

CITY OF ROCHESTER, MINNESOTA

STATISTICAL SECTION

DECEMBER 31, 2015

This part of the City'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 City's overall financial health.

<u>Content</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	122
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	129
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	134
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	140
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	143

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

CITY OF ROCHESTER, MINNESOTA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	Fiscal Year				
	2015	2014	2013	2012	2011
Expenses					
Governmental activities:					
General government	\$ 11,743,255	\$ 8,609,956	\$ 8,811,595	\$ 8,347,314	\$ 8,007,217
Public safety	49,527,459	42,417,692	42,858,335	42,320,996	40,121,082
Public works	31,528,109	41,087,966	19,887,604	16,543,088	16,928,415
Airport	5,736,407	6,259,156	5,734,323	7,099,307	6,835,339
Transit	8,291,571	8,076,205	7,724,506	7,433,706	5,264,547
Culture	10,506,555	9,351,564	9,566,658	8,972,044	8,588,954
Park and recreation/Mayo Civic Center	17,998,905	18,216,344	16,841,511	16,373,665	16,444,476
Economic development/tourism	19,326,705	4,621,378	9,911,655	6,586,468	6,386,889
Community reinvestment/unallocated	592,918	428,930	506,967	537,748	558,095
Interest on long-term debt	3,181,305	2,276,231	2,380,003	2,544,147	2,653,978
Total governmental activities expenses	<u>158,433,189</u>	<u>141,345,422</u>	<u>124,223,157</u>	<u>116,758,483</u>	<u>111,788,992</u>
Business-Type activities:					
Parking	4,300,007	4,347,469	4,393,329	4,144,820	4,058,355
Electric utility	132,233,524	131,936,203	132,336,451	130,435,312	129,122,438
Water utility	8,674,276	8,753,706	8,633,125	8,208,287	8,063,227
Sewer utility	22,065,001	23,780,820	24,553,468	23,967,214	22,097,030
Storm water utility	3,795,630	3,881,151	3,641,691	3,646,348	2,995,740
Total business-type activities expenses	<u>171,068,438</u>	<u>172,699,349</u>	<u>173,558,064</u>	<u>170,401,981</u>	<u>166,336,790</u>
Total primary government expenses	<u>\$ 329,501,627</u>	<u>\$ 314,044,771</u>	<u>\$ 297,781,221</u>	<u>\$ 287,160,464</u>	<u>\$ 278,125,782</u>
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 529,872	\$ 509,453	\$ 541,468	\$ 555,338	\$ 540,045
Public safety	6,965,279	6,389,114	5,836,234	5,671,791	4,820,088
Public works	389,744	460,541	416,248	395,433	276,631
Airport	3,053,404	2,953,979	2,710,121	3,778,968	2,901,820
Transit	2,389,682	2,203,876	2,174,648	2,086,011	672,682
Culture	383,630	374,321	368,657	296,401	378,587
Park and recreation/Mayo Civic Center	6,402,621	6,707,469	6,782,711	6,707,922	6,855,382
Economic development/tourism	3,138,663	2,815,791	2,688,420	2,648,546	2,058,326
Operating grants and contributions	10,178,769	9,886,803	9,375,174	8,824,544	9,038,414
Capital grants and contributions	32,254,866	24,087,277	74,050,192	28,549,008	27,302,175
Total governmental activities program revenues	<u>65,686,530</u>	<u>56,388,624</u>	<u>104,943,873</u>	<u>59,513,962</u>	<u>54,844,150</u>
Business-type activities:					
Charges for services:					
Parking	6,847,212	6,309,209	6,105,503	5,566,720	5,146,359
Electric utility	145,855,844	142,961,216	140,978,042	142,602,756	142,412,918
Water utility	8,660,906	8,286,713	8,282,104	8,619,876	8,320,952
Sewer utility	27,487,183	24,250,191	21,926,463	20,461,638	18,381,793
Storm water utility	6,060,977	5,301,271	5,563,036	5,135,264	4,982,245
Capital grants and contributions	2,903,373	5,057,759	1,662,034	1,845,793	1,701,524
Total business-type activities program revenues	<u>197,815,495</u>	<u>192,166,359</u>	<u>184,517,182</u>	<u>184,232,047</u>	<u>180,945,791</u>
Total primary government program revenues	<u>\$ 263,502,025</u>	<u>\$ 248,554,983</u>	<u>\$ 289,461,055</u>	<u>\$ 243,746,009</u>	<u>\$ 235,789,941</u>

The December 31, 2012 governmental activities and business type activities were restated \$21,409 and \$(178,941) respectively as a result of the adoption of GASB Statement No. 65. Years prior to 2012 have not been restated for the impact of this Statement.

Schedule 1

2010	2009	2008	2007	2006
\$ 7,689,602	\$ 6,943,475	\$ 7,474,607	\$ 6,878,399	\$ 6,487,386
38,566,296	37,982,196	36,879,979	33,168,820	31,767,951
24,596,491	24,551,047	18,064,883	18,210,209	14,268,684
6,881,982	5,572,561	6,204,997	5,432,334	4,387,112
4,885,878	4,465,509	4,463,679	3,500,207	3,270,811
8,045,420	7,698,935	7,830,377	7,023,517	6,611,227
15,952,230	15,631,196	14,899,915	13,505,054	14,034,860
13,054,890	6,545,075	3,168,068	8,367,880	3,834,472
599,580	572,515	1,351,984	350,641	4,708,895
1,824,346	1,574,213	1,194,906	747,424	988,639
<u>122,096,715</u>	<u>111,536,722</u>	<u>101,533,395</u>	<u>97,184,485</u>	<u>90,360,037</u>
4,100,101	3,731,599	3,520,547	3,327,342	3,088,091
131,769,006	123,933,285	132,989,378	138,769,304	117,966,938
7,242,501	7,172,964	6,950,672	6,921,476	6,765,775
21,766,488	22,180,957	21,923,523	16,546,960	14,313,983
2,982,478	2,721,314	2,852,576	2,809,129	3,031,398
<u>167,860,574</u>	<u>159,740,119</u>	<u>168,236,696</u>	<u>168,374,211</u>	<u>145,166,185</u>
<u>\$ 289,957,289</u>	<u>\$ 271,276,841</u>	<u>\$ 269,770,091</u>	<u>\$ 265,558,696</u>	<u>\$ 235,526,222</u>
\$ 512,005	\$ 501,912	\$ 471,410	\$ 475,122	\$ 445,062
4,769,132	4,705,781	5,448,286	5,276,766	5,729,159
234,659	194,890	230,585	266,410	212,015
2,982,614	2,678,608	2,934,276	2,936,705	2,647,146
664,888	659,012	663,088	185,476	150,853
323,655	412,840	394,469	359,394	350,637
6,744,988	6,810,599	6,221,588	5,664,465	5,212,280
62,446	63,291	126,214	50,984	63,375
12,179,932	10,404,046	7,249,392	6,857,250	6,797,593
30,373,195	17,571,480	23,341,029	23,698,012	34,407,050
<u>58,847,514</u>	<u>44,002,459</u>	<u>47,080,337</u>	<u>45,770,584</u>	<u>56,015,170</u>
4,763,393	4,701,251	4,512,354	4,191,797	3,876,103
142,768,456	136,149,438	147,462,166	156,772,451	130,723,369
8,132,955	8,192,390	8,174,118	8,273,714	7,747,854
16,873,321	15,150,978	13,646,680	13,234,276	11,394,102
4,688,635	4,239,649	3,593,395	3,470,521	4,219,736
6,540,059	1,088,397	5,123,882	2,066,552	5,510,770
<u>183,766,819</u>	<u>169,522,103</u>	<u>182,512,595</u>	<u>188,009,311</u>	<u>163,471,934</u>
<u>\$ 242,614,333</u>	<u>\$ 213,524,562</u>	<u>\$ 229,592,932</u>	<u>\$ 233,779,895</u>	<u>\$ 219,487,104</u>

CITY OF ROCHESTER, MINNESOTA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	Fiscal Year				
	2015	2014	2013	2012	2011
Net (Expense) Revenue					
Governmental Activities	\$ (92,746,659)	\$ (84,956,798)	\$ (19,279,284)	\$ (57,223,113)	\$ (56,944,842)
Business-type activities	26,747,057	19,467,010	10,959,118	13,651,125	14,609,001
Total primary government net revenue	<u>\$ (65,999,602)</u>	<u>\$ (65,489,788)</u>	<u>\$ (8,320,166)</u>	<u>\$ (43,571,988)</u>	<u>\$ (42,335,841)</u>
General Revenues and Other Changes In Net Position					
Governmental activities:					
Taxes					
General property taxes	\$ 54,064,041	\$ 50,057,894	\$ 50,008,722	\$ 47,786,839	\$ 43,323,671
Tax increments collection (refund)	2,129,568	2,525,457	2,969,470	2,546,157	1,952,314
Sales tax	12,033,640	11,262,270	10,372,478	10,300,777	9,840,169
Nonproperty taxes	9,991,794	9,304,678	5,815,897	5,286,161	4,923,322
Unrestricted grants and contributions	7,364,153	8,105,837	5,157,388	5,173,338	4,363,964
Interest earnings	2,342,414	1,683,017	1,957,763	2,081,801	3,978,207
Gain on disposition of property	122,152	85,968	65,952	283,656	51,813
Net increase (decrease) in the fair value of investments	(254,650)	471,553	(1,394,762)	(324,140)	(816,364)
Miscellaneous	1,469,200	1,063,959	663,780	250,566	1,741,451
Transfers	6,698,770	6,806,405	7,617,827	8,011,014	10,537,266
Total governmental activities	<u>95,961,082</u>	<u>91,367,038</u>	<u>83,234,515</u>	<u>81,396,169</u>	<u>79,895,813</u>
Business-type activities:					
Unrestricted grants and contributions	9,796	93,471	9,796	340,346	58,226
Interest earnings	938,164	1,059,897	767,460	938,274	1,496,480
Net increase (decrease) in the fair value of investments	(194,846)	(47,833)	(409,347)	112,057	(175,200)
Miscellaneous	341,054	335,629	(53,274)	50,469	(205,752)
Transfers	(6,698,770)	(6,806,405)	(7,617,827)	(8,011,014)	(10,537,266)
Special item - impairment loss				(35,536,828)	
Total business-type activities	<u>(5,604,602)</u>	<u>(5,365,241)</u>	<u>(7,303,192)</u>	<u>(42,106,696)</u>	<u>(9,363,512)</u>
Total primary government	<u>\$ 90,356,480</u>	<u>\$ 86,001,797</u>	<u>\$ 75,931,323</u>	<u>\$ 39,289,473</u>	<u>\$ 70,532,301</u>
Change in Net Position					
Governmental activities	\$ 3,214,423	\$ 6,410,240	\$ 63,955,231	\$ 24,173,056	\$ 22,950,971
Business-type activities	21,142,455	14,101,769	3,655,926	(28,455,571)	5,245,489
Total primary government	<u>\$ 24,356,878</u>	<u>\$ 20,512,009</u>	<u>\$ 67,611,157</u>	<u>\$ (4,282,515)</u>	<u>\$ 28,196,460</u>

Schedule 1 (Continued)

2010	2009	2008	2007	2006
\$ (63,249,201)	\$ (67,534,263)	\$ (54,453,058)	\$ (51,413,901)	\$ (34,344,867)
15,906,245	9,781,984	14,275,899	19,635,100	18,305,749
<u>\$ (47,342,956)</u>	<u>\$ (57,752,279)</u>	<u>\$ (40,177,159)</u>	<u>\$ (31,778,801)</u>	<u>\$ (16,039,118)</u>
\$ 41,711,795	\$ 39,179,058	\$ 37,734,057	\$ 35,000,100	\$ 32,917,358
1,943,050	1,686,611	1,590,432	1,299,451	1,191,508
9,346,574	9,192,275	9,594,526	9,720,049	9,196,080
4,833,173	4,909,229	4,773,328	4,685,569	4,391,370
5,489,944	8,799,788	7,128,314	7,805,835	7,166,725
4,082,540	4,695,597	6,132,448	6,680,418	5,623,033
61,681	30,671	401,516	1,719,959	108,549
(1,294,764)	(2,517,582)	2,807,423	2,719,499	883,248
545,128	819,814	344,243	132,821	124,415
3,251,868	5,735,310	6,809,616	1,830,010	10,414,727
<u>69,970,989</u>	<u>72,530,771</u>	<u>77,315,903</u>	<u>71,593,711</u>	<u>72,017,013</u>
80,746	33,451	124,105	480,253	9,796
1,856,829	2,142,150	4,435,397	5,692,584	3,292,735
(390,708)	(243,846)	303,115	819,635	326,437
(169,004)	(360,518)	(219,415)	(615,399)	1,351,962
(3,251,868)	(5,735,310)	(6,809,616)	(1,830,010)	(10,414,727)
<u>(1,874,005)</u>	<u>(4,164,073)</u>	<u>(2,166,414)</u>	<u>4,547,063</u>	<u>(5,433,797)</u>
<u>\$ 68,096,984</u>	<u>\$ 68,366,698</u>	<u>\$ 75,149,489</u>	<u>\$ 76,140,774</u>	<u>\$ 66,583,216</u>
\$ 6,721,788	\$ 4,996,508	\$ 22,862,845	\$ 20,179,810	\$ 37,672,146
14,032,240	5,617,911	12,109,485	24,182,163	12,871,952
<u>\$ 20,754,028</u>	<u>\$ 10,614,419</u>	<u>\$ 34,972,330</u>	<u>\$ 44,361,973</u>	<u>\$ 50,544,098</u>

CITY OF ROCHESTER, MINNESOTA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Governmental activities										
Net investment in capital assets	\$ 583,012,721	\$ 572,584,985	\$ 553,588,996	\$ 509,225,208	\$ 489,129,077	\$ 465,058,494	\$ 476,322,274	\$ 471,563,821	\$ 450,240,101	\$ 457,528,492
Restricted	52,805,659	43,672,245	49,748,493	51,203,900	54,664,399	42,452,366	44,545,026	41,620,652	34,132,247	35,318,787
Unrestricted	78,714,209	135,765,104	142,274,605	121,227,755	114,126,032	127,457,677	107,379,449	110,065,768	116,015,048	87,360,307
Total governmental activities net position	\$ 714,532,589	\$ 752,022,334	\$ 745,612,094	\$ 681,656,863	\$ 657,919,508	\$ 634,968,537	\$ 628,246,749	\$ 623,250,241	\$ 600,387,396	\$ 580,207,586
Business-type activities										
Net investment in capital assets	\$ 322,172,020	\$ 314,444,519	\$ 302,966,488	\$ 299,805,897	\$ 338,400,428	\$ 339,648,274	\$ 321,275,110	\$ 337,553,519	\$ 319,020,538	\$ 316,363,375
Restricted	1,007,633				3,204,362	3,232,791	7,765,427	7,348,707	10,752,218	8,878,318
Unrestricted	106,353,734	109,063,419	106,439,679	107,565,865	94,482,357	87,960,593	87,768,881	66,289,281	69,309,266	49,658,166
Total business-type activities net position	\$ 429,533,387	\$ 423,507,938	\$ 409,406,167	\$ 407,371,762	\$ 436,087,147	\$ 430,841,658	\$ 416,809,418	\$ 411,191,507	\$ 399,082,022	\$ 374,899,859
Primary government										
Net investment in capital assets	\$ 905,184,741	\$ 887,029,504	\$ 856,555,484	\$ 827,529,505	\$ 827,529,505	\$ 804,706,768	\$ 797,597,384	\$ 809,117,340	\$ 769,260,639	\$ 773,891,867
Restricted	53,813,292	43,672,245	49,748,493	57,868,761	57,868,761	45,685,157	52,310,453	48,969,359	44,884,465	44,197,105
Unrestricted	185,067,943	244,828,523	248,714,284	208,608,389	208,608,389	215,418,270	195,148,330	176,355,049	185,324,314	137,018,473
Total primary government net position	\$1,144,065,976	\$1,175,530,272	\$1,155,018,261	\$1,089,028,625	\$1,094,006,655	\$1,065,810,195	\$ 1,045,056,167	\$ 1,034,441,748	\$999,469,418	\$955,107,445

The December 31, 2012 governmental activities and business type activities were restated \$414,293 and \$438,755 respectively as a result of the adoption of GASB Statement No. 65. Years prior to 2012 have not been restated for the impact of this Statement.

The City adopted GASB Statements No. 68 and 71 in 2015. Amounts in this schedule prior to 2015 have not been restated for GASB Statements No. 68 and 71.

CITY OF ROCHESTER, MINNESOTA
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
 (Modified Accrual Basis of Accounting)

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
General fund										
Reserved	\$	\$	\$	\$	\$	\$	\$ 492,914	\$ 607,823	\$ 522,548	\$ 278,233
Unreserved							22,043,737	19,434,360	21,191,433	19,049,670
Nonspendable	1,163,500	973,004	860,130	1,063,172	211,484	136,478				
Restricted	41,793	43,208	41,803	37,364	34,461	35,060				
Committed										
Assigned	692,691	563,558	642,257	762,355	559,851	639,978				
Unassigned	<u>30,543,618</u>	<u>29,431,232</u>	<u>27,169,199</u>	<u>25,761,818</u>	<u>23,127,951</u>	<u>22,027,942</u>				
Total general fund	<u>32,441,602</u>	<u>31,011,002</u>	<u>28,713,389</u>	<u>27,624,709</u>	<u>23,933,747</u>	<u>22,839,458</u>	<u>22,536,651</u>	<u>20,042,183</u>	<u>21,713,981</u>	<u>19,327,903</u>
All other governmental funds										
Reserved							53,638,296	49,533,336	33,041,168	43,485,369
Unreserved, reported in:										
Special revenue funds							10,325,542	8,989,193	7,752,101	6,881,281
Capital projects funds							24,282,673	34,726,536	53,197,187	21,619,691
Nonspendable	234,012	164,219	182,079	72,455	35,357	273,738				
Restricted	49,386,163	40,241,517	46,532,220	47,851,673	50,947,047	53,108,779				
Committed	87,499,676	51,592,509	47,141,420	49,821,928	43,894,506	47,328,336				
Assigned	8,148,165	6,631,621	6,138,504	6,105,985	5,560,461	4,876,324				
Unassigned		<u>(42,389)</u>								
Total all other governmental funds	<u>145,268,016</u>	<u>98,587,477</u>	<u>99,994,223</u>	<u>103,852,041</u>	<u>100,437,371</u>	<u>105,587,177</u>	<u>88,246,511</u>	<u>93,249,065</u>	<u>93,990,456</u>	<u>71,986,341</u>
Total governmental funds	<u>\$177,709,618</u>	<u>\$129,598,479</u>	<u>\$128,707,612</u>	<u>\$131,476,750</u>	<u>\$124,371,118</u>	<u>\$128,426,635</u>	<u>\$110,783,162</u>	<u>\$113,291,248</u>	<u>\$115,704,437</u>	<u>\$ 91,314,244</u>

Note: The City implemented GASB Statement No. 54 in 2011, therefore, classifications of fund balance have changed.

CITY OF ROCHESTER, MINNESOTA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
REVENUES										
General property taxes	\$ 53,739,201	\$ 49,901,003	\$ 49,813,611	\$ 47,517,667	\$ 43,271,181	\$ 41,574,807	\$ 38,806,150	\$ 37,400,201	\$ 34,885,591	\$ 32,747,658
Tax increments collections (refund)	2,128,993	2,527,096	2,968,753	2,545,678	1,951,402	1,943,050	1,686,611	1,590,432	1,299,451	1,191,508
Sales tax	12,033,640	11,262,270	10,372,478	10,300,776	9,840,169	9,346,574	9,192,275	9,594,526	9,720,049	9,196,080
Special assessments	3,133,502	3,020,900	3,373,890	3,372,669	1,920,163	1,645,097	1,533,001	1,572,955	1,872,185	2,837,271
Utility connection and availability	325,270	1,231,803	1,017,876	1,225,703	609,934	825,430	326,051	550,149	174,075	3,157,467
Nonproperty taxes	9,991,794	9,304,677	5,815,897	5,286,161	4,923,322	4,833,173	4,909,229	4,773,328	4,685,569	4,391,370
Licenses and permits	4,031,809	3,644,171	3,258,186	3,066,039	2,420,015	2,379,733	2,279,973	2,680,368	2,810,859	3,289,288
Fines and forfeits	475,034	454,196	501,266	571,770	547,800	527,450	544,259	524,331	513,192	427,241
Intergovernmental revenues	51,612,284	45,911,346	27,443,118	35,540,209	31,480,025	37,041,345	29,659,974	29,181,062	24,742,193	22,573,306
Charges for services	14,445,355	14,569,661	14,286,318	13,909,393	12,585,871	12,530,294	13,687,801	13,861,583	12,527,566	11,682,523
Interest earnings	2,011,828	1,408,581	1,620,760	1,630,099	3,208,257	3,173,913	3,649,388	4,951,680	5,627,588	4,827,415
Net increase (decrease) in the fair value of investments	(213,050)	353,653	(1,028,062)	(240,340)	(614,664)	(924,764)	(2,008,682)	2,045,623	2,183,099	730,848
Miscellaneous revenues	4,342,010	8,179,969	7,785,582	6,427,896	6,925,433	6,553,480	3,583,948	2,209,994	4,400,318	6,001,604
Total Revenues	158,057,670	151,769,326	127,229,673	131,153,720	119,068,908	121,449,582	107,849,978	110,936,232	105,441,735	103,053,579
EXPENDITURES										
General government	8,950,029	8,305,825	8,247,598	7,764,505	7,189,932	7,049,164	6,691,631	6,873,581	6,368,922	5,964,505
Public safety	41,834,295	40,342,785	39,687,164	38,136,230	37,120,837	35,865,215	34,986,398	34,891,804	31,350,259	29,955,158
Public works	12,236,537	12,915,388	10,980,007	8,823,486	9,800,681	10,253,529	9,096,795	10,640,690	9,120,258	7,682,125
Airport operations	3,341,923	3,471,271	3,418,210	3,485,498	3,192,782	3,116,769	3,038,389	3,192,454	3,105,049	2,734,471
Transit	7,120,532	7,170,957	6,832,839	6,544,287	4,427,520	4,216,924	3,791,674	3,781,225	2,828,406	2,649,879
Culture	8,606,048	8,248,460	8,085,190	7,415,474	7,278,575	7,238,432	6,896,807	7,099,224	6,658,566	6,390,860
Park and recreation	13,525,070	13,397,123	13,101,852	12,651,545	12,495,382	12,341,947	12,024,541	11,728,868	10,929,854	10,357,189
Economic development/tourism	4,573,610	4,030,486	4,149,017	3,635,191	3,316,165	3,262,793	2,601,319	2,352,074	2,457,602	2,218,788
Community reinvestment and unallocated	592,918	428,928	506,968	537,745	558,095	470,731	572,108	633,038	352,345	469,416
Debt service										
Interest	3,674,637	3,374,982	3,434,866	2,775,540	2,377,564	2,110,335	1,284,802	874,312	808,672	1,204,347
Principal	1,448,436	1,406,296	1,248,524	4,912,264	1,472,961	1,260,612	958,505	663,295	8,043,363	3,237,648
Capital outlay	97,316,009	58,825,813	38,465,142	36,982,468	45,390,342	55,413,183	46,496,499	55,245,719	18,346,025	58,045,351
Total Expenditures	203,220,044	161,918,314	138,157,377	133,664,233	134,620,836	142,599,634	128,439,468	137,976,284	100,369,321	130,909,737
Excess (deficiency) of revenues over (under) expenditures	(45,162,374)	(10,148,988)	(10,927,704)	(2,510,513)	(15,551,928)	(21,150,052)	(20,589,490)	(27,040,052)	5,072,414	(27,856,158)
OTHER FINANCING SOURCES (USES)										
Sale of land								360,000		
Proceeds from borrowing	76,693,345					26,383,439	8,035,000	9,200,000	9,900,000	5,979,739
Premiums on issuance of debt						85,609				
Transfers in	18,857,736	15,799,053	28,462,193	28,513,745	15,644,800	16,710,433	14,722,178	23,646,860	23,434,123	20,006,124
Transfers out	(6,979,851)	(4,759,198)	(20,303,627)	(18,897,600)	(4,148,389)	(4,385,956)	(4,675,774)	(8,579,997)	(14,016,344)	(5,066,524)
Total other financing sources (uses)	88,571,230	11,039,855	8,158,566	9,616,145	11,496,411	38,793,525	18,081,404	24,266,863	19,317,779	20,919,339
Net change in fund balances	\$ 43,408,856	\$ 890,867	\$ (2,769,138)	\$ 7,105,632	\$ (4,055,517)	\$ 17,643,473	\$ (2,508,086)	\$ (2,773,189)	\$ 24,390,193	\$ (6,936,819)
Debt service as a percentage of noncapital expenditures	3.80%	3.78%	4.29%	7.57%	4.35%	3.90%	2.77%	1.88%	10.89%	6.16%

**CITY OF ROCHESTER, MINNESOTA
TAX CAPACITY AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS**

Payable Year	Real Property		Personal Property		Total Tax Capacity (1)	City Tax Rate %	Total Taxable Market Value (1)	% of Tax Capacity to Total Taxable Market Value
	Tax Capacity	Taxable Market Value	Tax Capacity	Taxable Market Value				
2007	90,949,329	7,512,154,400	822,074	41,718,600	\$ 91,771,403	41.707	7,553,873,000	1.21
					90,567,262		7,530,242,600	1.20
2008	95,794,200	7,901,523,500	688,498	35,004,300	96,482,698	42.455	7,936,527,800	1.22
					95,077,087		7,910,965,100	1.20
2009	103,127,070	8,375,322,700	739,892	37,650,400	103,866,962	41.008	8,412,973,100	1.23
					102,305,913		8,385,349,000	1.22
2010	105,604,986	8,548,508,300	810,344	43,140,600	106,415,330	42.817	8,591,648,900	1.24
					104,661,042		8,558,844,600	1.22
2011	105,848,625	8,575,056,496	861,029	45,763,600	106,709,654	44.141	8,620,820,096	1.24
					104,995,949		8,587,630,696	1.22
2012	99,613,525	7,952,933,692 (2)	857,272	45,503,400	100,470,797	49.184	7,998,437,092	1.26
					98,171,649		7,962,184,992	1.23
2013	100,008,612	7,972,893,891	873,344	46,307,000	100,881,956	51.158	8,019,200,891	1.26
					98,582,808		7,982,948,791	1.23
2014	102,722,350	8,140,566,700	955,216	50,463,000	103,677,566	49.447	8,191,029,700	1.27
					101,627,166		8,159,355,400	1.25
2015	107,405,274	8,438,468,100	1,072,631	56,696,200	108,477,905	50.217	8,495,164,300	1.28
					106,722,322		8,468,312,054	1.26
2016	112,563,510	8,778,367,100	1,172,361	61,706,600	113,735,871	51.332	8,840,073,700	1.29
					111,971,422		8,814,637,966	1.27

(1) Second amounts are net of Tax Increment.

(2) Taxable Market Value was reduced in 2012 as the result of the Market Value Exclusion.

NOTE - Valuations are determined as of January 1 of year preceding tax collection year.

The County determines a property's tax capacity by multiplying a property's estimated market value times the property's class rate which is determined by its use.

The total City tax levy divided by the total City tax capacity determines a percentage, the City tax rate, that is applied to each parcel's tax capacity to determine the tax amount.

**CITY OF ROCHESTER, MINNESOTA
PROPERTY TAX RATES AND TAX LEVIES
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(Percent of Tax Capacity)**

Fiscal Year	City of Rochester			Overlapping Rates		
	Direct Rate			Range of Tax Rates for Independent School Districts 531, 534 & 535	Olmsted County	Range of Total Direct and Overlapping Tax Rates
	Operating	Debt Service	Total Direct Rate			
2007	41.707 %	NA %	41.707 %	22.670 - 38.666 %	51.957 %	116.334 - 132.330 %
2008	42.455	NA	42.455	21.801 - 37.766	52.454	116.710 - 132.675
2009	40.900	0.108	41.008	20.303 - 37.107	52.288	113.491 - 130.295
2010	42.340	0.477	42.817	20.656 - 36.881	52.594	115.590 - 131.815
2011	43.418	0.723	44.141	21.917 - 37.268	54.017	119.352 - 134.703
2012	44.649	4.535	49.184	22.493 - 41.811	57.446	129.123 - 148.441
2013	50.856	0.302	51.158	21.584 - 42.233	57.979	130.721 - 151.370
2014	47.803	1.644	49.447	22.219 - 36.320	58.319	129.985 - 144.086
2015	48.524	1.693	50.217	21.115 - 41.642	57.532	128.864 - 149.391
2016	49.708	1.624	51.332	20.023 - 40.916	57.796	129.151 - 150.044

Source: Olmsted County Assessor

Note: The City's direct property tax rate is determined by dividing the amount of tax levied by the Common Council by the City's total tax capacity.

*Overlapping rates are those of local and county governments that apply to property owners within the City of Rochester. Not all overlapping rates apply to all City of Rochester property owners. Although the county property tax rates apply to all city property owners, some city properties lie within the geographical boundaries of different school districts.

**CITY OF ROCHESTER, MINNESOTA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO**

Taxpayers (1)	2015 Taxes Payable			2006 Taxes Payable		
	Taxable Tax Capacity	Rank	Percentage of Total City Tax Capacity Value	Taxable Tax Capacity	Rank	Percentage of Total City Tax Capacity Value
Mayo Foundation/Association	\$ 11,092,474	1	10.39 %	\$ 4,637,961	1	5.46 %
MEPC-Apache Properties	1,153,266	2	1.08	930,446	3	1.09
IBM Corporation	961,166	3	0.90	825,757	4	0.97
Minnesota Energy Resources	854,470	4	0.80			
Sunstone Kahler	526,394	5	0.49	968,790	2	1.14
Maine Land LLC	482,596	6	0.45			
MN Bio Business Center	455,440	7	0.43			
Sunstone Skyway LLC	429,266	8	0.40			
Carpenter & Torgerson SSMR	402,494	9	0.38			
Rochester Development Inc	356,648	10	0.33			
IRET Properties				548,922	5	0.65
Mortenson Development				476,012	6	0.56
BGD5 - Ltd Partnership				222,280	10	0.26
Utilicorp United				324,290	7	0.38
Leslie E Nelson(various prop)				302,038	8	0.36
Target Corporation				302,038	9	0.36
TOTAL	\$ 16,714,214		15.65 %	\$ 9,538,534		11.23 %

(1) Source: Olmsted County Property Records

CITY OF ROCHESTER, MINNESOTA
SCHEDULE OF PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended December 31	Taxes Levied for the Fiscal Year	Net Tax Levy for the Fiscal Year (1)	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date (2)		Total Delinquent Taxes (3)	Delinquent Taxes As A % Of Total Net Tax Levy
			Amount	Percentage of Net Levy		Amount	Percentage of Net Levy		
2006	\$ 35,159,505	\$ 32,947,173	\$ 32,528,890	98.73%	\$ 246,701	\$ 32,775,591	99.48%	\$ (403)	
2007	37,438,500	35,219,727	34,649,500	98.38	353,697	35,003,197	99.39	492	
2008	39,965,404	37,769,398	37,245,742	98.61	358,700	37,604,442	99.56	(10,446)	(0.03)
2009	41,487,000	39,282,764	38,551,029	98.14	496,035	39,047,064	99.40	2,195	0.01
2010	44,272,624	42,032,311	41,252,386	98.14	475,144	41,727,530	99.27	5,222	0.01
2011	45,832,300	43,528,945	42,867,162	98.48	205,972	43,073,134	98.95	7,745	0.02
2012	47,934,440	47,935,157	47,401,428 (4)	98.89	102,620	47,504,048	99.10	34,393	0.07
2013	49,048,118	49,050,665	48,651,206 (4)	99.19	263,587	48,914,793	99.72	49,705	0.10
2014	49,048,118	49,047,377	48,758,518 (4)	99.41	180,515	48,939,033	99.78	82,645	0.17
2015	52,500,000	52,344,016	52,093,839 (4)	99.52		52,093,839	99.52	271,063	0.52

(1) Tax Levy adjusted for Market Value Credit in 2004-2012, and County "spread difference" in 2013 thru 2015.

(2) Excludes Tax Increment Districts and Mobile Home Tax Collections.

(3) On records of Olmsted County Auditor before allowance for uncollectible. Excludes Mobile Home Taxes.

Olmsted County Auditor Balances are net of tax abatements and additions which are not presented in the schedule.

(4) The Net Tax Levy amount is slightly higher in 2012 thru 2015 due to rounding by the formula that Olmsted County uses to spread the tax levy across the multitude of properties.

CITY OF ROCHESTER, MINNESOTA
ELECTRIC, WATER AND SANITARY SEWER CHARGES BY CUSTOMER
LAST TEN FISCAL YEARS

Electricity (in millions of Kilowatt Hours)	Fiscal Year										
	Type of Customer	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Residential	336	341	349	343	346	345	325	328	343	334	
General Service	644	637	641	635	643	644	634	641	641	624	
Industrial Service	205	212	225	237	237	240	246	307	308	293	
Street & Highway Lighting	6	7	7	6	7	7	7	6	7	7	
Rental Lights	1	1	1	1	1	1	1	1	1	1	
Interdepartmental Service	7	8	8	8	7	7	8	8	9	9	
Total KWH	1,199	1,206	1,231	1,230	1,241	1,244	1,221	1,291	1,309	1,268	
Total direct rate per Kilowatt Hour	\$ 0.111	\$ 0.108	\$ 0.105	\$ 0.105	\$ 0.105	\$ 0.101	\$ 0.099	\$ 0.092	\$ 0.089	\$ 0.081	
Water (in millions of gallons)	Type of Customer	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Residential	2,001	2,089	2,141	2,372	2,193	2,107	2,250	2,297	2,379	2,375	
Commercial Service	1,568	1,512	1,500	1,654	1,585	1,505	1,549	1,617	1,654	1,594	
Industrial Service	483	486	537	507	525	521	518	462	534	575	
Interdepartmental Service	17	14	56	44	54	68	85	161	198	136	
Total gallons	4,069	4,101	4,234	4,577	4,357	4,201	4,402	4,537	4,765	4,680	
Total direct rate per 1,000 gallons	\$ 1.914	\$ 1.830	\$ 1.778	\$ 1.724	\$ 1.740	\$ 1.758	\$ 1.687	\$ 1.655	\$ 1.606	\$ 1.529	
Sanitary Sewer (in millions of gallons)	Type of Customer	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Residential	1,541	1,613	1,596	1,563	1,591	1,641	1,679	1,640	1,586	1,637	
Commercial	1,818	1,819	1,853	1,636	1,639	1,639	1,633	1,787	1,683	1,787	
Industrial	823	864	830	807	774	734	835	638	697	722	
Total gallons	4,182	4,296	4,279	4,006	4,004	4,014	4,147	4,065	3,966	4,146	
Total direct rate per 1,000 gallons	\$ 5.390	\$ 5.003	\$ 4.630	\$ 4.571	\$ 4.225	\$ 3.851	\$ 3.272	\$ 2.287	\$ 2.096	\$ 1.895	

Source: City of Rochester Public Utilities - Electric & Water
City of Rochester - Water Reclamation Plant - Sanitary Sewer

**CITY OF ROCHESTER, MINNESOTA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Governmental Activities

Fiscal Year	Taxable GO Bonds ³	Sales Tax Bonds	Lodging Tax Bonds	Sales Tax Notes	Tax Increment Bonds ¹	Equipment Certificates of Indebtedness ¹	Airport Hangar Notes	REDA Lease Revenue Bonds	Energy Improvement Loan	Pollution Cleanup Loan ³
2006	\$	\$ 7,275,130	\$	\$2,078,000	\$ 2,465,264	\$	\$ 458,762	\$	\$ 5,715,795	\$
2007				1,965,000	2,378,511		374,832	9,900,000	5,231,245	
2008				4,349,000	2,286,921		304,172	16,600,000	4,846,199	
2009				4,143,000	10,036,806	815,000	237,776	16,600,000	4,445,206	
2010	26,785,609			3,928,000	9,841,721	740,000	189,851	16,215,000	4,027,603	108,439
2011	26,781,386			3,707,000	9,586,023	665,000	141,926	15,810,000	3,592,703	
2012	26,728,006				9,079,422	595,000	101,178	15,385,000	3,139,789	
2013	25,854,627				8,548,965	520,000	74,786	14,940,000	2,668,116	
2014	24,960,265				7,895,273	440,000	48,390	14,470,000	2,176,906	
2015	24,066,886	30,427,617	46,169,933		7,224,787	355,000	21,996	13,985,000	1,665,350	

Note: Details of the city's outstanding debt can be found in the notes to the financial statements.

- 1 City issued \$8,035,000 GO Taxable Tax Increment Bonds; \$2,825,000 of GO Revenue Refunding Bonds; \$815,000 of GO Equipment Certificates of Indebtedness and \$6,790,000 of Electric Utility Revenue Notes in 2009; \$60,840,000 of GO Revenue Crossover Refunding Bonds in 2012
- 2 Includes general bonded debt, other governmental activities debt, blended component unit debt and business-type activities debt.
- 3 City issued \$26,700,000 Taxable GO Build America Bonds and a Minnesota Department of Economic Development Pollution Cleanup Reimbursement Loan Note in 2010.

See Schedule 15 for personal income and population data.

Business-Type Activities

Total Governmental Activities Debt	Electric/Water Revenue Bonds/Notes	Wastewater Utility Bonds ¹	Obligation Under Capital Lease	Total Business Activities Debt ¹	Total Primary Government Debt ²	Percentage of Personal Income	Per Capita
\$ 17,992,951	\$48,580,707	\$92,838,076	\$	\$ 141,418,783	\$ 159,411,734	4.17%	1,616
19,849,588	95,563,178	140,811,294	663,703	237,038,175	256,887,763	6.35%	2,547
28,386,292	92,858,838	138,746,229	450,604	232,055,671	260,441,963	6.11%	2,542
36,277,788	96,601,878	135,403,610	228,252	232,233,740	268,511,528	6.10%	2,568
61,836,223	92,387,227	131,964,877	16,867	224,368,971	286,205,194	6.02%	2,681
60,284,038	88,390,093	128,110,462	12,505	216,513,060	276,797,098	5.80%	2,561
55,028,395	84,186,770	197,467,210	518,410	282,172,390	337,200,785	6.74%	3,082
52,606,494	123,084,540	191,886,009	258,123	315,228,672	367,835,166	7.37%	3,334
49,990,834	118,203,372	184,156,051		302,359,423	352,350,257	6.80%	3,169
123,916,569	114,723,414	131,262,002		245,985,416	369,901,985	N/A	3,307

**CITY OF ROCHESTER, MINNESOTA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

General Bonded Debt Outstanding

Fiscal Year	Taxable GO Bonds	Sales Tax Bonds and Notes	Lodging Tax Bonds	Tax Increment Bonds	Wastewater Utility Bonds	Equipment Certificates of Indebtedness	Total	Less: Available In Debt Service	Net	Percentage	Per Capita
									General Bonded Debt Outstanding	of Actual Taxable Value of Property	
2006	\$	\$ 9,353,130	\$	\$ 2,465,264	\$ 92,838,076	\$	\$ 104,656,470	\$ (107,469)	\$ 104,549,001	1.49	\$ 1,060
2007		1,965,000		2,378,511	140,811,294		145,154,805	(824,831)	144,329,974	1.91	1,431
2008		4,349,000		2,286,921	138,746,229		145,382,150	(772,422)	144,609,728	1.82	1,412
2009		4,143,000		10,036,806	135,403,610	815,000	150,398,416	(620,869)	149,777,547	1.78	1,432
2010	26,785,609	3,928,000		9,841,721	131,964,877	740,000	173,260,207	(562,948)	172,697,259	2.01	1,617
2011	26,781,386	3,707,000		9,586,023	128,110,462	665,000	168,849,871	(627,491)	168,222,380	1.95	1,556
2012	26,728,006			9,079,422	197,467,210	595,000	233,869,638	(74,780,296) (1)	159,089,342	1.99	1,454
2013	25,854,627			8,548,965	191,886,009	520,000	226,809,601	(71,652,154) (1)	155,157,447	1.93	1,406
2014	24,960,265			7,895,273	184,156,051	440,000	217,451,589	(68,819,668) (1)	148,631,921	1.81	1,337
2015	24,066,886	30,427,617	46,169,933	7,224,787	131,262,002	355,000	239,506,225	(27,733,327) (2)	211,772,898	2.49	1,893

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

See Schedule 15 for personal income and population data

See Schedule 5 for estimated market value information

Source: City of Rochester Finance Department

(1) Includes funds of \$67,363,909 (2014), \$70,130,432 (2013), and \$73,286,008 (2012) in an escrow account to cover three years of interest payments on the Series 2012A Bonds and the 2016-2026 maturities of the series 2004A Bonds.

(2) Includes funds of \$23,007,895 (2015) in an escrow account to cover two years of interest payments on the Series 2015B Bonds and the 2016-2026 maturities of the series 2007A Bonds.

CITY OF ROCHESTER, MINNESOTA
COMPUTATION OF DIRECT AND INDIRECT GENERAL OBLIGATION BONDED DEBT
AND LEGAL DEBT MARGIN
December 31, 2015

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable (1)</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Independent School District #531	\$ 47,355,295	0.52%	\$ 246,248
Independent School District #534	29,741,539	9.89%	2,941,438
Independent School District #535	65,251,424	85.63%	55,874,794
Other debt			
Olmsted County	129,157,159	70.04%	90,461,674
Independent School District #534	607,100	9.89%	<u>60,042</u>
Subtotal, overlapping debt			149,584,196
City direct debt	123,916,569		<u>123,916,569</u>
Total direct and overlapping debt			<u><u>\$ 273,500,765</u></u>

Sources: Tax capacity data to estimate applicable percentages provided by Olmsted County Property Records
Debt outstanding data provided by each governmental unit.

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

(1) For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using tax capacity values. Applicable percentages were estimated by determining the portion of another governmental unit's tax capacity value that is within the City's boundaries and dividing it by each unit's total tax capacity value.

CITY OF ROCHESTER, MINNESOTA
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(Dollars in Thousands)

Legal Debt Margin Calculation for the Fiscal Year 2015

Market Value	\$ 8,840,073
Debt Limit (2% of market value)	176,801
Debt applicable to limit:	
Energy improvement loan	1,665
GO Equipment Certificates	355
Taxable GO Build America Bonds, Series 2010A	24,010
Less: Amount set aside for repayment of:	
Energy Improvement Loan	(132)
Public Works and Transit Operation Center Bond	(1,403)
Total net debt applicable to limit	24,495
Legal debt margin	\$ 152,306

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Debt limit	\$ 176,801	\$ 169,903	\$ 163,821	\$ 160,384	\$ 239,953	\$ 258,625	\$ 257,749	\$ 168,259	\$ 158,731	\$ 151,077
Total net debt applicable to limit	24,495	26,063	27,448	28,892	30,336	30,911	5,019	4,540	4,990	5,609
Legal debt margin	\$ 152,306	\$ 143,840	\$ 136,373	\$ 131,492	\$ 209,617	\$ 227,714	\$ 252,730	\$ 163,719	\$ 153,741	\$ 145,468
Total net debt applicable to the limit as a percentage of debt limit	13.85%	15.34%	16.75%	18.01%	12.64%	11.95%	1.95%	2.70%	3.14%	3.71%

The legal debt limit for Cities of the First Class in Minnesota is 2% of the market value of taxable property. The City of Rochester became a City of the First Class in 2012. This limit applies only to the City's general obligation tax levy bonds and excludes improvement, revenue, tax increment, sales and lodging tax supported bonds.

CITY OF ROCHESTER, MINNESOTA
PLEGDED REVENUE COVERAGE
LAST TEN FISCAL YEARS
(Dollars in Thousands)

Fiscal Year	Electric Utility Bonds						Water Utility Note					
	Utility Service Charges & Taxes	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage	Utility Service Charges & Taxes	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest					Principal	Interest	
2006	\$ 130,723	\$ 117,883	\$ 12,840	\$ 1,750	\$ 2,427	3.07	\$ 7,748	\$ 5,171	\$ 2,577	\$ 25		103.08
2007	156,772	120,945	35,827	2,335	3,252	6.41	8,274	5,230	3,044	355	72	7.13
2008	147,462	129,655	17,807	2,165	4,202	2.80	8,174	5,248	2,926	370	55	6.88
2009	136,149	120,377	15,772	2,485	4,064	2.41	8,192	5,439	2,753	390	42	6.37
2010	142,768	127,248	15,520	3,630	4,061	2.02	8,133	5,426	2,707	410	20	6.30
2011	142,413	123,151	19,262	3,824	3,871	2.50	8,321	6,199	2,122			
2012	142,603	123,562	19,041	4,025	1,807	3.26	8,620	5,959	2,661			
2013	140,978	126,786	14,192	8,860	4,492	1.06	8,282	6,385	1,897			
2014	142,961	126,149	16,812	4,300	5,178	1.77	8,287	6,725	1,562			
2015	145,856	125,362	20,494	6,090	5,091	1.83	8,661	6,454	2,207			
Fiscal Year	Sewer Utility Bonds						Airport T-Hanger Notes					
	Utility Service Charges & Taxes	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage	Airport Hangar Rental	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest					Principal	Interest	
2006	\$ 11,394	\$ 6,930	\$ 4,464	\$ 1,150	\$ 4,041	0.86	\$ 63	\$ 63	\$ 62	\$		1.02
2007	13,234	8,354	4,880	1,770	5,634	0.66	65	65	84			0.77
2008	13,647	9,471	4,176	1,815	5,774	0.55	61	61	71			0.86
2009	15,151	8,683	6,468	5,915	5,480	0.57	59	59	66			0.89
2010	16,873	8,555	8,318	3,190	5,369	0.97	59	59	48			1.23
2011	18,382	9,046	9,336	3,605	5,272	1.05	60	60	48			1.25
2012	20,462	9,722	10,740	2,875	6,954	1.09	59	59	41			1.44
2013	21,926	10,294	11,632	4,835	6,709	1.01	56	56	26			2.15
2014	24,250	10,164	14,086	6,545	6,446	1.08	57	57	26			2.19
2015	27,487	11,081	16,406	6,369	3,760	1.62	61	61	26			2.35
Fiscal Year	REDA Lease Revenue Bonds											
	Building Rental	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage						
				Principal	Interest							
2010	\$ 981	\$	\$ 981	\$ 385	\$ 772	0.85						
2011	1,063		1,063	405	753	0.92						
2012	1,063		1,063	425	734	0.92						
2013	1,063		1,063	445	713	0.92						
2014	1,063		1,063	470	692	0.91						
2015	1,073		1,073	485	669	0.93						

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest, depreciation, or amortization expense, but does include payments to the City's General Fund in lieu of tax, reported as transfers out on pages 29 and 30.

**CITY OF ROCHESTER, MINNESOTA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

YEAR	POPULATION (1)	PERSONAL INCOME (thousands of dollars)	PER CAPITA PERSONAL INCOME (2)	PUBLIC SCHOOL ENROLLMENT (3)	UNEMPLOYMENT RATE (4)
2006	98,649	3,819,196	38,715	15,868	3.2
2007	100,845	4,045,700	40,118	16,330	4.0
2008	102,437	4,266,296	41,648	16,181	5.4
2009	104,578	4,399,178	42,066	15,804	6.0
2010	106,769	4,753,569	44,522	16,427	5.5
2011	108,100	4,775,209	44,174	16,443	4.8
2012	109,400	4,999,799	45,702	16,734	4.8
2013	110,337	4,990,653	45,231	16,889	3.8
2014	111,187	5,182,537	46,611	17,144	3.1
2015	111,850	N/A	N/A	17,457	2.9

Sources: (1) State Demographers Estimate/2012-Census Bureau
 (2) Bureau of Economic Analysis - Rochester MSA
 (3) Independent School District #535
 (4) Minnesota Department of Jobs & Training

**CITY OF ROCHESTER, MINNESOTA
PRINCIPAL EMPLOYERS
PREVIOUS YEAR AND NINE YEARS AGO**

Employer	2014			2006		
	Employees ⁽¹⁾	Rank	Percentage of Total City Employment ⁽²⁾	Employees	Rank	Percentage of Total City Employment
Mayo Clinic	32,271	1	27.68%	30,000	1	27.50%
IBM ⁽³⁾	N/A	-		4,400	2	4.03%
Rochester Public Schools	2,657	2	2.28%	2,200	3	2.02%
Olmsted County	1,339	3	1.15%	1,138	5	1.04%
Olmsted Medical Center	1,217	4	1.04%	1,181	4	1.08%
Charter Communications	1,061	5	0.91%			
City of Rochester	841	6	0.72%	847	8	0.78%
Kahler Hospitality Group	701	7	0.60%	725	9	0.66%
Crenlo	680	8	0.58%			
RCTC	500	9	0.43%			
Federal Medical Center	450	10	0.39%			
Wal-Mart/Sam's Club				1,005	6	0.92%
Hy-Vee Food Stores				880	7	0.81%
Sunstone Hotels				650	10	0.60%

(1) Rochester Area Economic Development, Inc

(2) Bureau of Economic Analysis -
Rochester MSA 2014 employment

(3) Company does not provide data

CITY OF ROCHESTER, MINNESOTA
FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

Function	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Mayor and Council	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00
City Administrator	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Development District Administration	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Central Business District Maintenance	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.67		
City Clerk/Elections/Parking Ticket Coll.	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Finance	12.00	12.00	12.00	11.50	11.00	11.00	11.00	11.00	11.00	11.00
City Attorney	12.00	12.00	12.00	12.00	12.00	11.50	11.00	11.00	11.00	11.00
Human Resources	9.00	9.00	9.00	8.50	8.00	8.00	8.00	8.00	7.17	7.00
Information Systems	13.00	13.00	11.00	10.50	10.00	10.00	10.00	10.00	10.00	10.00
Maintenance City Hall	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
General Government	69.00	69.00	67.00	65.50	64.00	63.50	63.00	62.67	61.17	61.00
Police	165.75	164.50	164.50	164.50	164.17	162.18	161.50	156.50	151.00	145.00
Public Safety Communications	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	26.00
Fire	104.00	104.00	104.00	104.00	104.00	104.00	107.00	107.67	107.00	107.00
Building Safety	26.58	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00
Animal Control	3.00	3.00	3.00	3.00	3.00	3.00	4.00	4.00	4.00	3.00
Flood Control Maintenance	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Emergency Management	1.00	1.00	1.00	1.00	1.00	0.50				
Public Safety	327.33	325.50	325.50	325.50	325.17	322.68	325.50	321.17	315.00	309.00
Engineering	35.50	34.00	34.00	35.00	35.00	35.00	36.00	35.83	35.00	35.00
Traffic	8.00	8.00	8.00	8.00	8.00	8.00	9.00	9.00	9.00	10.00
Street and Alley	47.75	47.00	47.00	44.00	44.00	44.00	45.00	45.00	44.25	44.00
Public Works	91.25	89.00	89.00	87.00	87.00	87.00	90.00	89.83	88.25	89.00
Music	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Library	52.25	51.25	51.25	49.75	49.75	50.75	52.75	52.58	51.75	51.75
Total Culture	56.25	55.25	55.25	53.75	53.75	54.75	56.75	56.58	55.75	55.75
Park & Recreation Administration	3.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Recreation	4.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Golf	11.00	11.00	11.00	9.00	9.00	11.00	12.00	12.00	11.00	11.00
Tennis Center	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Volleyball Center	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Graham Arenas	3.00	3.00	3.00	3.00	3.00	3.00	3.00	2.83	2.00	2.00
Parks	28.00	28.00	28.00	28.00	28.00	28.00	28.00	28.00	28.00	28.00
Parkway Landscaping	2.00	2.00	2.00	2.00	1.42					
Recreation Center	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Mayo Civic Center	15.00	15.00	15.00	15.00	15.00	15.00	15.00	13.83	13.00	13.00
Parks and Recreation	74.00	74.00	74.00	72.00	71.42	72.00	73.00	71.66	69.00	69.00
Mass Transit	1.00									
Mass Transit	1.00									
Total Governmental Activities	618.83	612.75	610.75	603.75	601.34	599.93	608.25	601.91	589.17	583.75
Parking Administration/Operations	4.00	5.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Electric Utility	163.00	168.00	186.00	186.00	185.00	182.00	189.00	186.00	181.00	181.00
Water Utility	21.00	21.00	21.00	21.00	19.00	19.00	19.00	19.00	20.00	20.00
Sewer Utility	37.75	37.00	38.00	39.00	38.50	37.00	38.00	38.00	37.50	36.00
Storm Water Utility	7.00	7.00	6.00	5.79	5.00	6.00	6.00	6.00	6.00	6.00
Total Business Activities	232.75	238.00	255.00	255.79	251.50	248.00	256.00	253.00	248.50	247.00
Totals for Organization	851.58	850.75	865.75	859.54	852.84	847.93	864.25	854.91	837.67	830.75

Source: City's Adopted Budgets

CITY OF ROCHESTER, MINNESOTA
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Police										
Part I crimes	2,771	2,430	2,780	2,953	2,557	2,679	3,117	3,183	2,835	2,826
Part II crimes	3,405	3,398	3,070	3,465	3,647	3,832	4,160	4,143	4,037	3,903
Arrests	3,101	2,805	2,904	2,974	2,881	3,422	3,857	3,757	3,692	3,350
Fire										
Total emergency responses	9,764	9,107	8,798	8,578	7,975	8,023	7,585	7,719	7,542	6,661
EMS responses	6,338	5,991	5,918	5,692	5,544	5,095	4,935	5,096	4,449	4,481
Fire responses	237	177	211	223	189	214	200	232	283	268
Public Works										
Streets resurfaced (miles)	34	42	28	11	14	12	17	17	7	10
Residential snow plowing (miles)	4,900	5,060	5,420	5,120	4,680	5,000	5,500	4,320	4,320	4,010
Airport										
Airline passengers	231,966	237,341	223,791	214,522	224,327	240,237	257,426	297,857	319,233	296,889
Air cargo (millions of pounds)	25.40	25.00	20.03	19.40	18.40	18	17	18	29.07	28.90
Transit										
Passengers (millions)	1.75	1.71	1.75	1.78	1.70	1.56	1.62	1.77	1.55	1.43
Route miles (thousands)	1,570	1,519	1,212	1,257	1,260	1,261	1,167	1,084	990	953
Library										
Annual circulation (millions)	1.54	1.64	1.74	1.64	1.64	1.61	1.60	1.60	1.51	1.47
Annual program attendance	110,818	97,110	88,328	39,151	28,578	66,471	30,282	30,387	26,036	24,417
Park & Recreation										
Rounds of golf played	85,160	83,770	86,700	100,100	90,027	97,337	98,525	96,905	91,484	105,076
Hours of arena ice rentals	8,500	8,500	9,000	9,000	8,000	8,000	8,000	8,000	8,000	2,810
Mayo Civic Center										
Number of Events	265	367	356	339	399	319	398	379	414	396
Number of Attendees	288,199	303,087	337,762	311,282	308,159	298,449	325,533	313,874	302,996	285,319
Event days	1,384	1,209	1,463	1,849	2,117	1,293	1,353	1,480	1,203	1,279
Event tickets sold	97,073	108,461	113,638	111,364	110,988	NA	NA	NA	NA	NA
Electric Utility										
Number of customers	51,774	50,800	50,382	49,990	49,407	48,219	47,675	47,407	46,954	46,433
Average daily consumption (megawatt hours)	3,286	3,305	3,372	3,371	3,401	3,410	3,345	3,537	3,584	3,470
Water Utility										
Number of customers	38,833	38,330	38,034	37,667	37,269	36,951	36,732	36,413	36,070	35,527
Average daily consumption (millions of gallons)	11.15	11.23	11.60	12.54	12	11.51	12.06	12.43	13.05	12.80
Sanitary Sewer Utility										
Gallons of wastewater treated annually (millions of gallons)	4,333	4,876	5,049	4,846	5,114	5,004	4,836	4,847	5,030	4,904

Sources: Various City Department's annual budget workload measurements

CITY OF ROCHESTER, MINNESOTA
CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Fire										
Stations	5	5	5	5	5	5	5	5	4	4
Public Works										
Streets (miles)	536	533	529	526	524	522	511	507	502	500
Intersections w/traffic signals	154	152	147	146	142	142	142	139	137	139
Street lights	9,105	9,256	9,360	9,245	9,255	9,240	9,180	9,085	9,045	8,814
Storm sewer (miles)	307	300	294	291	291	322	266	264	262	261
Airport										
9,033' x 150' No./So. runway	1	1	1	1	1	1	1	1	1	1
7,300' x 150' E/W runway	1	1	1	1	1	1	1	1	1	1
Transit										
Transit buses	58	51	45	52	50	48	44	44	44	56
Bus shelters	79	75	68	67	67	67	62	60	60	60
Library										
Physical Holdings (thousands)	464	471	461	461	459	451	446	438	422	428
Park & Recreation										
Acres of parkland	4,400	4,145	4,129	4,060	3,606	3,603	3,603	3,093	3,060	3,045
Number of parks	120	118	118	111	105	104	104	103	101	99
Number of golf courses	4	4	4	4	4	4	4	4	4	4
Electric Utility										
Miles of distribution line	804	793	788	772	769	742	726	717	709	697
Water Utility										
Miles of watermain	587	583	578	574	571	570	569	565	561	557
Number of fire hydrants	6,976	6,922	6,849	6,799	6,773	6,751	6,735	6,693	6,598	6,554
Sanitary Sewer Utility										
Miles of sanitary sewer	479	479	479	473	473	472	470	467	467	466
Treatment capacity (thousands of gallons)	23,850	23,850	23,850	23,850	23,850	23,850	23,850	23,850	23,850	19,100
Area of City (square miles)	55.19	55.19	55.08	54.75	54.73	54.67	54.67	53.41	51.89	51.44

Sources: Various City Department's annual financial report statistics and budget workload measurements