, the City is not subject to a deductible. The City's workers compensation coverage is retrospectively rated. With this type of coverage, final premiums are determined after loss experience is known. The amount of premium adjustment, if any, is considered immaterial and not recorded until received or paid.

Property and casualty insurance coverage is provided through a pooled self-insurance program through the LMCIT. The City pays an annual premium to the LMCIT. The City is subject to supplemental assessments if deemed necessary by the LMCIT. The LMCIT reinsures through commercial companies for claims in excess of various amounts. The City retains risk for the deductible portion of the insurance policies and for any exclusion from the insurance policies. These amounts are considered immaterial to the financial statements.

The City continues to carry commercial insurance for all other risks of loss, including life, disability, dental, and health insurance. There were no significant reductions in insurance from the previous year or settlements in excess of insurance coverage for any of the past three years.

The Self Insurance fund, an internal service fund which charges its costs to user departments, accounts for the risk management activities of the City. The fund is designed to build up a reserve, which will provide the City the opportunity to assume a greater share of its insurance risks and thereby reducing the cost to purchase insurance.

Note 10 Commitments and Contingencies

A) Construction Commitments

At December 31, 2024, the City had the following construction commitments outstanding:

<u>Project</u>	<u>Contractor</u>	<u>Commitment</u>
Public Safety Facility-Project Manager	RJM Construction LLC	\$ 2,537,009
Public Safety Facility-Special Inspections	Braun Intertec Corp	112,703
Public Safety Facility-Concrete Paving	Ebert Inc	847,230
Public Safety Facility-Carpet & Resilient Flooring	Floors By Beckers LLC	97,223
Public Safety Facility-Safety Floors & Wall Mats	Floors By Beckers LLC	8,681
Public Safety Facility-Plumbing	GR Mechanical Plumbing & Heating Inc	1,973,220
Public Safety Facility-Structural Steel	Industrial Construction Specialists	611,423
Public Safety Facility-Concrete	Kelleher Construction Inc	1,114,598
Public Safety Facility-Rough & Finish Carpentry	Kellington Construction Inc	834,500
Public Safety Facility-Earthwork & Utilities	Kusske Construction Co LLC	850,380
Public Safety Facility-Precast Concrete	Molin Concrete Products Co	84,206
Public Safety Facility-Aluminum Storefront & Glazing	MT Contracting Inc	1,131,000
Public Safety Facility-Electrical	NEI Electric Inc	3,167,459
Public Safety Facility-Masonry	Northland Concrete & Masonry Company LLC	3,062,094
Public Safety Facility-Survey	Northwest Surveying and Engineering Inc	21,885
Public Safety Facility-Roofing	Peterson Bros Roofing & Construction Inc	667,236
Public Safety Facility-Architectural Metal Panels	Progressive Building Systems Ltd	991,663
Public Safety Facility-Specialty Rigging	Quickway Rigging & Transfer Inc	7,830
Public Safety Facility-Framing & Gypsum Board Assemblies	RTL Construction	1,885,535
Public Safety Facility-Acoustical & Suspended Ceiling	Sonus Interiors	572,600
Public Safety Facility-Structural Steel Material	Standard Iron & Wire Works Inc	557,067
Public Safety Facility-Fire Protection	Summit Fire Protection Co	490,911
Public Safety Facility-Air & Vapor Barriers	Swanson and Youngdale Inc	127,405
Public Safety Facility-Waterproofing & Weatherproofing	The Sopris Group LLC	35,880
Public Safety Facility-Doors, Frames & Hardware	Twin City Hardware	566,377
Public Safety Facility-HVAC	Weidner Mechanical	4,763,725
Th 41 Landscaping & Irrigation	Valdes Lawn care & Snow Removal LLC	97,828
Th 41 Irrigation Lump Sum Items	Hoffman and McNamara Co	2,400
2024 DT Streetscaping-5th & Walnut	Pember Companies Inc	817,571
Savanna Way Phase 2	Swan Companies Inc	322,734
MN River Bluffs Regional Trail	Minger Construction Co Inc	370,604
Well 10	Keys Well Drilling Company	71,992
Wells 11 & 12	Keys Well Drilling Company	353,045
Well 9 Maintenance Project	Keys Well Drilling Company	60,025
	Total	<u>\$ 29,216,038</u>

B) Federal and State Funding

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

C) Legal Claims

In connection with the normal conduct of its affairs, the City is involved in various claims litigation and judgments. It is expected that the final settlement of those matters will not materially affect the financial statements of the City.

Note 11 Jointly Governed Organizations

The City, in conjunction with 11 other municipalities that provide distribution of electric services, comprises the Minnesota Municipal Power Agency (MMPA). MMPA began operations on July 1, 1995. MMPA purchases power that is purchased and distributed by the 12 municipalities that operate electric distribution systems. MMPA's board of directors is comprised of one member from each participating entity. Except for minimum purchase requirements, no participant has any obligation, entitlement, or residual interest. The City's purchases of power from MMPA for the year ended December 31, 2024, was \$36,986,999. MMPA issues an annual financial report that may be obtained by writing MMPA, 220 S. 6th Street, Suite 1300, Minneapolis, MN 55402, by calling (612) 349-6868, or on the Internet at www.mmpa.org.

Note 12 Defined Benefit Pension Plans

Employees of the City participate in three defined benefit pension plans. Two of the plans are state-wide cost-sharing, multiple employer defined benefit pension plans administered by the Public Employees Retirement Association of Minnesota (PERA): the General Employees Retirement fund and the Public Employees Police and Fire fund. The third is a single-employer defined benefit pension plan administered through the Chaska Fire Department Relief Association (CFDRA). The details of the City's participation in each of these plans are presented later in these notes. The following table summarizes the impact of these plans on the City's government-wide financial statements.

	PERA Pension Plans			Chaska Fire Department Relief Association	Total All Plans
	General Employees Retirement Fund	Public Employees Police & Fire Fund	Total		
	Deferred Outflows	\$ 1,534,868	\$ 7,533,085		
Net Pension Liability	5,887,828	4,383,801	10,271,629	1,484,639	11,756,268
Deferred Inflows	4,160,453	7,889,230	12,049,683	560,277	12,609,960
Pension Revenue	(2,923)	16,227	13,304	228,706	242,010
Pension Expense	392,682	877,010	1,269,692	380,227	1,649,919

Note 13 Defined Benefit Pension Plans – State-wide**A) Plan Description**

The City participates in the following cost-sharing multiple-employer defined benefit pension plans administered by PERA. PERA's defined benefit pension plans are established and administered in accordance with *Minnesota Statutes*, chapters 353, 353D, 353E, 353G, and 356. Minnesota Statutes chapter 356 defines each plan's financial reporting requirements. PERA's defined benefit pension plans are tax qualified plans under Section 401(a) of the Internal Revenue Code.

1. General Employees Retirement Plan

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

2. Public Employees Police and Fire Retirement Plan

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

B) Benefits Provided

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

1. General Employees Plan Benefits

General Employees Plan requires three years of service to vest. Benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for General Plan members. Members hired prior to July 1, 1989, receive the higher of the Step or Level formulas. Only the Level formula is used for members hired after June 30, 1989. Under the Step formula, General Plan members receive 1.2% of the highest average salary for each of the first 10 years of service and 1.7% for each additional year. Under the Level formula, General Plan members receive 1.7% of highest average salary for all years of service. For members hired prior to July 1, 1989 a full retirement benefit is available when age plus years of service equal 90 and normal retirement age is 65. Members can receive a reduced requirement benefit as early as age 55 if they have three or more years of service. Early retirement benefits are reduced by .25% for each month under age 65. Members with 30 or more years of service can retire at any age with a reduction of .25% for each month the member is younger than age 62. The Level formula allows General Plan members to receive a full retirement benefit at age 65 if they were first hired before July 1, 1989 or at age 66 if they were hired on or after July 1, 1989. Early retirement begins at age 55 with an actuarial reduction applied to the benefit.

Benefit increases are provided to benefit recipients each January. The postretirement increase is equal to 50% of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1% and a maximum of 1.5%. The 2024 annual increase was 1.5%. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase will receive the full increase. Recipients receiving the annuity or benefit for at least one month but less than a full year as of the June 30 before the effective date of the increase will receive a reduced prorated increase.

2. Police and Fire Plan Benefits

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

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

C) Contributions

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

1. General Employees Fund Contributions

General Plan members were required to contribute 6.50% of their annual covered salary in fiscal year 2024 and the City was required to contribute 7.50% for Coordinated Plan members. The City's contributions to the General Employees Fund for the year ended December 31, 2024, were \$1,067,013. The City's contributions were equal to the required contributions as set by state statute.

2. Police and Fire Fund Contributions

Police and Fire Plan members were required to contribute 11.80% of their annual covered salary in fiscal year 2024 and the City was required to contribute 17.70% for Police and Fire Plan members. The City's contributions to the Police and Fire Fund for the year ended December 31, 2024, were \$854,475. The City's contributions were equal to the required contributions as set by state statute.

D) Pension Costs

1. General Employees Fund Pension Costs

At December 31, 2024, the City reported a liability of \$5,887,828 for its proportionate share of the General Employees Fund's net pension liability. The City's net pension liability reflected a reduction due to the State of Minnesota's contribution of \$16 million. The State of Minnesota is considered a non-employer contributing entity and the state's contribution meets the definition of a special funding situation. The State of Minnesota's proportionate share of the net pension liability associated with the City totaled \$152,247.

City's proportionate share of the net pension liability	\$ 5,887,828
State of Minnesota's proportionate share of the net pension liability associated with the City	<u>152,247</u>
Total:	<u><u>\$ 6,040,075</u></u>

The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportionate share of the net pension liability was based on the City's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2023, through June 30, 2024, relative to the total employer contributions received from all of PERA's participating employers. The City's proportionate share was .1593% at the end of the measurement period and .1633% for the beginning of the period.

For the year ended December 31, 2024, the City recognized pension expense of \$687,664 for its proportionate share of the General Employees Plan's pension expense. In addition, the City recognized a decrease of \$2,923 in pension expense (and grant revenue charges) for its proportionate share of the State of Minnesota's contribution of \$16 million to the General Employees Fund.

During the plan year ended June 30, 2024, the State of Minnesota contributed \$170.1 million to the General Employees Fund. The State of Minnesota is not included as a non-employer contributing entity in the General Employees Plan pension allocation schedules for the \$170.1 million in direct state aid because this contribution was not considered to meet the definition of a special funding situation. The City recognized \$270,895 for the year ended December 31, 2024 as revenue and an offsetting decrease in net pension liability for its proportionate share of the State of Minnesota's on-behalf contributions to the General Employees Fund.

At December 31, 2024, the City reported its proportionate share of the General Employees Plan's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 553,610	\$ -
Changes in actuarial assumptions	28,747	2,228,446
Net difference between projected and actual investment earnings	-	1,709,777
Changes in proportion	395,677	222,230
Contributions paid to PERA subsequent to the measurement date	556,834	-
Total:	<u><u>\$ 1,534,868</u></u>	<u><u>\$ 4,160,453</u></u>

The \$556,834 reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2025. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended December 31</u>	<u>Pension Expense Amount</u>
2025	\$ (1,760,501)
2026	(185,843)
2027	(784,808)
2028	(451,267)
Total:	<u>\$ (3,182,419)</u>

2. Police and Fire Fund Pension Costs

At December 31, 2024, the City reported a liability of \$4,383,801 for its proportionate share of the Police and Fire Fund's net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportionate share of the net pension liability was based on the City's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2023, through June 30, 2024, relative to the total employer contributions received from all of PERA's participating employers. The City's proportionate share was .3332% at the end of the measurement period and .3202% for the beginning of the period.

The State of Minnesota contributed \$37.4 million to the Police and Fire Fund in the plan fiscal year ended June 30, 2024. The contribution consisted of \$9 million in direct state aid that meets the definition of a special funding situation, additional one-time direct state aid contribution of \$19.4 million, and \$9 million is supplemental state aid that does not meet the definition of a special funding situation. Additionally, \$9 million supplemental state aid was paid on October 1, 2024. Thereafter, by October 1 of each year, the state will pay \$9 million to the Police and Fire Fund until full funding is reached or July 1, 2048, whichever is earlier. The \$9 million in supplemental state aid will continue until the fund is 90% funded, or until the State Patrol Plan (administered by the Minnesota State Retirement System) is 90% funded, whichever occurs later. The State of Minnesota's proportionate share of the net pension liability associated with the City totaled \$167,109.

City's proportionate share of the net pension liability	\$ 4,383,801
State of Minnesota's proportionate share of the net pension liability associated with the City	<u>167,109</u>
Total:	<u>\$ 4,550,910</u>

For the year ended December 31, 2024, the City recognized pension expense of \$919,194 for its proportionate share of the Police and Fire Plan's pension expense. The City recognized \$16,227 as grant revenue and pension expense for its proportionate share of the State of Minnesota's pension expense for the contribution of \$9 million to the Police and Fire Fund special funding situation.

The State of Minnesota is not included as a non-employer contributing entity in the Police and Fire Pension Plan pension allocation schedules for the \$28.4 million in supplemental state aid because the contribution was not considered to meet the definition of a special funding situation. The City recognized \$29,989 for the year ended December 31, 2024, as revenue and an offsetting reduction of net pension liability for its proportionate share of the State of Minnesota's on-behalf contributions to the Police and Fire Fund.

At December 31, 2024, the City reported its proportionate share of the Police and Fire Plan's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 1,708,405	\$ -
Changes in actuarial assumptions	4,818,934	6,455,259
Net difference between projected and actual investment earnings	-	1,425,396
Changes in proportion	545,351	8,575
Contributions paid to PERA subsequent to the measurement date	460,395	-
Total:	<u>\$ 7,533,085</u>	<u>\$ 7,889,230</u>

The \$460,395 reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2025. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended December 31</u>	<u>Pension Expense Amount</u>
2025	\$ (86,627)
2026	1,257,796
2027	(533,136)
2028	(1,593,721)
2029	139,148
Total:	<u>\$ (816,540)</u>

E) Long-Term Expected Return on Investment

The State Board of Investment, which manages the investments of PERA, prepares an analysis of the reasonableness on a regular basis on the long-term expected rate of return using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce an expected long-term rate of return by weighting the expected future rates of return by the target asset allocation percentages. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	33.5%	5.10%
International Equity	16.5%	5.30%
Fixed Income	25.0%	0.75%
Private Markets	25.0%	5.90%
Total:	100.0%	

F) Actuarial Methods and Assumptions

The total pension liability for each of the cost-sharing defined benefit plans was determined by an actuarial valuation as of June 30, 2024, using the entry-age normal actuarial cost method. The long-term rate of return on pension plan investments used to determine the total liability is 7%. The 7% assumption is based on a review of inflation and investments return assumptions from a number of national investment consulting firms. The review provided a range of investment return assumptions from a number of national investment consulting firms. The review provided a range of investment return rates considered reasonable by the actuary. An investment return of 7% is within that range.

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

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

Salary growth assumptions in the General Employees Plan range in annual increments from 10.25% after one year of service to 3% after 27 years of service. In the Police and Fire Plan, salary growth assumptions range in annual increments from 11.75% after one year of service to 3% after 24 years of service.

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

Actuarial assumptions for the General Employees Plan are reviewed every four years. The General Employees Plan was last reviewed in 2022. The assumption changes were adopted by the Board and became effective with the July 1, 2023, actuarial valuation. The Police and Fire Plan was reviewed in 2024. PERA anticipates the experience study will be approved by the Legislative Commission on Pensions and Retirement and become effective with the July 1, 2025, actuarial valuation.

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

1. General Employees Fund

Changes in Actuarial Assumptions:

- Rates of merit and seniority were adjusted, resulting in slightly higher rates.
- Assumed rates of retirement were adjusted as follows: increase the rate of assumed unreduced retirements, slight adjustments to Rule of 90 retirement rates, and slight adjustments to early retirement rates for Tier 1 and Tier 2 members.
- Minor increase in assumed withdrawals for males and females.
- Lower rates of disability.
- Continued use of Pub-2010 general mortality table with slight rate adjustments as recommended in the most recent experience study.
- Minor changes to form of payment assumptions for male and female retirees.
- Minor changes to assumptions made with respect to missing participant data.

Changes in Plan Provisions:

- The workers' compensation offset for disability benefits was eliminated. The actuarial equivalent factors updated to reflect the changes in assumptions.

2. Police and Fire Fund

Changes in Plan Provisions:

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

G) Discount Rate

The discount rate used to measure the total pension liability in 2024 was 7%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates set in Minnesota Statutes. Based on these assumptions, the fiduciary net position of the General Employees and Police and Fire Plans were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

H) Pension Liability Sensitivity

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

Sensitivity Analysis
 Net Pension Liability at Different Discount Rates

	General Employees Fund		Police and Fire Fund	
1% Lower	6.00%	\$ 12,859,965	6.00%	\$ 10,359,777
Current Discount Rate	7.00%	\$ 5,887,828	7.00%	\$ 4,383,801
1% Higher	8.00%	\$ 152,610	8.00%	\$ (523,727)

D) Pension Plan Fiduciary Net Position

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

Note 14 Defined Contribution Plan – PERA

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

Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses. *Minnesota Statutes*, Chapter 353D.03, specifies plan provisions, including the employee and employer contribution rates for those qualified personnel who elect to participate. An eligible elected official who decides to participate contributes 5.0% of salary which is matched by the elected official’s employer. For ambulance services personnel, employer contributions are determined by the employer and for salaried employees, contributions must be a fixed percentage of salary. Employer contributions for volunteer personnel may be a unit value for each call or period of alert duty. Employees who are paid for their services may elect to make member contributions in an amount not to exceed the employer share. Employer and employee contributions are combined and used to purchase shares in one or more of the seven accounts of the Minnesota Supplemental Investment Fund. For administering the plan, PERA receives 2.0% of employer contributions and twenty-five hundredths of one percent (0.25%) of the assets in each member’s account annually.

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

Amount		Percentage of Covered Payroll		Required Rate
Employee	Employer	Employee	Employer	
\$475	\$475	5.00%	5.00%	5.00%

Note 15 Defined Benefit Pension Plans – Fire Relief Association**A) General Information about the Pension Plan**

Plan Description - All members of the Chaska Fire Department (CFD) are covered by a defined benefit pension plan, Chaska Fire Department Relief Association Pension Plan (CFDRAPP), administered by the Chaska Fire Department Relief Association (CFDRA). CFDRAPP is a single-employer defined benefit pension plan. Minnesota Statutes, Chapter 69 grants the authority to the CFDRA Board to establish and amend benefit terms with consenting approval by the Chaska City Council. CFDRA issues a publicly available financial report that can be obtained by writing to City of Chaska, One City Hall Plaza, Chaska, MN 55318-1962 or by phone (952) 448-9200.

Benefits Provided - The plan provides retirement and disability benefits to plan members and beneficiaries.

- Monthly Service Pension: \$3,400 per month of service. The maximum number of months is 360 months. The benefit is reduced 8% for each year of service less than 15 years. This benefit is available to members hired prior to November 4, 2013.
- Lump Sum Service Pension: \$9,304 per year of service (up to 25 years) plus a Supplemental Benefit of 10% of the lump sum distribution, but not more than \$1,000. The benefit is reduced 8% for each year of service less than 15 years.
- Deferred Service Pension: with termination prior to age 50 and at least 10 years of service, a deferred pension is payable at age 50 and reduced 8% for each year of service less than 15 years.
- Survivor Benefits: If hired before November 14, 2013, spouse and children receive 100% of the member's monthly pension for life or until marriage. The surviving spouse may elect the lump sum benefit, plus a Supplemental Benefit of 20% of the regular lump sum distribution, but not more than \$2,000. If hired after November 4, 2013, the spouse, children, or estate will receive 100% of the lump sum benefit plus a Supplemental Survivor Benefit of 20% of the regular lump sum distribution, but not more than \$2,000.
- Disability Benefit: A disabled member will receive the amount of their monthly service pension based on credited service as of the date eligible.

Members covered by benefit terms - At December 31, 2023, pension plan membership consisted of the following as used to determine Net Pension Liability (Asset) as of December 31, 2024:

Inactive Members Currently Receiving Benefits	41
Beneficiaries Currently Receiving Benefits	15
Inactive Members Entitled to But Not Yet Receiving Benefits	8
Active Members	43
Total members:	107

Contributions - Minnesota Statutes, Chapter 424 and 424A, authorize pension benefits for volunteer fire relief associations. The CFDRAPP is funded by fire state aid, investment earnings, and, if necessary, employer contributions as specified in Minnesota Statutes and voluntary City contributions. The State of Minnesota contributed \$262,312 in fire state aid to the CFDRAPP on behalf of the CFD for the year ended December 31, 2024, which was recorded as revenue. Required City contributions are calculated annually based on statutory provisions. The City made all required contributions and additional voluntary contributions to the plan for the year ended December 31, 2023, totaling \$188,923. The City's contributions exceed the required contributions as set by State Statutes. Members of the CFD have no obligation to contribute to the plan.

B) Net Pension Liability

The CFDRAPP’s net pension liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023.

Actuarial Assumptions - The total pension liability was determined by an actuarial valuation as of December 31, 2023 using the entry age normal actuarial cost method and the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary Increases	Not applicable as plan members are paid on call volunteers
Investment Rate of Return and Discount Rate	5.75% net of pension plan investment expense, including inflation
20-Year Municipal Bond Yield	3.77%

Mortality rates were based on the following:

- Healthy Pre-retirement - Pub-2010 Public Safety Employee mortality tables with projected mortality improvement scale MP-2021.
- Healthy Post-retirement - Pub-2010 Healthy Retired Public Safety mortality tables with projected mortality improvement scale MP-2021. Male rates are adjusted by a factor of 0.98.
- Disabled - Pub-2010 Public Safety Disabled Retiree mortality tables with projected mortality improvement scale MP-2021. Male rates are adjusted by a factor of 1.05.

The demographic actuarial assumptions used in the December 31, 2023, valuation were based on the same assumptions used in the July 1, 2023, PERA Police and Fire actuarial valuation. The economic actuarial assumptions are reviewed annually as part of the fire relief’s annual valuation.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These asset class estimates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the current asset allocation percentage (or target allocation, if available) and by adding expected inflation. All results are then rounded to the nearest quarter percentage point.

Best-estimates of geometric real and nominal rates of return for each major asset class included in the pension plan’s asset allocation as of the measurement date are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	35%	4.91%
International Equity	20%	5.32%
Fixed Income	10%	2.30%
Real Estate and Alternatives	10%	3.79%
Cash and Equivalents	25%	0.77%
Total:	100%	

Discount Rate - The discount rate used to measure the total pension liability was 5.75%. The projected cash flows used to determine the discount rate assumed that future contributions will be equal to projected contribution amounts based on Minnesota statutory requirements. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits payments to determine the total pension liability.

C) Changes in the Net Pension Liability

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Beginning Balance - January 1, 2024	\$ 9,185,594	\$ 6,734,665	\$ 2,450,929
Changes For The Year:			
Service Cost	212,012	-	212,012
Interest	456,272	-	456,272
Differences Between Expected and Actual Experience	(111,249)	-	(111,249)
Changes in Assumptions	(517,102)	-	(517,102)
Contribution - Employer	-	443,133	(443,133)
Net Investment Income	-	634,484	(634,484)
Benefit Payments, Including Member Contribution Refunds	(544,339)	(544,339)	-
Administrative Costs	-	(71,394)	71,394
Total Net Changes	<u>(504,406)</u>	<u>461,884</u>	<u>(966,290)</u>
Ending Balance - December 31, 2024	<u>\$ 8,681,188</u>	<u>\$ 7,196,549</u>	<u>\$ 1,484,639</u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following presents the net pension liability of the CFDRAPP, calculated using the discount rate of 5.75%, as well as what the CFDRAPP’s net pension liability would be if it were calculated using a discount rate 1 percentage point lower (4.75%) or 1 percentage point higher (6.75%) than the current discount rate:

	<u>Net Pension Liability</u>
1% Decrease in Discount Rate (4.75%)	\$ 2,318,290
Current Discount Rate (5.75%)	1,484,639
1% Increase in Discount Rate (6.75%)	777,683

Pension Plan Fiduciary Net Position - Detailed information about the CFDRAPP’s fiduciary net position is available in the separately issued CFDR financial report.

City of Chaska, Minnesota

For the Year Ended December 31, 2024

D) Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2024, the CFDRAPP recognized pension expense of \$380,227. At December 31, 2024, the CFDRAPP reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Liability	\$ -	\$ 143,195
Change in Actuarial Assumptions	238,880	417,082
Net Difference Between Projected and Actual Investment Earnings	388,386	-
City Contribution Subsequent to the Measurement Date	188,923	-
Total:	<u>\$ 816,189</u>	<u>\$ 560,277</u>

Deferred outflows of resources totaling \$188,923 related to pensions resulting from City contributions to the plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2025. Other amounts reported as deferred outflows and inflows of resources related to the plan will be recognized in pension expense as follows:

<u>Year Ended December 31</u>	<u>Pension Expense Amount</u>
2025	\$ 90,247
2026	89,617
2027	90,588
2027	(182,802)
2029	(20,661)
Total:	<u>\$ 66,989</u>

Note 16 Other Post-Employment Benefits (OPEB) Plan**A) Plan Description**

The City's defined benefit OPEB plan provides a single-employer defined benefit health care plan to eligible employees. The plan offers group health insurance benefits. Medical coverage is administered by Blue Cross Blue Shield. It is the City's policy to periodically review its group health insurance plans and to obtain requests for proposals in order to provide the most favorable benefits and premiums for the City's employees and retirees. No assets are accumulated in a trust.

B) Benefits Provided

The City is required by State Statute to allow retirees to continue participation in the City's group health insurance plan if the individual terminates service with the City through service retirement or disability retirement. Retirees may obtain dependent coverage while the participating retiree is under age 65. Covered spouses may continue

coverage after the retiree’s death. The surviving spouse of an active employee may continue coverage in the group health insurance plan after the employee’s death.

Retirees are required to pay 100% of their premium cost for the City-sponsored group health insurance plan in which they participate. The premium is a blended rate determined on the entire active and retiree population. Since the projected claims costs for retirees exceed the blended premium paid by retirees, the retirees are receiving an implicit rate subsidy (benefit). The coverage levels are the same as those afforded to active employees. Upon a retiree reaching 65 years of age, Medicare becomes the primary insurer and the City’s plan becomes secondary.

C) Contributions

The required contributions are based on projected pay-as-you-go financing requirements. For the current year, the City’s required pay-as-you go finance benefits totaled \$26,649.

D) Members

Membership in the plan consisted of the following as of the latest actuarial valuation:

Inactive employees or beneficiaries currently receiving benefits	4
Active employees	176
Total employees and beneficiaries:	<u>180</u>

E) Actuarial Methods and Assumptions

The total OPEB liability was determined by an actuarial valuation as of January 1, 2024, using the entry age, level percentage of pay method. The following actuarial assumptions were applied to all periods included in the measurement, unless otherwise specified:

Discount Rate	3.70%
20-year Municipal Bond Yield	3.70%
Salary Increases	Service graded table - Rates vary based on service and employee classification
Inflation Rate	2.50%
Medical Trend Rate	6.50% as of January 1, 2024 grading to 5.00% over 6 years and then to 4.00% over the next 48 years
Mortality Assumption	Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables (General, Safety) with MP-2021 Generational Improvement Scale

F) Changes in the Total OPEB Liability

The City's total OPEB liability of \$958,246 was measured as of January 1, 2024, and was determined by an actuarial valuation as of January 1, 2024.

	<u>Total OPEB Liability</u>
Beginning Balance - January 1, 2024	\$ 1,047,935
Changes for the Year	
Service Cost	77,080
Interest	22,213
Assumption Changes	(122,202)
Differences Between Expected and Actual Economic Experience	(37,928)
Benefit Payments	(28,852)
Net Changes	<u>(89,689)</u>
Ending Balance - December 31, 2024	<u>\$ 958,246</u>

G) OPEB Liability Sensitivity

The following presents the total OPEB Liability of the City as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is one percent lower and one percent higher than the current discount rate:

	<u>1% Decrease in Discount Rate</u>	<u>Discount Rate</u>	<u>1% Increase in Discount Rate</u>
OPEB Discount Rate	2.70%	3.70%	4.70%
Total OPEB Liability	\$1,043,385	\$958,246	\$879,294

The following presents the total OPEB liability of the City as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percent lower or one percent higher than current healthcare cost trend rates:

	<u>1% Decrease in Healthcare Trend Rate</u>	<u>Healthcare Trend Rate</u>	<u>1% Increase in Healthcare Trend Rate</u>
OPEB Healthcare Trend Rate	5.50% decreasing to 4.00% then 3.00%	6.50% decreasing to 5.00% then 4.00%	7.50% decreasing to 6.00% then 5.00%
Total OPEB Liability	\$848,247	\$958,246	\$1,088,071

H) OPEB Expense and Related Deferred Outflows of Resources and Deferred Inflows of Resources

For the current year ended, the City recognized OPEB expense of \$14,245. As of year-end, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 9,470	\$ 313,000
Changes in actuarial assumptions	-	267,064
Contributions subsequent to the measurement date	26,649	-
Total:	\$ 36,119	\$ 580,064

A total of \$26,649 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ending December 31, 2025. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended December 31	OPEB Expense Amount
2025	\$ (105,072)
2026	(105,072)
2027	(105,075)
2028	(107,678)
2029	(107,669)
Thereafter	(40,028)
Total:	\$ (570,594)

Note 17 Accounting Changes and Error Corrections

A) Change Within the Financial Reporting Entity

During the fiscal year 2024, the City had a change in major fund classifications. In the Proprietary funds, the Sewer and Storm Water funds became major funds due to the transfer of infrastructure assets. In the Nonmajor Debt Service funds, the GO Temporary State Aid Improvement Bond fund became a major fund due to expenditures for principal payments on the temporary bonds. In the Nonmajor Capital Projects funds, the Public Facilities Capital Improvement fund became a major fund due to cash received from bond proceeds and expenditures for the Public Safety Campus capital project. The effects of this change to or within the financial reporting entity are shown in column A of the table below.

B) Correction of Error in Previously Issued Financial Statements

During fiscal year 2024, the City transferred infrastructure assets for utility projects completed in 2018 and prior from Governmental activities to Business-type activities. These infrastructure projects had been constructed and funded within the Public Improvements Project fund and other Nonmajor Capital Projects funds, and as a result were being reported in Governmental activities. To better reflect the financial position of the Proprietary funds and assist with future utility rate studies, the City transferred these assets to Business-type Activities as of January 1, 2024. A restatement of net position, in the amount of \$40,159,643, was required as a result of the asset transfers.

The City is reporting this restatement as an error correction. The effect of correcting that error is shown in column B of the table below.

C) Correction of Error in Previously Issued Financial Statements

During fiscal year 2024, the City changed the method of bond premium amortization in the Turbine fund from straight-line to the effective interest method. This change resulted in a restatement of net position in the amount of \$626,696 and the City is reporting this restatement as an error correction. The effect of correcting that error is shown in column C of the table below.

D) Correction of Error in Previously Issued Financial Statements

During fiscal year 2023, the City recognized \$856,291 as revenue that was unavailable to the Public Improvements Project fund. This resulted in an overstatement of revenue and fund balance and an understatement of unavailable revenue for the year ended December 31, 2023. A restatement of fund balance for \$856,291 was required as an error correction. The effect of correcting that error is shown in column D of the table below.

E) Correction of Error in Previously Issued Financial Statements

During fiscal year 2024, the City recognized in the Turbine Fund a beginning asset of \$29,144,986 and beginning accumulated depreciation of \$20,401,500 related to the Turbine facility asset as well as a beginning deferred inflow of \$13,506,202 in relation to the GASB 87 lease with MMPA (along with a reclassification of the supply contract lease receivable to a GASB 87 long-term lease receivable). Net position for the year ended December 31, 2023 was overstated by the difference between the net book value of the turbine and the deferred inflow related to the lease in the amount of \$4,762,716. A restatement of net position for \$4,762,716 was required as an error correction. The effect of correcting that error is shown in column E of the table below.

The following table provides further detail of the reporting units affected by adjustments to and restatements of beginning balances as of January 1, 2024:

Reporting Units Affected by Adjustments to and Restatements of Beginning Balances							
	1/1/2024 As Previously Reported	Change Within the Financial Reporting Entity (A)	Error Correction (B)	Error Correction (C)	Error Correction (D)	Error Correction (E)	1/1/2024 As Restated
Government-Wide							
Governmental Activities	\$ 169,987,388	\$ -	\$ (40,159,643)	\$ -	\$ -	\$ -	\$ 129,827,745
Business-type Activities	67,409,001	-	40,159,643	626,696	-	(4,762,716)	103,432,624
Total Primary Government	\$ 237,396,389	\$ -	\$ -	\$ 626,696	\$ -	\$ (4,762,716)	\$ 233,260,369
Governmental Funds							
Major Funds:							
GO Temporary State Aid Street Bonds 2022A	\$ -	\$ 59,931	\$ -	\$ -	\$ -	\$ -	\$ 59,931
Public Facilities Capital Improvement	-	477,076	-	-	-	-	477,076
Public Improvement Projects	(7,312,937)	-	-	-	(856,291)	-	(8,169,228)
Nonmajor Funds	39,636,290	(537,007)	-	-	-	-	39,099,283
Total Governmental Funds	\$ 32,323,353	\$ -	\$ -	\$ -	\$ (856,291)	\$ -	\$ 31,467,062
Proprietary Funds							
Major Funds:							
Water	\$ 11,802,700	\$ -	\$ 14,730,391	\$ -	\$ -	\$ -	\$ 26,533,091
Sewer	-	4,564,811	14,715,832	-	-	-	19,280,643
Turbine	5,322,035	-	-	626,696	-	(4,762,716)	1,186,015
Stormwater	-	9,037,667	10,713,420	-	-	-	19,751,087
Nonmajor Funds	14,961,761	(13,602,478)	-	-	-	-	1,359,283
Total Proprietary Funds	\$ 32,086,496	\$ -	\$ 40,159,643	\$ 626,696	\$ -	\$ (4,762,716)	\$ 68,110,119

Note 18 Subsequent Events

On January 16, 2025, the City issued \$3,972,000 Lease-Purchase Agreement, Series 2025A. The true interest cost is 3.66% (coupons range from 4.00% to 5.00%). The final maturity date is February 1, 2045. Proceeds of the Lease-Purchase Agreement bonds will be used to finance and reimburse costs of acquiring land for the City's future Municipal Services Building and pay costs of issuance.

On January 30, 2025, the Chaska EDA issued \$6,125,000 in lease Revenue Refunding Bonds, Series 2025B; a current refunding of the \$9,000,000 EDA Lease Revenue Bonds, Series 2015B. The true interest cost is 3.53% (coupon of 5.00%). The final maturity date is February 1, 2034. The current refunding of the 2015B bonds was done to achieve cost savings of \$1,637,199, with a net present value benefit of \$1,327,762. These bonds will be repaid from sources applicable to the original bond; lease revenue.

PERA – General Employees Retirement Fund Schedule of City’s and Non-Employer Proportionate Share of Net Pension Liability

City Fiscal Year-End Date	PERA Fiscal Year-End Date (Measurement Date)	City’s Proportion of the Net Pension Liability	City’s Proportionate Share of the Net Pension Liability	City’s Proportionate Share of the State of Minnesota’s Proportionate Share of the Net Pension Liability	Proportionate Share of the Net Pension Liability and the City’s Share of the State of Minnesota’s Proportionate Share of the Net Pension Liability	City’s Covered Payroll	City’s Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/2015	06/30/2015	0.13%	\$ 6,504,061	\$ -	\$ 6,504,061	\$ 7,374,827	88.19%	78.19%
12/31/2016	06/30/2016	0.13%	10,441,682	136,394	10,578,076	7,962,313	131.14%	68.90%
12/31/2017	06/30/2017	0.13%	8,439,559	106,148	8,545,707	8,515,662	99.11%	75.90%
12/31/2018	06/30/2018	0.13%	7,350,557	241,206	7,591,763	8,829,904	83.25%	79.50%
12/31/2019	06/30/2019	0.13%	7,441,732	231,323	7,673,055	9,526,900	78.11%	80.20%
12/31/2020	06/30/2020	0.15%	8,885,267	273,865	9,159,132	10,567,372	84.08%	79.10%
12/31/2021	06/30/2021	0.15%	6,512,433	198,804	6,711,237	10,976,594	59.33%	87.00%
12/31/2022	06/30/2022	0.15%	11,895,889	348,744	12,244,633	11,255,867	105.69%	76.70%
12/31/2023	06/30/2023	0.16%	9,131,553	251,723	9,383,276	12,989,740	70.30%	83.10%
12/31/2024	06/30/2024	0.16%	5,887,828	152,247	6,040,075	13,479,786	43.68%	89.08%

PERA – General Employees Retirement Fund Schedule of City Contributions

City Fiscal Year-End Date	Statutorily Required Contributions	Contributions in Relation to the Statutorily Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/2015	\$ 573,571	\$ 573,571	\$ -	\$ 7,647,695	7.50%
12/31/2016	622,514	622,514	-	8,301,166	7.50%
12/31/2017	645,781	645,781	-	8,613,210	7.50%
12/31/2018	684,782	684,782	-	9,130,403	7.50%
12/31/2019	761,477	761,477	-	10,153,003	7.50%
12/31/2020	845,631	845,631	-	11,275,134	7.50%
12/31/2021	823,612	823,612	-	10,981,495	7.50%
12/31/2022	899,431	899,431	-	11,995,296	7.50%
12/31/2023	969,708	969,708	-	12,929,953	7.50%
12/31/2024	1,067,013	1,067,013	-	14,226,836	7.50%

PERA – Public Employees Police and Fire Fund Schedule of City’s and Non-Employer Proportionate Share of Net Pension Liability

City Fiscal Year-End Date	PERA Fiscal Year-End Date (Measurement Date)	City’s Proportion of the Net Pension Liability	City’s Proportionate Share of the Net Pension Liability	City’s Proportionate Share of the State of Minnesota’s Proportionate Share of the Net Pension Liability	Proportionate Share of the Net Pension Liability and the City’s Share of the State of Minnesota’s Share of the Net Pension Liability	City’s Covered Payroll	City’s Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/2015	06/30/2015	0.26%	\$ 2,908,759	\$ -	\$ 2,908,759	\$ 2,345,969	123.99%	86.60%
12/31/2016	06/30/2016	0.25%	9,992,803	-	9,992,803	2,397,786	416.75%	63.90%
12/31/2017	06/30/2017	0.26%	3,564,313	-	3,564,313	2,707,514	131.65%	85.40%
12/31/2018	06/30/2018	0.26%	2,788,387	-	2,788,387	2,761,686	100.97%	88.80%
12/31/2019	06/30/2019	0.28%	3,022,404	-	3,022,404	2,996,128	100.88%	89.30%
12/31/2020	06/30/2020	0.28%	3,702,563	87,251	3,789,814	3,174,551	116.63%	87.20%
12/31/2021	06/30/2021	0.28%	2,192,180	98,565	2,290,745	3,356,413	65.31%	93.70%
12/31/2022	06/30/2022	0.29%	12,684,929	554,268	13,239,197	3,541,637	358.17%	70.50%
12/31/2023	06/30/2023	0.32%	5,529,438	222,731	5,752,169	4,210,926	131.31%	86.50%
12/31/2024	06/30/2024	0.33%	4,383,801	167,109	4,550,910	4,614,153	95.01%	90.17%

PERA – Public Employees Police and Fire Fund Schedule of City Contributions

City Fiscal Year-End Date	Statutorily Required Contributions	Contributions in Relation to the Statutorily Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/2015	\$ 384,775	\$ 384,775	\$ -	\$ 2,375,153	16.20%
12/31/2016	421,074	421,074	-	2,600,914	16.20%
12/31/2017	431,127	431,127	-	2,665,551	16.20%
12/31/2018	471,427	471,427	-	2,910,044	16.20%
12/31/2019	531,854	531,854	-	3,137,782	16.95%
12/31/2020	593,739	593,739	-	3,354,460	17.70%
12/31/2021	602,008	602,008	-	3,401,174	17.70%
12/31/2022	689,171	689,171	-	3,899,479	17.67%
12/31/2023	767,453	767,453	-	4,335,892	17.70%
12/31/2024	854,475	854,475	-	4,830,686	17.69%

Required Supplementary Information

City of Chaska, Minnesota

For the Year Ended December 31, 2024

Chaska Fire Department Relief Association Pension Plan (CFDRAPP), Schedule of Changes in Net Pension Liability (Asset) and Related Ratios

City Fiscal Year-end Date Measurement Date	December 31,									
	2015	2016	2017	2018	2019 (1)	2020	2021	2022	2023	2024
	2015	2016	2017	2018	2018	2019	2020	2021	2022	2023
Total Pension Liability										
Service Cost	\$ 76,662	\$ 74,777	\$ 76,833	\$ 97,600	\$ 97,600	\$ 100,284	\$ 129,712	\$ 132,955	\$ 174,457	\$ 212,012
Interest	323,774	318,368	307,707	323,454	323,454	326,559	349,372	349,928	370,992	456,272
Changes of Benefits Terms	-	-	229,268	-	-	642,398	-	917,120	1,645,932	-
Differences Between Expected & Actual Experience	(42,040)	-	23,511	-	-	(58,684)	-	(106,649)	-	(111,249)
Changes of Assumptions	-	-	68,838	-	-	250,267	-	480,755	-	(517,102)
Benefit Payments, Including Refunds of Member Contributions	(517,365)	(451,119)	(595,443)	(354,522)	(354,522)	(393,593)	(484,702)	(460,621)	(502,337)	(544,339)
Net Change in Total Pension Liability	(158,969)	(57,974)	110,714	66,532	66,532	867,231	(5,618)	1,313,488	1,689,044	(504,406)
Total Pension Liability - Beginning	5,361,146	5,202,177	5,144,203	5,254,917	5,254,917	5,321,449	6,188,680	6,183,062	7,496,550	9,185,594
Total Pension Liability - Ending (a)	\$ 5,202,177	\$ 5,144,203	\$ 5,254,917	\$ 5,321,449	\$ 5,321,449	\$ 6,188,680	\$ 6,183,062	\$ 7,496,550	\$ 9,185,594	\$ 8,681,188
Plan Fiduciary Net Position										
Contributions - Employer	\$ 401,321	\$ 427,285	\$ 443,793	\$ 465,022	\$ 465,022	\$ 488,466	\$ 531,985	\$ 549,155	\$ 347,654	\$ 443,133
Net Investment Income	(220,343)	408,073	819,964	(342,294)	(342,294)	974,719	512,197	712,670	(921,285)	634,484
Other Additions	-	-	-	-	-	-	289	4,454	-	-
Benefit payments, Including Refunds of Member Contributions	(517,365)	(451,119)	(595,443)	(354,522)	(354,522)	(393,593)	(484,702)	(460,621)	(502,337)	(544,339)
Administrative Expense	(4,226)	(11,561)	(10,295)	(14,407)	(14,407)	(9,862)	(52,987)	(50,600)	(74,816)	(71,394)
Net Change in Plan Fiduciary Net Position	(340,613)	372,678	658,019	(246,201)	(246,201)	1,059,730	506,782	755,058	(1,150,784)	461,884
Plan Fiduciary Net Position - Beginning	5,119,996	4,779,383	5,152,061	5,810,080	5,810,080	5,563,879	6,623,609	7,130,391	7,885,449	6,734,665
Plan Fiduciary Net Position - Ending (b)	\$ 4,779,383	\$ 5,152,061	\$ 5,810,080	\$ 5,563,879	\$ 5,563,879	\$ 6,623,609	\$ 7,130,391	\$ 7,885,449	\$ 6,734,665	\$ 7,196,549
City's Net Pension Liability (Asset) - Ending (a) - (b)	\$ 422,794	\$ (7,858)	\$ (555,163)	\$ (242,430)	\$ (242,430)	\$ (434,929)	\$ (947,329)	\$ (388,899)	\$ 2,450,929	\$ 1,484,639
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	91.87%	100.15%	110.56%	104.56%	104.56%	107.03%	115.32%	105.19%	73.32%	82.90%
Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net Pension Liability (Asset) as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

(1) The City made a change in accounting principle to utilize the look-back period as of the measurement date. This is an accepted practice and allows the City to complete its Annual Comprehensive Financial Report in a more timely manner. This change required the use of the same actuary study and pension report for the 2018 and 2019 fiscal years.

Chaska Fire Department Relief Association Pension Plan (CFDRAPP), Schedule of City Contributions

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Actuarially Determined Contribution(ADC) (1)	\$ 267,302	\$ 265,347	\$ 265,347	\$ 165,134	\$ 165,134	\$ 208,493	\$ 208,493	\$ 207,338	\$ 371,785	\$ 479,018
Contributions in Relation to the ADC	401,321	427,285	436,793	465,022	488,466	531,985	549,155	347,654	443,133	452,235
Contribution Deficiency (Excess)	\$ (134,019)	\$ (161,938)	\$ (171,446)	\$ (299,888)	\$ (323,332)	\$ (323,492)	\$ (340,662)	\$ (140,316)	\$ (71,348)	\$ 26,783

Valuation Date:

Actuarially determined contribution rates are calculated as of December 31, either two or three years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age Normal actuarial level dollar cost method
Amortization Method	Actuarial Losses - Amortize loss over 10 years per Minnesota Statutes 69.773, Subd 4. (d)(3)(i). Plan Changes - Amortize over 20 years per Minnesota Statutes 69.773, Subd 4. (d)(3)(v).
Remaining Amortization Period	0 years as of December 31, 2024
Asset Valuation Method	Fair Value
Inflation	2.50%
Salary Increases	0.00%, including inflation
Investment Rate of Return	5.75% as per Minnesota State Statutes Chapter 356.215, Subdivision 8
Retirement Age	The latest of age 50 or after 15 years of service
Mortality	Pub-2010 Public Safety Employee Mortality Table with projected mortality improvements based on scale MP-2021

Other Information:

On November 4, 2013, benefit terms were modified to add a \$6,000 per year of service lump sum benefit option for individuals who became members before November 4, 2013. Individuals that became members after November 4, 2013, are only entitled to a lump sum service pension.

On May 5, 2014, benefit terms were modified to increase the monthly benefit from \$1.975 to \$2.085 per month of service and to increase the lump sum benefit from \$6,000 to \$6,255 per year of service effective as of June 1, 2014.

On November 7, 2016, benefit terms were modified to increase the monthly benefit from \$2.085 to \$2.185 per month of service and to increase the lump sum benefit from \$6,255 to \$6,486 per year of service as of January 1, 2017.

On October 15, 2018, benefit terms were modified to increase the monthly benefit from \$2.185 to \$2.4525 per month of service and to increase the lump sum benefit from \$6,486 to \$7,100 per year of service effective January 1, 2019.

On August 2, 2021, benefit terms were modified to increase the monthly benefit from \$2.4525 to \$2.8025 per month of service and to increase the lump sum benefit from \$7,100 to \$7,901 per year of service effective September 1, 2021.

On June 1, 2022, benefit terms were modified to increase the monthly benefit from \$2.8025 to \$3.400 per month of service and to increase the lump sum benefit from \$7,901 to \$9,304 per year of service effective as of June 1, 2022.

Notes to Schedule 1 ADC amounts are equal to statutory requirements under Minnesota Statutes 424A.092 and 69.773. The CFDRAPP is comprised of paid on-call fire fighters paid through the City payroll. There is no covered payroll of the Fire Relief to report.

Required Supplementary Information

City of Chaska, Minnesota

For the Year Ended December 31, 2024

Schedule of Changes in Total OPEB Liability and Related Ratios

	Fiscal Year Ended December 31,						
	2018	2019	2020	2021	2022	2023	2024
Total OPEB Liability							
Service Cost	\$ 73,812	\$ 76,026	\$ 117,461	\$ 121,278	\$ 76,283	\$ 78,572	\$ 77,080
Interest	39,586	42,360	46,644	45,450	47,764	20,728	22,213
Assumption Changes	-	-	(4,415)	-	(253,574)	-	(122,202)
Differences Between Expected & Actual Experience	-	-	25,260	-	(447,705)	-	(37,928)
Benefit Payments	(41,413)	(21,491)	(38,657)	(31,247)	(52,783)	(18,296)	(28,852)
Net Change in Total OPEB Liability	71,985	96,895	146,293	135,481	(630,015)	81,004	(89,689)
Total OPEB Liability - Beginning of Year	1,146,292	1,218,277	1,315,172	1,461,465	1,596,946	966,931	1,047,935
Total OPEB Liability - End of Year	<u>\$ 1,218,277</u>	<u>\$ 1,315,172</u>	<u>\$ 1,461,465</u>	<u>\$ 1,596,946</u>	<u>\$ 966,931</u>	<u>\$ 1,047,935</u>	<u>\$ 958,246</u>
Covered Employee Payroll	<u>\$ 10,383,422</u>	<u>\$ 10,694,925</u>	<u>\$ 13,076,715</u>	<u>\$ 13,501,708</u>	<u>\$ 13,389,467</u>	<u>\$ 13,791,151</u>	<u>\$ 16,832,056</u>
Total OPEB Liability as a Percentage of Covered Employee Payroll	11.7%	12.3%	11.2%	11.8%	7.2%	7.6%	5.7%

Note 1: The City implemented GASB Statement No. 75 in fiscal year 2018. This schedule is intended to present 10-year trend information. Additional years will be displayed as they become available.

Note 2: No assets are accumulated in a trust to pay related benefits.

PERA – GENERAL EMPLOYEES RETIREMENT FUND

2024 Changes in Actuarial Assumptions:

- Rates of merit and seniority were adjusted, resulting in slightly higher rates.
- Assumed rates of retirement were adjusted as follows: increase the rate of assumed unreduced retirements, slight adjustments to Rule of 90 retirement rates, and slight adjustments to early retirement rates for Tier 1 and Tier 2 members.
- Minor increase in assumed withdrawals for males and females.
- Lower rates of disability.
- Continued use of Pub-2010 general mortality table with slight rate adjustments as recommended in the most recent experience study.
- Minor changes to form of payment assumptions for male and female retirees.
- Minor changes to assumptions made with respect to missing participant data.

2024 Changes in Plan Provisions:

- The workers' compensation offset for disability benefits was eliminated. The actuarial equivalent factors updated to reflect the changes in assumptions.

2023 Changes in Actuarial Assumptions:

- The investment return assumption and single discount rate were changed from 6.5% to 7.0%.

2023 Changes in Plan Provisions:

- An additional one-time direct state aid contribution of \$170.1 million will be contributed to the Plan on October 1, 2023.
- The vesting period of those hired after June 30, 2010, was changed from five years of allowable service to three years of allowable service.
- The benefit increase delay for early retirements on or after January 1, 2024, was eliminated.
- A one-time, non-compounding benefit increase of 2.5% minus the actual 2024 adjustment will be payable in a lump sum for calendar year 2024 by March 31, 2024.

2022 Changes in Actuarial Assumptions:

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

2021 Changes in Actuarial Assumptions:

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

2020 Changes in Actuarial Assumptions:

- The price inflation assumption was decreased from 2.50% to 2.25%.
- The payroll growth assumption was decreased from 3.25% to 3.00%.
- Assumed salary increase rates were changed as recommended in the June 30, 2019, experience study. The net effect is assumed rates that average 0.25% less than previous rates.
- Assumed rates of retirement were changed as recommended in the June 30, 2019, experience study. The changes result in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements.
- Assumed rates of termination were changed as recommended in the June 30, 2019, experience study. The new rates are based on service and are generally lower than the previous rates for years 2-5 and slightly higher thereafter.
- Assumed rates of disability were changed as recommended in the June 30, 2019, experience study. The change results in fewer predicted disability retirements for males and females.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 General Mortality table, with adjustments. The base mortality table for disabled annuitants was

changed from the RP-2014 disabled annuitant mortality table to the Pub-2010 General/Teacher disabled annuitant mortality table, with adjustments.

- The mortality improvement scale was changed from Scale MP-2018 to Scale MP-2019.
- The assumed spouse age difference was changed from two years older for females to one year older.
- The assumed number of married male new retirees electing the 100% Joint & Survivor option changed from 35% to 45%. The assumed number of married female new retirees electing the 100% Joint & Survivor option changed from 15% to 30%. The corresponding number of married new retirees electing the Life annuity option was adjusted accordingly.

2020 Changes in Plan Provisions:

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

2019 Changes in Actuarial Assumptions:

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

2019 Changes in Plan Provisions:

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

2018 Changes in Actuarial Assumptions:

- The mortality projection scale was changed from MP-2015 to MP-2017.
- The assumed benefit increase was changed from 1.00% per year through 2044, and 2.50% per year thereafter, to 1.25% per year.

2018 Changes in Plan Provisions:

- The augmentation adjustment in early retirement factors is eliminated over a five-year period starting July 1, 2019, resulting in actuarial equivalence after June 30, 2024.
- Interest credited on member contributions decreased from 4.00% to 3.00%, beginning July 1, 2018.
- Deferred augmentation was changed to 0.00%, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Contribution stabilizer provisions were repealed.
- Annual increases were changed from 1% per year with a provision to increase to 2.50% upon attainment of 90% funding ratio to 50% of the Social Security Cost-of Living Adjustment, not less than 1% and not more than 1.50%, beginning January 1, 2019.
- For retirements on or after January 1, 2024, the first benefit increase is delayed until the retiree reaches normal retirement age; does not apply to Rule of 90 retirees, disability benefit recipients, or survivors.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

2017 Changes in Actuarial Assumptions:

- The Combined Service Annuity (CSA) loads were changed from 0.80% for active members and 60% for vested and nonvested deferred members. The revised CSA loads are now 0% for active member liability, 15% for vested deferred member liability, and 3.00% for nonvested deferred member liability.
- The assumed post-retirement benefit increase rate was changed from 1.00% per year for all years, to 1.00% per year through 2044, and 2.50% per year thereafter.

2017 Changes in Plan Provisions:

- The state's contribution for the Minneapolis Employees Retirement Fund equals \$16.0 million in 2017 and 2018, and \$6.0 million thereafter.

- The Employer Supplemental Contribution for the Minneapolis Employees Retirement fund changed from \$21.0 million to \$31.0 million in calendar years 2019 to 2031. The state’s contribution changed from \$16.0 million to \$6.0 million in calendar years 2019 to 2031.

2016 Changes in Actuarial Assumptions:

- The assumed post-retirement benefit increase rate was changed from 1.00% per year through 2035, and 2.50% per year thereafter, to 1.00% per year for all years.
- The assumed investment return was changed from 7.90% to 7.50%. The single discount rate was changed from 7.90% to 7.50%.
- Other assumptions were changed pursuant to the experience study dated June 30, 2015. The assumed future salary increases, payroll growth, and inflation were decreased by 0.25%, to 3.25% for payroll growth, and 2.50% for inflation.

2015 Changes in Actuarial Assumptions:

- The assumed post-retirement benefit increase rate was changed from 1.00% per year through 2030, and 2.50% per year thereafter, to 1.00% per year through 2035, and 2.50% per year thereafter.

2015 Changes in Plan Provisions:

- On January 1, 2015, the Minneapolis Employees Retirement Fund was merged into the General Employees Retirement Fund, which increased the total pension liability by \$1.1 billion and increased the fiduciary plan net position by \$892 million. Upon consolidation, state and employer contributions were revised; the state’s contribution of \$6.0 million, which meets the special funding situation, was due September 2015.

PERA – PUBLIC EMPLOYEES POLICE AND FIRE FUND

2024 Changes in Plan Provisions:

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

2023 Changes in Actuarial Assumptions:

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

2023 Changes in Plan Provisions:

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

2022 Changes in Actuarial Assumptions:

- The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021.
- The single discount rate changed from 6.50% to 5.40%.

2021 Changes in Actuarial Assumptions:

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

2020 Changes in Actuarial Assumptions:

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

2019 Changes in Actuarial Assumptions:

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

2018 Changes in Actuarial Assumptions:

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

2018 Changes in Plan Provisions:

- Post-retirement benefit increases were changed to 1.00% for all years, with no trigger.
- An end date of July 1, 2048, was added to the existing \$9.0 million state contribution.
- New annual state aid will equal \$4.5 million in fiscal years 2019 and 2020, and \$9.0 million thereafter, until the plan reaches 100% funding, July 1, 2048, if earlier.
- Member contributions were changed from 10.80% to 11.30% of pay, effective January 1, 2019, and 11.80% of pay, effective January 1, 2020.
- Employer contributions were changed from 16.20% to 16.95% of pay, effective January 1, 2019, and 17.70% of pay, effective January 1, 2020.
- Interest credited on member contributions decreased from 4.00% to 3.00%, beginning July 1, 2018.
- Deferred augmentation was changed to 0.00% percent, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

2017 Changes in Actuarial Assumptions:

- Assumed salary increases were changed as recommended in the June 30, 2016, experience study. The net effect is proposed rates that average 0.34% lower than the previous rates.

- Assumed rates of retirement were changed, resulting in fewer retirements.
- The Combined Service Annuity (CSA) load was 30.00% for vested and non-vested deferred members. The CSA has been changed to 33.00% for vested members and 2.00% for non-vested members.
- The base mortality table for healthy annuitants was changed from the RP-2000 Fully Generational Table to the RP-2014 Fully Generational Table (with base year of 2006), with male rates adjusted by a factor of 0.96. The mortality improvement scale was changed from Scale AA to Scale MP-2016. The base mortality table for disabled annuitants was changed from RP-2000 Disabled Mortality Table to the mortality tables assumed for healthy retirees.
- Assumed termination rates were decreased to 3.00% for the first three years of service. Rates beyond the select period of three years were adjusted, resulting in more expected terminations overall.
- Assumed percentage of married female members was decreased from 65.00% to 60.00%.
- Assumed age difference was changed from separate assumptions for male members (wives assumed to be three years younger) and female members (husbands assumed to be four years older) to the assumption that males are two years older than females.
- The assumed percentage of female members electing joint and survivor annuities was increased.
- The assumed annual benefit increase rate was changed from 1.00% for all years, to 1.00% per year through 2064, and 2.50% thereafter.
- The single discount rate changed from 5.60% per annum to 7.50% per annum.

2016 Changes in Actuarial Assumptions:

- The assumed annual benefit increase rate was changed from 1.00% per year through 2037, and 2.50% thereafter, to 1.00% per year for all future years.
- The assumed investment return was changed from 7.90% to 7.50%.
- The single discount rate changed from 7.90% to 5.60%.
- The assumed future salary increases, payroll growth, and inflation were decreased by 0.25% to 3.25% for payroll growth, and 2.50% for inflation.

2015 Changes in Actuarial Assumptions:

- The assumed annual benefit increase rate was changed from 1.00% per year through 2030, and 2.50% per year thereafter, to 1.00% per year through 2037, and 2.50% per year thereafter.

2015 Changes in Plan Provisions:

- The annual benefit increase to be paid after attainment of the 90.00% funding threshold was changed, from inflation up to 2.50%, to a fixed rate of 2.50%.

OTHER POST-EMPLOYMENT BENEFITS PLAN

2024 Changes in Actuarial Assumptions:

- The health care trend rates were changed to better anticipate short-term and long-term medical increases.
- The inflation rate was changed from 2.00% to 2.50%.
- The discount rate was changed from 2.00% to 3.70%

2022 Changes in Actuarial Assumptions:

- The health care trend rates were changed to better anticipate short-term and long-term medical increases.
- The mortality tables were updated from the Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables (General, Safety) with MP-2019 Generational Improvement Scale to the Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables (General, Safety) with MP-2021 Generational Improvement Scale.
- The salary increase rates were updated to reflect the latest experience study.
- The retirement and withdrawal rates were updated to reflect the latest experience study.

- The retiree plan participation percentage was reduced from 65% to 50%.
- The percentage of married retirees electing post-employment spouse medical coverage was reduced from 60% for police and fire retirees and 40% for all other retirees to 30% for all.
- The inflation rate was changed from 2.50% to 2.00%.
- The discount rate was changed from 2.90% to 2.00%.
- These changes decreased the liability \$253,574.

2020 Changes in Actuarial Assumptions:

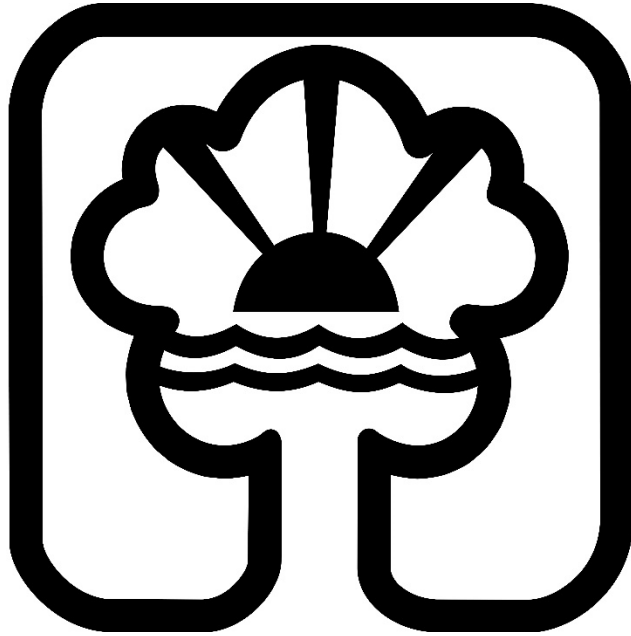
- The medical trend rate was changed from 6.25% grading to 5.00% over 5 years to 6.50% grading to 5.00% over 6 years and then to 4.00% over the next 48 years.
- The mortality tables were updated from the RP-2014 Mortality Tables (Blue Collar for Public Safety, White Collar for Others) with MP-2017 Generational Improvement Scale to the Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables (General, Safety) with MP-2019 Generational Improvement Scale.
- The salary increase rates were changed from a flat 3.00% per year for all employees to rates which vary by service and employee classification.
- The discount rate was changed from 3.30% to 2.90%.

2019 Changes in Actuarial Assumptions:

- The medical trend rate was changed from 6.50% grading to 5.00% over 6 years to 6.25% grading to 5.00% over 5 years.

2018 Changes in Actuarial Assumptions:

- The health care trend rates were changed to better anticipate short-term and long-term medical increases.
- The mortality tables were updated from RP-2014 White Collar Mortality Tables with MP-2015 Generational Improvement Scale (with Blue Collar adjustment for Police and Fire Personnel) to the RP-2014 White Collar Mortality Tables with MP-2017 Generation Improvement Scale (with Blue Collar adjustment for Police and Fire Personnel).
- The retirement and withdrawal tables for all employees were updated.
- The discount rate was changed from 3.50% to 3.30%.
- The actuarial cost method was changed from project unit credit to entry age as prescribed by GASB 75.



Chaska

**Combining and Individual Fund Statements and Schedules
Nonmajor Governmental Funds**

City of Chaska, Minnesota

For the Year Ended December 31, 2024

CITY OF CHASKA, MINNESOTA

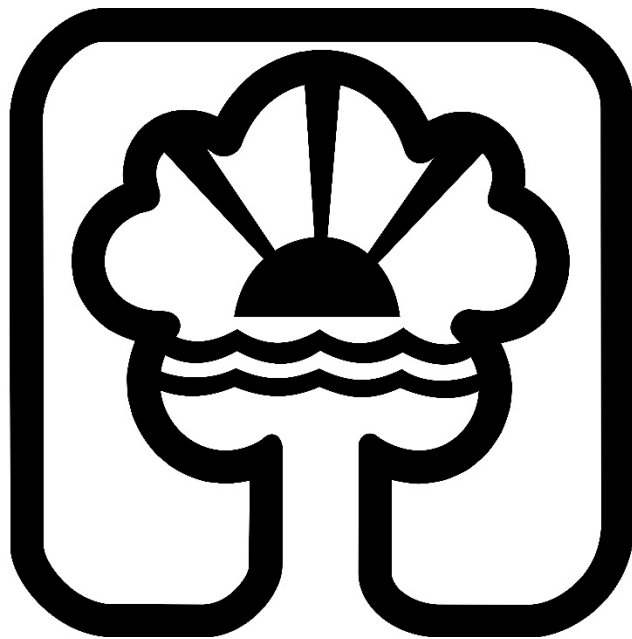
**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2024**

	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECT</u>	<u>TOTAL NONMAJOR GOVERNMENTAL FUNDS</u>
<u>ASSETS</u>				
Cash And Investments	\$ 1,528,028	\$ 9,571,375	\$ 16,718,938	\$ 27,818,341
Cash With Escrow Agent	-	2,151,497	-	2,151,497
Receivables:				
Taxes	4,885	7,366	87,629	99,880
Special Assessments	58,531	5,101,914	3,437,362	8,597,807
Accounts	414	-	23,872	24,286
Interest	2,347	-	43,567	45,914
Notes	27,833	-	-	27,833
Due From Other Funds	-	-	16,047,051	16,047,051
Due From Other Governments	-	-	1,681,331	1,681,331
Interfund Receivable	-	-	1,583,176	1,583,176
Leases Receivable	145,917	-	1,787,149	1,933,066
Advance To Other Funds	-	-	4,808,759	4,808,759
TOTAL ASSETS	\$ 1,767,955	\$ 16,832,152	\$ 46,218,834	\$ 64,818,941
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>				
LIABILITIES:				
Accounts Payable	\$ 3,907	\$ 21,125	\$ 481,885	\$ 506,917
Deposits Payable	9,480	-	120,031	129,511
Due To Other Funds	750,610	-	1,816,198	2,566,808
Due To Other Governments	-	-	5,707	5,707
Interfund Payable	-	-	1,174,773	1,174,773
Advance From Other Funds	-	-	2,968,475	2,968,475
Unearned Revenue	19,563	801,375	2,750,044	3,570,982
TOTAL LIABILITIES	783,560	822,500	9,317,113	10,923,173
DEFERRED INFLOWS OF RESOURCES:				
Unavailable Revenue - Taxes	1,619	2,794	40,829	45,242
Unavailable Revenue - Special Assessments	38,842	4,299,617	690,051	5,028,510
Unavailable Revenue - Notes Receivable	27,833	-	-	27,833
Lease Revenue For Subsequent Years	138,667	-	1,712,789	1,851,456
TOTAL DEFERRED INFLOWS OF RESOURCES	206,961	4,302,411	2,443,669	6,953,041
FUND BALANCES:				
Nonspendable	7,250	-	74,360	81,610
Restricted	1,191,820	11,707,241	13,284,914	26,183,975
Committed	327,893	-	2,898,754	3,226,647
Assigned	16,751	-	22,970,706	22,987,457
Unassigned	(766,280)	-	(4,770,682)	(5,536,962)
TOTAL FUND BALANCES	777,434	11,707,241	34,458,052	46,942,727
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 1,767,955	\$ 16,832,152	\$ 46,218,834	\$ 64,818,941

CITY OF CHASKA, MINNESOTA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2024

	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECT	TOTAL NONMAJOR GOVERNMENTAL FUNDS
REVENUES				
Taxes:				
Property	\$ 216,553	\$ 2,620,532	\$ 1,935,851	\$ 4,772,936
Tax Increment	-	-	2,530,546	2,530,546
Intergovernmental	130,066	-	4,438,400	4,568,466
Charges For Services	342,400	-	1,797,876	2,140,276
Fines And Forfeitures	500	-	-	500
Special Assessments	47,861	729,472	815,377	1,592,710
Investment Earnings	42,919	414,478	1,555,725	2,013,122
Leases	32,000	-	110,391	142,391
Other Revenue	19,881	-	84,424	104,305
TOTAL REVENUES	832,180	3,764,482	13,268,590	17,865,252
EXPENDITURES				
CURRENT:				
General Government	-	-	13,996	13,996
Economic Development	576,778	-	1,233,818	1,810,596
Public Safety	49,782	-	130,903	180,685
Public Works	14,339	-	1,057,125	1,071,464
Parks, Recreation And Arts	-	-	681,527	681,527
DEBT SERVICE:				
Principal	-	4,265,000	-	4,265,000
Interest	-	1,830,447	102,081	1,932,528
Issuance Costs And Fiscal Agent Fees	-	32,825	83,893	116,718
CAPITAL OUTLAY	35,834	-	5,546,183	5,582,017
TOTAL EXPENDITURES	676,733	6,128,272	8,849,526	15,654,531
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	155,447	(2,363,790)	4,419,064	2,210,721
OTHER FINANCING SOURCES (USES)				
Transfers In	-	2,240,385	4,742,000	6,982,385
Transfers Out	(163,831)	-	(9,356,791)	(9,520,622)
Bonds Issued	-	1,176,054	5,445,000	6,621,054
Premium on Bonds Issued	-	-	453,769	453,769
Lease Proceeds	-	-	107,802	107,802
Subscription Proceeds	-	-	547,528	547,528
Sale Of Capital Assets	399,827	-	40,980	440,807
TOTAL OTHER FINANCING SOURCES (USES)	235,996	3,416,439	1,980,288	5,632,723
NET CHANGE IN FUND BALANCES	391,443	1,052,649	6,399,352	7,843,444
FUND BALANCES, JANUARY 1, As Previously Reported	385,991	10,714,523	28,535,776	39,636,290
Adjustment	-	(59,931)	(477,076)	(537,007)
FUND BALANCES, JANUARY 1, As Adjusted	385,991	10,654,592	28,058,700	39,099,283
FUND BALANCES, DECEMBER 31	\$ 777,434	\$ 11,707,241	\$ 34,458,052	\$ 46,942,727



Chaska

Nonmajor Special Revenue funds are used to account for specific revenue sources that are legally restricted or committed to expenditures for specified purposes. The City reports the following funds.

- **Mount Pleasant Maintenance & Care Fund:**
This fund is used to account for property tax levies and lot sales that are legally restricted or committed for the maintenance of the cemetery and principal amounts received and related interest income for the care of Mount Pleasant Cemetery.
- **Chaska EDA Fund:**
This fund is used to report administrative activities associated with the Chaska Economic Development Authority. The Authority is authorized to levy ad valorem taxes to provide funds for its operations.
- **Police Forfeitures and Evidence Fund:**
This fund is used to report activities related to DUI and drug forfeitures. DUI forfeitures are administered in accordance with State Statute 169A.63. This fund is also used to account for evidence in the form of cash deposits, which will either be forfeited or returned to owners.
- **Commercial Revolving Loan Fund:**
This fund is used to provide commercial grants and loans, and to account for the payment proceeds.
- **Local Affordable Housing Aid:**
This fund is used to report the receipt of semi-annual payments from the State of Minnesota for the portion of sales tax remitted to metro area cities for the purpose of supporting affordable housing.
- **Public Safety Aid Fund:**
This fund is used to report the receipt of one-time public safety aid distributed to cities across the State of Minnesota in 2023. These funds are required to be used for providing public safety.

CITY OF CHASKA, MINNESOTA

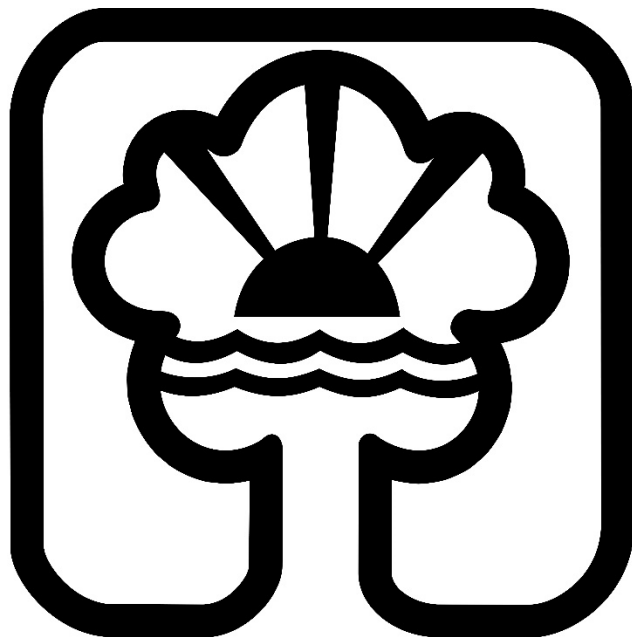
COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 DECEMBER 31, 2024

	MOUNT PLEASANT MAINTENANCE & CARE	CHASKA EDA	POLICE FORFEITURES AND EVIDENCE	COMMERCIAL REVOLVING LOAN	LOCAL AFFORDABLE HOUSING AID	PUBLIC SAFETY AID	TOTALS
ASSETS							
Cash And Investments	\$ 285,962	\$ -	\$ 18,509	\$ 53,044	\$ 132,016	\$ 1,038,497	\$ 1,528,028
Receivables:							
Taxes	112	4,773	-	-	-	-	4,885
Special Assessments:							
Unremitted	-	126	-	-	-	-	126
Delinquent	-	305	-	-	-	-	305
Deferred:							
Certified To County	-	38,537	-	-	-	-	38,537
City Owned	-	19,563	-	-	-	-	19,563
Accounts	300	-	-	114	-	-	414
Interest	381	295	-	-	-	1,671	2,347
Notes	-	-	-	27,833	-	-	27,833
Leases Receivable	-	145,917	-	-	-	-	145,917
TOTAL ASSETS	\$ 286,755	\$ 209,516	\$ 18,509	\$ 80,991	\$ 132,016	\$ 1,040,168	\$ 1,767,955
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
LIABILITIES:							
Accounts Payable	\$ -	\$ 3,907	\$ -	\$ -	\$ -	\$ -	\$ 3,907
Deposits Payable	-	2,200	7,280	-	-	-	9,480
Due To Other Funds	-	750,610	-	-	-	-	750,610
Unearned Revenue	-	19,563	-	-	-	-	19,563
TOTAL LIABILITIES	-	776,280	7,280	-	-	-	783,560
DEFERRED INFLOWS OF RESOURCES:							
Unavailable Revenue - Taxes	45	1,574	-	-	-	-	1,619
Unavailable Revenue - Special Assessments	-	38,842	-	-	-	-	38,842
Unavailable Revenue - Notes Receivable	-	-	-	27,833	-	-	27,833
Lease Revenue For Subsequent Years	-	138,667	-	-	-	-	138,667
TOTAL DEFERRED INFLOWS OF RESOURCES	45	179,083	-	27,833	-	-	206,961
FUND BALANCES:							
Nonspendable	-	7,250	-	-	-	-	7,250
Restricted	-	13,183	6,453	-	132,016	1,040,168	1,191,820
Committed	274,735	-	-	53,158	-	-	327,893
Assigned	11,975	-	4,776	-	-	-	16,751
Unassigned	-	(766,280)	-	-	-	-	(766,280)
TOTAL FUND BALANCES (DEFICITS)	286,710	(745,847)	11,229	53,158	132,016	1,040,168	777,434
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 286,755	\$ 209,516	\$ 18,509	\$ 80,991	\$ 132,016	\$ 1,040,168	\$ 1,767,955

CITY OF CHASKA, MINNESOTA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2024

	MOUNT PLEASANT MAINTENANCE & CARE	CHASKA EDA	POLICE FORFEITURES AND EVIDENCE	COMMERCIAL REVOLVING LOAN	LOCAL AFFORDABLE HOUSING AID	PUBLIC SAFETY AID	TOTALS
REVENUES:							
Taxes:							
Property	\$ 5,941	\$ 210,612	\$ -	\$ -	\$ -	\$ -	\$ 216,553
Intergovernmental:							
State:							
Market Value Credit	1	26	-	-	-	-	27
State Aid	-	-	-	-	130,039	-	130,039
Charges For Services	13,500	328,900	-	-	-	-	342,400
Fines And Forfeitures	-	-	500	-	-	-	500
Special Assessments	-	47,861	-	-	-	-	47,861
Investment Earnings (Charges)	14,488	(40,219)	919	3,367	1,977	62,387	42,919
Leases	-	32,000	-	-	-	-	32,000
Other Revenues	-	9,727	-	10,154	-	-	19,881
TOTAL REVENUES	33,930	588,907	1,419	13,521	132,016	62,387	832,180
EXPENDITURES:							
Current:							
Economic Development	-	535,238	-	41,540	-	-	576,778
Public Safety	-	-	228	-	-	49,554	49,782
Public Works	14,339	-	-	-	-	-	14,339
Capital Outlay	-	-	-	-	-	35,834	35,834
TOTAL EXPENDITURES	14,339	535,238	228	41,540	-	85,388	676,733
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	19,591	53,669	1,191	(28,019)	132,016	(23,001)	155,447
OTHER FINANCING SOURCES (USES):							
Transfers Out	-	-	-	-	-	(163,831)	(163,831)
Sale of Capital Assets	-	399,827	-	-	-	-	399,827
TOTAL OTHER FINANCING SOURCES (USES)	-	399,827	-	-	-	(163,831)	235,996
NET CHANGE IN FUND BALANCES	19,591	453,496	1,191	(28,019)	132,016	(186,832)	391,443
FUND BALANCES (DEFICITS), JANUARY 1	267,119	(1,199,343)	10,038	81,177	-	1,227,000	385,991
FUND BALANCES (DEFICITS), DECEMBER 31	\$ 286,710	\$ (745,847)	\$ 11,229	\$ 53,158	\$ 132,016	\$ 1,040,168	\$ 777,434



Chaska

Nonmajor debt service funds are used to account for the accumulation of resources and for the payment of principal, interest, and related costs on long-term debt of governmental funds. The individual nonmajor debt service funds are presented to distinguish between the various bond issues. The City reports the following bond types.

- **Improvement Bond Funds:**
These funds service debt on the improvement bonds issued to finance construction of public improvements. Special assessment improvements are paid for completely or in part by property owners deemed to have benefited from such improvements.
- **Tax Increment Bond Funds:**
These funds service debt on the tax increment bonds issued to finance economic development and redevelopment projects.
- **Equipment Certificate Funds:**
These funds service debt on the general obligation equipment certificates issued to finance equipment purchases.
- **Revenue Bond Funds:**
These funds service debt on bonds that are supported by revenue pledged for repayment, such as specific fee revenue.
- **Tax Abatement Bond Funds:**
These funds service debt from the City's housing improvement areas and tax abatement programs.

CITY OF CHASKA, MINNESOTA

COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
DECEMBER 31, 2024

	\$375,000 TAXABLE GO ADV REF BONDS 2020D	\$2,430,000 GO IMP BONDS 2012A	\$4,675,000 GO X-OVER ADV REF BONDS 2012B	\$3,330,000 GO IMP BONDS 2013A	\$5,785,000 GO IMP BONDS 2014A	\$9,000,000/ \$1,085,000 EDA LEASE REVENUE BONDS 2015B/2015D	\$5,940,000 GO IMP BONDS 2015B	\$9,570,000 GO IMP BONDS 2017B	\$2,035,000 TAXABLE GO BONDS 2017C	\$460,000 TAXABLE GO X-OVER REF BONDS 2017D	\$995,000 GO X-OVER REF BONDS 2017E	\$4,940,000 STATE AID STREET BONDS 2021A
ASSETS												
Cash And Investments	\$ 312,490	\$ 257,765	\$ 309,816	\$ 254,508	\$ 337,389	\$ 496,984	\$ 911,510	\$ 3,108,534	\$ 1,009,309	\$ 45,490	\$ 208,566	\$ 309,642
Cash With Escrow Agent	-	-	-	-	-	946,886	-	-	-	-	-	-
Receivables:												
Taxes	-	-	-	-	-	-	-	-	-	-	-	-
Special Assessments:												
Unremitted	-	-	24	-	-	-	-	-	-	-	-	-
Delinquent	-	-	-	-	-	-	2,275	18,557	1,088	-	-	-
Deferred:												
Certified To County	-	35,788	1,771	803,256	61,936	-	132,831	394,718	452,376	-	15,606	-
City Owned	-	84,403	-	148,865	-	-	287,101	-	-	-	-	-
TOTAL ASSETS	\$ 312,490	\$ 377,956	\$ 311,611	\$ 1,206,629	\$ 399,325	\$ 1,443,870	\$ 1,333,717	\$ 3,521,809	\$ 1,462,773	\$ 45,490	\$ 224,172	\$ 309,642
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES												
LIABILITIES:												
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,525	\$ -	\$ -	\$ -	\$ 500	\$ 500	\$ -
Unearned Revenue	-	84,403	-	148,865	-	-	287,101	-	-	-	-	-
TOTAL LIABILITIES	-	84,403	-	148,865	-	18,525	287,101	-	-	500	500	-
DEFERRED INFLOWS OF RESOURCES:												
Unavailable Revenue - Taxes	-	-	-	-	-	-	-	-	-	-	-	-
Unavailable Revenue - Special Assessments	-	35,788	1,771	803,256	61,936	-	135,106	413,275	453,464	-	15,606	-
TOTAL DEFERRED INFLOWS OF RESOURCES	-	35,788	1,771	803,256	61,936	-	135,106	413,275	453,464	-	15,606	-
FUND BALANCES:												
Restricted	312,490	257,765	309,840	254,508	337,389	1,425,345	911,510	3,108,534	1,009,309	44,990	208,066	309,642
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 312,490	\$ 377,956	\$ 311,611	\$ 1,206,629	\$ 399,325	\$ 1,443,870	\$ 1,333,717	\$ 3,521,809	\$ 1,462,773	\$ 45,490	\$ 224,172	\$ 309,642

CITY OF CHASKA, MINNESOTA

COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
DECEMBER 31, 2024

	\$5,680,000 GO IMP BONDS 2019B	\$1,250,000 TAXABLE GO IMP BONDS 2019D	\$2,600,000 TAXABLE GO TIF BONDS 2019D	\$1,740,000 GO IMP REF BONDS 2019E	\$6,285,000 TAXABLE REVENUE BONDS 2020A	\$1,530,000 TAXABLE REVENUE BONDS 2020B	\$1,725,000 GO IMP BONDS 2020C	\$10,065,000 GO IMP BONDS 2023A	\$49,650,000 EDA LEASE REVENUE BONDS 2024A	TOTALS
ASSETS										
Cash And Investments	\$ 660,701	\$ 312,771	\$ 127,439	\$ 212,208	\$ 73,293	\$ 22,520	\$ 348,368	\$ 252,072	\$ -	\$ 9,571,375
Cash With Escrow Agent	-	-	-	-	363	87	-	-	1,204,161	2,151,497
Receivables:										
Taxes	-	-	-	7,366	-	-	-	-	-	7,366
Special Assessments:										
Unremitted	808	-	-	-	-	-	90	-	-	922
Delinquent	1,896	116,220	-	-	-	-	924	-	-	140,960
Deferred:										
Certified To County	772,245	744,333	-	442,969	-	-	110,907	189,921	-	4,158,657
City Owned	281,006	-	-	-	-	-	-	-	-	801,375
TOTAL ASSETS	\$ 1,716,656	\$ 1,173,324	\$ 127,439	\$ 662,543	\$ 73,656	\$ 22,607	\$ 460,289	\$ 441,993	\$ 1,204,161	\$ 16,832,152
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES										
LIABILITIES:										
Accounts Payable	\$ -	\$ 250	\$ 300	\$ 550	\$ -	\$ -	\$ -	\$ 500	\$ -	\$ 21,125
Unearned Revenue	281,006	-	-	-	-	-	-	-	-	801,375
TOTAL LIABILITIES	281,006	250	300	550	-	-	-	500	-	822,500
DEFERRED INFLOWS OF RESOURCES:										
Unavailable Revenue - Taxes	-	-	-	2,794	-	-	-	-	-	2,794
Unavailable Revenue - Special Assessments	774,141	860,553	-	442,969	-	-	111,831	189,921	-	4,299,617
TOTAL DEFERRED INFLOWS OF RESOURCES	774,141	860,553	-	445,763	-	-	111,831	189,921	-	4,302,411
FUND BALANCES:										
Restricted	661,509	312,521	127,139	216,230	73,656	22,607	348,458	251,572	1,204,161	11,707,241
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 1,716,656	\$ 1,173,324	\$ 127,439	\$ 662,543	\$ 73,656	\$ 22,607	\$ 460,289	\$ 441,993	\$ 1,204,161	\$ 16,832,152

CITY OF CHASKA, MINNESOTA

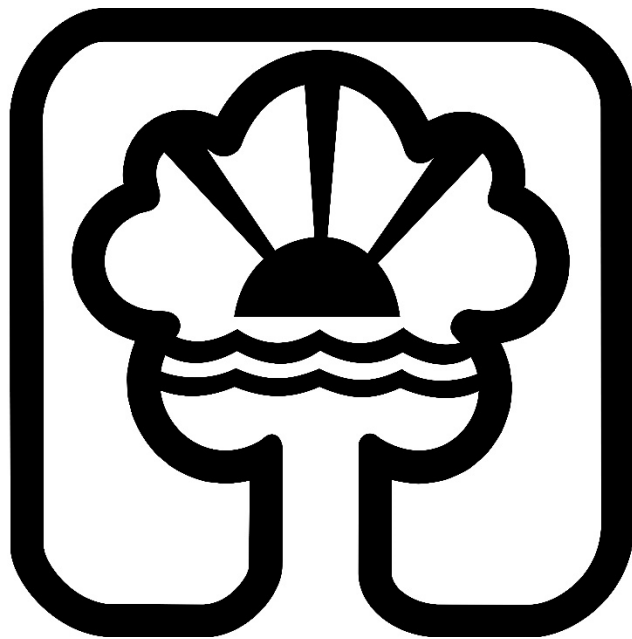
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR DEBT SERVICE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2024

	\$375,000 TAXABLE GO ADV REF BONDS 2020D	\$2,430,000 GO IMP BONDS 2012A	\$4,675,000 GO X-OVER ADV REF BONDS 2012B	\$3,330,000 GO IMP BONDS 2013A	\$5,785,000 GO IMP BONDS 2014A	\$9,000,000/ \$1,085,000 EDA LEASE REVENUE BONDS 2015B/2015D	\$5,940,000 GO IMP BONDS 2015B	\$9,570,000 GO IMP BONDS 2017B	\$2,035,000 TAXABLE GO BONDS 2017C	\$460,000 TAXABLE GO X-OVER REF BONDS 2017D	\$995,000 GO X-OVER REF BONDS 2017E	\$4,940,000 STATE AID STREET BONDS 2021A
REVENUES:												
Taxes:												
Property	\$ -	\$ 159,000	\$ 50,000	\$ 160,000	\$ 225,000	\$ -	\$ 490,000	\$ 386,000	\$ -	\$ -	\$ 116,000	\$ -
Special Assessments	-	16,130	2,160	26,696	14,504	-	84,208	145,283	131,411	-	4,504	-
Investment Earnings	17,047	7,201	6,149	16,826	9,254	46,260	28,105	142,242	46,662	205	6,519	5,828
TOTAL REVENUES	17,047	182,331	58,309	203,522	248,758	46,260	602,313	673,525	178,073	205	127,023	5,828
EXPENDITURES:												
Current:												
Debt Service:												
Principal	25,000	160,000	280,000	240,000	550,000	315,000	400,000	685,000	150,000	35,000	95,000	200,000
Interest	3,152	17,430	22,735	15,555	45,500	316,500	129,244	272,600	37,397	10,300	15,334	99,485
Issuance Costs And Fiscal Agent Fees	20	525	-	105	-	21,725	-	500	500	1,000	1,000	500
TOTAL EXPENDITURES	28,172	177,955	302,735	255,660	595,500	653,225	529,244	958,100	187,897	46,300	111,334	299,985
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(11,125)	4,376	(244,426)	(52,138)	(346,742)	(606,965)	73,069	(284,575)	(9,824)	(46,095)	15,689	(294,157)
OTHER FINANCING SOURCES:												
Transfers In	-	-	170,000	-	83,671	629,700	-	84,617	20,466	50,000	-	290,000
Bonds Issued	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES	-	-	170,000	-	83,671	629,700	-	84,617	20,466	50,000	-	290,000
NET CHANGE IN FUND BALANCES	(11,125)	4,376	(74,426)	(52,138)	(263,071)	22,735	73,069	(199,958)	10,642	3,905	15,689	(4,157)
FUND BALANCES, JANUARY 1, As Previously Reported	323,615	253,389	384,266	306,646	600,460	1,402,610	838,441	3,308,492	998,667	41,085	192,377	313,799
Adjustment	-	-	-	-	-	-	-	-	-	-	-	-
FUND BALANCES, JANUARY 1, As Adjusted	323,615	253,389	384,266	306,646	600,460	1,402,610	838,441	3,308,492	998,667	41,085	192,377	313,799
FUND BALANCES, DECEMBER 31	\$ 312,490	\$ 257,765	\$ 309,840	\$ 254,508	\$ 337,389	\$ 1,425,345	\$ 911,510	\$ 3,108,534	\$ 1,009,309	\$ 44,990	\$ 208,066	\$ 309,642

CITY OF CHASKA, MINNESOTA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR DEBT SERVICE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2024

	\$5,680,000 GO IMP BONDS 2019B	\$1,250,000 TAXABLE GO IMP BONDS 2019D	\$2,600,000 TAXABLE GO TIF BONDS 2019D	\$1,740,000 GO IMP REF BONDS 2019E	\$6,285,000 TAXABLE REVENUE BONDS 2020A	\$1,530,000 TAXABLE REVENUE BONDS 2020B	\$1,725,000 GO IMP BONDS 2020C	\$10,065,000 GO IMP BONDS 2023A	GO TEMPORARY STATE AID STREET BONDS 2022A	\$49,650,000 EDA LEASE REVENUE BONDS 2024A	TOTALS
REVENUES:											
Taxes:											
Property	\$ 430,000	\$ -	\$ -	\$ 184,532	\$ -	\$ -	\$ 110,000	\$ 310,000	\$ -	\$ -	\$ 2,620,532
Special Assessments	105,276	63,784	-	86,298	-	-	20,441	28,777	-	-	729,472
Investment Earnings	17,204	13,588	1,024	1,876	355	672	13,789	5,565	-	28,107	414,478
TOTAL REVENUES	552,480	77,372	1,024	272,706	355	672	144,230	344,342	-	28,107	3,764,482
EXPENDITURES:											
Current:											
Debt Service:											
Principal	375,000	80,000	80,000	165,000	280,000	65,000	85,000	-	-	-	4,265,000
Interest	173,093	27,848	74,220	46,525	151,447	41,530	53,275	277,277	-	-	1,830,447
Issuance Costs And Fiscal Agent Fees	550	500	600	1,100	1,700	1,700	300	500	-	-	32,825
TOTAL EXPENDITURES	548,643	108,348	154,820	212,625	433,147	108,230	138,575	277,777	-	-	6,128,272
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	3,837	(30,976)	(153,796)	60,081	(432,792)	(107,558)	5,655	66,565	-	28,107	(2,363,790)
OTHER FINANCING SOURCES:											
Transfers In	47,805	-	158,350	-	475,000	110,000	-	120,776	-	-	2,240,385
Bonds Issued	-	-	-	-	-	-	-	-	-	1,176,054	1,176,054
TOTAL OTHER FINANCING SOURCES	47,805	-	158,350	-	475,000	110,000	-	120,776	-	1,176,054	3,416,439
NET CHANGE IN FUND BALANCES	51,642	(30,976)	4,554	60,081	42,208	2,442	5,655	187,341	-	1,204,161	1,052,649
FUND BALANCES, JANUARY 1, As Previously Reported	609,867	343,497	122,585	156,149	31,448	20,165	342,803	64,231	59,931	-	10,714,523
Adjustment	-	-	-	-	-	-	-	-	(59,931)	-	(59,931)
FUND BALANCES, JANUARY 1, As Adjusted	609,867	343,497	122,585	156,149	31,448	20,165	342,803	64,231	-	-	10,654,592
FUND BALANCES, DECEMBER 31	\$ 661,509	\$ 312,521	\$ 127,139	\$ 216,230	\$ 73,656	\$ 22,607	\$ 348,458	\$ 251,572	\$ -	\$ 1,204,161	\$ 11,707,241



Chaska

Nonmajor Capital Projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

- **Tax Increment Funds:**
These funds receive revenue from general property taxes in the form of tax increment. Revenues are used by the Chaska Economic Development Authority (EDA) to promote affordable housing and development by providing financing aids to developers.
- **Major Road Construction Fund:**
This fund collects Minnesota State Aid (MSA) revenue designated for road construction.
- **Permanent Improvement Revolving Funds:**
These funds are used to collect development fees charged for the purpose of construction of the City's utility systems. Three separate funds are shown: the Water trunk fund, the Sewer trunk fund and the Storm Water trunk fund.
- **Fire Protection Systems Fund:**
This fund is used to account for receipts and expenditures for the fire protection systems.
- **Improvement Revolving Fund:**
This fund is used to collect special assessments for bonds that have matured and provide funding for projects.
- **Equipment Acquisition Fund:**
This fund is used to collect property tax levies appropriated by budget for capital equipment acquisition.
- **Park Development Fund:**
This fund is used to collect park dedication fees for construction of City parks.
- **Southwest Chaska Transportation Fund:**
This fund is used to account for fees charged to developers for the expansion of transportation projects in the southwest Chaska area.
- **Community Fund:**
This fund is used to account for resources to support current and future improvement projects.
- **Abatement Program Fund:**
This fund is used to account for the City and EDA's Tax Abatement program.
- **Annual Street Replacement Fund:**
This fund is used for the City's annual street reconstruction program.
- **Creek Road Phase II Improvement Fund:**
This fund is used to account for the Creek Road utility improvements and funding sources.
- **Minnesota River Bluffs Regional Trail Fund:**
This fund is used to account for receipts and expenditures related to extending the Minnesota River Bluffs Regional Trail into Chaska.
- **Engler Boulevard Fund:**
This fund is used to account for capital improvements and reconstruction of a section of Engler Boulevard.

CITY OF CHASKA, MINNESOTA

COMBINING BALANCE SHEET
 NONMAJOR CAPITAL PROJECT FUNDS
 DECEMBER 31, 2024

	TAX INCREMENT	MAJOR ROAD CONSTRUCTION	PERMANENT IMPROVEMENT REVOLVING/ WATER	PERMANENT IMPROVEMENT REVOLVING/ SEWER	PERMANENT IMPROVEMENT REVOLVING/ STORM WATER	FIRE PROTECTION SYSTEMS	IMPROVEMENT REVOLVING
ASSETS							
Cash And Investments	\$ 5,226,512	\$ 91,945	\$ 503,144	\$ 566,146	\$ -	\$ -	\$ 304,153
Receivables:							
Taxes	10,658	-	-	-	-	-	-
Special Assessments:							
Unremitted	-	-	-	-	-	-	721
Delinquent	-	-	-	-	-	-	32,188
Deferred:							
Certified To County	22,777	-	21,684	23,152	6,533	112,573	15,245
City Owned	-	-	-	-	-	-	-
Accounts	-	-	-	-	-	-	-
Interest	-	2,213	8,927	8,079	-	-	1,205
Due From Other Funds	-	-	5,746,616	5,600,000	-	-	1,080,243
Due From Other Governments	-	-	-	-	-	-	-
Interfund Receivable	-	-	-	1,064,022	-	-	142,745
Leases Receivable	-	-	-	-	-	-	-
Advance To Other Funds	-	-	-	-	-	-	372,619
TOTAL ASSETS	\$ 5,259,947	\$ 94,158	\$ 6,280,371	\$ 7,261,399	\$ 6,533	\$ 112,573	\$ 1,949,119
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
LIABILITIES:							
Accounts Payable	\$ 7,240	\$ -	\$ 1,904	\$ 1,904	\$ 1,904	\$ -	\$ -
Deposits Payable	-	-	-	-	-	-	-
Due To Other Funds	-	-	-	-	126,402	19,582	-
Due To Other Governments	-	-	-	-	-	-	-
Interfund Payable	1,174,773	-	-	-	-	-	-
Advance From Other Funds	2,268,475	-	-	-	-	-	-
Unearned Revenue	-	-	-	-	-	-	-
TOTAL LIABILITIES	3,450,488	-	1,904	1,904	128,306	19,582	-
DEFERRED INFLOWS OF RESOURCES:							
Unavailable Revenue - Taxes	10,658	-	-	-	-	-	-
Unavailable Revenue - Special Assessments	22,777	-	21,684	23,152	6,533	112,573	47,433
Lease Revenue For Subsequent Years	-	-	-	-	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	33,435	-	21,684	23,152	6,533	112,573	47,433
FUND BALANCES:							
Nonspendable	-	-	-	-	-	-	-
Restricted	5,217,043	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-
Assigned	-	94,158	6,256,783	7,236,343	-	-	1,901,686
Unassigned	(3,441,019)	-	-	-	(128,306)	(19,582)	-
TOTAL FUND BALANCES (DEFICITS)	1,776,024	94,158	6,256,783	7,236,343	(128,306)	(19,582)	1,901,686
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 5,259,947	\$ 94,158	\$ 6,280,371	\$ 7,261,399	\$ 6,533	\$ 112,573	\$ 1,949,119

EQUIPMENT ACQUISITION	PARK DEVELOPMENT	SOUTHWEST CHASKA TRANSPORTATION	COMMUNITY FUND	ABATEMENT PROGRAM	ANNUAL STREET REPLACEMENT	CREEK ROAD PHASE II IMPROVEMENTS	MINNESOTA RIVER BLUFFS REGIONAL TRAIL	ENGLER BOULEVARD	TOTALS
\$ 3,989,240	\$ 631,911	\$ 465,902	\$ 115,205	\$ 41,977	\$ 1,875,285	\$ -	\$ -	\$ 2,907,518	\$ 16,718,938
76,971	-	-	-	-	-	-	-	-	87,629
-	-	-	-	-	-	-	-	-	721
-	-	-	-	-	-	-	-	-	32,188
-	125,280	134,647	-	-	195,972	-	-	-	657,863
-	-	-	-	-	2,746,590	-	-	-	2,746,590
23,872	-	-	-	-	-	-	-	-	23,872
15,191	3,048	1,571	393	-	2,940	-	-	-	43,567
1,269,582	750,610	800,000	-	-	800,000	-	-	-	16,047,051
-	-	-	-	-	115,763	487,600	1,077,968	-	1,681,331
376,409	-	-	-	-	-	-	-	-	1,583,176
1,787,149	-	-	-	-	-	-	-	-	1,787,149
4,436,140	-	-	-	-	-	-	-	-	4,808,759
<u>\$ 11,974,554</u>	<u>\$ 1,510,849</u>	<u>\$ 1,402,120</u>	<u>\$ 115,598</u>	<u>\$ 41,977</u>	<u>\$ 5,736,550</u>	<u>\$ 487,600</u>	<u>\$ 1,077,968</u>	<u>\$ 2,907,518</u>	<u>\$ 46,218,834</u>

\$ 37	\$ 55,442	\$ -	\$ -	\$ 19,943	\$ 77,306	\$ 15,082	\$ 276,194	\$ 24,929	\$ 481,885
-	120,031	-	-	-	-	-	-	-	120,031
-	-	-	-	-	-	509,660	1,160,554	-	1,816,198
1,333	-	-	-	-	-	-	4,374	-	5,707
-	-	-	-	-	-	-	-	-	1,174,773
-	-	-	-	700,000	-	-	-	-	2,968,475
3,454	-	-	-	-	2,746,590	-	-	-	2,750,044
<u>4,824</u>	<u>175,473</u>	<u>-</u>	<u>-</u>	<u>719,943</u>	<u>2,823,896</u>	<u>524,742</u>	<u>1,441,122</u>	<u>24,929</u>	<u>9,317,113</u>
30,171	-	-	-	-	-	-	-	-	40,829
-	125,280	134,647	-	-	195,972	-	-	-	690,051
1,712,789	-	-	-	-	-	-	-	-	1,712,789
<u>1,742,960</u>	<u>125,280</u>	<u>134,647</u>	<u>-</u>	<u>-</u>	<u>195,972</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,443,669</u>
74,360	-	-	-	-	-	-	-	-	74,360
3,549,357	-	-	-	20,892	1,532,412	-	-	2,965,210	13,284,914
1,871,443	-	-	13,495	-	1,013,816	-	-	-	2,898,754
4,731,610	1,210,096	1,267,473	102,103	-	170,454	-	-	-	22,970,706
-	-	-	-	(698,858)	-	(37,142)	(363,154)	(82,621)	(4,770,682)
<u>10,226,770</u>	<u>1,210,096</u>	<u>1,267,473</u>	<u>115,598</u>	<u>(677,966)</u>	<u>2,716,682</u>	<u>(37,142)</u>	<u>(363,154)</u>	<u>2,882,589</u>	<u>34,458,052</u>
<u>\$ 11,974,554</u>	<u>\$ 1,510,849</u>	<u>\$ 1,402,120</u>	<u>\$ 115,598</u>	<u>\$ 41,977</u>	<u>\$ 5,736,550</u>	<u>\$ 487,600</u>	<u>\$ 1,077,968</u>	<u>\$ 2,907,518</u>	<u>\$ 46,218,834</u>

CITY OF CHASKA, MINNESOTA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR CAPITAL PROJECT FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2024

	TAX INCREMENT	MAJOR ROAD CONSTRUCTION	PERMANENT IMPROVEMENT REVOLVING/ WATER	PERMANENT IMPROVEMENT REVOLVING/ SEWER	PERMANENT IMPROVEMENT REVOLVING/ STORM WATER	PUBLIC FACILITIES CAPITAL IMPROVEMENT	FIRE PROTECTION SYSTEMS	IMPROVEMENT REVOLVING
REVENUES:								
Taxes:								
General Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tax Increment	2,530,546	-	-	-	-	-	-	-
Intergovernmental:								
Federal	-	-	-	-	-	-	-	-
State	-	1,310,028	-	-	-	-	-	-
County	-	-	-	-	-	-	-	-
Charges For Services:								
Connection Charges	-	-	922,297	761,211	-	-	-	-
Acreage Charges	-	-	6,433	8,641	(45,493)	-	-	-
Other Charges for Services	-	-	-	-	-	-	-	-
Special Assessments	-	-	8,916	13,929	9,120	-	16,552	534,233
Investment Earnings (Charges)	187,412	80,312	323,015	369,518	2,775	-	101	74,035
Leases	-	-	-	-	-	-	-	-
Other Revenues	1,314	-	-	-	-	-	-	-
TOTAL REVENUES	2,719,272	1,390,340	1,260,661	1,153,299	(33,598)	-	16,653	608,268
EXPENDITURES:								
Current:								
General Government	-	-	-	-	-	-	-	-
Economic Development	1,035,892	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	114,300	-
Public Works	-	-	39,758	33,315	24,743	-	-	-
Parks, Recreation And Arts	-	-	-	-	-	-	-	-
Debt Service:								
Interest	102,081	-	-	-	-	-	-	-
Issuance Costs And Fiscal Agent Fees	-	-	-	-	-	-	-	-
Capital Outlay:								
Land	-	-	-	-	-	-	-	-
Furniture And Equipment	-	-	-	-	-	-	-	-
System Improvements:								
Water	-	-	-	-	-	-	-	-
Sanitary Sewer	-	-	-	-	-	-	-	-
Streets	-	-	-	-	-	-	-	-
Storm Sewer	-	-	-	-	-	-	-	-
Other Improvements	-	-	-	-	-	-	-	-
Leased Equipment	-	-	-	-	-	-	-	-
Subscriptions	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	1,137,973	-	39,758	33,315	24,743	-	114,300	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,581,299	1,390,340	1,220,903	1,119,984	(58,341)	-	(97,647)	608,268
OTHER FINANCING SOURCES (USES):								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	(208,350)	(2,165,400)	(769,852)	(93,632)	(210,600)	-	-	-
Bonds Issued	-	-	-	-	-	-	-	-
Premium On Bonds Issued	-	-	-	-	-	-	-	-
Lease Proceeds	-	-	-	-	-	-	-	-
Subscription Proceeds	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(208,350)	(2,165,400)	(769,852)	(93,632)	(210,600)	-	-	-
NET CHANGE IN FUND BALANCES	1,372,949	(775,060)	451,051	1,026,352	(268,941)	-	(97,647)	608,268
FUND BALANCES (DEFICITS), JANUARY 1,								
As Previously Reported	403,075	869,218	5,805,732	6,209,991	140,635	477,076	78,065	1,293,418
Adjustment	-	-	-	-	-	(477,076)	-	-
FUND BALANCES (DEFICITS), JANUARY 1, As Adjusted	403,075	869,218	5,805,732	6,209,991	140,635	-	78,065	1,293,418
FUND BALANCES (DEFICITS), DECEMBER 31	\$ 1,776,024	\$ 94,158	\$ 6,256,783	\$ 7,236,343	\$ (128,306)	\$ -	\$ (19,582)	\$ 1,901,686

EQUIPMENT ACQUISITION	PARK DEVELOPMENT	SOUTHWEST CHASKA TRANSPORTATION	COMMUNITY FUND	ABATEMENT PROGRAM	ANNUAL STREET REPLACEMENT	CREEK ROAD PHASE II IMPROVEMENTS	MINNESOTA RIVER BLUFFS REGIONAL TRAIL	ENGLER BOULEVARD	TOTALS
\$ 1,713,582	\$ -	\$ -	\$ -	\$ 222,269	\$ -	\$ -	\$ -	\$ -	\$ 1,935,851
-	-	-	-	-	-	-	-	-	2,530,546
-	-	-	-	-	-	789,964	813,073	-	1,603,037
421	-	-	-	-	-	487,600	-	-	1,798,049
-	-	-	-	-	-	-	1,037,314	-	1,037,314
-	-	-	-	-	-	-	-	-	1,683,508
-	(2,555)	131,394	-	-	-	-	-	-	98,420
15,948	-	-	-	-	-	-	-	-	15,948
-	56,214	153,532	-	-	22,881	-	-	-	815,377
327,071	110,084	57,100	14,215	3,572	111,896	(68,706)	(35,910)	(765)	1,555,725
110,391	-	-	-	-	-	-	-	-	110,391
50,002	33,108	-	-	-	-	-	-	-	84,424
<u>2,217,415</u>	<u>196,851</u>	<u>342,026</u>	<u>14,215</u>	<u>225,841</u>	<u>134,777</u>	<u>1,208,858</u>	<u>1,814,477</u>	<u>(765)</u>	<u>13,268,590</u>
13,996	-	-	-	-	-	-	-	-	13,996
-	-	-	-	197,926	-	-	-	-	1,233,818
16,603	-	-	-	-	-	-	-	-	130,903
2,031	-	-	-	-	592,961	150,707	-	213,610	1,057,125
5,682	106,405	-	-	-	-	-	569,440	-	681,527
-	-	-	-	-	-	-	-	-	102,081
-	-	-	-	-	38,364	-	-	45,529	83,893
-	-	-	-	-	-	-	99,618	-	99,618
1,182,519	-	-	-	-	-	-	-	-	1,182,519
-	-	-	-	-	621	-	-	-	621
-	-	-	-	-	-	383,661	-	-	383,661
-	-	-	-	-	533,373	496,253	-	-	1,029,626
-	-	-	-	-	570	90,915	-	-	91,485
-	694,609	-	-	-	290,405	-	1,107,779	-	2,092,793
115,601	-	-	-	-	-	-	-	-	115,601
550,259	-	-	-	-	-	-	-	-	550,259
<u>1,886,691</u>	<u>801,014</u>	<u>-</u>	<u>-</u>	<u>197,926</u>	<u>1,456,294</u>	<u>1,121,536</u>	<u>1,776,837</u>	<u>259,139</u>	<u>8,849,526</u>
<u>330,724</u>	<u>(604,163)</u>	<u>342,026</u>	<u>14,215</u>	<u>27,915</u>	<u>(1,321,517)</u>	<u>87,322</u>	<u>37,640</u>	<u>(259,904)</u>	<u>4,419,064</u>
1,882,000	225,000	-	2,209,000	-	426,000	-	-	-	4,742,000
(979,869)	(775,000)	(110,000)	(2,288,622)	(20,466)	(1,735,000)	-	-	-	(9,356,791)
-	-	-	-	-	2,490,000	-	-	2,955,000	5,445,000
-	-	-	-	-	252,746	-	-	201,023	453,769
107,802	-	-	-	-	-	-	-	-	107,802
547,528	-	-	-	-	-	-	-	-	547,528
40,980	-	-	-	-	-	-	-	-	40,980
<u>1,598,441</u>	<u>(550,000)</u>	<u>(110,000)</u>	<u>(79,622)</u>	<u>(20,466)</u>	<u>1,433,746</u>	<u>-</u>	<u>-</u>	<u>3,156,023</u>	<u>1,980,288</u>
1,929,165	(1,154,163)	232,026	(65,407)	7,449	112,229	87,322	37,640	2,896,119	6,399,352
8,297,605	2,364,259	1,035,447	181,005	(685,415)	2,604,453	(124,464)	(400,794)	(13,530)	28,535,776
-	-	-	-	-	-	-	-	-	(477,076)
<u>8,297,605</u>	<u>2,364,259</u>	<u>1,035,447</u>	<u>181,005</u>	<u>(685,415)</u>	<u>2,604,453</u>	<u>(124,464)</u>	<u>(400,794)</u>	<u>(13,530)</u>	<u>28,058,700</u>
<u>\$ 10,226,770</u>	<u>\$ 1,210,096</u>	<u>\$ 1,267,473</u>	<u>\$ 115,598</u>	<u>\$ (677,966)</u>	<u>\$ 2,716,682</u>	<u>\$ (37,142)</u>	<u>\$ (363,154)</u>	<u>\$ 2,882,589</u>	<u>\$ 34,458,052</u>

CITY OF CHASKA, MINNESOTA

COMBINING BALANCE SHEET
 CAPITAL PROJECT FUNDS - TAX INCREMENT
 DECEMBER 31, 2024

	<u>DIST # 12 CLOVER FIELDS</u>	<u>DIST # 13 NORTH MEADOWS</u>	<u>DIST #14 DOWNTOWN REDEVELOPMENT</u>	<u>DIST #17 CHASKA PRESERVE</u>	<u>DIST #18 CHASKA BUILDING CENTER</u>
ASSETS					
Cash And Investments	\$ 1,347,733	\$ 416,086	\$ 3,302	\$ 184,912	\$ 283,275
Receivables:					
Taxes	10,658	-	-	-	-
Special Assessments:					
Deferred:					
Certified To County	-	-	-	-	22,777
TOTAL ASSETS	<u>\$ 1,358,391</u>	<u>\$ 416,086</u>	<u>\$ 3,302</u>	<u>\$ 184,912</u>	<u>\$ 306,052</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES:					
Accounts Payable	\$ 778	\$ 778	\$ 778	\$ 778	\$ 777
Interfund Payable	-	-	-	-	-
Advance From Other Funds	-	-	2,268,475	-	-
TOTAL LIABILITIES	<u>778</u>	<u>778</u>	<u>2,269,253</u>	<u>778</u>	<u>777</u>
DEFERRED INFLOWS OF RESOURCES:					
Unavailable Revenue - Taxes	10,658	-	-	-	-
Unavailable Revenue - Special Assessments	-	-	-	-	22,777
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>10,658</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,777</u>
FUND BALANCES:					
Restricted	1,346,955	415,308	-	184,134	282,498
Unassigned	-	-	(2,265,951)	-	-
TOTAL FUND BALANCES (DEFICITS)	<u>1,346,955</u>	<u>415,308</u>	<u>(2,265,951)</u>	<u>184,134</u>	<u>282,498</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 1,358,391</u>	<u>\$ 416,086</u>	<u>\$ 3,302</u>	<u>\$ 184,912</u>	<u>\$ 306,052</u>

<u>DIST #19 CHASKA HEIGHTS</u>	<u>DIST #20 BREWERY PROJECT</u>	<u>DIST #21 HOT SPOT PROJECT</u>	<u>DIST #22 ERNST HOUSE PROJECT</u>	<u>DIST #23 CITY SQUARE WEST PROJECT</u>	<u>DIST #24 CHASKA CREEK INDUSTRIAL PROJECT</u>	<u>TEMPORARY TRANSFER AUTHORITY</u>	<u>TOTALS</u>
\$ 304,964	\$ 501	\$ 1,000	\$ -	\$ -	\$ 233,473	\$ 2,451,266	\$ 5,226,512
-	-	-	-	-	-	-	10,658
-	-	-	-	-	-	-	22,777
<u>\$ 304,964</u>	<u>\$ 501</u>	<u>\$ 1,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 233,473</u>	<u>\$ 2,451,266</u>	<u>\$ 5,259,947</u>
\$ 777	\$ 778	\$ 778	\$ -	\$ 240	\$ 778	\$ -	\$ 7,240
-	27,308	83,443	111,343	952,679	-	-	1,174,773
-	-	-	-	-	-	-	2,268,475
<u>777</u>	<u>28,086</u>	<u>84,221</u>	<u>111,343</u>	<u>952,919</u>	<u>778</u>	<u>-</u>	<u>3,450,488</u>
-	-	-	-	-	-	-	10,658
-	-	-	-	-	-	-	22,777
-	-	-	-	-	-	-	33,435
304,187	-	-	-	-	232,695	2,451,266	5,217,043
-	(27,585)	(83,221)	(111,343)	(952,919)	-	-	(3,441,019)
<u>304,187</u>	<u>(27,585)</u>	<u>(83,221)</u>	<u>(111,343)</u>	<u>(952,919)</u>	<u>232,695</u>	<u>2,451,266</u>	<u>1,776,024</u>
<u>\$ 304,964</u>	<u>\$ 501</u>	<u>\$ 1,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 233,473</u>	<u>\$ 2,451,266</u>	<u>\$ 5,259,947</u>

CITY OF CHASKA, MINNESOTA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 CAPITAL PROJECT FUNDS - TAX INCREMENT
 FOR THE YEAR ENDED DECEMBER 31, 2024

	<u>DIST # 12 CLOVER FIELDS</u>	<u>DIST # 13 NORTH MEADOWS</u>	<u>DIST #14 DOWNTOWN REDEVELOPMENT</u>	<u>DIST #17 CHASKA PRESERVE</u>	<u>DIST #18 CHASKA BUILDING CENTER</u>
REVENUES:					
Taxes:					
Tax Increment	\$ 940,039	\$ 316,672	\$ 152,410	\$ 97,722	\$ 93,690
Charges For Services:					
Investment Earnings	37,039	9,507	1,633	6,018	15,590
Other Revenues	-	-	-	-	-
TOTAL REVENUES	977,078	326,179	154,043	103,740	109,280
EXPENDITURES:					
Current:					
Economic Development	245,892	102,173	1,528	20,499	1,227
Debt Service:					
Interest	-	-	102,081	-	-
TOTAL EXPENDITURES	245,892	102,173	103,609	20,499	1,227
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	731,186	224,006	50,434	83,241	108,053
OTHER FINANCING SOURCES (USES):					
Transfers Out	-	-	(50,000)	-	(123,000)
NET CHANGE IN FUND BALANCES	731,186	224,006	434	83,241	(14,947)
FUND BALANCES (DEFICITS), JANUARY 1	615,769	191,302	(2,266,385)	100,893	297,445
FUND BALANCES (DEFICITS), DECEMBER 31	\$ 1,346,955	\$ 415,308	\$ (2,265,951)	\$ 184,134	\$ 282,498

<u>DIST #19 CHASKA HEIGHTS</u>	<u>DIST #20 BREWERY PROJECT</u>	<u>DIST #21 HOT SPOT PROJECT</u>	<u>DIST #22 ERNST HOUSE PROJECT</u>	<u>DIST #23 CITY SQUARE WEST PROJECT</u>	<u>DIST #24 CHASKA CREEK INDUSTRIAL PROJECT</u>	<u>TEMPORARY TRANSFER AUTHORITY</u>	<u>TOTALS</u>
\$ 344,295	\$ 11,309	\$ 37,553	\$ -	\$ -	\$ 536,856	\$ -	\$ 2,530,546
6,442	-	-	-	-	(6,222)	117,405	187,412
-	-	1,314	-	-	-	-	1,314
<u>350,737</u>	<u>11,309</u>	<u>38,867</u>	<u>-</u>	<u>-</u>	<u>530,634</u>	<u>117,405</u>	<u>2,719,272</u>
248,283	3,324	8,190	22,292	70,809	311,675	-	1,035,892
-	-	-	-	-	-	-	102,081
<u>248,283</u>	<u>3,324</u>	<u>8,190</u>	<u>22,292</u>	<u>70,809</u>	<u>311,675</u>	<u>-</u>	<u>1,137,973</u>
102,454	7,985	30,677	(22,292)	(70,809)	218,959	117,405	1,581,299
-	(10,350)	(25,000)	-	-	-	-	(208,350)
102,454	(2,365)	5,677	(22,292)	(70,809)	218,959	117,405	1,372,949
<u>201,733</u>	<u>(25,220)</u>	<u>(88,898)</u>	<u>(89,051)</u>	<u>(882,110)</u>	<u>13,736</u>	<u>2,333,861</u>	<u>403,075</u>
<u>\$ 304,187</u>	<u>\$ (27,585)</u>	<u>\$ (83,221)</u>	<u>\$ (111,343)</u>	<u>\$ (952,919)</u>	<u>\$ 232,695</u>	<u>\$ 2,451,266</u>	<u>\$ 1,776,024</u>

Nonmajor Budgeted Special Revenue and Capital Project Funds

City of Chaska, Minnesota

For the Year Ended December 31, 2024

The City adopts budgets for the following two nonmajor special revenue funds and one nonmajor capital project fund:

- **Mount Pleasant Maintenance & Care Fund – Special Revenue**
- **Chaska EDA Fund – Special Revenue**
- **Equipment Acquisition Fund – Capital Project**

CITY OF CHASKA, MINNESOTA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
MOUNT PLEASANT MAINTENANCE & CARE SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	<u>ORIGINAL AND FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
<u>REVENUES:</u>			
Taxes:			
Property	\$ 6,000	\$ 5,941	\$ (59)
Intergovernmental:			
State:			
Market Value Credit	-	1	1
Charges For Services	2,400	13,500	11,100
Investment Earnings	300	14,488	14,188
	<hr/>	<hr/>	<hr/>
TOTAL REVENUES	8,700	33,930	25,230
<u>EXPENDITURES:</u>			
Current:			
Public Works:			
Other Services And Charges	13,500	14,339	(839)
	<hr/>	<hr/>	<hr/>
NET CHANGE IN FUND BALANCES	(4,800)	19,591	24,391
FUND BALANCES, JANUARY 1	267,119	267,119	-
	<hr/>	<hr/>	<hr/>
FUND BALANCES, DECEMBER 31	<u>\$ 262,319</u>	<u>\$ 286,710</u>	<u>\$ 24,391</u>

CITY OF CHASKA, MINNESOTA

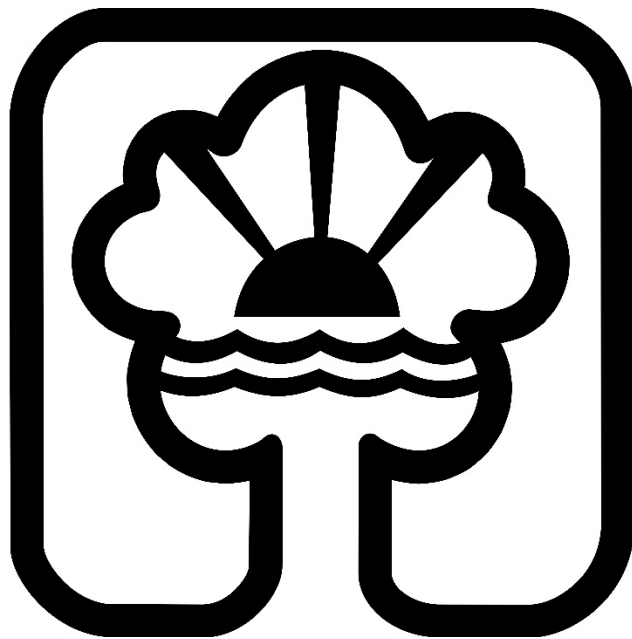
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
CHASKA EDA SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2024**

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
<u>REVENUES:</u>			
Taxes:			
Property	\$ 212,801	\$ 210,612	\$ (2,189)
Intergovernmental:			
State:			
Market Value Credit	-	26	26
Charges For Services	328,900	328,900	-
Special Assessments	40,000	47,861	7,861
Investment Earnings (Charges)	(5,400)	(40,219)	(34,819)
Leases	34,100	32,000	(2,100)
Other:			
Contributions And Donations	-	5,000	5,000
Payments	-	4,727	4,727
TOTAL REVENUES	610,401	588,907	(21,494)
<u>EXPENDITURES:</u>			
Current:			
Economic Development:			
Other Services And Charges	610,401	535,238	75,163
TOTAL EXPENDITURES	610,401	535,238	75,163
EXCESS OF REVENUES OVER EXPENDITURES	-	53,669	53,669
<u>OTHER FINANCING SOURCES:</u>			
Sale of Capital Assets	-	399,827	399,827
TOTAL OTHER FINANCING SOURCES (USES)	-	399,827	399,827
NET CHANGE IN FUND BALANCES	-	453,496	453,496
FUND BALANCES (DEFICITS), JANUARY 1	(1,199,343)	(1,199,343)	-
FUND BALANCES (DEFICITS), DECEMBER 31	\$ (1,199,343)	\$ (745,847)	\$ 453,496

CITY OF CHASKA, MINNESOTA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
EQUIPMENT ACQUISITION CAPITAL PROJECT FUND
FOR THE YEAR ENDED DECEMBER 31, 2024**

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
REVENUES:				
Taxes:				
Property	\$ 4,184,000	\$ 4,184,000	\$ 1,713,582	\$ (2,470,418)
Intergovernmental:				
State:				
Market Value Credit	-	-	421	421
Charges For Services	30,500	30,500	15,948	(14,552)
Investment Earnings	-	-	327,071	327,071
Leases	147,500	147,500	110,391	(37,109)
Other Revenue	-	-	50,002	50,002
	<u>4,362,000</u>	<u>4,362,000</u>	<u>2,217,415</u>	<u>(2,144,585)</u>
TOTAL REVENUES	4,362,000	4,362,000	2,217,415	(2,144,585)
EXPENDITURES:				
Current:				
General Government	10,000	10,000	13,996	(3,996)
Public Safety	-	-	16,603	(16,603)
Public Works	-	-	2,031	(2,031)
Parks, Recreation and Arts	-	-	5,682	(5,682)
Debt Service:				
Issuance Costs And Fiscal Agent Fees	207,000	207,000	-	207,000
Capital Outlay:				
Furniture And Equipment:				
General Government	458,500	470,730	52,960	417,770
Public Safety	40,000	40,000	146,108	(106,108)
Public Works	682,500	682,500	764,525	(82,025)
Parks, Recreation and Arts	-	-	218,926	(218,926)
Leased Equipment:				
Public Safety	-	-	115,601	(115,601)
Subscriptions	-	-	550,259	(550,259)
	<u>1,398,000</u>	<u>1,410,230</u>	<u>1,886,691</u>	<u>(476,461)</u>
TOTAL EXPENDITURES	1,398,000	1,410,230	1,886,691	(476,461)
EXCESS OF REVENUES OVER EXPENDITURES	2,964,000	2,951,770	330,724	(2,621,046)
OTHER FINANCING SOURCES (USES):				
Transfers In	147,000	147,000	1,882,000	1,735,000
Transfers Out	(3,713,000)	(3,700,770)	(979,869)	2,720,901
Bonds Issued	602,000	602,000	-	(602,000)
Leases Issued	-	-	107,802	107,802
Subscriptions Issued	-	-	547,528	547,528
Sale of Capital Assets	-	-	40,980	40,980
	<u>(2,964,000)</u>	<u>(2,951,770)</u>	<u>1,598,441</u>	<u>4,550,211</u>
TOTAL OTHER FINANCING SOURCES (USES)	(2,964,000)	(2,951,770)	1,598,441	4,550,211
NET CHANGE IN FUND BALANCES	-	-	1,929,165	1,929,165
FUND BALANCES, JANUARY 1	8,297,605	8,297,605	8,297,605	-
FUND BALANCES, DECEMBER 31	\$ 8,297,605	\$ 8,297,605	\$ 10,226,770	\$ 1,929,165



Chaska

Nonmajor Enterprise Funds

City of Chaska, Minnesota

For the Year Ended December 31, 2024

Enterprise funds are used to account for operations that are financed and operated in a manner similar to a private business enterprise. It is the intent of the City Council that the costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges. This type of fund is also used where the City Council has decided that periodic determination of net income is appropriate for accountability purposes. The City has the following nonmajor enterprise funds.

- **The Loop at Chaska Fund:**
This fund is used to account for the operation of the City's 9-hole barrier-free public golf course.
- **Chaska Town Course Fund:**
This fund is used to account for the operation of the City's 18-hole public golf course.

CITY OF CHASKA, MINNESOTA

COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
DECEMBER 31, 2024

	THE LOOP AT CHASKA	CHASKA TOWN COURSE	TOTALS
ASSETS			
Current Assets:			
Cash And Investments	\$ -	\$ 353,291	\$ 353,291
Receivables:			
Accounts			
Current	-	12,516	12,516
Allowance For Uncollectible Accounts	-	(50)	(50)
Interest	-	2,447	2,447
Due From Other Funds	-	1,196,382	1,196,382
Inventories	878	43,462	44,340
Total Current Assets	878	1,608,048	1,608,926
Noncurrent Assets:			
Capital Assets:			
Buildings	1,548,156	8,248,353	9,796,509
Other Improvements	4,039,535	1,133,069	5,172,604
Furniture And Equipment	140,761	3,058,551	3,199,312
Less: Accumulated Depreciation and Amortization	(104,164)	(10,097,848)	(10,202,012)
Total Net Capital Assets	5,624,288	2,342,125	7,966,413
TOTAL ASSETS	5,625,166	3,950,173	9,575,339
DEFERRED OUTFLOWS OF RESOURCES			
Pension Plan Deferments	12,212	94,600	106,812
OPEB Plan Deferments	-	1,166	1,166
TOTAL DEFERRED OUTFLOWS OF RESOURCES	12,212	95,766	107,978
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 5,637,378	\$ 4,045,939	\$ 9,683,317
LIABILITIES			
Current Liabilities:			
Accounts Payable	\$ 2,703	\$ (3,232)	\$ (529)
Salaries Payable	4,092	22,294	26,386
Deposits Payable	1,464	217,638	219,102
Compensated Absences	4,424	82,701	87,125
Accrued Interest Payable	9,149	-	9,149
Due To Other Funds	2,096,382	-	2,096,382
Due To Other Governments	181	4,050	4,231
Interfund Payable	6,260	256,331	262,591
Revenue Bonds Payable	140,000	-	140,000
Other Post Employment Benefits	-	861	861
Total Current Liabilities	2,264,655	580,643	2,845,298
Noncurrent Liabilities:			
Compensated Absences	6,823	59,068	65,891
Advance From Other Funds	44,740	1,613,177	1,657,917
Revenue Bonds Payable	3,024,000	-	3,024,000
Other Post Employment Benefits	-	30,084	30,084
Net Pension Liability	46,846	362,889	409,735
Total Noncurrent Liabilities	3,122,409	2,065,218	5,187,627
TOTAL LIABILITIES	5,387,064	2,645,861	8,032,925
DEFERRED INFLOWS OF RESOURCES			
Pension Plan Deferments	33,103	256,425	289,528
OPEB Plan Deferments	-	18,732	18,732
TOTAL DEFERRED INFLOWS OF RESOURCES	33,103	275,157	308,260
NET POSITION			
Net Investment in Capital Assets	2,460,288	2,342,125	4,802,413
Unrestricted	(2,243,077)	(1,217,204)	(3,460,281)
TOTAL NET POSITION	217,211	1,124,921	1,342,132
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	\$ 5,637,378	\$ 4,045,939	\$ 9,683,317

CITY OF CHASKA, MINNESOTA

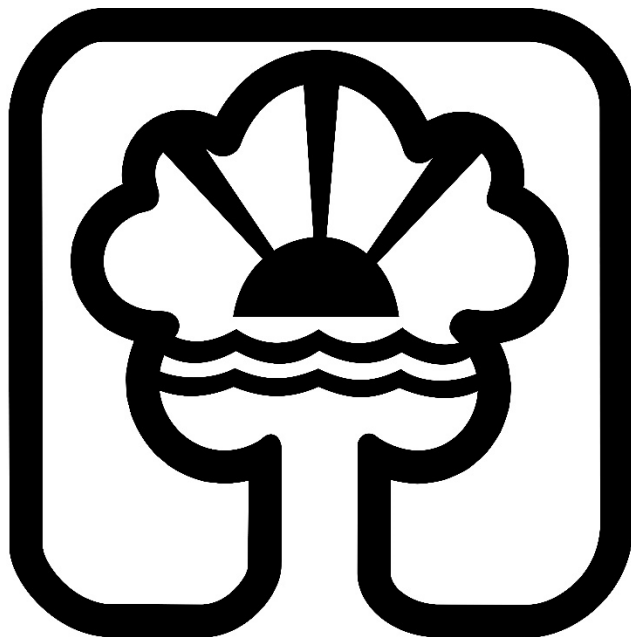
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2024**

	<u>SEWER</u>	<u>THE LOOP AT CHASKA</u>	<u>CHASKA TOWN COURSE</u>	<u>STORM WATER</u>	<u>TOTALS</u>
OPERATING REVENUES:					
Sales	\$ -	\$ 396,264	\$ 3,330,839	\$ -	\$ 3,727,103
OPERATING EXPENSES:					
Administration	-	529,302	3,105,074	-	3,634,376
Depreciation And Amortization	-	31,029	333,011	-	364,040
TOTAL OPERATING EXPENSES	-	560,331	3,438,085	-	3,998,416
OPERATING INCOME (LOSS)	-	(164,067)	(107,246)	-	(271,313)
NON-OPERATING REVENUES:					
Investment Earnings (Charges)	-	(103,944)	88,176	-	(15,768)
Gain on Sale Of Capital Assets	-	13,306	9,038	-	22,344
TOTAL NON-OPERATING REVENUES	-	(90,638)	97,214	-	6,576
NON-OPERATING EXPENSES:					
Interest	-	110,013	80,275	-	190,288
TOTAL NON-OPERATING EXPENSES	-	110,013	80,275	-	190,288
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	-	(364,718)	(90,307)	-	(455,025)
CAPITAL CONTRIBUTIONS	-	191,250	-	-	191,250
TRANSFERS IN (OUT)					
Transfers In	-	244,000	2,624	-	246,624
CHANGE IN NET POSITION	-	70,532	(87,683)	-	(17,151)
NET POSITION, JANUARY 1, As Previously Reported	4,564,811	146,679	1,212,604	9,037,667	14,961,761
Adjustment/Restatement	(4,564,811)	-	-	(9,037,667)	(13,602,478)
NET POSITION, JANUARY 1, As Adjusted or Restated	-	146,679	1,212,604	-	1,359,283
NET POSITION, DECEMBER 31	\$ -	\$ 217,211	\$ 1,124,921	\$ -	\$ 1,342,132

CITY OF CHASKA, MINNESOTA

COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2024

	THE LOOP AT CHASKA	CHASKA TOWN COURSE	TOTALS
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts From Customers and Users	\$ 397,728	\$ 3,177,782	\$ 3,575,510
Payments to Suppliers	(543,253)	(1,508,518)	(2,051,771)
Payments to Employees	(312,280)	(1,601,457)	(1,913,737)
Net Cash Provided (Used) By Operating Activities	(457,805)	67,807	(389,998)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:			
Transfers From Other Funds	-	2,624	2,624
Due From Other Funds	-	242,342	242,342
Due To Other Funds	657,658	-	657,658
Net Cash Provided By Non-Capital Financing Activities	657,658	244,966	902,624
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Capital Contributions	191,250	-	191,250
Principal Paid On Bonds	(135,000)	-	(135,000)
Interest And Fiscal Charges	(115,963)	-	(115,963)
Proceeds From Sale Of Capital Assets	-	9,038	9,038
Construction And Acquisition of Capital Assets	(280,196)	(164,405)	(444,601)
Transfers From Other Funds	244,000	-	244,000
Interfund Loan Payments To Other Funds	-	(148,400)	(148,400)
Interest Payments On Interfund Loans	-	(80,275)	(80,275)
Net Cash Provided (Used) By Capital And Related Financing Activities	(95,909)	(384,042)	(479,951)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest (Charges) On Investments	(103,944)	88,903	(15,041)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS			
	-	17,634	17,634
CASH AND CASH EQUIVALENTS, January 1			
	-	335,657	335,657
CASH AND CASH EQUIVALENTS, December 31			
	\$ -	\$ 353,291	\$ 353,291
CASH AND CASH EQUIVALENTS:			
Cash And Investments	\$ -	\$ 353,291	\$ 353,291
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:			
Operating Income (Loss)	\$ (164,067)	\$ (107,246)	\$ (271,313)
Adjustments To Reconcile Operating Income (Loss) To Net Cash Provided By Operating Activities:			
Depreciation And Amortization Expense	31,029	333,011	364,040
(Increase) Decrease In Assets And Deferred Outflows:			
Accounts Receivable	-	(5,972)	(5,972)
Inventory	(878)	23,030	22,152
Deferred Outflows	(12,212)	86,597	74,385
Increase (Decrease) In Liabilities And Deferred Inflows:			
Accounts Payable	(383,546)	(17,632)	(401,178)
Salaries Payable	2,723	5,337	8,060
Deposits Payable	1,464	(147,085)	(145,621)
Compensated Absences Payable	9,777	8,309	18,086
Net Pension Liability	46,846	(185,004)	(138,158)
Due To Other Governments	(22,044)	1,346	(20,698)
Other Post Employment Benefits	33,103	(2,781)	30,322
Deferred Inflows	-	75,897	75,897
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (457,805)	\$ 67,807	\$ (389,998)
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:			
Payment of Capital Assets on Account	\$ -	\$ (13,322)	\$ (13,322)
Net Book Value of Lease Assets Disposed	587,351	-	587,351
Gain on Disposal of Lease Asset	13,306	-	13,306
Termination of Lease Liability	(600,657)	-	(600,657)



Chaska

This part of the City of Chaska's Annual Comprehensive Financial Report represents detailed information as a context for understanding this year's financial statements, note disclosures and supplementary information. This information has not been audited by the independent auditor.

Content

- **Financial Trends:**

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Table 1 – Net Position by Component

Table 2 – Changes in Net Position

Table 3 – Governmental Activities Tax Revenues by Source

Table 4 – Fund Balances of Governmental Funds

Table 5 – Changes in Fund Balances of Governmental Funds

Table 6 – General Governmental Tax Revenues by Source

- **Revenue Capacity:**

These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.

Table 7 – Tax Capacity Value and Estimated Actual Value of Real and Personal Property

Table 8 – Property Tax Rates – Direct and Overlapping Governments

Table 9 – Principal Property Taxpayers

Table 10 – Property Tax Levies and Collections

- **Debt Capacity:**

These schedules contain information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue debt in the future.

Table 11 – Ratios of Outstanding Debt by Type

Table 12 – Ratios of General Bonded Debt Outstanding to Estimated Actual Taxable Value

Table 13 – Direct and Overlapping Governmental Activities Debt

Table 14 – Legal Debt Margin Information

Table 15 – Pledged Revenue Coverage

- **Demographic and Economic Information:**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activity takes place.

Table 16 – Demographic and Economic Statistics

Table 17 – Principal Employers

- **Operating Information:**

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities that it performs.

Table 18 – Full-Time Equivalent City Government Employees by Function/Program

Table 19 – Operating Indicators by Function/Program

Table 20 – Capital Asset Statistics by Function/Program

- **Sources:**

Unless otherwise noted, the information in these schedules derives from the Annual Comprehensive Financial Report for the relevant year(s).

CITY OF CHASKA, MINNESOTA

**NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING;
(UNAUDITED)**

	FISCAL YEAR			
	2015	2016	2017	2018 (1)
Governmental Activities				
Net Investment In Capital Assets	\$ 127,278,758	\$ 132,552,673	\$ 137,122,192	\$ 146,659,763
Restricted	14,955,015	14,175,353	19,807,677	20,434,329
Unrestricted	<u>(20,840)</u>	<u>(640,332)</u>	<u>(2,060,473)</u>	<u>(11,503,698)</u>
Total Governmental Activities Net Position:	<u>\$ 142,212,933</u>	<u>\$ 146,087,694</u>	<u>\$ 154,869,396</u>	<u>\$ 155,590,394</u>
Business-Type Activities				
Net Investment In Capital Assets	\$ 33,274,260	\$ 31,821,470	\$ 30,523,279	\$ 33,206,537
Restricted	5,190,437	5,609,821	17,986,742	16,111,606
Unrestricted	<u>(919,545)</u>	<u>1,918,324</u>	<u>(7,433,427)</u>	<u>(7,147,929)</u>
Total Business-Type Activities Net Position:	<u>\$ 37,545,152</u>	<u>\$ 39,349,615</u>	<u>\$ 41,076,594</u>	<u>\$ 42,170,214</u>
Primary Government				
Net Investment In Capital Assets	\$ 160,553,018	\$ 164,374,143	\$ 167,645,471	\$ 179,866,300
Restricted	20,145,452	19,785,174	37,794,419	36,545,935
Unrestricted	<u>(940,385)</u>	<u>1,277,992</u>	<u>(9,493,900)</u>	<u>(18,651,627)</u>
Total Primary Government Net Position:	<u>\$ 179,758,085</u>	<u>\$ 185,437,309</u>	<u>\$ 195,945,990</u>	<u>\$ 197,760,608</u>

(1) The City implemented GASB Statement No. 75 in 2018. Net position for previous years have not been restated.

(2) The City implemented GASB Statement No. 87 in 2022. Net position for previous years have not been restated.

(3) The City implemented GASB Statement No. 96 in 2023. Net position for previous years have not been restated.

(4) The City had a prior period restatement of Net Position for the transfer of infrastructure assets from Governmental Activities to Business-Type Activities and for adding the turbine asset.

Table 1

FISCAL YEAR					
2019	2020	2021	2022 (2)	2023 (3)	2024 (4)
\$ 143,383,394	\$ 134,205,413	\$ 141,167,187	\$ 150,575,322	\$ 157,564,759	\$ 125,048,189
16,956,396	16,683,713	19,532,032	18,560,127	19,906,018	20,757,570
(9,838,641)	(3,239,169)	(4,703,055)	(5,433,372)	(7,483,389)	(1,425,902)
<u>\$ 150,501,149</u>	<u>\$ 147,649,957</u>	<u>\$ 155,996,164</u>	<u>\$ 163,702,077</u>	<u>\$ 169,987,388</u>	<u>\$ 144,379,857</u>
\$ 32,618,078	\$ 37,138,756	\$ 40,160,983	\$ 47,152,434	\$ 55,338,956	\$ 111,725,590
16,407,157	16,866,244	16,714,615	15,356,458	15,341,574	15,438,696
(8,973,291)	(10,744,178)	(4,074,040)	(2,601,306)	(3,271,529)	68,121
<u>\$ 40,051,944</u>	<u>\$ 43,260,822</u>	<u>\$ 52,801,558</u>	<u>\$ 59,907,586</u>	<u>\$ 67,409,001</u>	<u>\$ 127,232,407</u>
\$ 176,001,472	\$ 171,344,169	\$ 181,328,170	\$ 197,727,756	\$ 212,903,715	\$ 236,773,779
33,363,553	33,549,957	36,246,647	33,916,585	35,247,592	36,196,266
(18,811,932)	(13,983,347)	(8,777,095)	(8,034,678)	(10,754,918)	(1,357,781)
<u>\$ 190,553,093</u>	<u>\$ 190,910,779</u>	<u>\$ 208,797,722</u>	<u>\$ 223,609,663</u>	<u>\$ 237,396,389</u>	<u>\$ 271,612,264</u>

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	FISCAL YEAR									
	2015	2016	2017	2018 (2)	2019	2020	2021	2022 (6)	2023 (7)	2024
EXPENSES										
Governmental Activities										
General Government	\$ 5,627,642	\$ 5,975,566	\$ 6,603,240	\$ 6,025,119	\$ 6,466,463	\$ 6,404,435	\$ 6,308,239	\$ 7,582,962	\$ 7,828,871	\$ 7,736,835
Economic Development	8,778,959	1,078,389	2,005,808	4,352,049	1,682,328	1,353,256	1,184,162	1,863,279	2,488,535	1,810,824
Public Safety	4,764,269	6,878,111	6,063,781	6,189,888	6,805,386	8,940,448	7,542,110	11,018,862	13,449,171	12,260,433
Public Works	8,488,231	8,966,638	9,042,167	10,088,913	26,781,348	16,348,045	14,663,395	13,902,073	27,888,319	12,230,186
Parks, Recreation And Arts	1,210,234	1,067,514	1,286,155	1,526,003	1,636,562	1,622,431	1,761,967	4,005,037	4,110,717	6,045,540
Interest On Long-Term Debt	1,330,444	1,424,886	1,264,604	1,550,437	1,522,276	1,812,949	1,709,519	1,676,423	1,845,976	3,970,358
Total Governmental Activities Expenses:	30,199,779	24,991,104	26,265,755	29,732,409	44,894,361	36,481,564	33,169,392	40,048,636	57,611,589	44,054,176
Business-type Activities										
Electric	33,417,358	35,236,356	35,744,098	38,896,423	35,599,483	36,587,314	41,793,193	47,590,197	47,812,178	47,649,505
Water	2,785,714	2,859,401	2,883,350	3,015,694	3,391,370	3,680,044	3,605,735	3,601,725	3,711,226	4,595,273
Sewer	3,150,447	3,254,994	3,494,259	3,801,595	4,091,831	4,560,553	4,676,438	5,154,941	5,775,590	7,587,553
Chaska Community Center	4,077,426	4,419,881	4,536,723	4,752,021	4,716,992	4,822,493	4,381,300	4,934,083	4,977,486	4,915,842
The Loop at Chaska (7)	183,136	240,047	193,856	189,814	187,568	177,696	23,721	191,878	307,285	658,213
Chaska Town Course	2,310,651	2,433,909	2,512,410	2,452,056	2,505,095	2,485,892	2,765,627	3,065,247	2,803,226	3,506,545
Turbine Generator	1,730,079	1,057,383	1,019,617	1,016,539	1,023,865	921,659	867,361	832,886	788,095	1,705,658
Internet Service Provider (4)	293,951	168,783	184,840	159,357	-	-	-	-	-	-
Storm Water	760,340	993,816	980,334	1,072,424	1,173,012	1,268,421	1,308,391	1,716,611	1,577,772	2,295,546
Chaska Curling Center (2)	835,012	1,516,260	2,330,918	2,635,334	2,419,331	2,200,635	2,215,831	2,308,347	2,304,717	2,367,422
Total Business-type Activities Expenses:	49,544,114	52,180,830	53,880,459	57,991,257	55,108,547	56,704,707	61,637,597	69,465,915	70,057,575	75,281,557
Total Primary Government Expenses:	\$ 79,743,893	\$ 77,171,934	\$ 80,146,214	\$ 87,723,666	\$ 100,002,908	\$ 93,186,271	\$ 94,806,989	\$ 109,514,551	\$ 127,669,164	\$ 119,335,733
PROGRAM REVENUES										
Governmental Activities										
Charges For Services										
General Government	\$ 3,440,547	\$ 3,381,482	\$ 3,716,746	\$ 4,235,869	\$ 4,522,047	\$ 4,775,856	\$ 4,988,367	\$ 5,560,975	\$ 5,859,612	\$ 6,178,686
Economic Development	70,340	77,421	76,000	80,000	85,000	85,000	177,435	203,833	295,886	328,900
Public Safety	219,590	180,603	263,033	331,251	240,462	907,268	1,823,406	2,270,380	3,166,453	2,203,943
Public Works	1,876,750	2,516,820	1,882,531	2,178,832	1,794,876	1,877,244	2,927,311	6,447,527	7,135,358	1,961,555
Parks, Recreation And Arts	132,621	317,749	182,462	429,577	652,394	655,261	559,749	2,458,046	1,486,020	761,897
Operating Grants And Contributions	667,025	628,278	1,477,224	777,833	10,909,953	7,010,470	3,729,076	976,529	6,175,382	7,651,814
Capital Grants And Contributions	6,737,538	8,226,427	14,086,637	7,951,347	2,644,120	2,236,609	11,685,438	13,399,011	16,128,935	18,400,195
Total Governmental Activities Program Revenues:	13,144,411	15,328,780	21,684,633	15,984,709	20,848,852	17,607,408	25,890,782	31,316,301	40,247,646	37,486,990
Business-type Activities										
Charges For Services										
Electric	35,565,149	37,500,384	37,542,385	41,193,202	41,203,336	43,028,104	49,019,072	55,020,552	56,742,382	57,182,709
Water	2,534,074	2,714,932	2,768,225	2,861,416	2,921,859	3,372,280	4,004,847	4,319,046	5,194,001	5,074,005
Sewer	3,267,600	3,423,610	3,601,281	3,789,275	4,136,124	4,612,317	4,986,322	5,666,239	6,761,550	7,822,847
Chaska Community Center	3,246,108	2,735,432	3,163,971	3,085,972	3,264,746	1,830,242	2,163,800	2,791,020	3,183,967	3,291,001
The Loop at Chaska (6)	192,164	170,732	167,726	154,621	136,903	204,789	59	-	-	396,264
Chaska Town Course	2,089,861	2,137,035	2,133,510	1,966,812	2,105,154	2,536,210	3,006,247	3,016,808	3,144,507	3,330,839
Turbine Generator	1,842,662	1,781,846	1,719,136	1,650,846	1,576,477	1,495,484	1,422,057	1,366,151	1,261,543	1,743,199
Internet Service Provider (3)	173,816	103,569	117,718	100,033	-	-	-	-	-	-
Storm Water	912,936	969,248	1,097,344	1,581,812	1,688,118	1,756,180	2,131,730	1,954,589	1,775,622	2,243,432
Chaska Curling Center (1)	65,022	1,173,795	1,221,472	1,299,997	1,240,291	641,658	915,179	1,403,440	1,181,533	1,133,427
Operating Grants And Contributions	-	100,379	1,626	99,052	142,669	41,351	145,088	66,775	13,796	-
Capital Grants And Contributions	181,839	647,918	704,759	198,433	678,369	881,172	4,712,247	1,523,889	1,316,894	11,194,164
Total Business-type Activities Program Revenues:	50,071,231	53,458,880	54,239,153	57,981,471	59,094,046	60,399,787	72,506,656	77,128,509	80,575,615	93,411,887
Total Primary Government Program Revenues:	\$ 63,215,642	\$ 68,787,660	\$ 75,923,786	\$ 73,966,180	\$ 79,942,898	\$ 78,007,195	\$ 98,397,438	\$ 108,444,810	\$ 120,823,261	\$ 130,898,877
NET EXPENSE / REVENUE										
Governmental Activities	\$ (17,055,368)	\$ (9,662,324)	\$ (4,581,122)	\$ (13,747,700)	\$ (24,045,509)	\$ (18,874,156)	\$ (7,278,610)	\$ (8,732,335)	\$ (17,363,943)	\$ (6,567,186)
Business-type Activities	527,117	1,278,050	358,694	(9,786)	3,985,499	3,695,800	10,869,059	7,662,594	10,518,040	18,130,330
Total Primary Government Net Expense:	\$ (16,528,251)	\$ (8,384,274)	\$ (4,222,428)	\$ (13,757,486)	\$ (20,060,010)	\$ (15,179,076)	\$ 3,590,449	\$ (1,069,741)	\$ (6,845,903)	\$ 11,563,144
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Governmental Activities										
Taxes										
Property Taxes	\$ 9,063,743	\$ 8,189,403	\$ 9,089,057	\$ 10,129,998	\$ 10,805,084	\$ 11,731,744	\$ 12,625,690	\$ 14,033,350	\$ 16,932,255	\$ 20,618,682
Franchise Taxes	4,079,404	4,224,548	4,300,526	4,576,985	752,914	763,101	768,243	770,755	783,615	772,621
Unrestricted Grants and Contributions	530,868	585,679	310,188	26,334	42,379	2,110,628	129,545	10,150	10,172	10,102
Investment Earnings	264,180	247,978	253,578	400,814	428,710	189,473	136,732	361,050	1,389,424	2,995,886
Other	545,596	510,860	416,642	366,702	277,822	428,225	475,224	510,567	803,970	505,989
Transfers	5,086,416	(221,383)	(1,007,167)	(769,471)	6,649,355	4,927,249	4,081,951	3,921,201	4,876,896	4,883,852
Transfers - Capital Assets (4)	-	-	-	-	-	(4,127,456)	(2,592,568)	(3,168,825)	(1,147,478)	(8,067,834)
Total Governmental Activities:	19,570,207	13,537,085	13,362,824	14,731,362	18,956,264	16,022,964	15,624,817	16,438,248	23,649,254	21,119,298
Business-type Activities										
Unrestricted Grants and Contributions	-	-	41,184	211	283	165	689	616	645	563
Investment Earnings	455,526	241,753	260,708	362,111	407,297	134,799	57,955	110,438	641,539	730,733
Interest Revenue	-	-	-	-	-	-	-	-	-	1,092,702
Other	63,440	63,277	59,226	82,887	138,006	178,827	102,416	84,756	70,409	61,473
Transfers	(5,086,416)	221,383	1,007,167	769,471	(6,649,355)	(4,927,249)	(4,081,951)	(3,921,201)	(4,876,896)	(4,883,852)
Transfers - Capital Assets (5)	-	-	-	-	-	4,127,456	2,592,568	3,168,825	1,147,478	8,067,834
Total Business-type Activities:	(4,567,450)	526,413	1,368,285	1,214,650	(6,103,769)	(486,202)	(1,328,323)	(556,566)	(3,016,825)	5,669,453
Total Primary Government:	\$ 15,002,757	\$ 14,063,498	\$ 14,731,109	\$ 15,946,012	\$ 12,852,495	\$ 15,536,762	\$ 14,296,494	\$ 15,881,682	\$ 20,632,629	\$ 26,788,751
CHANGE IN NET POSITION										
Governmental Activities	\$ 2,514,839	\$ 3,874,761	\$ 8,781,702	\$ 983,662	\$ (5,089,245)	\$ (2,851,192)	\$ 8,346,207	\$ 7,705,913	\$ 6,285,311	\$ 14,552,112
Business-type Activities	(4,040,333)	1,804,463	1,726,579	1,204,864	(2,118,270)	3,208,878	9,540,736	7,106,028	7,501,415	23,799,783
Total Primary Government:	\$ (1,525,494)	\$ 5,679,224	\$ 10,508,681	\$ 2,188,526	\$ (7,207,515)	\$ 357,686	\$ 17,886,943	\$ 14,811,941	\$ 13,786,726	\$ 38,351,895

Change in Net Position is explained in the Management's Discussion & Analysis.

- (1) Chaska Curling Center fund was established in 2015. 2016 was the first full year of operations.
- (2) The City Implemented GASB Statement No. 75 in 2018. Change in Net Position for previous years have not been restated.
- (3) The Internet Service Provider fund closed in 2018.
- (4) Starting in 2020, Transfers of Capital Assets will be broken out of total transfers.
- (5) The City implemented GASB Statement No. 87 in 2022. Change in Net Position for previous years have not been restated.
- (6) Par 30 golf course has been renamed The Loop at Chaska.
- (7) The City implemented GASB Statement No. 96 in 2023. Change in Net Position for previous years have not been restated.

GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
 LAST TEN FISCAL YEARS
 (ACCRUAL BASIS OF ACCOUNTING)
 (UNAUDITED)

FISCAL YEAR	PROPERTY TAXES		FRANCHISE TAXES			TOTAL TAXES
	LEVIED	TAX INCREMENT	ELECTRIC ⁽¹⁾	CABLE	GAS	
2015	\$ 8,501,586	\$ 562,157	\$ 3,339,440	\$ 284,886	\$ 455,078	\$ 13,143,147
2016	7,559,289	630,114	3,458,900	304,017	461,631	12,413,951
2017	8,367,604	721,453	3,521,540	321,423	457,563	13,389,583
2018	9,091,373	1,038,625	3,820,670	306,860	449,455	14,706,983
2019 (1)	9,702,004	1,103,080	-	302,522	450,392	11,557,998
2020	10,546,479	1,185,265	-	300,269	462,832	12,494,845
2021	11,318,040	1,307,650	-	311,830	456,413	13,393,933
2022	12,716,108	1,317,242	-	307,061	463,694	14,804,105
2023	15,227,989	1,704,266	-	291,424	492,191	17,715,870
2024	18,088,136	2,530,546	-	261,294	511,327	21,391,303

(1) Beginning in 2019, the City did not assess a franchise fee on the City-owned electric.

CITY OF CHASKA, MINNESOTA

**FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

	FISCAL YEAR			
	2015	2016	2017	2018
General Fund				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Committed	852,664	924,378	908,494	1,010,606
Assigned	-	-	-	-
Unassigned	<u>2,232,766</u>	<u>1,615,179</u>	<u>1,103,421</u>	<u>1,078,348</u>
Total General Fund:	<u>\$ 3,085,430</u>	<u>\$ 2,539,557</u>	<u>\$ 2,011,915</u>	<u>\$ 2,088,954</u>
General Fund % Change	21.66%	-17.69%	-20.78%	3.83%
All Other Governmental Funds				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	11,557,173	8,022,515	11,726,442	10,712,645
Committed	3,368,508	2,456,381	2,889,920	3,746,951
Assigned	6,845,131	6,646,255	8,571,632	8,011,826
Unassigned, Reported In:				
Special Revenue Funds	(1,451,333)	(701,789)	(793,665)	(1,096,949)
Capital Project Funds	<u>(6,914,737)</u>	<u>(5,224,315)</u>	<u>(5,637,984)</u>	<u>(15,082,217)</u>
Total All Other Governmental Funds:	<u>\$ 13,404,742</u>	<u>\$ 11,199,047</u>	<u>\$ 16,756,345</u>	<u>\$ 6,292,256</u>
All Other Governmental Funds % Change	-1.48%	-16.45%	49.62%	-62.45%
Total Governmental Funds				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	11,557,173	8,022,515	11,726,442	10,712,645
Committed	4,221,172	3,380,759	3,798,414	4,757,557
Assigned	6,845,131	6,646,255	8,571,632	8,011,826
Unassigned	<u>(6,133,304)</u>	<u>(4,310,925)</u>	<u>(5,328,228)</u>	<u>(15,100,818)</u>
Total Governmental Funds:	<u>\$ 16,490,172</u>	<u>\$ 13,738,604</u>	<u>\$ 18,768,260</u>	<u>\$ 8,381,210</u>
Total Governmental Funds % Change	2.16%	-16.69%	36.61%	-55.34%

Table 4

FISCAL YEAR					
2019	2020	2021	2022	2023	2024
\$ -	\$ 53,268	\$ 54,866	\$ 119,345	\$ 78,598	\$ 233,032
1,133,435	970,088	1,204,624	1,277,890	1,284,902	2,473,668
-	448,864	447,206	474,561	1,056,678	482,438
777,426	460,243	1,324,228	1,781,459	3,098,796	3,757,131
<u>\$ 1,910,861</u>	<u>\$ 1,932,463</u>	<u>\$ 3,030,924</u>	<u>\$ 3,653,255</u>	<u>\$ 5,518,974</u>	<u>\$ 6,946,269</u>
-8.53%	1.13%	56.84%	20.53%	51.07%	25.86%
\$ -	\$ -	\$ -	\$ 22,707	\$ 53,909	\$ 81,610
13,546,921	13,411,432	12,986,899	17,462,282	23,718,674	66,538,095
4,487,945	5,353,884	3,489,302	1,622,817	2,997,955	3,226,647
8,511,304	9,235,585	10,039,314	15,330,498	20,964,249	22,987,457
(1,008,180)	(985,110)	(1,002,310)	(926,248)	(1,218,006)	(766,280)
<u>(8,565,055)</u>	<u>(3,325,670)</u>	<u>(7,012,273)</u>	<u>(13,146,160)</u>	<u>(14,193,428)</u>	<u>(18,899,499)</u>
<u>\$ 16,972,935</u>	<u>\$ 23,690,121</u>	<u>\$ 18,500,932</u>	<u>\$ 20,365,896</u>	<u>\$ 32,323,353</u>	<u>\$ 73,168,030</u>
169.74%	39.58%	-21.90%	10.08%	58.71%	126.36%
\$ -	\$ 53,268	\$ 54,866	\$ 142,052	\$ 132,507	\$ 314,642
13,546,921	13,411,432	12,986,899	17,462,282	23,718,674	66,538,095
5,621,380	6,323,972	4,693,926	2,900,707	4,282,857	5,700,315
8,511,304	9,684,449	10,486,520	15,805,059	22,020,927	23,469,895
<u>(8,795,809)</u>	<u>(3,850,537)</u>	<u>(6,690,355)</u>	<u>(12,290,949)</u>	<u>(12,312,638)</u>	<u>(15,908,648)</u>
<u>\$ 18,883,796</u>	<u>\$ 25,622,584</u>	<u>\$ 21,531,856</u>	<u>\$ 24,019,151</u>	<u>\$ 37,842,327</u>	<u>\$ 80,114,299</u>
125.31%	35.69%	-15.97%	11.55%	57.55%	111.71%

CITY OF CHASKA, MINNESOTA

**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

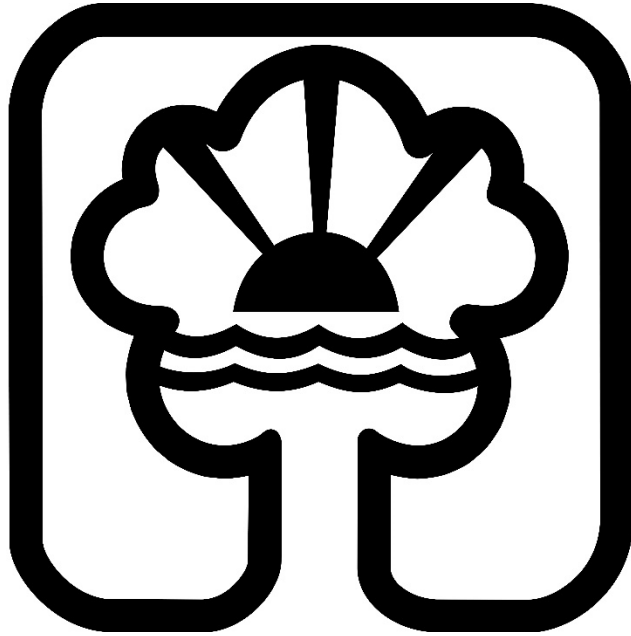
	FISCAL YEAR			
	2015	2016	2017	2018
REVENUES				
Taxes	\$ 13,150,434	\$ 12,470,764	\$ 13,420,767	\$ 14,709,783
Licenses and Permits	1,259,621	1,033,383	1,302,593	928,825
Intergovernmental	2,678,760	2,772,705	2,653,945	1,726,502
Charges for Services	4,387,691	5,316,461	5,717,156	6,220,296
Fines and Forfeitures	95,736	104,226	113,158	109,319
Special Assessments	2,076,637	2,121,412	2,835,792	2,350,349
Other Revenue	1,103,179	600,089	659,861	1,151,947
Total Revenue	24,752,058	24,419,040	26,703,272	27,197,021
EXPENDITURES				
General Government	4,889,132	5,228,459	5,630,604	5,696,448
Economic Development	8,766,389	1,070,364	1,919,188	3,183,480
Public Safety	4,837,862	5,270,617	5,738,341	6,193,049
Public Works	6,686,444	4,537,040	5,213,582	7,699,681
Parks, Recreation and Arts	1,086,472	828,065	1,140,929	1,062,569
Debt Service:				
Principal	5,398,720	3,013,768	3,061,302	2,901,859
Interest	1,115,857	1,429,478	1,380,700	1,618,919
Issuance Costs & Fiscal Agent Fees	353,521	4,725	250,271	11,850
Capital Outlay	13,778,776	5,633,034	9,808,124	8,295,131
Total Expenditures	46,913,173	27,015,550	34,143,041	36,662,986
Excess (Deficiency) of Revenues Over (Under) Expenditures	(22,161,115)	(2,596,510)	(7,439,769)	(9,465,965)
OTHER FINANCING SOURCES (USES)				
Transfers In	14,212,528	6,242,220	4,624,645	4,297,144
Transfers Out	(8,968,112)	(6,423,134)	(5,617,190)	(5,252,205)
Bonds Issued	16,025,000	-	10,870,000	-
Refunding Bonds Issued	-	-	1,455,000	-
Premium on Bonds Issued	1,156,342	-	1,125,229	-
Lease Issued (2)	-	-	-	-
Payments to Refunded Bond Escrow Agent	-	-	-	-
Lease Proceeds	-	-	-	-
Subscription Proceeds	-	-	-	-
Sale of Capital Assets	83,945	25,856	11,741	33,976
Total Other Financing Sources (Uses)	22,509,703	(155,058)	12,469,425	(921,085)
NET CHANGE IN FUND BALANCES	\$ 348,588	\$ (2,751,568)	\$ 5,029,656	\$ (10,387,050)
Expenditures for Capitalized Assets (1)	\$ 19,782,837	\$ 12,340,550	\$ 16,094,547	\$ 16,582,006
Debt Service as a Percentage of Noncapital Expenditures	24.01%	30.28%	24.61%	22.51%

(1) Expenditures for capitalized assets per the Reconciliation of The Statement of Revenues, Expenditures And Changes In Fund Balances of Governmental Funds to The Statement of Activities.

(2) Lease Issued for Fire department capital equipment prior to GASB 87.

Table 5

FISCAL YEAR						
2019	2020	2021	2022	2023	2024	
\$ 11,550,747	\$ 12,501,723	\$ 13,381,311	\$ 14,818,067	\$ 17,692,440	\$ 21,334,736	
910,342	943,410	1,836,260	2,284,612	3,171,358	2,244,981	
11,747,098	10,254,538	5,185,714	9,407,131	20,663,336	10,937,867	
6,299,265	7,213,755	8,571,378	14,418,565	14,514,439	9,130,707	
72,456	55,563	49,047	49,224	50,110	54,121	
2,535,593	1,970,086	4,100,056	2,039,491	1,264,412	1,592,710	
1,165,778	796,000	699,768	1,054,551	1,832,675	3,422,745	
<u>34,281,279</u>	<u>33,735,075</u>	<u>33,823,534</u>	<u>44,071,641</u>	<u>59,188,770</u>	<u>48,717,867</u>	
5,986,973	5,941,684	6,052,154	7,123,734	7,141,387	7,671,194	
1,590,071	1,332,462	1,200,386	1,863,194	2,488,335	1,810,596	
6,498,679	8,215,497	8,342,505	9,258,613	11,737,093	14,290,696	
6,922,693	6,188,270	9,007,484	7,219,707	7,804,437	6,329,864	
1,052,775	935,834	1,285,840	3,233,202	3,356,303	4,275,290	
3,323,855	6,200,609	8,373,410	3,747,070	4,086,146	12,824,467	
1,718,079	2,026,111	2,084,534	1,949,607	1,937,010	2,312,173	
319,028	286,253	104,030	60,153	177,726	906,390	
<u>20,187,457</u>	<u>12,731,606</u>	<u>8,681,661</u>	<u>15,715,603</u>	<u>26,845,022</u>	<u>25,112,044</u>	
<u>47,599,610</u>	<u>43,858,326</u>	<u>45,132,004</u>	<u>50,170,883</u>	<u>65,573,459</u>	<u>75,532,714</u>	
(13,318,331)	(10,123,251)	(11,308,470)	(6,099,242)	(6,384,689)	(26,814,847)	
17,758,206	14,860,764	10,351,559	13,146,149	17,264,798	20,261,630	
(10,082,386)	(9,923,825)	(6,240,450)	(9,142,602)	(12,359,487)	(14,828,538)	
14,735,000	11,290,000	4,940,000	4,190,000	14,162,000	60,950,000	
1,740,000	2,580,000	-	-	-	-	
1,015,807	320,429	319,635	-	950,373	2,463,881	
14,290	-	-	-	-	-	
(1,360,000)	(2,280,000)	(2,180,000)	-	-	-	
-	-	-	360,990	164,756	107,802	
-	-	-	-	-	547,528	
-	14,671	26,998	32,000	25,425	440,807	
<u>23,820,917</u>	<u>16,862,039</u>	<u>7,217,742</u>	<u>8,586,537</u>	<u>20,207,865</u>	<u>69,943,110</u>	
\$ 10,502,586	\$ 6,738,788	\$ (4,090,728)	\$ 2,487,295	\$ 13,823,176	\$ 43,128,263	
\$ 6,758,755	\$ 9,230,118	\$ 16,651,724	\$ 17,848,607	\$ 15,600,017	\$ 39,980,117	
12.35%	23.76%	36.72%	17.62%	12.05%	42.58%	



Chaska

GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
 LAST TEN FISCAL YEARS
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)
 (UNAUDITED)

FISCAL YEAR	PROPERTY TAXES		FRANCHISE TAXES			TOTAL TAXES
	LEVIED	TAX INCREMENT	ELECTRIC (2)	CABLE	GAS	
2015	\$ 8,479,872 (1)	\$ 591,158	\$ 3,339,440	\$ 284,886	\$ 455,078	\$ 13,150,434
2016	7,573,635	672,581	3,458,900	304,017	461,631	12,470,764
2017	8,395,597	724,644	3,521,540	321,423	457,563	13,420,767
2018	9,091,839	1,040,959	3,820,670	306,860	449,455	14,709,783
2019 (3)	9,694,753	1,103,080	-	302,522	450,392	11,550,747
2020	10,553,357	1,185,265	-	300,269	462,832	12,501,723
2021	11,305,418	1,307,650	-	311,830	456,413	13,381,311
2022	12,730,070	1,317,242	-	307,061	463,694	14,818,067
2023	15,204,559	1,704,266	-	291,424	492,191	17,692,440
2024	18,031,569	2,530,546	-	261,294	511,327	21,334,736

(1) Includes \$1,532,865 in tax increment that was returned to the General fund after a TIF district decertification and after the City's payment to the County.

(2) Beginning in 2019, the City did not assess a franchise fee on the City-owned electric.

CITY OF CHASKA, MINNESOTA

**TAX CAPACITY VALUE AND ESTIMATED ACTUAL VALUE OF REAL AND PERSONAL PROPERTY
LAST TEN FISCAL YEARS
(UNAUDITED)**

TAXES PAYABLE YEAR	REAL PROPERTY - TAX CAPACITY VALUE			PERSONAL PROPERTY TAX CAPACITY VALUE	FISCAL DISPARITIES	
	RESIDENTIAL PROPERTY	COMMERCIAL PROPERTY	OTHER REAL PROPERTY		CONTRIBUTION	DISTRIBUTION
2015	\$ 18,484,795	\$ 7,492,534	\$ 345,751	\$ 242,162	\$ (2,660,168)	\$ 2,956,196
2016	20,127,637	7,990,194	340,891	278,734	(3,014,532)	3,061,538
2017	20,776,485	8,161,059	356,694	375,132	(3,226,831)	3,313,011
2018	22,608,652	8,613,755	367,741	401,546	(3,096,739)	3,595,500
2019	24,058,344	9,060,705	395,846	428,354	(3,523,591)	3,946,302
2020	26,467,511	9,696,784	496,454	437,324	(3,698,495)	4,336,565
2021	27,243,413	10,004,871	527,544	511,600	(3,959,880)	4,521,556
2022	28,838,975	10,314,040	554,959	530,046	(4,068,054)	4,920,087
2023	36,530,698	11,667,392	702,432	599,048	(4,155,626)	4,605,652
2024	38,824,657	13,018,657	650,747	538,598	(4,825,436)	4,938,958

Source: Carver County Auditor

Table 7

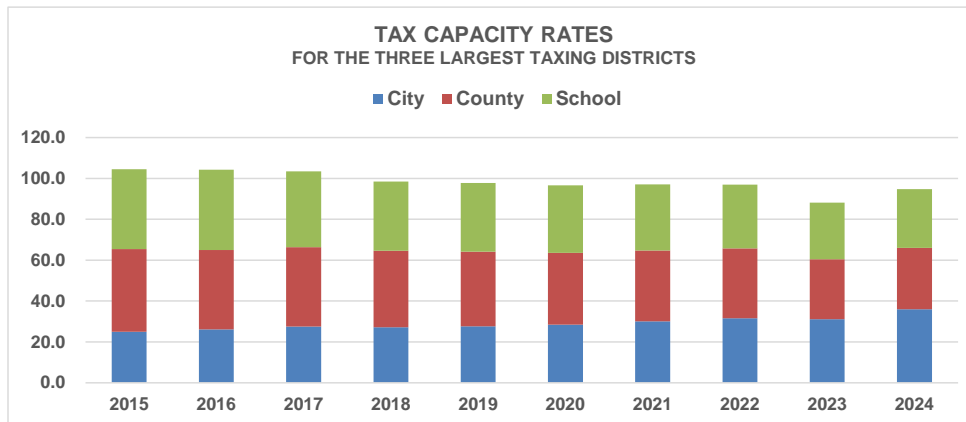
<u>TAX INCREMENT ADJUSTED TO TAX CAPACITY VALUE</u>	<u>ADJUSTED TAX CAPACITY VALUE</u>	<u>CITY TOTAL DIRECT TAX RATE</u>	<u>EDA TOTAL DIRECT TAX RATE</u>	<u>ESTIMATED ACTUAL MARKET VALUE REAL & PERSONAL</u>	<u>ADJ TAX CAPACITY VALUE AS A PERCENTAGE OF ACTUAL VALUE</u>
\$ (535,631)	\$ 26,325,639	24.928	1.574	\$ 2,380,806,300	1.11%
(572,333)	28,212,129	26.118	1.519	2,573,342,000	1.10%
(658,411)	29,097,139	27.564	1.557	2,652,305,300	1.10%
(973,689)	31,516,766	27.234	1.503	2,847,274,600	1.11%
(1,052,097)	33,313,863	27.678	1.497	3,007,913,300	1.11%
(1,209,027)	36,527,116	28.425	0.313	3,281,441,700	1.11%
(1,215,297)	37,633,807	30.068	0.475	3,368,610,400	1.12%
(1,355,539)	39,734,514	31.625	0.458	3,536,714,700	1.12%
(1,850,631)	48,098,965	31.185	0.403	4,319,497,500	1.11%
(2,581,627)	50,564,554	35.947	0.423	4,603,098,400	1.10%

PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(UNAUDITED)

TAXES PAYABLE YEAR	DIRECT RATES			OVERLAPPING RATES (2)				TOTAL DIRECT AND OVERLAPPING RATES (1)
	CITY URBAN OPERATING	RURAL (1)	CITY ECONOMIC DEVELOPMENT AUTHORITY	COUNTY	COUNTY COMMUNITY DEVELOPMENT AUTHORITY	INDEPENDENT SCHOOL DISTRICT #112	SPECIAL DISTRICTS (3)	
2015	24.928	14.957	1.574	40.488	1.589	39.120	3.422	111.122
2016	26.118	18.283	1.519	38.880	1.701	39.245	3.614	111.077
2017	27.564	22.051	1.557	38.851	1.731	37.005	3.615	110.323
2018	27.234	24.511	1.503	37.436	1.640	33.837	3.347	104.997
2019	27.678	27.678	1.497	36.488	1.626	33.631	3.300	104.220
2020	28.425	28.425	0.313	35.179	1.598	33.006	3.061	101.584
2021	30.068	30.068	0.475	34.634	1.664	32.327	2.876	102.045
2022	31.625	31.625	0.458	34.170	1.635	31.220	2.753	101.861
2023	31.185	31.185	0.403	29.267	1.396	27.747	2.400	92.398
2024	35.947	35.947	0.423	30.106	1.449	28.660	2.757	99.343

Source: Carver County Auditor

- (1) Total direct and overlapping rate excludes the City Rural rate. In 2005, as part of the annexation of Chaska Township, a rural rate of 50 percent of the City "urban" rate was established for ten years for the annexed properties. Starting in 2015, the rural rate increased 10 percent each year. Beginning in 2019, the annexed area is taxed at the City "urban" rate.
- (2) Overlapping rates are those of other governments that apply to property owners within the City. Not all overlapping rates apply to all property owners (e.g., the rates for special districts apply only to property owners whose property is located within the geographic boundaries of the special district).
- (3) Special Districts include: Metropolitan Council, Regional Transit District, Lower Minnesota Watershed #1, Mosquito Control, and Carver County Rail Authority.



PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

TAXPAYER	ASSESSED 2023 - PAYABLE 2024				ASSESSED 2014 - PAYABLE 2015			
	ESTIMATED ACTUAL VALUE (1)	ESTIMATED NET TAX CAPACITY	RANK	PERCENT OF REAL PROPERTY ADJUSTED TAX CAPACITY VALUE	ESTIMATED ACTUAL VALUE	ESTIMATED NET TAX CAPACITY	RANK	PERCENT OF REAL PROPERTY ADJUSTED TAX CAPACITY VALUE
Aurora Investments LLC	\$ 64,372,400	\$ 821,975	1	1.63%	\$ 17,724,500	\$ 339,046	2	1.29%
United Healthcare Services Inc.	30,959,300	617,686	2	1.22%	21,991,000	438,320	1	1.66%
Chaska Industrial Owner 1 LLC	29,322,900	584,958	3	1.16%	*	*	*	*
CenterPoint Energy Minnegasco	20,315,000	405,550	4	0.80%	8,818,200	175,587	10	0.67%
Flexential LLC	18,976,500	378,780	5	0.75%	*	*	*	*
Chaska Heights Senior Living LLC	28,660,100	358,251	6	0.71%	*	*	*	*
Arrow Hazeltine Shores LLC	27,600,000	345,001	7	0.68%	*	*	*	*
SB Chaska Partners LLC	25,755,700	321,946	8	0.64%	*	*	*	*
FSI International Inc.	15,359,100	306,432	9	0.61%	8,960,500	178,460	8	0.68%
Ridgebrook Investments LLLP	24,305,900	303,824	10	0.60%	*	*	*	*
Hazeltine National Golf Club	*	*	*	*	16,253,600	290,647	3	1.10%
Ameriprise Financial Inc.	*	*	*	*	14,594,000	262,215	4	1.00%
Target Corp	*	*	*	*	12,893,600	257,122	5	0.98%
Via West Inc	*	*	*	*	11,606,300	231,376	6	0.88%
Aurora-Chaska Medical LLC	*	*	*	*	25,827,600	226,532	7	0.86%
Northern Star Co.	*	*	*	*	8,879,700	176,844	9	0.67%
	<u>\$ 285,626,900</u>	<u>\$ 4,444,403</u>		<u>8.80%</u>	<u>\$ 147,549,000</u>	<u>\$ 2,576,149</u>		<u>9.79%</u>

Source: Carver County Auditor

(1) Assessed 2024 values are determined as of January 2, 2023

Ranked in order of Estimated Net Tax Capacity.

* Denotes taxpayer was not a principal taxpayer for the year reported.

CITY OF CHASKA, MINNESOTA

**PROPERTY TAX LEVIES AND COLLECTIONS (1)
LAST TEN FISCAL YEARS
(UNAUDITED)**

TAXES PAYABLE YEAR	LEVY FOR CALCULATION OF TAX RATE			LEVY ADJUSTMENT AFTER RATE CALCULATION	COUNTY ADJUSTED NET TAX LEVY
	CERTIFIED LEVY	CREDITS AND ADJUSTMENTS	COUNTY ADJUSTED TAX LEVY		
2015	\$ 6,951,262	\$ (1,390)	\$ 6,949,872	\$ (1,590)	\$ 6,948,282
2016	7,728,287	(1,462)	7,726,825	(35,220)	7,691,605
2017	8,396,405	(1,611)	8,394,794	(20,108)	8,374,686
2018	9,057,344	(1,614)	9,055,730	21,726	9,077,456
2019	9,700,652	(1,655)	9,698,997	(28,286)	9,670,711
2020	10,516,131	(1,679)	10,514,452	47,705	10,562,157
2021	11,412,924	(1,632)	11,411,292	(26,381)	11,384,911
2022	12,672,429	(1,716)	12,670,713	12,408	12,683,121
2023	15,216,146	(1,864)	15,214,282	(22,374)	15,191,908
2024	18,154,194	(1,791)	18,152,403	7,260	18,159,663

Source: Carver County Auditor

(1) Collections do not include tax increment or mobile home.

Table 10

COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS AND ABATEMENTS IN SUBSEQUENT YEARS	TOTAL COLLECTIONS TO DATE	
AMOUNT	PERCENTAGE OF LEVY		AMOUNT	PERCENTAGE OF LEVY
\$ 6,889,114	99.15%	\$ 53,268	\$ 6,942,382	99.92%
7,649,215	99.45%	39,291	7,688,506	99.96%
8,348,563	99.69%	26,121	8,374,684	100.00%
9,053,269	99.73%	24,093	9,077,362	100.00%
9,642,349	99.71%	28,362	9,670,711	100.00%
10,539,422	99.78%	22,438	10,561,860	100.00%
11,353,727	99.73%	30,451	11,384,178	99.99%
12,659,037	99.81%	19,913	12,678,950	99.97%
15,149,485	99.72%	32,003	15,181,488	99.93%
18,077,624	99.55%	-	18,077,624	99.55%

CITY OF CHASKA, MINNESOTA

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)

GOVERNMENTAL ACTIVITIES												
FISCAL YEAR	GENERAL OBLIGATION EQUIPMENT CERTIFICATES	OTHER GENERAL OBLIGATION BONDS (2)	GENERAL OBLIGATION TAX INCREMENT BONDS	GENERAL OBLIGATION ABATEMENT BONDS	GENERAL OBLIGATION IMPROVEMENT BONDS	GENERAL OBLIGATION REVENUE BONDS	REVENUE BONDS	NOTES PAYABLE	LEASES	SUBSCRIPTIONS	DEBT ISSUANCE PREMIUMS/ (DISCOUNTS)	TOTAL GOVERNMENTAL ACTIVITIES DEBT
2015	\$ 975,000	\$ 2,315,000	\$ 945,000	\$ 405,000	\$ 27,705,000	\$ -	\$ 10,085,000	\$ 128,068	\$ -	\$ -	\$ 1,908,544	\$ 44,466,612
2016	740,000	1,835,000	850,000	405,000	25,510,000	-	10,085,000	119,300	-	-	1,783,175	41,327,475
2017	2,605,000	1,635,000	1,220,000	2,430,000	30,995,000	-	9,815,000	107,998	-	-	2,785,053	51,593,051
2018	2,505,000	1,880,000	1,125,000	630,000	29,405,000	720,000	9,545,000	96,139	-	-	2,587,041	48,493,180
2019	3,480,000	6,795,000	3,210,000	620,000	33,595,000	645,000	9,270,000	83,696	12,878	-	3,400,438	61,112,012
2020	3,185,000	6,440,000	3,100,000	610,000	32,310,000	570,000	16,805,000	70,652	10,313	-	3,428,009	66,528,974
2021	2,780,000	5,920,000	2,990,000	575,000	28,205,000	495,000	16,515,000	-	7,555	-	3,345,308	60,832,863
2022	2,345,000	9,635,000	2,950,000	540,000	26,200,000	420,000	15,885,000	-	333,398 (3)	-	3,058,945	61,367,343
2023	10,700,000	13,217,000	2,880,000	500,000	25,375,000	335,000	15,240,000	-	391,737	106,642 (4)	3,722,960	72,468,339
2024	10,340,000	13,200,000	2,765,000	465,000	25,385,000	260,000	64,230,000	-	359,785	521,457	5,850,253	123,376,495

Note: Details regarding the City's outstanding debt can be found in the Notes to the Financial Statements.

- (1) See the Schedule of Demographics and Economic Statistics for personal income and population data.
- (2) Governmental Activities Other General Obligation Bonds include both permanent and temporary GO State Aid Street Bonds.
- (3) City implemented GASB 87 for Leases in 2022.
- (4) City implemented GASB 96 for Subscriptions in 2023.

BUSINESS-TYPE ACTIVITIES

GENERAL OBLIGATION REVENUE BONDS	REVENUE BONDS	LEASE PURCHASE BONDS	FINANCED PURCHASE PAYABLE	LEASES	SUBSCRIPTIONS	DEBT ISSUANCE PREMIUMS/ (DISCOUNTS)	TOTAL BUSINESS-TYPE ACTIVITIES DEBT	TOTAL PRIMARY GOVERNMENT	PERCENTAGE OF PERSONAL INCOME ⁽¹⁾	PER CAPITA ⁽¹⁾
\$ 16,170,000	\$ 46,970,000	\$ -	\$ -	\$ -	\$ -	\$ 3,524,126	\$ 66,664,126	\$ 111,130,738	6.69%	4,340
15,745,000	45,435,000	-	-	-	-	3,289,591	64,469,591	105,797,066	6.10%	4,002
15,820,000	52,015,000	-	-	-	-	3,572,665	71,407,665	123,000,716	6.67%	4,566
15,100,000	47,050,000	-	145,571	-	-	3,305,892	65,601,463	114,094,643	5.80%	4,131
17,220,000	44,125,000	-	101,541	-	-	3,169,083	64,615,624	125,727,636	6.15%	4,540
25,450,000	42,540,000	-	54,528	-	-	4,058,492	72,103,020	138,631,994	6.55%	4,985
16,720,000	37,360,000	3,560,000	280,594	-	-	3,575,299	61,495,893	122,328,756	5.44%	4,380
15,420,000	34,220,000	3,429,000	234,292	627,906 (3)	-	3,216,727	57,147,925	118,515,268	4.83%	4,207
14,215,000	30,950,000	3,299,000	185,524	601,755	45,213 (4)	2,863,295	52,159,787	124,628,126	4.49%	4,191
12,965,000	27,540,000	3,164,000	134,159	15,136	41,005	1,883,167	45,742,467	169,118,962	6.10%	5,687

RATIOS OF GENERAL BONDED DEBT OUTSTANDING
TO ESTIMATED ACTUAL TAXABLE VALUE
LAST TEN FISCAL YEARS
(UNAUDITED)

FISCAL YEAR	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		LESS AMOUNT RESTRICTED TO DEBT SERVICE (2)	NET GENERAL OBLIGATION DEBT	PERCENTAGE OF ESTIMATED ACTUAL MARKET VALUE OF PROPERTY (3)	PER CAPITA (4)
	GENERAL OBLIGATION BONDS (1)	DEBT ISSUANCE PREMIUMS/ (DISCOUNTS)	GENERAL OBLIGATION BONDS (1)	DEBT ISSUANCE PREMIUMS/ (DISCOUNTS)				
2015	\$ 32,345,000	\$ 1,291,364	\$ 16,170,000	\$ 283,655	\$ 5,994,522	\$ 44,095,497	1.85%	\$ 1,722
2016	29,340,000	1,199,669	15,745,000	264,948	5,897,191	40,652,426	1.58%	1,538
2017	38,885,000	2,235,225	15,820,000	302,416	7,042,822	50,199,819	1.89%	1,863
2018	36,265,000	2,070,891	15,100,000	281,020	7,634,833	46,082,078	1.62%	1,668
2019	48,345,000	2,917,966	17,220,000	387,246	8,319,472	60,550,740	2.01%	2,192
2020	46,215,000	2,927,265	25,450,000	666,467	8,661,721	66,597,011	2.03%	2,395
2021	40,965,000	2,930,192	16,720,000	508,354	9,020,876	52,102,670	1.55%	1,865
2022	42,090,000	2,677,507	15,420,000	462,349	9,013,681	51,636,175	1.46%	1,833
2023	53,007,000	3,375,200	14,215,000	421,484	9,260,300	61,758,384	1.43%	2,077
2024	52,415,000	5,536,171	12,965,000	380,619	10,185,633	61,111,157	1.33%	2,055

Note: Details regarding the City's outstanding debt can be found in the Notes to the Financial Statements.

(1) Includes all general obligation bonds, including general obligation equipment certificates, general obligation tax increment bonds, general obligation taxable abatement bonds, general obligation improvement bonds, general obligation state aid street bonds, and general obligation revenue bonds.

(2) Amount restricted for repayment of general obligation bonds.

(3) See the Schedule of Tax Capacity Value and Estimated Actual Market Value of Real and Personal Property for property value data.

(4) Population data can be found in the Schedule of Demographic and Economic Statistics.

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
 DECEMBER 31, 2024
 (UNAUDITED)

	DEBT OUTSTANDING	PERCENT OF DEBT APPLICABLE TO CITY	AMOUNT OF DEBT APPLICABLE TO CITY
DIRECT DEBT			
City of Chaska and Chaska EDA	\$ 123,376,495 (1)	100.00%	\$ 123,376,495
OVERLAPPING DEBT			
Carver County	12,827,602	21.66%	2,778,459
Carver County CDA	24,230,000 (2)	-	-
Independent School District 112	129,842,000	36.97%	48,002,587
Metropolitan Council	1,558,153,207	0.80%	12,465,226
Total Overlapping Debt	1,725,052,809		63,246,272
Total Direct and Overlapping Debt	\$ 1,848,429,304		\$ 186,622,767

Source: Carver County Auditor

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

- (1) Excludes general obligation, lease purchase, and revenue bonds reported in the enterprise funds.
 Includes premium related to governmental activities general obligation bonds and notes payable.
 Includes GASB 87 lease liabilities and GASB 96 subscription liabilities related to governmental activities.
- (2) No percentage of the Carver County CDA bonds is applicable because the bonds will be repaid primarily from housing revenues.

CITY OF CHASKA, MINNESOTA

**LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

	2015	2016	2017	2018
Market Value	\$ 2,380,806,300	\$ 2,573,342,000	\$ 2,652,305,300	\$ 2,847,274,600
Debt Limit - 3% of Market Value (A)	71,424,189	77,200,260	79,569,159	85,418,238
Amount of Debt Applicable to Debt Limit:				
GO Improvement Bonds and Equipment Certificates	3,680,000	3,180,000	4,765,000	4,385,000
Capital Improvement Plan Refunding	295,000	-	-	-
Lease Obligations issued by the EDA	32,360,000	32,045,000	32,390,000	28,690,000
Installment Purchase Revenue Debt	-	-	-	-
Lease Purchase Bonds	-	-	-	-
Total Debt Applicable to Debt Limit	36,335,000	35,225,000	37,155,000	33,075,000
Legal Debt Margin	\$ 35,089,189	\$ 41,975,260	\$ 42,414,159	\$ 52,343,238
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit (B)	50.87%	45.63%	46.70%	38.72%

Source: Carver County Auditor (Market Value)

(A) Sec. 475.53 MN Statutes - Generally. Except as otherwise provided in sections 475.51 to 475.74, no municipality, except a school district or a city of the first class, shall incur or be subject to a net debt in excess of three percent of the taxable property in the municipality.

(B) Sec. 475.51 MN Statutes - Definitions: Subdivision 4. "Net debt" means the amount remaining after deduction from its gross debt the aggregate of the principal of the following:

- (1) Obligations issued for improvements which are payable wholly or partly from the proceeds of special assessments levied upon property specially benefited thereby, including those which are general obligations of the municipality issuing them, if the municipality is entitled to reimbursement in whole or in part from the proceeds of the special assessments.
- (2) Warrants or orders having no definite or fixed maturity.
- (3) Obligations payable wholly from the income from revenue producing conveniences.
- (4) Obligations issued to create or maintain a permanent improvement revolving fund.
- (5) Obligations issued for the acquisition, and betterment of public waterworks systems, and public lighting, heating or power systems, and of any combination thereof or for any other public convenience from which a revenue is or may be derived.
- (6) Debt service loans and capital loans made to a school district under the provisions of sections 126C.68 and 126C.69.
- (7) Amount of all money and the face value of all securities held as a debt service fund for the extinguishment of obligations other than those deductible under this subdivision.
- (8) Obligations to repay loans made under section 216C.37.
- (9) Obligations to repay loans made from money received from litigation or settlement of alleged violations of federal petroleum pricing regulations.
- (10) Obligations issued to pay pension fund or other postemployment benefit liabilities under section 475.52, subdivision 6, or any charter authority.
- (11) Obligations issued to pay judgments against the municipality under section 475.52, subdivision 6, or any charter authority.
- (12) All other obligations which under the provisions of law authorizing their issuance are not to be included in computing the net debt of the municipality.

Table 14

2019	2020	2021	2022	2023	2024
\$ 3,007,913,300	\$ 3,281,441,700	\$ 3,368,610,400	\$ 3,536,714,700	\$ 4,319,497,500	\$ 4,603,098,400
90,237,399	98,443,251	101,058,312	106,101,441	129,584,925	138,092,952
5,070,000	4,475,000	3,760,000	3,010,000	11,040,000	10,340,000
-	-	-	-	-	-
27,105,000	25,060,000	23,450,000	21,780,000	20,055,000	67,930,000
-	7,815,000.00	7,815,000	7,485,000	7,145,000	6,800,000
-	-	3,560,000	3,429,000	3,299,000	3,164,000
32,175,000	37,350,000	38,585,000	35,704,000	41,539,000	88,234,000
\$ 58,062,399	\$ 61,093,251	\$ 62,473,312	\$ 70,397,441	\$ 88,045,925	\$ 49,858,952
35.66%	37.94%	38.18%	33.65%	32.06%	63.89%

CITY OF CHASKA, MINNESOTA

PLEGDED REVENUE COVERAGE
 LAST TEN FISCAL YEARS
 (UNAUDITED)

FISCAL YEAR	OPERATING REVENUE (2)	OPERATING EXPENSES (3)	NET AVAILABLE FOR DEBT SERVICE	DEBT SERVICE REQUIREMENTS (4)			COVERAGE
				PRINCIPAL	INTEREST	TOTAL	
DEBT SERVICE FUNDS - REVENUE BONDS: LAST TEN FISCAL YEARS							
2015	\$ 112	\$ -	\$ 112	\$ -	\$ 99,640	\$ 99,640	0.00
2016	932	1,600	(668)	-	358,474	358,474	(0.00)
2017	1,799	3,200	(1,401)	270,000	369,950	639,950	(0.00)
2018	2,563	3,200	(637)	270,000	364,550	634,550	(0.00)
2019	2,546	3,200	(654)	275,000	359,100	634,100	(0.00)
2020	1,080,081 (6)	9,400	1,070,681	280,000	470,271	750,271	1.43
2021	1,017,433	7,746	1,009,687	290,000	567,152	857,152	1.18
2022	746,625	7,626	738,999	630,000	541,050	1,171,050	0.63
2023	1,131,248	7,364	1,123,884	645,000	525,817	1,170,817	0.96
2024	1,261,987	25,125	1,236,862	660,000	509,477	1,169,477	1.06
ELECTRIC ENTERPRISE FUND: LAST TEN FISCAL YEARS							
2015	\$ 35,859,710	\$ 32,487,115	\$ 3,372,595	\$ 140,000	\$ 84,832	\$ 224,832	15.00
2016	37,703,918	34,201,984	3,501,934	150,000	83,870	233,870	14.97
2017	37,751,011	34,381,108	3,369,903	145,000	80,870	225,870	14.92
2018	41,513,669	37,413,217	4,100,452	395,000	336,161	731,161	5.61
2019	41,565,560	34,058,548	7,507,012	420,000	309,145	729,145	10.30
2020	43,028,104	34,972,958	8,055,146	430,000	295,545	725,545	11.10
2021	49,019,072	39,995,030	9,024,042	425,000 (7)	291,138	716,138	12.60
2022	55,020,552	45,758,924	9,261,628	430,000	269,375	699,375	13.24
2023	56,742,382	45,918,487	10,823,895	450,000	252,175	702,175	15.41
2024	57,182,709	45,311,214	11,871,495	475,000	234,175	709,175	16.74
WATER ENTERPRISE FUND: LAST TEN FISCAL YEARS							
2015	\$ 2,551,958	\$ 1,703,500	\$ 848,458	\$ 370,000	\$ 359,789	\$ 729,789	1.16
2016	2,735,781	1,760,515	975,266	425,000	376,418	801,418	1.22
2017	2,787,654	1,768,636	1,019,018	482,000	359,051	841,051	1.21
2018	2,908,068	1,860,948	1,047,120	529,000	361,505	890,505	1.18
2019	2,999,645	2,181,688	817,957	594,000	362,430	956,430	0.86
2020	3,372,280	2,353,522	1,018,758	625,000	381,098	1,006,098	1.01
2021	4,004,847	2,441,121	1,563,726	740,440 (8)	443,557	1,183,997	1.32
2022	4,319,046	2,577,302	1,741,744	918,035	150,150	1,068,185	1.63
2023	5,194,001	2,721,222	2,472,779	796,235	139,067	935,302	2.64
2024	5,074,005	2,589,307	2,484,698	822,608	131,495	954,103	2.60
SEWER ENTERPRISE FUND: LAST TEN FISCAL YEARS							
2015	\$ 3,275,998	\$ 3,062,822	\$ 213,176	\$ -	\$ -	\$ -	-
2016	3,433,187	3,110,423	322,764	-	45,259	45,259	7.13
2017	3,612,296	3,340,582	271,714	104,000	73,473	177,473	1.53
2018	3,809,359	3,610,519	198,840	116,000	73,973	189,973	1.05
2019	4,158,322	3,838,809	319,513	121,000	76,644	197,644	1.62
2020	4,612,317	4,300,056	312,261	125,000	99,796	224,796	1.39
2021	4,986,322	4,406,445	579,877	203,561	124,337	327,898	1.77
2022	5,666,239	4,849,788	816,451	239,365	120,226	359,591	2.27
2023	6,761,550	5,451,659	1,309,891	255,914	113,322	369,236	3.55
2024	7,822,847	5,994,400	1,828,447	265,766	105,315	371,081	4.93
COMMUNITY CENTER ENTERPRISE FUND: LAST TEN FISCAL YEARS							
2015	\$ 3,250,759	\$ 3,101,196	\$ 149,563	\$ 305,000	\$ 225,594	\$ 530,594	0.28
2016	2,737,031	3,470,538	(733,507)	315,000	217,870	532,870	(1.38)
2017	3,165,224	3,570,939	(405,715)	325,000	204,528	529,528	(0.77)
2018	3,069,710	3,834,757	(765,047)	2,465,000	185,834	2,650,834	(0.29)
2019	3,215,817	3,786,406	(570,589)	330,000	160,795	490,795	(1.16)
2020	1,830,242	3,737,706	(1,907,464)	3,075,000	154,030	3,229,030	(0.59)
2021	2,163,808	3,455,882	(1,292,074)	295,000	171,186	466,186	(2.77)
2022	2,791,020	3,933,413	(1,142,393)	320,000	133,600	453,600	(2.52)
2023	3,183,967	3,953,489	(769,522)	335,000	119,400	454,400	(1.69)
2024	3,291,001	3,949,633	(658,632)	345,000	104,550	449,550	(1.47)

FISCAL YEAR	OPERATING REVENUE (2)	OPERATING EXPENSES (3)	NET AVAILABLE FOR DEBT SERVICE	DEBT SERVICE REQUIREMENTS (4)			COVERAGE
				PRINCIPAL	INTEREST	TOTAL	
THE LOOP AT CHASKA ENTERPRISE FUND: FOUR FISCAL YEARS							
2021	(1) \$ 59	(9) \$ (43,856)	(9) \$ 43,915	\$ -	\$ -	\$ -	-
2022	-	(9) 42,940	(42,940)	131,000	114,953	245,953	(0.17)
2023	-	(9) 161,508	(161,508)	130,000	118,986	248,986	(0.65)
2024	396,264	529,302	(133,038)	135,000	114,475	249,475	(0.53)
TURBINE GENERATOR ENTERPRISE FUND: LAST TEN FISCAL YEARS							
2015	\$ 1,969,875	\$ 220,558	\$ 1,749,317	\$ 1,100,000	(5) \$ 1,223,907	\$ 2,323,907	0.75
2016	1,786,037	304,332	1,481,705	1,070,000	1,007,850	2,077,850	0.71
2017	1,734,137	309,043	1,425,094	1,110,000	706,128	1,816,128	0.78
2018	1,712,581	342,286	1,370,295	1,140,000	931,750	2,071,750	0.66
2019	1,657,288	389,787	1,267,501	1,195,000	886,150	2,081,150	0.61
2020	1,495,484	320,756	1,174,728	1,220,000	862,250	2,082,250	0.56
2021	1,422,057	328,146	1,093,911	1,275,000	801,250	2,076,250	0.53
2022	1,366,151	331,016	1,035,135	1,340,000	737,500	2,077,500	0.50
2023	1,261,543	353,975	907,568	1,400,000	670,500	2,070,500	0.44
2024	1,743,199	370,976	1,372,223	1,475,000	600,500	2,075,500	0.66
STORM WATER ENTERPRISE FUND: TEN FISCAL YEARS							
2015	\$ 913,884	\$ 698,036	\$ 215,848	\$ -	\$ 7,502	\$ 7,502	28.77
2016	969,639	802,266	167,373	-	29,770	29,770	5.62
2017	1,099,143	752,510	346,633	74,000	59,766	133,766	2.59
2018	1,587,676	841,372	746,304	75,000	48,572	123,572	6.04
2019	1,714,251	911,156	803,095	80,000	47,076	127,076	6.32
2020	1,756,180	1,004,334	751,846	80,000	64,226	144,226	5.21
2021	2,131,730	1,014,679	1,117,051	115,999	82,028	198,027	5.64
2022	1,954,589	1,370,635	583,954	142,600	80,011	222,611	2.62
2023	1,775,622	1,197,495	578,127	152,851	75,727	228,578	2.53
2024	2,243,432	1,205,040	1,038,392	161,626	70,681	232,307	4.47
CURLING CENTER ENTERPRISE FUND: TEN FISCAL YEARS							
2015	\$ 65,663	\$ 208,181	\$ (142,518)	\$ -	\$ 290,781	\$ 290,781	(0.49)
2016	1,175,144	925,311	249,833	-	484,225	484,225	0.52
2017	1,224,086	1,177,073	47,013	940,000	523,917	1,463,917	0.03
2018	1,223,657	1,497,227	(273,570)	965,000	514,389	1,479,389	(0.18)
2019	1,133,372	1,295,609	(162,237)	980,000	495,446	1,475,446	(0.11)
2020	641,658	1,105,354	(463,696)	1,000,000	472,636	1,472,636	(0.31)
2021	915,179	1,150,177	(234,998)	1,025,000	446,260	1,471,260	(0.16)
2022	1,403,440	1,342,839	60,601	1,050,000	416,850	1,466,850	0.04
2023	1,181,353	1,294,955	(113,602)	1,085,000	384,664	1,469,664	(0.08)
2024	1,133,427	1,394,313	(260,886)	1,115,000	349,501	1,464,501	(0.18)

Note: Bonds in the Electric, Water and Storm Water Enterprise funds are supported by charges for services; The Loop at Chaska, Turbine Generator, Community Center and Curling Center Enterprise funds are supported by specific fee revenue. Debt Service funds are supported by specific fee revenue.

- (1) First year shown is first year of issuance.
- (2) Includes interest revenue for years 2015 - 2019. For 2020 and future years, interest revenue is not included.
- (3) Does not include depreciation or transfers to other funds.
- (4) Includes principal and interest payment of revenue bonds only.
- (5) 2015 principal payment does not include \$100,000 or \$25,035,000 paid from refunding bond investments to refund the 2000 Electric Revenue bonds or the 2005 Electric Revenue Refunding Bonds respectively.
- (6) In 2020, Transfers were included to be consistent with Note 6 - Long Term Liabilities, Revenue Pledged
- (7) 2021 principal payment does not include \$2,160,000 paid from refunding bond investments to refund the 2011 Electric Utility Revenue Bonds.
- (8) 2021 principal payment does not include \$7,670,000 paid from refunding bond investments to refund the 2011 GO Water Revenue Bonds.
- (9) The Loop at Chaska (formerly known as Par 30 Golf Course) was closed for construction 2021 through 2023, resulting in minimal operating revenues. The negative operating expense is due to negative pension expense of \$78,504 offsetting other operating expenses of \$34,648.

DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST TEN FISCAL YEARS
 (UNAUDITED)

FISCAL YEAR	POPULATION (1)	NUMBER OF HOUSEHOLDS (1)	ESTIMATED PERSONAL INCOME (2)	PER CAPITA INCOME (2)	MEDIAN AGE (3)	K-12 SCHOOL ENROLLMENT (4)	UNEMPLOYMENT RATE (5)
2015	25,607	9,492	\$1,661,330,946	\$64,878	35.7	5,854	3.20%
2016	26,439	9,823	1,733,473,035	65,565	36.2	5,700	3.30%
2017	26,941	10,012	1,845,323,795	68,495	36.1	5,662	2.90%
2018	27,622	10,136	1,967,459,816	71,228	36.0	5,561	2.50%
2019	27,692	10,228	2,043,254,220	73,785	36.2	5,725	2.80%
2020	27,810 (3)	10,438 (3)	2,117,369,970	76,137	36.2	5,769	5.20%
2021	27,931	10,508	2,250,177,222	80,562	36.2	5,700 (6)	2.90%
2022	28,170	10,660	2,453,466,150	87,095	37.4	5,687	2.00%
2023	29,739	11,109	2,772,923,838	93,242	37.2	5,628	2.40%
2024	29,739 (7)	11,109 (7)	2,772,923,838 (7)	93,242 (7)	37.6 (8)	5,625	2.60%

(1) Source: Metropolitan Council annual estimate as of April 1st of the previous year.

(2) Source: Minnesota State Demographer, using U.S. Department of Commerce, Bureau of Economic Analysis (BEA), Carver County personal income and per capita income (City personal income as a ratio of Carver County personal income).

(3) Source: US Census Bureau, Chaska City, MN.

(4) Source: Minnesota Department of Education for Independent School District #112, includes private school data for St. John's Lutheran, Guardian Angels Catholic, Southwest Christian High School, Jonathan Mont. and Step/Step Enrollment excludes K-12 District #112 buildings not located within the City.

(5) Source: Minnesota Department of Employment and Economic Development Average Annual Unemployment Rate for Carver County (not seasonally adjusted). (Number of people estimated by place of residence).

(6) Guardian Angels School permanently closed in 2020. Enrollment that year was 64 students.

(7) 2024 data is not available at this time. Data is from 2023, and will be updated as it becomes available.

(8) United States Census (source: 2022 American Community Survey 5-year estimates)

PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

EMPLOYER	2024			2015		
	ESTIMATED EMPLOYEES	RANK	PERCENTAGE OF TOTAL CITY EMPLOYMENT (1)	ESTIMATED EMPLOYEES	RANK	PERCENTAGE OF TOTAL CITY EMPLOYMENT
ISD #112/Eastern Carver County	1,587	1	11.94%	1,100	1	8.63%
Lake Region Manufacturing Co., Inc.	740	2	5.57%	745	5	5.85%
Carver County	700	3	5.27%	850	4	
City of Chaska (2)	641	4	4.82%	*	*	*
Entegris, Inc.	507	5	3.82%	350	8	2.75%
Apex International, MFG	400	6	3.01%	*	*	*
Old National Bank (3)	400	7	3.01%	*	*	*
Beckman-Coulter, Inc.	359	8	2.70%	900	2	7.06%
Import Specialties, Inc.	250	9	1.88%	*	*	*
TEL-FSI, Inc (4)	241	10	1.81%	850	3	6.67%
The Bernard Group	*	*	*	425	6	3.34%
Sanofi Diagnostics Pasteur, Inc	*	*	*	415	7	3.26%
Century Link	*	*	*	210	9	1.65%
Lifecore Biomedical	*	*	*	200	10	1.57%
Total:	5,825		43.83%	6,045		40.78%

Sources: Minnesota Department of Employment and Economic Development, Baker Tilly survey

(1) Total City Employment based on the most recent Metropolitan Council estimate as of 2022.

(2) Includes seasonal and part-time employees (excluding Election Judges)

(3) Formerly known as Klein Financial, Inc

(4) Formerly known as FSI International.

* Denotes employer was not a principal employer for the year reported.

CITY OF CHASKA, MINNESOTA

**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)**

FUNCTION/PROGRAM	FULL-TIME EQUIVALENT EMPLOYEES AS OF DECEMBER 31			
	2015	2016	2017	2018
General Government (1)	30.2	31.2	29.7	32.2
Public Safety				
Police Department	30.0	31.9	31.5	32.7
Fire Department	11.5	11.1	12.3	14.1
Building Inspections (3)	0.0	0.0	0.0	0.0
Public Works	19.5	20.9	22.1	24.6
Parks, Recreation and Arts	4.6	7.2	7.0	7.7
Electric	17.6	17.6	17.4	16.0
Water	7.6	7.1	7.1	6.8
Sewer	7.0	6.9	7.1	6.9
Chaska Community Center	37.7	38.8	39.0	38.1
The Loop at Chaska (4)	2.6	2.7	2.6	2.4
Chaska Town Course	18.6	19.3	18.5	18.4
Storm Water	2.7	3.1	3.2	2.9
Chaska Curling/Event Center (2)	1.0	6.0	8.6	9.2
Total	190.6	203.5	206.0	211.9

Source: City of Chaska Payroll.

- (1) Even numbered election years include election judges which increases General Government totals by 1 - 1.2 full-time equivalent employees.
- (2) The Curling/Event Center opened in 2015. 2016 was the first full year of operations.
- (3) Building Inspectors were previously included in General Government.
- (4) Par 30 golf course closed at the end of the 2020 season for reconstruction. The course was closed for construction 2021-2023. The golf course re-opened in 2024 as the Loop at Chaska.
- (5) Park maintenance was moved from the Public Works function to Parks, Recreation and Arts.

Table 18

FULL-TIME EQUIVALENT EMPLOYEES AS OF DECEMBER 31								
2019	2020	2021	2022	2023	2024			
32.2	31.9	29.9	32.6	33.5	37.7			
35.1	35.8	35.7	37.3	39.8	42.1			
16.1	16.3	16.3	18.2	18.8	21.8			
0.0	5.6	(3)	6.6	8.1	7.1			
25.0	25.2	24.7	12.0	(5)	11.7	10.8		
9.4	8.2	8.2	22.3	(5)	26.2	28.5		
17.2	19.3	17.5	19.2	21.8	23.0			
6.8	6.8	6.4	6.3	6.6	6.8			
6.8	6.8	6.4	6.3	6.5	6.8			
39.1	35.4	31.8	35.3	35.3	34.7			
2.5	2.3	0.0	(4)	0.0	(4)	0.6	(4)	4.0
18.7	18.0	20.2	19.4	19.2	21.1			
2.9	2.9	2.4	3.9	4.1	4.1			
9.6	8.2	7.4	8.2	8.1	8.2			
<u>221.5</u>	<u>222.6</u>	<u>213.4</u>	<u>227.9</u>	<u>240.3</u>	<u>256.6</u>			

CITY OF CHASKA, MINNESOTA

**OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)**

FUNCTION / PROGRAM	FISCAL YEAR			
	2015	2016	2017	2018
Electric				
Number of Connections (Billed)	9,912	10,002	10,240	10,296
Purchased KWH Power Wholesale				
From MMPA	360,908,813	367,267,226	364,637,712	383,993,272
Total kWh Sales	350,780,886	355,853,340	354,994,175	371,631,841
Total kWh Received (6)	-	-	1,267	29,118
Peak kW Demand	70,061	77,637	73,472	78,428
Water				
Number of Connections (Billed)	6,797	6,912	7,063	7,151
Total Water Pumped (Gallons)	1,030,518,000	1,040,547,000	1,071,455,000	1,037,845,000
Total Water Sold (Gallons)	991,284,000	1,016,915,000	1,029,698,000	981,943,000
Average Daily Usage (Gallons Per Day)	2,715,847	2,786,000	2,821,000	2,843,411
System Peak Day (Gallons Per Day)	6,007,000	7,047,000	6,554,000	6,579,000
Sewer (8)				
Number of Connections (Billed)	6,710	6,827	6,916	6,999
Total Gallons Treated (Gallons)	931,203,000	924,965,000	912,076,000	845,848,000
Storm Water				
Number of Utility Customers (Billed)	8,153	8,292	8,364	8,438
Internet Service Provider (5)				
Number of Connections (Billed)	2	2	2	2
Golf Courses				
Town Course Rounds / Golfers	34,253	33,403	32,642	30,157
The Loop at Chaska (Par 30) Rounds / Golfers (7)	15,560	14,810	14,130	13,206
Par 30 Rounds / Foot Golf (4)	1,925	1,108	681	647
Public Safety / Building Inspections Department				
Building Permits And Market Value				
Commercial, Industrial And Public (1)				
Permits	43	38	45	49
Market Value	\$ 26,204,786	\$ 14,769,385	\$ 69,759,098	\$ 14,207,139
Single Family Homes And Townhomes (2)				
Permits	135	134	103	78
Market Value	\$ 35,690,048	\$ 34,199,578	\$ 24,339,375	\$ 18,788,936
Condos, Apartments And Multi-Family Homes (2)				
Permits	1	10	-	1
Market Value	\$ 17,000,000	\$ 6,303,563	\$ -	\$ 17,500,000
Misc. Residential And Other Bldgs (3)				
Permits	658	1,234	678	570
Market Value	\$ 8,275,817	\$ 15,058,650	\$ 11,310,594	\$ 7,125,660
Total Building Permits:	837	1,416	826	698
Total Market Value:	\$ 87,170,651	\$ 70,331,176	\$ 105,409,067	\$ 57,621,735

Source: City Utility, Golf Courses and Building Departments.

- (1) Includes new construction and additions/alterations.
- (2) Includes new construction only.
- (3) Includes additions, alterations, garages, accessory structures, pools and commercial re-roofing.
- (4) Par 30 Golf Course introduced Foot Golf in 2015 which was offered through the 2019 season.
- (5) Residential internet service ended in 2015. 2018 was last year of billed service to outside customers.
- (6) In 2017 started tracking annual kWh Sales Received on a Gross basis rather than a Net basis.
- (7) Par 30 closed for construction at the end of the 2020 season. The course re-opened in 2024 as The Loop at Chaska.
- (8) Sewer Service through Metropolitan Council Environmental Services.

Table 19

FISCAL YEAR					
2019	2020	2021	2022	2023	2024
10,488	10,618	10,739	11,000	11,259	12,108
388,005,113	399,816,088	415,067,637	419,512,809	422,929,725	431,920,432
374,349,964	383,968,650	403,721,262	408,983,778	413,497,938	420,809,875
38,945	94,676	232,636	449,364	646,597	976,715
77,413	80,485	85,839	86,662	88,815	87,868
7,260	7,362	7,487	7,720	7,935	8,146
1,030,142,000	1,100,289,000	1,232,289,000	1,223,274,000	1,257,973,000	1,188,909,000
986,551,000	1,056,638,979	1,177,971,910	1,166,580,000	1,319,385,000	1,244,450,000
2,822,000	2,895,000	3,227,320	3,196,109	3,614,753	3,409,452
5,939,000	6,589,000	7,376,000	7,824,000	7,312,000	6,132,000
7,093	7,186	7,304	7,545	7,757	8,041
870,838,000	882,570,979	909,148,000	895,871,000	900,378,000	925,148,000
8,517	8,615	8,728	9,152	9,198	9,378
-	-	-	-	-	-
29,374	38,550	42,715	39,094	37,728	39,864
13,020	20,488	-	-	-	19,510
380	-	-	-	-	-
34	47	44	344	226	196
\$ 6,587,100	\$ 8,694,470	\$ 22,041,285	\$ 76,853,099	\$ 93,306,229	\$ 71,611,920
114	113	226	177	206	175
\$ 31,901,390	\$ 28,362,364	\$ 74,768,560	\$ 57,411,144	\$ 75,389,667	\$ 67,486,599
-	-	-	3	16	-
\$ -	\$ -	\$ -	\$ 25,407,216	\$ 70,491,398	\$ -
636	917	1,363	2,063	2,389	2,490
\$ 7,365,467	\$ 14,342,105	\$ 23,491,778	\$ 19,902,467	\$ 18,234,096	\$ 22,639,928
784	1,077	1,633	2,587	2,837	2,861
\$ 45,853,957	\$ 51,398,939	\$ 120,301,623	\$ 179,573,926	\$ 257,421,390	\$ 161,738,447

CITY OF CHASKA, MINNESOTA

**CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)**

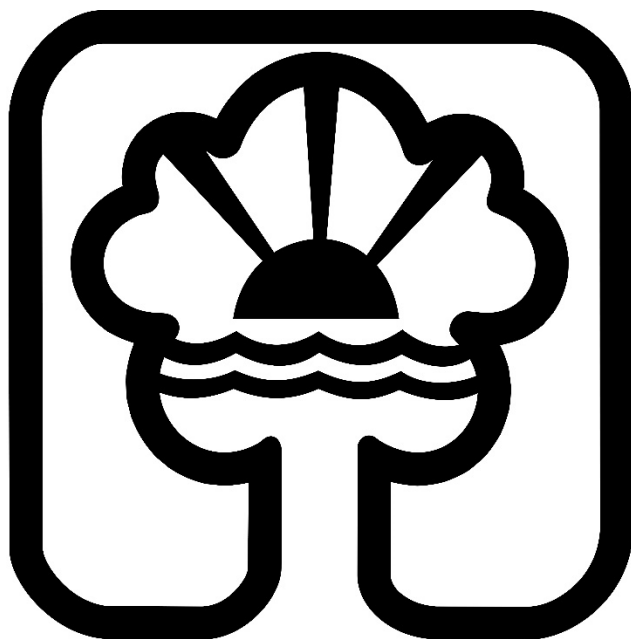
FUNCTION/PROGRAM	FISCAL YEAR			
	2015	2016	2017	2018
Public Safety				
Police:				
Stations	1	1	1	1
Fire:				
Stations	1	1	1	1
Number of Fire Hydrants (Private)	416	422	494	517
Number of Fire Hydrants (Public)	1,390	1,393	1,393	1,431
Public Works				
Miles of Streets:				
City / Local	77.78	78.36	79.17	79.36
City MSA	20.95	20.94	20.94	20.79
Parks, Recreation and Arts				
Number of Parks	26	26	26	26
Acres of Parks	970	973	973	973
Miles of Trails	67	67	68	68
Golf Courses	2	2	2	2
Electric				
Number of Substations	3 (1)	3	3	4
Water				
Water Mains (Miles)	154	155	155	160
Number of Wells	6	6	6	6
Total Pumping Capacity (Gallons Per Day)	13,400,000	13,400,000	13,400,000	13,400,000
Filtration Capacity (Gallons Per Day)	12,600,000	12,600,000	12,600,000	12,600,000
Total Storage Capacity (Gallons)	4,800,000	4,800,000	4,800,000	4,800,000

Source: City Departments

- (1) Closed the Chaska Downtown Substation to convert it into a switching station.
- (2) Increase of Parks Acreage was caused by Land Dedication from Traditions (continuance of Savanna Oaks)
- (3) Storage Capacity dropped from 2022 to 2023 due to 1942 Hill Tower Reservoir being demolished

Table 20

FISCAL YEAR						
2019	2020	2021	2022	2023	2024	
1	1	1	1	1	1	1
1	1	1	1	1	1	1
518	521	526	525	541	544	
1,450	1,504	1,521	1,531	1,577	1,618	
80.71	81.70	83.65	86.50	87.12	87.98	
20.79	22.92	22.98	22.98	22.45	22.45	
28	28	28	29	29	29	
985	985	985	992	999 (2)	999	
69	70.5	70.5	71.0	71.5	72.0	
2	2	2	2	2	2	
4	4	4	4	4	4	
163	169	172	174	180	185	
6	6	6	6	6	6	
13,400,000	13,400,000	13,400,000	13,400,000	13,400,000	13,400,000	
12,600,000	12,600,000	12,600,000	12,600,000	12,600,000	12,600,000	
4,800,000	4,800,000	4,800,000	4,800,000	4,500,000 (3)	4,500,000	



Chaska