

2015

Carver County, Minnesota
**Comprehensive
Annual Financial
Report**

For the Year Ended
December 31, 2015



**CARVER
COUNTY**

Carver County Financial Services
Government Center Administration Building
600 East Fourth Street
Chaska, MN 55318

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The Carver County Comprehensive Annual Financial Report (CAFR) is produced by the Financial Services Division of Carver County. This report is submitted for the fiscal year ended December, 31, 2015. The report has been prepared in conformity with generally accepted accounting principles (GAAP). It can be accessed on the Carver County website at www.co.carver.mn.us or obtained from the Financial Services Department by calling 952-361-1511.

COMPREHENSIVE ANNUAL FINANCIAL REPORT

**CARVER COUNTY
CHASKA, MINNESOTA**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

Prepared by the Financial Services Department

**CARVER COUNTY
CHASKA, MINNESOTA**

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**CARVER COUNTY
CHASKA, MINNESOTA**

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INTRODUCTORY SECTION



Property and Financial Services Division

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DATE: June 10, 2016

TO: The Citizens of Carver County
The Board of County Commissioners

SUBJECT: *2015 COMPREHENSIVE ANNUAL FINANCIAL REPORT*

The Comprehensive Annual Financial Report (CAFR) of Carver County is submitted for the fiscal year ended December 31, 2015. The County's Financial Services Department prepared this report in conformity with generally accepted accounting principles (GAAP). Responsibility for both the accuracy and completeness of the presented data and the fairness of the presentation, including all disclosures, rests with the County. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and sets forth the financial position and results of operations and cash flows of the County, as measured by the financial activity of its various funds, and all disclosures necessary to enable maximum understanding of the County's financial affairs.

Generally accepted accounting principles (GAAP) require 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 MD&A and should be read in conjunction with it.

Profile of the Government

Carver County was organized in 1855 as a County in the State of Minnesota. It has an area of 357 square miles including 11 cities and 10 townships. The 2015 population was 98,714. It is one of seven counties comprising the Twin Cities metropolitan area. The County seat, Chaska, is located on the Minnesota River 26 miles southwest of the state capital, Saint Paul.

Carver County operates under an elected five-member County Board, each member representing a district of the County. The County Board is responsible, among other things, for passing ordinances, adopting the budget, and hiring the County's Administrator. The County Administrator is responsible for carrying out the policies and ordinances of the County Board, for overseeing day-to-day operations of the government, and for appointing the heads of the divisions and departments. The County Board is elected on a non-partisan basis. County Board members serve four-year staggered terms.

The County provides a full range of services including: public safety and law enforcement; courts and probation services; tax assessment and collection; vital statistics and public records; health and human services; highways, parks, public works and planning; environmental management; and recreation and cultural services.

Various potential component units were evaluated to determine whether they should be reported in the County's financial report. A component unit was considered to be part of the County's reporting entity when it was concluded that the County was financially accountable for the entity, or the nature and significance of the relationship between

the County and the entity was such that exclusion would cause the County's basic financial statements to be misleading or incomplete. Carver County has two blended component units: the Carver County Regional Rail Authority (Rail Authority) and the Carver County Water Management Organization (WMO). Both the Rail Authority and WMO were created pursuant to Minnesota Statutes. The Carver County Board of Commissioners comprises the Rail Authority's and WMO's five-member board. The Carver County Community Development Agency (CDA) is a discretely presented component unit. The CDA was established in 1980 pursuant to special Minnesota legislation. Its five-member board is also appointed by the Carver County Board of Commissioners and is comprised of residents from the five districts in the County.

Local Economy

The information presented in financial statements is perhaps best understood when considered from the broader perspective of the specific environment within which the County operates. Carver County is one of the fastest growing counties in Minnesota during the last decade, and it is expected to keep growing. Forecasts project the County will experience the highest population growth rate in the Twin Cities Metro Region into 2040 when its population is expected to increase to 161,020 people. By then, Chanhassen and Chaska will be "built out," meaning there will be very little developable land left. Development will move further west, and the cities of Carver, Victoria and Waconia are expected to grow and look similar to the way Chaska and Chanhassen are today. Many of the small towns of western Carver County will increase in population and become cities of 1,000 to 9,000 people. Several factors are contributing to the County's growth: *Land availability* – cities to the east, such as Eden Prairie and Bloomington in Hennepin County, are running out of developable land pushing growth to Carver County where land is available for development. *Landscape* – Carver County's abundant lakes, wetlands, woods and open space are attractive features. *Transportation* – metro access has improved with Highway 212 and other road construction projects. *Quality of life* – Carver County is generally characterized as having a high quality of life, with "small town feel" and "rural setting" often cited.

The significant growth will increase the need for public investment in infrastructure. Many of these investments will need to occur prior to or along with residential or business development by the private sector. Other impacts include those investments made to the schools, parks, library system, law enforcement, court system and more. We will need more officers, judges, maintenance workers, social workers, County staff, and equipment to keep up with the demand for services.

The population of County seniors ages 65 and older will be the fastest growing age group between 2012 and 2040. In 2040, persons age 65 and older will constitute about 28.2 percent of the total County population; up from 9.7 percent in 2014 (*2015 data was not available*). The aging of the population will impact the level and type of services that will need to be provided by the County in the future.

In 2014, based on Bureau of Economic Analysis, Carver County was ranked second in the State for per capita personal income of \$59,984 (*2015 data was not available*). This was 122 percent of the State average and 130 percent of the national average. Nationwide Carver County ranks 131st for per capita personal income.

Throughout the downturn in the economy, Carver County has since 2009 maintained a credit rating of AAA from Standard and Poor's (S&P) Rating Services, which is the best possible rating. The rating reflects the County's consistently strong finances, good financial management, solid income and market value per capita, and location.

Long-Term Financial Planning

The County annually updates the Long-Term Financial Plan prepared by the Financial Services Division with inputs from all County divisions. This plan along with the 2016 Annual Budget fulfills the County Board's direction to "connect financial strategies to the County's short-term and long-term strategic goals and objectives." The County has identified approximately \$228.4 million in capital projects and equipment that range from currently underway or essential to operations to those that are desirable but in need of further study. Road and Bridge projects totaling \$182.1 million make up the largest portion of these projects followed by Building projects totaling \$7.9 million. The

most significant cost driver for future operating budgets is the staffing costs needed to address the increasing service demands from a growing county. Specific financial strategies to address these challenges are included in the Long-Term Financial Plan. The 2017 Long-Term Financial Plan is available for viewing from the Financial Services Department or on our website at <http://www.co.carver.mn.us/>

Planning & Water Management, with the help of the CDA, elected officials, community groups, and citizens, developed a County Comprehensive Plan through the year 2030. The plan, which was approved in 2010, addresses the broad range of issues facing Carver County residents over the next 20 plus years. The elements of the plan consist of land use including economic development, historic preservation, and housing; transportation including roadways and transit; water resources; and parks, open space, and trails. Amendments to the 2030 Comprehensive Plan were adopted in July 2014 and January 2015. An updated 2030 Comprehensive Plan can be viewed on the Carver County website at <http://www.co.carver.mn.us/>

Major Initiatives

TH101 River Crossing and CSAH 61 "Y" intersection – Carver County is the lead agency for the TH 101 River Crossing and CSAH 61 "Y" reconstruction project in Chanhassen and Shakopee, known as the Southwest Reconnection Project. The project goals are to reduce the frequency and duration of road closures caused by seasonal flooding of the Minnesota River, add a multiuse trail that will connect regional trails, and minimize long-term maintenance and repair costs. Improvements include a new 4,200 foot long 4-lane Highway 101 bridge and reconstruction of Highway 61 from Bluff Creek Drive through the Highway 61/101 "Y" intersection area. The project was let for construction in May 2014 with a low bid amount of \$49.3 million to Ames Construction. Due to unforeseen conditions, several contract changes have occurred to date with the contract total now amount to \$52.6 million. Total project costs including engineering, land acquisition and construction is estimated at \$56.3 million, of which, \$6.2 million is the Carver County's portion, \$48.7 million is the State's portion, \$600 thousand is Scott County's portion, and \$800 thousand is the City of Chanhassen's portion. The County is financing \$16 million of the State's portion with reimbursement by 2024. A grand opening for the new Highway 101 causeway bridge was held on Tuesday, November 24, 2015. Currently, the project is in Phase 5 of the planned construction work and the entire project is expected to be completed by July 1, 2016.

Lake Waconia Regional Park – Significant initiatives at Lake Waconia Regional Park included acquisition of 34 acres of Coney Island and sale of 5 acres of land to the DNR. Both activities were consistent with the County Comprehensive Plan, the Metropolitan Council 2040 Parks Open Space and Trails Plan and the Lake Waconia Regional Park Master Plan.

After many years of planning work and communications to include a public water access at Lake Waconia Regional Park, Carver County signed an option to sell 5.17 acres to the DNR at a price of \$1,100,000 in March of 2015. The transaction was completed in December of 2015. The sale was complicated since the property was partially financed with Environmental Natural Resources Trust Fund (ENRTF) and Parks and Trails Legacy Funds. Approvals for the sale were obtained from the LCCMR who administers the ENRTF and the Metropolitan Council who administered Legacy Funding. The County had to reimburse both funding sources proportionate to the area sold and funding amount from the two sources, \$347,620 and \$13,276 respectively.

Carver County purchased Coney Island February 4, 2016 and received an in-kind land value donation of \$350,000 to satisfy the local match requirement to regional funding of \$1,219,000. Further a cash contribution of \$900,000 was provided by the owner as specified in the Charitable Pledge and Donation Agreement to assist with development of the island.

Master Space Plan – Carver County's 2015 Strategic Plan identified the goal of delivering a Master Space Plan that identifies short and long-term space needs for the County. The space plan will be critical as the County grows and

develops. In order to plan well for the County's finances and space use over the long term, a comprehensive space plan will be essential. The master space plan will be finished in late 2016.

Budgetary Controls

The annual budget serves as the foundation for Carver County Government financial planning and control. The County budgets are presented at a more detailed level than is required by law in Minnesota or for federal programs. The budgets are developed by divisions and departments on a line-item basis to cover clients' needs, keeping in mind general guidelines set by the County's Board of Commissioners. The divisions and departments submit their budget requests to the County Administrator, who must balance the competing needs against available resources. The County Board makes final adjustments to the budgets, which are then adopted and available for use on January 1st of the year. Budgetary control has traditionally been maintained at the department level.

Division and department managers are held responsible for their budget performance. Compliance with budgets is essential for the County to maintain its sound financial condition.

Relevant Financial Policies

The County has adopted a comprehensive set of financial policies; this includes but is not limited to the following:

The Budget and Long-Term Financial Plan Policy provides a general set of guiding principles for developing the annual budget and the long-term financial plan, along with an overview of the process and schedule.

The Fund Balance Policy ensures that the County maintains adequate fund balances and reserves in order to provide a stable financial environment for the County's operations.

Independent Audit

Minnesota State Law requires an audit to be made of the books of account, financial records and transactions of the County by the Office of the State Auditor. The County is in compliance with this requirement and the Auditor's Report has been included in this report. The State Auditor will issue a management and compliance letter covering the review, made as a part of the audit of the County's system of internal control and compliance with applicable legal provisions. The management and compliance letter will not modify or affect, in any way, this report on the financial statements.

Single Audit

As a recipient of federal, state and local financial assistance, the County is responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to those programs. These internal controls are subject to periodic evaluation by management and the internal staff of the County.

Office of Management and Budget (OMB) Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) sets forth the audit requirements for state and local governments receiving federal assistance. It provides for a single independent audit of the financial operations, including the compliance with certain provisions of federal laws and regulations. The requirements have been established to ensure that audits are made on an organizational wide basis rather than a grant-by-grant basis. The grants for which these requirements applied are identified in Schedule of Expenditures of Federal Awards (SEFA).

As a part of the government's single audit, tests are made to determine the adequacy of the internal controls, including that portion related to federal financial assistance programs, as well as to determine that the County has complied with applicable laws and regulations.

Internal Controls

In developing and evaluating the County's accounting system, consideration is given to the adequacy of the County's internal controls. Internal controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe the County's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions. The County's internal controls are supported by policies and procedures and are continually reviewed, evaluated, and modified to meet current needs. In 2016, the County Financial Services staff plans to again internally test the controls that are in place.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Carver County for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2014. This was the 19th consecutive year that the County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to meet the Certificate of Achievement program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The timely preparation of this report could not have been accomplished without the professional and dedicated hard work of the entire staff of the Financial Services Division. Also, cooperation was essential from many other divisions. We wish to express our appreciation to all members of the staff who assisted and contributed to the report's preparation. We also wish to thank the members of the County Board for their interest and support this past year in planning and conducting the financial operations of the County in a responsible and progressive manner.

Respectfully submitted,



David Frischmon
Property and Financial Services Director

CARVER COUNTY
CHASKA, MINNESOTA

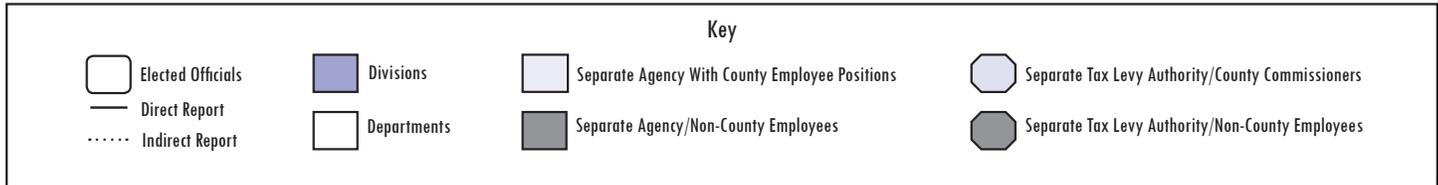
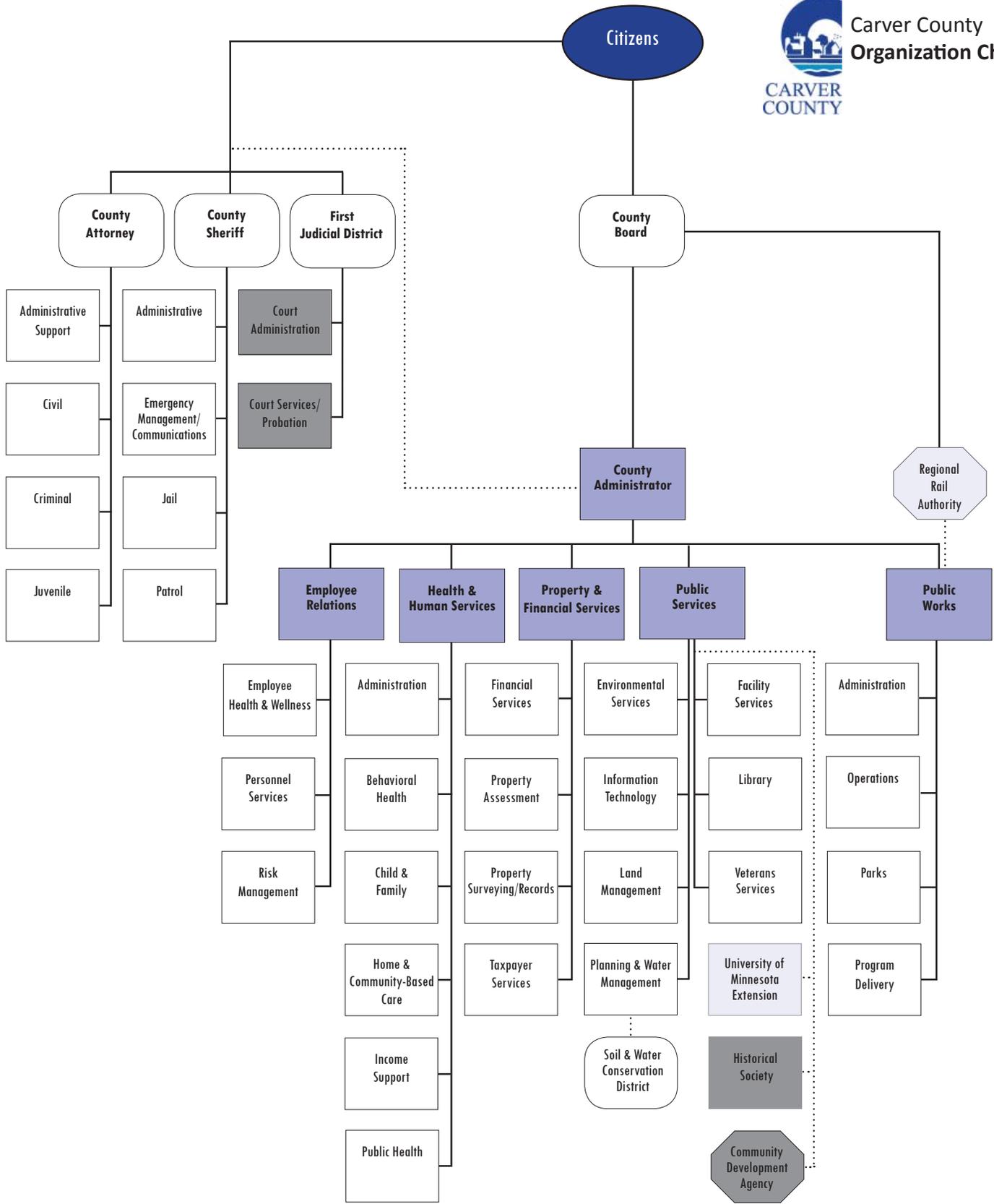
LIST OF ELECTED AND APPOINTED OFFICIALS
DECEMBER 31, 2015

Office	Name	Term of Office	
		From	To
Commissioners:			
1st District	Gayle Degler, Chair	January 2003	December 2016
2nd District	Tom Workman	January 2003	December 2018
3rd District	Randy Maluchnik, Vice Chair	January 2007	December 2016
4th District	Tim Lynch	January 2005	December 2018
5th District	James M. Ische	January 1997	December 2016
Officers:			
Elected:			
Attorney	Mark Metz	January 2011	December 2018
Sheriff	Jim Olson	January 2011	December 2018
Appointed:			
Administrator	Dave Hemze	March 2003	Indefinite
Assessor	Angie Johnson	November 1999	Indefinite
Medical Examiner	Quinn Strobl M.D.	January 2013	December 2018
Veterans Services Officer	Dan Tengwall	September 2014	Indefinite
Division Directors:			
Employee Relations Director	Kerie Anderka	June 2013	Indefinite
Health and Human Services Director	Rod Franks	September 2015	Indefinite
Property and Financial Services Director	Dave Frischmon	April 2007	Indefinite
Public Services Director	Tom Vellenga	April 2014	Indefinite
Public Works Director	Lyndon Robjent	August 2009	Indefinite

Note: All Commissioners and all Officers are covered by the employee Blanket Bond.



Carver County Organization Chart





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Carver County
Minnesota**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2014

Executive Director/CEO

FINANCIAL SECTION



REBECCA OTTO
STATE AUDITOR

STATE OF MINNESOTA

OFFICE OF THE STATE AUDITOR

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INDEPENDENT AUDITOR'S REPORT

Board of County Commissioners
Carver County
Chaska, Minnesota

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Carver County, Minnesota, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Carver County Community Development Agency, the discretely presented component unit. Those statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the component unit, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County's preparation and fair presentation of the financial statements 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 County's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Carver County as of December 31, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter - Change in Accounting Principle

As discussed in Note 1.F. to the financial statements, in 2015 the County adopted new accounting guidance by implementing the provisions of Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, and GASB Statement No. 82, *Pension Issues*, which represents a change in accounting principles. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Required Supplementary Information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the GASB, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency

with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Carver County's basic financial statements. The introductory section, the supplementary information, and the statistical section as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 10, 2016, on our consideration of Carver County'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 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 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 Carver County's internal control over financial reporting and compliance. It does not include the Carver County Community Development Agency, which was audited by other auditors.



REBECCA OTTO
STATE AUDITOR



GREG HIERLINGER, CPA
DEPUTY STATE AUDITOR

June 10, 2016

**CARVER COUNTY
CHASKA, MN**

**Management's Discussion and Analysis
December 31, 2015
(Unaudited)**

The Financial Management of Carver County offers the readers of Carver County's financial statements this narrative overview and analysis of the financial activities of Carver County for the fiscal year ended December 31, 2015. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal and the notes to the financial statements.

Financial Highlights

- The assets and deferred outflows of resources of Carver County exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$275,839,684 (net position). Of this amount, \$23,261,026 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net position increased by \$23,593,640 for the year ended December 31, 2015, after the restatement for Governmental Accounting Standards Board (GASB) Statements No. 68 and 71. Additional information about the restatement can be found in Note 1, F.
- As of the close of the current fiscal year, Carver County governmental funds reported combined ending fund balances of \$66,219,825. Approximately, 74 percent of this amount, \$49,064,834, is available for spending at the government's discretion (assigned and unassigned fund balance is the discretionary fund balance).
- At the end of the current fiscal year, assigned and unassigned fund balance for the General Fund was \$20,817,071, or 39 percent of the total General Fund expenditures and transfers out.
- Carver County's total long-term liabilities increased by \$9,866,214 (28 percent) during the current fiscal year. The key factor was the debt service payments which reduced the outstanding debt, offset by the County drawing down on the General Obligation Notes Payable that were issued through the Minnesota Public Facilities Authority (MPFA) in 2014, the funds were used for road improvements on the Southwest Reconnection Project.

Overview of the Financial Statements

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

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of Carver County's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of Carver County's assets, liabilities, and deferred outflows and inflows 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 Carver County is improving or deteriorating. Consideration of other nonfinancial factors need to be included in the analysis as well, such as, changes in the County's property tax base and the condition of the County's infrastructure, to assess the overall health of the County.

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

Both of the government-wide financial statements distinguish functions of Carver County 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. The governmental activities of Carver County include general government, public safety, highways and streets, human services, health, culture and recreation, and conservation of natural resources.

The government-wide financial statements include not only Carver County itself (known as the primary government), but also a legally separate Carver County Community Development Agency for which Carver County is financially accountable. Financial information for the component unit is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 20-22 of this report.

**CARVER COUNTY
CHASKA, MN**

**Management's Discussion and Analysis
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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. Carver County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related requirements. All of the funds of Carver County can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Carver County maintains ten individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Road and Bridge Fund, Community Social Services Fund, Debt Service Fund, Buildings Capital Improvement Fund, Road & Bridge Capital Improvement Fund, and Parks & Trails Capital Improvement Fund, all of which are considered major funds. The Rail Authority Fund, Water Management Organization Fund, and Ditch Fund are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

Carver County adopts an annual appropriated budget for its seven major governmental funds and its three nonmajor funds. A budgetary comparison statement has been provided for these funds to demonstrate compliance with their budgets.

The basic fund financial statements can be found on pages 23-30 of this report.

General Fund. The General Fund is used to account for all financial resources not accounted for in another fund.

Special Revenue Funds. Special Revenue governmental funds account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes. The Special Revenue Funds include:

- Road and Bridge
- Community Social Services
- Rail Authority
- Water Management Organization
- Ditch

Debt Service Fund. The Debt Service Fund accounts for the payment of principal, interest and fiscal charges on long-term obligations of Carver County.

Capital Projects Fund. The Capital Projects Fund tracks major construction projects. The Capital Project Funds include:

- Buildings Capital Improvement Fund (CIP)
- Road & Bridge Capital Improvement Fund (CIP)
- Parks & Trails Capital Improvement Fund (CIP)

Proprietary funds. Carver County uses only one type of proprietary fund. These internal service funds are an accounting device used to accumulate and allocate costs internally among Carver County's various functions. Carver County has three internal service funds: Self Insurance Fund, Compensated Absences Fund, and the Other Post Employment Benefits Fund. The Self Insurance Fund allocates costs of risk management to the various county departments. The Compensated Absences Fund accounts for the change in the vacation, sick and retiree insurance balances. This fund has no net position on balance because the cash balance is offset by its liability. The Other Post Employment Benefits (OPEB) Fund allocates costs for the yearly contribution made to the revocable trust account, that the County maintains with the Public Employees Retirement Association of Minnesota (PERA), to the various county departments. This fund also reports the Net OPEB Obligation; the County plans to continue the yearly contribution to the revocable trust account to offset this liability.

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Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because resources of those funds are not available to support Carver County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on page 30 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 31-66 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information. The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the budgetary comparisons of the Capital Projects Funds in the supplementary section. Combining and individual fund statements and schedules can be found on pages 67-99 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Carver County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$275,839,684 at the close of the most recent fiscal year.

Net Investment in Capital Assets, \$231,830,246 (e.g., land, buildings, machinery and equipment, infrastructure, improvements - other than buildings, and construction in progress, less any related debt used to acquire assets that is still outstanding) represents 84 percent of total net position. Carver County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Carver County's investments in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Approximately 8 percent of Carver County's net position or \$20,748,412 represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$23,261,026 or approximately 8 percent is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors.

Carver County's Net Position

	Governmental Activities	
	2015	2014 Restated (1)
Current and other assets	\$ 99,828,173	\$ 114,088,219
Capital assets	268,390,028	221,225,016
Total Assets	368,218,201	335,313,235
Deferred Outflows of Resources	6,151,297	1,665,916
Long-term liabilities outstanding	80,816,833	69,837,218
Other liabilities	13,914,958	14,895,889
Total Liabilities	94,731,791	84,733,107
Deferred Inflows of Resources	3,798,023	-
Net Position:		
Net Investment in Capital Assets	231,830,246	197,728,098
Restricted	20,748,412	37,103,158
Unrestricted	23,261,026	17,414,788
Total Net Position, as restated (1)	\$ 275,839,684	\$ 252,246,044

(1) This is the first year the County implemented the new pension accounting and financial reporting standards GASB Statements No. 68 and 71. The County had a prior year change in accounting principles to record the County's net pension liability and related deferred outflows of resources. See Note 1, F. for further details on the restatement.

At the end of the current fiscal year, Carver County is able to report positive balances in all three components of net position, both for the government as a whole, as well as for its separate governmental activities. The same held true for the prior fiscal year.

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Carver County's net position increased by \$23,593,640 during the current fiscal year after the restatement for GASB Statements No. 68 and 71. This increase is the combination of many surpluses and deficits but the primary changes include: an increase in capital assets that were largely or partially funded by non-County dollars, such as, the Lake Minnewashta Park- TH 41 Underpass and park road paving, Southwest Reconnection Project and other road projects; grants and contributions not restricted; lower expenses compared to the previous year.

Carver County's Changes in Net Position

	Governmental Activities	
	2015	2014 Restated (1)
Revenues:		
Program revenues:		
Fees, Charges, Fines and Other	\$ 13,917,670	\$ 13,524,481
Operating grants & contributions	28,898,485	21,275,095
Capital grants & contributions	9,324,391	42,448,305
General revenues:		
Property taxes	53,197,739	48,906,725
Wheelage tax	855,140	803,420
Gravel tax	107,171	92,358
Grants & contributions not restricted to specific programs	3,723,619	3,621,280
Payment in lieu of taxes	172,997	206,050
Investment income	1,122,182	4,517,459
Miscellaneous	65,280	1,344,293
Total Revenues	111,384,674	136,739,466
Expenses:		
General government	15,267,539	27,372,063
Public safety	21,879,618	29,885,962
Highway and streets	13,683,801	16,089,744
Human services	23,600,282	30,430,307
Health	2,471,990	3,374,078
Culture and recreation	5,479,691	7,697,391
Conservation of natural resources	4,669,976	4,821,348
Interest	738,137	715,714
Total Expenses	87,791,034	120,386,607
Increase in net position	23,593,640	16,352,859
Net Position 1/1, as restated (1)	252,246,044	235,893,185
Net Position 12/31	\$ 275,839,684	\$ 252,246,044

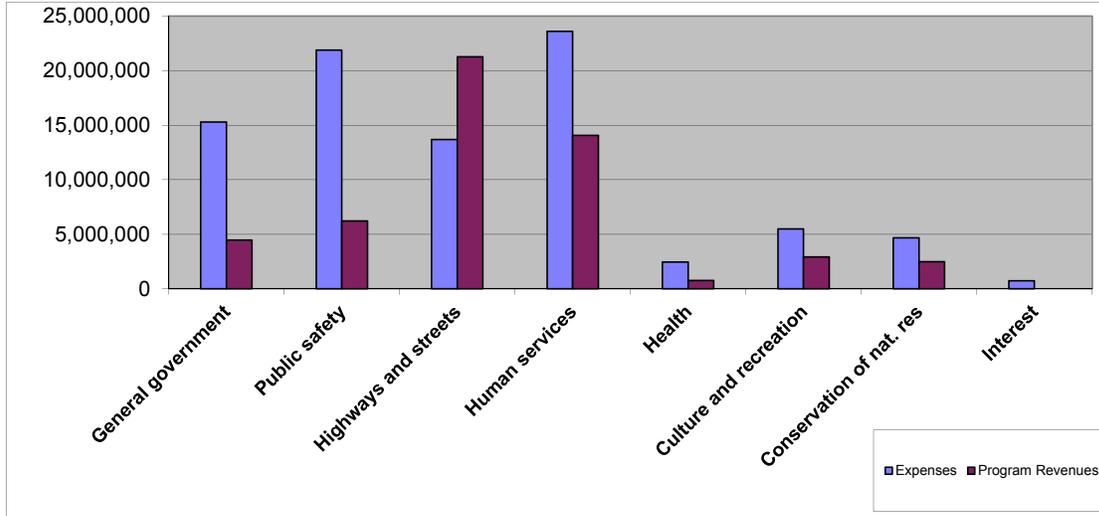
(1) GASB Statements No. 68 and 71 were implemented for the year ended December 31, 2015 and required a \$31,210,985 restatement of beginning net position. See Note 1, F. for further details on this restatement.

The expenses stated for each function of government above are reflective after the allocation of indirect expense.

**CARVER COUNTY
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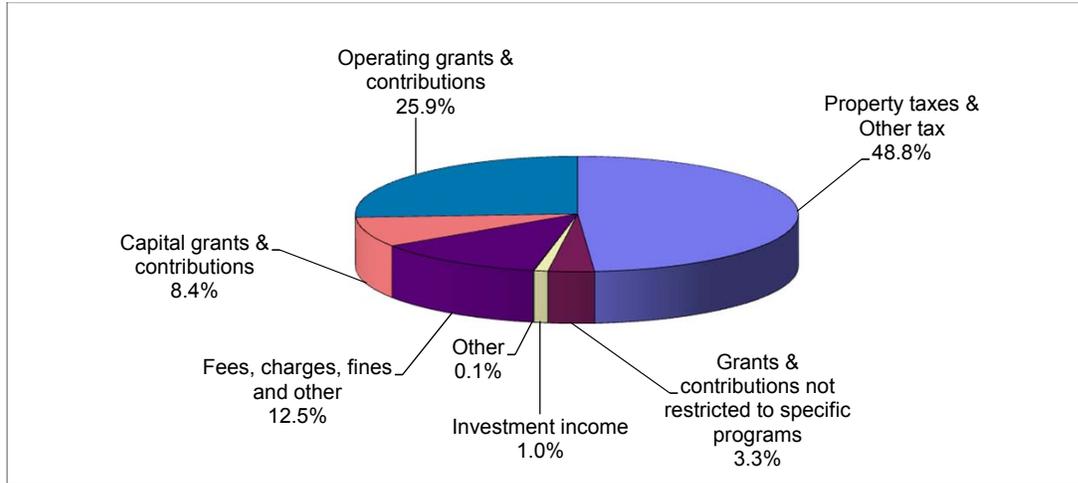
**Management's Discussion and Analysis
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Expenses and Program Revenues - Governmental Activities



Expenses presented in this graph are reflective after the indirect expense allocation, see page 22 of this report.

Revenues by Source - Governmental Activities



**CARVER COUNTY
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Financial Analysis of the Government's Funds

As noted earlier, Carver County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

As of the end of the current fiscal year, Carver County's governmental funds reported combined ending fund balances of \$66,219,825, a decrease of \$9,508,889 in comparison with the prior year. Most of the total amount, \$49,064,834 constitutes assigned or unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is not available for new spending because it has been restricted for specific purposes or is nonspendable.

The General Fund is the chief operating fund of Carver County. At the end of the current fiscal year assigned and unassigned fund balance of the General Fund was \$20,817,071, while total fund balance reached \$22,914,497. As a measure of the General Fund's liquidity, it may be useful to compare assigned and unassigned fund balance and the total fund balance to total fund expenditures and transfers out. Assigned and unassigned fund balance represents 39 percent of total General Fund expenditures and transfers out, while total fund balance represents approximately 43 percent of that same amount. The fund balance of Carver County's General Fund increased by \$471,050 during the current fiscal year. This is largely attributed to salary and benefit savings for general government, public safety, and public health.

The Road and Bridge Fund had a total fund balance of \$4,036,960 at the end of the current fiscal year. The fund balance of the Road and Bridge Fund decreased by \$809,424 during the current year due to the spend down of funds transferred in previous years for equipment purchases.

The Community Social Services Fund had a total fund balance of \$8,788,014 at the end of the current fiscal year. The fund balance of the Community Social Services Fund increased by \$1,384,809 during the current fiscal year. This change is primarily due to the funds received on an old receivable from the Carver Scott Educational Cooperative, as well as, salary and benefit savings during 2015.

The Ditch Fund had a negative fund balance of \$102,031 at the end of the current fiscal year. The fund balance of the Ditch Fund decreased by \$16,368 during the fiscal year, due to larger volume of ditch clean-up work and a ditch redetermination project.

The Rail Authority Fund had a fund balance of \$108,469 at the end of the current fiscal year. The fund balance of the Rail Authority Fund decreased by \$49,324 during the current fiscal year due to contributions to the Parks & Trails Capital Improvement Fund for the MN River Bluffs Project.

The Watershed Management Organization Fund had a fund balance of \$292,458 at the end of the current fiscal year. The fund balance of the Watershed Management Organization Fund decreased by \$85,128 during the current fiscal year due to additional project work being done during the year.

The Debt Service Fund had a total fund balance of \$9,041,305 at the end of the current fiscal year which is available for payment of debt service. The fund balance of the Debt Service Fund increased by \$1,776,350 during the current fiscal year. This is due to the timing of the GO Notes Payable (MPFA Loan) draw-down. It was anticipated that the County would start repayments to the MPFA in 2015, but due to the timing of the payment draw-downs the County's first payment isn't planned until 2016.

The Buildings Capital Improvement Fund had a total fund balance of \$3,143,949 at the end of the current fiscal year. This fund balance is assigned for capital projects, the Public Works (PW) Northwest Satellite Facility Site Improvements, and the Year-End Savings (YES) account. The fund balance of the Buildings Capital Improvement Fund decreased by \$1,899,332 during the current fiscal year. This decrease is largely due to the property purchase for the PW Northwest Satellite Facility.

The Road and Bridge Capital Improvement Fund had a total fund balance of \$14,252,049 at the end of the current fiscal year. The fund balance is restricted to: the 2014 bond projects. The remaining balance is assigned to: capital projects, TH212 turnback, and the YES account. The fund balance of the Road and Bridge Capital Improvement Fund decreased by \$13,112,114 during the fiscal year. This decrease is largely due to the Southwest Reconnection Project that the County is the lead agency on.

The Parks & Trails Capital Improvement Fund had a total fund balance of \$3,744,155 at the end of the current fiscal year. These funds are assigned for park land acquisition and the YES account. The fund balance for the Parks and Trails Capital Improvement Fund increased by \$2,830,592 during the fiscal year. This change is primarily due to reimbursement funds received on prior projects and land acquisitions, as well as, the YES account transfer from the General Fund.

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General Fund Budgetary Highlights

The difference between the original budget expenditures and other financing uses and the final amended budget expenditures and other financing uses was an increase of \$4,546,133 during the fiscal year. The difference between the original budget revenues and other financing sources and the final amended budget revenues and other financing sources was an increase of \$3,883,460. The significant budget changes during the current fiscal year were:

- Increasing taxes for Chaska TIF, excess funds settled in 2015, \$2,533,882 went to the General Fund.
- Increasing intergovernmental revenue by \$864,074, mainly for additional grants that were awarded in 2015 and were not a part of the 2015 adopted budget.
- Increasing transfers out by \$3,301,544, is made up mainly from working capital amount transferred to the YES account maintained in the CIP funds.
- Increasing budgeted expenditures for: Planning and Water Management Dept., Community Health Services Dept., and Environmental Services Dept. expenditures related to grant projects that were not anticipated during the 2015 budgeting process or needed to follow the State's fiscal year; Parks Dept. expenditures increased for the AIS program that was funded by outside sources; and Information Technology expenditures increased largely because of projects that were completed in 2015 using carryover budget from 2014.

The final amended budget expenditures and transfers out exceeded actual expenditures and other financing uses by \$2,040,775 during fiscal year. The actual revenues and other financing sources was lower than the final amended budget revenues and other financing sources by \$207,052. Significant variances during the current fiscal year included the following:

- Actual Taxpayer Services, Information Technology, Sheriff, and Public Health expenditures were \$428,260, \$339,441, \$137,681, and \$371,466 respectively, less than final budgeted expenditures as a result of vacancy savings and tighter restrictions on discretionary spending.
- Commissioner's contingency of \$129,537 was not used during the year.
- Investment Income was lower than the budgeted amount by \$725,125. This is largely due to low interest rates. The County also had a \$32,508 negative mark to market adjustment.
- Intergovernmental revenue was higher than the final budget by \$340,192, largely resulting from agricultural preserve credit and market value credit that were not budgeted for but were received. Police aid also came in higher than budgeted.

Capital Asset and Debt Administration

Capital Assets. Carver County's investment in capital assets for its governmental activities as of December 31, 2015, is \$268,390,028 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, improvements other than buildings, machinery and equipment, and infrastructure. The total increase in Carver County's investment in capital assets for the current year was approximately 21.3 percent. The increase in capital assets was mainly due to an increase of \$41,515,941 in construction in progress and \$4,834,904 in infrastructure.

Major capital asset events during the current fiscal year included the following:

- Completion of 1 road project, 2 bridge projects and 3 park & trail projects, \$7,859,315.
- Land purchase for the Public Works Satellite Facility, \$1,972,318, and Lake Waconia Regional Park land sold to the Department of Natural Resources for a boat launch, \$1,100,000.
- Continued road construction, an increase in construction in progress of \$48,353,808. A large portion of this increase relates to the Southwest Reconnection Project.
- Depreciation expense for the year of \$5,869,405.

**Carver County's Capital Assets
(net of depreciation)**

	Governmental Activities	
	2015	2014
Land	\$ 28,792,252	\$ 27,707,390
Construction in Progress	96,793,749	55,277,808
Buildings	37,992,838	39,205,728
Improvements other than buildings	211,542	192,586
Machinery and Equipment	6,155,282	5,232,043
Infrastructure	98,444,365	93,609,461
Total	\$ 268,390,028	\$ 221,225,016

Additional information on Carver County's capital assets can be found in Note 3.C on page 42 of this report.

**CARVER COUNTY
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Long-term Debt. At the end of the current fiscal year, Carver County had total bonded debt outstanding of \$38,556,411. This is an increase of \$10,409,744 from the start of the year. Current and future County tax levies are used to finance all bonded debt.

Carver County's total debt increased by \$9,866,214 during the current fiscal year. The net effect of this increase comes from the reduction in principal debt balances and loans payable. These decreases are offset by notes payable.

Carver County's Outstanding Debt

	Governmental Activities	
	2015	2014
General obligation bonds	\$ 25,117,349	\$ 28,146,667
General obligation notes payable	13,439,062	-
Loans	878,319	1,051,707
Compensated absences	5,133,691	5,503,833
Total	\$ 44,568,421	\$ 34,702,207

Carver County's bond credit rating increased from a rating of Aa2 in 2009 to an AAA rating because of the future economic outlook and sound fiscal management. The AAA bond credit rating was maintained through 2015 and into 2016.

State statutes limit the amount of general obligation debt a county can incur to no more than 3% of the assessed value of taxable property in the county. The current debt limitation for Carver County is \$353,489,535, which is significantly in excess of Carver County's outstanding general obligation debt.

Additional information on Carver County's long-term debt can be found in Note 3.F on pages 45-47 of this report.

Economic Factors and Next Year's Budgets and Rates

- The 2015 average unemployment rate for Carver County was 3.2%, which is a decrease from a rate of 3.6% a year ago. This compares favorably to the State's average unemployment rate of 3.7% and the national average of 5.3%.
- County General Fund expenditures for 2016 are budgeted to increase 1.37% from 2015.
- In 2016, the property tax levy increased by \$380,780 (0.76%). This increase, which represents the additional tax base from new construction was significantly lower than previous years due to significant Fiscal Disparity (a State law that requires the seven-county metro area to share commercial tax base growth) adjustments primarily related to the previous year's decertification of a large TIF district. The tax levy increase, along with \$3.1 million in levy saving adjustments, will be used to invest in salary and benefits to remain competitive with the market, for staffing changes to respond to the pent-up and growing demand for services as the County starts recovering from the recent economic downturn, and to offset \$1 million in net adjustments for negative trends in spending and revenues.

All of these factors were considered in preparing Carver County's Government budget for the 2016 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of Carver County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Financial Services Department, 600 East Fourth Street, Government Center, Administration Building, Chaska, MN 55315-2183. Or visit our website at www.co.carver.mn.us/

Basic Financial Statements

**CARVER COUNTY
CHASKA, MINNESOTA**

**STATEMENT OF NET POSITION
DECEMBER 31, 2015**

	<u>Primary Government</u>	<u>Component Unit</u>
	<u>Governmental</u>	<u>Community</u>
<u>Assets</u>	<u>Activities</u>	<u>Development</u>
		<u>Agency</u>
Current assets		
Cash and Pooled Investments	\$ 76,001,588	\$ 5,112,720
Petty Cash and Change Funds	6,790	-
Departmental Cash	124,459	-
Investments with Trust Account	3,787,654	-
Minnesota Foundation Endowment	51,935	-
Taxes Receivable		
Delinquent	578,945	-
Special Assessments Receivable		
Delinquent	413	-
Deferred	447,023	-
Accounts Receivable	1,412,325	150,628
Accrued Interest Receivable	269,251	24,116
Note Receivable	-	164,968
Due From Other Governments	16,707,154	139,206
Inventories	382,270	-
Prepaid Items	58,366	72,643
Restricted Assets		
Cash and Pooled Investments	-	4,855,843
Total Current Assets	<u>99,828,173</u>	<u>10,520,124</u>
Noncurrent assets		
Capital Assets - Not being Depreciated		
Land	28,792,252	6,740,478
Construction in Progress	96,793,749	239,724
Capital Assets - Net of Depreciation		
Buildings	37,992,838	30,178,355
Improvements other than Buildings	211,542	223,846
Machinery and Equipment	6,155,282	490,499
Infrastructure	98,444,365	-
Notes, Loans & Mortgages Receivable - Noncurrent	-	1,153,884
Total Noncurrent Assets	<u>268,390,028</u>	<u>39,026,786</u>
Total Assets	<u>\$ 368,218,201</u>	<u>\$ 49,546,910</u>
<u>Deferred Outflows of Resources</u>		
Deferred Charges on Refunding	\$ -	\$ 561,251
Deferred Pension Resources	6,151,297	-
Total Deferred Outflows of Resources	<u>\$ 6,151,297</u>	<u>\$ 561,251</u>

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

**CARVER COUNTY
CHASKA, MINNESOTA**

**STATEMENT OF NET POSITION
DECEMBER 31, 2015
(Continued)**

	Primary Government	Component Unit
	Governmental Activities	Community Development Agency
<u>Liabilities</u>		
Current liabilities		
Accounts Payable	\$ 1,484,394	\$ 51,493
Accrued Interest Payable	282,927	461,977
Salaries Payable	823,394	2,968
Contracts Payable	1,219,296	-
Retainage Payable	2,527,678	-
Other current liabilities	-	249,474
Customer deposits	686,837	295,445
Due to other Governments	1,467,671	-
General Obligation Bonds Payable - due within one year (net of premium/ discount)	2,644,318	875,000
Notes Payable - due within one year	1,118,000	143,990
Loans Payable - due within one year	195,088	-
Compensated Absences - due within one year	685,515	129,441
Unearned Revenue	779,840	57,341
Total Current Liabilities	13,914,958	2,267,129
Noncurrent liabilities:		
General Obligation Bonds Payable - due in more than one year (net of premium/ discount)	22,473,031	23,920,936
Notes Payable - due in more than one year	12,321,062	9,092,151
Loans Payable - due in more than one year	683,231	-
Compensated Absences - due in more than one year	4,448,176	-
Net OPEB Obligation - due in more than one year	6,320,235	-
Net Pension Liability - due in more than one year	34,571,098	-
Total Noncurrent Liabilities	80,816,833	33,013,087
Total Liabilities	\$ 94,731,791	\$ 35,280,216
<u>Deferred Inflows of Resources</u>		
Deferred Pension Resources	\$ 3,798,023	\$ -
<u>Net Position</u>		
Net Investment in Capital Assets	\$ 231,830,246	\$ 4,402,076
Restricted for:		
CDA	-	4,800,951
Missing Heirs	93,728	-
Recorder's Equipment	364,188	-
Recorder's Information Technology	308,195	-
Minnesota Foundation Endowment	51,935	-
Restitution	61,134	-
Law Library	37,266	-
ATOD Program	14,580	-
Conceal and Carry	199,190	-
Attorney Forfeitures	49,641	-
Posse	7,278	-
Solid Waste Fees	16,345	-
Watershed Districts	292,458	-
Sheriff Forfeitures	170,941	-
Sheriff Explorers	3,419	-
Sheriff Reserves	6,345	-
E-911	261,816	-
MNDOT Allotments	9,712,490	-
Ditch Maintenance	56,158	-
Debt Service	9,041,305	-
Unrestricted	23,261,026	5,624,918
Total Net Position	\$ 275,839,684	\$ 14,827,945

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

CARVER COUNTY
CHASKA, MINNESOTA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2015

	Expenses	Indirect Expense Allocation	Program Revenues			Net (Expense)/Revenue and Change in Net Position	
			Fees, Charges, Fines and Other	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Governmental Activities	Component Unit Community Development Agency
Functions/Programs							
Primary Government							
Governmental activities:							
General government	\$ 20,945,709	\$ (5,678,170)	\$ 3,716,560	\$ 749,028	\$ -	\$ (10,801,951)	\$ -
Public safety	19,928,239	1,951,379	4,768,670	1,444,751	-	(15,666,197)	-
Highways and streets	13,126,863	556,938	17,705	13,795,507	7,443,543	7,572,954	-
Human services	21,487,159	2,113,123	3,221,894	10,823,287	-	(9,555,101)	-
Health	2,262,363	209,627	12,625	745,464	-	(1,713,901)	-
Culture and recreation	4,876,417	603,274	493,846	544,344	1,880,848	(2,560,653)	-
Conservation of natural resources	4,426,147	243,829	1,686,370	796,104	-	(2,187,502)	-
Interest	738,137	-	-	-	-	(738,137)	-
Total primary government	\$ 87,791,034	\$ -	\$ 13,917,670	\$ 28,898,485	\$ 9,324,391	\$ (35,650,488)	\$ -
Component unit:							
Community Development Agency	\$ 8,136,303	\$ -	\$ 6,010,704	\$ 3,419,244	\$ -	\$ -	\$ 1,293,645
General revenues:							
Property Taxes						\$ 53,197,739	\$ -
Wheelage Tax						855,140	-
Gravel Tax						107,171	-
Grants and contributions not restricted to specific programs						3,723,619	-
Payment in lieu of taxes						172,997	-
Investment income						1,122,182	68,560
Miscellaneous						65,280	-
Total general revenues						59,244,128	68,560
Change in net position						23,593,640	1,362,205
Net position - beginning						283,457,029	13,465,740
Prior period adjustment						(31,210,985)	-
Net position - beginning as restated (Note 1, F.)						252,246,044	-
Net position - ending						\$ 275,839,684	\$ 14,827,945

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

CARVER COUNTY
CHASKA, MINNESOTA

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2015

<u>Assets</u>	General	Road & Bridge	Community Social Services	Debt Service	Buildings CIP	Road & Bridge CIP	Parks & Trails CIP	Other Governmental Funds	Total Governmental Funds
Cash and Pooled Investments	\$ 25,020,644	\$ 3,858,409	\$ 8,200,984	\$ 9,011,757	\$ 3,155,198	\$ 15,218,678	\$ 3,555,351	\$ 498,147	\$ 68,519,168
Petty Cash and Change Funds	5,940	100	750	-	-	-	-	-	6,790
Departmental Cash	124,459	-	-	-	-	-	-	-	124,459
Minnesota Foundation Endowment	51,935	-	-	-	-	-	-	-	51,935
Taxes Receivable									
Delinquent	354,496	48,925	90,544	56,220	630	19,098	140	8,892	578,945
Special Assessments Receivable									
Delinquent	-	-	-	-	-	-	-	413	413
Unavailable	447,023	-	-	-	-	-	-	-	447,023
Accounts Receivable	179,475	5,793	1,226,447	-	-	-	-	610	1,412,325
Accrued Interest Receivable	269,251	-	-	-	-	-	-	-	269,251
Due from other Funds	20,433	3,522	-	-	-	-	-	-	23,955
Due from other Governments	1,017,512	34,663	1,700,753	-	-	13,604,963	349,207	56	16,707,154
Inventories	-	382,270	-	-	-	-	-	-	382,270
Prepaid Items	20,129	13,159	25,078	-	-	-	-	-	58,366
Total Assets	27,511,297	4,346,841	11,244,556	9,067,977	3,155,828	28,842,739	3,904,698	508,118	88,582,054
Liabilities, Deferred Inflows of Resources, and Fund Balances									
Liabilities:									
Cash Overdraft	-	-	-	-	-	-	-	14,800	14,800
Accounts Payable	873,497	66,260	433,955	-	11,581	2,402	-	43,526	1,431,221
Salaries Payable	510,851	109,150	203,393	-	-	-	-	-	823,394
Contracts Payable	377,860	57,547	27,361	-	-	657,216	71,974	19,382	1,211,340
Retainage Payable	-	-	-	-	-	2,446,322	74,996	6,360	2,527,678
Customer Deposits Payable	686,837	-	-	-	-	-	-	-	686,837
Due to other Funds	2,547	-	21,408	-	-	-	-	-	23,955
Due to other Governments	1,100,490	21,445	225,213	-	-	-	-	120,523	1,467,671
Unearned Revenue	130,141	-	649,699	-	-	-	-	-	779,840
Total Liabilities	3,682,223	254,402	1,561,029	-	11,581	3,105,940	146,970	204,591	8,966,736
Deferred Inflows of Resources:									
Unavailable revenue	914,577	55,479	895,513	26,672	298	11,484,750	13,573	4,631	13,395,493
Fund Balances:									
Non-spendable:									
Inventories	-	382,270	-	-	-	-	-	-	382,270
Prepays	20,129	13,159	25,078	-	-	-	-	-	58,366
Missing Heirs	93,728	-	-	-	-	-	-	-	93,728
Restricted for:									
Minnesota Foundation Endowment	51,935	-	-	-	-	-	-	-	51,935
Septic Loan Program	431,296	-	-	-	-	-	-	-	431,296
Recorder's Information Technology	308,195	-	-	-	-	-	-	-	308,195
Recorder's Equipment	364,188	-	-	-	-	-	-	-	364,188
Restitution	61,134	-	-	-	-	-	-	-	61,134
Attorney Forfeitures	49,641	-	-	-	-	-	-	-	49,641
Law Library	37,266	-	-	-	-	-	-	-	37,266
ATOD Program	14,580	-	-	-	-	-	-	-	14,580
Conceal and Carry	199,190	-	-	-	-	-	-	-	199,190
Posse	7,278	-	-	-	-	-	-	-	7,278
Solid Waste Fees	16,345	-	-	-	-	-	-	-	16,345
Watershed Districts	-	-	-	-	-	-	-	292,458	292,458
Sheriff Forfeitures	170,941	-	-	-	-	-	-	-	170,941
Sheriff Explorers	3,419	-	-	-	-	-	-	-	3,419
Sheriff Reserves	6,345	-	-	-	-	-	-	-	6,345
E-911	261,816	-	-	-	-	-	-	-	261,816
Debt Service	-	-	-	9,041,305	-	-	-	-	9,041,305
2014 Bond Projects	-	-	-	-	-	5,247,137	-	-	5,247,137
Ditch Maintenance	-	-	-	-	-	-	-	56,158	56,158
Assigned to (Note 3.G.):	2,943,302	3,641,531	8,762,936	-	3,143,949	9,004,912	3,744,155	108,469	31,349,254
Unassigned:	17,873,769	-	-	-	-	-	-	(158,189)	17,715,580
Total Fund Balances	22,914,497	4,036,960	8,788,014	9,041,305	3,143,949	14,252,049	3,744,155	298,896	66,219,825
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 27,511,297	\$ 4,346,841	\$ 11,244,556	\$ 9,067,977	\$ 3,155,828	\$ 28,842,739	\$ 3,904,698	\$ 508,118	\$ 88,582,054

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

**CARVER COUNTY
CHASKA, MINNESOTA**

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2015**

Fund Balances - Total Governmental Funds		\$ 66,219,825
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
<p>Internal Service Funds are used by management to charge costs of insurance, compensated absences, other post-employment benefits to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of activities.</p>		(230,181)
<p>Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds</p>		268,390,028
<p>Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds.</p>		
General Obligation Bonds Payable	(25,117,349)	
Notes Payable	(13,439,062)	
Loans Payable	(878,319)	
Net Pension Liability	(34,571,098)	
Accrued Interest Payable	(282,927)	(74,288,755)
<p>Deferred outflows of resources and deferred inflows of resources are created as a result of various differences related to pensions that are not recognized in the governmental funds.</p>		
Deferred outflow of resources	6,151,297	
Deferred inflow or resources	(3,798,023)	2,353,274
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.</p>		
		13,395,493
Net Position of Governmental Activities		\$ 275,839,684

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

CARVER COUNTY
CHASKA, MINNESOTA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015

	General	Road & Bridge Special Revenue Fund	Community Social Services Special Revenue Fund	Debt Service	Buildings CIP	Road & Bridge CIP	Parks & Trails CIP	Other Governmental Funds	Total Governmental Funds
Revenues:									
Taxes	\$ 34,031,130	\$ 4,197,333	\$ 7,545,200	\$ 5,197,776	\$ 153	\$ 2,533,626	\$ 52	\$ 690,443	\$ 54,195,713
Special Assessments	171,907	-	-	-	-	-	-	119,285	291,192
Licenses and Permits	1,228,064	-	-	-	-	-	-	56,647	1,284,711
Intergovernmental	6,675,227	3,041,505	10,879,668	24,368	291,339	21,191,529	2,190,001	27,394	44,321,031
Charges for Services	8,932,633	17,705	3,844,418	-	-	-	-	8,063	12,802,819
Fines and Forfeits	214,048	-	-	-	-	-	-	-	214,048
Gifts and Contributions	83,431	-	-	-	-	-	-	-	83,431
Investment Income	929,940	-	-	-	-	131,518	-	556	1,062,014
Miscellaneous	558,706	85,274	164,521	-	6,920	-	696	12,263	828,380
Total Revenues	52,825,086	7,341,817	22,433,807	5,222,144	298,412	23,856,673	2,190,749	914,651	115,083,339
Expenditures:									
Current:									
General Government	18,363,671	-	-	-	49,238	-	-	-	18,412,909
Public Safety	19,957,777	-	-	-	343,567	-	-	-	20,301,344
Highways and Streets	-	8,014,110	-	-	4,160	2,397,952	-	-	10,416,222
Human Services	-	-	21,309,360	-	-	-	-	-	21,309,360
Health	2,271,435	-	-	-	-	-	-	-	2,271,435
Culture and Recreation	5,367,328	-	-	-	375,870	-	-	62,172	5,805,370
Conservation of Natural Resources	3,432,649	-	-	-	60,000	-	-	864,312	4,356,961
Intergovernmental	-	-	-	-	-	-	-	-	-
Highways and Streets	-	175,449	-	-	-	-	-	-	175,449
Capital Outlay	-	-	-	-	2,105,812	48,925,399	1,270,783	-	52,301,994
Debt Service:	-	-	-	-	-	-	-	-	-
Principal Retirement	225,164	-	-	2,970,000	-	-	-	-	3,195,164
Interest and Fiscal Charges	-	-	-	790,794	-	-	-	-	790,794
Total Expenditures	49,618,024	8,189,559	21,309,360	3,760,794	2,938,647	51,323,351	1,270,783	926,484	139,337,002
Excess (Deficiency) of Revenues over (under) Expenditures	3,207,062	(847,742)	1,124,447	1,461,350	(2,640,235)	(27,466,678)	919,966	(11,833)	(24,253,663)
Other Financing Sources (Uses):									
Transfers In	447,955	168,021	498,762	315,000	789,376	1,378,752	810,626	-	4,408,492
Transfers Out	(3,301,544)	(166,743)	(240,000)	-	(48,473)	(463,250)	-	(138,987)	(4,358,997)
Loans Issued	51,776	-	-	-	-	-	-	-	51,776
Notes Issued	-	-	-	-	-	13,439,062	-	-	13,439,062
Proceeds from Sale of Capital Assets	65,801	74,864	1,600	-	-	-	1,100,000	-	1,242,265
Total Other Financing Sources (Uses)	(2,736,012)	76,142	260,362	315,000	740,903	14,354,564	1,910,626	(138,987)	14,782,598
Net Change in Fund Balances	471,050	(771,600)	1,384,809	1,776,350	(1,899,332)	(13,112,114)	2,830,592	(150,820)	(9,471,065)
Fund Balance - January 1	22,443,447	4,846,384	7,403,205	7,264,955	5,043,281	27,364,163	913,563	449,716	75,728,714
Increase (Decrease) in Inventories	-	(37,824)	-	-	-	-	-	-	(37,824)
Fund Balance - December 31	\$ 22,914,497	\$ 4,036,960	\$ 8,788,014	\$ 9,041,305	\$ 3,143,949	\$ 14,252,049	\$ 3,744,155	\$ 298,896	\$ 66,219,825

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

**CARVER COUNTY
CHASKA, MINNESOTA**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2015**

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

Net change in fund balances - total governmental funds	\$	(9,471,065)
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Change in net position from the Internal Service Funds		426,409
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Capital Outlays are reported as expenditures in governmental funds. However in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.

Capital Outlay	\$ 54,154,236	
Depreciation Expense	<u>(5,869,405)</u>	
	<u>\$ 48,284,831</u>	48,284,831

Various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and retirements) decrease net position.

Disposals	\$ (1,119,819)	(1,119,819)
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The issuance of long term debt (e.g., bonds, loans payable) provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The amounts below are the effects of these differences in the treatment of long-term debt and related items.

Issuance of Notes Payable	\$ (13,439,062)	
Proceeds from Loan	(51,776)	
Principal Repayments	3,195,164	
Net Adjustment to Interest Payable	(6,661)	
Amortization of Bond Discount	(911)	
Amortization of Bond Premium	<u>60,229</u>	
	<u>\$ (10,243,017)</u>	(10,243,017)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the governmental funds.

Net Adjustment to Unavailable Revenue	\$ (3,239,036)	(3,239,036)
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The reduction of some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Change in Net Pension Obligation, as restated	\$ (1,694,197)	
Change in Net Deferred Pension Outflows, as restated	4,485,381	
Change in Net Deferred Pension Inflows	(3,798,023)	
Change in Inventory	<u>(37,824)</u>	
	<u>\$ (1,044,663)</u>	<u>(1,044,663)</u>

Changes in net position of governmental activities	\$	<u>23,593,640</u>
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Notes to the financial statements are an integral part of this statement.

CARVER COUNTY
CHASKA, MINNESOTA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2015

	<u>Governmental Activities Internal Service Funds</u>
<u>Assets</u>	
Current	
Cash and Pooled Investments	\$ 7,497,220
Investments with Trust Account	<u>3,787,654</u>
Total Current Assets	<u>11,284,874</u>
<u>Liabilities</u>	
Current	
Accounts Payable	53,173
Contracts Payable	7,956
Compensated Absences - due within one year	<u>685,515</u>
Total Current Liabilities	746,644
Non-Current	
Compensated Absences - due in more than one year	4,448,176
Net OPEB Obligation - due in more than one year	<u>6,320,235</u>
Total Noncurrent Liabilities	<u>10,768,411</u>
Total Liabilities	<u>11,515,055</u>
<u>Net Position</u>	
Unrestricted	<u>\$ (230,181)</u>

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

CARVER COUNTY
CHASKA, MINNESOTA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND
NET POSITION- PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015

	Governmental Activities Internal Service Funds
Operating Revenues:	
Charges for Services	\$ 2,062,230
Insurance Refunds	260,156
Total Operating Revenues	2,322,386
Operating Expenses:	
Risk Management	1,045,800
Professional Services	708
Personal Services	844,731
Total Operating Expenses	1,891,239
Operating Income (Loss)	431,147
Nonoperating Revenues (Expenses):	
Investments Income	44,757
Income (Loss) Before Transfers:	475,904
Transfers Out	(49,495)
Change in Net Position	426,409
Net Position - Beginning	(656,590)
Net Position-Ending	\$ (230,181)

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

CARVER COUNTY
CHASKA, MINNESOTA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015

	Governmental Activities Internal Service Funds
Cash Flows from Operating Activities	
Receipts from Internal Services Provided	\$ 2,066,232
Refunds from Insurance Provider	260,156
Disbursements for Internal Services Provided	(1,695,430)
Total Cash Flows from Operating Activities	630,958
Cash Flows from Noncapital Financing Activities	
Transfers to Other Funds	(49,495)
Cash Flows from Investing Activities	
Purchase of Investments	(705,041)
Cash and Cash Equivalents at January 1	7,620,798
Cash and Cash Equivalents at December 31	7,497,220
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:	
Operating Income (Loss)	431,147
(Increase) Decrease in Accounts Receivable	4,002
(Decrease) Increase in Accounts Payable	14,190
(Decrease) Increase in Contracts Payable	(5,544)
(Decrease) Increase in Compensated Absences Payable	(370,142)
(Decrease) Increase in Net OPEB Obligation	557,305
Total Adjustments	199,811
Net cash provided by operating activities	\$ 630,958

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

CARVER COUNTY
CHASKA, MINNESOTA

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2015

<u>Assets</u>	<u>Agency Funds</u>
Cash and Pooled Investments	\$ 7,590,930
Accounts Receivable	7,541
Due from other Governments	32,851
Prepaid Items	5,614
Total Assets	<u><u>7,636,936</u></u>
 <u>Liabilities</u>	
Due to other Governments	<u><u>\$ 7,636,936</u></u>

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

Notes to Financial Statements

CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2015

Note 1 - Summary of Significant Accounting Policies

The financial reporting policies of the County conform to generally accepted accounting principles.

A. Financial Reporting Entity

Carver County was established March 3, 1855, and is an organized county having the powers, duties and privileges granted counties by Minn. Stat. ch. 373. The County is governed by a five-member board of commissioners elected from districts within the County. The Board is organized with a chair and vice-chair elected at the annual meeting in January of each year. The County Administrator, appointed by the Board, serves as the clerk of the Board of Commissioners but has no vote.

Individual Component Unit Disclosures

Blended Component Unit

The Carver County Regional Rail Authority (CCRRA) is governed by a five-member board consisting of the County Commissioners with the power to levy taxes, issue bonds, and enter into contracts. The Authority was established for the preservation and improvement of local rail service. The Authority may purchase abandoned railroad lines within the County to preserve them for the long-range plans that may include light rail transportation or to improve the trail system. The CCRRA is included in the Carver County reporting entity as a Nonmajor Special Revenue Fund. Carver County has the ability to impose its will on the CCRRA. The CCRRA is presented as blended because the operational responsibility rests with the management of Carver County. Separate financial statements are not available.

The Carver County Water Management Organization (CCWMO) is governed by a five-member board consisting of the County Commissioners with the power to levy taxes and enter into contracts. The CCWMO was established to carry out the Water Management Plan in the County's watersheds. The CCWMO is included in the Carver County reporting entity as a Nonmajor Special Revenue Fund. Carver County has the ability to impose its will on the CCWMO. The CCWMO is represented as blended because the operational responsibility rests with the management of Carver County. Separate financial statements are not available.

Discretely Presented Component Unit

Carver County has determined that the Carver County Community Development Agency (CDA) meets the criteria to be presented as a component unit of Carver County. The CDA is included in the County's reporting entity because (1) the Board appoints a voting majority of the component unit's governing body and (2) the potential for the organization to impose specific financial burdens on the County. It is reported in a separate column or row in the County's government-wide statements emphasizing that the CDA is legally separate from Carver County. The CDA operates as a local government unit for the purpose of providing housing and redevelopment services and economic development assistance to Carver County. Note 5 is the beginning of the Community Development Agency notes which are presented immediately following the primary government notes to the financial statements. The complete financial statements of the CDA can be obtained by writing to the Carver County Community Development Agency, 705 Walnut Street, Chaska, Minnesota 55318.

B. Government-wide and fund financial statements

The government-wide statements of net position and the statement of activities display information about the primary government (the County) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activities of the County. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

The statement of activities presents a comparison between direct expenses and program revenues for the different activities of the County and for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

The fund financial statements provide information about the County's funds, including its proprietary funds. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2015

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Operating expenses, such as risk management and self insurance expenses, results from a direct payment made during the current fiscal year for worker's compensation claims and health insurance deductible payments.

C. Measurement Focus, Basis of Accounting

The government-wide, proprietary fund, and fiduciary fund financial statements are presented on a consolidated basis and reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The County considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Property taxes, sales taxes, franchise taxes, licenses, and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

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

The County reports the following major governmental funds:

General Fund

The General Fund is the general operating fund of the County. It is used to account for all financial resources except those accounted for in another fund.

Road & Bridge Special Revenue Fund

The Road & Bridge Fund accounts for the maintenance and construction costs of streets and highways. Financing comes primarily from committed annual property tax levy, restricted and assigned intergovernmental revenue from local, state and federal governments, as well as assigned fees for services and other miscellaneous revenue.

Community Social Services Special Revenue Fund

The Community Social Services Fund accounts for all human services costs. Financing comes primarily from committed annual property tax levy, restricted and assigned intergovernmental revenue from the state and federal governments, as well as assigned fees for services and other miscellaneous revenue.

Debt Service Fund

The Debt Service Fund accounts for the resources accumulated and payments made for the principal and interest on long-term debt of the government.

Buildings Capital Improvement (CIP) Capital Projects Fund

The Buildings Capital Improvement Fund accounts for the financial resources used to account for and report financial resources that are restricted, committed or assigned to the acquisition or construction of major capital facilities or improvements.

Road & Bridge Capital Improvement (CIP) Capital Projects Fund

The Road & Bridge Capital Improvement Fund accounts for the financial resources used to account for and report financial resources that are restricted, committed or assigned to the acquisition or construction of road and bridge improvements.

Parks & Trails Capital Improvement (CIP) Capital Projects Fund

The Parks & Trails Capital Improvement Fund accounts for the financial resources used to account for and report financial resources that are restricted, committed or assigned to the acquisition or construction of parks and trails or improvements to existing parks and trails.

CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2015

Additionally, the County reports the following fund types:

Internal Service Funds

Internal service funds account for general liability and malpractice, worker's compensation insurance coverages provided to other departments on a cost-reimbursement basis, employee compensated absences, retiree benefits, and other post employment benefits.

Fiduciary Fund

Agency funds are the only fiduciary fund type in the County. Agency funds account for monies held on behalf of school districts, special districts, and retirement boards that use the County as a depository; property taxes collected on behalf of other governments; and surety bonds and performance deposits. Agency funds are custodial in nature, and do not present results of operations or have a measurement focus.

The effect of interfund activity has been eliminated from government-wide statements.

Amounts reported as program revenue in the government-wide statements include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Under the terms of grant agreements, the County funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted resources available to finance the program. It is the County's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity

1. Deposits and Investments

Fund and pooled (in lieu of cash) investments are stated at fair value except for investments in commercial paper, having a remaining maturity of one year or less at the time of purchase, which are reported at cost. Pursuant to Minn. Stat. Section 385.07, investment earnings on cash and pooled investments are credited to the General fund. Other funds received investment earnings based on other state statutes, grant agreements, contracts, and bond covenants. In 2015 the County recorded a "net decrease in fair value of investments" of \$32,508 as part of investment income. Interest earnings from cash and pooled investments for 2015 were \$1,094,522. Total investment earnings for 2015 were \$1,062,014. Pooled investment earnings for 2015 in the General Fund were \$929,940.

Minn. Stat. 118A.04 authorizes Carver County to invest in U.S. securities, any security which is a general obligation of any state and local government which are rated an "A" or better by a national bond rating service, commercial paper, bankers acceptance, repurchase or reverse repurchase agreements, mortgage backed securities including collateralized mortgage obligations, and guaranteed rated investment contracts.

2. Cash and Cash Equivalents

The County considers cash and cash equivalents in proprietary funds to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. In addition, because the Treasury Pool is sufficiently liquid to permit withdrawal of cash at any time without prior notice or penalty, equity in the pool is also deemed to be a cash equivalent.

Investments with trust accounts are stated at fair value. Investment earnings on investments in trust accounts are credited to the funds in which they are held.

3. Receivables and Payables

The County is responsible for the assessment, collection, and apportionment of property taxes for all jurisdictions including the schools and special districts within the County. Property taxes are levied January 1st on property values assessed as of the prior year. The tax levy is divided into two billings: first half is due May 15th and second half is due October 15th. No allowance for uncollectible taxes and special assessments have been provided because such amounts are not expected to be material. Taxes, which remain unpaid by property owners at December 31st, are considered delinquent. Special assessments receivable consist of delinquent special assessments and noncurrent special assessments.

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4. Inventories and Prepaid Items

Inventories are valued at cost using the first-in/first-out (FIFO) method. Inventory cost in the Road & Bridge Fund is recorded as an expenditure/expense at the time the individual items are used rather than when purchased.

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

5. Capital Assets

Capital assets, which include property, buildings, equipment, and infrastructure (e.g., roads, bridges, culverts and similar items), are reported in the governmental activities column in the government-wide financial statements. The government defines capital assets as assets with an initial, individual cost equal to or greater than \$5,000 to more than \$50,000 depending on the asset type and category, and an estimated life equal to or greater than two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or extend the useful life of the asset are not capitalized.

Property, building, and equipment of the primary government, as well as the blended component units, are depreciated using the straight-line method.

For the County, the estimated useful lives are:

<u>Assets</u>	<u>Years</u>
Buildings & Building Improvements	10-50
Improvements other than buildings	10-20
Infrastructure	30-75
Machinery & equipment	2-25

6. Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then.

The County only has one item that qualifies for reporting in this category. Accordingly, the item, deferred pension resources, is reported only in the statement of net position. This item results from actuarial calculations and current year pension contributions made subsequent to the measurement date.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time.

The County has one item, which arises only under a modified accrual basis of accounting, that qualifies as needing to be reported in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available.

The County has an additional item which qualifies for reporting in this category. The item, deferred pension resources, is reported only in the statements of net position and results from actuarial calculations.

7. Compensated Absences

The liability for compensated absences reported in the government-wide and proprietary fund statements consists of unpaid, accumulated annual vacation and sick leave balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included. The current portion of this liability is based on an estimate of the cost of severances during the upcoming year. A liability for these amounts is reported in governmental funds only if they have matured, as a result of employee resignations and retirements.

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Under the County's personnel policies and union contracts, County employees are granted vacation or paid time off (PTO) in varying amounts based on their length of service. Certain County employees are also granted compensatory time. Vacation accruals for full-time employees varies from 10-25 days per year based on years of service. Sick leave accrual is 12 days per year. Paid time off (PTO) accruals vary from 20-35 days per year.

8. Pension Plan

For purposes of measuring the net pension liability, 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 except that PERA's fiscal year end is June 30. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Plan investments are reported at fair value.

9. Long-term obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, or proprietary fund type statement of net position. Bond premiums and discounts are amortized over the life of the bonds using the straight-line interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as an expense 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 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, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

At December 31, 2007 the County began to calculate and record a net other post employment benefit obligation (NOPEBO). The NOPEBO is, in general, the cumulative difference between the actuarial required contribution and the actual contributions since the actuarial valuation date of January 1, 2015.

10. Net Position

Net position in the government-wide and proprietary fund financial statements is displayed in three components:

Net investment in capital assets - consists of capital assets, net of accumulated depreciation, reduced by outstanding debt attributed to the acquisition, construction, or improvement of the assets.

Restricted - consists of restricted assets for which external restrictions have been imposed by creditors, grantors, contributors, or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted - the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that do not meet the definition of "restricted" or "net investment in capital assets".

The County applies restricted- net position prior to utilizing unrestricted- net position.

11. Classification of Fund Balance

Working Capital Policy -

The Board has determined that 35% of next year's operating budget needs to be available for working capital until the first half tax collections are received. Working capital by major fund are as follows:

General Fund -	\$ 17,874,101
Road & Bridge Fund -	2,550,191
Community Social Services Fund -	8,097,453

These amounts are included in the General Fund as unassigned fund balance and as assigned fund balance in the Road & Bridge and Community Social Services Funds.

The working capital amount is established by formal action of the County Board and the cash cannot be used for any other purpose unless approved by the Board.

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Fund balance is divided into five classifications based primarily on the extent to which the County is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable - the nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash.

Restricted - fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation.

Committed - the committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (resolution) of the County Board. Those committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts.

Assigned - the assigned fund balance classification includes amounts that are internally imposed constraints established by the County Board. The County Board has adopted a fund balance policy, which delegates the authority to the County Administrator or his designee to assign amounts to be used 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. See note 3.G, for assigned fund balance detail.

Unassigned - the Unassigned General Fund Balance is appropriated by the Board as 35% of next year's operating budget for the specific purpose of providing working capital until first half tax collections are received. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted or committed.

The County applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

12. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

E. Revenues

1. Revenues

In accordance with GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, revenues for nonexchange transactions are recognized based on the principal characteristics of the revenue. Exchange transactions are recognized as revenue when the exchange occurs. The modified accrual basis of accounting is used by all governmental fund types. Under this basis, revenue is not recognized in the financial statements unless it is available to finance current expenditures.

2. Imposed Nonexchange Transactions

Imposed nonexchange transactions result from assessments by governments on non-governmental entities and individuals. Property taxes, fines and penalties, and property forfeitures are imposed nonexchange transactions. Revenues from property taxes are recognized in the period for which the taxes were levied, to the extent they are collected in the current period or soon enough thereafter to be used to pay liabilities of the current period. Property taxes receivable but not available are reported as a deferred inflow of resources and will be recognized as revenue in the fiscal year that they become available. Fines and penalties and property forfeitures are recognized in the period received.

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3. Intergovernmental

Government-mandated nonexchange transactions occur when a government at one level provides resources to a government at another level and requires that government to use them for a specific purpose. The provider government establishes purpose restrictions and also may establish time requirements. Federal and state grants mandating the County perform particular programs are government-mandated nonexchange transactions. Revenues are recognized when eligibility and time requirements are met, usually when the corresponding expenditure is incurred.

Voluntary nonexchange transactions result from legislative or contractual agreements, such as grants, entitlements, appropriations, and donations. The provider may establish purpose restrictions or eligibility requirements. Revenues are recognized in the year to which they apply according to the statute or contract. Gifts and contributions from individuals are also considered voluntary nonexchange transactions and are generally recognized when received.

Tax credits paid by the state are included in intergovernmental revenues and are recognized as revenue in the fiscal year that they become available. Subject to the availability criterion, state-aid highway allotments for highway maintenance and construction are recognized as revenue in the year of allotment.

4. Exchange Transactions

Special assessments levied against benefiting properties are recognized under the modified accrual basis when available to finance current expenditures. Other revenues, such as licenses and permits, charges for services, and investment income are recognized as revenue when earned.

F. Change in Accounting Principles

During the year ended December 31, 2015, the County adopted new accounting guidance by implementing the provisions of GASB Statements 68, 71, and 82. GASB Statement No. 68, Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27, requires governments providing defined benefit pensions to employees through pension plans administered through trusts to record their proportionate share of the net pension obligation as a liability on their financial statements along with related deferred outflows of resources, deferred inflows of resources, and pension expense. This statement also requires additional note disclosures and schedules in the required supplementary information.

GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68, addresses an issue regarding amounts associated with contributions made to a pension plan after the measurement date of the net pension liability.

GASB Statement No. 82, Pension Issues- an amendment of GASB Statement No. 67, No. 68, and No. 73, modifies the measure of payroll that is presented in the required supplementary information schedules.

GASB Statements 68 and 71 require the County to report its proportionate share of the PERA total employers' unfunded pension liability. As a result, beginning net position has been restated to record the County's net pension liability and related deferred outflows of resources.

	<u>Governmental Activities</u>
Net Position-	
January 1, 2015 as previously reported	\$ 283,457,029
Change in accounting principles	(31,210,985)
Net Position-	
January 1, 2015 as restated	\$ 252,246,044

Note 2 - Stewardship, compliance, and accountability

A. Budgetary information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. Each appropriation lapses at the end of the fiscal year to the extent that it has not been expended.

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The appropriated budget is prepared by fund, function, and department. The County's budgets may be amended or modified at any time by the County Board. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level. Adjustments to the approved budget, requested by originating departments, can be approved by the Property and Financial Services Director after review for adequate transfer of existing budget or addition of new revenue sources. All other changes greater than \$5,000 require Board approval, and changes of \$5,000 or less require the Property and Financial Services Director's approval. The material supplemental budgetary appropriations were:

Building Capital Improvements Fund	\$	2,641,515
Road & Bridge Capital Improvements Fund		44,961,353
Parks & Trails Capital Improvements Fund		(3,054)
Rail Authority Fund		49,072
Watershed Management Organization		117,275
Ditch Fund		119,285
Total	\$	47,885,446

B. Excess of expenditures over appropriations

In the Buildings Capital Improvement Fund, Sheriff and Capital Outlay exceeded appropriations by \$1,886 and \$3,908 respectively, this relates to increased costs related to security improvements. The additional costs were covered by fund balance that was available.

The Ditch Fund exceeded appropriations by \$49,429 as a result of increased clean-up expenditures and additional damages related to a redetermination project. These expenditures will be re-cooped through future special assessments.

C. Deficit Fund Equity

Ditch Special Revenue Fund

For internal accounting purposes, individual ditch system records are maintained on a basis which shows long-term debt payable, recognizes special assessments as revenues when levied, and does not eliminate interfund transactions. Using this basis of accounting, 10 of 18 drainage systems have deficit fund balances at December 31, 2015.

Although this method results in numbers not considered to be in conformity with GAAP for reporting, it provides necessary information by ditch for internal accounting purposes. The following is a summary of fund balances using this non-GAAP basis.

Account balances	\$	56,158
Account balance deficits		(157,776)
Total	\$	(101,618)

The Ditch Special Revenue Fund's deficit will be eliminated with future special assessment levies against benefited properties. The Ditch Special Revenue Fund has a deficit fund balance of (\$102,031) when reported on the modified accrual basis.

Other Post Employment Benefits Internal Service Fund

At December 31, 2015, the Other Post Employment Benefits Internal Service Fund had a deficit net position of \$2,532,581. This deficit was expected. The County is not required to fund the Net OPEB liability, however, the County does plan to continue contributing yearly to the revocable trust account that the County maintains with the Public Employees Retirement Association (PERA) of Minnesota. The County plans to continue contributing to the revocable trust account until the County reaches the accumulated liability for the initial years when the County's actual contribution was below its annual required contribution.

Note 3 - Detailed notes on all funds

A. Deposits and investments

1. Deposits

Minn. Stat. Ch. 118A authorizes the County to designate a depository for public funds and to invest in certificates of deposit. Minnesota statutes require that all County deposits be covered by insurance, surety bond, or collateral. The market value of collateral pledged shall be at least ten percent more than the amount of the deposits. Deposits shall be collateralized as required by Minnesota statutes for any amount exceeding FDIC or other federal deposit coverage.

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Authorized collateral includes the legal investments described by Minn. Stat. Ch. 118A, as well as certain first mortgage notes and certain other state or local government obligations. Minn. Stat. 118A.03 subd. 7, requires that securities pledged as collateral be held in safekeeping at a federal reserve bank or the trust department of a financial institution other than that furnishing the collateral.

At December 31, 2015 the carrying amount of the County's deposits was \$11,849,071. Bank balances were \$12,558,919, of which \$830,855 was covered by Federal depository insurance coverage, and the remaining \$11,728,064 was collateralized with securities held by the pledging financial institution's agent in the County's name.

2. Investments

The funds of the County shall be deposited or invested in accordance with Minn. Stat. Ch. 118A, any other applicable laws, and County investment policy. Four objectives are taken into consideration in the County's investment policy. It is the policy of the County when investing public monies to follow these objectives in the order of importance as listed: legality, safety, liquidity, and yield.

The County's investment policy addresses certain risks to which it is currently exposed as follows:

Interest rate risk. Interest rate risk is the risk that changes in the market interest rates will adversely affect the fair value of an investment. To minimize the County's exposure to interest rate risk the County put a policy in place to manage it by: investing in both shorter-term and longer-term investments; evenly timing cash flows from maturities; and monitoring the expected mark-to-market adjustment if interest rates increase by 100-200 Basis Points.

Credit risk. Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. It is the County's policy to invest only in securities that meet the ratings requirements set by state statute. At December 31, 2015, the County's investment in U.S. Government Agency securities were rated Aaa by Moody's Investor Service.

Concentration of credit risk. The concentration of credit risk is the risk of loss that may be caused by the County's investment in a single issuer. The County shall diversify its investments to avoid incurring unreasonable risks inherent in over-investing in specific instruments, individual financial institutions or maturities. Within these parameters, portfolio maturities shall be staggered to avoid undue concentration of assets in a specific maturity sector. In accordance with the County's investment policy, restrictions placed on the County's current investments are as follows:

<u>Investment Securities</u>	<u>Maximum Portfolio Exposure</u>	<u>Exposure per Issuer</u>	<u>Additional Restrictions</u>
(1) Obligations issued or guaranteed by an Agency of the United States	100%	Unlimited	None
(2) Agency mortgage backed securities including collateralized mortgage obligations	75%	10% in any one mortgage pool or CMO	No more than 50% in mortgage pools or sequential CMO's
(3) Repos and Reverse Repos	20%	10%	90 days maturity or less
(4) General Obligation of any State of the US which is a general obligation of any state or local government with taxing powers	50%	5%	Rated "A" of better by at least one major rating agency
(5) Any security which is a revenue obligation of any state or local government with taxing powers	50%	5%	Rated "AA" of better by a national bond rating service

Custodial credit risk - deposits. In the case of deposits, this is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County's policy is accordance with Minnesota Statutes. Refer to note 3.A.1. for details regarding this risk.

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Custodial credit risk - investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. In accordance with the County's investment policy, all investment securities purchased by the County shall be held in third party safekeeping by an institution designated as primary agent. The primary agent shall issue a safekeeping receipt to the County listing the specific instrument, rate of maturity and other pertinent information. Portfolio investments shall not exceed 50% of the County's investment portfolio with anyone institution, to avoid concentration of assets. Of the County's \$71,867,904 investment portfolio, \$1,500,000 was insured or registered, or securities were held by the County or its agent in the County's name and \$70,367,904 was uninsured and unregistered, with securities held by the counterparty, or by its trust agent, but not in the County's name.

Reverse Repurchase Agreements. Minnesota Statutes, Section 118A.07 permits the County to enter into reverse repurchase agreements, that is, a sale of securities with a simultaneous agreement to repurchase the securities in the future at the same price plus a contract rate of interest. The percentage of the County investment portfolio and its use of reverse repurchase agreements are governed by Statute. Reverse repurchase agreements can provide the County with funds during periods of low cash without requiring the sale of longer-dated securities. By using these instruments, typically for a term of less than twelve months, the County is able to avoid the sale of securities prior to maturity and the potential risk of related capital losses. During 2015, the County chose to not invest in reverse repurchase agreements.

Investments. As of December 31, 2015, the County had the following investments:

Investment Type	Fair Value	Segmented Time Distribution (in Years)			
		Less than 1	1 - 5	6 - 10	More than 10
Certificates of Deposit	\$ 1,175,856	252,013	250,623	421,860	251,360
U.S. Agency Securities (a):					
Federal Agricultural Mtg Corp	502,030	502,030	-	-	-
Federal Farm Credit Bank	4,000,520	4,000,520	-	-	-
Federal Home Loan Bank	2,361,300	-	2,361,300	-	-
Federal Home Loan Mtg Corp	9,878,985	2,495,675	7,383,310	-	-
Federal National Mtg Assn.	22,023,920	5,017,168	17,006,752	-	-
Financing Corp (FICO)	7,253,719	1,397,074	5,856,645	-	-
Government National Mtg Assn.	9,023	-	9,023	-	-
Municipal Bonds	24,527,301	4,585,942	15,146,264	2,907,413	1,887,682
Small Business Administration	126,174	-	126,174	-	-
Cash with Broker	9,076	9,076	-	-	-
Total Investments	\$ 71,867,904	\$ 18,259,498	\$ 48,140,091	\$ 3,329,273	\$ 2,139,042

(a) This classification has some investments that are fixed income and have fixed expiration dates with no interim payments of principal. The majority of interest is paid every six months. Each individual fixed security has unique terms which may change the interest rate at set intervals (step-ups) , or may be called before expiration by the issuer. Mortgage-backed securities and CMO's are also part of this classification and are backed by mortgage packages which make monthly payments of principal and interest to the County. The monthly payments accelerate as the underlying mortgage instruments are paid in full, when the underlying properties are sold or the underlying mortgage is refinanced.

Following is a summary of the credit risk, par values and fair values of securities at December 31, 2015:

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<u>Carver County:</u>	Credit Risk	Par	Fair Value	% of total Portfolio
Negotiable Certificates of Deposit	N/R	\$ 1,170,026	\$ 1,175,855	1.6%
U.S. Agency Securities:				
Federal Agricultural Mtg Corp	AAA	506,195	502,030	0.7%
Federal Farm Credit Bank	AAA	3,998,720	4,000,520	5.6%
Federal Home Loan Bank	AAA	2,380,007	2,361,300	3.3%
Federal Home Loan Mtg Corp	AAA	9,900,002	9,878,985	13.8%
Federal National Mtg Assn.	AAA	21,877,192	22,023,920	30.6%
Financing Corp (FICO)	AAA	7,223,579	7,253,719	10.1%
Government National Mtg Assn.	AAA	9,035	9,023	0.0%
Municipal Bonds (c)	B-AAA	24,700,769	24,527,302	34.1%
Small Business Administration (b)	AAA	125,811	126,174	0.2%
Cash with Broker	N/R	9,076	9,076	0.0%
Total Investments		\$ 71,900,412	\$ 71,867,904	100.0%

(b) Cash invested in Small Business Administration securities are collateralized and backed by the Federal National Mortgage Association (Fannie Mae) which are AAA rated.

(c) Moody's Investor Service was used as the primary agency for the municipal bond ratings, in the case that Moody's did not provide a rating, Standard & Poor's was used. The County owned one 'B' rated bond at December, 31, 2015. This bond was originally purchased in June 2009 as an 'A' rated bond and was downgraded in October 2012. The County determined to hold onto the bond and continue to monitor it. Below is the fair value of municipal bonds by credit rating:

Municipal Bond Credit Rating			
AAA	\$ 3,713,200	A1	\$ 1,646,184
AA1	2,279,711	A+	352,504
AA+	1,504,770	A2	1,836,777
AA2	7,450,017	A	286,550
AA	443,631	A3	560,210
AA3	3,463,887	A-	366,426
AA-	332,518	B	290,917

Total Investments held by Investment Manager	\$ 71,867,904
Checking Account	1,723,627
Money Market	10,000,987
Investments with Trust Account	3,787,654
Mutual Funds	51,935
Departmental Cash	124,459
Petty Cash and Change Funds	6,790
Total Cash, Deposits and Investments	\$ 87,563,356

On the Government Fund Balance Sheet, the Proprietary Fund Statement of Net Position and the Statement of Fiduciary Net Position, cash, deposits and investments are:

Cash and Pooled Investments	\$ 83,592,518
Petty Cash and Change Funds	6,790
Departmental Cash	124,459
Investments with Trust Account	3,787,654
Minnesota Foundation Endowment	51,935
Total Cash, Deposits and Investments	\$ 87,563,356

B. Receivables

There is currently no allowance for uncollectible receivables. The collection rate for taxes on average exceeds 98% and it has been determined that the other receivables will be collected.

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Receivables at December 31, 2015, are:

	Total Receivable	Amounts Not Scheduled for Collection in the Subsequent Year
Taxes	\$ 578,945	\$ -
Special assessments	447,436	447,023
Accounts receivable	1,412,325	-
Accrued interest	269,251	-
Due from other governments	16,707,154	-
Total accounts receivable for Governmental funds	\$ 19,415,111	\$ 447,023

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

	Unavailable Revenue	Unearned Revenue
Delinquent property taxes receivable	\$ 274,631	\$ -
Delinquent special assessments receivable	413	-
Special assessments not yet due (General Fund)	447,023	-
Interest receivable that does not provide current financial resources	123,033	-
Accounts receivable that do not provide current financial resources	884,637	-
Grant receivables that do not provide current financial resources	11,665,756	-
Grant drawdowns prior to meeting all eligibility requirements	-	779,840
Total unavailable and unearned revenue for governmental funds	\$ 13,395,493	\$ 779,840

C. Capital assets

Capital asset activity for the year ended December 31, 2015 was as follows:

Primary Government

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets, not being depreciated				
Land	\$ 27,707,390	\$ 2,184,862	\$ (1,100,000)	\$ 28,792,252
Construction in progress	55,277,808	49,714,821	(8,198,880)	96,793,749
Total capital assets, not being depreciated	82,985,198	51,899,683	(9,298,880)	125,586,001
Capital assets, being depreciated				
Buildings	63,281,239	-	-	63,281,239
Improvements other than buildings	2,157,804	52,570	-	2,210,374
Machinery and equipment	20,733,858	2,541,548	(1,382,951)	21,892,455
Infrastructure	157,513,280	7,859,315	(200,000)	165,172,595
Total capital assets being depreciated	243,686,181	10,453,433	(1,582,951)	252,556,663
Less accumulated depreciated for:				
Buildings	(24,075,511)	(1,212,890)	-	(25,288,401)
Improvements other than buildings	(1,965,218)	(33,614)	-	(1,998,832)
Machinery and equipment	(15,501,815)	(1,598,490)	1,363,132	(15,737,173)
Infrastructure	(63,903,819)	(3,024,411)	200,000	(66,728,230)
Total accumulated depreciation	(105,446,363)	(5,869,405)	1,563,132	(109,752,636)
Total capital assets, being depreciated, net	138,239,818	4,584,028	(19,819)	142,804,027
Governmental activities capital assets, net	\$ 221,225,016	\$ 56,483,711	\$ (9,318,699)	\$ 268,390,028

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

Governmental activities:	
General government	\$ 1,714,388
Public safety	428,036
Highways and streets, including depreciation of general infrastructure assets	3,419,797
Human services	51,058
Culture and recreation	197,774
Conservation of natural resources	58,352
Total depreciation expense--governmental activities	<u>\$ 5,869,405</u>

D. Interfund receivables, payables, and transfers

The composition of interfund balances as of December 31, 2015, is as follows:

Due to/from other funds:

<u>Receivable</u>	<u>Amount</u>	<u>Payable</u>	<u>Amount</u>
General Fund	\$ 20,433	Community Social Services Fund	\$ 20,433
		General Fund	2,547
Road & Bridge Fund	3,522	Community Social Services Fund	975
	<u>\$ 23,955</u>		<u>\$ 23,955</u>

In the fund financial statements interfund receivables and payables totaled \$23,955. Receivables in the General Fund were for costs associated with attorney fees, data processing supplies, data connectivity, civil process, and juvenile placement fees collected on old cases. The receivables in the Road & Bridge Fund were due to expenditures related to fuel costs, and vehicle maintenance.

Interfund transfers:

Transfer Out:	Transfer In:			
	General Fund (1)(2)(3)(4)(5)	Road and Bridge Fund (4)(6)(7)(8)	Community Social Service Fund (4)(9)	Debt Service Fund (10)
General Fund	\$ -	\$ 32,021	\$ 498,762	\$ -
Road & Bridge Fund	80,000	-	-	-
Community Social Services	240,000	-	-	-
Debt Service Fund	-	-	-	-
Buildings CIP Fund	48,473	-	-	-
Road & Bridge CIP Fund	-	100,000	-	315,000
Nonmajor Governmental Funds	29,987	36,000	-	-
Internal Service Funds	49,495	-	-	-
Totals	<u>\$ 447,955</u>	<u>\$ 168,021</u>	<u>\$ 498,762</u>	<u>\$ 315,000</u>

Transfer Out:	Transfer In:			
	Buildings CIP Fund (11)(12)	Road & Bridge CIP Fund (11)	Parks & Trails CIP Fund (11)(13)(14)	Total
General Fund	\$ 789,376	\$ 1,292,009	\$ 689,376	\$ 3,301,544
Road & Bridge Fund	-	86,743	-	166,743
Community Social Services	-	-	-	240,000
Debt Service Fund	-	-	-	-
Buildings CIP Fund	-	-	-	48,473
Road & Bridge CIP Fund	-	-	48,250	463,250
Nonmajor Governmental Funds	-	-	73,000	138,987
Internal Service Funds	-	-	-	49,495
Totals	<u>\$ 789,376</u>	<u>\$ 1,378,752</u>	<u>\$ 810,626</u>	<u>\$ 4,408,492</u>

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Transfers were used for the following:

- (1) Transfer of accumulated County Program Aid (CPA) and excess funds from court security project for Master Space Plan contract
- (2) Transfer insurance funds to help replace squad vehicle
- (3) Transfer of funds for the Aquatic Invasive Species Program operated by the Parks Department
- (4) Transfer salary budget dollars, to adjust based on pay for performance and vacancy savings allocation
- (5) Transfer of funds from the Victoria Library Project to cover e-book purchases
- (6) Transfer of funds from Facilities to Public Works for office furniture purchases
- (7) Transfer of CSAH funds to purchase Public Works equipment
- (8) Transfer of funds from Carver County Regional Rail, used to fund part of a shared FTE with Public Works
- (9) Transfer of funds to meet 35% working capital needs
- (10) Transfer of Wheelage tax for debt service payments
- (11) Transfer to Year-end Savings Account (YES) per County Fund Balance Policy
- (12) Transfer of funds for additional project costs related to the Chaska License Center Drive-Thru project and queuing software needs
- (13) Transfer to Parks and Trails CIP for the Lake Waconia property purchase
- (14) Transfer of funds from Carver County Regional Rail, used for the MN River Bluffs Project

E. Liabilities

Construction commitments

The County has active construction projects as of December 31, 2015. The projects include the Lake Minnewashta Regional Park & MN River Bluffs Regional Trail, and construction on roads and bridges. At year-end the government's major commitments with contractors are as follows:

<u>Project</u>	<u>Spent-to-Date</u>	<u>Remaining Commitment</u>
Parks and Trails Construction	\$ 1,501,820	\$ 928,577
Road and Bridge Construction	72,065,581	3,542,345
	<u>\$ 73,567,401</u>	<u>\$ 4,470,922</u>

The two park and trail construction projects are being financed by intergovernmental revenue from Local, State, and Federal funds. Road and bridge construction projects are being financed by County taxes, bonds, and intergovernmental revenue from Local, State, and Federal Governments.

Operating lease

The County is obligated under certain leases accounted for as operating leases. During fiscal year 2015, lease expenditures were \$67,213 for noncancelable leases with terms in excess of one year. These expenditures were for the radio tower rental, and rental of office space for the Library Administration and Behavioral Health Services. The following is a schedule, by years, of the future minimum lease payments required under operating leases that have an initial or remaining noncancelable lease terms in excess of one year as of December 31, 2015.

<u>Year Ended December 31</u>	<u>Amount</u>
2016	\$ 65,953
2017	16,931
2018	17,439
2019	17,962
2020	18,501

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Loans for Septic Program

The County has entered into a loan agreement for \$1,973,435 with the Minnesota Department of Agriculture to operate a loan fund for the purpose of funding the repair of failing septic systems. The loans will be paid from special assessments. The loan due to the Department of Agriculture will be paid back in semi-annual payments over 17 years beginning April 2009 with no interest. Loan payments for 2015 totaled \$225,164. The future minimum principal and interest payments are as follows:

Year Ended December 31	Principal	Interest	Total
2016	\$ 195,088	\$ -	\$ 195,088
2017	159,585	-	159,585
2018	142,438	-	142,438
2019	121,315	-	121,315
2020	74,865	-	74,865
2021-2025	181,542	-	181,542
2026	3,486	-	3,486
Total	<u>\$ 878,319</u>	<u>\$ -</u>	<u>\$ 878,319</u>

F. Long-term debt

General Obligation Bonds:

Bonds payable at December 31, 2015, are composed of the following issues:

\$18,695,000 2008A G.O. Capital Improvement Bonds maturing annually on May 1 from 2009 to 2023, at a net interest rate of 3.6069 percent.	\$ 7,210,000
\$5,020,000 2008B G.O. Capital Improvement Bonds maturing annually on February 1 from 2010 to 2024, at a net interest rate of 4.2591 percent.	3,395,000
\$1,460,000 2012A G.O. Tax Abatement Bonds maturing annually on February 1 from 2014 to 2024, at a net interest rate of 2.0463 percent	1,210,000
\$5,150,000 2013A G.O. Capital Improvement Refunding Bonds maturing annually on February 1 from 2014 to 2020, at a net interest rate of 0.8763 percent	4,230,000
\$9,555,000 2014A G.O. Capital Improvement Bonds maturing annually on February 1 from 2015 to 2029, at a net interest rate of 2.2914 percent	<u>8,605,000</u>
<i>Total Bonds Payable</i>	24,650,000
Discount on Bonds Issued	(7,762)
Premium on Bonds Issued	<u>475,111</u>
<i>Net Bonds Payable</i>	<u>\$ 25,117,349</u>

General obligation bonds are direct obligations and pledge the full faith and credit of the County. These bonds generally are issued as 15 to 20-year serial bond with increasing amounts of principal maturing each year. General obligation bonds currently outstanding are as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
Governmental activities - improvement	0.8763 - 4.2591%	<u>\$ 24,650,000</u>

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

Year Ending December 31	Principal	Interest	Total
2016	\$ 2,585,000	\$ 708,779	\$ 3,293,779
2017	2,645,000	648,566	3,293,566
2018	2,700,000	582,029	3,282,029
2019	2,775,000	510,455	3,285,455
2020	2,850,000	430,310	3,280,310
2021-2025	8,275,000	1,031,335	9,306,335
2026-2029	2,820,000	172,200	2,992,200
Total	<u>\$ 24,650,000</u>	<u>\$ 4,083,674</u>	<u>\$ 28,733,674</u>

General Obligation Notes Payable

In October 2014, an \$18,000,000 General Obligation Capital Improvement Note was issued through the Minnesota Public Facilities Authority (MPFA). Payment for the G.O. Capital Improvement Note shall be disbursed to the MPFA, in installments, as eligible costs of the Southwest Reconnection Project are reimbursed. The interest rate on the G.O. Capital Improvement Note is 1.00%. As of December 31, 2015 the County has submitted \$13,439,062 in project costs for reimbursement on the G.O. Capital Improvement Note.

Purpose	Interest Rates	Amount
Governmental activities - improvement	1.0000%	<u>\$ 13,439,062</u>

Annual debt service requirements to maturity for general obligation notes are as follows:*

Year Ending December 31	Principal	Interest	Total
2016	\$ 1,118,000	\$ 140,160	\$ 1,258,160
2017	1,129,000	168,820	1,297,820
2018	1,141,000	157,530	1,298,530
2019	1,152,000	146,120	1,298,120
2020	1,164,000	134,600	1,298,600
2021-2025	5,995,000	496,100	6,491,100
2026-2029	6,301,000	190,310	6,491,310
Total	<u>\$ 18,000,000</u>	<u>\$ 1,433,640</u>	<u>\$ 19,433,640</u>

*The County has not finished drawing down funds on this note; therefore, an estimated debt payment schedule is presented. A final debt payment schedule is not available.

Changes in long-term liabilities

Government Activities	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
General Obligation Bonds and Notes Payable					
General Obligation Bonds	\$ 27,620,000	\$ -	\$ (2,970,000)	\$ 24,650,000	\$ 2,585,000
Notes Payable	-	13,439,062	-	13,439,062	1,118,000
Less Amounts:					
For Issuance Discounts	(8,673)	-	911	(7,762)	(911)
Plus Amounts:					
For Issuance Premiums	535,340	-	(60,229)	475,111	60,229
Total Bonds and Notes Payable	<u>28,146,667</u>	<u>13,439,062</u>	<u>(3,029,318)</u>	<u>38,556,411</u>	<u>3,762,318</u>
Loans Payable	1,051,707	51,776	(225,164)	878,319	195,088
Compensated Absences	5,503,833	2,909,957	(3,280,099)	5,133,691	685,515
Government Activity Long-term Liabilities	<u>\$ 34,702,207</u>	<u>\$ 16,400,795</u>	<u>\$ (6,534,581)</u>	<u>\$ 44,568,421</u>	<u>\$ 4,642,921</u>

The internal service fund predominantly serves the governmental funds. Accordingly, long-term liabilities for it are included as part of the above totals for governmental activities. Also, for the governmental activities, compensated absences and other post employment benefit obligations are generally liquidated by the internal service fund, while pension liabilities are generally liquidated by the General Fund, Road and Bridge Fund, and Community Social Services Fund. Bonded debt is paid from the Debt Service Fund.

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Debt payment history

Neither the County nor the CDA have ever defaulted in the payment of principal and interest on its debt.

County General Obligation Pledged for CDA 2009 and 2011 Bond Sales

The CDA's \$6,500,000 bond sale in 2009 and \$3,710,000 Bond Sale in 2011, are backed by the County's General Obligation to repay the bonds in the event the CDA fails to make the debt service payments. The bond indenture includes several provisions designed to protect the interest of the County's taxpayers in the unlikely event that the CDA would not be able to pay the debt service from the housing project's revenues.

G. Fund Balance

Per County Policy: Assigned fund balance may be used to supplement "pay as you go" capital outlay, one-time operating expenditures, tentative management plans, or prepay existing County debt. At year-end divisions can request uncompleted professional service obligations and/or capital appropriations and unexpended grants be rolled over to the subsequent year by submitting a listing to the County Administrator for approval.

Fund balances: Assigned to:	Community				
	General	Road & Bridge	Social Services	Buildings CIP	Road & Bridge CIP
Petty Cash	\$ 5,940	\$ 100	\$ 750	\$ -	\$ -
Software Projects	650,481	-	522,044	-	-
Electronic Home Monitoring	8,028	-	-	-	-
Election Ballots	33,000	-	-	-	-
Compensation and Classification Study	60,000	-	-	-	-
Capital Projects	551,265	-	-	1,458,115	3,205,465
Community Social Services Remodel Project	-	-	142,563	-	-
Aquatic Invasive Species Program	78,928	-	-	-	-
Highway and Streets	-	3,147,170	-	-	-
Sheriff ARMER Purchase	580,000	-	-	-	-
Public Safety	5,562	-	-	-	-
Public Works (PW) Capital Equipment	-	494,261	-	-	-
Public Health	42,285	-	-	-	-
Human Services	-	-	8,097,579	-	-
CarverLink	496,173	-	-	-	-
Culture and Recreation	7,352	-	-	-	-
Conservation of Natural Resources	35,334	-	-	-	-
General Government	52,100	-	-	-	-
Juvenile Placement	35,000	-	-	-	-
Park Land Acquisition	-	-	-	-	-
PW Northwest Satellite Facility Site Improvements	-	-	-	452,682	-
Building Permits	99,334	-	-	-	-
TH212 Turnback	-	-	-	-	3,333,142
ISTS Loan Program	100,000	-	-	-	-
Waconia Event Center	32,520	-	-	-	-
Yard Waste Collection Site	70,000	-	-	-	-
Year-End Savings Account	-	-	-	1,233,152	2,466,305
Total Assigned	\$ 2,943,302	\$ 3,641,531	\$ 8,762,936	\$ 3,143,949	\$ 9,004,912

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<u>Assigned to:</u>	<u>Nonmajor</u>		<u>Total</u>
	<u>Parks & Trails CIP</u>	<u>Special Revenue</u>	
Petty Cash	\$ -	\$ -	\$ 6,790
Software Projects	-	-	1,172,525
Electronic Home Monitoring	-	-	8,028
Election Ballots	-	-	33,000
Compensation and Classification Study	-	-	60,000
Capital Projects	-	-	5,214,845
Community Social Services Remodel Project	-	-	142,563
Aquatic Invasive Species Program	-	-	78,928
Highway and Streets	-	-	3,147,170
Sheriff ARMER Purchase	-	-	580,000
Public Safety	-	-	5,562
Public Works (PW) Capital Equipment	-	-	494,261
Public Health	-	-	42,285
Human Services	-	-	8,097,579
CarverLink	-	-	496,173
Culture and Recreation	-	108,469	115,821
Conservation of Natural Resources	-	-	35,334
General Government	-	-	52,100
Juvenile Placement	-	-	35,000
Park Land Acquisition	2,511,003	-	2,511,003
PW Northwest Satellite Facility Site Improvements	-	-	452,682
Building Permits	-	-	99,334
TH212 Turnback	-	-	3,333,142
ISTS Loan Program	-	-	100,000
Waconia Event Center	-	-	32,520
Yard Waste Collection Site	-	-	70,000
Year-End Savings Account	1,233,152	-	4,932,609
Total Assigned	\$ 3,744,155	\$ 108,469	\$ 31,349,254

Note 4 - Other information

A. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors or omissions; injuries to employees; or natural disasters. The County has entered into a joint powers agreement with other Minnesota counties to form the Minnesota Counties Intergovernmental Trust (MCIT) to protect against losses from worker's compensation and property and casualty. There were no significant reductions in coverage from the previous year or settlements in excess of coverage for any of the past three years.

The Workers' Compensation Division of MCIT is fully funded. Total contributions plus compounded earnings on these contributions will equal the amount needed to satisfy claim liabilities and other expenses. MCIT participates in the Worker's Compensation Reinsurance Association with coverage at \$490,000 per claim in 2015 and \$500,000 in 2016. Should the MCIT Worker's Compensation Division liabilities exceed assets, MCIT may assess the County in a method and amount to be determined by MCIT.

The Property and Casualty Division of MCIT is fully funded and the County pays an annual premium/contribution to cover current and future losses. The MCIT carries reinsurance for its property and casualty exposures to protect against catastrophic losses. Should the MCIT Property and Casualty Division liabilities exceed assets; MCIT may assess the County in a method and amount to be determined by MCIT.

The County pays MCIT contributions from the County's Self Insurance Internal Service Fund. The Self Insurance fund is reimbursed from other County funds for their share.

The County, through its Self Insurance Fund retains some risk of loss through the self funding of automobile damage losses to vehicles. Automobile liability has a zero deductible with bodily injury and property damage limits of \$500,000 per claimant; \$1,500,000 per occurrence. Auto physical damage coverage is self funded by the County. At the beginning of the year, there was no liability as claims are paid on a per claim basis. In addition, the County covers the first \$50,000 of each worker's comp claim with an Aggregate Deductible of \$350,000 per year. General Liability has a \$2,500 per Occurrence /Wrongful Act Deductible. The General liability limits are \$500,000 per claimant; \$1,500,000 per occurrence. The County's management is not aware of any incurred but not reported claims.

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B. Contingent Liabilities

The County, in connection with the normal conduct of its affairs, is involved in various claims, judgments, and litigation. The County Attorney estimates that the potential claims against the County not covered by insurance resulting from such litigation would not materially affect the financial statements of the County.

C. Grants

The County receives significant financial assistance from numerous federal, state and local governmental agencies in the form of grants and entitlements. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements. The financial assistance received may be subject to an audit pursuant to Uniform Guidance or audits by the grantor agency.

D. Agricultural Best Management Loan Program

The County has entered into a loan agreement for \$1,973,435 with the Minnesota Department of Agriculture to operate a loan fund for the purpose of funding the repair of failing septic systems. The loans will be paid from special assessments. The loan due to the Department of Agriculture will be paid back in semi-annual payments over 17 years beginning April 2009 with no interest. The following information summarizes the activity of loans made to participants in the program.

	Prior Years	During 2015	Program To Date
Number of loans made	261	6	267
Number of loans repaid	185	16	201
Number of loans past due	1	(1)	-
Loan amounts past due	\$ 2,641	\$ (2,641)	\$ -
Loans outstanding - January 1	N/A	529,617	N/A
Loans made	2,828,369	79,564	2,907,933
Payments received	(2,298,752)	(162,158)	(2,460,910)
Loans outstanding - December 31	<u>\$ 529,617</u>	<u>\$ 447,023</u>	<u>\$ 447,023</u>

On the County's Financial Statements Loans Outstanding are:

Special Assessments Receivable Delinquent	\$ -
Special Assessments Receivable Unavailable	<u>447,023</u>
Total Loans outstanding - December 31	<u>\$ 447,023</u>

E. Jointly-Governed Organizations

Region Five- Southwest Minnesota Homeland Security Emergency Management Organization

The Region Five – Metro Minnesota Security Emergency Management Organization (Metro) was established to provide for regional coordination of planning, training, purchase of equipment, and allocating emergency services and staff in order to better respond to emergencies and natural or other disasters within the Metro region. Control is vested in the Board, which is composed of representatives appointed by each Board of County Commissioners. Carver County's responsibility does not extend beyond making this appointment.

Minnesota Counties Computer Cooperative (MCCC)

Under Minnesota Joint Powers Law, Minn. Stat. § 471.59, Minnesota counties have created MCCC to jointly provide for the establishment, operation, and maintenance of data processing systems, facilities, and management information systems. During the year, Carver County expended \$156,442 to the MCCC.

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F. Joint Ventures

Carver County Integrated Services Council

The Carver County Collaborative was established February 1, 1997 pursuant to Minn. Stat. §§ 471.59 and 124D.23. The Collaborative includes the CAP Agency, Carver County Community Social Services, Carver County Community Health Services, Carver County Court Services, Carver County Sheriff's Office, Central School District, Eastern Carver County School District, Waconia School District, and the Watertown-Mayer School District.

The purpose of the Collaborative is to plan and coordinate services to children and their families and encourage early identification and intervention for children and families expressing mental health, social service and health needs.

The Collaborative is composed of one administrative representative designated by the directors of each member organization.

Financing is provided by state and federal grants. Carver County, in an agent capacity, records the cash transactions of the Collaborative in its financial statements as an agency fund.

Metropolitan Emergency Services Board

Pursuant to Minn. Stat. § 471.59, Carver County entered into a joint powers agreement with the Counties of Anoka, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Washington, and the City of Minneapolis. The purposes of the agreement are: (a) the implementation and administration of a regional 911 system, and (b) encouraging the development of new resources and the coordination of emergency medical services. Carver County paid annual dues of \$36,727 in 2015. Except for annual dues the County has no other financial obligations. Current financial statements are available at the 911 Board Office, 2099 University Avenue, Saint Paul, Minnesota 55104-3431.

Southwest Metro Drug Task Force

The Southwest Metro Drug Task Force was established in 2000 under the authority of the Joint Powers Act, pursuant to Minn. Stat. § 471.59, and includes Carver, McLeod and Scott Counties, and the Cities of South Lake Minnetonka, Chaska, Chanhassen, Shakopee, Mound, Hutchinson, West Hennepin, and Minnetrista. The Drug Task Force's objectives are to detect, investigate, and apprehend controlled substance offenders in the three-county area.

Control of the Southwest Metro Drug Task Force is vested in the Southwest Metro Drug Task Force Executive Committee. The Executive Committee consists of one designated official from each of the three counties and eight cities. In the event of dissolution of the Drug Task Force, the remaining net position will be distributed among the agencies based on their level of participation. However, if only one agency terminates the agreement and the Drug Task Force continues, all equipment will remain with the Drug Task Force.

Financing is provided by grants, forfeiture money, and appropriations from members. Complete financial information can be obtained from the Southwest Metro Drug Force Commander, 600 East 4th Street, Chaska, Minnesota 55318.

Metropolitan Library Service Agency (MELSA)

Carver County entered into a joint powers agreement with the other six metropolitan area counties and the Cities of Saint Paul and Minneapolis to improve public library services within the various jurisdictions. The Board of Directors of MELSA consists of one member from each member entity. Financing is provided by gifts, grants, and other property of assistance from the federal government, the State of Minnesota, and other government and private sources. The MELSA agency handles the accounting function of the Board. Current financial statements are available from the MELSA office, 1619 Dayton Avenue, Suite 314, Saint Paul, Minnesota 55104-6276.

SmartLink Transit

Pursuant to Minn. Stat. §471.59, Carver County entered into a joint powers agreement with Scott County. The objective of the agreement is to work together to provide transportation services to residents in Carver and Scott County by partnering to use existing resources and develop expanded transit services in order to increase the scope, availability, and quality of the two-county region's transit system.

Both entities are governed by their respective Boards. The Management Team, consisting of equal partners from both counties, is responsible for major operational and budgetary decisions, long-range planning and capital equipment purchases. Scott County is the fiscal agent, receiving funds on behalf of both counties for administration of the programs and services. Separate financial statements are not available.

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Crow River Joint Powers Agreement

In April 1999, the County entered into a joint powers agreement with Hennepin, Kandiyohi, McLeod, Meeker, Pope, Renville, Sibley, Stearns, and Wright Counties creating the Crow River Joint Powers Agreement. The Agreement is authorized by Minn. Stat. §§ 103B.311 and 103B.315. The Prairie County Resource Conservation and Development Council is the fiscal agent for this Joint Powers Agreement.

The Board of Directors meets at least two times per year, or more often if needed, at the location to be set by the chair of the Joint Powers Board. The purpose of this Agreement is the joint exercise of powers by the member counties to promote the orderly water quality improvement and management of the Crow River Watershed through information sharing, education, coordination, and related support to the member counties by assisting in the implementation and goal achievement of comprehensive water plans.

The governing board is composed of one Board member from each of the participating counties. Financing is provided by state proceeds. Current financial statements are not available.

G. Pension Plans

Defined Benefit Pension Plans

Plan Description

All full-time and certain part-time employees of Carver County are covered by defined benefit pension plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA administers the General Employees Retirement Fund, the Public Employees Police and Fire Fund, and the Local Government Correctional Service Retirement Fund (the Public Employees Correctional Fund), which are cost sharing multiple-employer retirement plans. These plans are established and administered in accordance with Minn. Stat. chs. 353 and 356. PERA's defined benefit pension plans are tax qualified plans under Section 401(a) of the Internal Revenue Code.

General Employees Retirement Fund members belong to either the Coordinated Plan or the Basic Plan. Coordinated Plan members are covered by Social Security and Basic Plan members are not. The Basic Plan was closed to new members in 1967. All new members must participate in the Coordinated Plan, for which benefits vest after five years of credited service.

Police officers, firefighters, and peace officers who qualify for membership by statute are covered by the Public Employees Police and Fire Fund. For members first hired after June 30, 2010, but before July 1, 2014, benefits vest on a graduated schedule starting with 50 percent after 5 years and increasing 10 percent for each year of service until fully vested after 10 years. Benefits for members first hired after June 30, 2014, vest on a prorated basis from 50 percent after 10 years and increasing 5 percent for each year of service until fully vested after 20 years.

Local government employees of a county-administered facility who are responsible for the direct security, custody, and control of the county correctional facility and its inmates are covered by the Public Employees Correctional Fund. For members hired after June 30, 2010, benefits vest on a graduated schedule starting with 50 percent after 5 years and increasing 10 percent for each year of service until fully vested after 10 years.

PERA provides retirement benefits as well as disability benefits to members and benefits to survivors upon death of eligible members. Benefit provisions are established by state statute and can be modified only by the state legislature. Benefit increases are provided to benefit recipients each January. Increases are related to the funding ratio of the plan. Benefit recipients receive a future annual 1.0 percent post retirement benefit increase. If the funding ratio reaches 90 percent for two consecutive years, the benefit increase will revert to 2.5 percent. If, after reverting to a 2.5 percent benefit increase, the funding ratio declines to less than 80 percent for one year or less than 85 percent for two consecutive years, the benefit increase will decrease to 1.0 percent.

The benefit provisions stated in the following paragraph of this section are current provisions and apply to active plan participants. Vested, terminated employees who are entitled to benefits but are not yet receiving them are bound by the provisions in effect at the time they last terminated their public service.

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 Employees Retirement Fund Coordinated and Basic Plan members. The retiring member receives the higher of a step-rate benefit accrual formula (Method 1) or a level accrual formula (Method 2). Under Method 1, the annuity accrual rate for a Basic Plan member is 2.2 percent of average salary for each of the first ten years of service and 2.7 percent for each remaining year. The annuity accrual rate for a Coordinated Plan member is 1.2 percent of average salary for each of the first ten years of service and 1.7 percent for each remaining year. Under Method 2, the annuity accrual rate is 2.7 percent of average salary for Basic Plan members and 1.7 percent for Coordinated Plan members for each year of service. For Public Employees Police and Fire Fund members, the annuity accrual rate is 3.0 percent of average salary for each year of service. For Public Employees Correctional Fund members, the annuity accrual rate is 1.9 percent of average salary for each year of service.

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For General Employees Retirement Fund members hired prior to July 1, 1989, a full annuity is available when age plus years of service equal 90, and normal retirement age is 65. For members hired on or after July 1, 1989, normal retirement age is the age for unreduced Social Security benefits capped at 66. For Public Employees Police and Fire Fund and Public Employees Correctional Fund members who were hired prior to July 1, 1989, a full annuity is available when age plus years of service equal 90, and normal retirement age is 55. Disability benefits are available for vested members and are based on years of service and average high-five salary.

Contributions

Pension benefits are funded from member and employer contributions and income from the investment of fund assets. Rates for employer and employee contributions are set by Minn. Stat. ch. 353. These statutes are established and amended by the state legislature. General Employees Retirement Fund Basic Plan members and Coordinated Plan members were required to contribute 9.10 percent and 6.50 percent, respectively, of their annual covered salary in 2015. Public Employees Police and Fire Fund members were required to contribute 10.80 percent of their annual covered salary in 2015. Public Employees Correctional Fund members were required to contribute 5.83 percent of their annual covered salary in 2015.

In 2015, the County was required to contribute the following percentages of annual covered salary:

General Employees Retirement Fund	<u>2015</u>
Basic Plan Members	11.78%
Coordinated Plan Members	7.50%
Public Employees Police and Fire Fund	16.20%
Public Employees Correctional Fund	8.75%

The General Employees Retirement Fund Coordinated Plan member and employer contribution rates each reflect a 0.25 percent increase from 2014. The Public Employees Police and Fire Fund member and employer contribution rates increased 0.60 percent and 0.90 percent, respectively, from 2014.

The County's contributions for the year ended December 31, 2015, to the pension plans were:

General Employees Retirement Fund	\$ 2,447,612
Public Employees Police and Fire Fund	998,228
Public Employees Correctional Fund	242,211

These contribution amounts are equal to the contractually required contributions for each year as set by state statute.

General Employees Retirement Fund

At December 31, 2015, the County reported a liability of \$27,078,663 for its proportionate share of the General Employees Retirement Fund's net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on the County's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2014, through June 30, 2015, relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2015, the County's proportion was 0.5225 percent. It was 0.5555 percent measured as of June 30, 2014. The County recognized pension expense of \$3,221,975 for its proportionate share of the General Employees Retirement Fund's pension expense.

The County reported its proportionate share of the General Employees Retirement Fund'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	\$ -	\$ 1,365,225
Difference between projected and actual investment earnings	2,563,411	-
Changes in proportion Contributions paid to PERA subsequent to the measurement date	-	1,162,631
Contributions paid to PERA subsequent to the measurement date	<u>1,281,225</u>	<u>-</u>
Total	<u>\$ 3,844,636</u>	<u>\$ 2,527,856</u>

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A total of \$1,281,225 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2016. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31	Pension Expense Amount
2016	\$ (201,766)
2017	(201,766)
2018	(201,766)
2019	640,853

Public Employees Police and Fire Fund

At December 31, 2015, the County reported a liability of \$7,260,535 for its proportionate share of the Public Employees Police and Fire Fund's net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on the County's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2014, through June 30, 2015, relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2015, the County's proportion was 0.6390 percent. It was 0.6170 percent measured as of June 30, 2014. The County recognized pension expense of \$1,290,764 for its proportionate share of the Public Employees Police and Fire Fund's pension expense.

The County also recognized \$57,510 as revenue, which results in a reduction of the net pension liability, for its proportionate share of the State of Minnesota's on-behalf contribution to the Public Employees Police and Fire Fund. Legislation requires the State of Minnesota to contribute \$9 million to the Public Employees Police and Fire Fund each year, starting in fiscal year 2014, until the plan is 90 percent funded.

The County reported its proportionate share of the Public Employees Police and Fire Fund'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	\$ -	\$ 1,177,421
Difference between projected and actual investment earnings	1,265,028	-
Changes in proportion Contributions paid to PERA subsequent to the measurement date	198,008	-
Contributions paid to PERA subsequent to the measurement date	522,877	-
Total	<u>\$ 1,985,913</u>	<u>\$ 1,177,421</u>

A total of \$522,877 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2016. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31	Pension Expense Amount
2016	\$ 120,375
2017	120,375
2018	120,375
2019	120,375
2020	(195,882)

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Public Employees Correctional Fund

At December 31, 2015, the County reported a liability of \$231,900 for its proportionate share of the Public Employees Correctional Fund's net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on the County's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2014, through June 30, 2015, relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2015, the County's proportion was 1.5000 percent. It was 1.5700 percent measured as of June 30, 2014. The County recognized pension expense of \$248,940 for its proportionate share of the Public Employees Correctional Fund's pension expense.

The County reported its proportionate share of the Public Employees Correctional Fund'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	\$ -	\$ 88,785
Difference between projected and actual investment earnings	193,305	-
Changes in proportion Contributions paid to PERA subsequent to the measurement date	-	3,961
Contributions paid to PERA subsequent to the measurement date	127,443	-
Total	\$ 320,748	\$ 92,746

A total of \$127,443 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2016. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31	Pension Expense Amount
2016	\$ 17,411
2017	17,411
2018	17,411
2019	48,326

Total Pension Expense

The total pension expense for all plans recognized by the County for the year December 31, 2015, was \$4,761,679.

Actuarial Assumptions

The total pension liability in the June 30, 2015, actuarial valuation was determined using the individual entry age normal actuarial cost method and the following additional actuarial assumptions:

Inflation	2.75 percent per year
Active member payroll growth	3.50 percent per year
Investment rate of return	7.90 percent

Salary increases were based on a service-related table. Mortality rates for active members, retirees, survivors, and disabilitants were based on RP-2000 tables for males or females, as appropriate, with slight adjustments. For the General Employees Retirement Fund and the Public Employees Police and Fire Fund, cost of living benefit increases for retirees are assumed to be 1.0 percent effective every January 1 through 2035 and 2037, respectively, and 2.5 percent thereafter. Cost of living benefit increases for retirees are assumed to be 2.5 percent for all years for the Public Employees Correctional Fund.

Actuarial assumptions used in the June 30, 2015, valuation were based on the results of actuarial experience studies. The experience study in the General Employees Retirement Fund was for the period July 1, 2004, through June 30, 2008, with an update of economic assumptions in 2014. The experience study for the Public Employees Police and Fire Fund was for the period July 1 2004, through June 30, 2009. The experience study for the Public Employees Correctional Fund was for the period July 1, 2006, through June 30, 2011.

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In 2015, an updated experience study was done for PERA's General Employees Retirement Fund for the six-year period ending June 30, 2014, which would result in a larger pension liability. However, PERA will not implement the changes in assumptions until its June 30, 2016, estimate of pension liability.

The long-term expected rate of return on pension plan investments is 7.9 percent. The State Board of Investment, which manages the investments of PERA, prepares an analysis of the reasonableness of the long-term expected rate of return on a regular basis 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 arithmetic 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 stocks	45%	5.50%
International stocks	15	6.00
Bonds	18	1.45
Alternate assets	20	6.40
Cash	2	0.50

Discount Rate

The discount rate used to measure the total pension liability was 7.9 percent. The discount rate did not change since the prior measurement date. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified in statute. Based on that assumption, each of the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. 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.

Pension Liability Sensitivity

The following presents the County's proportionate share of the net pension liability calculated using the discount rate disclosed in the preceding paragraph, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate 1.0 percentage point lower or 1.0 percentage point higher than the current discount rate:

	1% Decrease in Discount Rate (6.9%)	Discount Rate (7.9%)	1% Increase in Discount Rate (8.9%)
Proportionate Share of the			
General Employees Retirement Fund net pension liability	\$ 42,577,281	\$ 27,078,663	\$ 14,279,183
Public Employees Police and Fire Fund net pension liability	14,150,859	7,260,535	1,567,927
Public Employees Police and Fire Fund net pension liability	1,614,990	231,900	(875,130)

Pension Plan Fiduciary Net Position

Detailed information about the 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; by writing to PERA at 60 Empire Drive, Suite 200, St. Paul, Minnesota 55103-2088; or by calling (651) 296 7460 or 1-800-652-9026.

Defined Contribution Plan

Four Board Members of Carver County are covered by the Public Employees Defined Contribution Plan, a multiple-employer deferred compensation plan administered by PERA. The plan is established and administered in accordance with Minn. Stat. ch. 353D, which may be amended by the State Legislature. The 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. For those qualified personnel who elect to participate, Minn. Stat. § 353D.03 specifies plan provisions, including the employee and employer contribution rates. An eligible elected official who decides to participate contributes 5.00 percent of salary, which is matched by the employer. Employee and employer 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 2.00 percent of employer contributions and 0.25 percent of the assets in each member account annually.

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Total contributions by dollar amount and percentage of covered payroll made by the County during the year ended December 31, 2015, were:

	Employee	Employer
Contribution amount	\$ 9,313	\$ 9,313
Percentage of covered payroll	5.00%	5.00%

H. Other Post-employment Benefits

Plan description

The County provides post-employment health care benefits (OPEB) for retired employees through a single employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the County and can be amended by the County through its personnel policy manual and union contracts within the guidelines of Minnesota Statute. Minnesota Statute requires eligibility to be available for pension-eligible retirees (i.e. retirement after age 55 with 3 years of service). The plan does not issue a separate report.

Summary of Plan Provisions

Following is a summary of the major plan provisions used to determine the plan's financial position:

Plan Sponsor	Carver County
Contract Group	AFSCME, Teamsters, SMACC, Non-Bargaining, and Elected Officials
Effective Date	January 1, 2007 through December 31, 2015
Coverage after age 65	No Implicit Rate subsidy is included for Medical after Medicare eligibility
Employees included	Actives, Retirees, and Beneficiaries
Service Considered	From Date of Hire
Access to Group Insurance	
Eligibility:	Implicit Rate Medical subsidy to Medicare eligibility is available to pension-eligible retirees (Age 55 or older with at least 5 years of service (3 years if hired prior to July 1, 2010)). Implicit Rate Dental subsidy is available to pension-eligible retirees. No Implicit Rate Life subsidy.
Medical Monthly Blended Premium	Pre-65 blended premium is \$628 for single and \$1,707 for family
Dental Monthly Blended Premium	Blended premium is \$38 for single and \$121 for family

Subsidized Benefits

Medical Benefit	
Eligibility:	Hired before June 1, 2010: Retirement at or after age 60 with at least 20 consecutive years of service. The County contributes same as actives until Medicare eligibility. Benefits maybe deferred until age 60 if employee has 20 years of service at retirement. 2015 County contribution is up to \$670 per month toward the single medical premium.
Retiree Benefit:	
Spouse Benefit:	Hired before June 1, 2010: County contributes a set amount (by Board review annually) until Medicare eligibility if dependent coverage is in force at the time of retirement. Benefits may be deferred until age 60 if employee has 20 years of service at retirement. 2013 County contribution is up to an additional \$405 monthly for the spouse medical premium for a total of \$1,075 toward the family medical premium.
Dental Benefit	None
Life Insurance	None
Plan Sponsor	Carver County
Contract Group	Teamsters, LELS, and Sergeants
Effective Date	January 1, 2007 through December 31, 2015
Coverage after age 65	No Implicit Rate subsidy is included for Medical after Medicare eligibility
Employees included	Actives, Retirees, and Beneficiaries
Service Considered	From Date of Hire

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Access to Group Insurance Eligibility: Implicit Rate Medical subsidy to Medicare eligibility is available to pension-eligible retirees (Age 50-55 or older with at least 5 years of service (3 years if hired prior to July 1, 2010)). Implicit Rate Dental subsidy is available to pension-eligible retirees. No Implicit Rate Life subsidy.

Medical Monthly Blended Premium Pre-65 blended premium is \$628 for single and \$1,707 for family
Dental Monthly Blended Premium Blended premium is \$38 for single and \$121 for family

Subsidized Benefits

Medical Benefit None
Dental Benefit None
Life Insurance None

Participants

At January 1, 2015, membership consisted of:

Active Participants	591
Retired Participants Receiving Benefits (Including LTD participants)	41
Spouses of Retired Participants' Receiving Benefits	4
 Total	 636
 Participating Employers	 1

Funding Policy

The County currently covers the cost of OPEB benefits to the retirees on an annual basis (pay as you go). For fiscal year 2015 the County contributed \$403,570 to the plan. The County established a revocable trust for the future costs of OPEB. Public Employees Retirement Association (PERA) serves as the trust administrator for the revocable trust. Since the trust is not irrevocable, the assets in the trust cannot be used to offset the Actuarial Accrued Liability in determining the Unfunded Actuarial Accrued Liability, therefore, the actuarial value of assets is zero. During 2015, the County contributed \$705,749 and had a year-end balance in the OPEB revocable trust of \$3,787,654. The OPEB revocable trust is reported in the Other Post Employment Benefits Internal Service Fund as investments with trust account, using the accrual basis of accounting.

Annual OPEB Costs and Net OPEB Obligation

The County's last actuarial valuation was performed for the plan on January 1, 2015 to determine the funded status of the plan as well as the employer's annual required contribution (ARC) for the fiscal year ended December 31, 2015. The County's annual OPEB cost (expense) was \$960,875 for 2015. The transition liability was set at zero as of January 1, 2007. The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2015 were as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation*
2013	883,525	(381,595)	43.19%	5,339,885
2014	870,338	(447,293)	51.39%	5,762,930
2015	960,875	(403,570)	42.00%	6,320,235

*The Net OPEB Obligation for 2012 was \$4,837,955

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The net OPEB obligation (NOPEBO) as of December 31, 2015, was calculated as follows:

Annual Required Contribution	\$ 1,083,897
Interest on Net OPEB Obligation	230,517
Amortization of Net OPEB Obligation (with interest)	<u>(353,539)</u>
Annual OPEB Cost	960,875
Contributions Made	<u>(403,570)</u>
Increase (Decrease) in Net OPEB Obligation	557,305
Net OPEB Obligation Beginning of Year	<u>5,762,930</u>
NET OPEB OBLIGATION END OF YEAR	<u>\$ 6,320,235</u>

Funded Status and Funding Progress. The funded status of the plan as of January 1, 2015 (the most recent valuation date), was as follows:

Actuarial accrued liability (AAL)	8,636,479
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	8,636,479
Funded ratio (actuarial value of plan assets/AAL)	0.00%
Covered payroll (active plan members)	37,177,986
UAAL as a percentage of covered payroll	23.2%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial liabilities for benefits.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members up to that date. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with long-term perspective of the calculations.

In the January 1, 2015 actuarial valuation the projected unit credit method was used. The actuarial assumptions included a 4.00% discount rate (net of investment expenses). The actuarial assumptions also included a current year medical cost trend rate of 7.25% in 2015 grading to 5.00% over 9 years and an underlying inflation rate of 2.50%. The dental trend rate was 4.00%. The actuarial value of assets was not determined as the County has not advance funded its obligation. The plan's unfunded actuarial accrued liability is being amortized as a level amount of projected payroll on a closed basis. The remaining amortization period as of December 31, 2015, was a weighted period of twenty-one years.

I. Donor-restricted Endowment

The County has a donor restricted endowment that exists in the General Fund. The Minnesota Community Foundation endowment allows the County to spend the prior year investment earnings less administrative expenses on certain Library expenses. For 2015, the County had net investment loss of \$2,797. The County reported the related net position as restricted in the Statement of Net Position. The Library Director is authorized to spend the amount available for spending through the County's regular claim approval process.

J. Subsequent Events

In February of 2016, the County will be purchasing Coney Island, a 33.77 acre property, located on Lake Waconia. The purchase price will be \$1,005,098, with the Trust for Public Land donating \$350,000 in land value. The County will be reimbursed the purchase price by the Metropolitan Council through Park Acquisition Opportunity Funding. Carver County has requested Coney Island be included within an expanded park boundary for Lake Waconia Regional Park. The County also plans to receive a charitable donation in the amount of \$900,000 for clean up and recreational amenity improvements.

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In July of 2016, the County plans to sell \$8.32 million of General Obligation (GO) Refunding Bonds. The intent of the planned issue is to refinance a portion of the County's existing debt for debt service savings. The planned refinancing will include an advance crossover refunding of the remaining maturities of the County's \$18.7 million GO Capital Improvement Bonds, Series 2008A, and an advanced partial net cash refunding of the remaining maturities of the County's \$5.0 million GO Capital Improvement Bonds, Series 2008B.

Carver County Community Development Agency Component Unit Notes

Note 5 - Summary of Significant Accounting Policies

A. Reporting Entity

The Carver County Community Development Agency (the CDA) Chaska, Minnesota was established April 3, 1980. The CDA is governed by a five-member Board of Commissioners (the Board) appointed by the Carver County (the County) Board of Commissioners from the five districts in the County. The CDA provides affordable housing for the citizens within the County. The CDA has considered all potential component units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the CDA are such that exclusion would cause the CDA's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board (GASB) has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability of the primary government to impose its will on that organization or (2) the potential for the organization to provide specific benefits to, or impose specific financial burdens on the primary government. The CDA has no component units however, the CDA is reported as a component unit in the County's financial statements

B. Measurement Focus, Basis of Accounting and Basis of Presentation

The CDA is considered a single enterprise fund for financial reporting purpose. The activities of the CDA are recorded under various programs established for the administration of the CDA's programs. For the most part, the effect of interprogram activity has been removed from the statements of net position and the statements activities. The CDA's basic financial statements have been prepared on the basis of the governmental proprietary fund concept which pertains to financial activities that operate in a manner similar to private business enterprises and are financed through tenant rentals and federal housing assistance programs. The CDA's basic financial statements are presented on the accrual basis of accounting. The CDA applies all applicable Government Accounting Standards Board (GASB) pronouncements.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place.

Non-exchange transactions, in which the CDA receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the year for which the tax is levied. Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the CDA must provide local resources to be used for a specific purpose, and expenditure requirements, in which the resources are provided to the CDA on a reimbursement basis.

Proprietary funds distinguish operating revenues and expenses from nonoperating revenue and expenses. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of proprietary funds are tenant rent and City contributions. Operating expenses for proprietary funds include the cost of housing assistance payments, utilities, sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

C. Assets, Deferred Outflows of Resources, Liabilities, and Net Position

1. Deposits and Investments

The CDA's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. The cash and temporary investments pool is considered to be cash and cash equivalents for purposes of the Statements of Cash Flows.

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The CDA may invest idle funds as authorized by Minnesota statutes, as follows:

1. Direct obligations or obligations guaranteed by the United States or its agencies.
2. Shares of investment companies registered under the Federal Investment Company Act of 1940 and received the highest credit rating, rated in one of the two highest rating categories by a statistical rating agency, and have a final maturity of thirteen months or less.
3. General obligations of the State or local government with taxing powers rate "A" or better; revenue obligations rated "AA" or better.
4. General obligations of the Minnesota Housing Finance Agency rated "A" or better.
5. Obligations of school district with an original maturity not exceeding 13 months and (i) rated in the highest category by a national bond rating service or (ii) enrolled in the credit enhancement program pursuant to statute section 126C.55.
6. Bankers acceptances of United States banks eligible for purchase by the Federal Reserve System.
7. Commercial paper issued by United States banks corporations or their Canadian subsidiaries, of highest quality category by at least two nationally recognized rating agencies, and maturing in 270 days or less.
8. Repurchase or reverse repurchase 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, a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York, or certain Minnesota securities broker-dealers.
9. Guaranteed investment contracts (GIC's) issued or guaranteed by a United States commercial bank, a domestic branch of a foreign bank, a United States insurance company, or its Canadian subsidiary, whose similar debt obligations were rated in one of the top two rating categories by a nationally recognized rating agency.

Investments are stated at fair value. The investments in the broker money markets are external investment pools. The reported value of the pools is equal to the value of the pool's shares.

2. Property Taxes

The CDA Board annually adopts a levy and certifies it to the County for collection. The County is responsible for collecting all property taxes for the CDA. Real property taxes are paid by taxpayers of the County in two equal installments on May 15 and October 15. The County provides tax settlements to the CDA three times per year, in January, July and December.

Delinquent taxes receivable include the past six years' uncollected taxes.

3. Accounts Receivable

Accounts receivable include amounts billed for services provided before year end. All trade receivables are shown net of an allowance for uncollectible. Because the CDA has written off all accounts that are considered to be uncollectible, there is no allowance for uncollectible accounts at December 31, 2015.

4. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

5. Capital Assets

Capital assets, which include property, plant and equipment are reported in the government-wide financial statements. Capital assets are defined by the CDA as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2015

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

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

Assets	Years
Buildings	30 to 40
Furniture, equipment and machinery	3 to 15
Leasehold improvements	15

6. Deferred outflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

The CDA only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

7. Long-term Obligations

Long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts, are amortized over the life of the bonds using the straight line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as an expense of the period incurred.

8. Unearned Revenue

The CDA reports unearned revenue on its statement of net position. Unearned revenue is when resources are received by the CDA before it has legal claim to them, as when grant monies are received prior to the incurrence of qualifying expense. In subsequent periods, when revenue recognition criteria is met, or when the CDA has a legal claim to the resources, the liability for unearned revenue is removed from the statement of net position and revenue is recognized.

9. Compensated Absences

The CDA reports all earned but unpaid compensated absences as a current liability on the statement of net position. The CDA records an expense to reflect the change in compensated absences earned and used during the year.

10. Net Position

Net position represents the difference between assets and deferred outflows and liabilities. Net position is displayed in three components:

- a. Net investment in capital assets - Consists of capital assets, net of accumulated depreciation reduced by any outstanding debt attributable to acquire capital assets.
- b. Restricted net position - Consist of net position balances restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, laws or regulations of other governments.
- c. Unrestricted net position - All other net position balances that does not meet the definition of "restricted" or "net investment in capital assets"

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

CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2015

Note 6 - Detailed Notes

A. Deposits and Investments

Deposits

Custodial credit risk for deposits and investments is the risk that in the event of a bank failure, the CDA's deposits may not be returned or the CDA will not be able to recover collateral securities in the possession of an outside party. In accordance with Minnesota statutes and as authorized by the Board, the CDA maintains deposits at those depository banks which are members of the Federal Reserve System.

Minnesota statutes require that all CDA deposits be protected by insurance, surety bond or collateral. The market value of collateral pledged must equal 110 percent of the deposits not covered by insurance or bonds.

Authorized collateral in lieu of a corporate surety bond includes:

- United States government Treasury bills, Treasury notes, Treasury bonds;
- Issues of United States government agencies and instrumentalities as quoted by a recognized industry quotation service available to the government entity;
- General obligation securities of any state or local government with taxing powers which is rate "A" or better by a national bond rating service, or revenue obligation of any state or local government with taxing powers which is rated "AA" or better by a national bond rating service;
- General obligation securities of a local government with taxing powers may be pledged as collateral against funds deposited by that same local government entity;
- Irrevocable standby letters of credit issued by Federal Home Loan Banks to a municipality accompanied by written evidence that the bank's public debt is rated "AA" or better by Moody's Investors Service, Inc., or Standard & Poor's Corporation; and
- Time deposits that are fully insured by any federal agency.

Minnesota statutes require that all collateral shall be placed in safekeeping in a restricted account at a Federal Reserve Bank, or in an account at a trust department of a commercial bank or other financial institution that is not owned or controlled by the financial institution furnishing the collateral. The selection should be approved by the government entity.

At December 31, 2015, the CDA's carrying amount of deposits was \$5,369,325 and the bank balance was \$5,165,427, all of which was covered by federal depository insurance and by collateral held by the CDA's agent in the CDA's name.

Investments

As of December 31, 2015, the CDA had the following investments:

Types of Investments	Credit Quality/ Rating (1)	Segmented Time Distribution (2)	Fair Value and Carrying Amount
Non-pooled investments			
U.S. Treasuries	AAA	Less than 6 months	\$ 3,551,853
Certificates of Deposit	N/A	Less than 6 months	151,197
Pooled investments			
Broker Money Market	N/A	N/A	<u>894,838</u>
			<u>\$ 4,597,888</u>

(1) Ratings are provided by various credit rating agencies where applicable to indicate associated credit risk.

(2) Interest rate risk is disclosed using the segmented time distribution method.

N/A Indicates not applicable or available

CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2015

A reconciliation of cash and temporary investments as shown on the statement of net position as of December 31, 2015 for the CDA follows:

Carrying amounts of deposits	\$	5,369,325
Investments		4,597,888
Cash on hand		1,350
Total	\$	9,968,563
Cash and pooled investments		
Cash-unrestricted	\$	4,954,263
Cash-other restricted		27,287
Cash-tenant security deposits		389,125
Investments-unrestricted		158,457
Investments-restricted		2,826,702
Investments-restricted for payment of current liability		1,612,729
Total	\$	9,968,563

Interest rate, custodial, and concentration of credit risk. In accordance with its investment policy, the CDA will diversify use of investment instruments to avoid incurring unreasonable risks inherent in over-investing in specific instruments, individual financial institutions or maturities.

B. Capital Assets

Capital asset activity for the year ended December 31, 2015 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities				
Capital assets not being depreciated				
Land	\$ 6,616,265	\$ 247,448	\$ (123,235)	\$ 6,740,478
Construction in progress	270,848	494,124	(525,248)	239,724
Total capital assets not being depreciated	6,887,113	741,572	(648,483)	6,980,202
Capital assets being depreciated				
Land improvements	374,370	-	-	374,370
Buildings	50,076,584	139,009	(70,612)	50,144,981
Furniture, equipment and machinery				
Dwelling	2,291,719	15,884	(1,099,897)	1,207,706
Administration	737,450	41,859	(436,483)	342,826
Total capital assets being depreciated	53,480,123	196,752	(1,606,992)	52,069,883
Less accumulated depreciation for				
Land and land improvements	(130,451)	(20,073)	-	(150,524)
Buildings	(18,344,769)	(1,692,469)	70,612	(19,966,626)
Furniture, equipment and machinery				
Dwelling	(1,854,135)	(86,115)	1,049,432	(890,818)
Administration	(534,123)	(36,575)	401,483	(169,215)
Total accumulated depreciation	(20,863,478)	(1,835,232)	1,521,527	(21,177,183)
Total capital assets being depreciated, net	32,616,645	(1,638,480)	(85,465)	30,892,700
Business-type activities capital assets, net	\$ 39,503,758	\$ (896,908)	\$ (733,948)	\$ 37,872,902

CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2015

C. Long-term Debt

General Obligation Bonds

The following bonds were issued to finance the construction of rental buildings and will be repaid from rental income:

Description	Authorized and Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End
Centennial Hill - Series 2014	\$ 2,110,000	2.00 - 2.50%	08/28/14	01/01/25	\$ 2,045,000
Centennial Hill - Series 2014T	2,370,000	3.30 - 4.00	08/28/14	01/01/34	2,370,000
Lake Grace - Series 2011	3,710,000	2.00 - 4.00	03/29/11	07/01/28	2,940,000
Chaska Brickyard - Series 2010	2,850,000	2.00 - 4.13	08/01/10	01/01/40	2,600,000
Chaska Brickyard - Series 2000	420,000	5.60 - 6.00	01/18/00	01/01/28	275,000
Crossings at Town Center - Series 2011A	6,555,000	2.00 - 3.60	12/01/11	02/01/34	5,935,000
Bluff Creek - Series 2011B	785,000	1.25 - 3.50	12/01/11	02/01/29	685,000
Oak Grove - Series 2009A	4,895,000	6.05 - 6.50	11/05/09	02/01/44	4,895,000
Oak Grove - Series 2009B	1,605,000	3.00 - 3.88	11/05/09	02/01/24	1,265,000
Waybury Apartments - Series 2011C	1,700,000	1.50 - 4.38	12/29/11	02/01/41	1,635,000
Total General Obligation Bonds					<u>\$ 24,645,000</u>

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

Year Ending December 31,	G.O. Bonds			
	Principal	Interest	Subsidy Credit	Total
2016	\$ 875,000	\$ 952,908	\$ (108,615)	\$ 1,719,293
2017	900,000	933,875	(108,615)	1,725,260
2018	905,000	913,593	(108,615)	1,709,978
2019	935,000	891,911	(108,615)	1,718,296
2020	965,000	868,595	(108,615)	1,724,980
2021-2025	5,305,000	3,910,062	(541,274)	8,673,788
2026-2030	5,625,000	2,850,697	(476,579)	7,999,118
2031-2035	4,705,000	1,719,550	(364,724)	6,059,826
2036-2040	2,965,000	888,910	(224,441)	3,629,469
2041-2044	1,465,000	170,989	(58,315)	1,577,674
Total	<u>\$ 24,645,000</u>	<u>\$ 14,101,090</u>	<u>\$ (2,208,408)</u>	<u>\$ 36,537,682</u>

Notes Payable

The following notes were issued to fund project costs and will be repaid with revenue from the project.

Description	Authorized and Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End
Chaska Brickyard EDA Loan	\$ 190,000	6.00%	01/01/00	12/31/20	\$ 62,000
Jonathan Acres Mortgage note payable	3,475,000	4.65	04/01/10	05/01/45	3,221,549
Bluff Creek Note payable	200,000	-	04/30/03	04/30/23	200,000
Waybury Mortgage note payable	4,421,000	6.35	02/01/12	08/01/37	4,108,692
Second mortgage Note payable	1,400,000	-	02/01/12	08/01/37	1,400,000
CCFDA Spruce Rehab, Notes Payable	243,900	-	01/10/13	01/10/33	243,900
Total Notes					<u>\$ 9,236,141</u>

CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2015

Annual debt service requirements to maturity for notes payable are as follows:

Year Ending December 31,	Notes Payable		
	Business-type Activities		
	Principal	Interest	Total
2016	\$ 143,990	\$ 406,964	\$ 550,954
2017	171,460	402,213	573,673
2018	181,441	392,093	573,534
2019	192,961	381,372	574,333
2020	182,054	369,958	552,012
2021-2025	1,279,337	1,675,430	2,954,767
2026-2030	1,440,707	1,314,061	2,754,768
2031-2035	2,169,964	828,704	2,998,668
2036-2040	2,685,061	304,636	2,989,697
2041-2045	789,166	83,700	872,866
Total	\$ 9,236,141	\$ 6,159,131	\$ 15,395,272

Changes in long-term liabilities

Long-term liability activity for the year ended December 31, 2015, was as follows:

	Balance 12/31/2014	Issued	Retired	Balance 12/31/2015	Due Within One Year
G.O. Bonds	\$ 25,385,000	\$ -	\$ (740,000)	\$ 24,645,000	\$ 875,000
Premium on bonds	159,322	-	(8,386)	150,936	-
Notes Payable	9,994,139	-	(757,998)	9,236,141	143,990
Total	\$ 35,538,461	\$ -	\$ (1,506,384)	\$ 34,032,077	\$ 1,018,990

Note 7 - Other Information

A. Risk Management

The CDA participates in the Minnesota Counties Intergovernmental Trust public entity risk pool and is exposed to various risks of losses including general liability, property damage and employee bodily injury. The insurance coverage of this trust is considered to be adequate to cover unexpected claims against the CDA. The CDA retains the responsibility to cover any settlements exceeding the specific coverage. There was no reduction in coverage from the prior year and settlements have not exceeded insurance coverage in the past three years.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities, if any, include an amount for claims that have been incurred but not reported (IBNRs). The CDA's management is not aware of any incurred but not reported claims.

B. Restricted Investments

The bond indenture require the CDA to establish and maintain various trust funds related to construction of the projects, bond sinking and reserve funds, and operating reserve funds. Balances in the various funds are subject to increase or release based upon annual calculations.

CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2015

Note 8 - Capital Grant Program

The CDA receives Capital Grant funds from HUD. The following schedule reconciles the grants with the current activity:

Grant number	Grant Year	
	MN46P21150114 2014	MN46P21150115 2015
Funds Approved	\$ 81,313	\$ 74,431
Funds Expended	(27,954)	-
Excess of funds approved	<u>\$ 53,359</u>	<u>\$ 74,431</u>
2015 Revenue	<u>\$ 27,594</u>	<u>\$ -</u>

Note 9 - Retirement Plan

All permanent full-time employees of the CDA are eligible to participate in the Housing-Renewal and Local Agency Restated Retirement Plan (the Plan). The plan is a defined contribution plan administered by a trustee. Employees under this plan receive a pension based on the amount placed in the Plan by the employee, employer and investment income earned. Therefore, the Plan is fully funded at all times.

Participating employees vest in the CDA's future and past service contributions based on each full year of continuous employment. Total payroll for employees covered by the Plan for the year ended December 31, 2015 and 2014, was \$1,305,715, and \$1,491,954, respectively.

The CDA made contributions into the Plan of \$163,321 and \$164,115 for the years ended December 31, 2015 and 2014, respectively.

During 2014 and as of December 31, 2015, the Plan held no securities issued by the CDA or other related parties.

Note 10 - Contingency

The two transitional housing units owned by the CDA were rehabilitated using funds from the Minnesota Housing Finance Agency (MHFA). Under the agreement with the MHFA, the units are to be maintained as transitional housing through October 2016, or the CDA is to pay the full outstanding balance of \$217,000 and \$268,000, respectively, for each unit or remit the fair market value net proceeds, back to the MHFA.

Note 11 - Joint Ventures

The CDA and the City of Norwood Young America (City) entered into a joint powers agreement for the purpose of the redevelopment of approximately 4.5 acres known as the Oak Grove Dairy property. To the extent deemed necessary by the CDA, the Agencies shall enter into additional written agreements from time to time relating to specific activities. It is the intent of the parties that any governmentally owned housing development project would be developed, owned and operated by the CDA. The CDA and the City initially paid one-half the preliminary property acquisition costs and one-half on any cost of carrying the property following the acquisition. Each party shall pay cost and expenses incurred by it to obtain financing for its share of cost relating to the foregoing costs. Costs relating to operating, maintenance, repair and replacement of any housing development project are expected to be paid from revenue generated by the respective projects pledged to the payment thereof. No financial statements are available.

Note 12 - Special Item

During 2014, the CDA took over the Carver Land Trust. As part of taking for the Land Trust, the CDA received land that is rented out to homeowners whose homes are located on the land. The CDA also took over the bank accounts from the former Land Trust operator. This Land Trust provides home owners with affordable housing as they only pay a monthly rental fee of \$25 to have their home on the land. This adjustment is considered a special item on the financial statements. The adjustment is unusual and infrequent, but within the control of the Board.

Required Supplementary Information

CARVER COUNTY
CHASKA, MINNESOTA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISON
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues:				
Taxes	\$ 31,748,352	\$ 34,232,234	\$ 34,031,130	\$ (201,104)
Special Assessments	263,500	164,158	171,907	7,749
Licenses and Permits	922,424	910,830	1,228,064	317,234
Intergovernmental	5,470,961	6,335,035	6,675,227	340,192
Charges for Services	9,002,593	9,033,363	8,932,633	(100,730)
Fines and Forfeits	225,786	232,246	214,048	(18,198)
Gifts and Contributions	18,835	69,019	83,431	14,412
Investments Income	1,645,391	1,655,065	929,940	(725,125)
Miscellaneous	386,368	465,976	558,706	92,730
Total Revenues	49,684,210	53,097,926	52,825,086	(272,840)
Expenditures:				
Current:				
General Government				
Commissioners	556,919	513,956	371,653	142,303
Courts	150,000	150,000	278,977	(128,977)
County Administration	385,405	395,990	384,519	11,471
Taxpayer Services	2,129,058	2,057,053	1,628,793	428,260
Finance	936,227	958,947	929,292	29,655
Property Assessment	1,098,511	1,091,957	1,079,251	12,706
Administrative Services	356,132	357,241	331,704	25,537
Information Technology	5,084,653	5,223,514	4,884,073	339,441
Human Resources	1,374,526	1,252,532	1,237,272	15,260
Attorney	3,139,760	3,124,305	3,018,103	106,202
Property Records	510,751	561,358	458,543	102,815
Buildings and Plant	2,826,689	2,966,225	2,891,673	74,552
Veterans Service Officer	261,732	301,568	273,062	28,506
Land & Water Administration	106,031	116,259	23,952	92,307
Land Management	570,140	570,140	568,722	1,418
Vacancy Savings	(1,570,000)	-	-	-
Other	257,807	7,807	4,082	3,725
General Government	18,174,341	19,648,852	18,363,671	1,285,181
Public Safety				
Sheriff	19,086,287	17,856,843	17,719,162	137,681
Medical Examiner	232,395	232,395	232,110	285
Court Services	1,953,494	2,032,282	2,006,505	25,777
Public Safety	21,272,176	20,121,520	19,957,777	163,743

CARVER COUNTY
CHASKA, MINNESOTA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISON
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2015
(Continued)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
Health				
Community Health Services	\$ 2,391,397	\$ 2,642,901	\$ 2,271,435	\$ 371,466
Culture and Recreation				
Library	3,939,223	3,992,036	3,883,965	108,071
Parks	1,130,017	1,335,811	1,286,971	48,840
Historical Society	196,392	196,392	196,392	-
Culture and Recreation	<u>5,265,632</u>	<u>5,524,239</u>	<u>5,367,328</u>	<u>156,911</u>
Conservation of Natural Resources				
Minnesota Extension Services	314,395	315,142	291,456	23,686
Planning & Water Management	459,470	832,804	802,873	29,931
Environmental Services	1,948,293	2,023,171	2,013,314	9,857
Soil and Water Conservation District	274,006	274,006	274,006	-
Agricultural Society	51,000	51,000	51,000	-
Conservation of Natural Resources	<u>3,047,164</u>	<u>3,496,123</u>	<u>3,432,649</u>	<u>63,474</u>
Debt Service:				
Principal Retirement	263,500	225,164	225,164	-
Total Expenditures	<u>50,414,210</u>	<u>51,658,799</u>	<u>49,618,024</u>	<u>2,040,775</u>
Excess of Revenues over (under) Expenditures	<u>(730,000)</u>	<u>1,439,127</u>	<u>3,207,062</u>	<u>1,767,935</u>
Other Financing Sources (Uses):				
Transfers In	30,000	447,968	447,955	(13)
Transfers Out	-	(3,301,544)	(3,301,544)	-
Loans Issued	-	51,776	51,776	-
Proceeds from Sale of Capital Assets	-	-	65,801	65,801
Total Other Financing Sources (Uses)	<u>30,000</u>	<u>(2,801,800)</u>	<u>(2,736,012)</u>	<u>65,788</u>
Net Change in Fund Balance	<u>(700,000)</u>	<u>(1,362,673)</u>	<u>471,050</u>	<u>1,833,723</u>
Fund Balance - January 1	<u>22,443,447</u>	<u>22,443,447</u>	<u>22,443,447</u>	<u>-</u>
Fund Balance - December 31	<u>\$ 21,743,447</u>	<u>\$ 21,080,774</u>	<u>\$ 22,914,497</u>	<u>\$ 1,833,723</u>

Notes to the required supplementary information are an integral part of this schedule.

CARVER COUNTY
CHASKA, MINNESOTA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISON
ROAD AND BRIDGE FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 4,189,394	\$ 4,189,394	\$ 4,197,333	\$ 7,939
Intergovernmental	2,665,410	2,840,859	3,041,505	200,646
Charges for Services	35,000	35,000	17,705	(17,295)
Miscellaneous	205,000	205,000	85,274	(119,726)
Total Revenues	7,094,804	7,270,253	7,341,817	71,564
Expenditures:				
Current:				
Highways and Streets				
Engineering	2,365,574	2,318,006	2,409,905	(91,899)
Maintenance	3,077,192	3,982,931	3,896,432	86,499
Administration	506,145	448,166	502,856	(54,690)
Highway	1,281,893	1,288,893	1,174,508	114,385
Other	-	-	30,409	(30,409)
Highways and Streets	7,230,804	8,037,996	8,014,110	23,886
Intergovernmental:				
Highways and Streets	-	175,449	175,449	-
Total Expenditures	7,230,804	8,213,445	8,189,559	23,886
Excess of Revenues over (under) Expenditures	(136,000)	(943,192)	(847,742)	95,450
Other Financing Sources (Uses):				
Transfers In	136,000	168,021	168,021	-
Transfers Out	-	(166,743)	(166,743)	-
Proceeds from Sale of Capital Assets	-	-	74,864	74,864
Total Other Financing Sources (Uses)	136,000	1,278	76,142	74,864
Net Change in Fund Balance	-	(941,914)	(771,600)	170,314
Fund Balance - January 1	4,846,384	4,846,384	4,846,384	-
Increase (Decrease) in Inventories	-	-	(37,824)	(37,824)
Fund Balance - December 31	\$ 4,846,384	\$ 3,904,470	\$ 4,036,960	\$ 132,490

Notes to the required supplementary information are an integral part of this schedule.

CARVER COUNTY
CHASKA, MINNESOTA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISON
COMMUNITY SOCIAL SERVICES FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 7,561,324	\$ 7,561,324	\$ 7,545,200	\$ (16,124)
Intergovernmental	10,314,322	10,565,186	10,879,668	314,482
Charges for Services	2,815,815	3,602,581	3,844,418	241,837
Gifts and Contributions	53,500	53,500	-	(53,500)
Miscellaneous	247,200	247,200	164,521	(82,679)
Total Revenues	<u>20,992,161</u>	<u>22,029,791</u>	<u>22,433,807</u>	<u>404,016</u>
Expenditures:				
Current:				
Human Services				
Social Services	17,589,679	17,666,538	17,741,672	(75,134)
Income Maintenance	3,402,482	3,496,988	3,567,688	(70,700)
Total Expenditures	<u>20,992,161</u>	<u>21,163,526</u>	<u>21,309,360</u>	<u>(145,834)</u>
Excess of Revenues over (under) Expenditures	-	866,265	1,124,447	258,182
Other Financing Sources (Uses):				
Transfers In	-	498,762	498,762	-
Transfers Out	-	(240,000)	(240,000)	-
Proceeds from Sale of Capital Assets	-	-	1,600	1,600
Total Other Financing Sources (Uses)	<u>-</u>	<u>258,762</u>	<u>260,362</u>	<u>1,600</u>
Net Change in Fund Balance	-	1,125,027	1,384,809	259,782
Fund Balance - January 1	7,403,205	7,403,205	7,403,205	-
Fund Balance - December 31	<u>\$ 7,403,205</u>	<u>\$ 8,528,232</u>	<u>\$ 8,788,014</u>	<u>\$ 259,782</u>

Notes to the required supplementary information are an integral part of this schedule.

CARVER COUNTY
CHASKA, MINNESOTA

SCHEDULE OF FUNDING PROGRESS
OTHER POST-EMPLOYMENT BENEFIT PLAN
FOR THE YEAR ENDED DECEMBER 31, 2015

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b - a) / c)
01/01/11	-	8,004,294	8,004,294	0.00%	34,703,574	23.06%
01/01/13	-	7,943,844	7,943,844	0.00%	33,515,765	23.70%
01/01/15	-	8,636,479	8,636,479	0.00%	37,177,986	23.23%

Notes to the required supplementary information are an integral part of this schedule.

CARVER COUNTY
CHASKA, MINNESOTA

Schedule of Proportionate Share of Net Pension Liability
PERA General Employees Retirement Fund
December 31, 2015

Measurement Date**	Employer's Proportion of the Net Pension Liability (Asset)	Employer's Proportionate Share of the Net Pension Liability (Asset) (a)	Covered Payroll (b)	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll (a/b)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.5225%	\$27,078,662	\$30,704,863	88.19%	78.2%

* This schedule is intended to show information for ten years. Additional years will be displayed as the become available.

** The measurement date for each year is June 30.

Notes to the required supplementary information are an integral part of this schedule.

CARVER COUNTY
CHASKA, MINNESOTA

Schedule of Contributions
PERA General Employees Retirement Fund
December 31, 2015

Year Ending**	Statorily Required Contribution (a)	Actual Contributions in Relation to the Statorily Required Contributions (b)	Contribution (Deficiency) Excess (a-b)	Covered Payroll (c)	Actual Contributions as a Percentage of Covered Payroll (b/c)
2015	\$ 2,447,612	\$ 2,447,612	\$ -	\$32,634,805	7.50%

* This schedule is intended to show information for ten years. Additional years will be displayed as the become available.

** The County's year-end is December 31.

Notes to the required supplementary information are an integral part of this schedule.

CARVER COUNTY
CHASKA, MINNESOTA

Schedule of Proportionate Share of Net Pension Liability
PERA Public Employees Police and Fire Fund
December 31, 2015

Measurement Date**	Employer's Proportion of the Net Pension Liability (Asset)	Employer's Proportionate Share of the Net Pension Liability (Asset) (a)	Covered Payroll (b)	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll (a/b)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.639%	\$7,260,535	\$5,853,455	124.04%	86.6%

* This schedule is intended to show information for ten years. Additional years will be displayed as the become available.

** The measurement date for each year is June 30.

Notes to the required supplementary information are an integral part of this schedule.

CARVER COUNTY
CHASKA, MINNESOTA

Schedule of Contributions
PERA Public Employees Police and Fire Fund
December 31, 2015

Year Ending**	Statutorily Required Contribution (a)	Actual Contributions in Relation to the Statutorily Required Contributions (b)	Contribution (Deficiency) Excess (a-b)	Covered Payroll (c)	Actual Contributions as a Percentage of Covered Payroll (b/c)
2015	\$ 998,228	\$ 998,228	\$ -	\$ 6,161,902	16.20%

* This schedule is intended to show information for ten years. Additional years will be displayed as the become available.

** The County's year-end is December 31.

Notes to the required supplementary information are an integral part of this schedule.

CARVER COUNTY
CHASKA, MINNESOTA

Schedule of Proportionate Share of Net Pension Liability
PERA Public Employees Correctional Fund
December 31, 2015

Measurement Date**	Employer's Proportion of the Net Pension Liability (Asset)	Employer's Proportionate Share of the Net Pension Liability (Asset) (a)	Covered Payroll (b)	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll (a/b)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	1.5000%	\$231,900	\$2,690,897	8.62%	96.9%

* This schedule is intended to show information for ten years. Additional years will be displayed as the become available.

** The measurement date for each year is June 30.

Notes to the required supplementary information are an integral part of this schedule.

CARVER COUNTY
CHASKA, MINNESOTA

Schedule of Contributions
PERA Public Employees Correctional Fund
December 31, 2015

Year Ending**	Statutorily Required Contribution (a)	Actual Contributions in Relation to the Statutorily Required Contributions (b)	Contribution (Deficiency) Excess (a-b)	Covered Payroll (c)	Actual Contributions as a Percentage of Covered Payroll (b/c)
2015	\$ 242,211	\$ 242,211	\$ -	\$ 2,768,124	8.75%

* This schedule is intended to show information for ten years. Additional years will be displayed as the become available.

** The County's year-end is December 31.

Notes to the required supplementary information are an integral part of this schedule.

CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2015

I. Stewardship, compliance, and accountability

A. *Budgetary information*

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. Each appropriation lapses at the end of the fiscal year to the extent that it has not been expended.

The appropriated budget is prepared by fund, function, and department. The County's budgets may be amended or modified at any time by the County Board. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level. Adjustments to the approved budget, requested by originating departments, can be approved by the Property and Financial Services Director after review for adequate transfer of existing budget or addition of new revenue sources. All other changes greater than \$5,000 require board approval, and changes of \$5,000 or less require Property and Financial Services Director approval. The material supplemental budgetary appropriations changes were:

General Fund	\$ 1,244,589
Road & Bridge	982,641
Community Social Services	171,365
	\$ 2,398,595

B. *Excess of expenditures over appropriations*

For the year ended December 31, 2015 Courts exceeded appropriations in the General Fund by \$128,977. This is a result of an increased number and duration of both Civil Commitments and CHIPS cases during the year. The increase in CHIPS cases is largely due to the change in legislation. There was also a Court Appointed Attorney Fee increase that went into effect in 2015.

In the Road & Bridge Fund, Engineering, Administration, and Other exceeded appropriations by \$91,899, \$54,690, and \$30,409, respectively. This is largely due to projections in salary and benefits being lower than actuals, as well as, a phased reorganization that carried into 2015. Other is also negative because it was not budgeted for.

In the Community Social Services Fund, Social Services and Income Maintenance exceeded appropriations by \$75,134, and \$70,700, respectively. The Social Services variance largely came from increased County costs related to child family placements. Income Maintenance exceeded appropriations mainly due to cost-effective health insurance for clients.

C. *Other Post-Employment Benefits*

As disclosed on the Schedule of Funding Progress, no assets have been placed in trust to advance fund the employer's obligation.

See note 4.H., Other Post-employment Benefits, for more information.

Supplementary Information

CARVER COUNTY
CHASKA, MINNESOTA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISON
DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 5,209,997	\$ 5,209,997	\$ 5,197,776	\$ (12,221)
Intergovernmental	24,368	24,368	24,368	-
Total Revenues	<u>5,234,365</u>	<u>5,234,365</u>	<u>5,222,144</u>	<u>(12,221)</u>
Expenditures:				
Debt Service:				
Principal Retirement	4,088,000	4,088,000	2,970,000	1,118,000
Interest and Fiscal Charges	1,461,365	1,461,365	790,794	670,571
Total Expenditures	<u>5,549,365</u>	<u>5,549,365</u>	<u>3,760,794</u>	<u>1,788,571</u>
Excess of Revenues over (under) Expenditures	<u>(315,000)</u>	<u>(315,000)</u>	<u>1,461,350</u>	<u>1,776,350</u>
Other Financing Sources (Uses):				
Transfers In	<u>315,000</u>	<u>315,000</u>	<u>315,000</u>	<u>-</u>
Net Change in Fund Balance	-	-	1,776,350	1,776,350
Fund Balance - January 1	<u>7,264,955</u>	<u>7,264,955</u>	<u>7,264,955</u>	<u>-</u>
Fund Balance - December 31	<u>\$ 7,264,955</u>	<u>\$ 7,264,955</u>	<u>\$ 9,041,305</u>	<u>\$ 1,776,350</u>

CARVER COUNTY
CHASKA, MINNESOTA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISON
BUILDINGS CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ -	\$ -	\$ 153	\$ 153
Intergovernmental	291,338	291,339	291,339	-
Miscellaneous	-	6,920	6,920	-
Total Revenues	291,338	298,259	298,412	153
Expenditures:				
Current:				
General Government				
Buildings and Plant	-	49,238	49,238	-
Public Safety				
Sheriff	-	341,681	343,567	(1,886)
Highways and Streets				
Administration	-	4,160	4,160	-
Culture and Recreation				
Library	-	375,870	375,870	-
Conservation of Natural Resources				
Agricultural Society	-	60,000	60,000	-
Capital Outlay	291,338	2,101,904	2,105,812	(3,908)
Total Expenditures	291,338	2,932,853	2,938,647	(5,794)
Excess of Revenues over (under) Expenditures	-	(2,634,594)	(2,640,235)	(5,641)
Other Financing Sources (Uses):				
Transfers In	-	789,376	789,376	-
Transfers Out	-	(48,473)	(48,473)	-
Total Other Financing Sources (Uses)	-	740,903	740,903	-
Net Change in Fund Balance	-	(1,893,691)	(1,899,332)	(5,641)
Fund Balance - January 1	5,043,281	5,043,281	5,043,281	-
Fund Balance - December 31	\$ 5,043,281	\$ 3,149,590	\$ 3,143,949	\$ (5,641)

CARVER COUNTY
CHASKA, MINNESOTA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISON
ROAD & BRIDGE CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 2,420,000	\$ 2,533,626	\$ 2,533,626	\$ -
Intergovernmental	4,356,998	21,191,529	21,191,529	-
Investments Income	-	131,518	131,518	-
Total Revenues	6,776,998	23,856,673	23,856,673	-
Expenditures:				
Current:				
Highways and Streets				
Maintenance	3,005,000	2,397,952	2,397,952	-
Capital Outlay	3,356,998	48,925,399	48,925,399	-
Total Expenditures	6,361,998	51,323,351	51,323,351	-
Excess of Revenues over (under) Expenditures	415,000	(27,466,678)	(27,466,678)	-
Other Financing Sources (Uses):				
Transfers In	-	1,378,752	1,378,752	-
Transfers Out	(415,000)	(463,250)	(463,250)	-
Notes Issued	-	13,439,062	13,439,062	-
Total Other Financing Sources (Uses)	(415,000)	14,354,564	14,354,564	-
Net Change in Fund Balance	-	(13,112,114)	(13,112,114)	-
Fund Balance - January 1	27,364,163	27,364,163	27,364,163	-
Fund Balance - December 31	\$ 27,364,163	\$ 14,252,049	\$ 14,252,049	\$ -

CARVER COUNTY
CHASKA, MINNESOTA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISON
PARKS & TRAILS CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ -	\$ 52	\$ 52	\$ -
Intergovernmental	1,210,938	2,190,001	2,190,001	-
Miscellaneous	-	696	696	-
Total Revenues	1,210,938	2,190,749	2,190,749	-
Expenditures:				
Capital Outlay	1,283,938	1,280,884	1,270,783	10,101
Excess of Revenues over (under) Expenditures	(73,000)	909,865	919,966	10,101
Other Financing Sources (Uses):				
Transfers In	73,000	810,626	810,626	-
Proceeds from Sale of Land	-	1,100,000	1,100,000	-
Total Other Financing Sources (Uses)	73,000	1,910,626	1,910,626	-
Net Change in Fund Balance	-	2,820,491	2,830,592	10,101
Fund Balance - January 1	913,563	913,563	913,563	-
Fund Balance - December 31	\$ 913,563	\$ 3,734,054	\$ 3,744,155	\$ 10,101

CARVER COUNTY
CHASKA, MINNESOTA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2015

<u>Assets</u>	Rail Authority Special Revenue Fund	Water Management Organization Special Revenue Fund	Ditch Special Revenue Fund	Total
Cash and Pooled Investments	\$ 107,739	\$ 390,408	\$ -	\$ 498,147
Taxes Receivable				
Delinquent	1,388	7,504	-	8,892
Special Assessments Receivable				
Delinquent	-	-	413	413
Accounts Receivable	-	610	-	610
Due from other Governments	-	-	56	56
Total Assets	109,127	398,522	469	508,118
<u>Liabilities, Deferred Inflows of Resources, and Fund Balances</u>				
Liabilities:				
Cash Overdraft	-	-	14,800	14,800
Accounts Payable	-	5,792	37,734	43,526
Contracts Payable	-	19,382	-	19,382
Retainage Payable	-	6,360	-	6,360
Due to other Governments	-	70,970	49,553	120,523
Total Liabilities	-	102,504	102,087	204,591
Deferred Inflows of Resources:				
Unavailable revenue	658	3,560	413	4,631
Fund Balances:				
Restricted for:				
Watershed Districts	-	292,458	-	292,458
Ditch Maintenance	-	-	56,158	56,158
Assigned for:				
Culture and Recreation	108,469	-	-	108,469
Unassigned	-	-	(158,189)	(158,189)
Total Fund Balance	108,469	292,458	(102,031)	298,896
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 109,127	\$ 398,522	\$ 469	\$ 508,118

CARVER COUNTY
CHASKA, MINNESOTA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015

	Rail Authority Special Revenue Fund	Water Management Organization Special Revenue Fund	Ditch Special Revenue Fund	Total
Revenues:				
Taxes	\$ 119,294	\$ 571,149	\$ -	\$ 690,443
Special Assessments	-	-	119,285	119,285
Licenses and Permits	-	56,647	-	56,647
Intergovernmental	457	162	26,775	27,394
Charges for Services	-	8,063	-	8,063
Investments Income	-	-	556	556
Miscellaneous	2,097	10,166	-	12,263
Total Revenues	121,848	646,187	146,616	914,651
Expenditures:				
Current:				
Culture and Recreation	62,172	-	-	62,172
Conservation of Natural Resources	-	701,328	162,984	864,312
Total Expenditures	62,172	701,328	162,984	926,484
Excess of Revenues over (under) Expenditures	59,676	(55,141)	(16,368)	(11,833)
Other Financing Sources (Uses):				
Transfers Out	(109,000)	(29,987)	-	(138,987)
Net Change in Fund Balances	(49,324)	(85,128)	(16,368)	(150,820)
Fund Balance - January 1	157,793	377,586	(85,663)	449,716
Fund Balance - December 31	\$ 108,469	\$ 292,458	\$ (102,031)	\$ 298,896

CARVER COUNTY
CHASKA, MINNESOTA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISON
NONMAJOR RAIL AUTHORITY FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 120,000	\$ 119,294	\$ 119,294	\$ -
Intergovernmental	-	457	457	-
Miscellaneous	2,100	2,097	2,097	-
Total Revenues	122,100	121,848	121,848	-
Expenditures:				
Current:				
Culture and Recreation	13,100	62,172	62,172	-
Excess of Revenues over (under) Expenditures	109,000	59,676	59,676	-
Other Financing Sources (Uses):				
Transfers Out	(109,000)	(109,000)	(109,000)	-
Net Change in Fund Balance	-	(49,324)	(49,324)	-
Fund Balance - January 1	157,793	157,793	157,793	-
Fund Balance - December 31	\$ 157,793	\$ 108,469	\$ 108,469	\$ -

CARVER COUNTY
CHASKA, MINNESOTA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISON
NONMAJOR WATER MANAGEMENT ORGANIZATION FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 575,498	\$ 575,498	\$ 571,149	\$ (4,349)
Licenses and Permits	24,500	56,647	56,647	-
Intergovernmental	-	-	162	162
Charges for Services	16,000	16,000	8,063	(7,937)
Miscellaneous	-	-	10,166	10,166
Total Revenues	615,998	648,145	646,187	(1,958)
Expenditures:				
Current:				
Conservation of Natural Resources	585,998	703,273	701,328	1,945
Excess of Revenues over (under) Expenditures	30,000	(55,128)	(55,141)	(13)
Other Financing Sources (Uses):				
Transfers Out	(30,000)	(30,000)	(29,987)	13
Net Change in Fund Balance	-	(85,128)	(85,128)	-
Fund Balance - January 1	377,586	377,586	377,586	-
Fund Balance - December 31	\$ 377,586	\$ 292,458	\$ 292,458	\$ -

CARVER COUNTY
CHASKA, MINNESOTA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISON
NONMAJOR DITCH FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues:				
Special Assessments	\$ -	\$ 119,285	\$ 119,285	\$ -
Intergovernmental	-	-	26,775	26,775
Investments Income	1,270	1,270	556	(714)
Total Revenues	<u>1,270</u>	<u>120,555</u>	<u>146,616</u>	<u>26,061</u>
Expenditures:				
Current:				
Conservation of Natural Resources	1,270	120,555	162,984	(42,429)
Net Change in Fund Balance	-	-	(16,368)	(16,368)
Fund Balance - January 1	<u>(85,663)</u>	<u>(85,663)</u>	<u>(85,663)</u>	-
Fund Balance - December 31	<u>\$ (85,663)</u>	<u>\$ (85,663)</u>	<u>\$ (102,031)</u>	<u>\$ (16,368)</u>

**CARVER COUNTY
CHASKA, MINNESOTA**

**DITCH BALANCE SHEET
DITCH SPECIAL REVENUE FUND
DECEMBER 31, 2015**

	Assets				Liabilities			Deferred Inflows of Resources	Fund Balance			Total Liabilities, Deferred Inflows Of Resources and Fund Balances
	Delinquent Assessments		Due from other Governments	Total Assets	Accounts Payable	Due to Other Governments	Total Liabilities	Unavailable Revenue	Restricted for Ditch Maintenance	Unassigned	Fund Balances	
	Cash	Receivable										
County Ditches												
CD #2-3	\$ 6,741	\$ -	\$ -	\$ 6,741	\$ -	\$ -	\$ -	\$ -	\$ 6,741	\$ -	\$ 6,741	\$ 6,741
CD #4A	(19,722)	16	-	(19,706)	-	1,681	1,681	16	-	(21,403)	(21,403)	(19,706)
CD #5	36,421	-	-	36,421	-	2,653	2,653	-	33,768	-	33,768	36,421
CD #6	(11,762)	-	-	(11,762)	6,957	588	7,545	-	-	(19,307)	(19,307)	(11,762)
CD #7	6,345	-	-	6,345	-	-	-	-	6,345	-	6,345	6,345
CD #9	(112)	-	-	(112)	-	153	153	-	-	(265)	(265)	(112)
CD #10	948	105	-	1,053	12,870	784	13,654	105	-	(12,706)	(12,706)	1,053
Total County Ditches	18,859	121	-	18,980	19,827	5,859	25,686	121	46,854	(53,681)	(6,827)	18,980
Judicial Ditches												
JD #1	1,184	-	-	1,184	-	9	9	-	1,175	-	1,175	1,184
JD #2	1,610	-	-	1,610	-	3,178	3,178	-	-	(1,568)	(1,568)	1,610
JD #3A	(44,081)	285	56	(43,740)	17,907	26,817	44,724	285	-	(88,749)	(88,749)	(43,740)
JD #4CH	23	-	-	23	-	-	-	-	23	-	23	23
JD #4CMW	(4,987)	7	-	(4,980)	-	342	342	7	-	(5,329)	(5,329)	(4,980)
JD #5	674	-	-	674	-	944	944	-	-	(270)	(270)	674
JD #21	2,438	-	-	2,438	-	113	113	-	2,325	-	2,325	2,438
JD #22	3,568	-	-	3,568	-	12,148	12,148	-	-	(8,580)	(8,580)	3,568
JD #23	988	-	-	988	-	-	-	-	988	-	988	988
JD #24	4,936	-	-	4,936	-	143	143	-	4,793	-	4,793	4,936
JD #28	(12)	-	-	(12)	-	-	-	-	-	(12)	(12)	(12)
Total Judicial Ditches	(33,659)	292	56	(33,311)	17,907	43,694	61,601	292	9,304	(104,508)	(95,204)	(33,311)
Total All Ditches	\$ (14,800)	\$ 413	\$ 56	\$ (14,331)	\$ 37,734	\$ 49,553	\$ 87,287	\$ 413	\$ 56,158	\$ (158,189)	\$ (102,031)	\$ (14,331)

This schedule is presented in the format prescribed by Minnesota Statute Sec. 375.17.

CARVER COUNTY
CHASKA, MINNESOTA

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2015

<u>Assets</u>	Self Insurance	Compensated Absences	Other Post Employment Benefits	Total
Current				
Cash and Pooled Investments	\$ 2,363,529	\$ 5,133,691	\$ -	\$ 7,497,220
Investments with Trust Account	-	-	3,787,654	3,787,654
Total Current Assets	2,363,529	5,133,691	3,787,654	11,284,874
 <u>Liabilities</u>				
Current				
Accounts Payable	53,173	-	-	53,173
Contracts Payable	7,956	-	-	7,956
Compensated Absences - due within one year	-	685,515	-	685,515
Total Current Liabilities	61,129	685,515	-	746,644
Noncurrent				
Compensated Absences - due in more than one year	-	4,448,176	-	4,448,176
Net OPEB Obligation - due in more than one year	-	-	6,320,235	6,320,235
Total Noncurrent Liabilities	-	4,448,176	6,320,235	10,768,411
 Total Liabilities	 61,129	 5,133,691	 6,320,235	 11,515,055
 <u>Net Position</u>				
 Unrestricted	 \$ 2,302,400	 \$ -	 \$ (2,532,581)	 \$ (230,181)

CARVER COUNTY
CHASKA, MINNESOTA

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND
NET POSITION- INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015

	Self Insurance	Compensated Absences	Other Post Employment Benefits	Total
Operating Revenues:				
Charges for Services	\$ 1,069,055	\$ 287,426	\$ 705,749	\$ 2,062,230
Insurance Refunds	260,156	-	-	260,156
Total Operating Revenues	<u>1,329,211</u>	<u>287,426</u>	<u>705,749</u>	<u>2,322,386</u>
Operating Expenses:				
Risk Management	1,045,800	-	-	1,045,800
Professional Services	-	-	708	708
Personnel Services	-	287,426	557,305	844,731
Total Operating Expenses	<u>1,045,800</u>	<u>287,426</u>	<u>558,013</u>	<u>1,891,239</u>
Operating Income	283,411	-	147,736	431,147
Nonoperating Revenues (Expenses):				
Investments Income	-	-	44,757	44,757
Income (Loss) Before Transfers:	283,411	-	192,493	475,904
Transfers Out	<u>(49,495)</u>	<u>-</u>	<u>-</u>	<u>(49,495)</u>
Change in Net Position	233,916	-	192,493	426,409
Net Position - Beginning	<u>2,068,484</u>	<u>-</u>	<u>(2,725,074)</u>	<u>(656,590)</u>
Net Position - Ending	<u>\$ 2,302,400</u>	<u>\$ -</u>	<u>\$ (2,532,581)</u>	<u>\$ (230,181)</u>

CARVER COUNTY
CHASKA, MINNESOTA

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015

	Self Insurance	Compensated Absences	Other Post Employment Benefits	Total
Cash Flows from Operating Activities				
Receipts from Internal Services Provided	\$ 1,073,057	\$ 287,426	\$ 705,749	\$ 2,066,232
Refunds from Insurance Provider	260,156	-	-	260,156
Disbursements for Internal Services Provided	(1,037,154)	(657,568)	(708)	(1,695,430)
Total Cash Flows from Operating Activities	296,059	(370,142)	705,041	630,958
Cash Flows from Noncapital Financing Activities				
Transfers to Other Funds	(49,495)	-	-	(49,495)
Cash Flows from Investing Activities				
Purchase of Investments	-	-	(705,041)	(705,041)
Cash and Cash Equivalents at January 1	2,116,965	5,503,833	-	7,620,798
Cash and Cash Equivalents at December 31	2,363,529	5,133,691	-	7,497,220
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:				
Operating Income (Loss)	283,411	-	147,736	431,147
(Increase) Decrease in Accounts Receivable	4,002	-	-	4,002
(Decrease) Increase in Accounts Payable	14,190	-	-	14,190
(Decrease) Increase in Contracts Payable	(5,544)	-	-	(5,544)
(Decrease) Increase in Compensated Absences Payable	-	(370,142)	-	(370,142)
(Decrease) Increase in Net OPEB Obligation	-	-	557,305	557,305
Total Adjustments	12,648	(370,142)	557,305	199,811
Net cash provided by operating activities	\$ 296,059	\$ (370,142)	\$ 705,041	\$ 630,958

**CARVER COUNTY
CHASKA, MINNESOTA**

**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015**

	Balance January 1	Additions	Deductions	Balance December 31
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Agency

Assets:				
Cash and pooled investments	\$ 2,123,026	\$ 201,402,144	\$ 197,670,815	\$ 5,854,355
<hr/>				
Liabilities:				
Due to other governments	\$ 2,123,026	\$ 201,402,144	\$ 197,670,815	\$ 5,854,355
<hr/>				

Collaborative

Assets:				
Cash and pooled investments	\$ 397,407	\$ 1,646,417	\$ 1,390,708	\$ 653,116
<hr/>				
Liabilities:				
Due to other governments	\$ 397,407	\$ 1,646,417	\$ 1,390,708	\$ 653,116
<hr/>				

Lower Minnesota Watershed District

Assets:				
Cash and pooled investments	\$ 944,543	\$ 679,216	\$ 540,300	\$ 1,083,459
Accounts Receivable	54,249	7,541	54,249	7,541
Due from other governments	57,643	32,851	57,643	32,851
Prepaid Items	6,511	5,614	6,511	5,614
Total assets	<u>\$ 1,062,946</u>	<u>\$ 725,222</u>	<u>\$ 658,703</u>	<u>\$ 1,129,465</u>
<hr/>				
Liabilities:				
Due to other governments	<u>\$ 1,062,946</u>	<u>\$ 725,222</u>	<u>\$ 658,703</u>	<u>\$ 1,129,465</u>
<hr/>				

Total All Agency Funds

Assets:				
Cash and pooled investments	\$ 3,464,976	\$ 203,727,777	\$ 199,601,823	\$ 7,590,930
Accounts Receivable	54,249	7,541	54,249	7,541
Due from other governments	57,643	32,851	57,643	32,851
Prepaid Items	6,511	5,614	6,511	5,614
Total assets	<u>\$ 3,583,379</u>	<u>\$ 203,773,783</u>	<u>\$ 199,720,226</u>	<u>\$ 7,636,936</u>
<hr/>				
Liabilities:				
Due to other governments	<u>\$ 3,583,379</u>	<u>\$ 203,773,783</u>	<u>\$ 199,720,226</u>	<u>\$ 7,636,936</u>
<hr/>				

**CARVER COUNTY
CHASKA, MINNESOTA**

**SCHEDULE OF INTERGOVERNMENTAL REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2015**

	Special Revenue Funds								Total All Funds	
	General Fund	Road and Bridge Fund	Community Social Services Fund	Nonmajor Funds	Total	Debt Service Fund	Buildings CIP Fund	Road & Bridge CIP Fund		Parks & Trails CIP Fund
Appropriations and Shared Revenue										
State										
Ag Conservation Credit	\$ 208,526	\$ -	\$ -	\$ 180	\$ 180	\$ -	\$ -	\$ -	\$ -	\$ 208,706
Market Value Credit	145,384	19,179	35,385	-	54,564	24,368	-	7,871	-	232,187
Disparity Reduction Aid	2,331	-	-	-	-	-	-	-	-	2,331
Highway Users Tax	-	2,985,556	-	-	2,985,556	-	-	3,601,999	534,298	7,121,853
PERA Aid	90,840	-	-	-	-	-	-	-	-	90,840
Police Aid	551,646	-	-	-	-	-	-	-	-	551,646
E911	185,591	-	-	-	-	-	-	-	-	185,591
CPA	2,010,600	-	-	-	-	-	291,339	582,675	291,338	3,175,952
Local Performance Aid	13,603	-	-	-	-	-	-	-	-	13,603
County Aquatic ISP Aid	132,603	-	-	-	-	-	-	-	-	132,603
SCORE Grant	287,455	-	-	-	-	-	-	-	-	287,455
Total Appropriations and Shared Revenue	3,628,579	3,004,735	35,385	180	3,040,300	24,368	291,339	4,192,545	825,636	12,002,767
Reimbursement for Services										
State										
Minnesota Department of Human Services	69,227	-	4,024,771	-	4,024,771	-	-	-	-	4,093,998
Grants										
State										
Housing Finance Agency	-	-	165,424	-	165,424	-	-	-	-	165,424
Corrections	409,362	-	-	-	-	-	-	-	-	409,362
Employment and Economic Development	-	-	44,200	-	44,200	-	-	-	-	44,200
Health	394,090	-	-	201	201	-	-	-	-	394,291
Human Services	46,008	-	1,716,030	-	1,716,030	-	-	-	-	1,762,038
Jobs and Training	-	-	232,049	-	232,049	-	-	-	-	232,049
Natural Resources	46,155	-	-	-	-	-	-	-	-	46,155
Pollution Control	205,204	-	-	-	-	-	-	-	-	205,204
Public Safety	1,338	6,179	-	6,179	12,358	-	-	-	-	13,696
Transportation	-	-	-	-	-	-	-	8,155,192	-	8,155,192
Veterans Affairs	13,695	-	-	-	-	-	-	-	-	13,695
Peace Officers Standards & Training Board	53,323	-	-	-	-	-	-	-	-	53,323
Water & Soil Resources Board	296,480	-	-	-	-	-	-	-	-	296,480
Total State	1,465,655	6,179	2,157,703	6,380	2,170,262	-	-	8,155,192	-	11,791,109
Federal										
U.S. Department of Agriculture	130,986	-	341,995	-	341,995	-	-	-	-	472,981
U.S. Department of Justice	10,556	-	114,830	-	114,830	-	-	-	-	125,386
U.S. Department of Labor	-	-	164,405	-	164,405	-	-	-	-	164,405
U.S. Department of Transportation	35,012	-	-	-	-	-	-	4,644,428	283,525	4,962,965
U.S. Department of Homeland Security	100,251	30,591	-	20,596	51,187	-	-	-	-	151,438
U.S. Department of Education	2,492	-	-	-	-	-	-	-	-	2,492
U.S. Department of Health and Human Services	674,766	-	3,827,184	-	3,827,184	-	-	-	-	4,501,950
Total Federal	954,063	30,591	4,448,414	20,596	4,499,601	-	-	4,644,428	283,525	10,381,617
Local	386,596	-	213,395	-	213,395	-	-	4,199,364	1,080,840	5,880,195
Total Grants	2,806,314	36,770	6,819,512	26,976	6,883,258	-	-	16,998,984	1,364,365	28,052,921
Payments in Lieu of Taxes	171,107	-	-	238	238	-	-	-	-	171,345
Intergovernmental	\$ 6,675,227	\$ 3,041,505	\$ 10,879,668	\$ 27,394	\$ 13,948,567	\$ 24,368	\$ 291,339	\$ 21,191,529	\$ 2,190,001	\$ 44,321,031

**CARVER COUNTY
CHASKA, MINNESOTA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2015**

Federal Grantor Pass-Through Agency Program or Cluster Title	Federal CFDA Number	Pass-through Grant Numbers	Expenditures	Passed Through to Subrecipients
U.S. Department of Agriculture Passed Through Minnesota Department of Human Services State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	15152MN10152514	\$ 472,981	\$ -
U.S. Department of Justice Direct Bulletproof Vest Partnership Program	16.607	N/A	\$ 8,756	\$ -
Passed Through Minnesota Department of Public Safety Juvenile Accountability Block Grants	16.523	A-T2JABG-2015-CARVERCS-00006	1,800	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	A-JAG-2014-CARVERCO-00067	114,830	-
Total U.S. Department of Justice			\$ 125,386	\$ -
U.S. Department of Labor Passed Through Hennepin County Workforce Investment Act (WIA) Cluster WIA/WIOA Adult Program	17.258	5093100	\$ 31,373	\$ -
WIA/WIOA Youth Activities	17.259	5093600	63,188	-
WIA/WIOA Dislocated Worker Formula Grants (Total Expenditures for WIA Cluster \$164,405)	17.278	5098000	69,844	-
Total U.S. Department of Labor			\$ 164,405	\$ -
U.S. Department of Transportation Passed Through Minnesota Department of Transportation Highway Planning and Construction	20.205	010-090-005	\$ 271,655	\$ -
Highway Planning and Construction	20.205	010-596-007	114,683	-
Highway Planning and Construction	20.205	010-596-009	165,882	-
Highway Planning and Construction	20.205	010-610-046	3,684,736	-
Highway Planning and Construction	20.205	010-617-020	105,044	-
Highway Planning and Construction	20.205	010-618-013	139,395	-
Highway Planning and Construction Total CFDA #20.205	20.205	194-020-009	489,296	-
Passed Through Minnesota Department of Public Safety Highway Safety Cluster State and Community Highway Safety	20.600	A-ENFORC15-2015-CARVERSO-00015	\$ 4,644	\$ 722
State and Community Highway Safety Total CFDA #20.600	20.600	A-ENFORC15-2016-CARVERSO-00013	424	-
			\$ 5,068	\$ 722
National Priority Safety Programs	20.616	A-ENFORC15-2015-CARVERSO-00015	\$ 11,229	\$ 2,723
National Priority Safety Programs Total CFDA #20.616 (Total Expenditures for Highway Safety Cluster \$18,620)	20.616	A-ENFORC15-2016-CARVERSO-00013	2,323	1,338
			\$ 13,552	\$ 4,061
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	A-ENFORC15-2015-CARVERSO-00015	\$ 9,959	\$ 2,995
Minimum Penalties for Repeat Offenders for Driving While Intoxicated Total CFDA #20.608	20.608	A-ENFORC15-2016-CARVERSO-00013	6,433	1,414
			\$ 16,392	\$ 4,409
Total U.S. Department of Transportation			\$ 5,005,703	\$ 9,192
U.S. Department of Education Passed Through Minnesota Department of Health Special Education-Grants for Infants and Families	84.181	12-700-000062	\$ 2,492	\$ -
U.S. Department of Health and Human Services Passed Through the National Association of County and City Health Officials Medical Reserve Corps Small Grant Program	93.008	MRC11-226	\$ 130	\$ -
Passed Through Minnesota Department of Health Public Health Emergency Preparedness	93.069	12-700-000062	58,701	-
Universal Newborn Hearing Screening	93.251	12-700-000062	2,400	-
Immunization Cooperative Agreements	93.268	12-700-000062	3,100	-
Early Hearing Detection and Intervention Information System (EHDI-IS) Surveillance Program	93.314	12-700-000062	75	-
Temporary Assistance for Needy Families (Total Temporary Assistance for Needy Families 93.558-\$349,646)	93.558	2015G996115	61,699	-
Capacity Building Assistance to Strengthen Public Health Immunization Infrastructure and Performance- financed in part by the Prevention and Public Health Fund (PPHF)	93.733	12-700-000062	7,500	-
Maternal and Child Health Services Block Grant to the States	93.994	12-700-000062	48,184	-

**CARVER COUNTY
CHASKA, MINNESOTA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2015
(Continued)**

Federal Grantor Pass-Through Agency Program or Cluster Title	Federal CFDA Number	Pass-through Grant Numbers	Expenditures	Passed Through to Subrecipients
U.S. Department of Health and Human Services (continued)				
Passed Through Minnesota Department of Human Services				
Promoting Safe and Stable Families	93.556	1401MNPFS	7,676	-
Temporary Assistance for Needy Families	93.558	1502MNTANF	287,947	-
(Total Temporary Assistance for Needy Families 93.558-\$349,646)				
Child Support Enforcement	93.563	1504MN4005	1,126,205	-
Refugee and Entrant Assistance-State Administered Programs	93.566	1501MNRMA	731	-
Child Care and Development Block Grant	93.575	G1501MNCCDF	41,429	-
Community-Based Child Abuse Prevention Grants	93.590	1302MNFPG	17,035	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645	1401MNCWSS	12,047	-
Foster Care-Title IV-E	93.658	1501MNFOST	153,302	-
Social Services Block Grant	93.667	1501MNSOSR	344,942	-
Children's Health Insurance Program	93.767	1405MN5021	204	-
Medical Assistance Program	93.778	1505MN5ADM	2,337,188	-
Total U.S. Department of Health and Human Services			<u>\$ 4,510,495</u>	<u>\$ -</u>
U.S. Department of Homeland Security				
Passed Through Minnesota Department of Natural Resources				
Boating Safety Financial Assistance	97.012	R29G4CGSFY15	\$ 7,625	-
Passed Through Minnesota Department of Public Safety				
Emergency Management Performance Grants	97.042	A-EMPG-2015-CARVERCO-00010	47,984	-
Homeland Security Grant Program	97.067	A-UASI-2013-CARVERCO-00004	24,241	-
Homeland Security Grant Program	97.067	A-UASI-2014-CARVERCO-00004	14,953	-
Total CFDA #97.067			<u>\$ 39,194</u>	<u>\$ -</u>
Total U.S. Department of Homeland Security			<u>\$ 94,803</u>	<u>\$ -</u>
Total Federal Awards			<u>\$ 10,376,265</u>	<u>\$ 9,192</u>

See notes to Schedule of Expenditures of Federal Awards

CARVER COUNTY
CHASKA, MINNESOTA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2015

I. Reporting Entity

The Schedule of Expenditures of Federal Awards presents the activities of federal award programs expended by Carver County. Carver County's financial statements include the operations of the Carver County Community Development Agency (the CDA) component unit, which expended \$8,370,476 in federal awards during the year ended December 31, 2015, which are not included in the Schedule of Expenditures of Federal Awards. The CDA has its own single audit. The County's reporting entity is defined in Note 1 to the financial statements.

II. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Carver County under programs of the federal government for the year ended December 31, 2015. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of Carver County, it is not intended to and does not present the financial position, changes in net position, or cash flows of Carver County.

III. Summary of Significant Accounting Policies

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, or the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Carver County has elected to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

IV. Reconciliation to Schedule of Intergovernmental Revenue

Federal grant revenue per Schedule of Intergovernmental Revenue		\$ 10,381,617
Grants received more than 60 days after year-end, unavailable in 2015		
Highway Planning and Construction	CFDA 20.205	470,878
Temporary Assistance for Needy Families	CFDA 93.558	12,138
Unavailable in 2014, recognized as revenue in 2015		
Highway Planning and Construction	CFDA 20.205	(428,140)
Child Care and Development Block Grant	CFDA 93.575	(3,593)
Disaster Grants- Public Assistance (Presidentially Declared Disasters)	CFDA 97.036	<u>(56,635)</u>
Expenditures Per Schedule of Expenditures of Federal Awards		<u>\$ 10,376,265</u>

**CARVER COUNTY
CHASKA, MINNESOTA**

**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY SOURCE
December 31, 2015**

	2015
Governmental funds capital assets	
Land	\$ 28,792,252
Improvements other than buildings	2,210,374
Buildings	63,281,239
Machinery and equipment	21,892,455
Infrastructure	165,172,595
Construction in progress	96,793,749
Total governmental funds capital assets	\$ 378,142,664
 Investments in governmental funds capital assets by source:	
General Fund	\$ 35,183,384
Special Revenue Funds:	
Road and Bridge	144,231,219
Community Social Services	670,113
Water Management Organization	58,997
Rail Authority	1,096,730
Total Special Revenue Funds	146,057,059
Capital Projects Funds	196,902,221
Total governmental funds capital assets	\$ 378,142,664

**CARVER COUNTY
CHASKA, MINNESOTA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY
DECEMBER 31, 2015**

Function and Activity	Land	Improvements Other than Buildings	Buildings	Machinery and Equipment	Infrastructure	Construction in Progress	Totals 2015
General Government							
Commissioners	\$ -	\$ -	\$ -	\$ 37,807	\$ -	\$ -	\$ 37,807
Courts	-	-	-	41,234	-	-	41,234
Administration	5,120,906	1,794,705	40,776,719	52,350	8,006,794	309,208	56,060,682
Auditor	-	-	4,619,018	221,845	-	-	4,840,863
Assessor	-	-	-	181,345	-	-	181,345
Information Services	-	-	-	4,588,188	-	-	4,588,188
Attorney	-	-	-	17,635	-	-	17,635
Recorder	-	-	-	84,725	-	-	84,725
Building Maintenance	-	70,533	-	545,014	-	-	615,547
Veterans Services	-	-	-	142,042	-	-	142,042
Planning and Zoning	-	-	-	33,313	-	-	33,313
Total General Government	5,120,906	1,865,238	45,395,737	5,945,498	8,006,794	309,208	66,643,381
Public Safety							
Sheriff	-	-	4,137,587	3,894,686	-	8,200	8,040,473
Court Services	-	-	-	32,750	-	-	32,750
Emergency Management	-	-	-	104,447	-	-	104,447
Total Public Safety	-	-	4,137,587	4,031,883	-	8,200	8,177,670
Highways and Streets							
Public Works	14,302,882	22,284	9,873,974	9,072,408	151,010,328	94,559,310	278,841,186
Human Services							
Community Social Services	-	-	1,212,943	610,260	-	-	1,823,203
Health							
Community Health Services	-	-	-	13,089	-	-	13,089
Culture and Recreation							
Parks	8,271,734	236,287	1,351,919	846,828	6,127,142	1,917,031	18,750,941
Library	-	-	-	1,037,882	-	-	1,037,882
Regional Rail Authority	1,096,730	-	-	-	-	-	1,096,730
Total Culture and Recreation	9,368,464	236,287	1,351,919	1,884,710	6,127,142	1,917,031	20,885,553
Conservation of Natural Resources							
Environmental Services	-	65,959	1,309,079	296,174	-	-	1,671,212
Planning and Water	-	-	-	28,373	-	-	28,373
Water Management Organization	-	20,606	-	10,060	28,331	-	58,997
Total Conservation of Natural Resources	-	86,565	1,309,079	334,607	28,331	-	1,758,582
Total governmental funds capital assets	\$ 28,792,252	\$ 2,210,374	\$ 63,281,239	\$ 21,892,455	\$ 165,172,595	\$ 96,793,749	\$ 378,142,664

**CARVER COUNTY
CHASKA, MINNESOTA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2015**

Function and Activity	Governmental Funds Capital Assets January 1	Additions	Deductions	Transfers	Governmental Funds Capital Assets December 31
General Government					
Commissioners	\$ 37,807	\$ -	\$ -	\$ -	\$ 37,807
Courts	41,234	-	-	-	41,234
Administration	54,199,563	2,188,744	(327,625)	-	56,060,682
Auditor	4,840,863	-	-	-	4,840,863
Assessor	160,859	-	-	20,486	181,345
Information Services	4,490,804	97,384	-	-	4,588,188
Attorney	17,635	-	-	-	17,635
Recorder	84,725	-	-	-	84,725
Building Maintenance	552,843	40,121	-	22,583	615,547
Veterans Services	138,960	61,494	(58,412)	-	142,042
Planning and Zoning	33,313	-	-	-	33,313
Total General Government	64,598,606	2,387,743	(386,037)	43,069	66,643,381
Public Safety					
Sheriff	7,846,935	923,209	(667,453)	(62,218)	8,040,473
Court Services	32,750	-	-	-	32,750
Emergency Management	104,447	-	-	-	104,447
Total Public Safety	7,984,132	923,209	(667,453)	(62,218)	8,177,670
Highways and Streets					
Public Works	229,766,751	52,852,156	(3,777,721)	-	278,841,186
Human Services					
Community Social Services	1,824,721	22,107	(23,625)	-	1,823,203
Health					
Community Health Services	35,672	-	-	(22,583)	13,089
Culture and Recreation					
Parks	18,607,966	6,128,238	(6,026,995)	41,732	18,750,941
Library	1,037,882	-	-	-	1,037,882
Regional Rail Authority	1,096,730	-	-	-	1,096,730
Total Culture and Recreation	20,742,578	6,128,238	(6,026,995)	41,732	20,885,553
Conservation of Natural Resources					
Environmental Services	1,669,982	1,230	-	-	1,671,212
Planning and Water	-	28,373	-	-	28,373
Water Management Organization	48,937	10,060	-	-	58,997
Total Conservation of Natural Resources	1,718,919	39,663	-	-	1,758,582
Total Governmental Funds Capital Assets	\$ 326,671,379	\$ 62,353,116	\$(10,881,831)	\$ -	\$ 378,142,664

STATISTICAL SECTION

**CARVER COUNTY
CHASKA, MINNESOTA**

STATISTICAL SECTION

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

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FINANCIAL TRENDS

These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time. 101-106

REVENUE CAPACITY

These schedules contain information to help the reader assess the County's most significant revenue source, the property tax. 107-110

DEBT CAPACITY

These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future. 111-114

DEMOGRAPHIC AND ECONOMIC INFORMATION

These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place. 115-116

OPERATING INFORMATION

These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs. 117-122

**CARVER COUNTY
CHASKA, MINNESOTA**

**NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS**
(accrual basis of accounting)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental activities										
Net investment in capital assets	\$ 94,945,063	\$ 110,364,515	\$ 125,053,969	\$ 135,342,648	\$ 141,153,936	\$ 153,259,833	\$ 165,563,517	\$ 175,763,062	\$ 197,728,098	\$ 231,830,246
Restricted	6,026,991	5,865,828	22,460,088	19,451,662	17,778,489	17,649,505	15,481,707	24,200,320	37,103,158	20,748,412
Unrestricted	58,625,406	54,961,611	29,442,693	36,879,050	41,918,547	44,736,522	49,433,265	35,929,803	48,625,773	23,261,026
Total Primary government net position	\$ 159,597,460	\$ 171,191,954	\$ 176,956,750	\$ 191,673,360	\$ 200,850,972	\$ 215,645,860	\$ 230,478,489	\$ 235,893,185	\$ 283,457,029	\$ 275,839,684

Note: Accounting standards require that net position be reported in three components in the financial statements: net investment in capital assets; restricted; and unrestricted. Net position is considered restricted when (1) an external party, such as the state or federal government, places a restriction on how the resources may be used, or (2) enabling legislation is enacted by the county.

** The County implemented GASB Statement No. 68 and GASB Statement No. 71 in fiscal year 2015. Years prior to 2015 have not been restated.

Data Source: Yearly Financial Statements

**CARVER COUNTY
CHASKA, MINNESOTA**

CHANGES IN NET POSITION, LAST TEN FISCAL YEARS
(accrual basis of accounting)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses										
Governmental activities:										
General government	\$ 11,533,527	\$ 14,794,292	\$ 14,630,943	\$ 13,633,146	\$ 14,165,675	\$ 13,306,090	\$ 14,840,072	\$ 14,265,140	\$ 19,925,750	\$ 15,267,539
Public safety	16,398,924	17,442,215	19,158,558	19,233,646	19,758,542	19,435,408	18,956,494	19,305,739	21,283,870	21,879,618
Highway & streets	8,561,782	8,970,807	9,456,035	10,571,310	8,663,795	9,466,523	10,706,534	15,069,854	13,752,617	13,683,801
Human services	20,012,379	22,314,022	23,690,203	23,502,744	24,390,153	22,631,006	21,731,309	21,450,703	21,611,714	23,600,282
Health	3,140,871	3,642,172	4,169,472	3,490,548	3,622,979	2,959,570	2,354,942	2,364,279	2,429,229	2,471,990
Culture and recreation	4,220,603	4,409,660	5,313,972	5,249,823	5,784,320	5,203,494	4,234,993	5,547,611	5,612,724	5,479,691
Conservation of natural resources	3,228,331	3,749,695	3,848,693	4,486,738	4,288,885	4,190,525	4,112,644	3,766,146	3,844,004	4,669,976
Economic development	4,950	5,025	5,550	-	-	-	-	-	-	-
Interest on long-term debt	885,102	802,520	944,516	1,200,323	1,081,722	1,002,242	934,639	935,677	715,714	738,137
Total primary government expenses	67,986,469	76,130,408	81,217,942	81,368,278	81,756,071	78,194,858	77,871,627	82,705,149	89,175,622	87,791,034
Program Revenues										
Governmental activities:										
Fees, Charges, Fines, and Other										
General government	3,370,429	2,568,132	2,769,063	2,942,600	3,102,343	2,887,971	3,314,900	3,012,090	3,113,220	3,716,560
Public safety	3,195,766	4,577,213	5,181,164	5,305,357	5,148,267	4,778,224	4,540,507	4,538,185	4,990,779	4,768,670
Human services	3,108,381	3,487,412	3,464,285	3,976,599	4,124,033	3,820,210	3,056,919	4,077,600	3,197,118	3,221,894
Culture and recreation	278,631	304,370	329,543	443,645	463,119	496,723	511,671	636,969	503,684	493,846
Conservation of natural resources	453,824	600,321	1,314,244	1,282,252	1,401,856	1,456,382	1,529,848	1,647,643	1,597,290	1,686,370
Other activities	224,091	123,977	39,837	875,587	23,199	131,577	28,547	122,522	122,390	30,330
Operating grants and contributions	13,022,349	13,691,535	15,076,544	15,630,452	21,617,364	21,156,084	19,955,234	24,364,936	21,275,095	28,898,485
Capital grants and contributions	2,906,537	9,693,356	6,619,540	12,308,996	1,393,777	4,935,290	7,303,933	1,140,351	42,448,305	9,324,391
Total primary government program revenues	26,560,008	35,046,316	34,794,220	42,765,488	37,273,958	39,662,461	40,241,559	39,540,296	77,247,881	52,140,546
Net (Expense) Revenue										
Governmental activities:										
Total primary government net expense	(41,426,461)	(41,084,092)	(46,423,722)	(38,602,790)	(44,482,113)	(38,532,397)	(37,630,068)	(43,164,853)	(11,927,741)	(35,650,488)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes	38,132,996	41,648,935	44,028,626	45,179,226	46,741,078	45,485,260	46,001,355	46,551,697	49,802,503	54,160,050
Unrestricted grants and contributions	3,152,763	3,113,593	2,114,318	3,553,674	2,247,820	2,261,220	1,871,271	2,875,240	3,621,280	3,723,619
Payment in lieu of taxes	129,189	129,234	121,400	134,406	132,830	143,767	140,852	163,782	206,050	172,997
Investment earnings	3,258,024	5,113,439	3,585,823	1,885,477	2,541,019	3,159,565	2,240,215	(2,724,070)	4,517,459	1,122,182
Miscellaneous	2,994,988	2,209,353	2,338,351	2,566,617	1,996,978	2,277,473	2,209,004	1,712,900	1,344,293	65,280
Total primary government	47,667,960	52,214,554	52,188,518	53,319,400	53,659,725	53,327,285	52,462,697	48,579,549	59,491,585	59,244,128
Change in Net Position										
Governmental activities:										
	\$ 6,241,499	\$ 11,130,462	\$ 5,764,796	\$ 14,716,610	\$ 9,177,612	\$ 14,794,888	\$ 14,832,629	\$ 5,414,696	\$ 47,563,844	\$ 23,593,640

Note: The County implemented GASB Statement No. 68 and GASB Statement No. 71 in fiscal year 2015. Years prior to 2015 have not been restated.

Date Source: Yearly Financial Statements

**CARVER COUNTY
CHASKA, MINNESOTA**

**GOVERNMENT-WIDE EXPENSES BY FUNCTION
ALL GOVERNMENTAL FUND TYPES
LAST TEN FISCAL YEARS**

Year	General Government	Public Safety	Highways and Streets	Human Services	Health	Culture and Recreation	Conservation of Natural Resources	Economic Development	Interest on Long-term Debt	Total
2006	\$ 15,195,622	\$ 15,065,324	\$ 8,217,870	\$ 18,758,365	\$ 2,892,400	\$ 3,846,769	\$ 3,120,067	\$ 4,950	\$ 885,102	\$ 67,986,469
2007	19,202,469	15,821,512	8,560,164	20,835,252	3,351,954	3,963,170	3,588,342	5,025	802,520	76,130,408
2008	19,303,229	17,430,385	9,028,694	22,125,125	3,849,459	4,851,224	3,679,760	5,550	944,516	81,217,942
2009	19,401,256	17,315,251	10,096,931	21,765,397	3,135,311	4,736,140	3,717,669	-	1,200,323	81,368,278
2010	19,630,479	17,903,453	8,206,740	22,710,418	3,364,444	5,296,084	3,562,731	-	1,081,722	81,756,071
2011	19,263,489	17,278,639	8,906,785	20,543,342	2,672,747	4,619,435	3,908,179	-	1,002,242	78,194,858
2012	20,002,788	17,118,959	10,220,783	19,891,745	2,111,800	3,728,342	3,862,571	-	934,639	77,871,627
2013	19,183,247	17,559,440	14,602,187	19,645,333	2,145,263	5,053,216	3,580,786	-	935,677	82,705,149
2014	25,108,762	19,454,418	13,223,549	19,738,198	2,206,845	5,087,898	3,640,238	-	715,714	89,175,622
2015	20,945,709	19,928,239	13,126,863	21,487,159	2,262,363	4,876,417	4,426,147	-	738,137	87,791,034

* The government-wide expenses in this table reflect expenses prior to the indirect expense allocation of four internal departments: Administration, Finance, Information Services and Human Resources to the appropriate functions of government.

Data Source: Yearly Financial Statements

**CARVER COUNTY
CHASKA, MINNESOTA**

**GOVERNMENT-WIDE REVENUES
LAST TEN FISCAL YEARS**

PROGRAM REVENUES

GENERAL REVENUES

Fiscal Year	Fees, Charges, Fines and Other	Operating Grants and Contributions	Capital Grants and Contributions
2006	10,631,122	13,022,349	2,906,537
2007	11,661,425	13,691,535	9,693,356
2008	13,098,136	15,076,544	6,619,540
2009	14,826,040	15,630,452	12,308,996
2010	14,262,817	21,617,364	1,393,777
2011	13,571,087	21,156,084	4,935,290
2012	12,982,392	19,955,234	7,303,933
2013	14,035,009	24,364,936	1,140,351
2014	13,524,481	21,275,095	42,448,305
2015	13,917,670	28,898,485	9,324,391

Taxes	Payment in lieu of taxes	Grants and contributions not restricted to specific programs	Investment Income	Miscellaneous	Total
38,132,996	129,189	3,152,763	3,258,024	2,994,988	74,227,968
41,648,935	129,234	3,113,593	5,113,439	2,209,353	87,260,870
44,028,626	121,400	2,114,318	3,585,823	2,338,351	86,982,738
45,179,226	134,406	3,553,674	1,885,477	2,566,617	96,084,888
46,741,078	132,830	2,247,820	2,541,019	1,996,978	90,933,683
45,485,260	143,767	2,261,220	3,159,565	2,277,473	92,989,746
46,001,355	140,852	1,871,271	2,240,215	2,209,004	92,704,256
46,551,697	163,782	2,875,240	(2,724,070)	1,712,900	88,119,845
49,802,503	206,050	3,621,280	4,517,459	1,344,293	136,739,466
54,160,050	172,997	3,723,619	1,122,182	65,280	111,384,674

Data Source: Yearly Financial Statements

**CARVER COUNTY
CHASKA, MINNESOTA**

**FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**
(modified accrual basis of accounting)

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General Fund										
Reserved for										
Encumbrances	\$ 202,092	\$ 82,500	\$ 110,413	\$ -	\$ 3,340	\$ -	\$ -	\$ -	\$ -	\$ -
Special projects and programs	2,109,375	2,088,878	2,488,126	2,747,623	2,494,138	-	-	-	-	-
Unreserved	26,033,082	25,529,687	22,506,434	25,048,637	22,107,632	-	-	-	-	-
Nonspendable	-	-	-	-	-	3,285	1,220	1,257	3,651	113,857
Restricted	-	-	-	-	-	2,578,313	2,747,430	3,009,881	2,413,900	1,983,569
Committed	-	-	-	-	-	745,733	1,256,247	-	-	-
Assigned	-	-	-	-	-	4,479,321	4,684,986	1,567,617	2,296,747	2,943,302
Unassigned	-	-	-	-	-	16,986,718	17,093,255	16,888,267	17,729,149	17,873,769
Subtotal General fund	<u>\$ 28,344,549</u>	<u>\$ 27,701,065</u>	<u>\$ 25,104,973</u>	<u>\$ 27,796,260</u>	<u>\$ 24,605,110</u>	<u>\$ 24,793,370</u>	<u>\$ 25,783,138</u>	<u>\$ 21,467,022</u>	<u>\$ 22,443,447</u>	<u>\$ 22,914,497</u>
All Other Governmental Funds										
Reserved for:										
Encumbrances	\$ 4,977,001	\$ 65,400	\$ -	\$ -	\$ 9,750	\$ -	\$ -	\$ -	\$ -	\$ -
Inventories and prepayments	285,444	302,811	343,553	369,557	366,460	-	-	-	-	-
Special projects and programs	57,996	132,526	41,385	4,497,235	-	-	-	-	-	-
Unreserved reported in:										
Special revenue funds	13,774,941	12,624,087	12,904,018	13,131,833	11,776,381	-	-	-	-	-
Capital projects funds	9,181,075	12,852,312	17,540,648	10,968,782	15,653,860	-	-	-	-	-
Debt service fund	3,476,390	3,620,218	4,541,611	4,902,746	5,362,236	-	-	-	-	-
Nonspendable	-	-	-	-	-	444,098	494,768	367,815	440,925	420,507
Restricted	-	-	-	-	-	8,617,792	5,956,658	11,773,887	21,785,674	14,637,058
Assigned	-	-	-	-	-	24,015,251	27,037,493	19,802,349	31,216,231	28,405,952
Unassigned	-	-	-	-	-	(54,216)	(111,520)	(98,493)	(157,563)	(158,189)
Subtotal all other governmental funds	<u>\$ 31,752,847</u>	<u>\$ 29,597,354</u>	<u>\$ 35,371,215</u>	<u>\$ 33,870,153</u>	<u>\$ 33,168,687</u>	<u>\$ 33,022,925</u>	<u>\$ 33,377,399</u>	<u>\$ 31,845,558</u>	<u>\$ 53,285,267</u>	<u>\$ 43,305,328</u>

*The County implemented GASB Statement No.54 in 2011, this schedule shows the change in fund balance prospectively.

Data Source: Yearly Financial Statements

**CARVER COUNTY
CHASKA, MINNESOTA**

**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**
(modified accrual basis of accounting)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues										
Taxes	\$ 37,349,465	\$ 40,288,456	\$ 42,908,024	\$ 44,718,511	\$ 46,915,750	\$ 45,668,869	\$ 46,101,715	\$ 46,857,907	\$ 49,983,300	\$ 54,195,713
Special assessments	151,275	250,187	212,586	203,167	232,413	277,977	297,938	347,158	341,754	291,192
Licenses and permits	795,237	861,850	622,071	618,318	634,271	668,780	807,896	812,964	983,560	1,284,711
Intergovernmental	22,892,059	26,503,115	24,532,989	33,052,602	21,490,580	26,443,248	30,079,014	25,981,031	63,738,773	44,321,031
Charges for services	9,431,828	10,776,417	11,878,012	12,762,273	11,915,232	11,865,726	11,555,901	11,262,696	11,937,514	12,802,819
Fines and forfeits	313,725	354,402	371,569	304,802	231,712	406,302	253,144	258,682	242,376	214,048
Investment income	3,258,024	5,113,439	3,377,703	1,844,807	2,600,455	3,083,556	2,295,420	(3,046,485)	4,269,682	1,062,014
Other revenue	1,946,708	2,158,266	2,149,382	2,275,195	1,756,210	1,800,418	2,609,598	2,821,443	1,347,243	911,811
Total revenues	\$ 76,138,321	\$ 86,306,132	\$ 86,052,336	\$ 95,779,675	\$ 85,776,623	\$ 90,214,876	\$ 94,000,626	\$ 85,295,396	\$ 132,844,202	\$ 115,083,339
Expenditures										
Current										
General government	13,831,647	15,121,543	16,461,357	16,998,111	16,920,391	17,731,317	17,365,841	16,870,571	17,694,942	18,412,909
Public safety	15,027,508	15,633,219	17,604,635	17,541,708	18,252,972	17,289,670	17,222,771	17,860,004	19,528,952	20,301,344
Highways & streets	15,187,120	21,567,896	7,272,033	7,136,671	6,580,542	6,450,822	8,094,693	11,002,326	9,572,041	10,416,222
Human services	18,847,019	21,073,160	22,305,324	21,876,001	22,946,853	20,519,994	19,890,353	19,689,653	20,198,027	21,309,360
Health	2,919,132	3,449,336	3,932,962	3,171,772	3,354,761	2,644,407	2,159,582	2,209,043	2,252,817	2,271,435
Culture and recreation	3,860,395	4,850,964	7,673,805	4,754,472	5,366,141	6,554,766	4,562,998	4,965,586	5,027,012	5,805,370
Conservation of nat. resources	3,096,342	3,560,656	3,712,184	3,635,863	3,470,886	3,977,270	3,825,998	3,596,957	3,653,552	4,356,961
Economic development	4,950	5,025	5,550	-	-	-	-	-	-	-
Intergovernmental										
Highways & streets	-	-	-	-	141,972	152,861	160,737	166,093	165,748	175,449
Capital outlay	1,772,020	1,946,789	18,240,984	16,476,631	9,380,801	11,130,176	18,100,857	14,654,107	33,240,103	52,301,994
Debt Service										
Principal	1,079,986	1,668,775	1,761,066	2,171,639	2,492,556	3,036,370	3,025,086	3,192,841	8,477,967	3,195,164
Interest	983,416	824,630	822,868	1,388,262	1,111,516	1,019,989	964,395	949,815	812,715	790,794
Total expenditures	76,609,535	89,701,993	99,792,768	95,151,130	90,019,391	90,507,642	95,373,311	95,156,996	120,623,876	139,337,002
Excess of revenues over (under) expenditures	(471,214)	(3,395,861)	(13,740,432)	628,545	(4,242,768)	(292,766)	(1,372,685)	(9,861,600)	12,220,326	(24,253,663)
Other Financing Sources (Uses)										
General obligation bonds issued	-	-	16,420,000	-	-	-	1,460,000	-	9,555,000	-
Notes Payable Issued	-	-	-	-	-	-	-	-	-	13,439,062
Loans issued	-	-	211,750	293,849	337,090	265,866	155,628	72,048	81,429	51,776
Proceeds from sale of capital assets	38,200	46,225	23,950	239,689	16,159	49,842	1,042,373	75,550	60,224	1,242,265
Refunding bonds issued	-	-	7,295,000	-	-	-	-	5,150,000	-	-
Payments to bond escrow agent	-	-	(7,155,000)	-	-	-	-	-	-	-
Premium/(Discount) on debt issued	-	-	82,337	-	-	-	(10,950)	57,003	441,317	-
Transfers in	7,737,689	9,065,651	8,461,511	2,513,979	8,543,411	5,719,922	4,527,201	6,848,919	9,066,284	4,408,492
Transfers out	(7,737,689)	(8,533,420)	(8,461,511)	(2,513,979)	(8,543,411)	(5,775,714)	(4,507,480)	(8,060,166)	(9,066,284)	(4,358,997)
Total other financing sources (uses)	38,200	578,456	16,878,037	533,538	353,249	259,916	2,666,772	4,143,354	10,137,970	14,782,598
Increase (decrease) in inventories	14,566	18,428	40,164	28,142	(3,097)	75,348	50,155	(129,711)	57,838	(37,824)
Net change in fund balances	\$ (418,448)	\$ (2,798,977)	\$ 3,177,769	\$ 1,190,225	\$ (3,892,616)	\$ 42,498	\$ 1,344,242	\$ (5,847,957)	\$ 22,416,134	\$ (9,508,889)
Debt service as a percentage of noncapital expenditures	3.13%	3.49%	3.34%	4.58%	4.60%	5.35%	5.24%	5.14%	10.08%	4.68%

Data Source: Yearly Financial Statements

**CARVER COUNTY
CHASKA, MINNESOTA**

**NET TAX CAPACITY AND TAXABLE MARKET VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS**

Fiscal / Payable Year	Real Property		Personal Property		Total			% of Net Tax Capacity to Total Taxable Market Value
	Net Tax Capacity	Taxable Market Value	Net Tax Capacity	Taxable Market Value	Net Tax Capacity	Taxable Market Value	Total Direct Tax Rate	
2006	\$ 94,077,276	\$ 8,677,711,000	\$ 931,371	\$ 46,837,100	\$ 95,008,647	\$ 8,724,548,100	40.836	1.09%
2007	108,106,396	9,906,925,200	988,432	49,698,200	109,094,828	9,956,623,400	37.802	1.10%
2008	118,107,075	10,752,112,600	985,685	49,560,900	119,092,760	10,801,673,500	37.563	1.10%
2009	121,484,284	11,039,100,400	1,082,397	54,908,100	122,566,681	11,094,008,500	38.033	1.10%
2010	122,066,328	11,060,458,800	1,129,271	57,289,300	123,195,599	11,117,748,100	39.509	1.11%
2011	114,265,462	10,397,063,800	1,353,218	68,523,800	115,618,680	10,465,587,600	41.752	1.10%
2012	105,789,671	9,618,986,133	1,597,924	104,945,867	107,387,595	9,723,932,000	43.562	1.10%
2013	101,614,589	9,275,084,900	1,755,654	88,778,500	103,370,243	9,363,863,400	46.115	1.10%
2014	107,482,644	9,897,391,400	1,855,628	93,777,200	109,338,272	9,991,168,600	46.115	1.09%
2015	120,238,736	11,119,177,400	2,013,792	101,685,400	122,252,528	11,220,862,800	46.115	1.09%

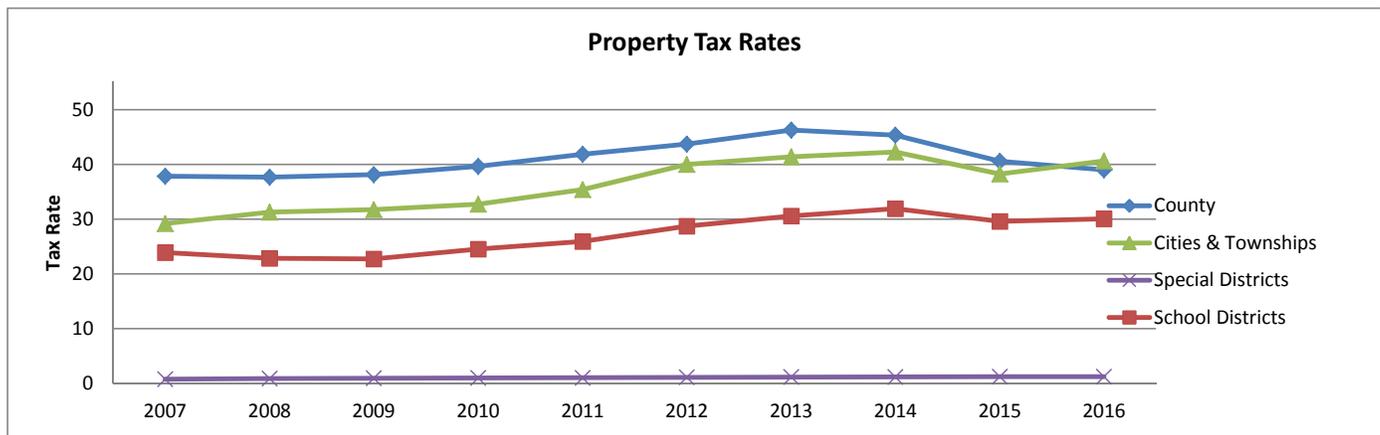
Valuations are determined as of January 1 of the year preceding the tax collection year.
 Amounts are shown for the year in which taxes are payable.
 Assessed value is prior to Fiscal Disparity and Tax Increment District Adjustments.

Data Source: Taxpayer Services Department

**CARVER COUNTY
CHASKA, MINNESOTA**

**DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS**

Carver County					Average Rates Within Each Classification		
Tax Year	General	Bonds	Total	Carver County Regional Rail Authority	Cities/ Townships	School Districts	Special Districts
2007	35.357	2.445	37.802	0.047	29.18	23.869	0.792
2008	35.017	2.546	37.563	0.072	31.284	22.843	0.868
2009	35.013	3.020	38.033	0.104	31.727	22.721	0.946
2010	36.244	3.265	39.509	0.101	32.744	24.528	0.983
2011	38.351	3.401	41.752	0.109	35.382	25.953	1.001
2012	39.957	3.605	43.562	0.117	39.997	28.7	1.145
2013	41.831	4.284	46.115	0.121	41.379	30.577	1.183
2014	40.138	5.072	45.210	0.114	42.254	31.924	1.189
2015	36.238	4.250	40.488	0.097	38.246	29.565	1.232
2016	34.830	4.051	38.881	0.110	40.595	30.070	1.255



Note: For the City rate, the Urban tax Capacity Rate was used. For the Township rate, the Proper rate and the rate for Fire Districts was used.

Data Source: Taxpayer Services Department

**CARVER COUNTY
CHASKA, MINNESOTA**

**PRINCIPAL PROPERTY TAX PAYERS
CURRENT AND NINE YEARS AGO**

<u>Taxpayer</u>	2015		<u>Taxpayer</u>	2006	
	<u>Taxable Assessed Value</u>	<u>Percentage of Total County Taxable Assessed Value</u>		<u>Taxable Assessed Value</u>	<u>Percentage of Total County Taxable Assessed Value</u>
Northern States Power	\$ 43,408,100	0.39%	Northern States Power	\$ 27,025,200	0.31%
CenterPoint Energy Minnegasco	36,497,200	0.33%	IDS Financial Services Inc.	24,388,500	0.28%
Target Corporation	34,163,100	0.30%	CenterPoint Energy Minnegasco	17,534,200	0.20%
United HealthCare Services Inc.	21,991,000	0.20%	Fluoroware Inc	15,541,100	0.18%
Istar Minnesota LLC	21,151,800	0.19%	IRET Properties	15,187,100	0.17%
Mills Properties Inc.	20,423,600	0.18%	Aurora Investments LLC	14,629,100	0.17%
IRET Properties	19,533,300	0.17%	Rosemount Inc	13,952,300	0.16%
Aurora Investments LLC	17,724,500	0.16%	Target Corporation T-1352	13,832,800	0.16%
Hazeltine National Golf Club	16,253,600	0.14%	Istar Minnesota LLC	12,731,800	0.15%
Rosemount Inc.	15,866,700	0.14%	Lifecore Biomedical Inc	11,081,200	0.13%
Total	\$ 247,012,900	2.20%	Total	\$ 165,903,300	1.91%

Data Source: Taxpayer Services Department

**CARVER COUNTY
CHASKA, MINNESOTA**

**PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Fiscal Year	Certified Tax Levy	Abatements/ Adjustments	Market Value Credit Adjustment (2)	Adjusted Certified Tax Levy	Collection within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date		Outstanding Delinquent	
					Amount (1)	% of Levy		Amount	% of Levy	Amount	% of Levy
2006	\$ 37,464,848	\$ (17,657)	\$ -	\$ 37,447,191	\$ 37,098,969	99.07%	\$ 374,976	\$ 37,473,945	100.07%	(3) \$ 2,095	0.01%
2007	40,050,923	(65,870)	-	39,985,053	39,393,441	98.52%	553,602	39,947,043	99.90%	11,941	0.03%
2008	43,124,587	(138,105)	-	42,986,482	42,233,204	98.25%	717,366	42,950,570	99.92%	15,139	0.04%
2009	45,065,587	(392,235)	-	44,673,352	43,873,564	98.21%	745,683	44,619,247	99.88%	17,596	0.04%
2010	46,779,720	(506,528)	(714,517)	45,558,675	44,820,092	98.38%	485,388	45,305,480	99.44%	23,827	0.05%
2011	46,179,720	(396,482)	(816,418)	44,966,820	44,052,056	97.97%	612,789	44,664,845	99.33%	27,344	0.06%
2012	44,779,720	(300,209)	-	44,479,511	44,004,472	98.93%	296,176	44,300,648	99.60%	20,719	0.05%
2013	45,629,720	(136,343)	-	45,493,377	44,737,750	98.34%	389,835	45,127,585	99.20%	58,830	0.13%
2014	47,546,920	(77,066)	-	47,469,854	46,842,338	98.68%	238,875	47,081,213	99.18%	54,219	0.11%
2015	49,861,920	31,514	-	49,893,434	49,124,187	98.46%	-	49,124,187	98.46%	340,109	0.68%

(1) This amount includes fiscal disparities and any tax aid.

(2) The county receives market value credit from the state, which is included in the gross tax levy. During 2010 and 2011 market value credit was cut by \$714,517 and \$816,418, respectively. Since this money will not be collected, the certified tax levy was adjusted to account for this cut.

(3) Abatements involving parcels with TIF and Fiscal over 100% may decrease the overall tax bill, but increase the County's portion of collections. Abatements involving a Green Acres payback are an added tax, which will increase collections upon payment.

Data Sources:

Taxpayer Services Department

Financial Services Division

CHASKA, MINNESOTA

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Bonds	General Obligation Notes Payable	Loans Payable	Capital Leases	Less Debt Service Funds	Net Total Debt	Total Debt Per Capita		Percentage of Personal Income	
							Total	Net	Total	Net
2006	\$ 14,776,664	\$ -	\$ 504,000	\$ 5,046,348	\$ 3,476,390	\$ 16,850,622	\$ 235.71	\$ 195.40	0.49%	0.41%
2007	13,723,760	-	504,000	4,432,573	3,620,218	15,040,115	211.13	170.17	0.41%	0.33%
2008	32,643,194	-	715,750	396,506	4,541,611	29,213,839	376.67	325.99	0.70%	0.60%
2009	30,665,344	-	994,701	214,765	4,902,746	26,972,064	349.40	295.66	0.69%	0.58%
2010	28,281,811	-	1,272,658	161,342	5,362,236	24,353,575	326.40	267.50	0.60%	0.49%
2011	25,513,278	-	1,428,496	-	5,623,923	21,317,851	292.51	231.45	0.50%	0.39%
2012	24,104,252	-	1,414,038	-	5,873,056	19,645,234	272.68	209.92	0.44%	0.34%
2013	26,354,561	-	1,243,245	-	11,698,722	15,899,084	289.09	166.55	0.47%	0.27%
2014	28,146,667	-	1,051,707	-	7,264,955	21,933,419	300.51	225.74	0.50%	0.38%
2015	25,117,349	13,439,062	878,319	-	9,041,305	30,393,425	399.48	307.89	Not Available	Not Available

Data Sources:

Yearly Financial Statements

See Schedule XV for Personal Income and Population Information

**CARVER COUNTY
CHASKA, MINNESOTA**

**RATIOS OF NET BONDED DEBT TO ASSESSED VALUE
AND NET BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS**

Fiscal Year	Total		General Obligation Bonds	General Obligation Notes Payable	Less Debt Service Funds	Net Bonded Debt	Bonded Debt Per Capita		Bonded Debt to Actual Taxable Market Value		Bonded Debt to Net Tax Capacity	
	Taxable Market Value	Net Tax Capacity					Total	Net	Total %	Net %	Total %	Net %
	2006	\$ 8,724,548,100					\$ 95,008,647	\$ 14,776,664	\$ -	\$ 3,476,390	\$ 11,300,274	\$ 171.35
2007	9,956,623,400	109,094,828	13,723,760	-	3,620,218	10,103,542	155.27	114.31	0.14%	0.10%	12.58%	9.26%
2008	10,801,673,500	119,092,760	32,643,194	-	4,541,611	28,101,583	364.26	313.58	0.30%	0.26%	27.41%	23.60%
2009	11,094,008,500	122,566,681	30,665,344	-	4,902,746	25,762,598	336.14	282.40	0.28%	0.23%	25.02%	21.02%
2010	11,117,748,100	123,195,599	28,281,811	-	5,362,236	22,919,575	310.65	251.75	0.25%	0.21%	22.96%	18.60%
2011	10,465,587,600	115,618,680	25,513,278	-	5,623,923	19,889,355	277.01	215.94	0.24%	0.19%	22.07%	17.20%
2012	9,723,932,000	107,387,595	24,104,252	-	5,873,056	18,231,196	257.57	194.81	0.25%	0.19%	22.45%	16.98%
2013	9,363,863,400	103,370,243	26,354,561	-	11,698,722	14,655,839	276.07	153.52	0.28%	0.16%	25.50%	14.18%
2014	9,991,168,600	109,338,272	28,146,667	-	7,264,955	20,881,712	289.69	214.92	0.28%	0.21%	25.74%	19.10%
2015	11,220,862,800	122,252,528	25,117,349	13,439,062	9,041,305	29,515,106	390.59	299.00	0.34%	0.26%	31.54%	24.14%

Valuations are determined as of January 1 of the year preceding the tax collection year.
 Amounts are shown for the year in which taxes are payable.
 Assessed value is prior to Fiscal Disparity and Tax Increment District Adjustments.

Data Sources:

Yearly Financial Statements
 See Schedule XV for Population Information

**CARVER COUNTY
CHASKA, MINNESOTA**

**COMPUTATION OF DIRECT, UNDERLYING AND OVERLAPPING DEBT
AS OF DECEMBER 31, 2015**

Government Unit	Debt Outstanding (1)	Applicable to Carver County Percent	Amount
Direct:			
Government Unit			
General Obligation Bonds Payable (net of discount)	\$ 25,117,349	100.0%	\$ 25,117,349
General Obligation Notes Payable	13,439,062	100.0%	13,439,062
Loans Payable	878,319	100.0%	878,319
Carver County	39,434,730	100.0%	39,434,730
Underlying:			
Carver City	7,105,000	100.0%	7,105,000
Chanhassen City	10,080,000	97.7%	9,851,738
Chaska City	32,345,000	100.0%	32,345,000
Cologne	6,820,000	100.0%	6,820,000
Hamburg City	311,227	100.0%	311,227
Mayer	2,650,000	100.0%	2,650,000
New Germany City	1,990,000	100.0%	1,990,000
Norwood Young America City	12,215,000	100.0%	12,215,000
Victoria City	12,335,000	100.0%	12,335,000
Waconia City	24,955,000	100.0%	24,955,000
Watertown City	6,750,000	100.0%	6,750,000
Total cities	117,556,227	99.8%	117,327,965
School District #108	11,685,000	96.3%	11,256,161
School District #110	121,705,000	82.0%	99,810,271
School District #111	57,575,000	75.7%	43,555,488
School District #112	208,400,000 (2)	100.0%	208,400,000
School District #276	108,315,169	18.6%	20,157,453
School District #424	3,795,000	0.2%	6,831
School District #716	29,385,000 (3)	9.1%	2,671,097
School District #2687	66,470,000	0.6%	378,879
School District #2859	23,695,000	0.1%	30,804
Total school districts	631,025,169	61.2%	386,266,981
Town of Laketown	102,509	100.0%	102,509
Total Underlying debt	748,683,905	67.3%	503,697,456
Overlapping:			
Metro Council	206,020,000 (4)	3.6%	7,459,160
Total Overlapping debt	206,020,000	3.6%	7,459,160
Total direct, underlying and overlapping debt	994,138,635	55.4%	550,591,346

(1) Direct debt includes all of the debt instruments related to the governmental activities (i.e., general obligation bonds payable, and loans payable). Underlying and Overlapping debt only includes those taxing jurisdictions with general obligation debt outstanding. Does not include non-general obligation debt, self-supporting general obligation revenue debt, short-term general obligation debt, or general obligation tax/aid anticipation certificates of indebtedness.

(2) Currently, the State of MN is paying approximately 3.83% of the principal and interest on the Eastern Carver County School District's general obligation bonds. Assuming this percentage continues for the life of the bonds, the State's proportionate share of principal is \$7,981,720.

(3) Currently, the State of Minnesota is paying approximately 7.56% of the principal and interest on the Belle Plaine School District's general obligation bonds. Assuming this percentage continues for the life of the bonds, the State's proportionate share of principal is \$2,221,506.

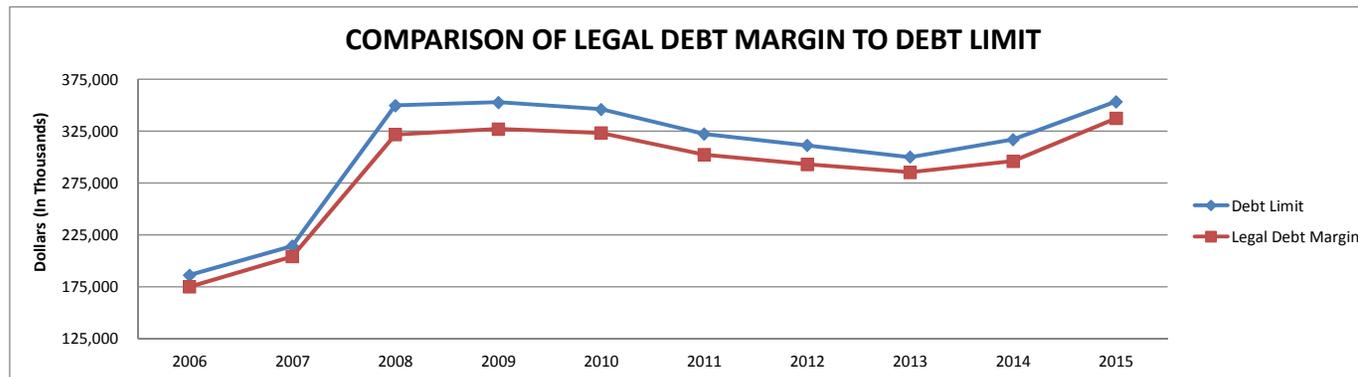
(4) The above includes all outstanding general obligation debt supported by taxes of the Metropolitan Council. The Council also has general obligation sewer revenue, wastewater revenue, and radio revenue bonds, and lease obligations outstanding all of which are supported entirely by revenues and have not been included in the Overlapping Debt or Debt Ratios sections.

Data Source: Provided by Taxpayer Services Department

**CARVER COUNTY
CHASKA, MINNESOTA**

**LEGAL DEBT MARGIN
LAST TEN FISCAL YEARS**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Assessor's Estimated Market Value	\$ 9,314,476,000	\$ 10,713,824,000	\$ 11,658,999,100	\$ 11,761,192,900	\$ 11,536,624,900	\$ 10,745,987,800	\$ 10,376,803,300	\$ 10,001,109,700	\$ 10,567,048,000	\$ 11,782,984,500
Legal debt margin										
Debt limit (3% of Assessor's EMV)*	186,289,520	214,276,480	349,769,973	352,835,787	346,098,747	322,379,634	311,304,099	300,033,291	317,011,440	353,489,535
Debt applicable to limit: (see schedule XII)										
General Obligation bonds	14,776,664	13,723,760	32,643,194	30,665,344	28,281,811	25,513,278	24,104,252	26,354,561	28,146,667	25,117,349
Less: Amount reserved for repayment of general obligation debt	(3,476,390)	(3,620,218)	(4,541,611)	(4,902,746)	(5,362,236)	(5,623,923)	(5,873,056)	(11,698,722)	(7,264,955)	(9,041,305)
Total debt applicable to limit	11,300,274	10,103,542	28,101,583	25,762,598	22,919,575	19,889,355	18,231,196	14,655,839	20,881,712	16,076,044
Legal debt margin	\$ 174,989,246	\$ 204,172,938	\$ 321,668,390	\$ 327,073,189	\$ 323,179,172	\$ 302,490,279	\$ 293,072,903	\$ 285,377,452	\$ 296,129,728	\$ 337,413,491
Total debt applicable to the limit as a percentage of debt limit	6.07%	4.72%	8.03%	7.30%	6.62%	6.17%	5.86%	4.88%	6.59%	4.55%



Minn. Stat. Section 475.53, subd. 1 states that except as otherwise provided in Minn. Stat. Sections 474.74 to 475.51, 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 estimated market value.

* Debt limit was 2% for years 2004-2007

Data Source: Assessed values are provided by Taxpayer Services Division.

**CARVER COUNTY
CHASKA, MINNESOTA**

**DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Year	Population (1)(2)*	Personal Income (3)	Median Age (1)	Public School Enrollment K thru 12 (4)
2006	86,236	\$ 4,120,120,000	33.9**	14,165
2007	88,384	4,569,444,000	34.8**	14,549
2008	89,615	4,831,653,000	34.3**	14,847
2009	91,228	4,641,842,000	36.7**	15,075
2010	91,042	4,939,629,000	35.8	15,284
2011	92,104	5,439,073,000	36.9**	15,584
2012	93,584	5,826,217,000	36.8**	15,769
2013	95,463	5,930,653,000	36.7**	16,071
2014	97,162	5,838,766,000	36.77**	16,115
2015	98,714	Not Available	Not Available	16,494

Average Labor Statistics

Year	Carver County		State		National	
	Per Capita Income (3)	Unemployment Rate (5)	Per Capita Income (3)	Unemployment Rate (5)	Per Capita Income (3)	Unemployment Rate (5)
2006	\$ 48,474	3.3%	\$ 39,634	4.0%	\$ 38,130	4.6%
2007	51,501	3.9%	41,560	4.6%	39,776	4.6%
2008	53,003	4.9%	43,256	5.4%	41,052	5.8%
2009	49,310	7.2%	41,064	7.8%	39,366	9.3%
2010	51,136	6.7%	42,567	7.4%	40,274	9.6%
2011	54,748	5.5%	45,214	6.5%	42,459	8.9%
2012	57,810	4.8%	47,293	5.6%	44,247	8.1%
2013	57,901	4.3%	47,410	4.9%	44,408	7.4%
2014	59,984	3.6%	48,998	4.1%	46,030	6.2%
2015	Not Available	3.2%	50,541	3.7%	47,685	5.3%

Data Sources:

- 1.) [United States Census Bureau <http://www.census.gov>](http://www.census.gov)
- 2.) [Metropolitan Council Population](#)
- 3.) [Bureau of Economic Analysis <http://www.bea.gov/>](http://www.bea.gov/)
- 4.) [Minnesota Department of Education <http://education.state.mn.us>](http://education.state.mn.us)
- 5.) [DEED: Local Area Unemployment Statistics <http://www.deed.state.mn.us/lmi/tools/laus>](http://www.deed.state.mn.us/lmi/tools/laus)

* All population estimates come from the Metropolitan Council

** United States Census Bureau (estimates)

**CARVER COUNTY
CHASKA, MINNESOTA**

**PRINCIPAL EMPLOYERS
CURRENT AND NINE YEARS AGO**

2016 (1)			2007 (2)		
<u>Employer</u>	Estimated No. of Employees	Percentage of Total County Employment	<u>Employer</u>	Estimated No. of Employees	Percentage of Total County Employment
Ridgeview Medical Center	1,500	3.95%	Rosemount, Inc.	1,300	3.88%
I.S.D. No. 112 (Eastern Carver County)	1,500	3.95%	Ridgeview Medical Center	1,200	3.58%
Rosemount, Inc.	1,200	3.16%	I.S.D. No. 112 (Eastern Carver County)	1,000	2.99%
Life Time Fitness Inc. (fitness center and corporate headquarters)	1,160	3.05%	SuperValu Corporate Headquarters (West)	925	2.76%
The Instant Web Company (IWCO Direct)	1,000	2.63%	Entegris, Inc.	800	2.39%
Entegris, Inc.	1,000	2.63%	Instant Web, Inc.	770	2.30%
United Mailing	1,000	2.63%	Lake Region Manufacturing, Inc.	760	2.27%
Beckman Coulter, Inc.	780	2.05%	Beckman Coulter	730	2.18%
Target - 3 locations	700	1.84%	Carver County	634	1.89%
Carver County	682	1.80%	Medallion Cabinetry, Inc.	500	1.49%
Total	10,522	27.69%	Total	8,619	25.73%
Total County Employment (2)	37,990		Total County Employment (2)	33,473	

Note: Employment is within Carver County and not necessarily company wide for employers listed.

Data Sources:

- 1.) ReferenceUSA. (Verified by a combination of Cities and employers).
- 2.) Metropolitan Council <<http://stats.metc.state.mn.us/>>. 2016 number shown is for second quarter of 2015; the most recent number available.

**CARVER COUNTY
CHASKA, MINNESOTA**

**COUNTY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

<u>Function/program</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General Government										
Administration	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Administration Services	4.50	2.00	2.10	2.00	2.00	3.30	3.00	3.00	3.20	4.70
Property Assessment	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00
Attorney	25.43	29.13	29.88	29.88	28.68	28.88	28.88	29.20	31.20	31.20
Taxpayer Services	15.38	19.04	23.54	23.54	23.54	22.90	22.90	22.90	25.10	25.10
Commissioners	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Facilities Management	17.00	17.00	17.00	16.00	16.00	16.00	16.00	16.00	16.00	16.00
Finance	6.20	7.70	6.70	6.70	7.70	7.70	7.70	7.70	7.70	7.70
Employee Relations	6.00	6.50	6.50	6.50	7.00	9.00	9.00	9.00	11.00	11.00
Information Services	15.50	21.10	26.20	26.40	25.40	24.80	23.45	23.45	24.70	27.95
Property Records	10.60	10.60	9.60	8.60	7.00	6.00	6.00	6.00	6.00	7.00
Treasurer	2.00	-	-	-	-	-	-	-	-	-
Veterans Services	3.20	3.20	3.70	3.70	3.70	3.70	3.70	3.70	4.10	4.60
Land Management	9.00	6.00	6.00	7.00	5.50	5.00	5.00	5.00	5.00	5.00
Public Safety										
Court Services	15.05	16.05	16.05	14.55	14.55	14.55	14.55	16.05	16.10	16.10
Emergency Management	3.00	3.00	3.00	3.00	2.00	2.00	2.00	-	-	-
Sheriff	153.54	161.04	170.01	169.01	169.14	161.66	155.76	157.77	160.77	160.77
Highways & Streets										
Public works	44.25	45.25	47.25	46.25	46.25	46.25	45.55	46.55	51.15	50.48
Human Services										
Social Services	161.35	166.86	171.28	167.53	168.20	172.50	172.50	179.70	181.13	191.53
Health										
Public Health Services	31.97	34.00	35.55	33.05	26.45	23.70	22.80	21.80	21.50	19.00
Culture & Recreation										
Library	39.57	40.45	41.92	40.77	40.17	38.67	37.92	37.62	38.94	43.70
Parks	8.53	9.19	9.19	9.19	9.19	9.59	9.59	11.59	11.80	10.98
Conservation of Natural Resources										
University of MN Extension	1.50	1.65	1.65	1.80	1.80	1.80	1.70	1.70	1.70	1.70
Planning & Water Management	-	5.50	6.50	5.50	5.50	5.60	5.60	6.60	6.85	9.00
Environmental Services	12.43	10.68	10.93	10.93	10.93	10.93	11.15	10.15	11.15	11.40
Total	605.00	634.94	663.55	650.90	639.70	633.53	623.75	634.48	654.09	673.91

Note:

In 2007, Planning & Water Management was seperated from Planning & Zoning and Environmental Services and the Treasurer's Office was added to Finance. In 2013, Emergency Management was moved to the Sheriff's Office.

Employees listed by FTE Equivalent

Data Source: Financial Services Division

**CARVER COUNTY
CHASKA, MINNESOTA**

**OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

<u>Function/program</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<u>General Government</u>										
Administrative Services										
Square Feet of Building Space (1)	538,633	560,665	565,665	610,665	610,665	610,665	610,665	610,665	610,665	610,665
Employee Relations										
New Hires Processed	175	155	166	139	98	112	109	168	192	163
Terminations Processed	98	113	130	155	121	74	116	123	165	140
Collective Bargaining Agreements	8	8	8	8	11	11	11	11	11	11
Financial Services										
Cash Receipts Processed	5,116	5,264	5,319	5,977	6,142	5,310	6,798	6,862	5,854	5,811
Payroll Checks Issued	3,754	3,004	2,842	2,667	856	365	498	480	587	423
Payroll Stubs Issued	14,724	15,219	16,830	16,841	18,337	17,905	17,968	19,005	18,390	19,767
Claims Paid	14,471	14,791	16,549	15,019	14,464	15,010	13,016	13,507	13,603	14,001
Contracts Maintained	244	276	323	344	444	367	306	424	482	616
Journal Entries	658	727	828	884	804	806	726	776	646	728
Budget Amendments Entered	149	145	171	101	88	150	107	127	127	141
Capital Assets Inventoried	110	73	72	66	91	65	71	81	62	80
Property Records and Taxpayer Services										
Deeds Recorded	3,495	2,921	2,215	2,059	2,394	2,701	3,422	3,962	3,447	3,857
Birth and Death Certificate Copies Issued	6,266	5,148	4,682	4,315	4,416	4,262	4,797	5,792	5,783	5,835
Marriage Licenses Processed	449	464	439	448	387	408	443	507	485	478
Passports Processed	3,905	3,701	2,637	1,988	3,094	2,885	3,947	4,310	4,869	6,520
Motor Vehicle Registrations	28,507	27,471	23,169	23,040	34,704	39,801	52,690	56,697	59,332	61,577
% of Voter Turnout (General Election)	66%	-	94%	-	70%	-	96%	-	65%	-
Real Estate Documents Processed	28,985	24,677	20,153	24,135	23,246	19,724	25,840	24,822	17,828	21,154
Number of Real Estate Compliant Documents	27,723	20,997	19,914	23,993	15,588	8,785	895	1,260	-	5,655
Real Property Parcels (2)	37,246	37,807	38,179	39,539	39,746	39,876	41,424	42,617	43,173	42,759
Personal Property Parcels (2)	1,115	1,120	151	-	-	-	-	-	-	-
Number of New Homes Constructed	769	572	250	283	314	386	394	610	573	508
Properties Appraised	6,890	6,941	8,527	8,486	7,173	7,756	7,498	8,670	9,144	8,871

**CARVER COUNTY
CHASKA, MINNESOTA**

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

<u>Function/program</u>	<u>Fiscal Year</u>									
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<u>Public Safety</u>										
Sheriff's Office										
Calls for Service Received:	56,891	56,597	57,319	54,239	53,329	53,180	50,430	50,640	53,068	53,081
Chaska Calls	15,622	14,725	14,336	13,064	13,294	12,811	11,802	11,375	11,298	10,864
County Calls	41,269	41,872	42,983	41,175	40,035	40,369	38,628	39,265	41,770	42,217
Part I Crimes	1,203	1,050	1,161	903	856	896	865	818	865	928
Part II Crimes	2,663	2,588	2,536	2,064	1,768	1,802	1,627	1,587	1,645	1,789
Misc. Non-Criminal Incidents	37,172	37,921	39,272	38,065	37,376	37,671	36,136	36,860	39,260	39,500
Fire Calls	712	611	618	573	570	590	552	640	730	769
Medical Calls	1,842	1,967	2,056	2,041	2,098	2,124	2,309	2,445	2,549	2,531
Drug Cases	238	239	238	118	118	123	145	222	267	260
Crashes	1,529	1,396	1,505	1,264	1,323	1,185	1,052	1,410	1,424	1,463
Fatal Crashes	8	9	9	8	7	5	3	6	9	4
Personal Injury Crashes	262	258	228	142	174	135	156	194	160	190
Property Damage Crashes	1,259	1,129	1,268	1,113	1,142	1,045	896	1,210	1,255	1,269
Alarm calls	1,909	2,188	1,933	1,712	1,752	1,614	1,587	1,400	1,312	1,297
Citations Issued	7,871	6,671	6,147	5,200	5,105	4,830	4,315	4,313	4,530	5,180
Total Arrests	1,350	1,307	1,329	1,430	1,284	1,252	664	542	590	590
Drug Arrests	140	155	144	204	189	221	289	76	100	89
Civil Papers Served	1,432	1,542	1,530	1,736	1,996	1,708	1,513	1,201	1,183	1,259
Warrants	1,412	1,427	1,118	1,256	1,042	1,109	1,001	753	948	893
Number of Prisoners Transported	Not Available	734	548	574	485	417	539	425	574	472
Prisoners Transported (Miles)	Not Available	53,738	37,520	46,082	38,813	33,311	55,850	41,738	57,906	40,133
Inmates Booked:	2,378	2,471	2,442	2,289	1,910	2,083	1,956	1,927	1,856	1,831
Total Carver County Inmates Booked	1,972	1,767	1,603	1,583	1,488	1,581	1,488	1,352	1,511	1,507
Males Booked	1,560	1,405	1,247	1,264	1,172	1,243	1,151	1,050	1,166	1,168
Females Booked	412	362	356	319	316	338	337	302	345	339
Boarded Inmates from Other Jurisdictions	406	704	839	698	422	502	468	575	345	324
Average Daily Inmate Population	71	89	89	85	74	75	69	62	76	63
Prisoners Days Stayed	26,006	32,362	32,380	31,044	27,015	27,286	24,959	22,398	27,775	23,005
Jail Medical Unit- Inmate Interaction (4)	-	-	-	2,049	1,910	2,332	2,390	2,279	1,948	1,795
Total Juveniles Booked:	373	360	243	225	283	317	306	265	284	272
Carver County Juveniles Booked	241	254	138	139	138	126	138	87	113	128
Male Juveniles Booked	181	190	111	106	106	96	119	72	75	78
Female Juveniles Booked	60	64	27	33	32	30	19	15	38	50
Boarded Juveniles from Other Jurisdictions	132	106	105	86	145	191	168	178	171	144
Average Daily Juvenile Population	3	3	2	2	2	3	3	3	3	3
Juvenile Resident Days Stayed	1,176	1,092	721	691	872	1,009	1,059	980	1,142	1,226

**CARVER COUNTY
CHASKA, MINNESOTA**

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

<u>Function/program</u>	<u>Fiscal Year</u>									
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<u>Court Services</u>										
Number of Probation Supervision Clients/Offenders	1,442	1,333	1,329	1,279	1,220	1,161	1,123	1,274	1,136	1,102
Number of Probation Supervision Cases	2,248	2,053	1,949	1,903	1,521	1,469	1,293	1,470	1,167	1,208
Number of Offender Risk Assessments Completed	1,217	1,230	1,010	969	939	801	749	650	855	677
Number of Offender Drug/Alcohol Tests Completed	510	721	1,950	1,789	2,160	3,040	3,583	3,457	4,479	3,638
Number of Offender Probation Violations Filed	296	349	255	281	257	303	366	288	273	251
<u>Highways & Streets</u>										
<u>Road & Bridge</u>										
Resurfacing (miles)	16.5	10.5	11.5	11.3	5.6	7.2	6.5	11.2	9.9	9.4
Vehicle/Equipment Units Serviced	Not Available	296	344.0	344.0	355.0	355.0	355.0	355.0	360.0	361.0
<u>Human Services</u>										
<u>Community Social Services</u>										
Financial Assistance End of Year Caseload	2,055	2,248	2,505	2,952	3,219	3,361	3,295	3,453	6,165	6,674
Child Support Annual Disbursements	\$ 8,142,474	\$ 8,381,287	\$ 8,655,895	\$ 8,522,442	\$ 8,231,783	\$ 8,218,129	\$ 8,164,867	\$8,440,219	\$8,627,101	\$8,644,514
Open Child and Family Workgroups	310	333	352	344	362	320	319	300	335	730
Developmentally Disabled Clients	322	315	318	333	358	344	341	346	334	341
Crisis Program Clients Served	4,245	3,665	3,776	3,814	3,819	5,691	8,858	9,459	9,098	Not Available
Detox Visits	382	369	329	334	185	153	176	193	163	166
Child Support End of Year Caseload	2,036	1,993	1,890	1,899	1,904	1,864	1,934	1,902	1,816	1,779
Children in Out-Of Home Placement	79	76	66	62	61	54	56	53	59	91
Child Care Assistance End of Year Caseload	133	142	153	168	179	128	165	132	128	131
Licensed Family Day Care Homes	209	201	199	198	197	188	182	167	155	144
Encore Adult Day Services Participants	53	60	54	50	51	54	48	46	48	54
MNsure Assessments	130	138	181	165	158	174	173	222	212	451
Workforce Resource Center Average Daily Client Usage	66	74	85	105	93	84	81	77	69	58
Workforce Services Enrolled Clients	702	775	855	1,161	1,256	828	720	644	640	584
SmartLink Transit Passenger Trips	43,187	47,967	52,615	206,284	220,462	223,549	209,956	193,832	190,023	154,143
<u>Health</u>										
<u>Public Health</u>										
Information & Resources Calls (3)(5)	747	659	695	3,047	728	675	748	646	594	420
Jail Medical Unit - Inmate Interactions (4)	1,371	1,757	2,572	-	-	-	-	-	-	-
Children 0-3 Enrolled in Follow Along Program	985	1,037	1,083	924	1,061	1,178	1,201	1,309	1,241	1,170
MRC Volunteers Registered	95	135	100	107	111	113	120	120	120	120

**CARVER COUNTY
CHASKA, MINNESOTA**

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

<u>Function/program</u>	<u>Fiscal Year</u>									
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<u>Culture & Recreation</u>										
Library										
Library Visits	561,687	555,213	586,391	622,502	600,750	584,998	580,242	557,219	551,358	535,064
Library Circulation	725,281	879,249	988,974	1,072,908	1,115,108	1,113,621	1,078,004	1,039,915	1,059,994	1,064,549
Number of Materials	225,377	226,242	242,468	246,403	256,206	233,209	240,780	242,603	255,474	279,462
Queries for Information	81,903	85,289	80,670	76,158	66,671	42,861	37,310	67,353	56,186	57,954
Public Service Hours	12,264	13,939	14,125	13,210	13,286	13,374	13,364	13,217	13,303	14,994
Attendance of Library Hosted Programs	17,815	18,866	20,818	27,575	30,373	26,387	36,245	27,441	29,042	34,650
Park										
Park Admissions (annual use)	252,000	237,500	265,000	265,500	307,000	443,900	582,000	615,000	1,250,355	Not Available
Historical Society										
Attendance of Programs hosted in Schools	2,496	4,640	4,364	3,463	2,819	2,099	1,174	2,546	4,373	4,038
Attendance of Programs hosted in Museum	727	451	1,302	2,539	1,549	1,493	3,169	2,798	1,592	1,193
Attendance of Programs hosted in Library	Not Available	839	690	897	823	711	653	478	648	1,067
Attendance of Programs - other	Not Available	Not Available	2,612	2,957	3,130	4,073	2,377	2,341	4,869	2,995
<u>Conservation of Natural Resources</u>										
Land & Water Services										
Environmental Center Visits	15,473	17,858	18,932	23,451	24,918	25,799	26,158	26,812	27,423	33,641
Appliances Recycled (in units)	2,075	2,531	2,741	3,778	3,546	3,266	2,862	3,036	2,952	3,111
Tons of Tires Recycled	31	33	31	37	27	24	32	33	37	30
Tons of Electronics Recycled	127	176	200	266	297	286	276	316	292	292
Tons of Household Hazardous Waste Recycled	316	445	394	492	469	489	488	526	506	228
Building Permits Issued	639	618	615	598	551	598	596	478	557	635
New & Replacement On-site Sewer Systems	193	104	119	134	114	115	100	95	95	107
Hazardous Waste Generators Licensed/Re-licensed	280	290	307	310	317	293	307	297	300	304
Planning Commission/Board of Adjustment Actions	59	58	40	26	29	30	47	45	42	60
Minor Subdivisions	61	31	33	24	21	26	34	35	31	43
Zoning Permits Issued	162	175	252	277	528	228	243	172	167	120
Wetland Conservation Act Cases	456	271	380	308	121	205	170	271	266	137
Number of Water Projects Approved	43	69	38	33	49	54	62	62	65	109
Number of Feedlot Inspections	37	89	54	44	80	78	55	58	71	49

Note: (1) Square feet of Building Space does not include leased space. (2) In 2008, personal property parcels combined with real property. (3) In 2009, there was an increase in Public Health Calls related to H1N1. (4) Inmate interactions transferred to the Sheriff's Office in April of 2009. (5) The number of Information & resources calls has increased from 2010, but due to changes in processing calls and the database used, the 2011 I&R number was lower than expected.

Data Sources:
Various County Departments

SCHEDULE XIX (Unaudited)

CARVER COUNTY
CHASKA, MINNESOTA

CAPITAL ASSET AND INFRASTRUCTURE STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

<u>Function/program</u>	<u>Fiscal Year</u>									
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General Government										
Government Center	1	1	1	1	1	1	1	1	1	1
Public Safety										
Justice Center	1	1	1	1	1	1	1	1	1	1
Patrol Units	Not Available	31	31	31	35	36	38	40	40	40
Emergency management vehicles	2	2	2	2	2	2	2	2	1	2
Highways & Streets										
Mileage:										
County State Aid Highway (CSAH)	208	211	213	213	222	222	228	226	229	223
County Road	60	52	52	52	50	50	47	50	55	50
Bridges (total)	23	23	23	23	23	23	23	23	24	24
Traffic signals	3	3	3	3	3	3	3	30	30	27
Culverts	32	32	32	32	32	32	32	32	32	32
Human Services										
Transportation buses	9	9	9	-	-	-	-	-	-	-
Culture and Recreation										
Parks acreage	678	678	678	682	855	869	869	899	899	894
County parks	1	1	1	1	1	1	1	1	1	1
Regional parks & trails	3	3	3	3	4	5	5	6	6	6
Playground structures	4	4	4	4	4	4	4	4	4	4
Buildings/shelters	19	21	21	21	21	21	21	21	21	21
Fairgrounds	1	1	1	1	1	1	1	1	1	1
Libraries	5	5	5	5	5	5	5	5	5	6
Conservation of Natural Resources										
Environmental Resource Facility	1	1	1	1	1	1	1	1	1	1

Note: Starting in 2009, Carver County and Scott County partnered together to create Smartlink Transit. Human Services no longer maintains the transportation buses.

Data Sources: Various County divisions
Various County Divisions