



Chaska City Hall Bulletin

"The Best Small Town in Minnesota"

Chaska City Hall

www.chaskamn.com

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PRELIMINARY TAX LEVY TO BE SET

City Staff is in the process of completing the five-year forecast for our General Fund. With continued issues with Local Government Aid, a decrease in the development in the community, and a second consecutive year of decreases in the overall taxable market values that will be in place for next year, it has been a challenge in putting together this 5-year forecast, while still meeting the objectives we have set for our budgeting process, which include:

- Maintain existing high-quality service levels, making reductions in service levels only when directly associated with decreased need for service
- Maintain a policy of keeping a constant tax rate for limiting growth of tax levy, while also planning levy resources that at a minimum remain constant, thus not inhibiting our ability to maintain existing service levels
- Fund replacement of the City's existing capital investments
- Fund new programs only after existing, necessary programs are funded
- Address the implications of levy limits on local governments and the significant reduction in LGA, while maintaining current service levels expected
- Develop a plan that allows City to discontinue draw from General Fund reserves
- Continue to fund levy needs of Street Reconstruction Program

The City of Chaska will see a 4.14% decrease in market values for taxes payable 2012. This is the second year in a row we have seen a decrease like this in the market values in our community, although the decrease for 2012 is less than the over 6% we saw for taxes payable 2011. This came from both slow growth of new development over the past 2 years, and a decrease in the value of existing properties in the community. As we expect that the recovery in the market will be relatively slow, we have projected through the 5-year period that our market value will not increase in the short term, with a projection of market values seeing no increase in 2013, but only increase slightly in the later years of our 5-year forecast due to the larger development we are currently seeing.

One unexpected change coming from the Legislative Session in 2011, is the elimination of the Market Value Homestead Credit Program (MVHC). Under the MVHC program, property owners did have a portion of their local property taxes paid for by the State of Minnesota.



Needing to deal with the State's budget issues this year, the State did eliminate this property tax subsidy to property owners for 2012 and beyond. Although the State will no longer be subsidizing property owners' local property tax payments, they will be implementing a program in taxes payable 2012 that will provide a reduction in market values on which a property pays property taxes for properties that are homesteaded. This will provide some relief to property owners for the elimination of the State subsidy they used to receive, although this program was not extended to non-homesteaded properties in a community. This will have some impact to property owners in Chaska, who in 2011 the State promised a payment of approximately \$200,000 community-wide through the MVHC program.



Over the next 5-year period, we continue to expect that there will be a low number of residential starts in the community, averaging 90 starts per year. It should be noted that while we have seen a decrease in the overall amount of residential building starts, we have seen an increase in the amount of large Commercial/Industrial starts in the community. With this being one of Chaska's primary 5-year goals of creating jobs through economic development, this will be good news in the long term and should eventually help with increasing the number of housing starts we see in the community over time.

To meet all of our budgeting objectives for 2012, Staff is recommending keeping the tax levy constant in 2012, with a 0% increase from what we levied in 2011. This would be the third year in a row that we will have seen our tax levy stay at a 0% increase. Although market values have decreased, the cost of services and our population have not decreased, which means that if we want to keep similar levels of services for our residents, we need to preserve existing resources to provide this same level of service. This is especially true when we are seeing revenue decrease in other areas.



With a 0% increase in our tax levy, this would keep the actual tax levy amount from the General Fund at \$4,880,354, the same number it was in 2010 and 2011. Because market values have decreased relatively uniformly across the community, we would expect that this would mean that the existing residential home in 2012 would pay approximately the same as they did in 2011. Below is an example of what would occur with the median valued home in Chaska.

Impact on the Average Home in Chaska:

- Median Value Home in 2011: \$200,216
- Median Value Home in 2012
(assuming 5.9 % average decrease in existing residential): \$188,403

Actual Taxes Paid on Example Home

- 2011 Median Home City taxes: \$470
- 2012 Median Home City taxes: \$461

With the proposed levy staying the same from 2011 to 2012, Staff feels confident that we would be able to meet our current budget and service objectives, while continuing to meet the goal of moving forward with our re-instituted Street Reconstruction Program that we restarted in 2010. At the same time, staff also feels confident that setting the levy at this

level would also put Chaska in a position to meet its last budgeting objective of discontinuing use of general fund reserves during the budget year.

With the levy proposed to stay the same, it is important to point out that Chaska will still remain very competitive as it relates to our City taxes compared to the other municipalities in the Twin Cities. We continue to be the 3rd lowest of any City in the Metropolitan Area for our tax levy per capita at \$203 per capita. We will also continue to have the lowest City taxes of any City in Carver County.



Staff will be presenting the General Fund five-year forecast to

the Council at the meeting on Monday night. At this meeting it will be recommended that the Council take action establishing a maximum tax levy for 2011 at \$4,880,354 for the General Fund, plus \$74,864 for the HRA levy, which would keep it at the same level as in 2010 and 2011. It should be noted that as part of the Statutory process, the Council will have the ability to reduce the actual levy from the maximum set at this meeting, but cannot increase the levy after this is set. The final budget and tax levy would be approved in December, with the public hearing for the budget on December 5th, and the final consideration for approval on December 19th.

Questions about the proposed Preliminary Levy should be directed to the City Administrator, Matt Podhradsky, at 952-448-9200.



FUN AND FOOD

The first annual Chaska Cares Classic Golf Scramble will be held tomorrow, Friday, the 9th of September, at the Town Course. The event is being sponsored by the Chaska Rotary, Lions, and Kiwanis Clubs. Proceeds from the event will benefit the Bountiful Basket Food Shelf program, which is currently being housed in the old Snyder's Drug building at the corner of Highways 41 and 61. Over fifty businesses in the area contributed cash donations totaling approximately \$18,000. Many other businesses and local residents also donated silent auction items valued at almost \$5,000.



The City of Chaska would like to thank everyone who contributed to the event in any form. Every donation assists Bountiful Basket in supplementing the food needs of adults and children in the community.

MEETING SCHEDULES

Chaska City Council Meeting
Monday, September 12, 2011
7:00 pm Chaska City Hall

Chaska Park Board Meeting
Monday, September 12, 2011
7:00 pm Chaska Community Center

Chaska Planning Commission Meeting
Wednesday, September 14, 2011
7:00 pm Chaska City Hall

Go to: www.chaskamn.com for the complete meeting agendas.

What's Going On Now?



Carver County recently began a mill and overlay project on Co Rd 61, aka old Highway 212. It is unknown how long the project will take.

Shorewood tree service is taking down the Walnut and Ash trees on the Deithelm/License Center property line today. A crane is scheduled for 11:00 am. Work on the Walnut tree started around 8:30 am. The sidewalk will be closed during the work.



For more details contact Kevin Maas at Carver County Facilities Services at 952.361.1557.

Police Department Conducting Online Auction

The Chaska Police Department is currently auctioning surplus, found, unclaimed and seized items in an online auction on www.PropertyRoom.com.

All property has remained unclaimed by the owner and has been in the possession of the City continuously for a period of at least 90 days as required by ordinance. Property to be auctioned includes the following items:

Whirlpool window air conditioner, watch, cufflinks, necklace, rings, Kicker subwoofer, Rockband Xbox 360 game, Kodak photo paper, Kodak printer, two Boston car speakers, Rockford Fosgate Punch speaker, Rockford Fosgate

speaker, two coils of metal cable, foldable golf bag cart, floor jack, Sentry safe with keys and combination.

Visit www.propertyroom.com o make a bid!



CHASKA COMMUNITY CENTER ACTIVITIES

Just Play It: Sports

Ages 4 to 6
Run, kick and jump in this fun 6-week introduction to sports. Our instructors will creatively teach skills, teamwork and fair play.
Maximum capacity of 18 participants.

Tuesdays
Session 1:
September 13–
October 18
6:30–7:15 pm.



Time:

Wednesdays
Session 1: September 14–October 19
Times: 10:30–11:15 am.
Place: CCC Upper Gym
Cost: \$40 Member
\$52 Non-Member

Adult Racquetball Lessons

Beginner, intermediate, and advanced racquetball lessons are offered in a group setting once a week for four weeks. Learn technique, as well as offensive and defensive strategies, positioning, anticipation of the ball.



Class size is limited.
Private lessons are also available.
Instructor: Brian Phillips
Dates: Tuesdays, September 13–October 4

Time: 8:00–9:00 pm.
Cost: \$35 Member
\$47 Non-Member

Pottery Workshop For Adults

This class will offer you the opportunity to work on the wheel and/or hand-built projects. It is a good beginning or refresher course for anyone interested in ceramics. Cost includes clay, glazes, and firing. This class is structured for adults.

Instructor:
Kathleen
Theship-Rosales.



Session 1:
Tuesdays, September 13–October 18
(6-week session)
Time: 6:00–8:30 pm.
Cost: \$135 Member
\$160 Non-Member

Lifeguard Training

This course trains participants in American Red Cross Lifeguarding, CPR/AED for the Professional Rescuer, and First Aid.

PLEASE NOTE: Participants who do not pass pre-requisites will be charged a \$50 administration fee.

- COURSE PRE-REQUISITES:**
- _ Participant must be age 15 by the last day of class
 - _ Swim 300 yards continuously
 - _ Skill combination of swimming 20 yards with head above water, surface dive to a depth of 7 feet to retrieve a diving brick, swim back 20 yards carrying the brick with both hands.
 - _ Participants must attend all days and times.



Place: CCC
Cost: \$175 Member
\$200 Non-Member
(Includes all books and materials)

Class 1:
Sat., Sept. 17 (8 am-4 pm)
Sun., Sept. 18 (10 am-6 pm)
Sat., Sept. 24 (8 am-4 pm)
Sun., Sept. 25 (10 am-6 pm)

THIS SPACE WAS LEFT OVER SO WE FILLED IT WITH STUFF NO ONE CARES ABOUT

Today is Patsy Cline Day, marking the singer's birth on this day in 1931. She was born Virginia Patterson Hensley in Winchester, Virginia.



Today is National Nose Hair Maintenance Day.

Today is Oprah Day, marking the premier of "The Oprah Winfrey Show" on this date in 1986.

Today is Pardon Me Day, marking President Ford's pardon of Richard Nixon "for all offenses" on September 8, 1974.

Today is International Literacy Day, sponsored by the United Nations.



1935: At age 19, singer Frank Sinatra launched his career with a group called The Hoboken Four on the Major Bowes Amateur Hour radio talent show.

1962: "Monster Mash" by Bobby "Boris" Pickett and the Crypt Kickers entered the music charts. No record company would touch the song, so Bobby pressed a thousand copies on his own label and sent them to key radio stations. It hit #1 and still plays every Halloween.



1994: Newlyweds Michael Jackson and Lisa Marie Presley appeared on the MTV awards show.