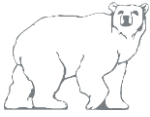


# 2021

City of White Bear Lake, Minnesota  
Annual Budget



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**Adopted By:**

Mayor

Jo Emerson

Councilpersons

Bill Walsh – Ward 1

Doug Biehn – Ward 2

Dan Jones – Ward 3

Kevin Edberg – Ward 4

Steven Engstran – Ward 5

**Presented By:**

Management Team

Ellen Hiniker, City Manager

Rick Juba, Assistant City Manager

Kara Coustry, City Clerk

Paul Kauppi, City Engineer

Kerri Kindsvater, Finance Director

Anne Kane, Community Development Director

Julie Swanson, Police Chief

Greg Peterson, Fire Chief

Mark Meyer, Public Works Superintendent

**Cover:**

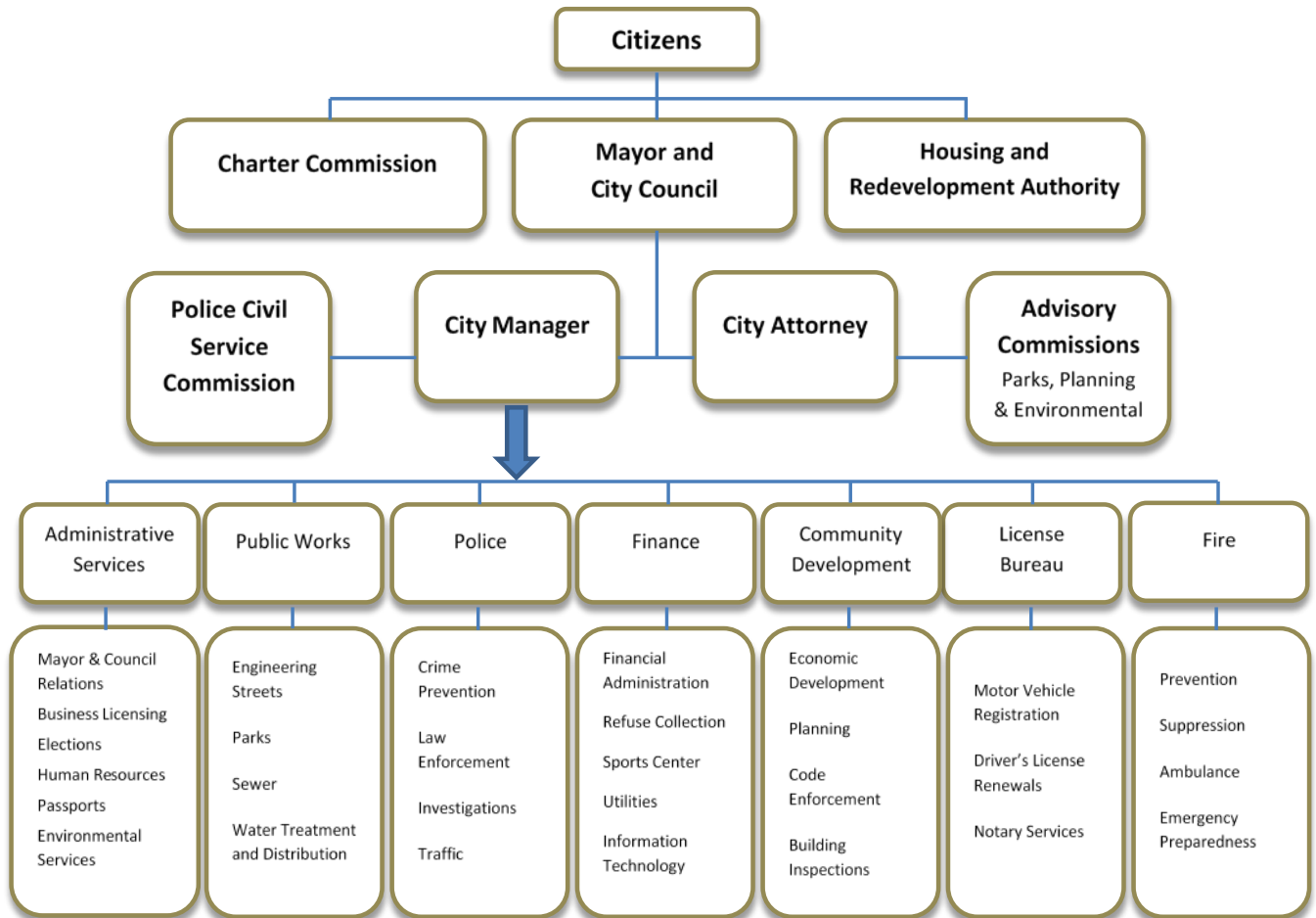
Entrance monuments to Manitou Island.  
Courtesy of City Staff.

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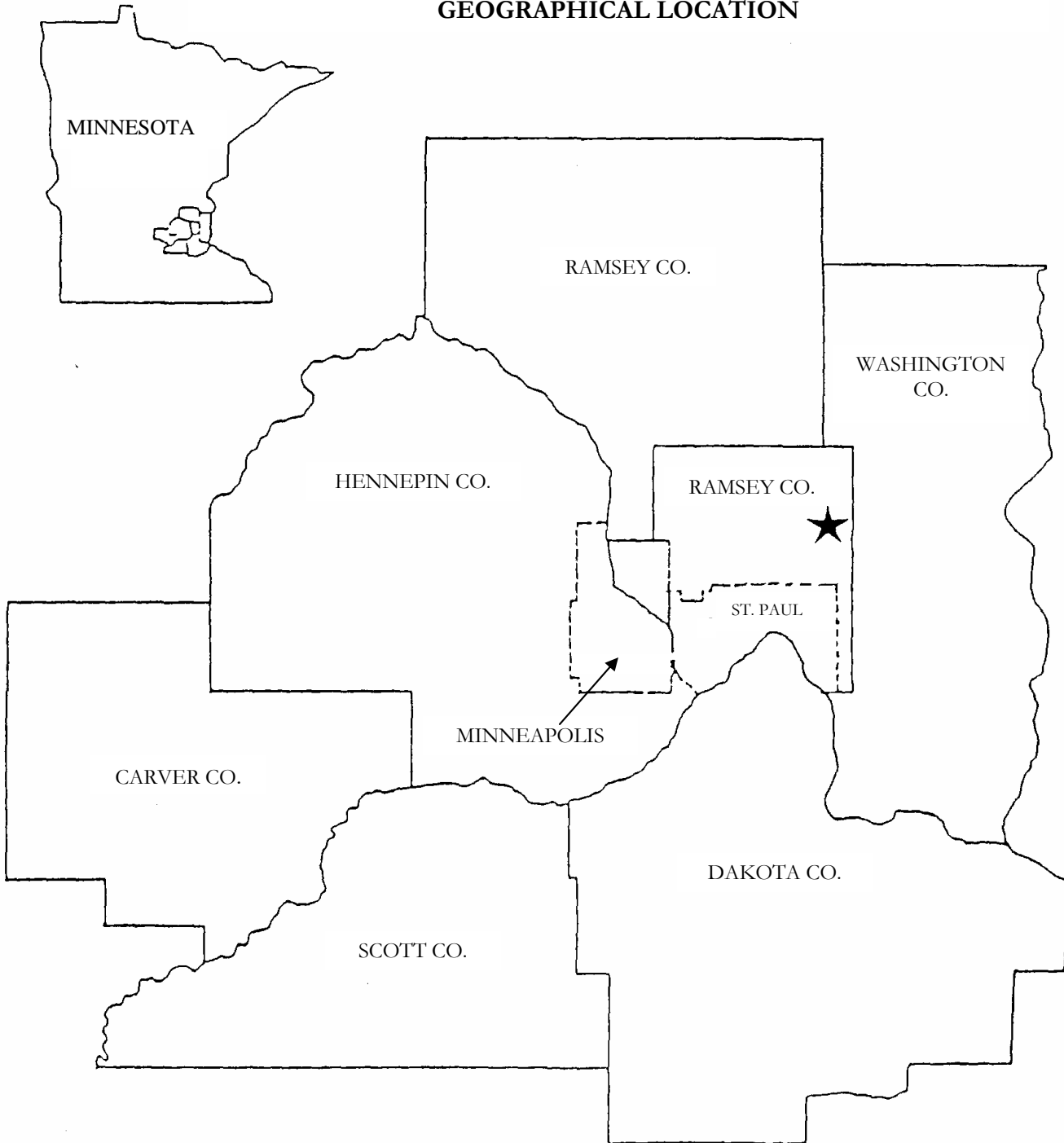


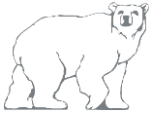
# City of White Bear Lake, Minnesota Organizational Chart



# CITY OF WHITE BEAR LAKE

## GEOGRAPHICAL LOCATION





## *White Bear Lake....The City of Lakes and Legends*

### *Historical Beginnings*

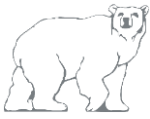
The earliest inhabitants of the White Bear Lake area were the Dakota and Ojibwa Indians who used it for their migratory hunting and harvesting grounds. The United States government designated the area as Dakota land in an 1825 treaty, but later purchased all Dakota Territory east of the Mississippi to open it for European-American settlement.

Rich land, abundant game, and scenic lakes attracted the early pioneers to this area. In 1858, the year Minnesota became a state, these first European-American settlers established White Bear Township, which consisted of 36 square miles of land. As work of its scenic landscape spread, the town grew into a popular resort area, attracting visitors from all along the Mississippi River. People would travel up the Mississippi by steamboat and then to White Bear Lake by train. Soon resorts and hotels lined the shores of the lake while restaurants, theaters and stores set up shop in the downtown to accommodate visitors. The extension of the Lake Superior and the Mississippi Railroad to White Bear Lake in 1868 turned what used to be a three-hour buggy ride from S. Paul into a twenty-minute trip. Rail service provided new and exciting opportunities for business and industry in the area, eventually connecting to Duluth in 1871.

As the resort era faded shortly after the turn of the century, other industries, including farming and lumbering, continued to prosper. In keeping pace with this steady growth and development, leaders of the community officially incorporated the City of White Bear Lake in 1921. At that time, the city was 2 ¼ square miles with a population of just over 2,000. The 1950's and 1960's were times of rapid residential expansion. By 1960, the city's area had grown to 7 square miles with a population of about 13,000 people. During the 1970's and 1980's, large parcels of land opened for development through the city's effort to extend roads and utilities. The city's aggressive economic development program led to extensive growth in its tax base and employment levels. Several nationally known companies have moved into the area while downtown redevelopment efforts continue to make great strides in expanding. Over the years, the White Bear Lake area has continued to grow and prosper. Today the city's 24,000 residents enjoy the advantages of being part of a major metropolitan area while residing in a community that has maintained its small hometown appeal.

### *Legend of White Bear Lake*

The legend of White Bear Lake is one of forbidden love and courage. Like all folklore, some parts of the story may be true; however, all of it is interesting and captivating. It seems that every spring, people from the Dakota Indian tribe visited the island in the middle of White Bear Lake to make maple sugar. Tradition says that on the island, now called Manitou Island, an Indian princess and an Indian brave fell in love. They could not marry since the princess' father, the chief, though the young brave cowardly. One night, the young lovers met secretly and sat amount the branches of a large elm tree that hung far over the lake. As they sat there, a large albino bear, thinking perhaps, that polar snows and dismal winter weather extended everywhere, took up his journey southward. He approached the northern shore of the lake, walked down the bank and made his way noiselessly through the deep, heavy snow toward the island. As the princess and the brave were returning to camp in time to avoid suspicion, the bear leaped out and attacked the princess. The princess screamed for help. Bounding toward the young brave, she caught his blanket and fell, bearing the blanket with her into the great arms of the ferocious monster. Upon hearing the screams, every man, woman and child of the tribe ran to the bank to see the commotion, however, all were unarmed and could not save the princess. While the savage beast held the breathless woman in his huge grasp, the brave sprang to his feet, dashed to his wigwam for his knife and returned almost in a single bound. Springing with the fury of a mad panther, he pounced on his prey and killed him. The Indian Chief allowed the brave and the maiden to marry, and for many years their children played upon the skin of the white bear from which the lake derives its name.



## Introductory Section

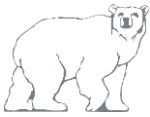
Distinguished Budget Presentation Award .....	1
Budget Highlights .....	3
City Manager's Budget Message.....	5

## Summary Data

Summary Information .....	15
Summary of Revenue Sources and Assumptions for all Funds.....	23
Tax Levy .....	31
Property Tax Capacity Valuation and Rate.....	32
Tax Capacity & Market Value Rates .....	33
Residential Property Tax Calculation.....	35
Budget Summary for All Funds.....	36
Budget Summary by Fund Type.....	37
Personnel Services Staffing Summary .....	39
Strategic Plan .....	40
Long-Term Financial Plan .....	41
Capital Improvement Plan .....	44
Debt Summary.....	52
External Links .....	53
Tax Levy Resolution .....	54
Budget Adoption Resolution.....	56
Resolution Committing Fund Balances for Specific Purpose.....	61
Recognition Resolution.....	63
Business Activities and Cultural Activities Promotion Resolution .....	66

## General Fund

Narrative and Fund Summary .....	67
Revenue by Source .....	75
Summary of Expenditures .....	77
General Government	
Legislative .....	78
Administration.....	80
Finance.....	83
Legal Counselor .....	86
City Hall .....	88
Elections/Voter Registration .....	90
Planning and Zoning .....	93
Public Safety	
Police.....	96
Fire .....	101
Dispatch .....	104
Legal Prosecutor .....	107
Animal Control.....	110
Emergency Preparedness.....	113
Building and Code Enforcement.....	117



**General Fund (Continued)**

Public Works  
Public Works Facility ..... 120  
Engineering ..... 123  
Central Garage ..... 126  
Streets ..... 129  
Snow/Ice Removal..... 133  
Street Lighting ..... 136  
Parks ..... 139  
General Services/Contingency ..... 142

**Special Revenue Funds**

Comparative Analysis of Fund Balance/Revenues & Expenditures..... 145  
Armory..... 149  
Surface Water Pollution Prevention..... 153  
Marina..... 156  
Sports Center..... 158  
Forfeiture Fund..... 162  
Economic Development..... 164

**Debt Service Funds**

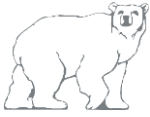
Comparative Analysis of Fund Balance/Revenues & Expenditures..... 171  
Municipal Building General Obligation Debt ..... 174  
2012 Refunding Tax Increment ..... 176  
Non Bonded Special Assessment Fund ..... 179  
2012 Special Assessment ..... 182  
2016 Refunding Tax Increment Boatworks..... 184  
2018 General Obligation Street Construction / Sports Center Equipment. .. 187  
2018 General Obligation Tax Abatement Sports Center Construction ..... 190  
2019 General Obligation Street Construction ..... 192  
2020 General Obligation Street Construction / Equipment Certificates ..... 194

**Capital Project Funds**

Comparative Analysis of Fund Balance/Revenues & Expenditures..... 197  
Equipment Acquisition ..... 201  
Municipal Building..... 205  
Park Improvement ..... 209  
Water Improvement ..... 210  
Sewer Improvement ..... 214  
Community Reinvestment ..... 216  
HRA Tax Increment ..... 219  
Construction ..... 224

**Enterprise Funds**

Comparative Analysis of Fund Balance/Revenues & Expenditures..... 227  
Water..... 231  
Sewer..... 238  
Environmental Recycling and Disposal Waste ..... 243  
Ambulance..... 248



**Enterprise Funds (Continued)**

Pioneer Manor .....	254
License Bureau.....	258

**Internal Service Funds**

Comparative Analysis of Fund Balance/Revenues & Expenditures.....	265
Insurance .....	268
Employment Expense.....	270

**Appendix**

Demographics .....	275
Ratios of Outstanding Debt by Type.....	280
Legal Debt Margin .....	281
Principal Property Taxpayers.....	282
Larger Employers .....	283
Capital Asset Statistics by Function.....	284
Glossary .....	285





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of White Bear Lake**

**Minnesota**

For the Fiscal Year Beginning

**January 1, 2020**

*Christopher P. Morrill*

Executive Director

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# City of White Bear Lake, Minnesota

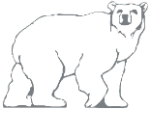
## 2021 Budget Highlights

- The 2021 Annual Budget focuses on priorities set forth by residents, the Mayor, and City Council. The budget development adheres to the City’s fiscal policies and disciplines. Standard and Poor’s assigned its AA+ rating to the 2020 General Obligation bond issue and affirmed the rating on all of the City’s previously issued General Obligation debt. This rating is only one-step below the highest rating possible.
- The 2021 Budget recommends General Fund expenditures of \$12,115,591. The General Fund expenditures are allocated to the major divisions as follows:

<u>Division</u>	<u>2021 Expenditures</u>
General Government	\$2,049,352
Public Safety	7,059,988
Public Works	2,864,671
General Services/Contingency	116,580
Transfers	<u>25,000</u>
Total	<u>\$12,115,591</u>

- The tax levy for 2021 is \$7,370,000 and represents a \$462,000 increase above the 2020 tax levy.
- Residential taxable property valuation increased an average of 5.22% overall, compared to the 9.3% in 2019. The median value home changed from \$243,100 in 2019 to \$256,000 in 2020. The City share of the property tax on a median value home in 2021 will be \$467.21, compared to \$491.97 in 2005; this represents a decrease of approximately \$25 over a sixteen-year period.
- Residential property taxes decrease minimally due to a combination of property’s annual tax capacity valuation and the City’s tax rate. Even though the tax levy is higher than 2019, a reduction occurs in the tax rate since the rate calculation now distributes the tax levy across a broader valuation base.
- The following example demonstrates the impact of a change in a residential property’s valuation. If the value of a house remained the same from 2019 to 2020, the annual taxes for City services decreases \$8.49 between the two years. If the same house recognizes an increase in its value of the 5.22% average from 2019 to 2020, the annual taxes for City services increases \$19.34 between the two years. The change in property valuation drives a significant portion of a property’s tax increase.
- The budget provides funding for initiatives to address environmental concerns regarding surface water run-off. Funding for projects involving the retention and infiltration of surface water allows pollutants to be contained or absorbed before the water reenters lakes and streams.
- The City is expected to continue as one of the lowest per capita tax levy statewide for communities with a population between 16,000 and 37,000.
- The budget recommends modifications to the Enterprise Fund fee structures for Water, Sewer, Environmental Waste Removal, Ambulance, and Pioneer Manor to reestablish or maintain the individual fund’s financial integrity.
- The Lake Level Litigation fee collected sufficient revenues in recent years to recoup funding for the legal costs as of December 31, 2020. The 2021 Budget redirects the fee to the Water Fund to support capital infrastructure needs and reserves.
- The City received \$1,918,012 as part of the Coronavirus Aid, Relief and Economic Security Act (CARES) federal funding in 2020 to fund unanticipated operational expenditures and provide community support to those in need due to the pandemic.

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December 9, 2020

Honorable Mayor and Members of the City Council  
City of White Bear Lake, Minnesota

Mayor and City Council:

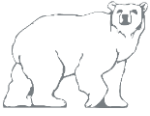
Pursuant to the City's Home Rule Charter, submitted herewith are the revised 2020 and proposed 2021 annual budgets. This combined document contains information to provide the citizens of White Bear Lake, their elected officials, City staff and other interested parties, with information about the revenues and expenditures planned for municipal services and investments for the coming year. In addition to serving as a work plan, the budget document also incorporates departmental goals and measureable workload data. The budget assigns objective measures in these categories, which assist residents in determining whether the City is achieving its overall mission while providing a reasonable return on their tax investment. This budget addresses both short-term financial issues in the next year and the longer-term issues in the next 2-5 years. These issues include, but are not limited to, maintenance of municipal services levels that meet public expectations in consideration of the tax levy impact, current economic challenges due to the global pandemic, long range financial planning, capital improvement planning, and environmental protection activities.

### **A YEAR IN REVIEW – and LOOKING AHEAD**

Events in 2020 definitely tested our organization. Though difficult, the challenges created opportunities to revisit our daily service delivery model, creatively adapt policies and practices to meet the needs of the community, incorporate flexibility into our internal processes and expand the technology used in daily operations.

#### **Council/Manager:**

The Council and Staff increased the number of work sessions in 2020 to discuss long-term planning for capital and finances, economic development, and distribution of the Coronavirus Relief Funds received from the State of Minnesota as part of the federal funding to assist those in our community impacted by the global pandemic and public health emergency response. Plans for 2021 include but are not limited to implementation of the Welcoming and Inclusive Community Initiative, development of a housing policy involving extensive community engagement, updating/recodifying the municipal code, final design work for the Public Safety building project, planning for downtown street reconstruction and improvements, and further refinement of the long-range financial management plan.



### **Infrastructure:**

In 2020, the City reconstructed 1.12 miles of streets in the Cottage Park neighborhood, located at the southwest end of the lake. In addition to this full reconstruction project, the city resurfaced three municipal parking lots and 3.03 miles of streets in the following areas:

- A southeastern section on Glen Oaks Avenue, Glen Oaks Court, Rolling View Court, Rolling View Drive, Oak Court and Orchard Circle
- A southwestern section on Auger Avenue, Dell Street, Dell Court North, Dell Court South, Elm Street, Highland Avenue, Midland Court, Rooney Place, Sunrise Court, Willow Court East, Willow Court and Jansen Avenue
- A northwestern section on Dillon Street, Fifth Street and Woodcrest Road

More than 6 miles of streets were seal coated and over 5 miles of streets received crack sealing to prevent water from accelerating deterioration of the pavement. These pavement maintenance projects are critical to the preservation of the substantial investment made in reconstructing streets and must be timely to be most effective.

It is anticipated that the street reconstruction program, which began in 1988, will require an additional 5-6 years before completion. Meanwhile, the mill & overlay program will continue into the future. Given the economic challenges due to the pandemic, the City is planning only Mill and Overlay projects for 2021; costs associated with these projects are lower. Full-reconstruction work will resume in 2022. In the absence of significant investment interest revenues that have historically financed the majority of associated construction costs, the City must rely on bonding to help with the costs related to pavement management projects. This will subsequently affect the overall tax levy each year that borrowing is needed. The City Council has had considerable discussion regarding infrastructure funding, and will continue these discussions in 2021 during its annual review of its Capital Improvement Program and long-range financial plan.

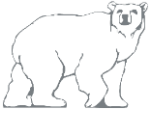
Residents continue to voice increasing interest in improved pedestrian and bicycle amenities. The City continues to work with White Bear Township and Ramsey County toward development of a multi-use trail along South Shore Boulevard with construction anticipated in 2022.

With the passage of the White Bear Lake School District's facilities referendum, there is considerable coordination of infrastructure planning efforts between all jurisdictions related to construction of the new high school, a future transit stop at 7<sup>th</sup> and Washington and the expanding arts district.

### **Facilities:**

The City continues to invest in energy-related improvements in all of its facilities. The 2020 and 2021 budgets include \$68,500 to finalize the City Hall project and complete the work at





the Public Works Facility. These improvements will result in significant energy savings with an anticipated 4-6 year payoff. The Capital Improvement Plan anticipates similar improvements for the Public Safety building as part of its future expansion.

In January of 2020, Wold Architects completed a Space Needs Study for the Public Safety facility in consideration of constructing a new Police garage and replacing the existing Fire apparatus bay. Due to COVID, Council postponed discussions related to this project. Further discussion regarding project scope and timeline will be held early 2021.

### **Economic Development & Redevelopment:**

Many White Bear Lake businesses have been critically impacted by the pandemic, most notably those in the hospitality industries. The City will continue to identify and pursue creative measures to assist local businesses during these unprecedented times.

With final Metropolitan Council approval of the City's 2040 Comprehensive Plan behind us, work to update the Zoning Code begins. The City will be recodifying the entire Municipal Code over the next 12-18 months.

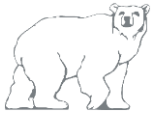
2021 will be a year of intensive community engagement and planning as it engages the community in critical conversations regarding its vision for housing and related housing policy. The City will also resume work on a County Road E Corridor Study, for which it had received Ramsey County grant funding. Due to the need for extensive in-person engagement, which was made difficult during the pandemic, this work had been postponed in 2020. Lastly, work with community partners on an Arts District Study toward strengthened communication and a coordinated vision will continue into 2021.

Over the next several years, the City will continue its work with the Downtown commercial core to ensure it remains vibrant and relevant as "walkable urban places" become a preferred setting. The impending downtown street reconstruction project offers opportunities for additional parking and pedestrian related improvements. The City will engage in a comprehensive mobility study in 2021 to identify these opportunities, which involve the active participation of downtown businesses and property owners.

The City will continue to provide support, infrastructure, and public services that facilitate an economically viable community, which serves the diverse needs of many generations.

### **Technology:**

The City continues to invest in technology to better serve our residents and enhance internal productivity. In recent years, the demand for public access to digital data and a general migration toward a paperless environment has led to the implementation of an electronic document management system (EDMS) through the purchase of Laserfische. EDMS is a collection of technologies that work together to provide a comprehensive solution for managing the creation, capture, indexing, storage, retrieval, and disposition of records and



information. The City made significant progress in its efforts to electronically index all official records maintained by the City Clerk and the Accounts Payable records. Work toward indexing historical engineering, building and planning department records has also continued.

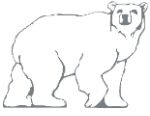
This year, the Finance Department implemented an electronic workflow system for the accounts payable process. In addition to supporting a paperless environment, the system offers improved internal controls to reduce the risk of fraud, streamlines the process to improve productivity related to invoice approvals in all departments, and increases accuracy through automation. In 2021, the Finance Department will implement a new online payment solution that provides customers with a complete, simple and secure electronic bill payment solution. The system also allows utility customers the option for paperless billing and electronic access to their previous bills.

In 2017, LOGIS began upgrading the City's Geographic Information System (GIS) backbone to bring greater efficiency to the Engineering and Public Works Departments with infrastructure base maps and record drawings. Mobile technology was deployed in 2019 to provide access to this information in the field where it is needed most. Mapping tools will be greatly improved for zoning, land use, and housing, and will be integrated with the LOGIS building permit system. The position formerly held by an Assistant City Engineer will be redefined in 2021 to support construction of the GIS database. In the future, there will be opportunities to integrate GIS into the Police and Fire Departments, and expand geographic capabilities over a wide range of City operations.

### **Public Safety:**

Public Safety is under increasing pressure to adapt to an evolving society that requires more than ever from our law enforcement officers and EMS providers. Tragic events of 2020 shifted law enforcement's paradigm and officers are under ever-increasing public scrutiny. The White Bear Lake community continues to reinforce its strong support for our officers; however, as is true in all communities, one incident has the potential to compromise that well-earned trust. Continued emphasis on Use of Force Training, Implicit Bias Training and Mental Health Awareness remains critical. Deployed in 2018, body cameras help to maintain a culture of transparency.

The City Council supported a significant shift in the delivery model for fire and ambulance services through the approval of 12 full-time firefighter/paramedic positions in 2018. Initial analysis after completing two full years under this new model demonstrates operational efficiencies and success in meeting the demands of increasing calls for service. Staff will be conducting a comprehensive evaluation of financial and service outcomes during the first quarter of 2021 for Council review.



### **LOOKING FURTHER AHEAD**

The City's ability to maintain, improve, or expand services to our residents continues to evolve and present new challenges. The population of the City is aging in place and thereby presenting increased demands on emergency medical services, transportation, food assistance, etc. Aging in place does not necessarily mean remaining in the same house. Many of the City's residents over 65 years of age are moving from their three to four bedroom homes to smaller dwellings within the City. Families with children are purchasing these homes, which leads to increased school enrollment, use of parks and recreation services. This housing turnover is healthy and will continue as long as a wide range of housing options and community amenities are available.

This budget reflects the changes necessitated by the City's maturity, current and future fiscal restraints, and it attempts to respond to market pressures and citizen-driven requests through cooperative, innovative and fiscally sound public service policies. Some of these requests have resulted in one-time revenue sources allocated to activities such as park improvements, building improvements, road/street upgrades, citizen safety, and economic development. Intergovernmental cooperation remains essential in meeting the needs of our aging population, an aging infrastructure, technology advancements, and the City's redevelopment efforts.

Infrastructure maintenance continues to be a high priority and cannot be sacrificed to finance current expenditures. The City continues to monitor operational expenditures to achieve cost savings without negatively affecting service levels. While the 2021 budget provides for service and efficiency improvements, it calls for limited cost increases in order to achieve the City's service policies and goals.

### **FISCAL STATUS – PAST, PRESENT AND FUTURE**

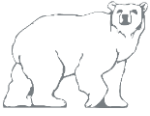
The City's fiscal condition continues to evolve, change, and adapt to economic realities.

#### **Past**

The City's fiscal status over an eleven-year period, beginning with the great recession, was one of revenue stagnation marked by market realities. This period reflected overall declining revenues (local government aid and interest earnings), operating services maintenance, and marginal (selective) infrastructure enhancement. The City addressed financial challenges of the great recession by strategically utilizing fund balances/reserves to fund a portion of operations and infrastructure projects during this time.

#### **Present**

The City's fiscal policies have evolved over the last several years to a state where current revenue sources finance operational expenditures and operational expansion. The City carefully and methodically increases its revenue structure to ensure its financial future remains stable and secure while systematically replenishing the fund balances / reserves.



S&P Global Ratings supported this financial plan and logical process in 2020 when they affirmed the City's long-term debt rating of AA+ during the debt issuance process. Their report identifies the following key variables supporting their decision:

- Very strong economy, with access to a broad and diverse metropolitan statistical area
- Strong management, with good financial policies and practices under their Financial Management Assessment (FMA) methodology
- Adequate budgetary performance
- Very strong budgetary flexibility
- Very strong financial liquidity
- Weak debt and contingent liability
- Strong institutional framework score

### **Future**

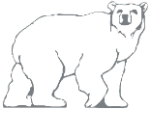
The City's financial future for 2021 and beyond is poised for a renaissance based upon the solid framework noted by S&P Global Ratings. It is expected that through justifiable revenue broadening including property tax adjustments, fund balances/reserves will continue to be replenished as operational expenditures are funded by current revenue sources. The long-term financial plan anticipates that infrastructure requirements will be funded by on-going revenue sources (including appropriate tax levies) or appropriate debt issuances.

## **WHAT GUIDES BUDGET DECISIONS**

Budget development focuses on meeting resident requirements and expectations within realistic financial parameters. Two significant guides for the budget are the City's long-range Capital Improvement Plan (CIP) and the long-range financial management plan (FMP). The updated 2020 CIP has been incorporated into the 2021 planning cycle for Council review.

Additional key factors that guided the preparation of this budget were:

- 1) A commitment to continue high quality services while maintaining operational costs within logical parameters.
- 2) Maintaining a competitive tax rate that is realistic in providing adequate resources to meet citizen's service expectations.
- 3) Application of a fiscal policy that defines the standards for the City's budget and financial management decisions.
- 4) A comprehensive review of the condition of capital equipment to ensure that the most cost-effective replacement schedule is incorporated into the budget process.



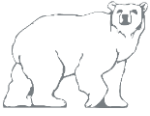
- 5) A team approach that encourages interdepartmental planning to meet immediate and long-term operational, infrastructure and facility needs as well as creativity and innovation.
- 6) A lean financial management philosophy that supports the implementation of Council policies and recognizes the need to be responsive to changing community conditions while constantly seeking the least costly means of providing services.
- 7) An organization that is agile and able to respond quickly to changing conditions.

### **TAX LEVY**

In accordance with the City Charter and State Statute, the City Council will adopt the 2021 budget and the 2020 tax levy collectible in 2021 on December 12, 2020. Staff prepared the budget based upon a \$7,370,000 tax levy, which will fund general operations and debt obligations. In addition to the funds supported by property taxes, the budget includes all other operating or capital funds presented as Special Revenue, Debt Service, Capital Project, Enterprise or Internal Service Funds.

The following funds utilize general property taxes:

- General Fund for general government operations and services.
- 2018A General Obligation Debt Service Fund for debt service related street improvements.
- 2018B General Obligation Tax Abatement Debt Service Fund for debt service on the Sport Center renovation / YMCA loan.
- 2019A General Obligation Debt Service Fund for debt service related street improvements.
- 2020A General Obligation Debt Service Fund for debt service related to street improvements and equipment purchases.
- Water Fund for debt service related to improvements to the City's north water tower.
- Construction Fund for addressing the Emerald Ash Borer tree disease.



### **BUDGET FORMAT**

As in past years, the 2021 Budget for each fund presents two years of historical activity; revisions to the 2020 budget based on current revenue and expenditure estimates, and revenue estimates and proposed expectations for the coming year. The budget document is intended to provide information that will assist the reader in determining whether proposed expenditures will allow the City to meet service needs and expectations and the City Council's determination of the reasonableness of proposed expenditure and service levels.

The budget also serves as the City's financial road map. It illustrates the City's strategy to maintain or improve, and measure operations, as well as infrastructure improvements.

This budget has been prepared with the intent of being responsive to perceived public service requirements and, as such, it should be used by the reader as a statement of priorities and a mechanism that relates public policy decisions to tangible public services.

This preamble to the budget follows the format of the past several years and contains a continuum of information for the benefit of the first-time reader as well as the individuals who have followed the City's budget process for several years. Descriptions of the budget process are carried forward from previous years and revised as needed to reflect current conditions.

### **MEASUREABLE WORKLOAD**

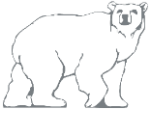
As mentioned above, this budget is more than a financial document. It reflects the City's plans, policies, practices, and goals regarding service objectives and sound resource management. The budget document is a critical tool used in the City's realization of its vision. As the City's operations and finances become increasingly sophisticated, measuring performance simply by budgetary cost is inadequate for determining its success.

The City has maintained departmental goal development and measureable work load data for over twenty years. The 2021 budget generally reports actual 2018 and 2019 measureable workload results, 202 workload estimates, and establishes goals for 2021. The budgets of each department detail the measurable workload data related to operations. This provides the City Council and residents a "snapshot" of how the departments are providing their recurring service levels. It is within this framework that the City reports the efficiency and effectiveness of its service delivery.

### **PURCHASING PROCEDURES**

The City Council delegates purchasing authority to staff members under the City Charter and State law upon the budget adoption. State Statutes authorizes City's to enter into contracts that are less than \$175,000 without conducting a formal bidding process. The City's practice has been to receive City Council authorization for purchases that are less than \$175,000.





Purchases over \$175,000 may only be approved by the City Council and require competitive bids. Purchases over \$5,000 occur only after multiple quotations are received and the lowest responsible price is selected. While capital equipment purchases are budgeted, these items are brought for formal Council approval before the acquisition is completed.

### **ACKNOWLEDGEMENTS**

Each year, several members of the staff become involved in preparing the proposed budget. This participation ranges from direct input and data gathering, to processing the document itself. The Finance Department fulfills a significant role in preparation of the proposed budget and the supporting financial data. This involvement greatly improves the quality of the budget and gratitude is extended to all employees who participated.

In addition to the management team, special recognition is given to Assistant Finance Director, Jessica Saari, for the many hours spent developing, modifying, and incorporating readability improvements to the document. The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of White Bear Lake for its annual budget for the fiscal year beginning January 1, 2020.

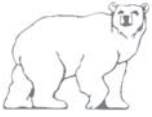
This was the 19th consecutive year the City has received this award, which is a reflection of the excellent work of those involved.

The Management Team would also like to express its gratitude to the Council for its continued support throughout the year. Above all, we will always strive to uphold the public's trust as stewards of the City's physical and natural environment.

Respectfully submitted,

Ellen Hiniker  
City Manager

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This section provides a summary of the budget process, City policies directly influencing budget development, accounting methodology used in the budget process, the basis of how each department's budget is developed, and how the budget can be amended.

This section also provides a summary of the City's historical tax levies and projected financial activity for all City funds. This information is presented in a spreadsheet format that highlights the historical and projected activities and is intended to provide the City Council and interested parties with an overview of the City's operation. These schedules contain numerical and graphical information. General narrative and expanded budget detail for all funds are presented on an individual fund and departmental basis.

## Budget Process

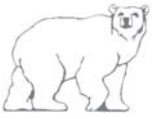
Section 5.03 through 5.09 of the White Bear Lake City Charter sets forth the requirements that the City Manager must prepare and submit an annual budget to the City Council. The City Council conducts two public meetings before adopting the budget. The first is a budget study session and the second is a formal budget and tax levy meeting. The Council conducts informal budget discussions with the City Manager on an on-going basis. The Mayor, City Council, and citizens are asked to convey budget priorities to the City Manager prior to preparation of the budget. The White Bear Lake City Charter requires the City Manager to enforce the provisions of the budget upon adoption. Minnesota State Law requires that the preliminary tax levy be approved by the City Council prior to September 30th of each year. Once the City adopts the proposed tax levy, the final tax levy can be decreased, but not increased, over the certified proposed tax levy.

The budget is prepared on an annual basis, and follows the calendar year, January 1 to December 31. The City's Strategic Plan and Financial Management Plan guide the preparation of the document. The process compares budgeted expenditure requests with how they address the City's overall goals, objectives, and funding plan. The budget document is prepared using the following established procedures:

- Shortly after completion of five months of the current budget year, department supervisors receive budget instructions and forms reflecting three-year historical data, current year budget and actual expenditure amounts. Supervisors are required to furnish expected expenditures for budget accounts for the remainder of the fiscal year and prepare budget requests for the following fiscal year.
- Supervisors review programs and related performance measurements associated with each department to provide an analysis of each program, how it works towards achieving the department's performance measurements and goals, and associated costs. The budget requests should include recommendations for the continuation of programs as they relate to performance indicators and departmental goals at their existing levels or at a new level with the additional costs or savings generated by program or service level changes.

The Finance Department meets with all department supervisors to review the budget forms and develop an understanding of any new programs, personnel, and expenditure requests. These are then compared to the department's goals and objectives for the coming year.

- The City Manager reviews preliminary fund summaries, including projected revenue and expenditures, before submitting the information to the City Council.
- Department supervisors, Finance Department representatives and the City Manager meet to discuss departmental operations, goals, and the department requests relate to the City's overall goals and objectives. The City Manager adjusts department funding requests as necessary to meet the City's overall financial and strategic goals.
- Prior to September 30th, the City Manager submits to the City Council a preliminary operating budget for the fiscal year commencing January 1 of the following year.
- The preliminary operating budget includes the proposed expenditures and revenue sources necessary to finance the funds that require a property tax levy.



- The City Council will conduct a public hearing on the budget on December 8, 2020, before adopting the budget.
- Prior to December 30th, the budget is legally enacted at a City Council meeting and the tax levy is submitted to the County Auditor. The meeting date for the 2021 Budget is December 8, 2020.
- Any subsequent revision to the budget that results in an increase to total budgeted expenditures of any department for governmental type funds must be approved by the City Council.

The budget shall be balanced for each budgeted fund. The City considers the budget balanced when total expenditures are equal to total revenues. However, the budget is also balanced in situations where total expenditures are less than total revenues, which is technically a surplus. There are also instances when the City might plan to spend fund balances from previous years on one-time or non-routine expenditures. The City considers the budget to be balanced in this case also, provided the funding from previous years is available, and a plan is in place to not build ongoing expenditures into this type of funding. This type of balanced budget is especially prevalent when capital projects are budgeted using proceeds from the issuance of bonds.

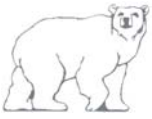
Budget Calendar

The formal timeline for development of the budget is as follows:

Date	Process
June 12th	Budget documents and current year activity reports distributed to departments.
June 15th - June 26th	Departments prepare budget requests and submit to Finance Director for review.
June 29th - July 31st	Departments discuss budget requests with Finance Director and City Manager.
September 3rd	Finance Director and City Manager complete a preliminary budget.
September 10th	City Council adopts preliminary tax levy and establishes the Truth in Taxation hearing date.
September 18th	Finance Director certifies the preliminary levy and hearing date to Ramsey County.
September 9th - November 5th	Finance Director and City Manager prepare budget document for City.
November 6th	City Council receives proposed budget document.
December 8th	City Council holds its Truth in Taxation hearing.
December 8th	City Council adopts the tax levy collectible in 2021, the Revised 2020 Budget and the 2021 Budget.
December 28th	Finance Director submits the 2020 tax levy collectible in 2021 to State and County agencies.

Basis of Budgeting

The basis of budgeting for the City's budget is consistent with the Comprehensive Annual Financial Report (CAFR), with some exceptions.



Governmental funds, including General, Special Revenue, Debt Service, and Capital Project Funds, are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected with 60 days after the current period. Expenditures are generally recorded when a liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Differences between the budget and the CAFR are as follows:

- Gains and losses on the disposal of fixed assets are not budgeted
- Non-cash items, such as investment adjustments to market value, are not budgeted

Proprietary funds, include Enterprise and Internal Service Funds, are budgeted on an accrual basis similar to private-sector businesses, with a focus on total economic resources. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Differences between the budget and the CAFR are as follows:

- Non-cash items, such as investment adjustments to market value, pension expense, and other post-employment benefit expense (OPEB) are not budgeted
- Capital outlay within the Enterprise Funds are recorded as assets in the CAFR but are expended in the budget
- Principal payments on long-term debt within the Enterprise Funds are recorded as a liability in the CAFR but are expended in the budget

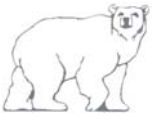
The City's basic account structure has three dimensions: fund, department, and object. The City groups the budgeted funds into two broad categories:

**Governmental Funds** – Governmental Funds account for the City activities that receive a significant portion of their funding from property taxes, state aids, and various grants. The Governmental Funds budgeted for by the City are the General Fund, Special Revenue Funds, Debt Service Funds, and Capital Projects Funds.

**Proprietary Funds** – Proprietary Funds account for the “business-type” activities of the City, which receive a significant portion of their funding through user charges. The proprietary funds budgeted by the City are the Enterprise Funds and the Internal Service Funds.

The following is a listing of funds and corresponding fund numbers:

<u>Funds</u>	<u>Type</u>	<u>Number</u>
General	Governmental	1000
Special Revenue Funds		
Armory	Governmental	2030
Surface Water Pollution Prevention	Governmental	2040
Marina Operations	Governmental	2050
Sport Center	Governmental	5200
Forfeiture	Governmental	2060
Economic Development	Governmental	4240
Debt Service Funds		
Municipal Building	Governmental	3020
Non-Bonded Special Assessment	Governmental	3070
2012 Special Assessment	Governmental	3071
2003 Refunding Tax Increment (PM)	Governmental	3040
2016 Tax Increment Boatworks Commons	Governmental	3081
2018A General Obligation Debt Service	Governmental	3082
2018B General Obligation Tax Abatement	Governmental	3083
2019A General Obligation Debt Service	Governmental	3084
2020A General Obligation Debt Service	Governmental	3085



# City of White Bear Lake, Minnesota Summary Information

Capital Project Funds		
Equipment Acquisition	Governmental	4100
Municipal Building	Governmental	4300
Park Improvement	Governmental	4010
Water Improvement	Governmental	4220
Sewer Improvement	Governmental	4200
Construction	Governmental	4400
Community Reinvestment	Governmental	4770
HRA Tax Increment	Governmental	4600
Enterprise Funds		
Water	Proprietary	5010
Sewer	Proprietary	5050
Environmental Recycling & Waste Disposal	Proprietary	5100
Ambulance	Proprietary	5250
Pioneer Manor	Proprietary	5300
License Bureau	Proprietary	5350
Internal Service Funds		
Insurance	Proprietary	6000
Employment Expense	Proprietary	6200

The City Manager and the Finance Department prepare estimates for the annual budget. The budget is presented by fund and department and includes all funds and departments of the City. Each fund and department provides justification of its budget requests and compares the requests to previous service levels and financial obligations at the departmental level within each fund. The statement of expenditures for each budgeted fund and department is under the following headings:

1. Personal Service - expenses related to department employees' salaries and benefits.
2. Supplies - expenses related to all department general purchases.
3. Other Services and Charges - department expenses for operating costs classified as supplies.
4. Capital Outlay – expenses for new construction, equipment, and all improvements of a lasting character.
5. Debt - payments of principal and interest on bonds and other fixed charges.
6. Transfers - operating transfers between funds.

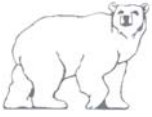
The amounts expended under similar headings for each of the past two completed fiscal years and for the current fiscal year, original and revised appropriations, and anticipated for the ensuing fiscal year are shown in parallel columns on the budget request reports.

The document also includes a statement of anticipated revenues for each fund. The revenue statement of each fiscal year specifies the following items: Sums derived from (a) taxation, (b) licenses and permits, (c) fines, (d) interest, (e) service charges, (f) special assessments, (g) sales of bonds and other obligations, (h) governmental aids, and (i) miscellaneous not included in the foregoing.

Revenues are estimated based on the following:

1. Legislative action; past and anticipated
2. Consultation with departments directly involved in raising certain revenues
3. Revenue history review
4. Economic trends





5. Current indexes; public and private sectors

A fund summary is prepared for each fund showing all changes in revenues and expenditures. A comparison of each fund's annual revenue to expenditure is documented. The summary report adds the annual change to the beginning fund balance to report a December 31 fund balance, which presents the City Council with easily understandable criteria demonstrating the fund's financial direction.

Budget Amendments

After the budget resolution has been adopted, the City Council, under Section 5.09 of the City Charter, shall have no power to increase the amounts fixed in the budget resolution, by insertion of new items or otherwise, beyond the estimated revenues, unless actual receipts exceed the estimates and then not beyond the actual receipts. At any time during the year, the City Council may choose to pass a resolution to reduce the sums appropriated for any purpose in the original budget resolution. The City Council may, by four-fifths majority vote, authorize the transfer of sums from unencumbered balances of appropriations in the budget resolution to other purposes, except from dedicated funds, and subject to the limitations of the City Charter.

Financial Management Guidelines

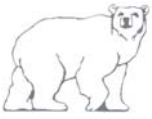
The City of White Bear Lake's financial management guidelines aim to achieve the following objectives:

1. Utilize one-time revenue sources to fund capital improvements instead of operating expenditures.
2. Maintain a General Fund cash reserve that is at least one-half of projected property tax collection and local government aid, which the City receives in July and December, and the police relief aid, which the City receives in October.
3. Maintain budgetary controls through City Council review of monthly financial reports.
4. Monitor purchases to ensure departments receive multiple quotes for purchases over \$10,000.
5. Develop a General Fund budget that has current revenues paying current expenditures.
6. Maintain and replace City facilities and equipment per direction of Capital Improvement Plan.
7. Annually review fees and charges to maintain sufficient revenue to recover costs of providing the service. Service charges in Enterprise Funds should include funds to pay for future infrastructure replacements and upgrades.
8. Avoid wide shifts in the City's tax levy.

Debt Management

The City restricts long-term borrowing to equipment purchases or capital improvements that operating revenues or a portion of existing reserves cannot fund. The City developed a Non-Bonded Debt Service Fund to accumulate construction related special assessments for projects without a related bond issue. The City internally financed many construction costs by providing a bridge between the point at which the fund "purchases" the assessments from the Construction Fund and when the City received the special assessment payments. This internal financing significantly reduced the City's need to sell bonds and incur undue interest costs in previous years.

Periodically, the Non-Bonded Debt Fund supports other funds through a transfer to offer short-term financial stability. In recent years, the Water and Sewer Funds received this type of transfer. Though not set up as an internal loan, both departments reimbursed the Non-Bonded Debt Fund for its contribution.



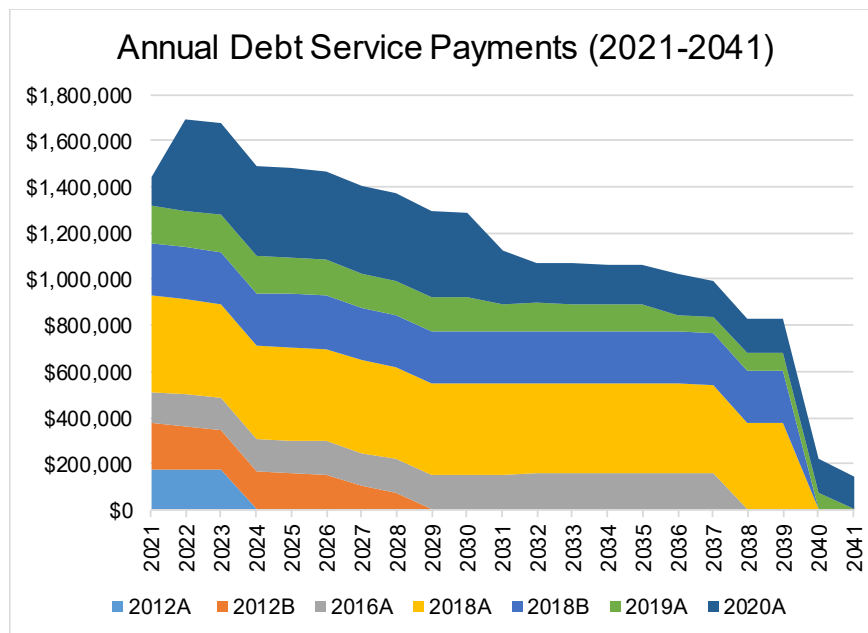
The Non-Bonded Debt Service Fund provides support to the Ambulance Fund in the 2019 and 2020 Budget to support the transitions to a cost share split with the Fire Department and a new combination-staffing model.

When the City finances capital projects through a bond issue, it will pay back the bonds within a period not to exceed the expected useful life of the project. The City will attempt to limit the long-term obligation on any project to no more than 20 years. The City will not incur long-term debt to support current operations. The City issued bonds in 2020 for pay for a ladder truck for the Fire Department, a dump truck for the Street Department, contracted services to paint the water tower, and the annual street improvement project. The City anticipates issuing debt obligations in 2021 to purchase a tandem axle dump truck, a loader, a multi-use truck for the Parks Department, the annual street improvement projects and residential water meters.

As required by Minnesota State Statutes Section 475.53 the City's total legal debt margin will not exceed three percent of the market value of taxable property. The City projects its legal debt margin to be \$78,971,975 as of December 31, 2020. The City has \$3,205,000 outstanding debt that applies to the City's legal debt margin as of December 31, 2020. Calculation of the legal debt margin is presented in the appendix section. This debt management philosophy provides the City with optimal borrowing capacity as it addresses future infrastructure improvements.

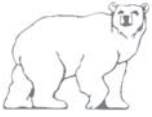
The City transfers funds from the HRA Fund to the appropriate debt service fund to meet annual principal and interest payments while maximizing operational revenue for capital improvements.

The following graph illustrates the City's debt service principal and interest payments for all outstanding debt as of December 31, 2020.



Reserve Policy

The City maintains two General Fund reserves. The first reserve is for cash flow and it bridges the funding gap between the beginning of the year and the dates when the City receives its three major revenue sources: property taxes and local government aid in July and December and the Police aid in October. The City will transfer any excess fund balance amounts beyond these reserves to fund capital improvements related to equipment purchases, building facility improvements or street improvements. The second reserve is undesignated General Fund Balance to be maintained at minimal level since the cash flow reserve supports the revenue and expenditures funding gaps



The total of the cash flow reserve and the undesignated fund balance reserve should equal approximately 50% of the current year property taxes and intergovernmental revenues and 35% to 50% of the following year's expenditures per Minnesota State Auditor recommendations.

The combination of the City's cash flow reserve and undesignated fund balance represents 56.70% of the property taxes and intergovernmental revenues in 2021. Though this is higher than the State Auditor's recommendation, the City is preparing for potential economic challenges in regards to the pandemic emergency. The 2020 Revised reserves is 40.97% of the proposed General Fund 2021 expenditures, which complies with the State Auditor guidelines.

Capital Project Fund reserves provide funding sources for future equipment or construction improvements.

The City remains in compliance with its reserves policy.

### Fund Balance Policy

The Governmental Accounting Standard Board has established a detailed fund balance classification reporting for the City's General, Special Revenue, Debt Service, and Capital Project account groups. The City fund balances are classified in a hierarchy based on the extent that each funds financial resource is restricted. The five fund balance classifications are as follows:

- **Non-spendable** – includes amounts that are not in spendable forms such as inventory, pre-paid items, long-term receivables, and amounts required to be maintained legally or contractually.
- **Restricted** – includes amounts restricted for a specific purpose by externally enforceable agreements such as bond covenants.
- **Committed** – includes amounts restricted for a specific purpose by the City Council.
- **Assigned** – includes amounts constrained for a specific purpose by the City Council or City Manager.
- **Unassigned** – is the residual classification for funds not included in any other category.

Fund balances that are committed or assigned are presented as fund balances reserved for specific purposes throughout the budget. Capital project fund balances are committed for the fund's overall defined purpose of the individual fund. Committed governmental fund balances are presented as a separate budget resolution.

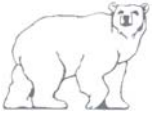
The City remains compliance with its fund balance policy.

### Investment Policy

The City maintains cash reserves sufficient to cover near or short-term obligations. Idle funds are invested in accordance with the City's Investment Policy, and according to Minnesota Law.

The City pools cash from all funds for investment purposes. The City's Investment Policy includes the following priority statements and selected procedures. The Investment Policy contains further detail on specific legal and administrative guidelines.

1. **Statement of Priority**  
The primary objective of the investment activities is the preservation of capital and the protection of investment principal. Liquidity and yield are important, but secondary to capital preservation.
2. **Liquidity Priority**  
Investments shall be made so as to provide sufficient liquidity to meet the funding needs of the City as determined by the Finance Department cash flow projections.



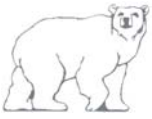
3. **Bidding**  
All investments will be competitively bid from approved financial institutions. Selection of the investment instrument will be based upon the projected cash flow needs and strategic placement of the city's core funds.
4. **Diversification**  
This strategy will stagger maturities which will avoid undue concentration of assets in specific maturity sector while providing stability of income and reasonable liquidity.
5. **Distribution**  
Funds budgeted to receive interest will be allocated amounts equal to 1/12 of the fund's projected interest earnings. The City will distribute excess interest earnings based on an average cash balance per fund for the year.
6. **Reporting**  
The monthly investment report will include the current portfolio status, which at a minimum will report the investment type, financial institution involved in the transaction, the investment yield, purchase and maturity date, and the principal amount invested.

The City remains in compliance with its investment policy.

Public Involvement

The following are platforms and tools used by the City to communicate with the public and get involved with the budget process. The City encourages the public to find the City on each of these platforms and engage in two-way communication.

<h2>Ways to Get Involved</h2>	
<b>Public Meetings</b>	Find the next public meeting at <a href="https://www.whitebearlake.org/calendar">https://www.whitebearlake.org/calendar</a>
<b>Phone/Email</b>	Find the staff directory or submit a request at <a href="https://www.whitebearlake.org/contact">https://www.whitebearlake.org/contact</a>
<b>News and Events</b>	Find news and events related to the City at <a href="https://www.whitebearlake.org/news">https://www.whitebearlake.org/news</a>
<b>Public Notices</b>	View public notices at <a href="https://www.whitebearlake.org/public-notice">https://www.whitebearlake.org/public-notice</a>
<b>Notify Me</b>	Sign up for email subscriptions to notices for news and events, public notices, City projects, and more at <a href="https://www.whitebearlake.org/newsletter/subscriptions">https://www.whitebearlake.org/newsletter/subscriptions</a>
<b>POLCO</b>	Give input on current ideas, initiatives, and issues facing the City using POLCO, a civic participation technology platform at <a href="https://www.whitebearlake.org/administration/page/community-engagement">https://www.whitebearlake.org/administration/page/community-engagement</a>
<b>Facebook</b>	Find the City on Facebook at <a href="https://www.facebook.com/cityofwhitebearlake/">https://www.facebook.com/cityofwhitebearlake/</a>
<b>Twitter</b>	Find the City on Twitter at <a href="https://twitter.com/cityofwhitebear">https://twitter.com/cityofwhitebear</a>



## City of White Bear Lake, Minnesota

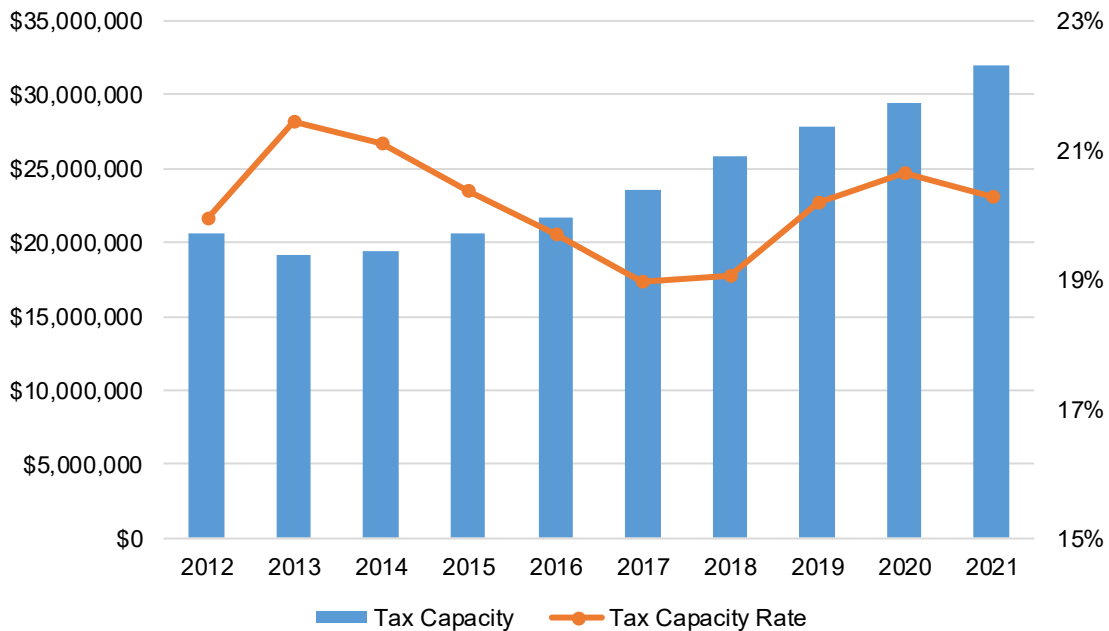
### Summary of Revenue Sources and Assumptions for all Funds

General Property Taxes – The General Fund and Construction Fund receive general property tax revenue per the 2020 Revised and 2021 Budget document. The General Fund utilizes property taxes to support governmental operations and services and the Construction Fund utilizes the property taxes to address Emerald Ash Borer (EAB) issues on public property.

The net tax capacity of a city is the total value of taxable properties within the jurisdiction calculated by the County Assessor’s Office adjusted by valuations in tax increment properties and the contribution to the Fiscal Disparity program. The tax capacity rate divides the City’s annual property tax levy amount by the total taxable property valuation of the net tax capacity number.

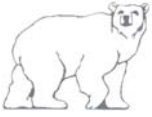
The 2021 tax capacity rate is 20.287%, which is .342 lower than the 2020 rate. Even though the tax levy increases \$462,000 in 2021, the impact on the tax capacity rate is minimal since the property values used in the net tax capacity calculation increases \$2,519,637. The graph below demonstrates the relationship between the City’s tax capacity rate and the tax capacity of the past 10 years. As you can see by the information, as the net tax capacity value decreases, the tax capacity rate increases because there is less total value to spread the levy over for the year.

### Tax Capacity and Tax Capacity Rate



Per information from Ramsey and Washington Counties, the overall market growth in White Bear Lake increased \$188 million or 6.4%. As this trend continues, property owners will experience a lower tax capacity rate because of the broader property value base. Economy predictions anticipate the real estate expansion to continue throughout calendar year 2020.

The City’s residential housing market continues to expand with overall growth. The median market value home for the 2021 payable tax year is \$256,000, which is \$12,900 higher than the median market value home for the 2020 tax year. The 5.3% increase in the median value home is slightly higher than the average increase for residential property values, which is 5.22%. As illustrated below, White Bear Lake market values have increased at a lower rate than countywide values.



## City of White Bear Lake, Minnesota

### Summary of Revenue Sources and Assumptions for all Funds

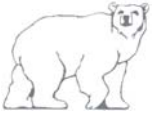
	WBL Properties % Increase in Values for Pay 2021	Rasmeay Countywide % Increase in Values for Pay 2021
Residential	5.22%	5.30%
Apartments	18.44%	20.10%
Commercial	5.99%	7.70%
Industrial	9.75%	14.00%

The valuation trends influence the City's residential property in two significant ways as follows:

1. The Homestead Market Valuation Exclusion will continue to decline in 2020 as the residential property values increase. For every \$10,000 in valuation increase above \$76,000, the taxable market value increases \$9.
2. Commercial property continues to be responsible for a larger portion of the property tax burden since the taxable valuation percentage applied to market values of commercial/industrial properties is higher than the percentage for residential properties. Commercial/industrial properties have 2.0% applied to their market value over \$15,000, while residential properties apply 1.0% to the first \$500,000 of market value and 1.25% to any value over the \$500,000 limit. The vast majority of residential properties have a market value less than \$500,000 and use the 1.0% in calculating the taxable value.
3. In general, property taxes for apartment complexes in White Bear Lake will increase as seen in the information above; however, newer facilities may experience a higher rate based on their specific circumstances.

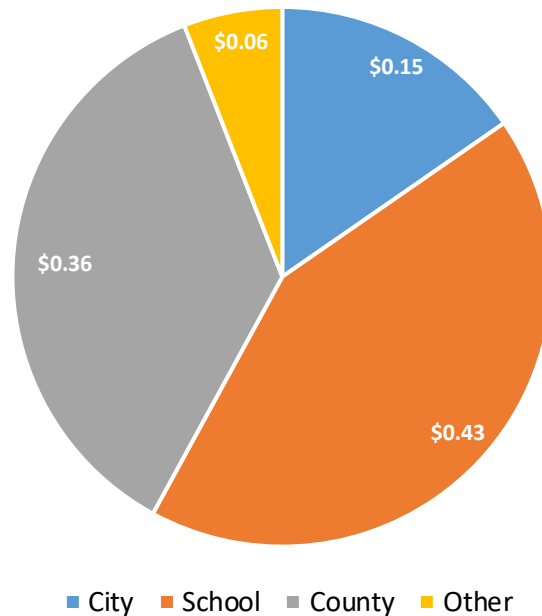
Since the onset of the COVID-19 pandemic, the City focused on the taxpayers' ability to pay the property taxes when due and how to handle any shortages if the taxes are not paid on time. The City receives tax payments from the counties three times a year: July, December and a small amount in January as residents make payments before yearend. Collections paid to the City in July were at levels consistent with previous years. Many believe this occurred because payments were due in May, just after the pandemic hit and the full effect of economic impacts had not negatively affected taxpayers yet. The December payments will give a true picture of how the economy has weathered the pandemic challenges and if the government assistance programs have provided enough support to taxpayers. The General Fund and Construction Fund balances will provide support to the activities if collections are lower than anticipated in the budget.

Several governmental entities assess taxes to properties. For every property tax dollar paid, \$0.15 is collected by the City of White Bear Lake. The remainder is then divided up among Ramsey and Washington Counties, Independent School District #624, and other agencies, which includes various watershed districts.



## City of White Bear Lake, Minnesota Summary of Revenue Sources and Assumptions for all Funds

### Where does your total tax dollar go?



General property tax collections have ranged from 92.10% to 101.45% of budget revenue between 2009 and 2018.

Tax Increment Collections - Taxes collected on the incremental growth in designated redevelopment areas creates this revenue stream. The revenue provides funding for debt service payments for redevelopment projects and redevelopment construction projects. The 2021 Budget bases tax increment revenue estimates on prior years' historical information and actual revenue receipts for 2020 as of August 2020.

Tax increment revenue has fluctuated between \$450,000 to \$825,000 between 2005 and 2019. The budget estimates tax increment revenue \$559,700 for 2020 and \$475,745 for 2021. Tax Increment District 25 should remain stable for the district's duration, which the City anticipates decertification of the district in 2025. The receipts for Tax Increment District 27, also known as Boatworks Commons, began in 2017. The City expects tax increment for the district to be approximately \$160,000 each year of the district's life. Currently, there are three active tax increment districts with no plans to add any new districts in 2021.

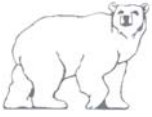
Special Assessments - Revenue collected from property owners to pay for improvements benefiting certain properties. The 2021 budget uses actual collection rates in prior years to build the budget projections.

The City has levied between \$772,000 and \$1,650,000 annually in special assessments since 2005. Collections have ranged from 102.78% to 94.38% during this period. The 2021 budget anticipates special assessment collections to be approximately \$812,000.

Franchise Fees and Fines – These revenue sources are from the 1.5% franchise fee imposed on all electricity consumed within the City's boundaries and the traffic and code violation fees paid.

Annual electrical consumption continues to grow in our community, even though residents strive to conserve energy in their daily lives. In previous years, the City budgeted a 3.00% increase in this revenue source to account for growth, but the amount received often exceeds that estimate. The scenario changed in the 2019 franchise fee received in 2020 in part due to the Tax Cut Jobs Act tax reform. Since the City's agreement with Xcel Energy is percentage-based, it can fluctuate because of the number of customers and their energy use during the different seasons and weather conditions during the year.





## City of White Bear Lake, Minnesota Summary of Revenue Sources and Assumptions for all Funds

Some cities now utilize a flat month fee for collection to guarantee a more stable revenue stream throughout the year. The City could consider changing to the flat fee or increasing the percentage rate. Any franchise fee changes would provide additional revenue, which would allow a reduction in the General Fund's reliance on property taxes for revenue.

Anticipating the 2020 fee for receipt in 2021 is difficult during the COVID-19 pandemic as some businesses closed temporarily and residential usage likely increased with employees working remotely. Therefore, the 2021 includes an estimate equal to the funding received in 2020.

The 2021 fine revenue anticipates collections to match historical levels for county ticket fines relating to our jurisdiction, city administrative tickets, and the city share of state administrative tickets.

License/Permits – Revenues in this category fall into either a “business” or a “non-business” classification. Business license revenue is generated through fees the City collects from certain businesses giving them the authority to operate each year. These license fees attempt to cover a portion of administrative cost associated with monitoring the business' activities, which consist of liquor sales, cigarette sales, entertainment device, gambling site operations, and residential property rentals. The non-business license revenue is derived from fees the City collects to enforce the construction activity. As with the business fee structure, the non-business fees collected at the permit issuance cover a portion of the administrative costs to inspect the construction and ensure compliance with state code and local ordinances.

With regard to non-business license revenues, project values drive the calculation of some permit fees, while other permits have a flat fee. At this point, redevelopment activities taking place in blighted areas drive the revenues received.

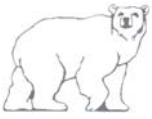
Building permit activities remain steady through multiple redevelopment projects. The redevelopment of several land parcels in 2019 will become home to a large market-rate apartment complex with completion in 2020. The community passed the White Bear Lake Area School District's \$326 million bond referendum in November 2019 to fund a multi-year improvement plan for additions and renovations to current buildings. The plan is both complex and comprehensive as it touches each of their buildings in some way. Passing of the referendum increases building permit activity in the end of 2020 and throughout 2021. Currently, the Metropolitan Council is in the planning stages of a multi-year transit project that includes access to the White Bear Lake area. This plan interests developers looking to invest in housing and retail opportunities along the transit line and adjacent to stations.

An annual review of both the business licenses and the non-business licenses ensures the fees received cover the cost of the monitoring activities within each category. The City refunded a portion of the liquor licenses to establishments due to required closures during the State of Minnesota's “Stay Home” emergency order. The non-business license revenues actually increased during the emergency orders as residents completed small home improvement projects during the time. The pandemic did not deter or negatively affect developer interest in potential projects within the City.

The City expects a gradual decrease in building activity in future years due to limited opportunities for new construction.

The graph below compares total building permit valuation to the number of building permits issued from 2014-2019. Valuation totals spiked in 2015 due to significant commercial redevelopment activity at White Bear Marketplace, the Waters Living Apartment, and Towers Crossings Senior Living. A large increase in 2018 are permits issued for single family dwelling alterations which was the most significant contributor in the increase in valuation totals from 2017.

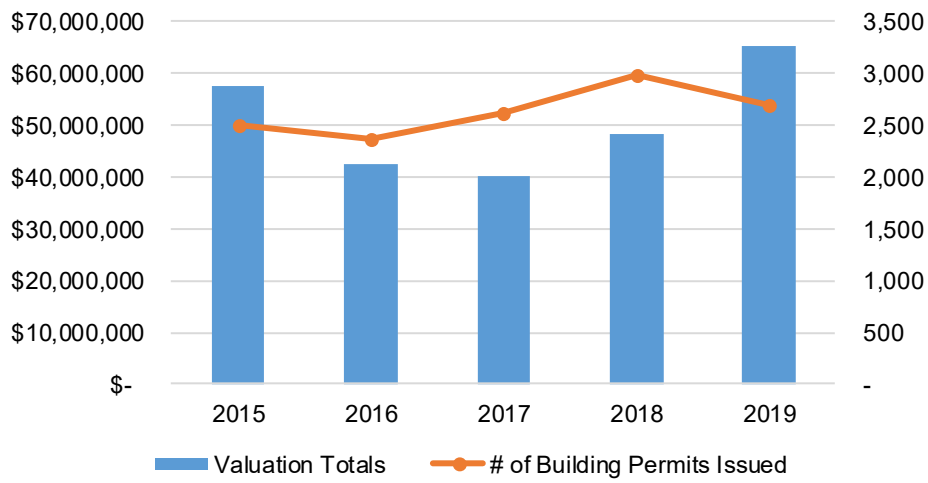




# City of White Bear Lake, Minnesota

## Summary of Revenue Sources and Assumptions for all Funds

### Building Permit History



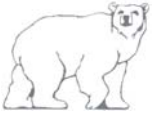
Intergovernmental – The State of Minnesota provides the City with a variety of shared revenue streams. Many of these revenues relate to General Fund operations and the City records these revenues in that fund.

Of the funding sources in this category, the primary support received is the state Local Government Aid (LGA). The state created the LGA program to stabilize the local property taxes and ensure that quality basic city services are available in all Minnesota cities, regardless of population or property tax base. LGA has been an important part of the City’s budget throughout the years. The City received notice in 2020 that the 2021 allocation will decrease \$254,000. Though initially, thought to be a one-time drop, further investigations reveals this might be the beginning of a shift in LGA funding to the City. Per information from the Minnesota Department of Revenue, White Bear Lake has an above average tax base growth that is coupled with a growing tax base per capita, in contrast with many of the other cities receiving LGA. In recent years, White Bear Lake’s unmet need calculated through the LGA formula went below the LGA amount and were it not for the 2019 legislative changes a reduction would have occurred in the City’s LGA distribution in 2020. The State capped the annual LGA reduction at \$10 per capita for pay year 2021.

As a conservative measure, the budgets for 2019 and 2020 had begun preparing for the possible reduction. For many years, the City budgeted a significant portion of LGA revenues to the General Fund to reduce reliance on property tax revenues. A philosophical change in the 2019 Budget reduced the uncertainty of the aid reductions by allocating a portion of the LGA to the Equipment Acquisition and Municipal Building Funds and moving the tax levies previously allocated to these two budgets to the General Fund to decrease its direct reliance on LGA for funding.

This planning mechanism worked well for the 2021 Budget. The General Fund budget anticipates full receipt of the LGA funding in an amount similar to 2020, while the Surface Water Pollution Prevention and Equipment Acquisition Fund budgets both eliminate the LGA funding stream for the year to recognize the reduction in aid. The fund will either reduce expenditures, bond for purchases or use fund balance for 2021 operations. The 2022 Budget will follow the thought process used to allocate LGA in the 2019 and 2020 Budgets. The General Fund will receive a lower LGA amount, which will increase the property tax levy, and the Equipment Acquisition and Municipal Building Funds will both receive a portion of the LGA funding. If the City’s LGA allocation continues to decline, the City will recognize the reduction in funding in either the Equipment Acquisition Fund or the Municipal Building Fund.

State Highway Aid is a portion of the state motor fuel excise tax distributed back to communities for highway maintenance and improvement. The City allocates \$797,000 or 68% of its 2020 allotment to the Interim



# City of White Bear Lake, Minnesota Summary of Revenue Sources and Assumptions for all Funds

Construction Fund to assist in financing a portion of the 2020-year's street reconstruction program. The State of Minnesota does not give final aid distribution amounts until January of the budget year; however, due to the COVID-19 pandemic and potential budget shortfalls they advised aid recipients to plan for a potential 15% reduction in the amount received in 2021. The City chose to absorb in the reduction in the Interim Construction Fund and maintain the funding level assigned to the General Fund at levels consistent with previous years.

A 2% surcharge in automotive insurance coverages fund the State Police Aid, which helps to finance pension obligations for police officers. Police Aid increases from previous year levels based on the actual funding received in 2020.

A 2% surcharge applied to liability insurance premiums on property within the White Bear Lake fire district supports the State Fire Aid. The City will no longer receive Fire Aid after 2018, as the White Bear Lake Fire Relief Association merged into the Statewide Volunteer Fire Fighter Retirement Plan administered by the Public Employees Retirement Association (PERA) effective January 1, 2019. The State will submit the Fire Aid payment related to the City of White Bear Lake directly to PERA in 2019 and future years.

Charges for Service - This category reflects contractual payments from surrounding communities for fire protection, inspection, and police services in the General Fund. In the Enterprise Funds, this category reflects collections from users of the funds providing the product or service.

The General Fund accounts reflect contractual payments for the following activities:

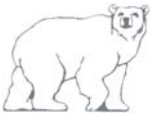
<u>Service</u>	<u>Community</u>
Fire	White Bear Township
Fire	Birchwood
Fire	Dellwood
Fire	Gem Lake
Police	Gem Lake
Fire Inspection	White Bear Township
Fire Inspection	Gem Lake
Building Inspection	Mahtomedi

The City began providing police service to the City of Gem Lake in 2018. The calculation of how the Public Safety contracts with other communities distribute the cost of operations and capital purchases depend on the service. Police costs distribute based on population, fire costs distribute based on a combination of taxable property value and population, and fire inspection costs distribute based on a predefined percentage.

The City bases inspection service charges on building activity within the two communities. Construction activity estimates the receipt of inspection service charges from Mahtomedi of \$140,000 in both 2020 and 2021.

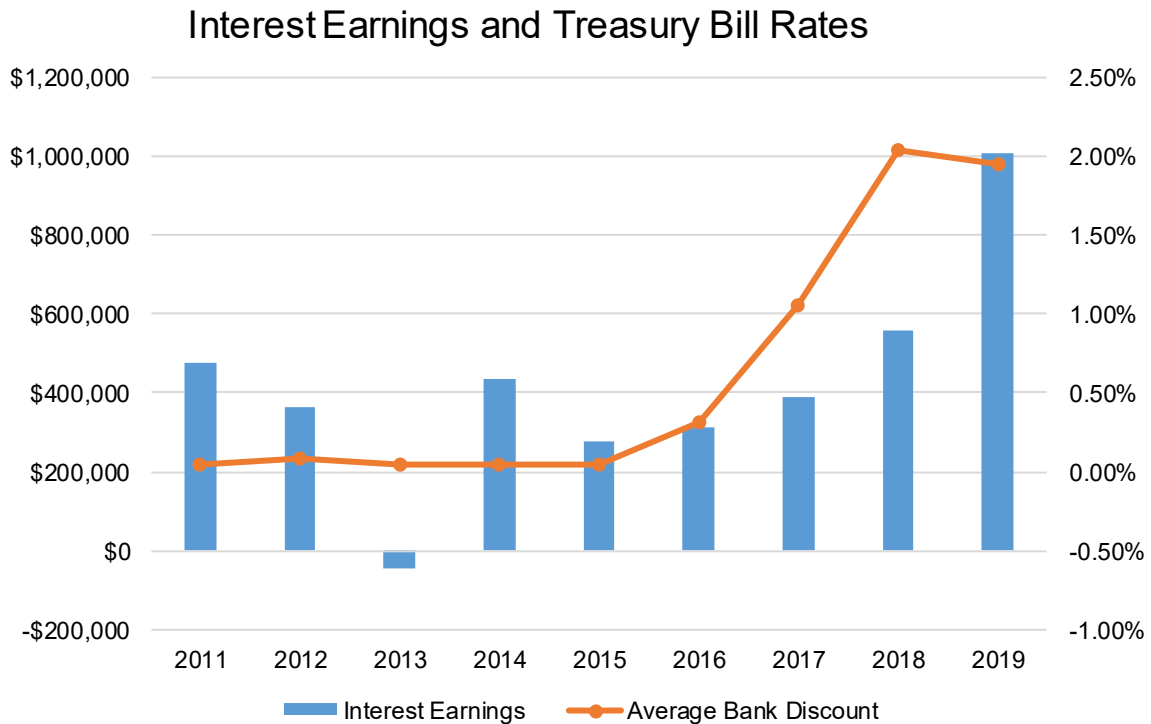
The City anticipates contract revenue from public safety and building inspection services to surrounding communities to increase proportionately based upon service delivery cost increases. Any fluctuation in inspection fees relates to building permit activity within the communities. A detailed service listing is provided in the General Fund discussion.

Interest Earnings – The budget allocates interest earnings to funds based on budgeted interest earnings. The City will distribute investment earnings exceeding budgetary appropriations to each fund based on an average cash balance in the fund for the year. The City's interest revenue depends on available rates when making the investments and on available cash balances.



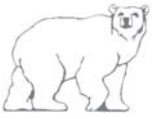
## City of White Bear Lake, Minnesota Summary of Revenue Sources and Assumptions for all Funds

The graph below shows the City's total interest earnings as compared to the average Treasury bill rate calculated from an average of quarterly rates of return from treasury.gov.



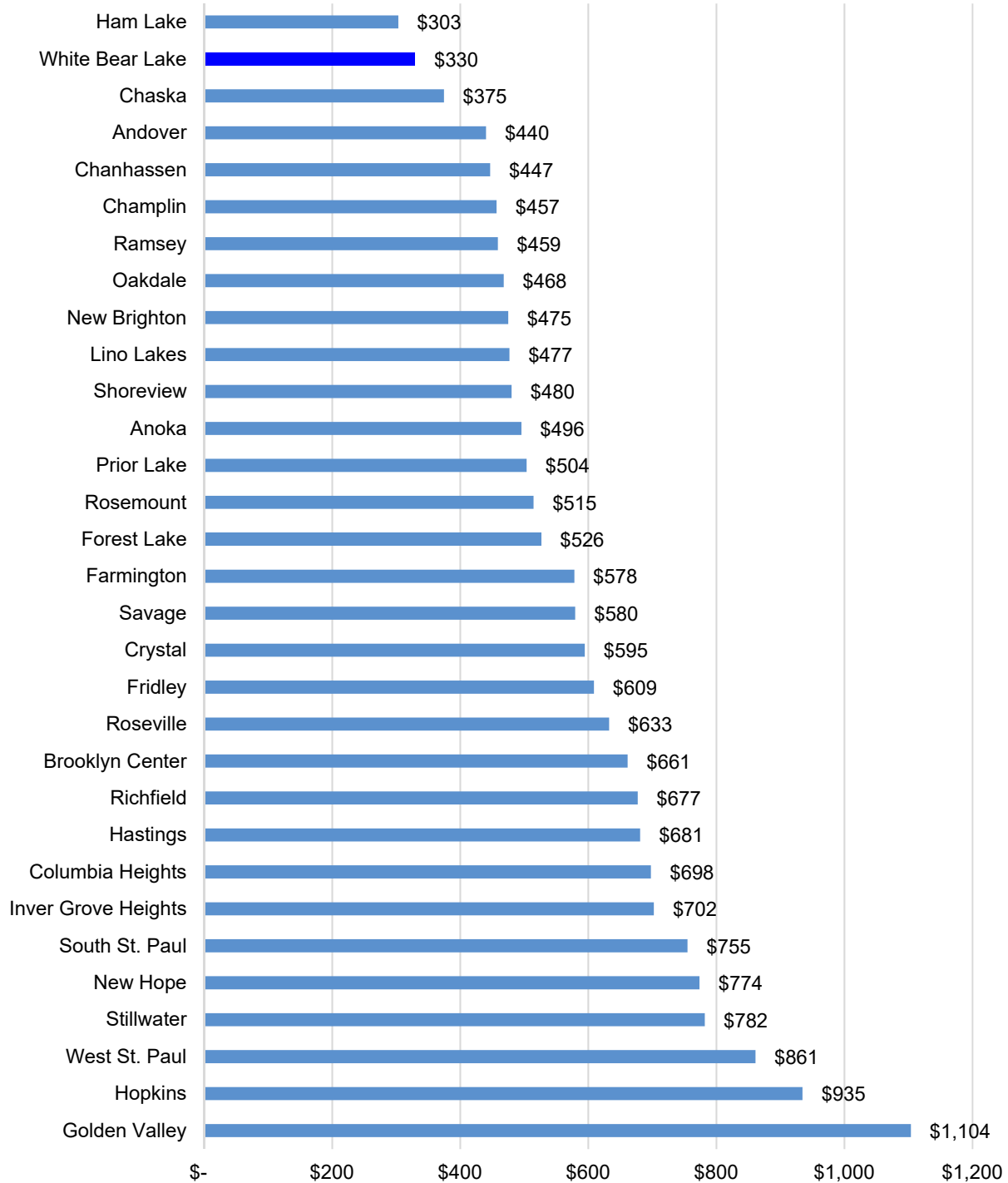
After experiencing a growing economy in recent years, the tide changed with the arrival of the COVID-19 pandemic in 2020. Records show 22 million jobs were lost in March and April. Companies did replace jobs in the six months following those two months; however, only about half of the jobs have filled and as the fourth quarter of the year arrives, there is a slowdown in job additions. The economy is still far from the pre-pandemic levels and many groups are pushing for federal government support to help the economy recover faster and stronger. Much is in limbo as the country prepares for the upcoming presidential election. With the state of the market in mind, the City conservatively estimated total interest earnings for both 2020 and 2021.

Other Revenues – This includes miscellaneous sources of revenue, which do not fit into any other categories. In the enterprise funds, they include the non-operating revenues of forfeited discounts, sale of scrap and surplus. The City does not budget for all of these revenues as they are not guaranteed each year; however, the expectation is actual revenues for 2020 and 2021 will remain consistent with previous year's experiences.



# City of White Bear Lake, Minnesota Summary of Revenue Sources and Assumptions for all Funds

## 2020 Tax Levy and Local Government Aid per Capita for Metro Cities with a Population Between 16,000 - 37,000



**City of White Bear Lake  
Tax Levy**

**Annual Budget**

Tax Levy Year	Total	General Levy	Debt Service			
			Municipal Facilities or Equipment Certificates	YMCA/Sports Center	Street Construction	Emerald Ash Borer
2011	\$ 4,666,000	\$ 4,468,000	\$ 66,000	\$ 132,000	\$ -	\$ -
2012	4,755,000	4,557,000	66,000	132,000	-	-
2013	4,755,000	4,557,000	-	198,000	-	-
2014	4,845,000	4,779,000	-	66,000	-	-
2015	4,927,000	4,795,000	-	132,000	-	-
2016	5,173,000	5,041,000	-	132,000	-	-
2017	5,625,000	5,493,000	-	132,000	-	-
2018	6,345,000	5,993,000	-	132,000	220,000	-
2019	6,908,000	6,450,000	-	132,000	301,000	25,000
2020	7,370,000	6,653,000	152,000	132,000	408,000	25,000

**City of White Bear Lake**  
**Property Tax Capacity Valuation & Rate**

**Annual Budget**

Item	Final			
	Property Value for Taxes Collectable in 2018	Property Value for Taxes Collectable in 2019	Property Value for Taxes Collectable in 2020	Property Value for Taxes Collectable in 2021
<b>Total Estimated Market Value</b>	<u>\$ 2,558,489,600</u>	<u>\$ 2,739,232,500</u>	<u>\$ 2,804,152,700</u>	<u>\$ 3,116,819,600</u>
<b>Taxable Property Value</b>				
Real estate	\$ 28,577,080	\$ 30,809,390	\$ 32,814,944	\$ 35,249,116
Personal property	<u>622,593</u>	<u>659,373</u>	<u>616,990</u>	<u>743,722</u>
Total property value	<u>29,199,673</u>	<u>31,468,763</u>	<u>33,431,934</u>	<u>35,992,838</u>
Tax increment project valuations	<u>(475,519)</u>	<u>(515,812)</u>	<u>(529,588)</u>	<u>(609,819)</u>
Subtotal - City	28,724,154	30,952,951	32,902,346	35,383,019
Fiscal disparity contribution	<u>(2,916,271)</u>	<u>(3,206,991)</u>	<u>(3,465,043)</u>	<u>(3,426,079)</u>
Net Tax Capacity Value	25,807,883	27,745,960	29,437,303	31,956,940
Fiscal disparity contribution	<u>3,725,181</u>	<u>3,966,912</u>	<u>4,137,333</u>	<u>4,297,376</u>
Total Tax Capacity	<u>\$ 29,533,064</u>	<u>\$ 31,712,872</u>	<u>\$ 33,574,636</u>	<u>\$ 36,254,316</u>
<b>Tax Capacity Rate</b>				
Levy	\$ 5,625,000	\$ 6,345,000	\$ 6,908,000	\$ 7,370,000
Fiscal disparity	<u>(706,621)</u>	<u>(756,030)</u>	<u>(835,344)</u>	<u>(886,963)</u>
Net Levy	<u>4,918,379</u>	<u>5,588,970</u>	<u>6,072,656</u>	<u>6,483,037</u>
Divide by net tax capacity	<u>25,807,883</u>	<u>27,745,960</u>	<u>29,437,303</u>	<u>31,956,940</u>
Tax Capacity Rate	<u>19.058%</u>	<u>20.143%</u>	<u>20.629%</u>	<u>20.287%</u>

**City of White Bear Lake**

**Annual Budget**

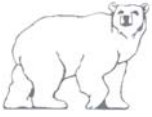
**Tax Capacity Rates and Market Value Rates for Direct and Overlapping Governments**

Tax Levy Year	Total	City	School District	County	Other
2009	88.88	15.30	19.40	46.55	7.64
2009*	0.17	-	0.17	-	-
2010	96.23	16.52	21.72	50.07	7.92
2010*	0.19	-	0.19	-	-
2011	103.26	17.71	22.52	54.68	8.36
2011*	0.24	-	0.24	-	-
2012	117.31	19.94	26.10	61.32	9.96
2012*	0.25	-	0.25	-	-
2013	125.34	21.45	28.56	65.14	10.19
2013*	0.26	-	0.26	-	-
2014	123.22	21.10	28.56	63.74	9.83
2014*	0.27	-	0.27	-	-
2015	115.13	20.37	26.66	58.92	9.18
2015*	0.24	-	0.24	-	-
2016	113.86	19.69	26.24	58.89	9.05
2016*	0.24	-	0.24	-	-
2017	106.85	18.97	23.48	55.85	8.56
2017*	0.23	-	0.23	-	-
2018	104.95	19.06	23.69	53.96	8.25
2018*	0.22	-	0.22	-	-
2019	107.42	20.19	26.08	52.88	8.27
2019*	0.23	-	0.23	-	-
2020	117.96	20.63	36.78	52.30	8.25
2020*	0.22	-	0.22	-	-
2021	113.00	20.29	37.19	47.71	7.82
2021*	0.22	-	-	-	-

\* Additional voter approved levy. Voter approved referendums are levied against market value rather than tax capacity value of the taxing authority.

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# City of White Bear Lake, Minnesota

## How to Calculate Your Residential Property Taxes Payable

The assessor determines the estimated market value and classification of your property on January 2<sup>nd</sup> of each year. The estimated market value does not directly affect your property tax bill. Instead, the taxable market value is used to calculate how much of the levy you will pay.

The assessor classifies your property according to how it is used (homestead, apartment, commercial-industrial, etc.). Each class of property is taxed at a different percentage of its value. These classification (class) rates are set by state law. Different class rates may result in some types of property paying a greater share of local property taxes than others. For example, commercial properties typically pay more than residential homesteads.

Statutory Class Rates		
Property Class	Market Value	Taxable Valuation
Residential	First \$500,000	1.00%
	Excess over \$500,000	1.25%
Apartments	N/A	1.25%
Commercial	First \$150,000	1.50%
	Excess over \$150,000	2.00%

The chart below demonstrates how the estimated market value is used to calculate property taxes payable in 2021 for a residential homestead.

How to Calculate Your Residential Property Taxes Payable in 2020		
	Instructions:	Example:
<b>Step 1: Determine Home Market Value</b>	This is the estimated market value that the Assessor has assigned to the property. You can find this amount in the Valuation Notice sent out by Ramsey County for 2019 values for taxes payable in 2020.	\$250,000
<b>Step 2: Calculate the Market Value Homestead</b>	A. Maximum Exclusion: multiply the first \$76,000 of taxable market value by 40% B. Value over \$76,000: taxable market value less \$76,000 C. Benefit reduction amount: B x 9% D. Homestead exclusion amount: A - C*	A. \$76,000 x 40% = \$30,400 B. \$250,000 - \$76,000 = \$174,000 C. \$174,000 x 9% = \$15,660 D. \$30,400 - \$15,660 = \$14,740
<b>Step 3: Calculate the Taxable Market Value</b>	Subtract the homestead exclusion amount calculated in Step 2D (rounded to the nearest 100) from your home market value in Step 1	\$250,000 - \$14,740 = \$235,260 (rounded up to \$235,300)
<b>Step 4: Calculate the Tax Capacity</b>	Multiply the taxable market value calculated in Step 3 by the statutory class rates for residential homestead property: A. Multiply the first \$500,000 of taxable market value by 1.00% B. Multiply the remainder of the taxable market value by 1.25% C. A + B = total tax capacity	A. \$235,300 x 1.00% = \$2,353 B. \$0 x 1.25% = \$0 C. \$2,353 + 0 = \$2,353
<b>Step 5: Calculate the Tax Capacity Tax</b>	Multiply the tax capacity of the property calculated in Step 4 by the City's tax capacity rate. The total tax capacity rate in tax year 2020 for the City is 20.51%, as noted on the previous page.	\$2,353, x 20.51% = \$482.60
<b>Residential Property Taxes Payable in 2020</b>	This amount is the total residential property taxes payable in 2020 for the City of White Bear Lake. This does not include the property taxes payable to the School District, County, or other taxing entities.	<b>\$482.60</b>

\*For a homestead valued at \$413,800 or more, there is no valuation exclusion.

**City of White Bear Lake  
2021 Budget Summary**

**Annual Budget  
All Funds**

Item	2018 Actual	2019 Actual	2020 Adopted	2020 Revised	2021 Budget
<b>Revenues</b>					
General property taxes	\$ 5,579,394	\$ 6,248,634	\$ 6,775,068	\$ 6,784,825	\$ 7,386,500
Tax increment	523,062	589,052	449,000	561,210	475,745
Special assessments	1,405,265	1,448,466	877,200	952,407	918,132
Licenses and permits	775,165	880,240	758,300	585,765	763,850
Franchise fees & fines	386,926	417,216	418,000	348,564	363,000
Intergovernmental	4,206,916	3,672,622	3,444,201	6,127,081	2,930,154
Charges for services	9,458,074	10,370,713	10,786,440	9,924,829	10,795,454
Interest on investments	391,126	756,068	199,825	326,470	317,081
Rental income	1,620,553	1,681,095	1,667,800	1,632,113	1,682,900
Loan repayments	470,770	565,337	72,500	60,500	72,500
Bond sale	9,247,580	2,092,363	4,725,000	4,842,713	5,395,000
Reimbursements	2,935,521	3,175,390	3,460,938	3,364,081	3,475,945
Miscellaneous	2,420,537	1,781,715	1,307,990	1,351,773	699,140
Total operating revenues	<u>39,420,889</u>	<u>33,678,911</u>	<u>34,942,262</u>	<u>36,862,331</u>	<u>35,275,401</u>
Transfers in	<u>3,808,466</u>	<u>4,154,817</u>	<u>2,785,900</u>	<u>5,694,896</u>	<u>2,583,400</u>
Total revenues	<u>43,229,355</u>	<u>37,833,728</u>	<u>37,728,162</u>	<u>42,557,227</u>	<u>37,858,801</u>
<b>Expenditures</b>					
Personnel services	13,583,338	15,178,600	16,721,224	15,960,294	16,704,354
Materials and supplies	1,474,549	1,063,277	1,212,971	2,006,117	1,250,396
Other services and charges	9,813,333	8,350,117	8,981,179	9,034,095	8,987,524
Capital outlay	11,269,057	6,152,048	9,557,750	7,028,713	10,160,980
Debt service	893,521	1,132,551	1,221,055	1,221,055	1,370,027
Total expenditures	<u>37,033,798</u>	<u>31,876,593</u>	<u>37,694,179</u>	<u>35,250,275</u>	<u>38,473,281</u>
Transfers out	<u>3,843,476</u>	<u>5,754,817</u>	<u>2,808,400</u>	<u>5,711,365</u>	<u>2,491,900</u>
Total expenditures and transfers out	<u>40,877,274</u>	<u>37,631,410</u>	<u>40,502,579</u>	<u>40,961,640</u>	<u>40,965,181</u>
Revenues over (under) expenditures	<u>2,352,081</u>	<u>202,318</u>	<u>(2,774,417)</u>	<u>1,595,587</u>	<u>(3,106,379)</u>
Reserve adjustment (to) from	<u>(930,975)</u>	<u>321,125</u>	<u>(123,500)</u>	<u>(884,175)</u>	<u>317,500</u>
Fund balance, January 1	<u>25,885,942</u>	<u>27,307,048</u>	<u>24,609,614</u>	<u>27,830,492</u>	<u>28,541,904</u>
Fund balance, December 31	<u>\$ 27,307,048</u>	<u>\$ 27,830,492</u>	<u>\$ 21,711,697</u>	<u>\$ 28,541,904</u>	<u>\$ 25,753,025</u>
Reserves	<u>4,700,667</u>	<u>4,379,542</u>	<u>4,459,167</u>	<u>5,263,717</u>	<u>4,946,217</u>
Total fund balance and reserves, December 31	<u>\$ 32,007,715</u>	<u>\$ 32,210,034</u>	<u>\$ 26,170,864</u>	<u>\$ 33,805,621</u>	<u>\$ 30,699,242</u>

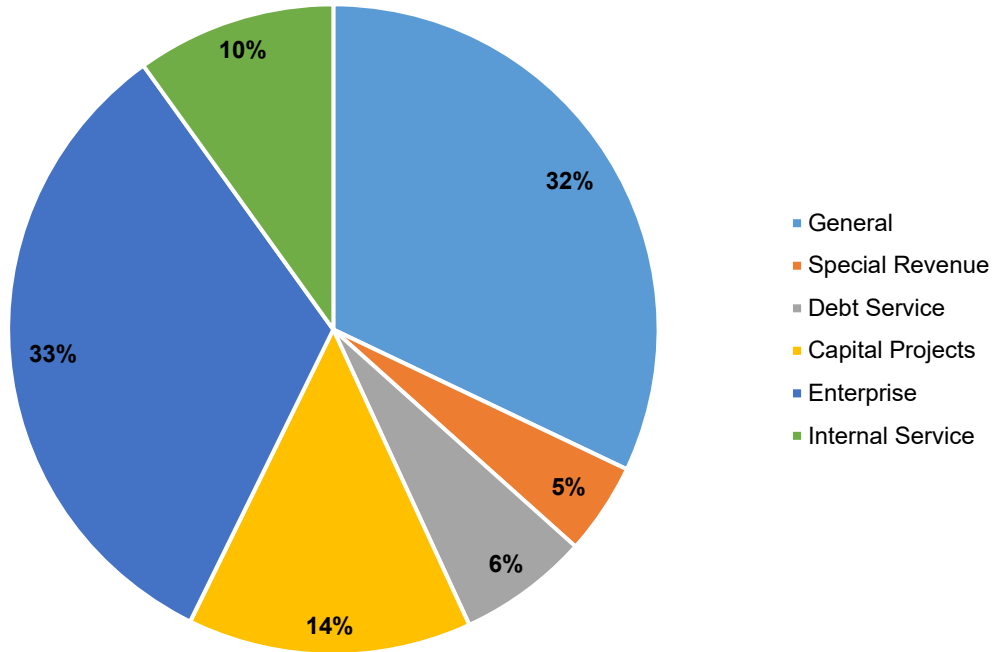
**City of White Bear Lake  
2021 Budget Summary**

**Annual Budget  
By Fund Type**

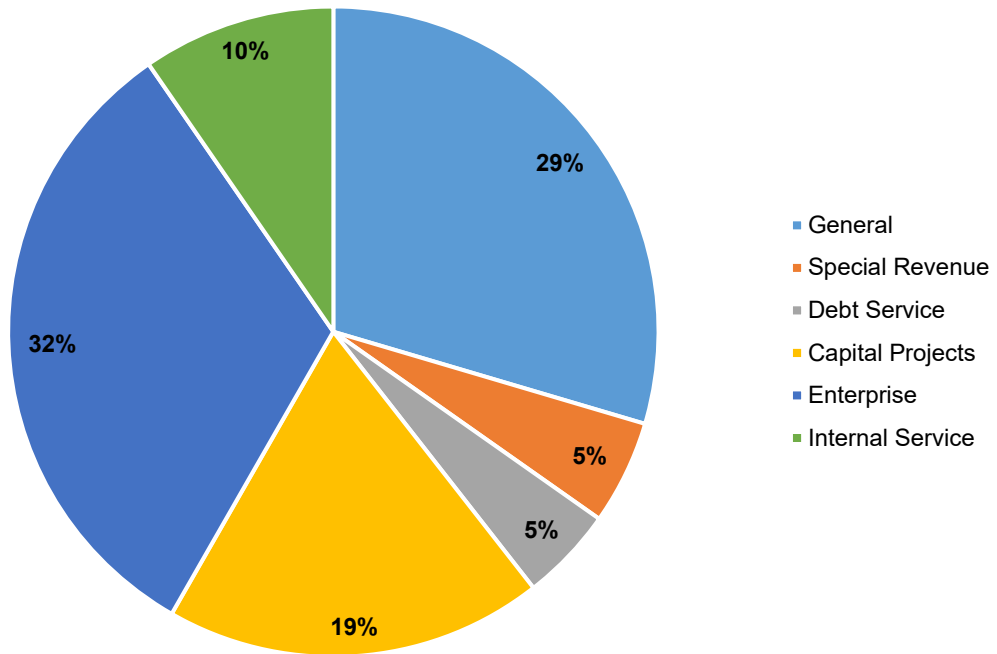
<b>Fund Description</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Budget</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Revenue</b>					
General	\$ 10,283,893	\$ 11,983,883	\$ 11,935,215	\$ 13,340,593	\$ 12,142,468
Special Revenue	2,082,328	1,908,808	2,108,690	3,493,574	1,724,205
Debt Service	2,794,077	3,412,757	1,968,810	2,016,949	2,461,857
Capital Projects	15,550,909	6,265,333	7,482,125	7,650,500	5,346,829
Enterprise	9,096,592	10,350,221	10,302,954	12,094,766	12,425,067
Internal Service	3,421,556	3,912,726	3,930,368	3,960,846	3,758,375
Total revenue	<u>43,229,355</u>	<u>37,833,728</u>	<u>37,728,162</u>	<u>42,557,227</u>	<u>37,858,801</u>
<b>Expenditures</b>					
General	10,115,006	10,846,574	11,934,398	13,269,468	12,115,591
Special Revenue	1,768,794	2,545,482	2,156,506	3,262,127	2,124,614
Debt Service	3,071,605	3,769,037	1,951,405	2,025,739	1,917,497
Capital Projects	13,720,676	7,182,758	9,971,960	6,891,632	7,716,640
Enterprise	8,995,601	9,418,905	10,575,885	11,744,845	13,151,414
Internal Service	3,205,592	3,868,654	3,912,425	3,767,829	3,939,425
Total expenditures	<u>40,877,274</u>	<u>37,631,410</u>	<u>40,502,579</u>	<u>40,961,640</u>	<u>40,965,181</u>
Revenues over (under) expenditures	<u>2,352,081</u>	<u>202,318</u>	<u>(2,774,417)</u>	<u>1,595,587</u>	<u>(3,106,379)</u>
Reserve adjustment (to) from	<u>(930,975)</u>	<u>321,125</u>	<u>(123,500)</u>	<u>(884,175)</u>	<u>317,500</u>
Fund balance January 1	<u>25,885,942</u>	<u>27,307,048</u>	<u>24,609,614</u>	<u>27,830,492</u>	<u>28,541,904</u>
Fund balance December 31	<u>\$ 27,307,048</u>	<u>\$ 27,830,492</u>	<u>\$ 21,711,697</u>	<u>\$ 28,541,904</u>	<u>\$ 25,753,025</u>
Reserves	<u>4,700,667</u>	<u>4,379,542</u>	<u>4,459,167</u>	<u>5,263,717</u>	<u>4,946,217</u>
Total fund balance and reserves, December 31	<u>\$ 32,007,715</u>	<u>\$ 32,210,034</u>	<u>\$ 26,170,864</u>	<u>\$ 33,805,621</u>	<u>\$ 30,699,242</u>

# 2021 Budget by Fund Type

Total Revenues \$37,858,801



Total Expenditures \$40,965,181



**City of White Bear Lake  
Personnel Services Staffing Summary**

**Annual Budget  
Full-Time Equivalent Positions**

	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>General Fund</b>					
General Government					
Legislative	6.50	6.50	6.50	6.50	6.50
Administration	2.50	2.50	2.50	2.50	2.50
Finance	5.00	5.00	5.00	5.00	5.00
City Hall	2.00	2.00	2.00	2.00	2.00
Planning	3.00	3.00	3.00	3.00	3.00
Total General Government	19.00	19.00	19.00	19.00	19.00
Public Safety					
Police	32.40	35.65	35.65	36.95	36.95
Fire (1)	56.75	9.10	10.20	9.30	9.50
Dispatch (2)	2.75	-	-	-	-
Building & Code	6.00	6.00	6.00	6.00	6.00
Total Public Safety	97.90	50.75	51.85	52.25	52.45
Public Works					
Engineering (3)	6.00	6.00	6.00	5.00	5.50
Public Works Facility	0.90	0.90	0.90	0.90	0.90
Streets	4.00	4.00	4.00	4.00	4.00
Parks	6.00	6.00	6.00	5.00	5.00
Central Garage	1.00	1.00	1.00	1.00	1.00
Total Public Works	17.90	17.90	17.90	15.90	16.40
Total General Fund	134.80	87.65	88.75	87.15	87.85
<b>Special Revenue Funds</b>					
Armory	0.35	0.35	0.35	0.35	0.35
Surface Water	0.50	0.50	0.50	0.50	1.00
Sports Center	4.15	4.15	4.15	4.10	4.20
Economic Development	1.50	1.50	1.50	1.65	1.15
Total Special Revenue Funds	6.50	6.50	6.50	6.60	6.70
<b>Enterprise Funds</b>					
Water Distribution	2.55	2.55	2.55	2.55	2.55
Water Treatment	2.15	2.15	2.15	2.15	2.15
Sewer	4.40	4.40	4.40	4.40	4.40
Ambulance (1)	24.25	31.90	35.80	32.70	33.50
Licensing (4)	11.30	12.80	12.80	9.20	8.60
Total Enterprise Funds	44.65	53.80	57.70	51.00	51.20
Total	185.95	147.95	152.95	144.75	145.75
Total Full Time Equivalent					
Firefighters (Volunteer/Paid-on-call)	55.00	5.00	6.00	5.20	5.40
Ambulance support (Paid-on-call)	10.50	20.00	24.00	20.80	21.60
Mayor & Council	6.00	6.00	6.00	6.00	6.00
Total	185.95	147.95	152.95	144.75	145.75

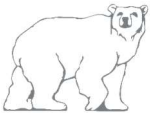
All positions are presented as full-time equivalent except for Mayor & Council which are part time and Firefighters (paid-on-call), and ambulance paid-on-call support who are considered volunteers.

(1) In 2019, the City combined the firefighter and paramedic positions to allow staff to respond to either a fire or an ambulance call while on duty. The budget allocates 80% of firefighters/paramedics to the Ambulance Fund and 20% to the Fire Department in 2020. This staffing change, combined with hiring four new full-time firefighters/paramedics, caused a significant decrease in fire paid-on-call

(2) Dispatch services were transitioned to Ramsey County during 2018. In 2019, the city chose not to fill a vacancy in one position, and the remaining position was moved to the Police Department budget to better align the employee costs to the business function of the position responsibilities.

(3) In 2019, the City moved the Engineering Department from an Internal Service Fund to the General Fund. All data for the years before the switch is shown under the General Fund to improve comparisons.

(4) The City laid off three License Bureau employees in May 2020 due to a decrease in workload and related revenue caused by the COVID-19 pandemic.

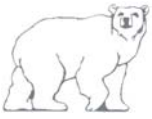


The 2019-2022 Strategic Plan is one of many strategic documents that were used as a guide in the preparation of the City's annual budget. The Strategic Plan serves as a road map to prioritize the initiatives, resources, goals, and department operations and projects. The major themes (or strategic priorities) identified through this planning process include:

- Financial sustainability
- Clear community vision
- Reliable, high quality infrastructure
- Focused redevelopment
- Modern operating systems
- Talented and engaged workforce

To successfully address the strategic priorities and achieve intended outcomes, the City has established a set of strategic initiatives. The strategic initiatives are broadly defined, but narrowly focused activities that are aligned with the priorities. Below is a summary of the City's Strategic Plan.

Strategic Priority	Desired Outcome	Strategic Initiatives
Financial sustainability	<ol style="list-style-type: none"> <li>1. Decrease reliance on taxes in General Fund</li> <li>2. Clear picture of long-term financial position</li> <li>3. Stable enterprise fund balances</li> </ol>	<ol style="list-style-type: none"> <li>1. Complete utility rate study</li> <li>2. Develop the financial management plan</li> <li>3. Evaluate fees and charges</li> <li>4. Coordinate long-range financial planning with other taxing jurisdictions</li> </ol>
Clear community vision	<ol style="list-style-type: none"> <li>1. City's strategic vision is aligned with citizen expectations</li> <li>2. City's strategic vision is responsive to the needs of community stakeholders</li> <li>3. Staff performance is aligned with the City's vision and values</li> </ol>	<ol style="list-style-type: none"> <li>1. Engage partners and outside stakeholders in development of Community Vision</li> <li>2. Develop a communication and feedback system</li> <li>3. Develop staff performance metrics around vision and values</li> </ol>
Reliable, high quality infrastructure	<ol style="list-style-type: none"> <li>1. Improvement in water treatment/conveyance systems</li> <li>2. Facilities that meet our needs</li> <li>3. Completion of an asset management and funding plan by 12/31/2021</li> </ol>	<ol style="list-style-type: none"> <li>1. Complete space needs analysis</li> <li>2. Conduct an inventory and condition study/ review</li> <li>3. Develop an asset management plan</li> </ol>
Focused redevelopment	<ol style="list-style-type: none"> <li>1. A vibrant County Road E corridor</li> <li>2. A housing stock that serves older and younger buyers</li> <li>3. Be prepared for the Bus Rapid Transit services coming to the City (jobs, infrastructure, housing, parking, bus connections)</li> </ol>	<ol style="list-style-type: none"> <li>1. Complete comprehensive housing analysis</li> <li>2. Facilitate targeted redevelopment along County Road E corridor</li> <li>3. Explore community land bank opportunities</li> <li>4. Examine neighborhood stabilization opportunities</li> </ol>
Modern operating systems	<ol style="list-style-type: none"> <li>1. Improved technology efficiency in three areas: Geographic Information System (GIS), Police, and Fire</li> <li>2. Increased response time targets</li> <li>3. Broad and responsive community systems</li> </ol>	<ol style="list-style-type: none"> <li>1. Implement GIS</li> <li>2. Draft a mobile technology strategy</li> <li>3. Establish processing response time benchmarks and performance measurements</li> <li>4. Conduct communications audit and develop strategies</li> </ol>
Talented and engaged workforce	<ol style="list-style-type: none"> <li>1. Satisfied employees</li> <li>2. Well-trained work force</li> <li>3. Adequate staffing levels comparable to peer cities where appropriate</li> </ol>	<ol style="list-style-type: none"> <li>1. Conduct employee survey</li> <li>2. Create performance standards</li> <li>3. Strengthen annual performance review and goal setting process</li> <li>4. Conduct staffing review using comparable cities</li> <li>5. Establish annual staff development program</li> <li>6. Develop employee engagement strategy</li> </ol>



The City began developing its first long-term financial management plan in 2017. The plan allows the City to project expected revenues and expenditures to help anticipate financial requirements. The City updates this document in conjunction with the Capital Improvement Plan.

Revenues and expenditures in the plan are forecasted over a 10-year period. The forecast is adjusted as each year's final results are known and as new years are budgeted. It only assumes known decisions and does not presume future decisions of the Council.

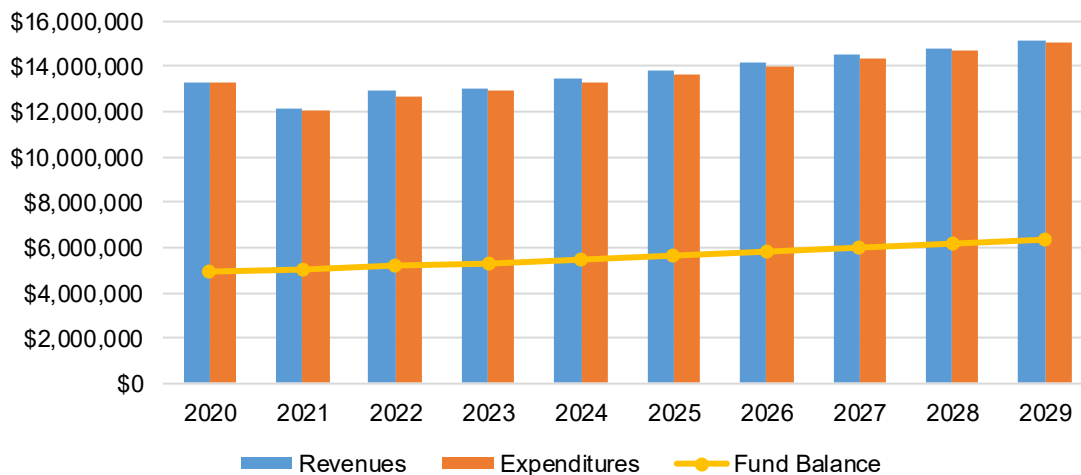
Items impacting the long-term financial management plan include:

- Current financial position (fund balances)
- Debt burden
- Regulatory environment
- Condition of existing capital assets
- Growth trends, inflation, and City objectives

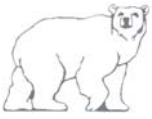
The plan also reflects that the population will continue to remain stable over the next 10 years as the City is a primarily built-out community with few undeveloped sites left.

In the General Fund, annual expenditures are projected to increase by 2.5% per year, interest earnings are projected to increase by 1.5%, and all other non-property tax revenues are projected to increase by 2.0%. The property tax levy each year is calculated by taking the difference between the expenditures and non-property tax revenues and other financing sources. According to policy, the City is to maintain a minimum unassigned fund balance of one-half the City's General Fund major revenue sources, which are property taxes, local government aid, and police state aid.

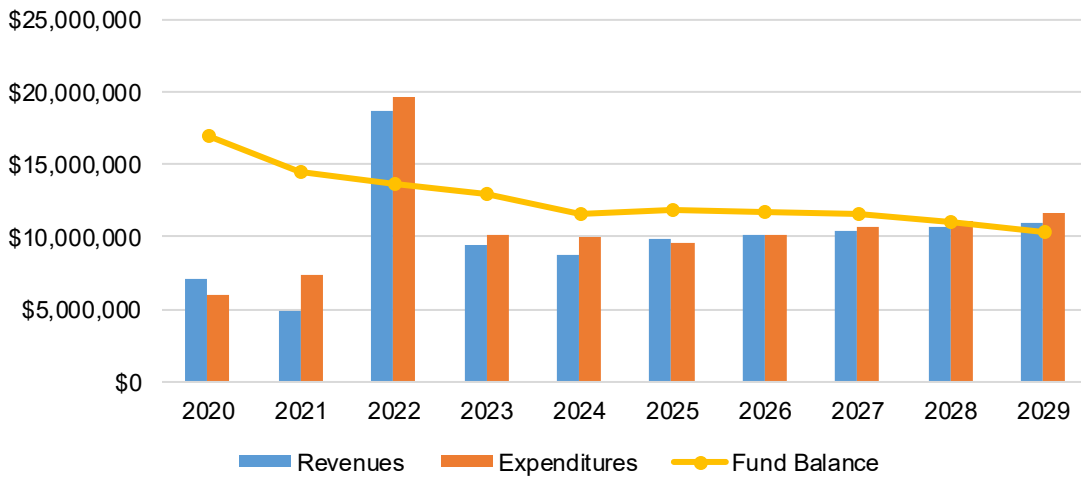
## General Fund



The capital project funds in the financial management plan are the Equipment Acquisition, Municipal Building, Park Improvement, Community Reinvestment, and Interim Construction Funds. For each of these funds, annual operating expenditures are projected to increase by 2.5% per year, capital expenditures are projected to increase by 3.5%, interest earnings are projected to increase by 1.5%, and all other non-property tax revenues are projected to increase by 2.0%. The large spike in 2022 occurs within the Municipal Building Fund, which expects approximately \$10,500,000 for an expansion to the Public Safety Facility. The City intends to bond for this project.

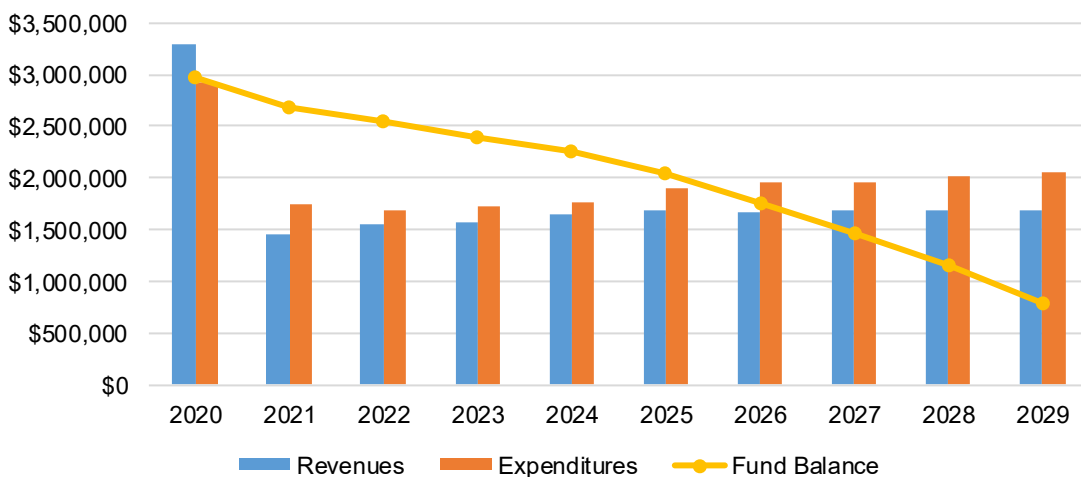


### Capital Project Funds



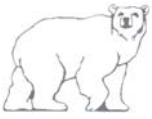
The special revenue funds included in the financial management plan are the Surface Water, Marina, Sports Center and Economic Development Funds. For funds, capital expenditures are projected to increase by 3.5% each year, personnel expenditures are projected to increase 3.0%, operating expenditures are projected to increase by 2.5%, interest earnings are projected to increase by 1.5%, and all other non-property tax revenues are projected to increase by 2.0%. The City currently does not levy property taxes for the Sports Center Fund, but beginning in 2022, the financial management plan projects that the City will begin levying. Similarly, the City currently does not levy property taxes in the Economic Development Fund, but is projected to do so beginning in 2024. The fund balance begins to decrease in 2021 due to a planned increase economic development spending.

### Special Revenue Funds

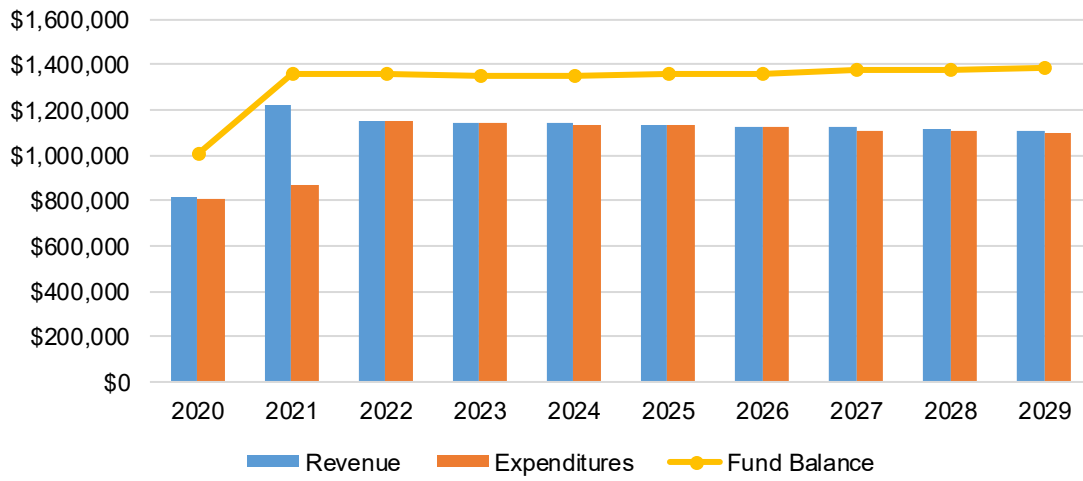


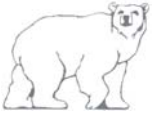
The debt service funds included in the financial management plan are the 2018A GO Bond, 2018B GO Tax Abatement Bond, 2019A GO Bond and the 2020A GO Bond Funds. The fund balance goal in these funds is 105% of the next year's debt payment. Revenues projected include special assessments and property taxes.





### Debt Service Funds





# City of White Bear Lake, Minnesota

## 2021 Annual Budget – Capital Improvement Plan

The City's Capital Improvement Plan (CIP) allows for the prioritization of projects that maximize public investment and avoid duplication, waste, and conflict while meeting safe standards and public expectations. By looking at future needs, the City is better able to find funding sources to fill the gaps and to coordinate projects with other jurisdictions. The capital investments vary in type and value, but each is important to the department making the purchase. The 2020-2021 approved capital purchases are incorporated into the budget for all departments.

Capital expenditures for the City of White Bear Lake include the replacement of vehicles, equipment, building repairs, and infrastructure improvements that have an initial value of at least \$500 and a useful life of at least two years.

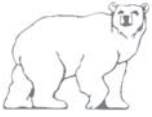
Departments evaluate the need for CIP projects and submit their proposed requests in February of each year. In late-February, the City Manager and Finance Director discuss the proposed requests with each department and prepare a draft CIP. In early-March, the City Council holds a CIP workshop, followed by the approval of the CIP in late-March.

Purchases or projects included in this budget document as capital expenditures have justifiable cost estimates. An evaluation of each individual item or project occurs before purchase to confirm the continued need and review an updated cost. Once approved, the departments complete the purchase.

Capital improvement projects can generate future operating budget costs associated with debt service and changes to operations to support new or renovated facilities (such as maintenance, utilities, and additional staffing). A capital improvement project may also increase revenues or add additional cost savings (such as more efficient energy savings or lower maintenance and repairs). Operating impacts of the City's CIP are included in the CIP discussion on the following pages for significant, non-recurring projects.

### Reconciliation of Total CIP in the Budget to the CIP Document

2020-2021 total per the Capital Improvement Plan	\$ 17,189,693
Total CIP in budget document:	
Ambulance Fund	-
Economic Development Fund	367,207
Equipment Acquisition Fund	3,317,205
Interim Construction Fund	6,634,312
Marina Fund	24,672
Municipal Building Fund	718,050
Park Improvement Fund	609,100
Pioneer Manor Fund	453,000
Sewer Fund	1,143,447
Water Fund	3,922,700
 Total	 \$ 17,189,693



## City of White Bear Lake, Minnesota 2020 Annual Budget – Capital Improvement Plan Discussion

### **Ambulance Fund (Business Unit 5252)**

The City intends to replace the 2010 Ford E450 in 2022 and the 2012 Road Rescue E450 in 2024. The department typically uses four ambulances in its operations, with two ambulances stored at each fire station. The department primarily functions with three units, using the fourth oldest unit when there are four simultaneous calls for service, or if one of the main units is out of service for maintenance.

### **Economic Development Fund (Business Unit 4242)**

The City allocated \$212,707 in 2020 for the purchase of a duplex. Ultimately, the City intends to use the land to provide a small parking area for the Downtown Rush Line station that is anticipated to be constructed in the City in 2024. In the interim, the City is using a property management company to rent both units to households earning no more than 50% of Area Median Income at a rent level deemed to be affordable to such a household per Met Council guidelines regarding housing affordability as an interim use before the station is complete.

- **Operating Budget Impact** – The property management company hired by the City adds operating costs of approximately \$500 per month, or \$6,000 per year. Maintenance costs are included in this amount. The City receives approximately \$1,205 per month in rent (after factoring in the property management fee and variable maintenance costs), or \$14,460 per year.

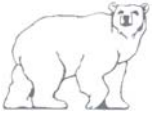
The City owns Bellaire Center, which is home to a rental property with two retailers, a dance center, and a Montessori school. The CIP includes \$87,000 of funds set aside in 2021 for parking lot repairs, lighting improvements, and a roof safety railing.

The Plan earmarked \$100,000 in funds over 2021 and 2022 to construct city entrance monuments at two key areas in the southern section of the City.

### **Equipment Acquisition Fund (Business Units 4102-4119)**

The Equipment Acquisition portion of the CIP details the capital equipment funds set aside for general government departments. The departments with significant capital equipment requests are discussed below.

- **Building (4104)** – The Building department has budgeted \$71,000 in 2020 and 2021 for vehicle replacement. The vehicles to be replaced include one 2006 Ford F150 and one 2007 Ford F150.
- **City Hall (4102)** – Routine computer and office equipment replacements are budgeted at a total of \$262,000 over the next five years. Computer licensing and server expenditures are budgeted at \$99,000 over the same time period. In 2020, the City updated City Hall security by installing key card access and a new security system for \$14,250. The City also budgeted \$30,000 in 2020 for a legal review and update to the City's existing codes. In 2021, \$20,000 is allocated for maintenance of the City's document management system. \$25,000 is set aside in 2022 for City Hall's meeting room conference equipment and monitors, and an additional \$15,000 is set aside in 2023 for an update to the City Hall's lunchroom.
- **Engineering (4105)** – The Engineering department budgeted \$35,000, \$45,000, and \$35,000 in 2021, 2022, and 2023, respectively, for the replacement of vehicles. An additional \$80,000 is set aside in 2020 and 2021 for the rehabilitation of the communication towers.
- **Fire (4109)** – The replacement of three fire engines are the most significant requests in the Fire CIP for a total of \$1,725,000 over the five years shown. Approximately \$66,100 was also budgeted over the same time period for 800MHZ radios and exercise equipment.
- **Parks (4107)** – The majority of CIP requests for the Parks department are for vehicle purchases or replacements. The Plan includes \$180,000 for the purchase water tanker truck and garbage/multi-use truck in 2021, \$40,000 for the replacement of a sidewalk sweeper in 2022, \$55,000 for the replacement of a ¾ ton pickup with a plow in 2023, and \$155,000 for the replacement of another ¾ ton pickup with a plow and a 1.5 ton dump truck with a plow in 2024.
- **Police (4108)** – The Police department includes \$805,000 over the life of the CIP for police squad car replacements. Currently, the Police department replaces three cars per year, but it is their goal to begin replacing four cars per year by 2023. The remainder of the Police department CIP includes the replacement of computers and office equipment budgeted at \$42,000 for 2020-2024, body and squad cameras budgeted for a total of \$218,000, and 800MHZ portable radios, squad laptop computers, and other miscellaneous equipment budgeted for a total of \$387,000.



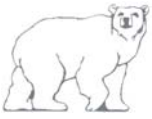
## City of White Bear Lake, Minnesota 2020 Annual Budget – Capital Improvement Plan Discussion

- **City-wide Improvements (4116)** - \$120,000 has been earmarked in 2021-2024 for security upgrades and improvements at the Water Treatment Plant, Public Works Facility, and City Hall. The City also set aside \$25,000 each year from 2021-2024 for a general maintenance contingency.
- **Public Works (4118)** – The City allocated \$240,000 in 2024 for a gasoline pump station and a floor scrubber.
- **Sports Center (4119)** – The Sports Center CIP includes \$115,000 budgeted for the replacement of a Zamboni in 2020 and 2021. This would replace the current Zamboni, a 2002 Olympia Ice Resurfacers. \$30,000 is also included in the plan for a fiber optic connection in 2021.
- **Streets (4106)** – The Streets department has budgeted for the replacement of several large vehicles and equipment over the next five years, including four dump trucks, a John Deere loader, a Bobcat loader, a street sweeper, and a trackless sidewalk plow. The department has also set aside funds for the replacement of other smaller vehicles and equipment including two ¾-ton pick-up trucks, a paver unit, a Wildcat snow blower, and several plows.

### **Construction Fund (Business Units 4402-4599)**

The Interim Construction Fund portion of the CIP details the funds allocated for projects relating to street rehabilitation, sidewalks, trails, and traffic signals.

- **General Expenditures** - The City maintains decorative streetlights for the downtown area, along Lake Avenue, and in the median of County Road 96. The CIP has allocated \$105,000 over 2021 and 2022 to replace aging street lights and implement the use of LED lighting to save energy and reduce monthly electrical costs. Another \$25,000 has been set aside in 2022 for decorative light pole painting. The CIP also sets aside approximately \$227,000 over the life of the plan for retaining wall improvements/replacements at the City's parks.
- **Emerald Ash Borer** – The Emerald Ash Borer is an invasive beetle that is one of the most destructive and costly forest insects in urban forest history. Proper treatment and prevention can protect healthy ash trees. The Emerald Ash Borer program budgets \$121,000 over the life of the CIP for Emerald Ash Borer prevention and treatment of the City's ash trees.
- **Crack Sealing and Sealing Coating** – Crack sealing prevents moisture from infiltrating the pavement, which weakens the structural subsurface layers of the road and causes pavement deterioration. In correlation with sealcoating, this work prolongs the life of a pavement that is structurally sound but beginning to age and show some surface distress. The City's plan provides for crack sealing and seal coating of a street every five to seven years. Approximately \$429,000 has been budgeted for crack sealing over the life of the CIP. The plan allocates approximately \$1,133,000 for seal coating between the years of 2020-2024.
- **Street Reconstruction Projects:**
  - **Mill and Overlay Improvements** – The Mill and Overlay Rehabilitation Program removes the top 2 inches of asphalt off the existing damaged road surface and then applies a new layer of asphalt, creating a smooth, even driving surface, which extends the overall life of the road. The City's plan provides for a mill and overlay process in the 20<sup>th</sup> – 25<sup>th</sup> year of the street's life cycle. Mill and overlay improves the condition of the City's streets, and is less expensive than street reconstruction. Miles of streets rehabilitated each year varies – as of 2019, 16%, or 14 miles, of streets have been completed city-wide since 2011. In 2020-2024, \$4,925,500 has been earmarked for the Rehabilitation Program.
  - **Street Reconstruction** – The Street Reconstruction Program involves completely removing and replacing the roadway pavement and base layers. Street reconstruction projects also include repairs to underground utility infrastructure. These projects are more extensive and expensive than the other repair stages and typically include new concrete curb and gutter. The City's plan provides for reconstructing streets at roughly the 50<sup>th</sup> year in the street's life cycle. The city reconstructs approximately 2-3 miles of streets each year, prioritizing the streets selected for reconstruction based on a rating system (pavement condition, drainage problems, etc.), area, and special projects and/or requests of property owners. Over 79 miles, or 93%, of streets have been reconstructed since the 1980's. Approximately \$11,834,000 in reconstruction is planned in 2020-2024 through the Reconstruction Program.
- **Miscellaneous Concrete Projects** – Approximately \$330,000 is earmarked over the life of the CIP for miscellaneous street and sidewalk concrete projects.



## City of White Bear Lake, Minnesota 2020 Annual Budget – Capital Improvement Plan Discussion

- **Miscellaneous Street-Related Projects** – The CIP plans for \$1,045,000 in miscellaneous street-related projects from 2020-2024. Included in this allocation are various traffic signal projects, sidewalk/trail expansions, and median upgrades.

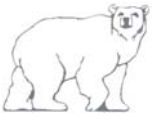
### **Marina Fund (Business Unit 2052)**

The Marina Fund has \$40,000 budgeted in 2020 for dock spud pole replacements.

### **Municipal Building Fund (4304-4323)**

The Municipal Building portion of the CIP details the funds allocated for expenditures associated with the development or renovation of the City's government building facilities.

- **Armory (4308)** – The White Bear Armory, constructed in 1922-23, currently operates as a multi-purpose rental facility for local non-profit groups, private parties and recreational activities. As the building ages, maintenance costs continue to rise. The CIP supports elevator repairs of \$18,000 in 2020 and gym ceiling repairs for \$10,000 in 2021.
- **Boatworks Commons (4322)** – Boatworks Commons is a redevelopment area featuring a multi-family apartment building, public parking ramp, a multi-tenant retail building with a lakefront restaurant, public art, restrooms, and a public boardwalk. The plan includes a 2021 appropriation of \$5,000 to seal the community room wood floors and a 2024 appropriation of \$20,000 for painting of the parking ramp walls and ceilings.
- **City Hall (4304)** – The current City Hall building was built in 1988. As the campus continues to age, the demand for maintenance and system replacements remain a high priority to preserve the building and surrounding areas. The more significant projects budgeted over the life of the CIP include:
  - \$47,500 for the first-floor restroom project in 2023 and \$51,000 for the second-floor restroom project in 2024
  - \$175,000 in 2024 for window replacements
  - \$120,000 in 2023 for exhaust fans and wells
  - \$100,000 in 2023 for air handler replacement
- **Depot (4323)** – The Depot, originally built in 1935 and rehabilitated in the 1980s, offers office space for the White Bear Area Chamber of Commerce and features a display of railroad history by the White Bear Lake Area Historical Society. Its use remains the same today. In 2021, \$20,000 was set aside in the CIP to replace the paver block walkway.
- **Fire Station 1 (4312)** – Fire Station 1 was built in 1959. In the CIP, the Fire department has budgeted \$35,000 in 2022 for a CoRayVac infrared heater.
- **Fire Station 2 (4314)** – Fire Station 2, built in 1972, receives needed remodeling of the first level living quarters and kitchen, budgeted at \$20,000 in 2020, respectively. Additionally, \$40,000 is budgeted for a garage exhaust system in 2020 and \$40,000 for a dumpster enclosure in 2021.
- **Public Safety Facility (4310)** – The Public Safety Facility, built in 1996, houses the Police Station and main Fire Department offices. One of the improvements the Police and Fire Departments intend to implement is the construction of a public safety facility near Station 1. Station 1 is currently at capacity, causing several vehicles with computer equipment to be parked outside. The City owns the two properties directly across from the station and are currently utilizing one for surface parking. \$10,500,000 has been budgeted for the construction of a public safety facility in 2022.
  - **Operating Budget Impact** – The design phase will have no impact on operations. Once constructed, it is estimated that the facility will have an additional 22,272 of useable square footage. Based on the current gas and electric cost per square foot in the existing facility, this will result in an estimated increase of \$32,400 in annual gas and electric costs. This increase will be partially offset by increases in efficiencies related to a new roof, a centralized HVAC digital control system that will increase energy efficiency, and new low voltage lighting controls that will provide occupancy control, dimming, daylight harvesting, and energy saving measures.
- **Public Works Facility (4316)** – The current Public Works Facility was constructed in 2010. The 2020-2024 CIP includes \$50,000 for LED lighting, \$225,000 for a facility backup generator, and \$85,000 for a canopy for the fuel island.



## City of White Bear Lake, Minnesota 2020 Annual Budget – Capital Improvement Plan Discussion

- **Sports Center (4320)** – The Sports Center underwent a facility renovation during 2018. The CIP includes a budget of \$15,000 for commissioning of the newly reconstructed building in 2020. \$85,250 is allocated for water heaters and venting in the resurfacers room in 2021. In 2022, \$109,500 is budgeted for HVAC, roof, upper wall, and lighting upgrades to the racquetball area. In addition, \$50,000 is budgeted for the rubber flooring replacement.

### **Park Improvement Fund (Business Unit 4012-4078)**

The Park Improvement Fund CIP accounts for the acquisition, development, and improvement to City owned parkland and facilities. Significant budget amounts are discussed below:

- **Lions Park (4036)** – Improvements for Lions Park in the CIP include \$85,000 for a shelter replacement and \$122,000 for a restroom replacement, both of which were budgeted for in 2022.
- **Lakewood Hills (4033)** – Over the life of the CIP, \$112,500 is budgeted to put towards general maintenance, including fixture replacements and trail maintenance. \$48,000 is budgeted in 2020 for pavement for the softball complex. Residents have expressed a desire for a “fitness trail”, an outdoor route with exercise stations that provide a variety of strength building exercises that can be done in between walking or jogging along the trail. The CIP includes \$30,000 for the exercise stations in 2023. \$225,000 is budgeted in 2024 to pave and connect trails.
- **Matoska Park (4039)** – The Matoska Park CIP budgets a total of \$24,500 for general maintenance, including picnic table and bench replacements. It has also budgeted \$30,000 for exercise stations in 2023.
- **Memorial Beach (4045)** – \$240,000 is budgeted in the CIP in 2021 to create more flat space, add additional picnic tables, and create a third path within the park.
- **General Parks (4012)** – The General Parks CIP accounts for general expenditures for all parks from 2020-2024 including Arbor Day plantings of \$45,000, playground equipment at \$50,000, tree trimming at \$40,000, and bench restoration at \$30,000.
- **West Park (4069)** – The CIP includes \$115,000 for a picnic shelter upgrade in 2020.

### **Pioneer Manor Fund (Business Unit 5302)**

Pioneer Manor is a City-owned senior living facility. The CIP has allocated \$412,000 for window replacement and a boiler upgrade in 2020. \$30,000 for an FOB access system and \$25,000 for a garage air exchanger are budgeted in 2021. In 2024, \$65,000 is set aside for a new elevator.

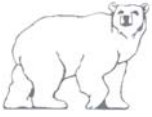
### **Sewer Fund (Business Unit 5052)**

The CIP includes funding of \$450,000 for the replacement of a vacator/jetter truck, which is the vehicle used to clean sewers, in 2020. The plan includes an allocation of \$125,000 each year for sewer lining projects, which install a fiberglass liner to the pipe to add strength and integrity. \$200,000 is budgeted in 2021 for an easement on Willow Avenue. Beginning in 2021, the CIP budgets \$40,000 per year for manhole lining projects. 2022 includes an allocation of \$125,000 for a sanitary sewer extension on South Shore Boulevard. The plan also allocates funds to repair and replace coating on several sewer lift stations that pump wastewater or sewage from a lower to higher elevation, at a total of \$166,000 over the life of the CIP. Additional smaller items consist of upgrades to GraniteNet software system used with the televising camera to perform sewer line inspections, sewer inspection cameras, a trailer mounted generator, and the replacement of a ¾ ton pickup.

### **Water Fund (Business Units 5012 & 5013)**

\$930,000 in funds have been earmarked in 2020 for the 1MG water tower exterior painting and \$2,500,000 in funds have been earmarked in 2021 for water meter replacement; both projects will be paid for with bond issuances. The 2021 CIP allocation also includes \$235,000 to replace a tandem axle tanker, \$50,000 for lagoon demo and cold storage construction, and \$65,000 to replace treatment plant and well doors. In 2022, the CIP supports \$70,000 to replace a utility body for a truck, \$70,000 to replace a ¾ ton pickup, \$300,000 for the water treatment plant filter room rehab/painting, and \$150,000 for the water treatment plant fencing and automatic gates. In 2023, \$200,000 is budgeted for a water treatment plant backup generator and \$100,000 for water lagoon demo and cold storage construction. The 2024 CIP allocates \$55,000 for the replacement of a ¾ ton pickup with a plow, \$58,000 for the water well #4 rehab, and \$200,000 for the water treatment plant lime slaker replacement.





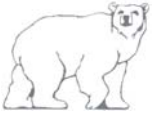
## City of White Bear Lake, Minnesota 2020 Annual Budget – Capital Improvement Plan Discussion

- Operating Budget Impact:
  - 1MG water tower exterior painting – The City received \$904,350 in Utility Revenue bonds in July 2020 to fund this project. The City will pay \$860,000 in principal and \$221,881.25 in interest over the 20-year life of the bonds beginning in February 2021. The City will use water user fees to make the bond payments.
  - Water meter replacement – The City plans to issue Utility Revenue bonds in the amount of \$2,500,000 in 2021. The bond proceeds will cover the cost of the meters and the cost to install the meters. The City will pay the principal and interest payment on the bond over a 15-year period water user fees. Currently, the City budgets \$63,000 each year to replace failing residential meters. It is expected that this annual expenditure will no longer be necessary as all meters will be new. Additionally, the City expects to save money on contracted meter reading services. Previously, the City has contracted with a company who reads the meters on a monthly basis. Many of the meters the City intends to replace require the reader to physically see the meter or even go into the resident's house to read the meter. The new meters will be radio read meters, which can be read from the reader's vehicle and are much less time consuming. The contract with the meter reading company is set to expire at the end of 2021, and the City will begin performing meter reads in-house. The City expects to save approximately \$71,500 per year due to this change.

Business Unit	Funding Source	2020	2021	2022	2023	2024
<b>Ambulance Fund</b>						
5252	Mobile equipment	\$ -	\$ -	\$ 250,000	\$ -	\$ 250,000
	Total Ambulance Fund	-	-	250,000	-	250,000
<b>Economic Development Fund</b>						
4242	General	-	50,000	50,000	-	-
4247	Normandy Center	2,500	87,000	-	-	-
4248	Boatworks Commons	-	15,000	-	-	-
4250	Rental properties	212,707	-	-	-	-
	Total Economic Development Fund	215,207	152,000	50,000	-	-
<b>Equipment Acquisition Fund</b>						
4104	Building department	32,500	38,500	-	-	-
4102	City Hall	160,655	117,180	96,450	86,450	76,450
4105	Engineering	55,000	65,000	45,000	35,000	-
4109	Fire	52,400	1,044,400	19,300	725,000	-
4107	Parks	2,600	274,000	40,000	55,000	155,000
4108	Police	262,150	310,400	285,150	286,250	308,000
4116	General	-	60,000	60,000	50,000	50,000
4118	Public Works	5,000	-	-	-	240,000
4119	Sports Center	26,500	124,420	6,600	-	-
4106	Streets	161,470	525,030	130,000	425,000	387,000
	Total Equipment Acquisition Fund	758,275	2,558,930	682,500	1,662,700	1,216,450
<b>Construction Fund</b>						
4402	General expenditures	25,918	106,200	125,000	180,000	50,000
4491	Emerald ash borer	21,200	25,000	25,000	25,000	25,000
4404	Seal coating and crack sealing	136,725	300,000	375,000	375,000	375,000
	Street reconstruction projects	1,559,000	-	3,750,000	3,100,000	3,425,000
	Mill and overlay projects	1,625,500	2,400,000	-	900,000	-
	Miscellaneous concrete projects	69,769	65,000	65,000	65,000	65,000
	Miscellaneous street related projects	-	300,000	150,000	145,000	450,000
	Total Interim Construction Fund	3,438,112	3,196,200	4,490,000	4,790,000	4,390,000
<b>Marina Fund</b>						
2052	Equipment	24,672	-	-	-	-
	Total Marina Fund	24,672	-	-	-	-
<b>Municipal Building Fund</b>						
4308	Armory	18,000	10,000	-	-	-
4322	Boatworks Commons	-	5,000	-	-	20,000
4304	City Hall	87,550	60,600	275,000	75,500	261,000
4323	Depot	-	50,000	5,000	-	-
4312	Fire Station 1	4,700	-	37,500	-	9,000
4314	Fire Station 2	71,400	51,000	127,500	20,000	-
4310	Public Safety Facility	53,950	29,800	10,596,000	-	5,500
4316	Public Works Facility	58,300	87,000	360,000	-	25,000
4320	Sports Center	20,500	85,250	159,500	-	-
4321	City-wide	-	25,000	25,000	25,000	25,000
	Total Municipal Building Fund	314,400	403,650	11,585,500	120,500	345,500



Business Unit	Funding Source	2020	2021	2022	2023	2024
<b>Park Improvement Fund</b>						
4079	Boatworks Park	3,700	3,700	3,700	3,700	3,700
4012	Downtown	-	11,000	-	-	-
4021	Ebba Park	-	3,000	4,300	-	-
4012	Goose Lake	-	-	10,000	-	-
4024	Hidden Hollow Park	-	2,000	32,000	-	2,000
4030	Lakeview Park	-	-	-	-	5,500
4033	Lakewood Hills	63,000	-	12,500	111,500	228,500
4036	Lions Park	2,000	1,000	208,000	1,000	-
4039	Matoska Park	-	-	-	54,500	-
4045	Memorial Beach	3,000	240,000	-	-	-
4012	General parks	33,000	43,000	43,000	43,000	43,000
4048	Podvin Park	8,000	-	-	16,200	3,100
4051	Railroad Park	20,000	-	-	12,000	-
4054	Ramaley Park	-	-	-	30,800	-
4057	Rotary Nature Preserve	-	-	-	13,800	-
4060	Spruce Park	-	-	-	9,600	-
4063	Stellmacher Park	-	-	-	-	7,200
4065	Varney Lake	-	800	-	800	-
4066	Veteran's Memorial Park	10,000	-	-	5,000	-
4069	West Park	141,900	-	-	9,700	-
4072	Weyerhauser Park	-	20,000	-	-	-
4078	Yost Park	-	-	-	-	5,000
	Total Park Improvement Fund	<u>284,600</u>	<u>324,500</u>	<u>313,500</u>	<u>311,600</u>	<u>298,000</u>
<b>Pioneer Manor Fund</b>						
5302	Building upgrades	420,500	27,500	89,500	23,000	75,000
5302	Software	-	5,000	-	-	-
	Total Pioneer Manor Fund	<u>420,500</u>	<u>32,500</u>	<u>89,500</u>	<u>23,000</u>	<u>75,000</u>
<b>Sewer Fund</b>						
5052	Equipment and technology	53,447	90,000	20,000	-	-
5052	Mobile equipment	450,000	-	-	-	70,000
5052	Sanitary sewer projects	125,000	365,000	290,000	165,000	165,000
5052	Lift station improvements	-	60,000	43,500	32,500	30,000
	Total Sewer Fund	<u>628,447</u>	<u>515,000</u>	<u>353,500</u>	<u>197,500</u>	<u>265,000</u>
<b>Water Fund</b>						
5012/5013	Equipment and technology	5,000	2,501,200	-	200,000	200,000
5012/5013	Mobile equipment	9,500	235,000	140,000	-	55,000
5012/5013	Building improvements	-	182,000	460,500	100,000	-
5012/5013	Pump improvements	-	40,000	55,000	35,000	60,000
5012/5013	Equipment improvements	930,000	20,000	-	-	-
	Total Water Fund	<u>944,500</u>	<u>2,978,200</u>	<u>655,500</u>	<u>335,000</u>	<u>315,000</u>
	Total	<u>\$ 7,028,713</u>	<u>\$ 10,160,980</u>	<u>\$ 18,470,000</u>	<u>\$ 7,440,300</u>	<u>\$ 7,154,950</u>



### General Obligation Debt

The City issues general obligation bonds to provide funds for the acquisition and redevelopment of property, construction of streets and utilities, financing acquisition of capital equipment, and the construction of major capital facilities. The City's long-term debt is segregated between the amounts to be repaid from governmental activities and amounts to be repaid from business-type activities.

As of December 31, 2020, the long-term bonded debt of the City consisted of the following:

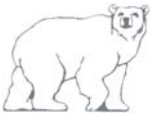
	Interest Rate	Issue Date	Final Maturity	Original Issue	Principal Outstanding
<b>Governmental activities</b>					
G.O. Tax Increment Refunding Bonds, Series 2012A	2.00%	4/3/2012	2/1/2023	\$ 2,650,000	\$ 510,000
G.O. Improvement Bonds, Series 2012B	0.40-2.00%	12/19/2012	2/1/2028	2,555,000	1,155,000
G.O. Tax Increment Revenue Bonds, Series 2016A	2.00-3.00%	3/10/2016	2/1/2037	2,275,000	2,050,000
G.O. Bonds, Series 2018A	3.00-4.00%	6/14/2018	2/1/2039	5,850,000	5,625,000
G.O. Tax Abatement Bonds, Series 2018B	3.00-3.38%	6/14/2018	2/1/2039	3,330,000	3,205,000
G.O. Improvement Bonds, Series 2019A	3.00-4.00%	7/18/2019	2/1/2040	1,925,000	1,925,000
G.O. Improvement and Equipment Certificate Bonds, Series 2020A	2.00-3.00%	7/16/2020	2/1/2041	3,580,000	3,580,000
<b>Business-type activities</b>					
G.O. Utility Revenue Bonds, Series 2020A	2.00-3.00%	7/16/2020	2/1/2041	860,000	860,000
<b>Total</b>				<b>\$ 23,025,000</b>	<b>\$ 18,910,000</b>

### Bond Rating

Standard & Poor's (S&P) Global Ratings assigned its "AA+" long-term rating to the City's general obligation (GO) bonds, series 2020A in June of 2020. At the same time, S&P affirmed their "AA+" long-term rating on the City's outstanding GO debt. The outlook is stable.

### Legal Debt Limit

According to Minnesota Statutes, the City's net debt cannot exceed 3% of the estimated market value of taxable property in the municipality. For 2020, the net debt is \$18,910,000, which is 0.61% of the City's preliminary total estimated market value of \$3,116,819,600.



Below are links to useful documents that are available on the City's website.

Document	Link
2040 Comprehensive Plan	<a href="https://www.whitebearlake.org/communitydevelopment/page/2040-comprehensive-plan-update">https://www.whitebearlake.org/communitydevelopment/page/2040-comprehensive-plan-update</a>
Fee Schedule	<a href="https://www.whitebearlake.org/finance/page/fee-schedule">https://www.whitebearlake.org/finance/page/fee-schedule</a>
Comprehensive Annual Financial Report	<a href="https://www.whitebearlake.org/finance/page/comprehensive-annual-financial-report-cafr">https://www.whitebearlake.org/finance/page/comprehensive-annual-financial-report-cafr</a>

**RESOLUTION NO. 12685**

**RESOLUTION APPROVING THE 2020 TAX LEVY  
COLLECTIBLE IN 2021**

WHEREAS, the City of White Bear Lake is annually required by Charter and State law to approve a resolution setting forth an annual tax levy to the Ramsey and Washington County Auditors; and

WHEREAS, Minnesota Statutes currently in force require certification of a proposed tax levy to the Ramsey and Washington County Auditors on or before December 28, 2020; and

WHEREAS, detail for the revised 2020 and 2021 budgets have been submitted to the City Council by the City Manager.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of White Bear Lake, Ramsey and Washington Counties, Minnesota that the following sums are levied in 2020, collectible in 2021, upon the taxable property in said City of White Bear Lake for the following purposes:

General Fund	\$6,653,000
Emerald Ash Borer	25,000
Debt Service: YMCA/Sports Center	132,000
Debt Service: Street Construction – 2018	220,000
Debt Service: Street Construction – 2019	81,000
Debt Service: Street Construction – 2020	107,000
Debt Service: Equipment Certificates – 2020	<u>152,000</u>
Gross Levy	7,370,000
Less: Fiscal Disparity	<u>(886,963)</u>
Net Levy	<u>6,483,037</u>

BE IT FURTHER RESOLVED, that provision has also been made for payment of the City's share of Public Employees Retirement Association's contributions for the ensuing years; and

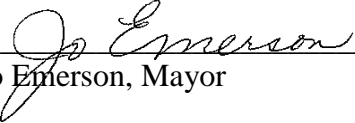
BE IT FURTHER RESOLVED, that there is a sufficient sum of monies in all Debt Service Funds of the City which are irrevocably pledged to pay principal and interest in 2021 on all outstanding bond issues, and the deferred annual tax levies previously certified to the County Auditor are hereby canceled, and replaced by the above debt service tax levy; and

**RESOLUTION NO. 12685**

BE IT FURTHER RESOLVED, that the City Clerk is hereby authorized and directed to transmit a certified copy of this resolution to the County Auditor's of Ramsey and Washington Counties, Minnesota, as required by law.

The foregoing resolution, offered by Councilmember **Walsh** and supported by Councilmember **Engstran**, was declared carried on the following vote:

Ayes            Biehn, Edberg, Engstran, Jones  
Nays:            Walsh  
Passed:        December 8, 2020

  
\_\_\_\_\_  
Jo Emerson, Mayor

ATTEST:

  
\_\_\_\_\_  
Kara Coustry, City Clerk

**RESOLUTION NO. 12684**

**RESOLUTION ADOPTING THE 2021 BUDGET AND REVISING THE 2020 BUDGET  
AS ADOPTED BY RESOLUTION NO. 12494**

WHEREAS, the City Charter provides for the adoption of an annual operating budget and that such adoption shall precede the tax levy resolution; and

WHEREAS, State law provides that such tax levy resolution shall be submitted to the County Auditor prior to December 28th of the year preceding collection; and

WHEREAS, the Mayor and City Council had been presented with budget recommendations for expenditures and revenues, such that revenues fully fund expenditures and provide a safe margin of undesignated fund balances; and

WHEREAS, Resolution No.12494 adopted the 2020 operating budget; and

WHEREAS, the City Charter authorizes the transfer of sums to other purposes.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of White Bear Lake, Minnesota, that the 2021 operating budget shall be adopted and the 2020 operating budget shall be revised as follows:

<b>Revenue:</b>	<u>2020 Revised</u>	<u>2021 Budget</u>
<u>General Fund</u>		
General Property Tax	\$ 6,325,685	\$ 6,669,500
Franchise Fees and Fines	348,564	363,000
Licenses and Permits	585,765	763,850
Intergovernmental	3,879,617	2,114,297
Charges for Services	700,305	714,671
Miscellaneous	147,540	157,150
Transfers In	<u>1,325,000</u>	<u>1,360,000</u>
Total General Fund	<u>13,312,476</u>	<u>12,142,468</u>
 <u>Special Revenue Funds</u>		
Armory	51,945	57,750
Surface Water Pollution Prevention	97,525	169,040
Marina Operations	406,188	384,000
Sport Center	412,982	515,015
Forfeiture	50,297	40,000
Economic Development	<u>2,474,637</u>	<u>558,400</u>
Total Special Revenue Funds	<u>3,493,574</u>	<u>1,724,205</u>

## RESOLUTION NO. 12684

### Debt Service Funds

Non-Bonded Special Assessment	698,228	744,310
2012 Special Assessment	205,000	200,000
2012 Refunding Tax Increment (PM)	160,000	160,000
2016 Tax Increment (BWC)	140,000	140,000
2018A G.O. Improvement and Equip. Cert.	288,060	418,945
2018B G.O. Tax Abatement Bonds	245,522	299,915
2019A G.O. Improvement Bonds	136,644	133,890
2020A G.O. Improvement and Equip. Cert.	143,495	364,797
Total Debt Service Funds	<u>2,016,949</u>	<u>2,461,857</u>

### Capital Project Funds

Equipment Acquisition	2,504,739	1,162,700
Municipal Building	270,698	209,318
Park Improvement	143,195	125,400
Construction	4,052,343	3,255,000
HRA Tax Increment	564,700	480,745
Total Capital Project Funds	<u>7,535,675</u>	<u>5,233,163</u>

### Enterprise Funds

Water Utility	2,912,216	4,316,500
Sewer Utility	3,736,399	3,332,300
Environmental Recycling & Disposal Waste	1,667,059	1,758,167
Ambulance	2,349,587	1,947,000
Pioneer Manor	789,835	414,500
License Bureau	639,670	656,600
Total Enterprise Funds	<u>12,094,766</u>	<u>12,425,067</u>

### Internal Service Funds

Insurance	794,282	485,533
Employee Expense	3,166,564	3,272,842
Total Internal Service Funds	<u>3,960,846</u>	<u>3,758,375</u>

Revenue Subtotal	<u>42,414,286</u>	<u>37,745,135</u>
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Community Reinvestment	<u>114,825</u>	<u>113,666</u>
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<b>Total Revenue</b>	<b><u><u>\$ 42,529,111</u></u></b>	<b><u><u>\$ 37,858,801</u></u></b>
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**RESOLUTION NO. 12684**

<b>Appropriations/Reserves:</b>	<u>2020 Revised</u>	<u>2021 Budget</u>
<u>General Fund</u>		
Legislative	\$ 154,947	\$ 156,491
Administration	392,158	402,573
Finance	631,950	627,854
Legal	83,469	65,569
City Hall	327,040	331,535
Elections	59,936	84,461
Planning	348,337	380,869
Public Safety		
Police	4,697,817	5,002,617
Fire	984,035	986,352
Dispatch	213,000	218,000
Legal Prosecution	153,956	158,591
Animal Control	22,260	24,024
Emergency Preparedness	12,599	16,414
Building and Code Enforcement	627,277	653,990
<b>Appropriations/Reserves continued:</b>		
Public Works		
Facility	194,758	193,932
Engineering	660,121	726,320
Garage	147,417	151,770
Streets	584,114	587,948
Snow and Ice Removal	253,714	272,964
Street Lighting	190,603	203,669
Parks	633,180	728,068
Non-Departmental		
General Services	-	-
Senior Bus	5,000	7,500
Lake Conservation District	33,954	42,660
Northeast Youth and Family Services	43,451	50,920
Contingency	-	15,500
Transfers	325,000	25,000
Total General Fund	<u>11,780,093</u>	<u>12,115,591</u>
 <u>Special Revenue Funds</u>		
Armory	65,882	77,855
Surface Water Pollution Prevention	236,962	282,877
Marina Operations	376,476	368,263
Sport Center	551,259	626,702
Forfeiture	24,925	27,450
Economic Development	2,002,413	741,467
Total Special Revenue Funds	<u>3,257,917</u>	<u>2,124,614</u>



## RESOLUTION NO. 12684

### Debt Service Funds

Non-Bonded Special Assessment	697,000	534,000
2012 Special Assessment	205,937	198,820
2012 Refunding Tax Increment (PM)	172,935	179,660
2016 Tax Increment (BWC)	138,248	139,598
2018A G.O. Improvement and Equip. Cert.	417,018	417,341
2018B G.O. Tax Abatement Bonds	231,760	225,535
2019A G.O. Improvement Bonds	71,319	169,410
2020A G.O. Improvement and Equip. Cert.	91,522	53,133
Total Debt Service Funds	<u>2,025,739</u>	<u>1,917,497</u>

### Capital Project Funds

Equipment Acquisition	906,020	2,419,400
Municipal Building	314,400	403,650
Park Improvement	284,600	324,500
Construction	4,188,112	3,946,200
HRA Tax Increment	240,058	244,460
Total Capital Project Funds	<u>5,933,190</u>	<u>7,338,210</u>

### Enterprise Funds

Water Utility	2,431,985	4,444,635
Sewer Utility	3,604,690	3,450,185
Environmental Recycling & Disposal Waste	1,743,071	1,710,957
Ambulance	2,183,883	2,169,048
Pioneer Manor	834,465	468,450
License Bureau	826,751	780,138
Total Enterprise Funds	<u>11,624,845</u>	<u>13,023,413</u>

### Internal Service Funds

Insurance	435,759	429,250
Employee Expense	3,332,070	3,510,175
Total Internal Service Funds	<u>3,767,829</u>	<u>3,939,425</u>

Appropriations/Reserves Subtotal	<u>38,389,613</u>	<u>40,458,750</u>
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Community Reinvestment	<u>238,900</u>	<u>238,900</u>
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<b>Total Appropriations/Reserves</b>	<b><u>\$ 38,628,513</u></b>	<b><u>\$ 40,697,650</u></b>
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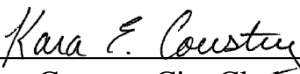
**RESOLUTION NO. 12684**

The foregoing resolution, offered by Councilmember **Jones**, and seconded by Councilmember **Biehn**, was declared carried on the following vote:

Ayes:           Biehn, Edberg, Engstran, Jones  
Nays:           Walsh  
Passed:        December 8, 2020

  
\_\_\_\_\_  
Jo Emerson, Mayor

ATTEST:

  
\_\_\_\_\_  
Kara Coustry, City Clerk

**RESOLUTION NO. 12686**

**RESOLUTION COMMITTING FUND BALANCES FOR SPECIFIC PURPOSE**

**WHEREAS**, the Governmental Accounting Standards Board’s Statement #54 defines committed fund balance as amounts that can only be used for specific purposes; and

**WHEREAS**, the City Council formalizes these fund balances for specific purpose in the budget document; and

**WHEREAS**, the budget document commits or reserves fund balances for defined purposes.


**NOW, THEREFORE, BE IT RESOLVED**, by the City Council of the City of White Bear Lake that the specific portions of fund balances or the actual amounts determined as of fiscal year end is committed as follows:

Fund	Purpose	2020	2021
<b>Special Revenue</b>			
Armory	Community Utilization	\$ 34,223	\$ 14,118
Surface Water Pollution Prevention	Storm Water Run Off Control	695,617	581,780
Marina	Community Utilization	251,872	267,609
Sports Center	Community Utilization	126,560	14,873
Forfeiture	Public Safety	79,417	91,967
Economic Development	Economic Improvement	2,586,898	2,403,831
<b>Debt Service</b>			
Non-Bonded Debt	Special Assessment Finance	405,989	616,299
Special Assessment - 2012	Street Improvements	29,219	30,399
Tax Increment - 2012	Pioneer Manor	72,628	52,968
Tax Increment - 2016	Boatworks Commons	31,179	31,581
G.O. Impr. And Eq. Cert. - 2018	Street Impr, SC Equipment	381,558	383,162
G.O. Tax Abatement - 2018	Facility Renovation	158,790	233,170
G.O. Improvement - 2019	Street Improvements	413,046	377,526
G.O. Impr. and Eq. Cert. - 2020	Street Impr, Equipment	51,973	363,637
<b>Capital Projects</b>			
Equipment Acquisition	City Equipment Purchases	2,646,451	1,389,751
Municipal Building	City Facility Construction	881,173	686,841
Park Improvement	Park Construction	1,523,335	1,324,235
Construction	Street Construction	4,264,769	3,573,569
Community Reinvestment	Infrastructure Finance	7,680,009	7,554,775
HRA	Tax Increment Finance	1,016,834	1,253,119

**RESOLUTION NO. 12686**

The foregoing resolution, offered by Councilmember **Biehn** and supported by Councilmember **Jones**, was declared carried on the following vote:

Ayes:           Biehn, Edberg, Engstran, Jones, Walsh  
Nays:           None  
Passed:        December 8, 2020

  
\_\_\_\_\_  
Jo Emerson, Mayor

ATTEST:

  
\_\_\_\_\_  
Kara Coustry, City Clerk

**RESOLUTION NO. 12687**

**RESOLUTION AUTHORIZING CITY CONTRIBUTIONS TOWARDS VOLUNTEER AND EMPLOYEE RECOGNITION PRESENTED IN THE 2020 AND 2021 BUDGET**

WHEREAS, the City of White Bear Lake annually appropriates funds through the budget process which recognize contributions received by the City from volunteers and employees; and

WHEREAS, the detailed listing for this recognition is presented to declare these expenses are in the public's interest and to inform the public; and

WHEREAS, rent payments from Pioneer Manor funds the Pioneer Manor appropriations; and

WHEREAS, reimbursements fund the Insurance Fund appropriation.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of White Bear Lake that the expenditure budgets for 2020 and 2021 specifically authorizes the following appropriations, which recognize volunteer and employee achievements.


	<u>2020</u>	<u>2021</u>
General Fund		
Legislative		
Employee Appreciation Lunch	\$ -	\$ 1,000
Service Awards (awards)	2,500	2,500
Civic Promotion (plaques/mugs)	-	1,200
Volunteer Recognition Dinner	1,000	1,700
Police		
Service Awards	100	100
TRIAD Events and Recognition	100	550
DARE	3,500	3,000
Crime Prevention	225	225
Volunteer Shirts/Awards	1,000	1,000
CPA Shirts and Supplies	-	600
Emergency Preparedness		
Citizen Emergency Response Team	-	2,865
Fire		
Service Awards	-	500
Annual Banquet (current and retired)	-	7,000
Explorer Recognition	250	250
Pioneer Manor		
Social Activities	2,400	3,000
Insurance		
Safety Committee	100	100

**RESOLUTION NO. 12687**

**RESOLUTION AUTHORIZING CITY CONTRIBUTIONS TOWARDS VOLUNTEER  
AND EMPLOYEE RECOGNITION PRESENTED IN THE  
2020 AND 2021 BUDGET**

The foregoing resolution, offered by Councilmember **Jones** and seconded by Councilmember **Edberg**, was declared carried on the following vote:

Ayes:           Biehn, Edberg, Engstran, Jones, Walsh  
Nays:           None  
Passed:        December 8, 2020

  
\_\_\_\_\_  
Jo Emerson, Mayor

ATTEST:

  
\_\_\_\_\_  
Kara Coustry, City Clerk

# Employee Recognition Program

## **Service Recognition Program**

The City of White Bear Lake Employee Recognition Program recognizes and shows appreciation for long-term full and part-time employment with the City of White Bear Lake. Staff with five or more consecutive years of service are recognized at five year service milestones. Recognition occurs at the beginning of the calendar year following the year in which the anniversary occurs.

## **Eligibility**

This policy applies to all full-time and part-time employees of the City. Employees are recognized for consecutive years of service based on the employment date in the City's payroll system. The eligible employee must be in active employment on their service anniversary date in order to receive this award.

## **Procedure**

At the beginning of each year, employees who have reached a service anniversary during the calendar year prior will receive an award based on the number of years as follows:

- 5 Year: Silver Bear Lapel Pin
- 10 year: City emblem on either:
1. Lapel pin or tie tack - (gold filled)
  2. Charm – (gold-filled)
- 15 year: Choice of:
1. Large Swiss Army Knife with city emblem
  2. Leatherman Tool, engraved
  3. City emblem charm necklace
  4. White Bear Lake blanket
  5. White Bear Plate
- 20 year: Choice of:
1. Signet ring with bear emblem
  2. Choice of print: options provided by the City
  3. Concrete decorative bear
- 25 year: Choice of:
1. Men's or Women's ID Bracelet with bear emblem
  2. Pocket watch with emblem
  3. Choice of print: options provided by the City
  4. Concrete decorative bear
- 30 year: Mantle Clock
- 35 year: Table-top Bear Sculpture

*(Employees may choose an award from selections for earlier milestones, if they wish).*

**RESOLUTION NO. 12688**

**RESOLUTION AUTHORIZING AND ACKNOWLEDGING  
CITY CONTRIBUTIONS AND INVOLVEMENT IN PROMOTING BUSINESS AND  
CULTURAL ACTIVITIES IN WHITE BEAR LAKE IN THE  
2020 AND 2021 BUDGETS**

WHEREAS, the City of White Bear Lake annually appropriates funds through the budget process for activities which promote business and the Downtown area; and

WHEREAS, it is the funding of the City that such expenditures are in the public interest and promote the general welfare of the community; and

WHEREAS, the City is a third party conduit for restricted revenue remitted for use by the White Bear Main Street Association; and

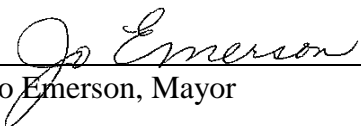
WHEREAS, the City Council recognizes that through payment of annual membership dues to the White Bear Lake Area Chamber of Commerce, the City receives services including advertising, event planning and promotion, advocacy and visitor services of a value greatly exceeding the cost of dues.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of White Bear Lake that the expenditure budgets for 2020 and 2021 specifically authorize the following appropriations for which the City receives services of value exceeding the cost.


	<u>2020</u>	<u>2021</u>
General Fund		
Legislative		
Chamber of Commerce	\$ 560	\$ 560
Economic Development Fund		
Marketfest	7,000	7,000
Historical Society	14,733	15,000

The foregoing resolution, offered by Councilmember **Biehn** and seconded by Councilmember **Jones**, was declared carried on the following vote:

Ayes: Biehn, Edberg, Engstran, Jones, Walsh  
Nays: None  
Passed: December 8, 2020

  
Jo Emerson, Mayor

ATTEST:

  
Kara Coustry, City Clerk



**Fund: General Fund 1000**

**Department Activities and Responsibilities:**

The General Fund accounts for revenues and expenditures to provide the basic governmental services of general administration, police protection, fire protection, community development, and the public works activities of street maintenance, street lighting/signal operations, snow removal, and park maintenance.

**Budget Summary:**

The General Fund receives revenue from seven major funding sources, which funds the operations of twenty-two different departments. The following paragraphs describes each source in detail, followed by a brief discussion of expenditure presentation.

Revenues - Property Taxes

Property taxes apply to all general taxable property within the City's boundaries. The City determines the annual property tax levy by subtracting the anticipated expenditures and additions to reserves as directed by City Council from the other revenue sources to remaining revenues needed for operations. The ultimate goal in setting the annual tax levy is to provide residents with a high level of service at the lowest possible cost. Finding the right balance between the two is challenging, as the City must consider the outside influences of economic factors and policies that affect both the City and residents, while reviewing the City's revenues and expenditures.

The total proposed levy is \$7,370,000, of which \$6,653,000 or 90% supports General Fund operations. The City Council's philosophy is to maintain a steady revenue stream, which eliminates wide fluctuations and provides residents with transparency in understanding tax levy increases.

Revenues - Franchise Fees & Fines

Franchise fees result from a 1.5% fee imposed on total electricity consumption within the City's boundaries. Annual electrical consumption continues to grow in our community, even though residents strive to conserve energy in their daily lives. In previous years, the City budgeted a 3.00% increase in this revenue source to account for growth, but the amount received often exceeds that estimate. The scenario changed in the 2019 franchise fee received in 2020 in part due to the Tax Cut Jobs Act tax reform. Since the City's agreement with Xcel Energy is percentage-based, it can fluctuate because of the number of customers and their energy use during the different seasons and weather conditions during the year. Some cities now utilize a flat month fee for collection to guarantee a more stable revenue stream throughout the year. The City could consider changing to the flat fee or increasing the percentage rate. Any franchise fee changes would provide additional revenue, which would allow a reduction in the General Fund's reliance on property taxes for revenue.

Anticipating the 2020 fee for receipt in 2021 is difficult during the COVID-19 pandemic as some businesses closed temporarily and residential usage likely increased with employees working remotely. Therefore, the 2021 includes an estimate equal to the funding received in 2020.

The City receives fine revenues through two sources. One source is a portion of the revenue the State receives for violation tickets issued within our jurisdiction. The second source is the issuance of City administrative tickets issued by the Police Department. The administrative ticket process allows officials to impose a stern warning and consequence on individuals without issuing a Ramsey County ticket that carries a higher fine for the offense.

Fine revenues tend to remain relatively consistent each year, even though they are dependent on activities the City cannot control. Subsequently, the City relies on actual amounts received in previous years to create budget estimates.

Revenues - Business Licenses

The City requires businesses operating in liquor sales, cigarette sales, entertainment operations, gambling activities and residential rental activities to receive a license from the City before the business operations can commence. An annual rate review allows staff to recommend increases to the current rate structure to ensure fees provide revenues to cover the administrative costs associated with monitoring the activities.

**Fund: General Fund 1000**

Revenues - Non-Business Licenses

The City requires businesses and residents planning construction activities on their properties to obtain a permit through an approval process before beginning the project to confirm the plans conform to State codes and City ordinances. Project values drive the calculation of some permit fees, while other permits have a flat fee. As with business licenses, the revenues received through the permit process should cover the costs the City incurs to provide the project review and mandated inspections, but not overcharge property owners. An annual review of the fee structure maintains these objectives. The City expects a gradual decrease in building activity in future years due to limited opportunity for new building expansion as the City is close to full development. At this point, redevelopment activities taking place in blighted areas drive the revenues received.

The community passed the White Bear Lake Area School District's \$326 million bond referendum in November 2019 to fund a multi-year improvement plan for additions and renovations to current buildings. The plan is both complex and comprehensive as it touches each of their buildings in some way. Passing of the referendum increases building permit activity in the end of 2020 and throughout 2021.

The City issues two types of non-business permits that do not relate to construction activity. First, residents pay an animal permit fee to license their dog and obtain an identification tag for the pet. Second, residents and non-residents pay launch fees to use the municipal boat launch for White Bear Lake at Matoska Park.

Revenues - Intergovernmental

The City records revenues it receives from Federal, State and Local agencies that support general government operations in the General Fund. Of the funding sources in this category, the primary support received is the state Local Government Aid (LGA). The state created the LGA program to stabilize the local property taxes and ensure that quality basic city services are available in all Minnesota cities, regardless of population or property tax base. LGA has been an important part of the City's budget throughout the years. The City received notice in 2020 that the 2021 allocation will decrease \$254,000. Though initially, thought to be a one-time drop, further investigations reveals this might be the beginning of a shift in LGA funding to the City. Per information from the Minnesota Department of Revenue, though cities experiencing high tax base growth do not necessarily receive a decrease in LGA, White Bear Lake does have an above average tax base growth when compared to other communities and a growing tax base per capita. In recent years, White Bear Lake's unmet need calculated through the LGA formula went below the LGA amount and were it not for the 2019 legislative changes a reduction would have occurred in the City's LGA distribution in 2020. The State capped the annual LGA reduction at \$10 per capita for pay year 2021.

As a conservative measure, the budgets for 2019 and 2020 had begun preparing for the possible reduction. For many years, the City budgeted a significant portion of LGA revenues to the General Fund to reduce reliance on property tax revenues. A philosophical change in the 2019 Budget reduced the uncertainty of the aid reductions by allocating a portion of the LGA to the Equipment Acquisition and Municipal Building Funds and moving the tax levies previously allocated to these two budgets to the General Fund to decrease its direct reliance on LGA for funding.

This planning mechanism worked well for the 2021 Budget. The General Fund budget anticipates full receipt of the LGA funding in an amount similar to 2020, while the Surface Water Pollution Prevention and Equipment Acquisition Fund budgets both eliminate the LGA funding stream for the year to recognize the reduction in aid. The fund will either reduce expenditures, bond for purchases or use fund balance for 2021 operations. The 2022 Budget will follow the thought process used to allocate LGA in the 2019 and 2020 Budgets. The General Fund will receive a lower LGA amount, which will increase the property tax levy, and the Equipment Acquisition and Municipal Building Funds will both receive a portion of the LGA funding. If the City's LGA allocation continues to decline, the City will recognize the reduction in funding in either the Equipment Acquisition Fund or the Municipal Building Fund.

A percentage of the State's motor fuel excise tax funds the Municipal State Aid (MSA) for street maintenance and improvements. The City assigns part of its allotment to the Interim Construction Fund to assist in financing the annual street rehabilitation program. The General Fund budget receives the balance of the allocation for road maintenance.

**Fund: General Fund 1000**

The State's Police Aid funding comes from a 2% surcharge applied to automotive insurance coverages to help finance pension obligations for police officers. The State allocates Police Aid among communities proportionately based on revenues received throughout the entire State. The Legislature allocated nearly \$5 million in direct payments to cities to offset additional police pension costs. The City expects the Police Aid funding level to remain consistent through the next several years.

In 2018, the Fire Relief Association Board and City Council both approved a transition of the Association's retirement fund management from the Association's Board to the Minnesota Public Employees Retirement Association (PERA). PERA will only handle investment activities and accounting duties related the retirement funds; the Board and City Council will retain oversight of fund balances and increases in pension payments. The City will continue to receive the annual Fire Aid payment; however, instead of payment to the City, the funds will go directly to PERA for deposit to the Fire Relief Association's account.

The local School District contributes support for two School Resource Officers assigned to the district's high school and middle school buildings and Drug Abuse Resistance Education (DARE) training programs for 5th grade students in elementary schools located within the City.

The City's Police Department continues to participate in the Ramsey County Traffic Safety Initiative (RCTSI), which is a collaborative effort between all police agencies within Ramsey County. The two largest components of the program are the DWI Saturation Patrols and the enhanced enforcement waves, which focus on seatbelt usage and speeding. The program's goal is to reduce traffic related deaths and injuries. The RCTSI program reimburses the City for the overtime charges that result from the department's participation. The budget anticipates revenues from the program to remain constant.

On October 1, 2018, the Department added one full-time Driving While Intoxicated (DWI) Officer position through a grant from the Minnesota Department of Public Safety to focus efforts on reducing DWI incidents in the police department's service area. The officer works between the hours of 5:00 pm and 5:00 am, with a minimum of two Fridays and Saturdays per month. The successful program will end in October 2020 at the end of the grant.

Revenues - Charges for Service

This category reflects payments received from other communities for services provided by the Police and Fire Departments. The fire service contracts renewed with the four communities for a five-year period effective January 2018. The police service contract with the City of Gem Lake also began in January 2018. The following list explains the current contracts:

<u>Service</u>	<u>Community</u>
Fire	White Bear Township
Fire	Birchwood
Fire	Dellwood
Fire	Gem Lake
Police	Gem Lake
Building Inspection	Mahtomedi
Fire Inspection	White Bear Township
Fire Inspection	Gem Lake

The City continues to experience stable revenue through these contract service charges. The Police contract pricing structure allocates operating costs and capital expenditures for the year between the cities based on population. The Fire contract also incorporates the operating and capital expenditures in the calculation, however, it allocates the costs based on a combination of 35% property valuation and 65 population of the coverage area.

Revenues - Miscellaneous Income and Transfers

Interest earnings and rental income are the significant revenue items in the Miscellaneous Income category. Donations and reimbursement funds are also included in this area when received.

**Fund: General Fund 1000**

The City's ability to generate interest earnings directly corresponds to the Federal Reserve's discount rate. The City's interest earnings dropped significantly when the Federal Reserve held the discount rate at extremely low levels between 2009 and 2016. The Federal Reserve began gradually increasing the discount rate in 2017. This increase will provide slightly higher interest earnings for the City. The Budgets for 2020 and 2021 conservatively estimate interest earnings due to the uncertainty of future adjustments to the discount rate by the Federal Reserve and the effects of the COVID-19 pandemic on the economy.

The Water, Sewer, Refuse, and Ambulance Funds contribute to the General Fund through internal transfers to cover administrative costs associated with each of the funds. The Ambulance Fund transfer also includes a reimbursement to the General Fund for a portion of the dispatch costs.

The HRA Redevelopment transfer reflects a General Fund reimbursement for personnel costs associated with maintaining and managing the City's tax increment districts. The Marina Fund transfer reimburses for administrative costs associated with the fund's operations. Finally, the Interim Construction Fund transfers funds to the General Fund for reimbursement of engineering services provided to the annual street rehabilitation and other infrastructure projects.

Expenditures

The budget presents General Fund departmental expenditures with a detailed description of department activities and responsibilities, goals and measurable workload data. The City implemented performance indicators in 1999 to assess department operations and help in the budgeting process. In the 2019 Budget, the budget process changed performance measurements to measurable workload data to assist departments in tracking their activities and improve their budgeting work. This budget reports actual data for 2018 and 2019 and estimated results for 2020 and 2021.

**Reserve:**

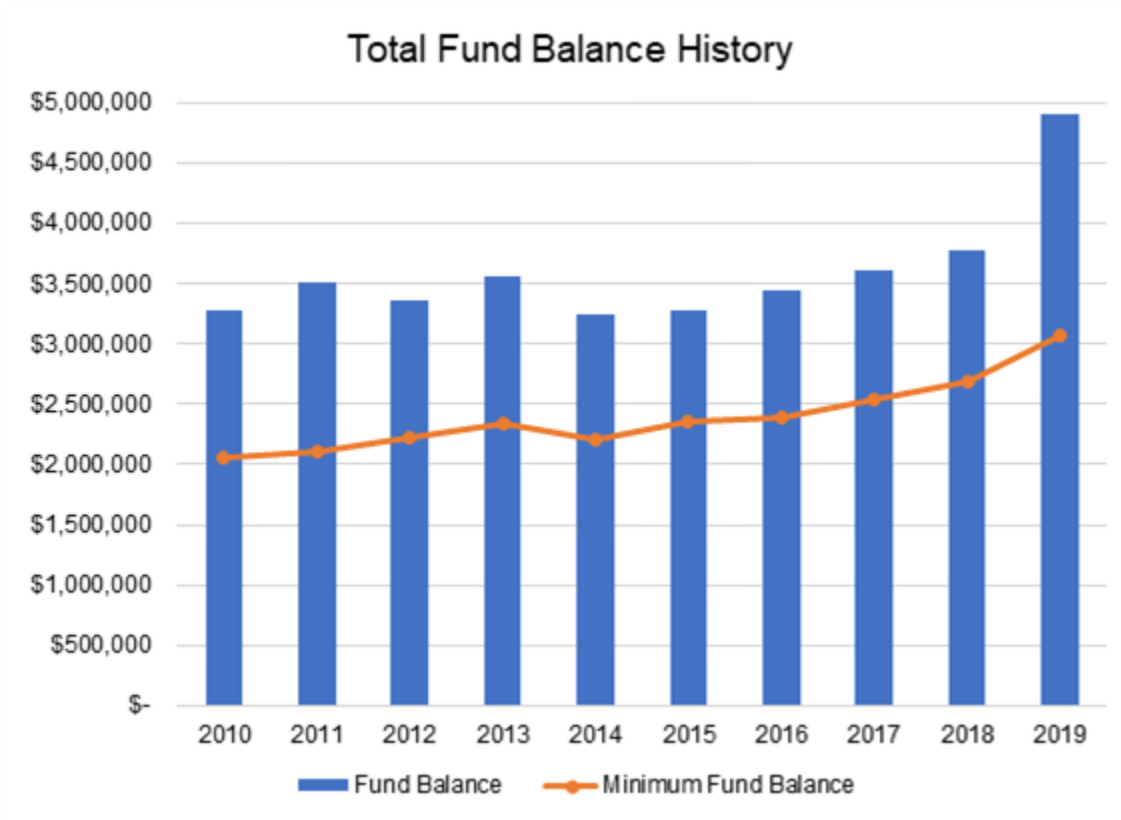
The City receives the General Fund's major revenue sources of property taxes and local government aid in July and December each year and the State of Minnesota distributes the Police State Aid, which partially funds police officers' pension costs, in October. The gap between receiving these revenue sources and paying the City's operating expenses is bridged by the General Fund cash flow reserve. The reserve fund is \$4,010,000 as of December 31, 2021, to maintain a balance of approximately one-half of these revenue sources as follows:

Property Tax	\$6,669,500
Local Government Aid	1,202,297
Police Aid	<u>265,000</u>
Total	<u>8,136,797</u>
Reserves at 50%	<u>4,068,399</u>
Budgeted reserve	<u>4,010,000</u>

As stated above, it has been the City's practice to maintain a steady revenue stream, which eliminates wide fluctuations and provides residents with rational explanations for tax levy and service charge increases. The 2022 tax levy maintains this philosophy.

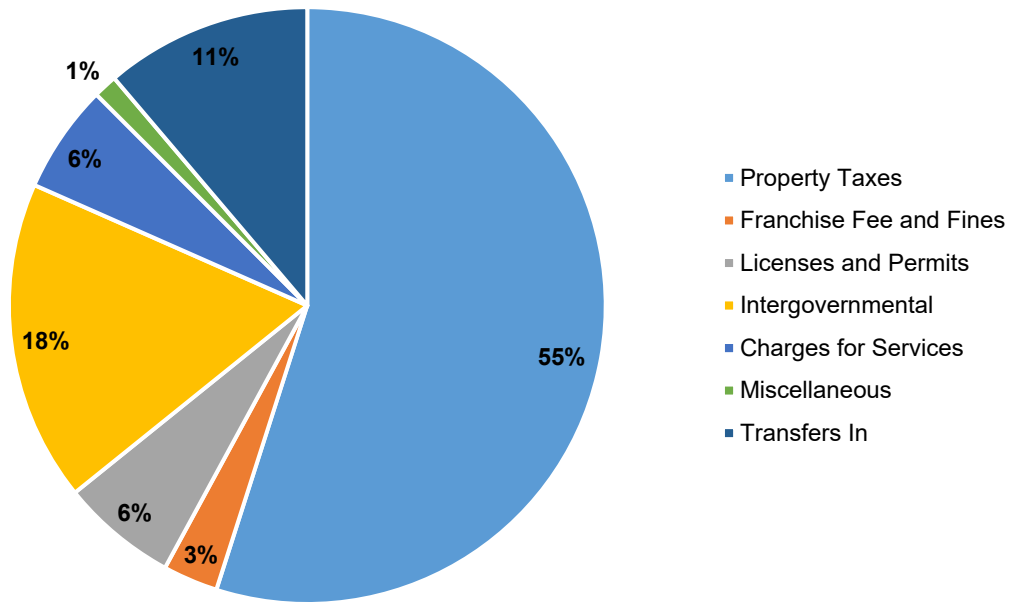
The graph below illustrates the General Fund's total fund balance as compared to the minimum required fund balance for 2009-2018. As described previously, the minimum fund balance used by the City is calculated as one-half of the General Fund major revenue sources, which are property taxes, local government aid, and police state aid.

Fund: General Fund 1000

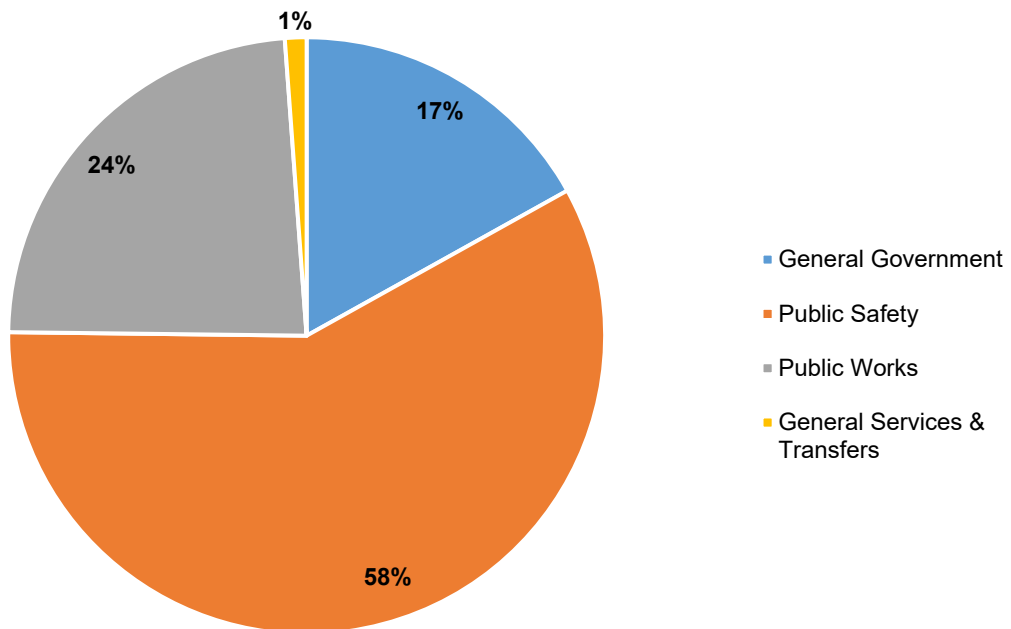


# 2021 General Fund Budget

Total Revenues \$12,142,468

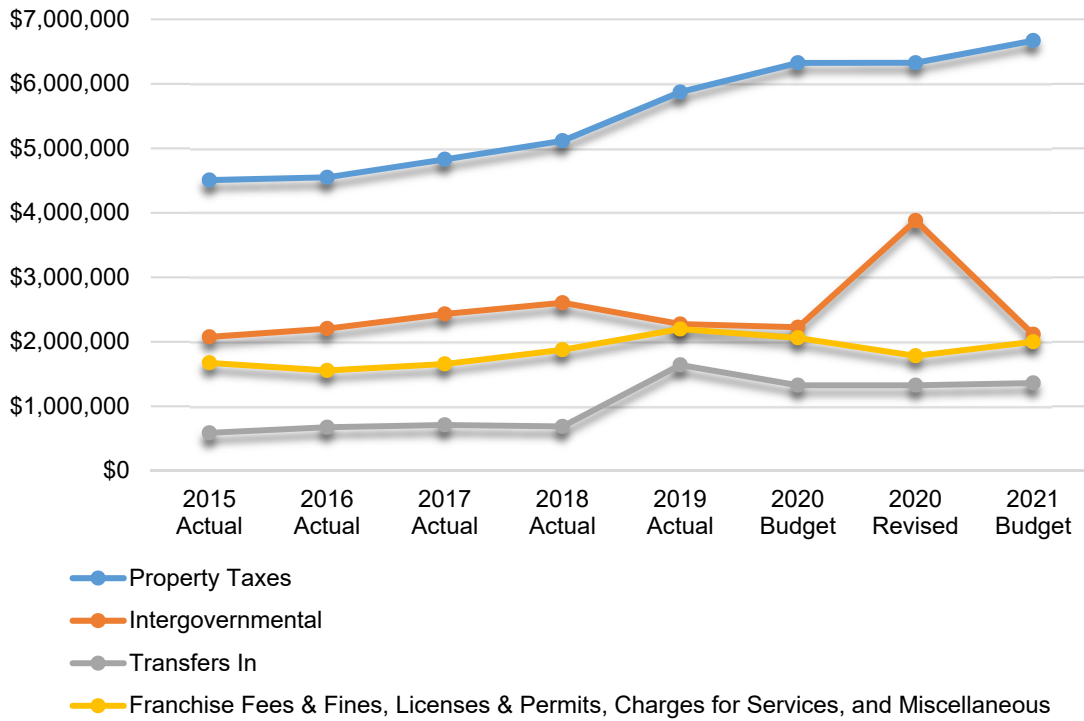


Total Expenditures \$12,115,591

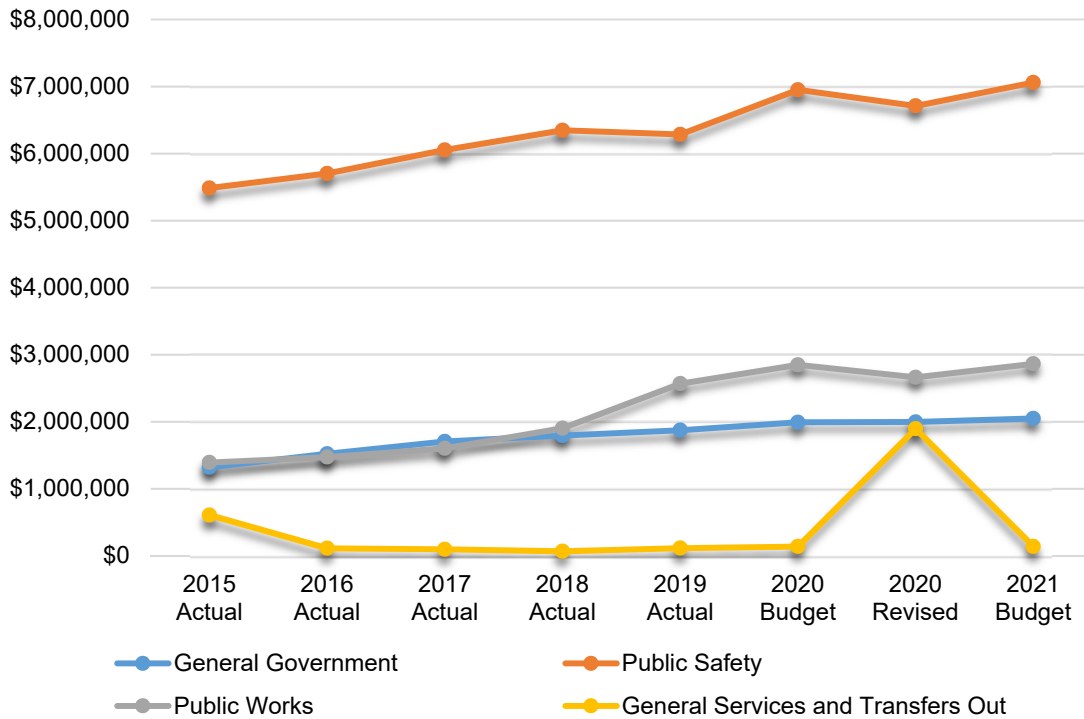


# General Fund Trend Analysis

## General Fund Revenue



## General Fund Expenditures



**City of White Bear Lake  
General Fund Summary**

**Annual Budget**

<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Budget</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Revenue</b>					
Property taxes	\$ 5,116,594	\$ 5,871,634	\$ 6,325,068	\$ 6,325,685	\$ 6,669,500
Franchise fees and fines	386,926	417,216	418,000	348,564	363,000
Licenses and permits	775,165	880,240	758,300	585,765	763,850
Intergovernmental	2,604,171	2,274,684	2,225,297	3,879,617	2,114,297
Charges for services	562,967	656,426	723,400	700,305	714,671
Miscellaneous	151,150	243,683	160,150	147,540	157,150
Total Operating Revenue	<u>9,596,973</u>	<u>10,343,883</u>	<u>10,610,215</u>	<u>11,987,476</u>	<u>10,782,468</u>
Transfers In	<u>686,920</u>	<u>1,640,000</u>	<u>1,325,000</u>	<u>1,353,117</u>	<u>1,360,000</u>
Total Revenue	<u>10,283,893</u>	<u>11,983,883</u>	<u>11,935,215</u>	<u>13,340,593</u>	<u>12,142,468</u>
<b>Expenditures</b>					
General government	1,795,399	1,875,054	1,993,327	1,997,837	2,049,352
Public safety	6,346,758	6,285,628	6,951,181	6,710,944	7,059,988
Public works	1,904,524	2,569,640	2,849,670	2,663,907	2,864,671
General service and contingency	43,325	91,252	115,220	82,405	116,580
Total operating expenditures	<u>10,090,006</u>	<u>10,821,574</u>	<u>11,909,398</u>	<u>11,455,093</u>	<u>12,090,591</u>
Transfers Out	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>1,814,375</u>	<u>25,000</u>
Total expenditures	<u>10,115,006</u>	<u>10,846,574</u>	<u>11,934,398</u>	<u>13,269,468</u>	<u>12,115,591</u>
Revenues over (under) expenditures	<u>168,887</u>	<u>1,137,309</u>	<u>817</u>	<u>71,125</u>	<u>26,877</u>
Reserve adjustment (to) from	<u>(85,000)</u>	<u>(425,000)</u>	<u>(150,000)</u>	<u>(150,000)</u>	<u>-</u>
Fund balance January 1	<u>254,779</u>	<u>338,666</u>	<u>374,175</u>	<u>1,050,975</u>	<u>972,100</u>
Fund balance December 31	<u>\$ 338,666</u>	<u>\$ 1,050,975</u>	<u>\$ 224,992</u>	<u>\$ 972,100</u>	<u>\$ 998,977</u>
Reserve for operations	<u>3,435,000</u>	<u>3,860,000</u>	<u>4,010,000</u>	<u>4,010,000</u>	<u>4,010,000</u>
Total fund balance and reserve for operations	<u>\$ 3,773,666</u>	<u>\$ 4,910,975</u>	<u>\$ 4,234,992</u>	<u>\$ 4,982,100</u>	<u>\$ 5,008,977</u>



**City of White Bear Lake**  
**General Fund Revenues**

**Annual Budget**  
**Business Unit: 1001**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Budget</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>General Property Taxes</b>						
4015	Current	\$ 4,381,973	\$ 5,137,961	\$ 5,456,727	\$ 5,468,044	\$ 5,766,037
4040	Fiscal disparities	695,791	731,399	833,341	822,641	886,963
	Total current ad valorem taxes	<u>5,077,764</u>	<u>5,869,360</u>	<u>6,290,068</u>	<u>6,290,685</u>	<u>6,653,000</u>
4025	Delinquent	37,245	808	30,000	30,000	15,000
4030	Penalties and interest	1,585	1,466	5,000	5,000	1,500
	Total general property tax	<u>5,116,594</u>	<u>5,871,634</u>	<u>6,325,068</u>	<u>6,325,685</u>	<u>6,669,500</u>
<b>Franchise Fee</b>						
5095	Franchise fee - utilities	<u>308,569</u>	<u>330,153</u>	<u>325,000</u>	<u>294,079</u>	<u>294,000</u>
<b>Licenses and Permits - Business</b>						
4305	Liquor, intoxicating	84,731	88,575	87,000	1,280	87,000
4307	Liquor, nonintoxicating	3,837	2,975	3,000	1,125	3,000
4309	Cigarette	4,050	3,700	3,500	3,450	3,450
4311	Entertainment	745	785	800	810	800
4315	Rental housing fee	20,629	19,888	19,000	15,000	19,000
4317	General contractor	12,296	10,535	12,500	10,500	10,500
4319	Solicitor	1,950	1,785	2,000	2,000	2,000
4321	Service station	5,925	5,175	5,000	5,325	5,000
4323	Other	5,033	5,038	5,000	4,650	5,000
4325	Gambling permits	2,675	2,700	2,500	2,625	2,600
	Total business licenses and permits	<u>141,871</u>	<u>141,156</u>	<u>140,300</u>	<u>46,765</u>	<u>138,350</u>
<b>Non-Business</b>						
4345	Animal	2,244	5,954	3,000	690	3,000
4350	Launch	10,000	10,000	10,000	10,000	16,000
4405	Building	379,508	398,271	380,000	300,000	380,000
4406	Building plan reviews	98,147	140,936	95,000	95,000	95,000
4415	Electrical	37,389	50,709	30,000	35,000	35,000
4420	Heating and air conditioning	56,133	63,378	45,000	45,000	45,000
4425	Plumbing	32,472	45,865	35,000	35,000	35,000
4430	Water and sewer	4,170	2,991	3,000	3,640	3,000
4435	Sign	7,251	3,480	7,000	3,500	3,500
4437	Driveway	5,980	7,600	4,000	5,170	4,000
4439	Right of way	-	9,900	6,000	6,000	6,000
	Total non-business licenses and permits	<u>633,294</u>	<u>739,084</u>	<u>618,000</u>	<u>539,000</u>	<u>625,500</u>
	Total licenses and permits	<u>775,165</u>	<u>880,240</u>	<u>758,300</u>	<u>585,765</u>	<u>763,850</u>
<b>Fines</b>						
4510	County	64,159	76,303	80,000	50,000	60,000
4520	Administrative - City fines	1,158	960	1,000	1,485	1,000
4522	Administrative - City share of State fines	13,040	9,800	12,000	3,000	8,000
	Total Fines	<u>78,357</u>	<u>87,063</u>	<u>93,000</u>	<u>54,485</u>	<u>69,000</u>

**City of White Bear Lake**  
**General Fund Revenues**

**Annual Budget**  
**Business Unit: 1001**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Budget</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Intergovernmental</b>						
4604	Federal grants	92,358	196,840	172,000	1,825,290	59,500
4624	State local government aid	1,500,002	1,203,195	1,202,297	1,202,297	1,202,297
4626	State aid street maintenance	290,000	375,000	375,000	375,000	375,000
4630	State police relief aid	250,128	266,390	265,000	265,000	265,000
4632	State fire relief aid	241,116	-	-	-	-
4636	State 911 distribution	11,283	-	-	-	-
4644	State police POST board	26,796	28,831	25,000	25,000	25,000
4646	State aid - other	14,192	32,163	-	11,030	11,500
4662	County aid - other	31,296	21,265	31,000	21,000	21,000
4666	Local aid - school district resource officers	147,000	151,000	155,000	155,000	155,000
	<b>Total intergovernmental</b>	<b>2,604,171</b>	<b>2,274,684</b>	<b>2,225,297</b>	<b>3,879,617</b>	<b>2,114,297</b>
<b>Charges for Services</b>						
4807	Customer service taxable	531	445	500	45	-
4809	Customer service non-taxable	21,109	29,786	30,000	12,305	14,000
4819	Charges to other departments	50	-	-	-	-
4832	Fire services	328,733	387,552	465,100	465,100	467,993
4834	Police services	63,800	63,228	80,500	80,500	85,378
4835	False alarm services	450	4,800	1,000	1,000	1,000
4836	Public safety services	7,562	7,585	4,000	855	4,000
4842	Public works services	10,740	392	1,800	-	1,800
4845	Building inspection services	129,779	161,838	140,000	140,000	140,000
4846	Fire inspection services	200	800	500	500	500
4875	Miscellaneous services	13	-	-	-	-
	<b>Total charges for services</b>	<b>562,967</b>	<b>656,426</b>	<b>723,400</b>	<b>700,305</b>	<b>714,671</b>
<b>Miscellaneous Revenues</b>						
4955	Interest	90,000	169,651	115,000	115,000	115,000
4975	Rental income	45,485	42,070	35,650	25,415	35,650
4990	Donations	2,311	2,150	2,000	800	-
5010	Sale of property	2,384	1,643	1,000	440	-
5318	Gambling regulatory tax	-	22,456	3,000	2,375	3,000
5350	Miscellaneous revenues	1,292	1,596	-	-	-
5360	Refunds and reimbursements	9,678	4,117	3,500	3,510	3,500
	<b>Total miscellaneous revenues</b>	<b>151,150</b>	<b>243,683</b>	<b>160,150</b>	<b>147,540</b>	<b>157,150</b>
<b>Transfers for Administrative Charges</b>						
5205	Economic development	-	-	-	28,117	-
5205	Water distribution	102,280	101,000	101,000	101,000	108,000
5205	Water treatment	18,540	18,996	19,000	19,000	20,000
5205	Sewer	106,400	110,004	110,000	110,000	120,000
5205	Refuse	109,000	110,004	110,000	110,000	110,000
5205	Ambulance	254,000	140,004	140,000	140,000	140,000
5205	Pioneer Manor	-	-	-	-	17,000
5205	License Bureau	31,700	-	-	-	-
5205	HRA Redevelopment - District 25	25,000	24,996	25,000	25,000	25,000
5205	Marina	40,000	69,996	70,000	70,000	70,000
5205	Interim Construction	-	1,065,000	750,000	750,000	750,000
	<b>Total transfers</b>	<b>686,920</b>	<b>1,640,000</b>	<b>1,325,000</b>	<b>1,353,117</b>	<b>1,360,000</b>
<b>Total</b>		<b>\$ 10,283,893</b>	<b>\$ 11,983,883</b>	<b>\$ 11,935,215</b>	<b>\$ 13,340,593</b>	<b>\$ 12,142,468</b>

**City of White Bear Lake**  
**General Fund Summary of Expenditures by Department and Division**

**Annual Budget**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
	<b>Legislative</b>					
1010	Mayor and council	\$ 141,081	\$ 150,600	\$ 154,567	\$ 154,947	\$ 156,491
	<b>Department of Administration</b>					
1020	City manager	354,744	377,740	392,701	392,158	402,573
1030	Finance	593,664	605,016	625,238	631,950	627,854
1040	Legal counselor	51,298	46,039	65,869	83,469	65,569
1050	City hall	256,708	305,455	324,368	327,040	331,535
1060	Elections	95,568	59,409	59,911	59,936	84,461
1070	Planning	302,336	330,795	370,673	348,337	380,869
	Total general government	1,795,399	1,875,054	1,993,327	1,997,837	2,049,352
	<b>Department of Public Safety</b>					
1110	Police	4,147,844	4,460,827	4,915,734	4,697,817	5,002,617
1210	Fire	924,955	854,379	997,125	984,035	986,352
1114	Dispatch	504,173	204,157	213,000	213,000	218,000
1041	Prosecution	153,731	148,408	153,763	153,956	158,591
1118	Animal control	14,834	15,652	22,418	22,260	24,024
1220	Emergency preparedness	11,364	11,094	16,864	12,599	16,414
1080	Building and code enforcement	589,857	591,111	632,278	627,277	653,990
	Total public safety	6,346,758	6,285,628	6,951,181	6,710,944	7,059,988
	<b>Department of Public Works</b>					
1300	Public works facility	163,120	192,594	197,471	194,758	193,932
1310	Engineering	-	618,430	752,775	660,121	726,320
1320	Garage	114,156	122,956	146,807	147,417	151,770
1410	Streets	561,560	523,232	555,241	584,114	587,948
1420	Snow and ice removal	234,401	265,345	252,470	253,714	272,964
1430	Street lighting and signals	186,306	180,867	191,403	190,603	203,669
1510	Parks	644,981	666,216	753,504	633,180	728,068
	Total public works	1,904,524	2,569,640	2,849,670	2,663,907	2,864,671
	<b>Non-Departmental</b>					
1610	General services	-	6,487	14,220	-	-
	Lake Conservation District	-	36,581	34,000	33,954	42,660
	Northeast Youth and Family Services	39,575	40,684	44,000	43,451	50,920
	Senior bus	3,750	7,500	7,500	5,000	7,500
	Contingency	-	-	15,500	-	15,500
	Total non-departmental	43,325	91,252	115,220	82,405	116,580
	Total operational expenditures	10,090,006	10,821,574	11,909,398	11,455,093	12,090,591
	<b>Transfers Out</b>					
	Armory	25,000	25,000	25,000	25,000	25,000
	Equipment Acquisition	-	-	-	300,000	-
	Total transfers out	25,000	25,000	25,000	325,000	25,000
	<b>Total</b>	<b>\$ 10,115,006</b>	<b>\$ 10,846,574</b>	<b>\$ 11,934,398</b>	<b>\$ 11,780,093</b>	<b>\$ 12,115,591</b>

**Department: Legislative 1010**

**Fund: General Fund 1000**

**Department Activities and Responsibilities:**

The City Charter grants all legislative powers of the City to the City Council, which consists of a mayor and five council representatives. These six positions work together to formulate City policies, enact legislation, adopt the annual budget, implement revenue controls, fund appropriations, approve levy taxes, and provide external auditing. In addition to these duties, the mayor appoints members to advisory boards and commissions and performs other responsibilities assigned by the City Charter.

The Charter divides the City's area into five wards for election purposes. Residents choose the mayor at-large and the council members through ward-only elections. City Council members serve four-year terms with elections for the Mayor and Council members from Wards 2 and 4 in the same year, and elections for Council members from Wards 1, 3, and 5 two years after the mayoral election. Current compensation rates for all council positions have been in effect since January 2016, with the mayor's monthly compensation at \$800 and the city council's monthly compensation at \$625.

**Budget Summary:**

The Other Supplies account provides funding for the City Council to support civic events and honor both City volunteers and employees. The City recognizes volunteers and employees at separate events each year. Staff members diligently plan both events to provide a cost-effective celebration to recognize people for their commitment and help in making our programs succeed. Volunteer representatives receive a small token of appreciation at the evening affair and long-term employees receive service awards for their five-year employment milestones at an annual employee recognition luncheon.

The Subscription and Dues budget includes funding for organizations such as the League of Minnesota Cities, the Association of Metropolitan Municipalities, Ramsey County League of Local Governments, and the National League of Cities.

The City is fortunate to have active and engaged community members promoting the vibrant life available in the area through City amenities, active civic groups, a strong school district and thriving businesses. Community pride soared as the City received Minnesota Monthly magazine's "2018 Best MN Town" designation. The magazine honored the City through an extensive article celebrating the area's opportunities and attractions.

The 2021 budget continues to support training through both internal Council work sessions and external conferences sponsored by government agencies and the League of Minnesota Cities. The allocation includes funding for the German exchange program previously anticipated for 2020 but cancelled due to the pandemic.

**Goals:**

1. Provide leadership and public policy to maintain or improve the quality of life for residents.
2. Maintain communications with City residents through meetings and printed/electronic mediums.
3. Maintain strong cross-jurisdictional relationships with neighboring communities and local school districts.

**Measurable Workload Data:**

	2018 <u>Actual</u>	2019 <u>Actual</u>	2020 <u>Budget</u>	2021 <u>Budget</u>
Number of City Newsletters	2	2	2	2

**City of White Bear Lake**  
**General Government - Legislative**

**Annual Budget**  
**Business Unit: 1010**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Personnel Services</b>						
6105	Salaries - regular employees	\$ 78,293	\$ 81,159	\$ 82,029	\$ 81,946	\$ 82,681
6117	Overtime - regular employees	172	-	500	500	500
6119	Salaries - temporary employees	-	1,780	-	-	-
6122	PERA	2,353	2,554	2,657	2,651	2,706
6124	FICA/Medicare	5,839	6,283	6,313	6,307	6,363
6128	Insurance contribution	4,775	5,015	5,266	5,266	5,529
6138	Worker's compensation	715	715	715	715	650
6148	Other benefits	700	700	700	700	700
	Total personnel services	<u>92,847</u>	<u>98,206</u>	<u>98,180</u>	<u>98,085</u>	<u>99,129</u>
<b>Supplies</b>						
6210	Office supplies	-	-	-	-	-
6248	Community engagement supplies	-	845	-	9,000	-
6250	Other supplies	4,926	4,961	7,200	3,805	7,200
6290	Uniforms	-	-	300	-	-
	Total supplies	<u>4,926</u>	<u>5,806</u>	<u>7,500</u>	<u>12,805</u>	<u>7,200</u>
<b>Other Services and Charges</b>						
6401	Professional services	-	-	-	-	-
6412	Cellular	-	-	-	285	-
6434	General liability insurance	2,092	2,092	2,092	2,092	2,092
6445	Postage	-	-	100	-	100
6449	In-house printing	-	-	100	-	-
6450	Outside printing	2,830	3,270	3,500	3,500	3,500
6455	Legal notice publishing	1,042	1,555	2,500	1,000	2,000
6460	Subscription/memberships	31,087	31,667	33,310	33,365	33,385
6470	Training	5,407	5,892	4,925	2,105	7,025
6486	Travel	-	-	50	-	50
6492	Advertising	850	2,112	1,410	1,410	1,410
6560	Other contractual services	-	-	900	300	600
	Total other services and charges	<u>43,308</u>	<u>46,588</u>	<u>48,887</u>	<u>44,057</u>	<u>50,162</u>
<b>Total</b>		<b><u>\$ 141,081</u></b>	<b><u>\$ 150,600</u></b>	<b><u>\$ 154,567</u></b>	<b><u>\$ 154,947</u></b>	<b><u>\$ 156,491</u></b>

**Department: Administration 1020**

**Fund: General Fund 1000**

**Department Activities and Responsibilities:**

The City Manager's Office provides general administrative services to ensure implementation of all City Council policies and directives. In accordance with the City's Charter and Ordinance Code, the City Manager oversees enforcement of the City Council's ordinances and resolutions, appointment of City employees, preparation and enforcement of the budget adopted by the Council, labor relations, and control of all City departments.

The City Manager's Office staff is an integral part to connecting the City Council with City staff, advisory boards, commissions, other governmental agencies and residents. Through the preparation of agenda materials, council recommendations, and management reports, the daily responsibilities of this department keep City operations moving forward in a coordinated effort.

The City Clerk function for the City occurs through staff in this department.

**Budget Summary:**

In past years, budgets allocated the staff time of the Assistant City Manager and the City Clerk positions between multiple departments based on the percentage of work performed. Since the two positions work closely with all departments within the City, the percentage varied by department each year depending on the projects at hand. In 2019, the City began to budget for these positions primarily in this budget to simplify the accounting process and provide easier cost analysis. The time allocation for the Assistant City Manager is now 100% in this budget, while the City Clerk is at a 50/50 split between this budget and the Legislative department budget.

To address the changing operations required in working and meeting remotely, the City began using the Zoom virtual meeting platform during 2020. The Federal CARES funding will provide reimbursement for the 2020 expenditures included in the Professional Services while future year's fees will be part of operating expenditures.

The budget continues to fund training opportunities for employees; however, the 2020 Revised and 2021 Budget removes allocations for participation in national or local conferences and leadership development groups due to the challenges of attending during the pandemic. The 2022 Budget will include funding for these opportunities.

**Goals:**

1. Provide strong leadership to the City's administrative operations and encourage cooperative decision making among administrative staff.
2. Maintain responsiveness to citizen inquiries about City issues and services.
3. Provide thorough information to the Mayor and City Council concerning municipal operation and well-reasoned alternatives for public policy decisions.
4. Promote high levels of performance, innovation, and enthusiasm within the City's organization.

**Measureable Workload Data:**

	2018 <u>Actual</u>	2019 <u>Actual</u>	2020 <u>Budget</u>	2021 <u>Budget</u>
Number of resolutions prepared	174	185	200	200

**City of White Bear Lake**  
**General Government - Administration**

**Annual Budget**  
**Business Unit: 1020**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Personnel Services</b>						
6105	Salaries - regular employees	\$ 275,503	\$ 293,475	\$ 304,340	\$ 310,533	\$ 317,082
6122	PERA	20,718	22,009	22,825	23,290	23,781
6124	FICA/Medicare	20,428	21,798	23,282	23,756	24,257
6128	Insurance contribution	13,955	14,660	15,393	15,393	16,163
6138	Worker's compensation	1,820	2,100	2,100	2,100	2,150
6148	Other benefits	540	2,510	2,510	2,510	2,510
	Total personnel services	<u>332,964</u>	<u>356,552</u>	<u>370,450</u>	<u>377,582</u>	<u>385,942</u>
<b>Supplies</b>						
6210	Office supplies	95	70	500	50	100
6220	Equipment supplies	-	-	100	-	100
6248	Community engagement supplies	-	-	-	500	-
6250	Other supplies	31	161	250	50	150
6280	Books & periodicals	-	-	150	-	-
6290	Uniforms	-	-	-	-	-
	Total supplies	<u>126</u>	<u>231</u>	<u>1,000</u>	<u>600</u>	<u>350</u>
<b>Other Services and Charges</b>						
6401	Professional services	57	613	110	410	710
6411	Telephone	702	657	790	790	870
6412	Cellular	344	344	350	175	-
6434	General liability insurance	1,941	1,941	1,941	1,941	1,941
6445	Postage	454	501	400	400	400
6449	In-house printing	-	-	300	300	300
6450	Outside printing	147	-	200	-	-
6460	Subscription/memberships	2,006	2,136	2,300	2,300	2,300
6470	Training	9,611	8,238	8,300	1,100	3,200
6485	Building maintenance service	6,200	6,314	6,360	6,360	6,360
6505	Equipment maintenance service	192	213	200	200	200
	Total other services and charges	<u>21,654</u>	<u>20,957</u>	<u>21,251</u>	<u>13,976</u>	<u>16,281</u>
<b>Total</b>		<b><u>\$ 354,744</u></b>	<b><u>\$ 377,740</u></b>	<b><u>\$ 392,701</u></b>	<b><u>\$ 392,158</u></b>	<b><u>\$ 402,573</u></b>

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**Department: Finance 1030**

**Fund: General Fund 1000**

**Department Activities and Responsibilities:**

The Finance Department manages all financial aspects for the City. Duties include financial reporting, budgeting, payroll, accounts payable, accounts receivable, utility billing, special assessments, investments, debt management, capital financing, insurance administration, and economic development reporting duties. The staff also assists the City Manager by providing internal auditing of the municipal operations and reporting to the City Council.

The City is a member of Local Government Information Systems (LOGIS), which is a consortium of cities formed to provide cost-effective computer system options for local governments. LOGIS supplies the City with software for the financial reporting, payroll, human resources, and utility billing systems.

In 2020, the Finance Department completed the implementation of two separate projects to improve internal processes and customer service. The first was Tungsten, an accounts payable workflow software. With Tungsten, the Finance Department was able to streamline the accounts payable process by making it completely electronic, which allows an invoice to be tracked through every step in the process, resulting in shortened turnaround times. The second project implemented was Invoice Cloud, a simple and secure electronic bill presentation and payment solution. With this implementation, the City is able to offer a wider array of online payment options. Invoice Cloud also offers residents the ability to access a history of utility bills online, as well as the ability to pay their bill in a variety of ways. Customers now have the option to opt for paperless statements, which not only reduces operating costs associated with sending out paper bills, but also moves the City towards a greener utility billing process.

As with many other local governments and businesses, the COVID-19 pandemic forced the City to rethink day-to-day operations. The Finance Department quickly shifted into remote operations, but the shift shed light on inefficiencies in some finance and recordkeeping processes and the need to move towards a more paperless environment. Staff promptly addressed the needs through use of electronic storage for supporting documents of transactions and journal entries and plans to add other productivities during 2021.

**Budget Summary:**

The Revised 2020 Professional Services account includes allocations for an actuarial valuation required by the Governmental Accounting Standards Board's Statement No. 75 for Other Post-Employment Benefits (OPEB) and an actuarial valuation for the Governmental Accounts Standards Board's Statement No. 67/68 regarding Fire Relief Association reporting. The work done in the beginning of 2020 related to the 2019 annual financial statements. The Statement No. 75 requires a biennial OPEB actuarial valuation going forward while the work for Statement No. 67/68 will not be required with the Fire Relief Association's transition to plan management through the Minnesota Public Employees Retirement Association.

The Cellular expenditures in the Revised 2020 Budget reimburse employees for use of their personal cell phone while working remotely. New headsets purchased allows employees to answer their work phone through their computer connection and eliminates the use of cell phones moving forward.

The budget continues to fund training opportunities for employees; however, the 2020 Revised and 2021 Budget removes allocations for participation in national conferences and a local leadership development program due to the challenges of attending during the pandemic. The 2022 Budget will include funding for these opportunities.

The Contracted Services budget contains the charges to accept credit card and electronic payments for City services. Though these service fees relate to the operational duties of other City departments, the Finance Department manages the costs to simplify the monitoring process and analysis. These features do increase the expenditures; therefore, a fee structure adjustment will help cover the costs since using the systems improve our customer service and allows for greater employee efficiency.

**Department: Finance 1030**

**Fund: General Fund 1000**

**Goals:**

1. Continue transitioning recordkeeping to an electronic format to move towards a more paperless operation.
2. Consider paying recurring invoices via ACH payments rather than paper checks.
3. Encourage utility billing customers to opt for paperless billing options through Invoice Cloud.
4. Educate City staff on budget process and proper invoice coding to correlate to their budget.

**Measureable Workload Data:**

	2018 <u>Actual</u>	2019 <u>Actual</u>	2020 <u>Budget</u>	2021 <u>Budget</u>
Standard & Poor's Debt Credit Rating	AA+	AA+	AA+	TBD
Receive the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association of the US and Canada (GFOA)	Yes	TBD	TBD	TBD
Receive the Distinguished Budget Presentation Award from the Government Finance Officers Association of the US & Canada (GFOA)	Yes	Yes	Yes	TBD
Percent of invoices paid by paper checks	100%	100%	100%	75%
Percent of paperless utility billing customers	0%	0%	10%	20%

**City of White Bear Lake**  
**General Government - Finance**

**Annual Budget**  
**Business Unit: 1030**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Personnel Services</b>						
6105	Salaries - regular employees	\$ 384,265	\$ 383,955	\$ 396,032	\$ 396,815	\$ 405,182
6117	Overtime - regular employees	3,202	4,238	5,000	8,000	5,000
6122	PERA	29,431	29,170	30,077	30,361	30,764
6124	FICA/Medicare	29,796	30,034	30,679	30,968	31,379
6128	Insurance contribution	35,980	37,800	39,690	39,690	41,675
6138	Worker's compensation	8,415	8,415	8,415	8,415	3,075
6146	Severance	-	-	-	1,706	-
6148	Other benefits	1,000	4,650	4,650	4,650	4,650
	<b>Total personnel services</b>	<b>492,089</b>	<b>498,262</b>	<b>514,543</b>	<b>520,605</b>	<b>521,724</b>
<b>Supplies</b>						
6210	Office supplies	562	800	1,500	1,200	1,500
6250	Other supplies	-	95	50	50	50
6290	Uniforms	-	30	50	-	50
6295	Small tools	1,328	33	350	-	350
	<b>Total supplies</b>	<b>1,890</b>	<b>958</b>	<b>1,950</b>	<b>1,250</b>	<b>1,950</b>
<b>Other Services and Charges</b>						
6401	Professional services	20,100	27,454	16,035	25,795	11,550
6402	Data processing	48,279	48,952	55,110	55,110	61,170
6411	Telephone	1,016	950	1,150	1,150	1,265
6412	Cellular	-	-	-	330	-
6434	General liability insurance	5,230	5,230	5,230	5,230	5,230
6445	Postage	3,411	3,096	3,200	3,500	3,200
6449	In-house printing	-	-	500	-	-
6450	Outside printing	1,588	1,870	1,850	1,150	1,350
6455	Legal notices publications	2,313	505	2,700	2,725	2,725
6460	Subscription/memberships	650	892	1,250	920	930
6470	Training	3,562	2,204	5,935	900	2,935
6485	Building maintenance service	1,355	353	500	-	500
6505	Equipment maintenance service	1,543	1,542	2,400	2,115	2,350
6560	Other contractual services	10,638	12,748	12,885	11,170	10,975
	<b>Total other services and charges</b>	<b>99,685</b>	<b>105,796</b>	<b>108,745</b>	<b>110,095</b>	<b>104,180</b>
<b>Total</b>		<b>\$ 593,664</b>	<b>\$ 605,016</b>	<b>\$ 625,238</b>	<b>\$ 631,950</b>	<b>\$ 627,854</b>

**Department: Legal Counselor 1040**

**Fund: General Fund 1000**

**Department Activities and Responsibilities:**

The City contracts for legal services to provide legal representation at City Council meetings, assistance in drafting ordinances and resolutions, negotiations on development and improvement projects, and employment issues.

**Budget Summary:**

The City Council chose the law firm of Kennedy & Graven Chartered to be the City's new legal counselor as of January 2019. Mr. Troy Gilchrist is the firm's legal representative who works closely with City staff and council on any legal matters.

Pursuant to the City Charter, the appointment extends for a period of one year and expires each January. Currently, the monthly retainer fee paid to the firm covers corporate legal services within the retainer agreement. The law firm bills the City for any services or projects not covered under the corporate legal retainer at the staff person's hourly rate. Typically, these fees relate to public improvements, redevelopment projects, or employment issues, which the City expenses the costs directly to the specific activities.

A lawsuit filed against Tally's Dockside during 2020 challenged the placement of their fuel tank on the Whitaker Street end. The lawsuit named the City as a defendant as the owner of the Whitaker Street end and one of the permitting authorities regarding the tank. The Revised 2020 Professional Services expenditures budget includes costs to defend the legality of the tank placement.

**Measurable Workload Data:**

Listed below are total payments to the legal firm for the General Fund and other activities for the past four years and the current year to date:

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020*</u>
Counselor fees	\$92,810	\$95,935	\$63,744	\$47,472	\$36,207

\*Partial year (January – May)

**City of White Bear Lake**  
**General Government - Legal Counselor**

**Annual Budget**  
**Business Unit: 1040**

<u>Code</u>	<u>Item</u>	<u>2018 Actual</u>	<u>2019 Actual</u>	<u>2020 Adopted</u>	<u>2020 Revised</u>	<u>2021 Budget</u>
	<b>Other Services and Charges</b>					
6401	Professional services	\$ 49,629	\$ 44,370	\$ 64,200	\$ 81,800	\$ 63,900
6434	General liability insurance	1,669	1,669	1,669	1,669	1,669
	Total other services and charges	<u>51,298</u>	<u>46,039</u>	<u>65,869</u>	<u>83,469</u>	<u>65,569</u>
	<b>Total</b>	<b><u>\$ 51,298</u></b>	<b><u>\$ 46,039</u></b>	<b><u>\$ 65,869</u></b>	<b><u>\$ 83,469</u></b>	<b><u>\$ 65,569</u></b>

**Department: City Hall 1050**

**Fund: General Fund 1000**

**Department Activities and Responsibilities:**

The City Hall department manages the costs of central supplies, utilities, and maintenance services for the City's primary administrative office building. The City's main receptionist position and the Information Technology (IT) coordinator positions appear in this budget as all departments in City Hall benefit from their expertise and responsibilities.

The City Hall building closed to the public in March 2020 in response to the COVID-19 pandemic; however, staff schedules appointments for services or meetings when necessary or requested. Maintenance of License Bureau operations in City Hall during the pandemic requires restricted access to walk in service.

**Budget Summary:**

The 2020 Revised Budget for Building Supplies includes an allocation for COVID-19 supplies such as hand sanitizer, sanitizer dispensers, masks, social distancing signage, and other safety measures for employees who regularly interact with customers. The Coronavirus Aid, Relief, and Economic Security Act (CARES) funding reimburses the City for expenditures related to COVID-19 response.

**Capital Outlay:**

As the facility continues to age, the demand for maintenance and system replacements remain a high priority to preserve the building and campus area. Each year the budget reflects projects for the work plan; however, before the anticipated repairs take place, a review of the projects re-prioritizes the needs based on updated assessments. Therefore, items included in the budget can change depending on the current needs.

The Municipal Building Fund in the Capital Project Funds section of the document maintains the budget for building improvement projects planned for the City Hall complex.

The Equipment Acquisition Fund in the Capital Project Funds section of the budget provides funding for routine replacement of computer equipment, licensing agreements, annual technology maintenance fees, and server operations for City Hall.

**Goals:**

1. Provide services and meeting spaces in a safe manner that complies with current state guidelines regarding COVID-19.
2. Maintain appearance of City Hall in a manner that sets quality standards for the community.
3. Evaluate maintenance practices and uses of City Hall and take necessary action to preserve the building and the equipment within it.
4. Make safety enhancements necessary to continue to provide a safe and comfortable environment for employees and the public.

**Measurable Workload Data:**

	2018 <u>Actual</u>	2019 <u>Actual</u>	2020 <u>Budget</u>	2021 <u>Budget</u>
Number of community organization meetings held in facility	385	364	88	182

**City of White Bear Lake**  
**General Government - City Hall**

**Annual Budget**  
**Business Unit: 1050**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Personnel Services</b>						
6105	Salaries - regular employees	\$ 105,873	\$ 139,705	\$ 144,801	\$ 144,456	\$ 147,503
6122	PERA	7,942	10,478	10,860	10,834	11,063
6124	FICA/Medicare	8,513	11,332	11,077	11,051	11,284
6128	Insurance contribution	7,350	7,725	8,111	8,111	8,517
6138	Worker's compensation	1,105	1,105	1,105	1,105	1,150
6148	Other benefits	140	650	650	650	650
	Total personnel services	<u>130,923</u>	<u>170,995</u>	<u>176,605</u>	<u>176,207</u>	<u>180,166</u>
<b>Supplies</b>						
6210	Office supplies	7,258	7,274	8,200	6,950	8,050
6220	Equipment supplies	740	511	950	780	800
6240	Building supplies	3,792	5,849	7,000	12,710	6,800
6250	Other supplies	3,015	2,292	3,500	3,095	3,500
6255	Landscaping supplies	-	192	500	500	500
6290	Uniforms	-	-	-	-	-
6295	Small tools	(72)	123	300	300	300
	Total supplies	<u>14,733</u>	<u>16,241</u>	<u>20,450</u>	<u>24,335</u>	<u>19,950</u>
<b>Other Services and Charges</b>						
6401	Professional services	19	-	100	100	100
6402	Data processing	21,574	21,387	24,075	24,075	26,720
6411	Telephone	7,088	8,295	9,835	9,600	10,355
6412	Cellular	119	71	120	120	120
6422	Electric	15,862	13,028	15,000	15,000	15,000
6423	Natural gas	4,742	4,492	3,500	4,400	4,400
6434	General liability insurance	10,009	10,009	10,009	10,009	10,009
6436	Equipment liability insurance	304	304	304	304	-
6445	Postage	(2,718)	7,137	3,500	3,500	3,500
6450	Outside printing	49	-	150	150	150
6470	Training	-	13	-	-	-
6485	Travel/mileage reimbursement	1,200	1,200	1,200	1,200	1,200
6505	Equipment maintenance service	5,168	4,409	6,730	6,330	6,330
6515	Building maintenance service	11,022	7,730	10,820	9,740	10,800
6555	Equipment rental	5,008	5,473	5,400	5,400	5,400
6560	Other contractual services	31,606	34,671	36,570	36,570	37,335
	Total other services and charges	<u>111,052</u>	<u>118,219</u>	<u>127,313</u>	<u>126,498</u>	<u>131,419</u>
<b>Total</b>		<b><u>\$ 256,708</u></b>	<b><u>\$ 305,455</u></b>	<b><u>\$ 324,368</u></b>	<b><u>\$ 327,040</u></b>	<b><u>\$ 331,535</u></b>

**Department: Elections & Voter Registration 1060**

**Fund: General Fund 1000**

**Department Activities and Responsibilities:**

In accordance with State law and provisions within the City Charter, the City is responsible to enroll residents for the County's permanent list of registered voters and coordinate elections. National, state and county primary elections take place during even-numbered years with the primary elections in August and the general elections in November. The City of White Bear Lake Municipal elections take place during odd-numbered years. City Council elections are non-partisan with representatives from each of the five wards elected to serve on the Council and the Mayor elected at-large. Candidates file for Mayor or City Council positions with the City Clerk during the filing period in the election year.

**Budget Summary:**

The City contracted with Ramsey County for election administration services in 2017 for two 2-year election cycles that expires on December 31, 2020. This decision eased the hardship created for City staff coordinating the early voting services and the influx of people arriving to place their vote during the 46 days before the election and relieved City staff of the increasing challenges with election oversight. During the current contract, Ramsey County improved their services by establishing centralized early voting centers for county residents to create an efficient and streamlined voting process.

Ramsey County's new contract extends from January 1, 2021 through December 31, 2026, which spans three 2-year election cycles. The 2020 and 2021 contract costs of \$50,500 and \$75,000, respectively, are reasonable and comparable to the staffing costs for the City when it handled the election services in house. The contract costs expand to provide an hourly wage increase for election judges to bring the pay scale in alignment with other jurisdictions and work associated with the higher volume of vote by mail and in-person early voting. All jurisdictions contracting with Ramsey County will operate under the same contract, with terms and conditions of the contract being non-negotiable by individual municipalities.

Ramsey County and all municipalities and school districts within the County purchased new voting equipment through a joint powers agreement in 2016. Collectively, all parties pay to maintain that equipment on an annual basis. The cost to do so will rise each year as the equipment ages. The 2021 Budget includes allocation for this in the Equipment Maintenance Service line item.

**Goals:**

1. Maintain high election standards through the use of Ramsey County's expertise and ability to leverage centralized early voting initiatives for all residents.

**Measurable Workload Data:**

	2018 <u>Actual</u>	2019 <u>Actual</u>	2020 <u>Budget</u>	2021 <u>Budget</u>
Total Number of Ballots Cast				
Primary	4,251	0	3,990	0
General Election	12,147	3,024	14,000	3,000
Percent of Voter Turnout to Registered Voters:				
Primary	28%	0%	25%	0
General Election	79%	33%	80%	20%
Number of Absentee Ballots Issued				
Primary	631	0	2,485	0
General Election	3,477	402	3,700	240



**City of White Bear Lake**  
**General Government - Elections**

**Annual Budget**  
**Business Unit: 1060**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Other Services and Charges</b>						
6401	Professional services	-	-	-	-	-
6434	General liability insurance	436	436	436	436	436
6445	Postage	-	-	-	25	25
6455	Legal notices publications	-	-	500	500	500
6505	Equipment maintenance service	8,132	8,473	8,475	8,475	9,500
6560	Other contractual services	87,000	50,500	50,500	50,500	74,000
	Total other services and charges	<u>95,568</u>	<u>59,409</u>	<u>59,911</u>	<u>59,936</u>	<u>84,461</u>
<b>Total</b>		<b><u>\$ 95,568</u></b>	<b><u>\$ 59,409</u></b>	<b><u>\$ 59,911</u></b>	<b><u>\$ 59,936</u></b>	<b><u>\$ 84,461</u></b>

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**Department: Planning and Zoning Department 1070**

**Fund: General Fund 1000**

**Activities and Responsibilities:**

The Community Development Department manages all aspects related to the development, expansion, and growth within the community. To help the Department accomplish these objectives, the Planning staff works with the long-range development projects, property- zoning activities, and land use ordinances. Every ten years the staff prepares the City's Comprehensive Plan for the Metropolitan Council to ensure the City is in conformance with metropolitan system plans, consistent with adopted policy plans, and is compatible with the plans of affected and adjacent jurisdictions in the area.

Redevelopment activities focus on marketing potential business locations to new or existing companies, processing redevelopment plans to encourage improvements to blighted areas, working to keep a vibrant downtown district, and continuing overall City beautification efforts.

The department staff provides support services to the Planning Commission through the evaluation of applications for conditional use permits, zoning changes, and variances.

**Budget Summary:**

White Bear Lake is a community with a rich history, whose growth through the years now provides very limited availability of vacant land within the City. The current challenge is to promote redevelopment of underutilized areas to attract new residents and businesses. Redevelopment efforts are vital because newer accommodations and business opportunities draw people to the area, increase property values, and provide the City more tax revenues without increasing property taxes for landowners each year. The City Council recognized the importance of these projects as they funded a new Housing and Economic Development Coordinator in 2017. Budgeting for the position moved to the Economic Development Fund in 2019 to provide a comprehensive analysis of the revenues and expenditures related to Economic Development.

In recent years, the department hired an intern to assist with preparing the City's 2040 Comprehensive Plan document. The 2020 Adopted Budget continued funding for an intern position to assist with the County Road E Corridor smart growth visioning process, but in an effort to conserve resources amidst the COVID-19 pandemic, the 2020 Revised Budget eliminated the position.

The 2021 Budget includes an allocation for severance costs incurred as a full-time employee completes their 10 years of service minimum with the City during the year. The department recognizes the expenditure in the employee's anniversary year and transfers the amount to the Employment Expense Fund for recordkeeping until the employee leaves their position with the City.

**Goals:**

1. Identify opportunities to implement the 2040 Comprehensive Plan with priority for future housing needs and opportunities for redevelopment within the community.
2. Conduct a Small Area Study of the Arts, Culture and Education (ACE) District to identify shared opportunities and goals, and develop graphic concepts that explore potential for agencies to collaborate towards mutually beneficial improvements.
3. Design and convene a community engagement process to inform the city's Housing 2020 policy direction and facilitate a 2020 Housing Task Force to provide policy recommendations to the White Bear Lake City Council/HRA and Planning Commission.
4. Create a plan for the County Road E Corridor and report on the need for and feasibility of coordinated redevelopment of commercial and public property at the County Road E and Bellaire Avenue intersection.
5. Continue Station Area Planning activities along the planned Rush Line bus rapid transit corridor between St. Paul and Downtown White Bear Lake.

**Department: Planning and Zoning Department 1070**

**Fund: General Fund 1000**

**Goals (Continued):**

6. Initiate a business retention and expansion visitation program in conjunction with the White Bear Area Chamber of Commerce.
7. Serve as a liaison and provide technical support to the White Bear Lake Economic Development Corporation.

**Measurable Workload Data:**

**LAND USE REGULATION  
City of White Bear Lake**

Year	Conditional Use Permits	Minor Sub-Divisions	Planned Unit Develop.	Plats	Zoning/Text Amend.	Variances	Vacations	Totals
2014	8	1	*	1	8	26	1	45
2015	5	4	*	4	7	23	1	44
2016	15	1	*	1	7	21	0	45
2017	9	1	*	2	4	23	0	39
2018	9	3	0	0	0	18	0	30
2019	10	2	2	3	8	10	0	33
2020 (to 8/31)	10	1	1	1	1	15	0	29

\* Not previously recorded.

**City of White Bear Lake**  
**General Government - Planning and Zoning**

**Annual Budget**  
**Business Unit: 1070**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Personnel Services</b>						
6105	Salaries - regular employees	\$ 216,212	\$ 245,981	\$ 257,033	\$ 257,159	\$ 264,186
6117	Overtime - regular employees	139	290	-	-	-
6119	Salaries - temporary employees	6,645	-	16,380	-	-
6122	PERA	16,226	18,471	20,506	19,287	19,814
6124	FICA/Medicare	16,882	18,722	20,916	19,673	20,210
6128	Insurance contribution	20,030	21,000	22,050	22,050	23,153
6138	Worker's compensation	3,300	3,300	3,300	3,300	2,000
6146	Severance	-	-	-	-	21,798
6148	Other benefits	650	3,000	3,000	3,000	3,000
	<b>Total personnel services</b>	<b>280,084</b>	<b>310,764</b>	<b>343,185</b>	<b>324,469</b>	<b>354,161</b>
<b>Supplies</b>						
6210	Office supplies	84	112	1,100	900	900
6220	Equipment supplies	30	-	150	100	100
6250	Other supplies	500	175	500	450	450
6280	Books/manuals	-	-	75	45	100
6290	Uniforms	81	4	50	25	25
6295	Small tools	-	-	250	200	200
	<b>Total supplies</b>	<b>695</b>	<b>291</b>	<b>2,125</b>	<b>1,720</b>	<b>1,775</b>
<b>Other Services and Charges</b>						
6401	Professional services	939	268	755	355	560
6402	Data processing	4,164	4,753	5,350	5,350	5,940
6411	Telephone	596	557	670	670	735
6412	Cellular	555	360	720	585	780
6434	General liability insurance	3,168	3,168	3,168	3,168	3,168
6445	Postage	1,775	1,607	2,250	2,000	2,000
6449	In-house printing	-	-	100	100	100
6450	Outside printing	126	4	750	500	500
6455	Legal notices publications	1,225	1,320	1,750	2,000	2,200
6460	Subscription/memberships	1,074	799	1,500	1,500	1,600
6470	Training	1,561	1,822	3,600	1,450	2,200
6485	Travel allowance	2,400	2,945	2,400	1,920	2,400
6486	Mileage reimbursement	-	-	300	150	300
6492	Advertising	-	-	100	50	100
6505	Equipment maintenance service	1,984	2,137	1,800	2,200	2,200
6560	Other contractual services	1,990	-	150	150	150
	<b>Total other services and charges</b>	<b>21,557</b>	<b>19,740</b>	<b>25,363</b>	<b>22,148</b>	<b>24,933</b>
<b>Total</b>		<b>\$ 302,336</b>	<b>\$ 330,795</b>	<b>\$ 370,673</b>	<b>\$ 348,337</b>	<b>\$ 380,869</b>

**Department:** Police 1110

**Fund:** General Fund 1000

**Department Activities and Responsibilities:**

Primary department activities include enforcement of state and city laws, investigation of crimes, apprehension of violators, enforcement of traffic laws, crime prevention and supervision of safe pedestrian movement. In addition to patrolling the City of White Bear Lake, the department began providing contract police services to the City of Gem Lake in 2018.

Policing has experienced significant changes over the past decade, especially in the areas of officer recruitment and training, police response to crisis calls relative to use of force and de-escalation tactics, and police transparency. Accordingly, the department will continue to emphasize its training in de-escalation tactics, mental health awareness, and topics related to implicit bias and racial equity. In light of recent events across the nation and related attention to policing standards and protocols, the department is supplementing their policy review procedures through the creation of two sub-groups, one of internal staff and one of community representatives, to examine and the policies in place and determine if any modification are needed.

The department's calls for service, which range from emergency 911 calls to officer self-initiated filed activity such as a traffic stop or extra patrol, reflect the primary measure of productivity. The department anticipates responding to approximately 26,000 calls for service in 2020 and 2021. Currently, the department staffs 31 sworn officers, 3.5 full-time equivalent support staff and 6 Community Service Officers. Within the 31 sworn officer count, four sergeants and sixteen officers cover the patrol shifts and respond to the calls for service. When full strength, each shift consists of one Sergeant and four Officers. The shift minimums allow for one officer off per shift. However, if the shift strength is at or below four officers, an officer on overtime, Administrator or Investigator fills the open shift time. The department will continue to monitor their staff resources and duties to ensure an appropriate balance remains between the two.

Officers may work extra hours during their off-duty times to assist with driver safety programs subsidized by State grants, or to provide police coverage at special events. The City receives reimbursement from the outside agencies and organizations to cover the overtime costs associated with these efforts. As of September 2020, the City has received approximately \$22,525 in overtime reimbursements.

The White Bear Lake Police Department and staff value their relationships with other public safety agencies and the community and is committed to building strong connections with both. The following paragraphs describe a few of the programs in place that coordinate services offered by the department.

Since 2002, the department has assigned two sworn officers to work as School Resource Officers (SROs) in the local school district. This long-standing initiative continues as a priority in the current budgets as it benefits the department, the district and the community as a whole. The SROs address all school district needs during the day, which allows fellow officers the ability to concentrate on other service calls when school is in session. On non-school days, the SROs provide traditional law enforcement duties or work on traffic and crash reduction strategies. In addition to the SRO positions, four other officers interact with students through the DARE program, which is taught at seven local elementary schools.

The Department also works closely with regional special teams and task forces. These opportunities offer training and experience that benefit both the employee and the entire department, as employees participating in the teams share the specialized skills learned with co-workers.

Currently, one officer is a member of the Ramsey County Violent Crime Enforcement Team with responsibilities generally involving narcotic cases. The City continues to receive State grant funding to support participation in this project.

Three officers participate on the Ramsey County Crime Scene Investigator Team. This team operates on-call, which means the officers receive overtime pay for any large crime scene calls received during non-working hours. Funding to cover overtime costs associated with these responsibilities is not available from other agencies. While there is a cost to the City, management believes the department benefits through

**Department:** Police 1110

**Fund:** General Fund 1000

the participation by having staff trained to address these situations, and the ability to have the combined team back fill our staffing needs at no additional cost when a call for service is in our coverage area.

One officer works with the Ramsey County SWAT Tactical Team and one officer serves as SWAT negotiators. This opportunity is similar to the Crime Scene Investigator team, as it is an on-call position with no additional funding from outside agencies; yet there is a great advantage to employing an officer with these skills to respond to calls.

Finally, two officers participate with the Ramsey County Mobile Field Force Unit. Similar to SWAT, this is a cooperative effort with the Ramsey County Sheriff's Department. The Mobile Field Force (MFF) is an experienced and well-disciplined squad, trained to address crowd management and deal with large gatherings that can transition into an unlawful assembly or riot. The White Bear Lake MFF officers not only assist with mutual aid callouts, but they also provide in service training to department members.

### **Budget Summary:**

Despite the addition of a new patrol officer position in 2020, the allotment for regular salaries decreased in the 2020 Revised Budget as a result of employee turnover. Officers that were hired/promoted to fill the vacant positions were hired at a lower rate than the officers who had previously held the positions. In addition, there was a temporary vacancy due to an employee who was on leave for a portion of the year.

In 2018, the department received a two-year grant to fund the salary of a dedicated DWI enforcement officer. When the grant ends in October 2020, the officer will return to enforcement duties within the shift schedule.

Addressing mental health issues in the community continues to be a high priority within the Police Department. In 2019, the Department began a collaboration with other Ramsey County suburban police departments to develop a proactive solution that encourages and supports mental health and wellness within their communities. The plan requires participating communities to contribute funding for a shared mental health coordinator through Northeast Youth and Family Services to connect people in crisis with the care they need to reduce mental health crisis related arrests and calls for service. The City of White Bear Lake's portion was originally included in Professional Services account of the Forfeiture Fund Budget for 2019 and 2020 since it was a pilot project; however, the 2021 funding moved to the Police Budget as an on-going operating expenditure.

The 2020 Revised and 2021 Professional Services budgets began to include funding to provide employees with the option to receive mental health services in response to the increase in traumatic calls during the COVID-19 pandemic.

### **Capital Outlay:**

A detailed discussion of the City's five year Capital Improvement Plan and purchases funded for this department through the Equipment Acquisition Fund and Municipal Building Fund is in the Summary Data section of the document.

### **Goals:**

1. The White Bear Lake Police Department will plan and implement strategies that have demonstrated positive effects to build trust and legitimacy between the police and the community. The Department will continue to evaluate and implement training that is relevant to current events and creates a platform that encourages its members to be responsive to the needs of our community.
2. Host one Citizen Police Academy (CPA). The department will be seeking volunteers from the CPA to continue their involvement with the department by becoming CERT members.

**Department:** Police 1110

**Fund:** General Fund 1000

3. Continue to engage the business community by meeting with the owners and employees throughout the year. The Department will also remain active with the White Bear Lake Downtown Mainstreet members.
4. Collaborate with the White Bear Lake School District to present training for parents in the areas of Teen Driving, Human Trafficking, Drug Awareness and Healthy Relationships/Safe Dating.
5. Host one community event each month to continue to build relationships in the community. These events include Donuts with the Cops, Floats with the Fuzz, Marketfest Public Safety Night, Personal Safety for College Bound Girls, Coffee with a Cop at various assisted living facilities, Safety Camp, and Senior Citizen Scam and Fraud Awareness.
6. Continue partnership with Ramsey County Traffic Safety Initiative to implement safety enforcement and education programs that focus on distracted driving, speed, cross walk, stop sign violations and DWI. In addition, host two crosswalk safety events during the summer to raise awareness of cross walk safety.
7. Host one Community Emergency Response Team (CERT) Academy to train additional members. The Department will also host two CERT training events for current team members; one event in the spring and one event in the fall. The Department will continue to maintain a roster of 60 active CERT members.

**Measurable Workload Data:**

	2018 <u>Actual</u>	2019 <u>Actual</u>	2020 <u>Budget</u>	2021 <u>Budget</u>
Number of police service calls	26,538	27,396	26,000	26,000
Number of Citizen Police Academy trainings held	1	1	1	1
Number of neighborhood watch groups maintained	60	60	60	60
Number of National Night Out gatherings	58	58	0	58
Number of community events held	12	20	8	15
Number of trainings presented in collaboration with the White Bear Lake School District	2	2	1	2
Number of enforcement events held in partnership with Ramsey County Traffic Safety Initiative	26	30	20	30



**City of White Bear Lake**  
**Public Safety - Police**

**Annual Budget**  
**Business Unit: 1110**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Personnel Services</b>						
6105	Salaries - regular employees	\$ 2,641,871	\$ 2,765,834	\$ 3,090,311	\$ 2,966,690	\$ 3,113,304
6117	Overtime - regular employees	179,949	195,103	170,000	158,000	170,000
6119	Salaries - temporary employees	55,747	58,756	92,821	60,769	67,048
6122	PERA	436,793	482,575	558,941	533,609	561,648
6124	FICA/Medicare	54,360	59,575	67,573	62,392	65,426
6128	Insurance contribution	237,425	288,800	313,241	313,241	328,903
6138	Worker's compensation	111,565	140,255	143,105	143,105	159,100
6146	Severance pay	-	-	10,205	8,996	4,718
6148	Other benefits	9,250	47,250	48,150	48,180	48,150
	Total personnel services	<u>3,726,960</u>	<u>4,038,148</u>	<u>4,494,348</u>	<u>4,294,982</u>	<u>4,518,297</u>
<b>Supplies</b>						
6210	Office supplies	2,668	1,706	3,000	2,200	3,000
6220	Equipment supplies	5,950	5,179	5,500	15,700	15,800
6221	Range supplies	11,745	7,133	12,425	10,381	12,775
6230	Vehicle supplies	13,765	11,569	13,200	13,200	13,200
6240	Building supplies	9,586	5,713	7,000	7,000	7,150
6248	Community engagement supplies	9,865	9,790	5,550	2,000	5,550
6250	Other supplies	13,846	11,129	9,065	8,565	9,065
6272	Motor fuels	83,161	77,879	83,300	70,300	83,300
6280	Books & periodicals	-	-	385	-	285
6290	Uniforms	44,776	44,333	37,550	34,950	37,100
6295	Small tools	1,767	2,256	2,100	1,550	1,900
	Total supplies	<u>197,129</u>	<u>176,687</u>	<u>179,075</u>	<u>165,846</u>	<u>189,125</u>
<b>Other Services and Charges</b>						
6401	Professional services	10,632	16,201	12,850	21,450	60,850
6402	Data processing	8,028	8,174	9,225	9,225	10,240
6411	Telephone	6,594	6,987	6,380	6,380	6,845
6412	Cellular	9,042	8,814	10,750	10,250	10,250
6413	Radio Communications	1,440	-	-	-	-
6422	Electric	19,489	22,944	20,000	23,500	24,000
6423	Natural gas	4,121	4,687	4,000	4,000	4,000
6434	General liability insurance	29,287	31,475	31,475	31,475	31,475
6436	Vehicle liability insurance	7,826	7,826	7,826	7,826	10,500
6445	Postage	1,694	1,542	2,000	2,000	2,000
6450	Outside printing	2,125	1,689	2,700	2,150	2,750
6460	Subscription/memberships	1,609	3,434	2,625	3,445	3,475
6470	Training	25,051	29,242	29,540	21,290	26,890
6492	Advertising	-	-	1,000	-	1,000
6505	Equipment maintenance service	7,433	5,231	5,940	5,660	6,460
6510	Vehicle maintenance service	21,602	22,065	21,200	21,200	21,200
6515	Building maintenance service	6,928	16,749	7,900	4,485	7,510
6555	Equipment rental	2,392	2,485	2,500	2,000	2,500
6560	Other contractual service	58,462	56,447	64,400	60,653	63,250
	Total other services and charges	<u>223,755</u>	<u>245,992</u>	<u>242,311</u>	<u>236,989</u>	<u>295,195</u>
<b>Total</b>		<b><u>\$ 4,147,844</u></b>	<b><u>\$ 4,460,827</u></b>	<b><u>\$ 4,915,734</u></b>	<b><u>\$ 4,697,817</u></b>	<b><u>\$ 5,002,617</u></b>

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**Department: Fire 1210**

**Fund: General Fund 1000**

**Department Activities and Responsibilities:**

The Fire Department provides fire suppression and prevention services, special rescue operations, fire inspections for commercial and multi-family buildings, building plan reviews, and pre-planning programs for businesses within the City. Several surrounding communities contract with the City for these services since they do not have their own fire department. The agreements with White Bear Township and the City of Gem Lake include all services provided to the City of White Bear Lake. The agreements with the City of Dellwood and Birchwood Village only include fire suppression, prevention services, and special rescue operations. The City's population is about 65% of the total service area population within these communities.

In 2018, the Department celebrated its 130<sup>th</sup> year of fire service to White Bear Lake area. After a long history of providing service through the paid on call volunteer staffing model, ever-increasing customer needs prompted a comprehensive strategic planning process to assess operations and identify improvements that address the changing landscape of fire service and emergency medical response.

The City began shifting from the volunteer staffing structure in 2014, by adding four full-time medical responders to begin developing a "combination staffing model" of full-time and on-call employees. Results from the strategic planning process indicated need for additional full-time staff to meet the high call volume. New full-time positions created during 2018 and 2019 brought the staff complement to 12 full-time positions. This staffing level provides 24 hours coverage seven days a week, with one team at each station. The department continues to employ paid-on-call members to fill in for a third crew to help with duties.

Full-time Firefighter/Paramedics work 24-hour shifts with a base schedule of 2,912 hours per year. This is more than the 2,080 hours worked by most typical full-time employees who work five 8-hour days each week. While some overtime is necessary with the 24/7 scheduling, Fair Labor Standards overtime rules are more liberal for Firefighter/Paramedic positions.

The 2020 and 2021 Budgets include 20% of the associated staffing costs, with the remaining 80% assigned to the Ambulance Fund budget since a significant portion of the calls are for emergency medical issues. In 2021, the City must re-evaluate this split to ensure adequate funding for both fire and emergency medical services.

**Budget Summary:**

The full-time firefighter/paramedic employees voted in union representation in 2019. The current contract ends as of December 31, 2020 and union negotiations are underway for the 2021 budget year.

The on-call Fire Department members belong to a Relief Association managed by a group of elected leaders who represent the current membership. The primary function of the Relief Association is to handle the investments related to the membership's retirement fund. The Association membership and the City Council both approved the transition to the Minnesota Public Employee Retirement Association (PERA) as of January 2021. Therefore, the 2% fee the State of Minnesota applies to all property insurance policies to fund the retirement plans is now sent directly to PERA for investment instead of the City. The Association and City Council will both retain the responsibility to assess fund balances and approve pension payment increases through this agreement. The Board and City Council may cancel the agreement with PERA and have the Fire Relief Association Board manage the funds if they are not satisfied with PERA service. The addition of full-time staff stabilizes expenditures for outfitting and training members for duty, which eliminates expenditures due to a high turnover rate in temporary employees as they left for full-time employment opportunities with other agencies or they could not meet the required time commitment.

The 2020 Revised and 2021 Budgets added funding to provide employees with the option to receive mental health services in response to the increase in traumatic calls during the COVID-19 pandemic.

**Department: Fire 1210**

**Fund: General Fund 1000**

The 2021 Budget adjusts down the Fire Department's allocation of vehicle liability insurance to more accurately reflect the Department's share of the City's premium.

The 2020 Revised Budget for Vehicle Maintenance Service supports unanticipated repairs to the ladder truck. The department repaired only essential items to maintain safety and operations as a new truck is on order and expected to arrive January 2021.

**Capital Outlay:**

The Equipment Acquisition Fund, found in the Capital Projects section of the budget, details the capital equipment requests for the department. The 2020 Budget originally planned for the purchase of a ladder truck, but the expenditure was pushed into the 2021 budget based on the anticipated completion date of the truck. Smaller cost budget requests replace equipment used in fire responses.

The Municipal Building Fund, found in the Capital Projects section of the budget, reports the capital building expenditures for the department. The renovations to Fire Station 2, built in the early 1970s, continued with kitchen remodel and the installation of a garage exhaust system in 2020 protects employees by eliminating airborne contaminants from vehicle exhaust. The department plans to install a dumpster enclosure in 2021.

**Goals:**

1. Continue to expand fire safety awareness to children and senior residents.
2. Develop leadership and professionalism in department officers through training opportunities.
3. Work cooperatively with businesses to improve fire safety via inspections and code compliance.
4. Improve resident life safety by continuing to provide smoke detectors, carbon monoxide detectors, and stovetop fire extinguishers free of charge to the public.

**Measurable Workload Data:**

	2018 <u>Actual</u>	2019 <u>Actual</u>	2020 <u>Budget</u>	2021 <u>Budget</u>
Number of Fire and Rescue Calls	863	1056	900	900
Public Education Events Held	42	62	40	55
Smoke Detectors, Carbon Monoxide Detectors, and Fire Extinguishers Given Out Free of Charge	53	50	15	50
Average Response Times	7:90	6:14	6:00	6:00

**City of White Bear Lake**  
**Public Safety - Fire**

**Annual Budget**  
**Business Unit: 1210**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Personnel Services</b>						
6105	Salaries - regular employees	\$ 110,577	\$ 301,841	\$ 341,838	\$ 344,682	\$ 339,066
6117	Overtime - regular employees	23	34,188	41,119	40,737	43,426
6119	Salaries - temporary employees	136,655	31,353	114,875	102,038	103,589
6122	PERA	15,319	56,027	66,682	67,121	66,580
6124	FICA/Medicare	22,080	11,117	15,010	14,062	14,152
6126	Fire relief	241,116	-	-	-	-
6128	Insurance contribution	20,195	21,200	22,260	22,260	23,373
6131	Health savings account contribution	48,783	43,430	-	-	-
6132	Volunteer life insurance	11,655	2,880	2,880	2,880	2,880
6138	Worker's compensation	80,470	103,650	103,650	103,650	101,750
6148	Other benefits	-	9,250	9,250	9,250	9,250
	<b>Total personnel services</b>	<b>686,873</b>	<b>614,936</b>	<b>717,565</b>	<b>706,680</b>	<b>704,066</b>
<b>Supplies</b>						
6210	Office supplies	986	366	2,000	1,700	1,700
6220	Equipment supplies	3,731	5,276	4,000	4,000	5,200
6230	Vehicle supplies	2,300	5,656	3,500	4,500	5,500
6240	Building supplies	3,458	5,597	4,825	4,675	6,525
6248	Community engagement supplies	-	1,333	600	200	600
6250	Other supplies	3,223	3,195	4,350	4,350	4,350
6255	Landscape supplies	-	129	200	200	200
6272	Motor fuels	12,604	8,087	14,000	14,000	14,000
6280	Books & periodicals	136	4,001	6,095	6,095	6,095
6290	Uniforms	51,047	28,156	38,800	38,800	38,800
6295	Small tools	1,045	1,252	3,300	3,000	3,000
	<b>Total supplies</b>	<b>78,530</b>	<b>63,048</b>	<b>81,670</b>	<b>81,520</b>	<b>85,970</b>
<b>Other Services and Charges</b>						
6401	Professional services	18,576	18,996	29,450	33,500	37,550
6402	Data processing	5,394	5,703	6,425	6,425	7,130
6411	Telephone	3,070	2,517	3,620	2,920	3,160
6412	Cellular	4,103	5,256	5,160	7,780	7,780
6421	Water and sewer	320	-	-	-	-
6422	Electric	19,749	18,791	20,500	20,500	20,500
6423	Natural gas	6,191	5,669	8,400	8,400	8,400
6434	General liability insurance	9,561	9,561	9,561	9,561	9,561
6436	Vehicle liability insurance	13,039	13,039	13,039	13,039	2,200
6445	Postage	106	158	600	600	600
6449	In-house printing	-	-	250	250	250
6450	Outside printing	455	202	900	400	900
6460	Subscription/memberships	2,113	3,498	3,985	4,110	5,660
6470	Training	23,475	25,322	26,800	20,800	23,800
6492	Advertising	-	1,145	2,000	-	2,000
6505	Equipment maintenance service	9,328	10,579	16,925	16,925	17,550
6510	Vehicle maintenance service	14,672	30,221	14,950	21,650	14,950
6515	Building maintenance service	13,835	15,212	20,150	20,150	18,500
6555	Equipment rental	-	-	100	100	100
6560	Other contractual service	15,565	10,526	15,075	8,725	15,725
	<b>Total other services and charges</b>	<b>159,552</b>	<b>176,395</b>	<b>197,890</b>	<b>195,835</b>	<b>196,316</b>
<b>Total</b>		<b>\$ 924,955</b>	<b>\$ 854,379</b>	<b>\$ 997,125</b>	<b>\$ 984,035</b>	<b>\$ 986,352</b>

**Department: Dispatch 1114**

**Fund: General Fund 1000**

**Department Activities and Responsibilities:**

For many years, White Bear Lake remained the only city in Ramsey County to offer independent dispatching of personnel for emergency and non-emergency calls for service. As the number of calls for service continued to rise, equipment replacement deadlines approached, and industry standards evolved, it became evident that the City's model used to provide dispatch services needed re-evaluating to determine if it was more efficient and cost effective to contract these services through Ramsey County.

Comparison results illustrated that transitioning to Ramsey County Emergency Communication Center for dispatching services offered cost savings, increased capacity, efficiencies of scale, and direct connections to other emergency response agencies through a shared communications center. Given these factors, the City Council authorized staff to transition dispatch services to Ramsey County during 2018, with the final cutover of operations on April 30, 2018.

After the transition, renovations to the former dispatch office created a customer service center with staff available to assist customers in the facility between 7:00 am and 4:00 pm each weekday. In addition to tasks the employees previously performed while dispatching calls, they now complete background checks for business licenses, solicitor permits, and liquor and tobacco licenses, manage parking permits, assist in the investigation of gas drive offs, and citation tracking.

**Budget Summary:**

The new operations structure simplified the budget for this department as expenditures for the one remaining position moved to the Police Department budget in 2019 to align the employee costs to the business function of the position responsibilities.

The Joint Powers Agreements for dispatching services between Ramsey County and the member cities establish a formula that allocates 60% of the of the 9-1-1 costs to the county to be paid through the property tax levy and 40% of the costs be allocated to the cities. In general, the change in city costs each year is due to the fluctuation in the number of calls for service between years. However, the 2020 budget increases more than just the change in call volume for two reasons. First, the 2019 budget was prepared before labor contracts settled for the year, which means the 2019 city fees did not include the cost of living adjustments to salaries. Part of the 2020 increase includes reimbursement to the county for the extra costs that should have been included in the amount due for 2019. Second, the county phased out the use of fund balance to offset operating costs in 2020. The rate increase in the 2021 Budget is based on an increase in the three-year rolling average of the City's share of calls for service from 2017-2019.

**Goals:**

1. Continue to build a partnership with the Ramsey County Emergency Communications Center by having a representative on the CAD user group committee.

**Measurable Workload Data:**

	2018 <u>Actual</u>	2019 <u>Actual</u>	2020 <u>Budget</u>	2021 <u>Budget</u>
Total service calls	26,538	27,396	26,000	26,000
Gas Drive Off Investigations	241	16	10	10
CAD Quarterly User Group Committee Meetings Attended	2	4	3	4

**City of White Bear Lake**  
**Public Safety - Dispatch**

**Annual Budget**  
**Business Unit: 1114**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Personal Services</b>						
6105	Salaries - regular employees	\$ 245,932	\$ -	\$ -	\$ -	\$ -
6117	Overtime - regular employees	11,234	-	-	-	-
6119	Salaries - temporary employees	7,515	-	-	-	-
6120	Overtime - temporary employees	291	-	-	-	-
6122	PERA	16,887	-	-	-	-
6124	FICA/Medicare	14,613	-	-	-	-
6128	Insurance contribution	41,480	-	-	-	-
6138	Worker's compensation	6,405	-	-	-	-
6148	Other benefits	1,105	-	-	-	-
	<b>Total personnel services</b>	<b>345,462</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Supplies</b>						
6210	Office supplies	15	-	-	-	-
6220	Equipment supplies	75	-	-	-	-
6240	Building supplies	-	-	-	-	-
6250	Other supplies	284	-	-	-	-
6290	Uniforms	496	-	-	-	-
	<b>Total supplies</b>	<b>870</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other Services and Charges</b>						
6401	Professional services	390	-	-	-	-
6402	Data processing	1,070	-	-	-	-
6411	Telephone	1,188	-	-	-	-
6412	Cellular	420	-	-	-	-
6413	Radio communications	1,440	2,881	3,000	3,000	3,000
6422	Electric	4,869	-	-	-	-
6423	Natural gas	1,030	-	-	-	-
6434	General liability insurance	2,188	-	-	-	-
6470	Training	3,290	(154)	-	-	-
6505	Equipment maintenance service	3,782	-	-	-	-
6560	Other contractual service	138,174	201,430	210,000	210,000	215,000
	<b>Total other services and charges</b>	<b>157,841</b>	<b>204,157</b>	<b>213,000</b>	<b>213,000</b>	<b>218,000</b>
<b>Total</b>		<b>\$ 504,173</b>	<b>\$ 204,157</b>	<b>\$ 213,000</b>	<b>\$ 213,000</b>	<b>\$ 218,000</b>

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**Department: Legal Prosecution 1041**

**Fund: General Fund 1000**

**Department Activities and Responsibilities:**

The City contracts for legal prosecution services to address cases that violate the criminal code. The City considers these costs a component of the overall public safety expenditures.

The City Council appointed Robb Olson and the law office of Geck Duea & Olson, PLLC as the City's legal prosecutor. Pursuant to the City Charter, the appointment extends for a period of one year and expires each January. The office handles approximately 2,000 cases each year, which include 300+ DWI cases and 100+ Domestic Assault cases. The remaining cases involve misdemeanor and gross misdemeanor offenses, code violations, and traffic-related offenses. The City Prosecutor works closely with the police department, State Highway Patrol, and Ramsey County Sheriff's Office to prosecute the cases.

The City Prosecutor appears in court for two arraignment calendars per month, two to three Pretrial calendars, one Court Trial calendar for contested traffic tickets, and other appearances for sentencing defendants and probation violations as needed. The City Prosecutor also handles two in-custody arraignment calendars at the Ramsey County Law Enforcement Center (LEC) for suburban defendants arrested and in custody for Domestic Assault or Gross Misdemeanor DWI offenses. In addition, the City Prosecutor schedules a week for trials each month to address 15-20 cases that are unresolved and scheduled for trial or evidentiary hearing. The vast majority of these cases settle for various reasons, with about 2-3 cases per year actually going to a full jury trial. A majority of cases resolve after contested evidentiary hearings address legal issues relating to the stop of DWI defendants by the police or other similar issues. The downtown St. Paul Courthouse hosts all contested evidentiary hearings, jury trials, sentencing and probation violation hearings. The current court schedule requires prosecuting attorneys to be in court 22 times a month. The City's Prosecuting Attorney continues to work with the judges and the court system staff to modify the court schedule calendar to something with fewer court appearances per month.

The Prosecutor has been beneficial in prosecuting expenditures related to the Police Department's participation in the Ramsey County Joint Domestic Abuse Prosecution Enhancement Project, which began in January 2015. The goal of the project is to hold Domestic Abuse offenders more accountable for their behavior. The project findings support a shift in the way the Police Department and the Prosecutor's office handle and investigate domestic violence cases. By implementing a more thorough investigation process, a higher number of cases go to trial or are resolved with QDVRO (Qualified Domestic Violation of Restraining Order offenses) than ever before. Prior to the project, on average, two domestic abuse cases went to a jury trial each year; however, since the implementation of the Domestic Abuse Prosecution Enhancement Project there are now closer to ten cases going to a jury trial each year.

As noted in the Police Budget narrative, the Department recently entered into a partnership with five other Ramsey County Police Agencies and Northeast Youth and Family Services (NYFS) to address the growing number of calls for people in crisis. The partnership funds a Case Manager position at NYFS to work with the Police Agencies and their Prosecution attorneys to connect individuals and their families with resources to address the mental health needs since many of these individuals end up in the court system because of their behavior while in crisis. Ideally, the ongoing coordinated support and monitoring of the individual's needs through the program will keep them out of the criminal court system.

**Budget Summary:**

This budget includes funding for an administrative hearing officer who works at City Hall to address minor motor vehicle and code violation issues through the City's Administrative fine process.

**Department: Legal Prosecution 1041**

**Fund: General Fund 1000**

**Measurable Workload Data:**

Total payments to the legal firm for the past five years are below:

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020*</u>
Prosecutor	\$142,965	\$142,875	\$154,584	\$149,692	\$101,165

\*Partial year (January - August)

**City of White Bear Lake**  
**Public Safety - Legal Prosecution**

**Annual Budget**  
**Business Unit: 1041**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Personnel Services</b>						
6105	Salaries - regular employees	\$ -	\$ 240	\$ -	\$ -	\$ -
6119	Salaries - temporary employees	600	-	1,080	1,260	1,292
6124	FICA/Medicare	46	18	83	96	99
	Total personnel services	<u>646</u>	<u>258</u>	<u>1,163</u>	<u>1,356</u>	<u>1,391</u>
<b>Other Services and Charges</b>						
6401	Professional services	<u>153,085</u>	<u>148,150</u>	<u>152,600</u>	<u>152,600</u>	<u>157,200</u>
	Total other services and charges	<u>153,085</u>	<u>148,150</u>	<u>152,600</u>	<u>152,600</u>	<u>157,200</u>
	<b>Total</b>	<b><u>\$ 153,731</u></b>	<b><u>\$ 148,408</u></b>	<b><u>\$ 153,763</u></b>	<b><u>\$ 153,956</u></b>	<b><u>\$ 158,591</u></b>

**Department: Animal Control 1118**

**Fund: General Fund 1000**

**Department Activities and Responsibilities:**

The Animal Control Department records costs associated with responding to animal related service calls, animal patrol, boarding, and any other special services related to animal control.

The City currently contracts with Saint Paul Animal Control for boarding services and offers an in house kennel program to house the animal at the station while attempting to locate the owner through social media posts. Staff cares for the animals for the first 24 hours, if the pet remains in custody after that time, the Department moves the animal to Saint Paul Animal Control and Impound. This system reunites approximately 95% of the pets received with their families sooner and has cut down on boarding costs for both the owner and the City. In addition to seeing a significant decrease in the number of impounded animals, the program has become a positive community engagement activity.

Saint Paul Animal Control and Impound closely follows the Department's Facebook page and many lost/found pet sites to assist the Department in returning animals prior to their transportation to Impound. Saint Paul Animal Control and Impound also evaluates the animal's health upon arrival to their facility to ensure animals receive needed medical attention as quickly as possible.

The Police Department continues to review policies related to animal control, assess the equipment needs and develop staff training to support the animal control function.

**Budget Summary:**

The Department continues to monitor the program to maintain a cost effective structure that offers convenience and efficiency in the process.

**Goals:**

1. Review and monitor animal control calls for service and department functions to ensure high service levels to community residents.
2. Monitor that all animals taken in or impounded at Saint Paul Animal Control are licensed and in compliance with the White Bear Lake Animal Ordinances.
3. Work with the Minnesota Animal Control Association and the National Animal Control Association to provide training to ensure staff handle animal control calls appropriately and humanely.
4. Post found animals on the White Bear Lake Police Facebook page to locate the pet owner within the immediate hours of the pet being taken in at the Police Department.

**Measurable Workload Data:**

	2018 <u>Actual</u>	2019 <u>Actual</u>	2020 <u>Budget</u>	2021 <u>Budget</u>
Total number of animal control calls	476	442	375	375
Number of animals taken in at Saint Paul Animal Control	11	8	13	10
Number of lost pets posted to White Bear Lake Police Facebook page	17	24	20	20

**City of White Bear Lake**  
**Public Safety - Animal Control**

**Annual Budget**  
**Business Unit: 1118**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Personnel Services</b>						
6119	Salaries - temporary employees	\$ 8,864	\$ 9,995	\$ 13,612	\$ 14,835	\$ 15,206
6124	FICA/Medicare	678	764	1,041	1,135	1,163
	Total personnel services	<u>9,542</u>	<u>10,759</u>	<u>14,653</u>	<u>15,970</u>	<u>16,369</u>
<b>Supplies</b>						
6250	Other supplies	914	120	1,050	475	1,050
	Total supplies	<u>914</u>	<u>120</u>	<u>1,050</u>	<u>475</u>	<u>1,050</u>
<b>Other Services and Charges</b>						
6402	Data processing	1,505	1,521	1,715	1,715	1,905
6470	Training	-	-	700	-	400
6565	Disposal fees	920	2,762	2,700	2,700	2,700
6570	Impound fees	1,953	490	1,600	1,400	1,600
	Total other services and charges	<u>4,378</u>	<u>4,773</u>	<u>6,715</u>	<u>5,815</u>	<u>6,605</u>
<b>Total</b>		<b><u>\$ 14,834</u></b>	<b><u>\$ 15,652</u></b>	<b><u>\$ 22,418</u></b>	<b><u>\$ 22,260</u></b>	<b><u>\$ 24,024</u></b>

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**Department: Emergency Preparedness 1220**

**Fund: General Fund 1000**

**Department Activities and Responsibilities:**

The Emergency Preparedness Department oversees the integration of emergency response within the City's Police, Fire, and Public Works Departments, as well as connecting these staff members with emergency response personnel from other governmental agencies. The City regularly reviews and tests its emergency operations plan through trial implementations. The Police Department manages the operation, maintenance, and repair of the five notification sirens located within the City limits. These sirens alert the community of threatening weather or other dangerous situations.

This Department supports the Police Reserves program and the Citizen's Emergency Response Team (CERT) to assist with community events and provide added capacity in the event of an emergency. Though the Police Reserves unit has been in place for many years, the Citizen's Emergency Response Team (CERT) is a newer program. The CERT model began at the national level within the Department of Homeland Security branch of the Federal Emergency Management Agency to help communities organize a group of community members who are prepared to help emergency response teams address early stages of disaster situations until other jurisdictions send more assistance. Members of both groups appreciate the opportunity to serve, and the departments value the additional support in times of need.

**Budget Summary:**

The Community Engagement Supplies account expects no activity in the 2020 Revised Budget given COVID-19 social distancing guidelines. The annual budgets expect all other fund operations to remain consistent with previous years' activities.

The Other Supplies account funds the purchase of backpacks and supplies for the CERT team. Frequently, local businesses donate money to cover the annual costs for this endeavor because they believe in the community benefit of the group. The department will continue to explore business grants or donations in future years to assist in covering the on-going costs of operations.

**Capital Outlay:**

The Municipal Building Fund, found in the Capital Projects Fund section of the document, provides funding for the replacement of one emergency warning siren each year if necessary.

**Goals:**

1. Test and monitor the emergency generator for efficiency on a monthly basis.
2. Annually review emergency response plans used by the department, and continue to update the plans with new staff and potential areas of concern.
3. Host a Community Emergency Response Team (CERT) event to train another group of volunteers to assist in a disaster situation.
4. Continue to build the partnership between the White Bear Lake Police and Fire Department and Ramsey County Emergency Management and Homeland Security. The Departments will continue to have police and fire representation at the quarterly HSEM meetings.
5. Participate in planning with the White Bear Lake School District to prepare for school emergencies. Participate in lockdown drills at the schools throughout the year.
6. Continue to review and update the City's COOP (Continuity of Operations Plan) to prepare for emergency events.

**Department: Emergency Preparedness 1220**

**Fund: General Fund 1000**

**Measurable Workload Data:**

	2018 <u>Actual</u>	2019 <u>Actual</u>	2020 <u>Budget</u>	2021 <u>Budget</u>
Number of CERT Volunteer Hours	1,850	1,700	1,000	1,900
CERT Team Activations	2	3	3	3
Number of emergency generator tests during year	12	12	12	12
Number of quarterly HSEM meetings attended	4	4	4	4



**City of White Bear Lake**  
**Public Safety - Emergency Preparedness**

**Annual Budget**  
**Business Unit: 1220**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Personal Services</b>						
6119	Salaries - temporary employees	\$ 1,980	\$ -	\$ -	\$ -	\$ -
6124	FICA/Medicare	156	-	-	-	-
	Total personnel services	<u>2,136</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Supplies</b>						
6220	Equipment supplies	-	-	400	200	400
6248	Community engagement supplies	2,223	2,619	2,865	-	2,865
6250	Other supplies	-	445	800	500	800
6272	Motor fuels	-	-	-	-	-
6290	Uniforms	1,091	719	2,300	2,300	2,300
6295	Small tools	-	-	900	500	900
	Total supplies	<u>3,314</u>	<u>3,783</u>	<u>7,265</u>	<u>3,500</u>	<u>7,265</u>
<b>Other Services and Charges</b>						
6422	Electric	3,634	3,567	3,800	3,800	3,800
6423	Natural gas	1,771	1,694	2,300	2,000	2,000
6434	General liability insurance	299	299	299	299	299
6445	Postage	-	-	100	-	-
6450	Outside printing	-	-	50	-	50
6460	Subscription/memberships	-	-	50	-	-
6470	Training	-	-	-	-	-
6505	Equipment maintenance service	210	1,751	3,000	3,000	3,000
	Total other services and charges	<u>5,914</u>	<u>7,311</u>	<u>9,599</u>	<u>9,099</u>	<u>9,149</u>
<b>Total</b>		<b><u>\$ 11,364</u></b>	<b><u>\$ 11,094</u></b>	<b><u>\$ 16,864</u></b>	<b><u>\$ 12,599</u></b>	<b><u>\$ 16,414</u></b>

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**Department: Building and Code Enforcement 1080**

**Fund: General Fund 1000**

**Departmental Activities and Responsibilities:**

The Building Department enforces the Minnesota State Building, Electrical, Mechanical, and Plumbing codes. As part of the enforcement process, the Building Official and Building Inspectors review applications with the initial project plan to verify compliance with the required codes and grants the appropriate permits for the project. Once the project begins, the inspectors examine the work at specific stages of development to insure code compliance. While performing these duties, the staff partners with the Fire Department to verify compliance with fire and life safety codes in residential and commercial buildings.

The Rental Housing Specialist oversees the licensing and maintenance concerns related to rental properties to ensure they meet the minimum standards for public health, safety and welfare under Chapter 502 of the City's Municipal Code. The standards apply to all buildings, whether rented in whole or part as a dwelling for persons other than the property owner's family. The code does not apply to Minnesota Department of Health licensed rest homes, convalescent care facilities, nursing homes, or hotels/motels.

The Code Enforcement Officer responsibilities concentrate on property-by-property inspections and response to citizen complaints. Inspections aim to ensure all neighborhoods receive maintenance according to standards set forth in the City's Municipal Code. Typical code violations relate to tall grass, inoperable vehicles stored outside, chipping paint on buildings, broken windows, unauthorized outside storage or trash, and brush piles.

In addition to performing these functions in our City, the department provides contract coverage for these services to the City of Mahtomedi and their residents.

**Budget Summary:**

The Professional Services budget provides resources for contracted electrical inspection work. Electrical permit fees paid by property owners offset the expenditures for this service.

The department continues to seek new ways to improve efficiencies in performing their work. Staff are using computer tablets to access their permit system database during field inspections. In addition to the inspectors' ability to review current inspection site data, they are able to update inspection results immediately after completing the inspection, reduce the open permit backlog list by ensuring no outstanding permits exist for the current inspection site, and check permit issuance for construction site addresses to prevent illegal construction activity. The Cellular expenditure budget includes the hot spot capabilities for the tablet devices.

**Capital Outlay:**

The Equipment Acquisition Fund, found in the Capital Projects Fund section of the documents, anticipates the department replacing a vehicle in 2020 and 2021.

**Goals:**

1. Consider the potential for the implementation of a software based plan review system to allow separate departments to add plan review comments to submittal documents and easily see the plan review status.
2. Increase code enforcement of the Rental Housing Ordinance. The intent is to keep rental properties in compliance with minimum housing standards to ensure safe housing in our neighborhoods.
3. Implement a plan to concentrate code enforcement in neighborhoods of high violation frequency and coordinate with program promoting home repair.

**Department: Building and Code Enforcement 1080**

**Fund: General Fund 1000**

**Measurable Workload Data:**

	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Total Inspections for All Permits	5,399	4,702	3,700	5,000
Total Number of Permits Issued	2,978	2,685	2,500	2,500
Total Number of Permits Completed	2,415	2,115	1,500	1,700
Number of Certificates of Occupancy Issued	53	46	20	30
Number of Rental Inspections Performed	358	327	200	240
Total Value of Construction (in millions)	\$48,245	\$65,328	\$39,000	\$39,000
Number of New Single Family Dwelling Permits	12	13	10	10
Number of Town Homes Permits	0	0	0	0
Number of Apartment Permits	0	0	0	0

**City of White Bear Lake**  
**General Government - Building and Code Enforcement**

**Annual Budget**  
**Business Unit: 1080**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Personnel Services</b>						
6105	Salaries - regular employees	\$ 395,104	\$ 380,854	\$ 420,122	\$ 413,391	\$ 433,281
6117	Overtime - regular employees	37	28	-	-	-
6122	PERA	29,635	28,566	31,509	31,004	32,496
6124	FICA/Medicare	28,992	28,220	32,139	31,624	33,146
6128	Insurance contribution	36,710	38,600	40,530	40,530	42,557
6138	Worker's compensation	5,500	5,500	5,500	5,500	2,775
6148	Other benefits	925	4,300	4,300	4,300	4,300
	Total personnel services	<u>496,903</u>	<u>486,068</u>	<u>534,100</u>	<u>526,349</u>	<u>548,555</u>
<b>Supplies</b>						
6210	Office supplies	925	367	1,000	750	1,000
6220	Equipment supplies	245	142	200	200	200
6230	Vehicle supplies	1,549	2,939	1,500	1,500	1,500
6250	Other supplies	130	108	100	100	100
6272	Motor fuels	7,750	4,498	5,200	5,200	5,200
6280	Books & periodicals	257	-	1,300	1,300	1,300
6290	Uniforms	5	78	200	200	200
6295	Small tools	330	1,073	2,000	2,000	2,000
	Total supplies	<u>11,191</u>	<u>9,205</u>	<u>11,500</u>	<u>11,250</u>	<u>11,500</u>
<b>Other Services and Charges</b>						
6401	Professional services	33,276	49,749	30,100	35,100	35,100
6402	Data processing	32,391	32,793	36,915	36,915	40,975
6411	Telephone	1,238	1,185	1,360	1,370	1,470
6412	Cellular	1,932	2,342	3,510	3,975	3,760
6434	General liability insurance	3,165	3,165	3,165	3,165	3,165
6436	Vehicle liability insurance	1,663	1,663	1,663	1,663	1,100
6445	Postage	822	605	1,400	1,000	1,000
6449	In-house printing	-	-	300	-	-
6450	Outside printing	229	1,059	400	400	400
6460	Subscription/memberships	80	-	410	135	410
6470	Training	4,486	2,345	5,190	5,190	5,190
6505	Equipment maintenance service	437	357	1,500	400	500
6510	Vehicle maintenance service	143	342	600	100	600
6545	Credit card fees	1	5	25	25	25
6560	Other contractual service	1,900	228	140	240	240
	Total other services and charges	<u>81,763</u>	<u>95,838</u>	<u>86,678</u>	<u>89,678</u>	<u>93,935</u>
<b>Total</b>		<b><u>\$ 589,857</u></b>	<b><u>\$ 591,111</u></b>	<b><u>\$ 632,278</u></b>	<b><u>\$ 627,277</u></b>	<b><u>\$ 653,990</u></b>

**Department: Public Works Facility 1300**

**Fund: General Fund 1000**

**Departmental Activities and Responsibilities:**

The Public Works Facility department manages the costs of central supplies, utilities, and maintenance services for the Public Works Division's administrative building.

**Budget Summary:**

In addition to general building operating expenditures, the budget funds 40% of the Public Works Superintendent's salaries and benefits and 50% of the Public Works Clerk's salaries and benefits. The Water Distribution, Water Treatment and Sewer Fund budgets receive a percentage of the salary and benefits for the positions to account for the job duties attributable to their operations.

The 2020 Revised budget adds funding in the Equipment Supplies account to purchase repair parts for hoses and grease gun equipment. The Building Supplies account also increased to replace two appliances in the facility's breakroom that failed during the year.

**Capital Outlay:**

The Municipal Building Fund in the Capital Projects Funds contains allocations for sealing the concrete floor in the main garage and two new water heaters.

**Goals:**

1. Maintain a facility that supports the Public Work departments in their daily operations. .

**City of White Bear Lake**  
**Public Works - Public Works Facility**

**Annual Budget**  
**Business Unit: 1300**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Personnel Services</b>						
6105	Salaries - regular employees	\$ 64,223	\$ 68,478	\$ 68,058	\$ 62,203	\$ 63,515
6117	Overtime - regular employees	-	825	750	750	750
6119	Salaries - temporary employees	3,456	-	-	-	-
6122	PERA	4,095	5,198	5,161	4,721	4,820
6124	FICA/Medicare	4,503	5,475	5,264	4,816	4,916
6128	Insurance contribution	5,865	6,150	6,458	6,458	6,781
6138	Worker's compensation	2,120	2,120	2,120	2,120	2,325
6148	Other benefits	780	780	780	780	780
	Total personnel services	<u>85,042</u>	<u>89,026</u>	<u>88,591</u>	<u>81,848</u>	<u>83,887</u>
<b>Supplies</b>						
6210	Office supplies	1,557	1,046	1,200	1,200	1,200
6220	Equipment supplies	375	541	1,200	2,810	1,200
6230	Vehicle supplies	-	-	500	500	500
6240	Building supplies	5,443	4,962	6,200	7,850	6,200
6250	Other supplies	985	1,754	1,550	1,550	1,590
6255	Landscaping supplies	-	77	50	50	50
6272	Motor fuels	103	129	100	710	710
6274	Lubricants & additives	-	-	1,000	1,000	1,000
6290	Uniforms	749	3,589	2,150	2,150	2,150
6295	Small tools	1,009	3,512	900	900	900
	Total supplies	<u>10,221</u>	<u>15,610</u>	<u>14,850</u>	<u>18,720</u>	<u>15,500</u>
<b>Other Services and Charges</b>						
6401	Professional services	84	34	800	800	800
6402	Data processing	1,371	2,852	3,210	3,210	3,565
6411	Telephone	7,220	3,157	3,360	3,260	3,415
6412	Cellular	357	404	700	505	640
6413	Radio communications	69	-	-	-	-
6422	Electric	22,770	21,824	25,000	25,000	25,000
6423	Natural gas	11,030	12,093	12,000	12,000	12,000
6434	General liability insurance	-	4,000	4,000	4,000	4,000
6436	Vehicle liability insurance	-	1,000	1,000	1,000	200
6445	Postage	286	296	400	400	400
6450	Outside printing	-	555	600	600	600
6460	Subscription/memberships	90	232	500	500	500
6470	Training	245	30	800	800	800
6492	Advertising	-	374	400	400	400
6505	Equipment maintenance service	410	958	1,285	1,285	1,285
6515	Building maintenance service	13,975	23,948	22,500	24,180	24,680
6525	Electrical repair service	-	-	500	500	500
6555	Equipment rental	1,740	1,731	2,500	1,150	1,150
6560	Other contractual services	8,210	14,334	14,475	14,600	14,610
6565	Disposal Fees	-	136	-	-	-
	Total other services and charges	<u>67,857</u>	<u>87,958</u>	<u>94,030</u>	<u>94,190</u>	<u>94,545</u>
<b>Total</b>		<b><u>\$ 163,120</u></b>	<b><u>\$ 192,594</u></b>	<b><u>\$ 197,471</u></b>	<b><u>\$ 194,758</u></b>	<b><u>\$ 193,932</u></b>

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**Department: Engineering 1300**

**Fund: General Fund 1000**

**Department Activities and Responsibilities:**

The Engineering Department provides design and construction administrative services for the City's infrastructure improvements to ensure continued, reliable service from the street, water, sanitary sewer, park systems, and public buildings. Many of these infrastructure systems require long-term planning efforts for both local projects and projects undertaken by various partners including Ramsey and Washington Counties, neighboring municipalities and townships, the Metropolitan Council, and multiple State agencies. The Engineering Department focuses on maximizing the positive local impact of these long-term designs by active participation during planning phases.

In addition to the City's projects and working with other governmental agencies, the staff provides engineering review and assistance for plans proposed by property owners and developers, promotes a program for the City's surface water management, and supervises any consultant engineering services provided to a project. The improvement project budget covers the costs of any engineering services related to the work.

The City Engineer leads this department and the City's Public Works Division as the Director of Public Works.

**Budget Summary:**

The City reclassified the Engineering Department from an Internal Service Fund to a component of the General Fund in 2019. This philosophical change recognizes that though it would be beneficial to compare the department operations to an outside consulting firm to assess effective performance, the two environments have variations of responsibilities that make the evaluation difficult. The improvement projects will continue to support their respective engineering costs through a transfer to reimburse the General Fund for the expenditures.

The City welcomed a new City Engineer/Director of Public Works in the end of 2018 after the previous employee retired after 30 years with the City. A concurrent opening in the Assistant City Engineer position allowed the City Engineer an opportunity to review employee responsibilities and projects and determine the most efficient operating structure for the department. Current plans anticipate hiring a Geographic Information Systems (GIS) specialist in place of the Assistant Engineer position to provide the needed expertise in that area. The position remains open at the end of 2020; however, the 2021 Budget includes funding for a position to be hired mid-year.

The Interim Construction Fund in the Capital Project Funds accounts for the costs related to projects supervised by the Engineering Department.

**Capital Outlay:**

The Equipment Acquisition Fund in the Capital Project Funds includes appropriations to replace a vehicle and the data collector equipment in 2021.

**Goals:**

1. Update the City's Capital Improvement Plan which provides the framework for future infrastructure needs.
2. Develop a pavement management system and complete annual pavement condition assessments.
3. Design and administer the City's annual street reconstruction and maintenance projects.
4. Prepare and scan paper project files for archival into the Laserfiche software.
5. Review building and development proposals to ensure the City's objectives, standards, and policies are met.

**Department: Engineering 1300**

**Fund: General Fund 1000**

**Goals (Continued):**

6. Update and expand the City's GIS with water, sewer, and roadway infrastructure data.

**Measurable Workload Data:**

	2018 <u>Actual</u>	2019 <u>Actual</u>	2020 <u>Budget</u>	2021 <u>Budget</u>
Miles of street and alley reconstruction completed	2.54	1.98	1.20	2.00
Miles of mill and overlay completed	0.73	1.37	3.25	2.00

**City of White Bear Lake**  
**Public Works - Engineering**

**Annual Budget**  
**Business Unit: 1310**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Personnel Services</b>						
6105	Salaries - regular employees	\$ -	\$ 409,479	\$ 500,657	\$ 427,753	\$ 472,835
6117	Overtime - regular employees	-	11,537	15,000	10,000	15,000
6119	Salaries - temporary employees	-	15,368	18,076	21,600	22,140
6122	PERA	-	31,577	38,674	32,831	36,588
6124	FICA/Medicare	-	32,070	40,831	35,140	39,013
6128	Insurance contribution	-	46,300	48,615	48,615	51,046
6138	Worker's compensation	-	7,000	7,000	7,000	3,100
6148	Other benefits	-	6,500	6,500	6,500	6,500
	Total personnel services	-	559,831	675,353	589,439	646,221
<b>Supplies</b>						
6210	Office supplies	-	870	2,000	1,300	2,100
6220	Equipment supplies	-	1,078	900	900	1,000
6230	Vehicle supplies	-	20	1,500	2,160	1,560
6250	Other supplies	-	35	200	100	200
6272	Motor fuels	-	1,978	2,000	2,000	2,000
6280	Books & periodicals	-	-	100	-	100
6290	Uniforms	-	37	250	-	250
6295	Small tools	-	1,012	1,500	1,500	1,500
	Total supplies	-	5,030	8,450	7,960	8,710
<b>Other Services and Charges</b>						
6401	Professional services	-	-	600	100	300
6402	Data processing	-	35,067	40,800	40,800	44,700
6411	Telephone	-	730	880	880	970
6412	Cellular	-	1,438	1,900	2,200	2,300
6434	General liability insurance	-	5,274	5,274	5,274	5,274
6436	Vehicle liability insurance	-	1,073	1,073	1,073	400
6445	Postage	-	1,951	2,400	2,400	2,400
6449	In-house printing	-	-	500	100	500
6450	Outside printing	-	376	400	400	400
6460	Subscription/memberships	-	522	895	895	895
6470	Training	-	3,253	8,500	3,450	6,500
6485	Travel allowance	-	2,413	2,650	2,650	2,650
6505	Equipment maintenance service	-	1,472	2,000	1,500	2,000
6510	Vehicle maintenance service	-	-	1,000	1,000	2,000
6560	Other contractual services	-	-	100	-	100
	Total other services and charges	-	53,569	68,972	62,722	71,389
<b>Total</b>		<b>\$ -</b>	<b>\$ 618,430</b>	<b>\$ 752,775</b>	<b>\$ 660,121</b>	<b>\$ 726,320</b>

**Department: Central Garage 1320**

**Fund: General Fund 1000**

**Departmental Activities and Responsibilities:**

The Central Garage offers a full service facility to manage preventive maintenance work, repairs, and record keeping for City's vehicle fleet and equipment.

**Budget Activity:**

The budget allocates resources to purchase general parts or services not associated with specific vehicles or equipment units. All City departments include budget allocations for parts or service related to units in their control, as those expenditures charge directly to the department. General Fund departments with assets serviced in the garage do not pay mechanic labor fees related to the repairs because the departments are in the same fund. A portion of the Enterprise Fund transfer to the General Fund is reimbursement for labor charges relating to their fleet since they are in separate funds.

**Goals:**

1. Continue to utilize the vehicle maintenance system to provide historical data for equipment evaluations.
2. Complete all City vehicle maintenance requests promptly to reduce down time for the operating departments.
3. Coordinate vehicle and equipment preventive maintenance work with all departments.
4. Continue education in the diverse fleet of equipment to continue to be able to perform time efficient diagnostics and repairs while staying up to date on technical data and service procedures.

**Measurable Workload Data:**

	2018 <u>Actual</u>	2019 <u>Actual</u>	2020 <u>Budget</u>	2021 <u>Budget</u>
Vehicle and equipment repair projects	148	185	329	300
Oil changes and preventive maintenance projects	149	190	208	200
Department of Transportation safety inspections	18	16	16	16

**City of White Bear Lake**  
**Public Works - Garage**

**Annual Budget**  
**Business Unit: 1320**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Personnel Services</b>						
6105	Salaries - regular employees	\$ 62,614	\$ 65,834	\$ 68,120	\$ 68,120	\$ 69,557
6117	Overtime - regular employees	-	-	500	500	513
6122	PERA	5,418	4,937	5,147	5,147	5,255
6124	FICA/Medicare	5,152	4,622	5,249	5,249	5,360
6128	Insurance contribution	9,545	7,615	7,996	7,996	8,396
6138	Worker's compensation	5,095	3,880	3,880	3,880	3,225
6148	Other benefits	240	845	845	845	845
	<b>Total Personnel Services</b>	<u>88,064</u>	<u>87,733</u>	<u>91,737</u>	<u>91,737</u>	<u>93,150</u>
<b>Supplies</b>						
6210	Office supplies	-	-	100	100	100
6220	Equipment supplies	5,918	10,612	13,850	13,850	13,850
6230	Vehicle supplies	3,615	5,358	5,500	6,100	6,100
6240	Building supplies	430	528	1,000	1,000	1,000
6250	Other supplies	220	14	1,000	1,000	1,000
6274	Lubricants & additives	2,440	3,557	4,000	4,000	4,000
6290	Uniforms	336	430	500	400	400
6295	Small tools	1,620	1,115	3,200	3,200	3,500
	<b>Total Supplies</b>	<u>14,579</u>	<u>21,614</u>	<u>29,150</u>	<u>29,650</u>	<u>29,950</u>
<b>Other Services and Charges</b>						
6401	Professional services	51	34	200	200	200
6422	Electric	2,194	2,038	6,500	5,770	6,500
6423	Natural gas	977	898	2,200	1,590	2,200
6434	General liability insurance	2,920	2,920	2,920	2,920	2,920
6445	Postage	-	-	50	50	50
6450	Outside printing	-	12	200	200	200
6460	Subscription/memberships	1,500	40	100	100	100
6470	Training	324	-	1,000	1,000	2,000
6505	Equipment maintenance service	382	2,160	5,500	6,700	5,500
6515	Building maintenance service	-	-	-	-	-
6555	Equipment rental	2,416	3,053	2,500	2,500	2,700
6560	Other contractual services	749	2,454	4,750	5,000	6,300
	<b>Total Other Services and Charges</b>	<u>11,513</u>	<u>13,609</u>	<u>25,920</u>	<u>26,030</u>	<u>28,670</u>
<b>Total</b>		<u><b>\$ 114,156</b></u>	<u><b>\$ 122,956</b></u>	<u><b>\$ 146,807</b></u>	<u><b>\$ 147,417</b></u>	<u><b>\$ 151,770</b></u>

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**Department: Streets 1410**

**Fund: General Fund 1000**

**Department Activities and Responsibilities:**

The Street Department provides maintenance to 86 miles of streets and alleys, 10 miles of trails, 40 miles of sidewalks, 21 parking lots, in excess of 500 signs, and all associated above ground infrastructure within the public right of way and other public spaces in the City. The maintenance activities include: street sweeping, curb repairs, pothole patching, storm sewer repairs, street surface repairs after watermain breaks, and Citywide tree trimming.

The City maintains a Pavement Management Program (PMP) to coordinate the maintenance, rehabilitation, and reconstruction of the City's pavement infrastructure. Annual adherence to the program simplifies long range financial planning through consistent expenditure levels and provides a longer lifespan for the road system. Inspection and minor routine maintenance minimizes problems when damage occurs because timely repairs prevent damage from deteriorating into more severe problems that become more expensive to replace. The City's Pavement Management Program is a multi-stage approach that spans many years.

The initial stage of pavement maintenance begins with crack sealing to prevent moisture from infiltrating the pavement, which weakens the structural subsurface layers of the road and causes pavement deterioration. After this procedure, a seal coating of asphalt and fine aggregate tops the entire road surface to protect the pavement from damage. This work prolongs the life of a pavement that is structurally sound but beginning to age and show some surface distress. The City's plan provides for crack sealing and seal coating of a street every five to seven years.

The second stage of pavement maintenance involves milling the top 2 inches of asphalt off the existing road surface. This process removes the damaged road layer and then applies a new layer of asphalt, creating a smooth, even driving surface, which extends the overall life of the road. The City's plan provides for a mill and overlay process in the 20<sup>th</sup> – 25<sup>th</sup> year of the street's life cycle. With this strategy, each road receives approximately three sealcoating cycles before the more extensive overlay rehabilitation process is required. Following the mill and overlay guidelines in the PMP is essential as allowing too much time between cycles provides an opportunity for more damage to occur, which can remove this technique as a repair option and escalate the road repairs to reconstruction status and costs.

The final stage in pavement maintenance involves completely removing and replacing the roadway pavement and base layers. Street reconstruction projects also include repairs to underground utility infrastructure. These projects are more extensive and expensive than the other repair stages and typically include new concrete curb and gutter. Financing for these projects include a combination of City funding, Municipal State Aid allocations and special assessments to benefitting property owners. The City's plan provides for reconstructing streets at roughly the 50<sup>th</sup> year in the street's life cycle.

The Street Department also cleans and maintains street and highway medians in the City to preserve their appearance throughout the year. This work often extends to State and County highways through the City because, while these highways are not the City's responsibility, their appearance has a direct reflection on the City.

**Budget Activity:**

Following the Public Works Superintendent of Streets and Utilities retirement in early 2020, the Public Works Department was restructured. Previously, there was a Public Works Superintendent of Streets and Utilities and a Public Works Superintendent of Parks and Facilities. Both Superintendent positions were combined in 2020 and the lead positions in each Public Works division were elevated to Working Forman positions. The restructuring gave the Working Forman clear supervision responsibilities of their respective divisions. As a result, the 2020 Revised Budget allocation for the Street Department salaries increased with the elevation of the lead position to a Working Forman position as of July 1, 2020.

**Department: Streets 1410**

**Fund: General Fund 1000**

The 2020 Revised Budget for Equipment Supplies adds funding for an unexpected replacement of the articulating joint for the trackless sidewalk machine.

The reclassification of the Engineering Fund from the Internal Service Funds to the General Fund in 2019 eliminates the charge for internal engineering fees previously budgeted in the Professional Services budget line item.

The Fuel expenditure budget increases in the 2020 Revised Budget and 2021 Budget to a level consistent with actual amounts spent in previous years. Though fuel prices currently are lower than expected, the department is purchasing more than normal levels as staff members drive in separate vehicles to allow social distancing during the pandemic.

A large number of unforeseen repairs to the City's street sweeper during 2020 caused an increase to the budget amount for the Equipment Maintenance Service in the revised budget.

In 2014, the City collaborated with the Minnesota Department of Transportation to resurface Highway 61 and upgrade the median, as it is the main thoroughfare through much of the City and a focal point for residents and visitors. The Contracted Services budget allocates funding for contractors to provide mowing, plant maintenance, weeding, and irrigation systems. Staff continues to evaluate the annual maintenance activities and costs for the Highway 61 median to improve work efficiency for the department and prevent cost fluctuations from year to year.

**Capital Outlay:**

Capital equipment purchases for this department are included in the Equipment Acquisition Fund, which is part of the Capital Projects Funds section of this document. The 2020 Budget supports the replacement of the sign truck and a dump truck, while the 2021 Budget appropriations replace a dump truck.

**Goals:**

1. Provide high level of maintenance to ensure safe, clean, and well-maintained streets for citizens at all times.
2. Continue street sweeping to effectively reduce pollutants from entering City's surface water bodies and support the City's Storm Water Pollution Prevention Program.
3. Conduct tree trimming to improve visibility on city streets and sidewalks.
4. Maintain sidewalks and bikeways through patching, paving, and snow/ice removal.

**Measurable Workload Data:**

	2018 <u>Actual</u>	2019 <u>Actual</u>	2020 <u>Budget</u>	2021 <u>Budget</u>
Tons of Debris Swept	1,340	2,331	1,900	1,900
Miles of Streets Swept	420	752	550	650
Tons of Asphalt used for street patching	265	261	280	280
Man Hours Spent Tree Trimming	1,263	917	1,000	1,000



**City of White Bear Lake**  
**Public Works - Streets**

**Annual Budget**  
**Business Unit: 1410, 1411**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Personnel Services</b>						
6105	Salaries - regular employees	\$ 221,269	\$ 230,649	\$ 215,868	\$ 224,755	\$ 231,915
6117	Overtime - regular employees	1,358	3,116	3,183	3,183	3,265
6119	Salaries - temporary employees	11,925	8,918	15,800	15,800	15,800
6120	Overtime - temporary employees	-	-	600	600	600
6122	PERA	16,675	17,532	16,429	17,095	17,638
6124	FICA/Medicare	17,171	17,565	18,012	18,692	19,246
6128	Insurance contribution	30,835	32,045	33,647	33,647	35,329
6138	Worker's compensation	20,225	19,890	19,890	19,890	21,955
6148	Other benefits	650	2,820	2,820	2,820	2,820
	Total personnel services	<u>320,108</u>	<u>332,535</u>	<u>326,249</u>	<u>336,482</u>	<u>348,568</u>
<b>Supplies</b>						
6210	Office supplies	-	-	250	250	250
6220	Equipment supplies	13,253	16,816	15,525	19,940	16,550
6230	Vehicle supplies	5,423	6,779	5,500	5,500	6,000
6250	Other supplies	482	2,869	3,100	3,100	3,100
6253	Street materials	15,102	5,514	26,450	26,450	27,000
6254	Signs & stripping materials	11,317	9,321	15,000	15,000	15,000
6272	Motor fuels	21,383	24,441	19,400	24,000	24,000
6274	Lubricants & additives	4,539	-	-	800	800
6290	Uniforms	2,149	1,675	2,020	2,020	3,000
6295	Small tools	781	780	2,100	1,500	1,500
	Total supplies	<u>74,429</u>	<u>68,195</u>	<u>89,345</u>	<u>98,560</u>	<u>97,200</u>
<b>Other Services and Charges</b>						
6401	Professional services	29,271	375	500	500	500
6402	Data processing	4,766	5,418	7,000	7,000	7,770
6411	Telephone	462	432	520	520	570
6412	Cellular	526	417	600	400	400
6422	Electric	548	509	800	800	800
6423	Natural gas	244	225	800	800	800
6434	General liability insurance	17,340	17,340	17,340	17,340	17,340
6436	Vehicle liability insurance	3,532	3,532	3,532	3,532	2,600
6445	Postage	-	-	100	100	100
6450	Outside printing	-	198	150	150	150
6460	Subscription/memberships	150	150	150	150	150
6470	Training	485	90	2,800	1,350	2,000
6505	Equipment maintenance service	4,410	26,728	6,855	17,930	10,000
6510	Vehicle maintenance service	4,041	901	5,000	5,000	5,000
6555	Equipment rental	268	225	500	500	500
6560	Other contractual services	100,980	65,962	93,000	93,000	93,500
	Total other services and charges	<u>167,023</u>	<u>122,502</u>	<u>139,647</u>	<u>149,072</u>	<u>142,180</u>
<b>Total</b>		<b><u>\$ 561,560</u></b>	<b><u>\$ 523,232</u></b>	<b><u>\$ 555,241</u></b>	<b><u>\$ 584,114</u></b>	<b><u>\$ 587,948</u></b>

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**Department: Snow and Ice Removal 1420**

**Fund: General Fund 1000**

**Department Activities and Responsibilities:**

This department manages the costs associated with snow removal and ice control activities on City streets, alleys, parking lots, sidewalks, and trails.

Per City policies, snow removal activities begin when the area receives three or more inches of snow or supervisors deem the operations necessary due to drifting snow or icy street conditions. The accumulation and timing of snowfalls cause significant fluctuations in the actual expenditures for employee overtime pay and contracted snow removal services. The department attempts to minimize overtime costs by adjusting employees' schedules when removal work will occur at times outside of regular working hours. In addition to this practice, during Spring months each year the City does not clear snow if the forecast predicts sunshine and warmer temperatures after the snowfall which helps reduce unnecessary employee overtime hours and equipment usage.

**Budget Summary:**

Per the Minnesota Department of Natural Resources, the area received 25.9 inches of snow in the first four months of 2020. This was a significant decrease from a total of 66.1 inches of snowfall during the same time period in 2019. As a result, the 2020 Revised Budget allocates a decreased appropriation for related employee overtime in 2020. Despite the savings, the revised budget remains relatively close to original estimates as increased costs for equipment repairs due to an aging fleet and contracted services for assistance in hauling snow out of the public areas. These two expenditure categories also increase in the 2021 budget to reflect additional needs in both areas.

The debate of how to treat roads and icy surface conditions continues to be an important discussion between department members and the greater Public Works community throughout the state. Within the City, each road receives different pre-treatment work and clearing activities based on the usage of the street and predicted weather forecasts. Currently, the department applies salt to roads to prevent dangerous conditions. However, in recent years, the department tested the application of a pre-treatment brine solution to some high volume streets to see if the mixture would minimize icy adhesion to roadway surfaces, assist in removing accumulations faster and return the road to clear pavement quicker and easier than the salt application. The department learned that the science and timing of application is very important to have the brine solution provide the best results. After their review, the department determined the practice is too expensive for our City to implement universally because our trucks need new equipment to apply the mixture. The current budget funds salt purchases in the Other Supplies account but staff continues to investigate other options for improved service and cost savings. Salt expenditures fluctuate each budget cycle. Staff cannot place orders on an "as needed" basis during the year; rather the vendor requires the order be submitted in July of the current year and is based on the usage during the past year. Thoughtful planning goes into the quantity of each order to ensure a balance between the potential need of the community and the cost. The City experienced higher salt prices in 2020 due to high river levels after the 2019 snow thaw prevented the shipment of salt arriving to the area by river barge. Suppliers passed the higher cost of other transportation methods on to consumers.

Since 2007, all new plow trucks purchased by the City have included "belly plows", which are located on the bottom of the truck. The department finds these plows very effective in certain conditions because they can scrape the road surface down to bare pavement easier and reduce the salt application to treat the road surface.

**Capital Outlay:**

The Equipment Acquisition Fund, which is part of the Capital Project Funds section of the budget, funds the capital purchases for this department. The 2020 Budget allocated amounts to purchase sidewalk blower attachments for the two trackless units.

**Department: Snow and Ice Removal 1420**

**Fund: General Fund 1000**

**Goals:**

1. Provide snowplowing services to allow safe travel conditions for motorists and pedestrians.
2. Prevent snowplow related accidents by maintaining a trained workforce.
3. Clear all plowable areas efficiently and effectively after snow events.

**Measurable Workload Data:**

	2018 <u>Actual</u>	2019 <u>Actual</u>	2020 <u>Budget</u>	2021 <u>Budget</u>
Seasonal Snowfall in Inches	83.00	94.50	90.00	90.00
Snow plow events outside regular working hours	8	13	8	8
Road salt de-icing/anti-caking usage per ton	567	743	650	650
Snow plow sessions needing Cul-De-Sac plowing	21	20	20	20

**City of White Bear Lake**  
**Public Works - Snow Removal**

**Annual Budget**  
**Business Unit: 1420**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Personnel Services</b>						
6105	Salaries - regular employees	\$ 23,062	\$ 26,017	\$ 54,178	\$ 54,179	\$ 55,533
6117	Overtime - regular employees	33,276	31,254	25,000	20,000	25,000
6122	PERA	4,225	4,296	5,938	5,563	6,040
6124	FICA/Medicare	4,113	4,224	6,057	5,675	6,161
6128	Insurance contribution	7,290	7,650	8,033	8,033	8,435
6138	Worker's compensation	5,620	5,620	5,620	5,620	5,620
6148	Other benefits	200	1,000	1,000	1,000	1,000
	Total personnel services	<u>77,786</u>	<u>80,061</u>	<u>105,826</u>	<u>100,070</u>	<u>107,789</u>
<b>Supplies</b>						
6220	Equipment supplies	15,386	23,046	11,700	11,700	15,000
6230	Vehicle supplies	2,101	1,533	1,700	1,700	1,700
6250	Other supplies	39,530	60,250	73,126	73,126	72,800
6272	Motor fuels	20,832	15,299	20,000	20,000	20,000
6274	Lubricants & additives	1,025	-	1,000	1,000	1,000
6295	Small tools	150	-	300	300	300
	Total supplies	<u>79,024</u>	<u>100,128</u>	<u>107,826</u>	<u>107,826</u>	<u>110,800</u>
<b>Other Services and Charges</b>						
6401	Professional services	9,200	-	-	-	-
6434	General liability insurance	4,125	4,125	4,125	4,125	4,125
6436	Vehicle liability insurance	843	843	843	843	400
6450	Outside printing	-	-	250	250	250
6470	Training	-	145	600	600	600
6505	Equipment maintenance service	7,365	10,193	4,000	8,000	10,000
6510	Vehicle maintenance service	7,400	-	3,000	3,000	3,000
6560	Other contractual services	48,658	69,850	26,000	29,000	36,000
	Total other services and charges	<u>77,591</u>	<u>85,156</u>	<u>38,818</u>	<u>45,818</u>	<u>54,375</u>
<b>Total</b>		<b><u>\$ 234,401</u></b>	<b><u>\$ 265,345</u></b>	<b><u>\$ 252,470</u></b>	<b><u>\$ 253,714</u></b>	<b><u>\$ 272,964</u></b>

**Department: Street Lighting and Signal Operation 1430**

**Fund: General Fund 1000**

**Department Activities and Responsibilities:**

This department accounts for the operating activities and maintenance costs related to the 523 city-owned decorative streetlights and operating charges for 952 Xcel Energy cobra light poles and 24 signalized intersections in the City.

The City does not operate any traffic signals within its boundaries; however, there are 24 signal systems operated by either Minnesota Department of Transportation (MNDOT) or Ramsey County, which intersect a city street. The City shares in the costs associated with the operation and maintenance of these systems. The actual cost is a percentage based on the number of City street legs of the intersection. All intersection traffic signal systems utilize light emitting diode (LED) light sources to save energy, reduce monthly electrical costs, require minimal maintenance, and increase visibility for drivers. The City pays all costs related to the operation and maintenance of the Emergency Vehicle Preemption (EVP) devices on the signal systems. This department budget allocates funds to pay the electricity usage for all other cobra-type intersection lighting within the City, while Xcel Energy pays maintenance fees for these units.

The City operates and maintains decorative streetlights for the downtown area, along Lake Avenue, and in the median of County Road 96. Currently, the downtown lighting system consists of two different light units, one is an aging wooden carriage style light and the other is a newer acorn style light. The top sections of both styles are subject to damage from the sun and weather, which allows water to get in and corrode the hardware. Replacement of the carriage style lights will occur with the reconstruction of downtown streets and redevelopment. LED light sources are not included in the budget; however, the department is considering future projects to retrofit the current lighting with smart modules or LED lights to reduce electric usages and maintenance costs for the city-owned systems. Changes to this technology would begin in small areas to allow staff to monitor the effectiveness and savings. This department also contains the costs to support the seasonal holiday lighting in the downtown area. LED lighting replaces any worn out strands for great efficiency.

**Budget Summary:**

The Other Supplies expenditure budget allocates funds for the replacement of broken decorative streetlight ballasts and globes, as well as the replacement of aging poles. As the infrastructure continues to age, additional electrical repairs and pole replacements are budgeted for 2021. This work and painting of the poles will keep the structures in good condition and prevent issues that are more extensive.

**Goals:**

1. Prioritize replacement of older light poles to maintain safe levels of street lighting.
2. Determine best method to implement the most energy efficient lighting and restore faded decorative light poles.
3. Replace wooden street poles to improve appearance and consistency in the downtown area.

**Measurable Workload Data:**

	2018 <u>Actual</u>	2019 <u>Actual</u>	2020 <u>Budget</u>	2021 <u>Budget</u>
Number of repair calls for downtown streetlights	13	36	15	20
Number of decorative street light poles painted	0	25	0	0
Number of light poles or fixtures replaced	7	4	4	4

**City of White Bear Lake**  
**Public Works - Street Lighting and Traffic Signals**

**Annual Budget**  
**Business Unit: 1430**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Personnel Services</b>						
6105	Salaries - regular employees	\$ 7,380	\$ 7,601	\$ 7,828	\$ 7,828	\$ 8,024
6117	Overtime - regular employees	98	219	-	-	-
6122	PERA	583	586	587	587	602
6124	FICA/Medicare	559	596	599	599	614
6128	Insurance contribution	735	775	814	814	855
6138	Worker's compensation	475	475	475	475	475
	<b>Total personnel services</b>	<u>9,830</u>	<u>10,252</u>	<u>10,303</u>	<u>10,303</u>	<u>10,569</u>
<b>Supplies</b>						
6220	Equipment supplies	1,811	1,436	2,100	2,100	2,100
6250	Other supplies	5,340	9,299	11,000	11,000	17,000
	<b>Total supplies</b>	<u>7,151</u>	<u>10,735</u>	<u>13,100</u>	<u>13,100</u>	<u>19,100</u>
<b>Other Services and Charges</b>						
6401	Professional services	10,000	-	-	-	-
6422	Electric	12,636	12,162	13,000	12,200	13,000
6505	Equipment maintenance service	-	5,875	7,000	7,000	7,000
6525	Electric maintenance service	11,205	17,678	10,000	10,000	16,000
6560	Other contractual services	135,484	124,165	138,000	138,000	138,000
	<b>Total other services and charges</b>	<u>169,325</u>	<u>159,880</u>	<u>168,000</u>	<u>167,200</u>	<u>174,000</u>
<b>Total</b>		<u><b>\$ 186,306</b></u>	<u><b>\$ 180,867</b></u>	<u><b>\$ 191,403</b></u>	<u><b>\$ 190,603</b></u>	<u><b>\$ 203,669</b></u>

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**Department: Parks 1510**

**Fund: General Fund 1000**

**Department Activities and Responsibilities:**

The Parks Department maintains downtown boulevards, park facilities, and 160+ acres of parkland in their daily operations. The on-going weekly duties of mowing grass, trimming vegetation, removing trash, general cleaning, and maintaining restroom facilities balance around seasonal tasks to maintain playground equipment, rental boat buoys, rental boat skids, and outdoor skating rinks. The department also lends its expertise in plant and ground care by maintaining the grounds of many City facilities.

The Park Improvement Fund has supported significant building and other improvements in the City's parks over the years. While these improvements offer great amenities for the City's residents to enjoy, they require regular maintenance due to high use and ensure their long-term presence. Department employees strive to keep the park areas in top form through daily cleanings and weekend inspections at heavily used facilities to guarantee these areas stay welcoming through high traffic times.

Park vandalism remains a challenge for the department. To address these issues, the Parks Department and Police Department collaborate to add extra presence in park areas using Police Department Community Service Officers (CSOs) and Reserve Officers. Though their presence does not eliminate the vandalism, it helps deter vandals from damaging property at times when others might not be in the area using the accommodations.

**Budget Summary:**

Responsibilities performed by department employees each year continue to increase through the added amenities in park improvement projects. The department utilizes a combination of full-time and temporary employees to meet the assigned tasks.

Following the Public Works Superintendent of Streets and Utilities retirement in early 2020, the Public Works Department was restructured. Previously, there was a Public Works Superintendent of Streets and Utilities and a Public Works Superintendent of Parks and Facilities. Both Superintendent positions were combined in 2020 and the lead positions in each Public Works division were elevated to Working Forman positions. The restructuring gave the Working Forman clear supervision responsibilities of their respective divisions and placed facility maintenance activities into the Parks Division. As a result, the 2020 Revised Budget allocation for the Parks Department salaries decreased as it no longer included the salary of the Superintendent of Parks and Facilities.

Landscape supply costs increased in the 2020 Budget as the department begins working with the youth football and lacrosse associations for turf maintenance of their fields at Podvin Park. In past years, the football association used an outside vendor for these services. The new cooperation allows the department to maintain City parkland and fields in this area, which consolidate costs and provides consist turf management. Both associations will reimburse the City for their share of the supply costs to offset the City's increased expenditures.

**Capital Outlay:**

The Park Improvement Fund in the Capital Project Fund section of this budget allocates resources for individual park renovation and improvement projects. The Equipment Acquisition Fund, also in the Capital Project Fund section, provides funding for the equipment needs of the department. The main items included in the equipment requests for 2021 are a garbage/multi-use truck and the replacement of a water tanker truck.

**Department: Parks 1510**

**Fund: General Fund 1000**

**Goals:**

1. Continue the park patrol program for public safety and to reduce vandalism in our parks.
2. Promote public awareness of park facility availability.
3. Improve methods of turf management on all public property by utilizing plants and materials that require less maintenance.
4. Focus on a maintenance program for pruning, trimming, and replacement of trees on City property.

**Measurable Workload Data:**

	2018 <u>Actual</u>	2019 <u>Actual</u>	2020 <u>Budget</u>	2021 <u>Budget</u>
Hours Spent Mowing for the Season	900	735	900	900
Number of Park Reservations	342	311	67	300
Number of Tree Inspections Performed	63	66	65	65
Man Hours Spent Tree Trimming	299	254	150	250
Number of Special Events Supported	52	88	50	70
Instances of Vandalism	11	6	14	10

**City of White Bear Lake**  
**Public Works - Parks**

**Annual Budget**  
**Business Unit: 1510**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Personnel Services</b>						
6105	Salaries - regular employees	\$ 311,591	\$ 364,749	\$ 386,553	\$ 289,898	\$ 357,813
6117	Overtime - regular employees	3,160	7,556	10,000	5,300	11,583
6119	Salaries - temporary employees	46,977	35,864	40,781	38,435	39,396
6122	PERA	23,606	27,923	29,741	22,140	27,705
6124	FICA/Medicare	26,940	30,449	33,456	25,523	31,273
6128	Insurance contribution	39,650	38,290	40,866	40,866	42,909
6138	Worker's compensation	20,225	19,655	19,655	19,655	22,525
6148	Other benefits	910	3,865	3,865	3,865	3,865
	<b>Total personnel services</b>	<b>473,059</b>	<b>528,351</b>	<b>564,916</b>	<b>445,682</b>	<b>537,069</b>
<b>Supplies</b>						
6210	Office supplies	-	-	375	375	375
6220	Equipment supplies	10,381	11,271	12,300	12,300	12,300
6230	Vehicle supplies	4,018	4,268	3,500	4,100	4,700
6240	Building supplies	9,212	7,871	13,530	13,530	13,500
6250	Other supplies	3,817	3,609	7,500	5,450	7,861
6253	Street materials	-	589	-	2,600	600
6255	Landscaping supplies	18,512	11,927	19,540	19,540	19,540
6272	Motor fuels	20,236	20,184	16,600	15,300	17,200
6274	Lubricants & additives	3,087	-	660	500	660
6280	Books & periodicals	-	-	100	100	100
6290	Uniforms	4,481	4,316	5,100	4,750	4,750
6295	Small tools	6,833	4,615	5,000	5,000	5,000
	<b>Total supplies</b>	<b>80,577</b>	<b>68,650</b>	<b>84,205</b>	<b>83,545</b>	<b>86,586</b>
<b>Other Services and Charges</b>						
6401	Professional services	27,531	235	600	600	600
6411	Telephone	624	583	700	700	770
6412	Cellular	2,068	2,246	2,845	1,120	1,075
6422	Electric	21,547	20,330	29,000	29,000	29,000
6423	Natural gas	2,858	2,463	4,000	4,000	4,000
6434	General liability insurance	12,148	12,148	12,148	12,148	12,148
6436	Vehicle liability insurance	2,690	2,690	2,690	2,690	1,800
6450	Outside printing	84	-	400	400	400
6460	Subscription/memberships	85	305	500	500	500
6470	Training	3,695	1,540	2,500	2,500	5,000
6492	Advertising	125	-	-	-	-
6505	Equipment maintenance service	1,665	3,175	8,500	8,500	6,500
6510	Vehicle maintenance service	125	-	8,000	8,000	8,000
6515	Building maintenance service	2,154	2,316	4,500	4,500	4,500
6525	Electrical maintenance service	432	2,870	1,500	1,500	1,500
6540	Vandalism	3,298	701	5,000	5,000	5,000
6555	Equipment rental	1,295	1,683	3,000	3,000	3,000
6560	Other contractual services	8,921	15,930	18,500	19,795	20,620
	<b>Total other services and charges</b>	<b>91,345</b>	<b>69,215</b>	<b>104,383</b>	<b>103,953</b>	<b>104,413</b>
<b>Total</b>		<b>\$ 644,981</b>	<b>\$ 666,216</b>	<b>\$ 753,504</b>	<b>\$ 633,180</b>	<b>\$ 728,068</b>

**Department: General Services and Contingency 1610**

**Fund: General Fund 1000**

**Department Activities and Responsibilities:**

The General Services budget includes expenditures not allocated to an individual General Fund department and transfers to other funds for specific purposes.

**Budget Summary:**

The General and Emergency appropriations are available to provide funding for expenditures that are specific to the General Fund, but are not allocable to a specific department.

The State of Minnesota created the White Bear Lake Conservation District (WBLCD) in 1971 to care for the body of water known as White Bear Lake. As a bordering municipality to the lake, the City works closely with the WBLCD. The City budgets the required annual fees for the White Bear Lake Conservation District in this category. The District currently emphasizes management of problems caused by the spread of Eurasian Water Milfoil and the invasive species zebra mussel within White Bear Lake. It is unknown if any additional funding to address these invasive species will be required.

In 2012, the City owned Community Counseling Center merged with Northeast Youth and Family Services (NYFS) to provide youth and family counseling options to residents. This organization receives support from participating cities to uphold its mission and provide a cost savings strategy for these services to residents within each community.

In 2018, the City collaborated with other local organizations to provide a senior transportation option for area residents. The City anticipates this agreement to continue at the current funding level.

**Transfers:**

The Armory transfer each year provides funding to maintain a positive fund balance and prevent a possible revenue shortfall.

The General Fund received an allocation of the Federal Coronavirus Aid, Relief, and Economic Security Act (CARES) funding in 2020 to support Public Safety payroll due to their substantial time in dedicated to mitigating the emergency. Therefore, the Revised 2020 Budget transfers amount equal to the allocation from the General Fund to the Economic Development Fund to support City funds with associated expenditures and community grant programs for those directly affected by the pandemic.

The General Fund saw a considerable increase in fund balance in 2019, therefore, a one-time transfer was made to the Equipment Acquisition Fund to support future equipment purchases.

**City of White Bear Lake**  
**General Services and Contingency**

**Annual Budget**  
**Business Unit: 1610**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>General Services</b>						
6148	General	\$ -	\$ 6,487	\$ 14,220	\$ -	\$ -
6560	Lake Conservation District	-	36,581	34,000	33,954	42,660
6560	Northeast Youth & Family Services	39,575	40,684	44,000	43,451	50,920
6560	Senior Bus	3,750	7,500	7,500	5,000	7,500
6560	Emergency appropriations	-	-	15,500	-	15,500
	Total contingency	<u>43,325</u>	<u>91,252</u>	<u>115,220</u>	<u>82,405</u>	<u>116,580</u>
<b>Transfers to Other Funds</b>						
7605	Armory operations	25,000	25,000	25,000	25,000	25,000
7605	Economic Development	-	-	-	1,489,375	-
7605	Equipment Acquisition	-	-	-	300,000	-
	Total transfers	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>1,814,375</u>	<u>25,000</u>
<b>Total</b>		<b><u>\$ 68,325</u></b>	<b><u>\$ 116,252</u></b>	<b><u>\$ 140,220</u></b>	<b><u>\$ 1,896,780</u></b>	<b><u>\$ 141,580</u></b>

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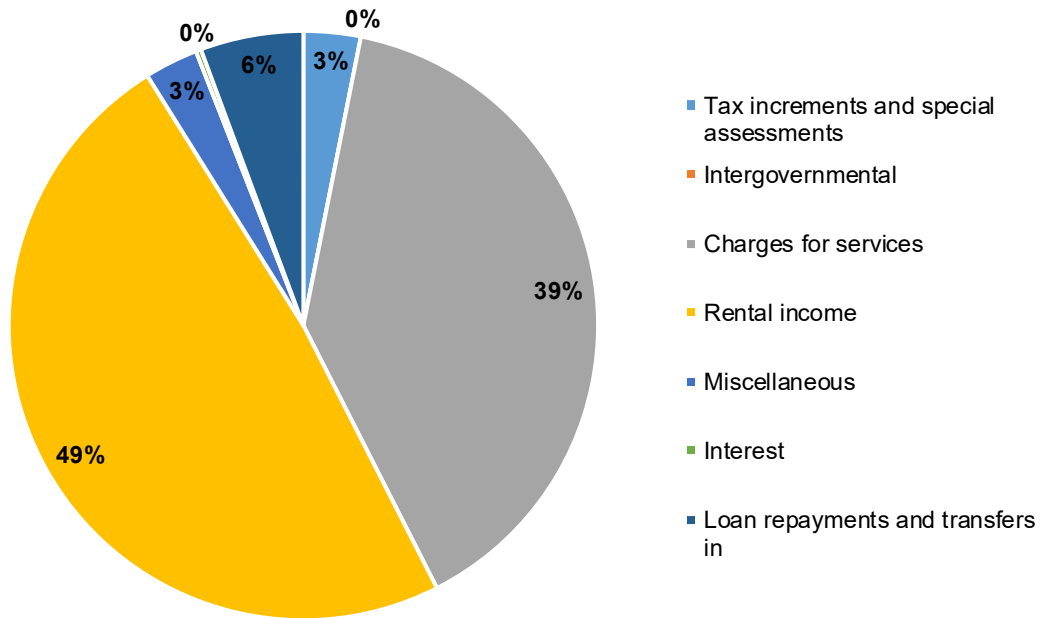
**City of White Bear Lake  
Special Revenue Funds**

**Annual Budget**

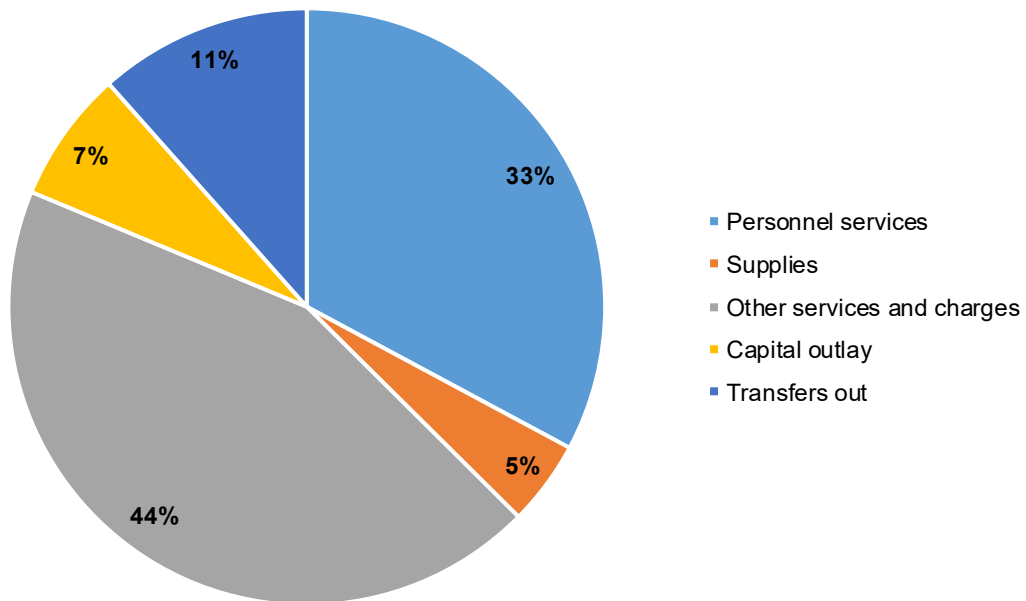
Item	2018 Actual	2019 Actual	2020 Budget	2020 Revised	2021 Budget
<b>Revenues</b>					
Tax increment	\$ 32,587	\$ 46,091	\$ 20,000	\$ 1,510	\$ -
Special assessments	63,450	60,057	62,200	55,015	54,000
Intergovernmental	526,716	113,636	90,000	161,238	-
Charges for services	428,950	586,531	538,290	410,242	679,055
Rental income	792,317	839,921	841,500	796,203	837,900
Miscellaneous	137,538	88,656	459,200	486,538	50,750
Interest	-	68,579	-	6,000	5,000
Loan repayments	75,770	80,337	72,500	60,500	72,500
Transfers in	25,000	25,000	25,000	1,516,328	25,000
Total revenues	<u>2,082,328</u>	<u>1,908,808</u>	<u>2,108,690</u>	<u>3,493,574</u>	<u>1,724,205</u>
<b>Expenditures</b>					
Personnel services	457,876	612,375	663,210	652,520	697,660
Supplies	97,850	82,133	72,765	870,076	97,465
Other services and charges	938,837	750,180	998,531	1,001,762	931,989
Capital outlay	69,231	865,794	187,000	239,879	152,000
Loan repayments	-	-	111,000	111,000	165,500
Transfers out	205,000	235,000	124,000	386,890	80,000
Total expenditures	<u>1,768,794</u>	<u>2,545,482</u>	<u>2,156,506</u>	<u>3,262,127</u>	<u>2,124,614</u>
Revenues over (under) expenditures	<u>313,534</u>	<u>(636,674)</u>	<u>(47,816)</u>	<u>231,447</u>	<u>(400,408)</u>
Reserve adjustment (to) from	<u>(835,975)</u>	<u>800,000</u>	<u>(37,500)</u>	<u>(37,500)</u>	<u>(15,000)</u>
Fund balance, January 1	<u>3,642,795</u>	<u>3,120,354</u>	<u>3,008,669</u>	<u>3,283,680</u>	<u>3,477,627</u>
Fund balance, December 31	<u>\$ 3,120,354</u>	<u>\$ 3,283,680</u>	<u>\$ 2,923,353</u>	<u>\$ 3,477,627</u>	<u>\$ 3,062,219</u>
Reserves	<u>1,055,250</u>	<u>255,250</u>	<u>292,750</u>	<u>292,750</u>	<u>307,750</u>
Total fund balance and reserves, December 31	<u>\$ 4,175,604</u>	<u>\$ 3,538,930</u>	<u>\$ 3,216,103</u>	<u>\$ 3,770,377</u>	<u>\$ 3,369,969</u>

# 2021 Special Revenue Funds

Total Revenues \$1,724,205

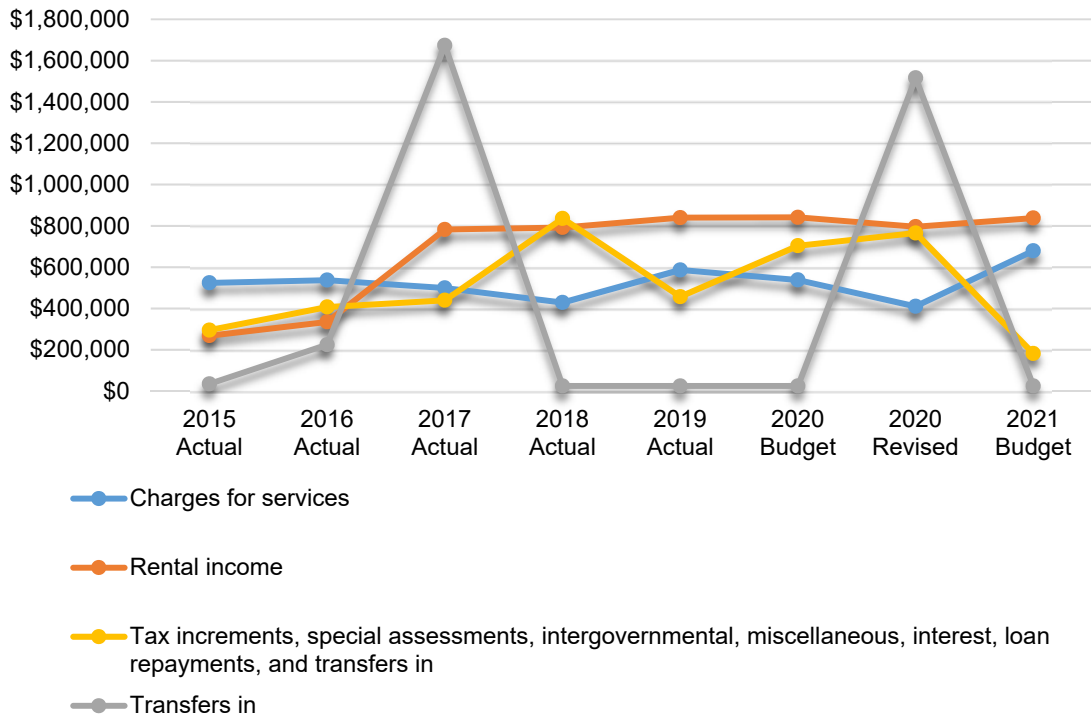


Total Expenditures \$2,124,414

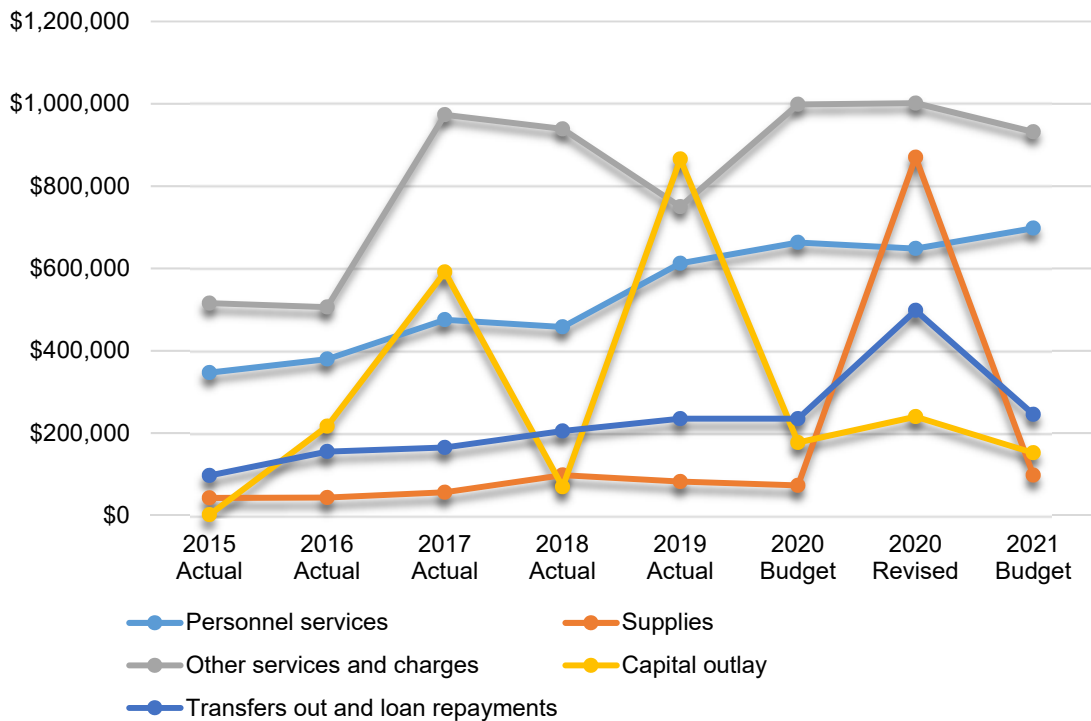




## Special Revenue Funds Revenue Trend Analysis



## Special Revenue Fund Expenditure Trend Analysis



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**Fund: Armory Fund 2030**

**Department Activities and Responsibilities:**

This fund accounts for revenues and expenditures related to the Armory building, which provides a community facility for private and public gatherings, sporting activities, and social events.

The National Register of Historic Places added the City's Armory building to their list as of March 25, 2019. The organization considers properties on the list to be worth of preservation. This addition recognizes the significance of the property and supports the national movement aimed at preserving culture and heritage for future generations.

The Armory's main gymnasium has three general types of users: local non-profit groups, private party rentals, and recreational activity rentals. The City does not expect the facility to be entirely fee-supported because part of the building's purpose is to provide a low cost venue for local groups to host events. Often times, many of the non-profit groups contribute money earned through their rental activities back to the community. To support this philosophy, the City allows White Bear Lake non-profit organizations to utilize the space at no charge if the activity is for one day and does not conflict with private party reservations. Consequently, the user fees supporting operations stem primarily from private party and recreational activity rentals.

The Armory faces unique challenges in serving as both a banquet hall and a recreational facility. The ambiance generally desired by private parties for wedding receptions or upscale events is not available in the building. Therefore, the revenue producing events scheduled are for general family gatherings, with non-residents utilizing the space for events more than residents do. Council policies restrict rental to users who will not cause physical damage or abnormal deterioration to the building, and require private security officers to be at the facility for any private events serving alcohol.

The facility's current rental rates have been in effect since January 2019 and are as follows:

	<u>Resident</u>	<u>Non-Resident</u>
Private Party Daily Rates		
Full Day Rental	\$ 650	\$ 900
Kitchen Rental	100	150
Private Party Hourly Rates		
Monday - Thursday	80	90
Friday - Saturday	100	120

In 2021, staff will investigate alternative uses of the Armory building and compare them with the current uses to determine the use of space that ensures the operations meet a public benefit and provide resources to support the facility.

**Budget Summary:**

The decrease in the 2020 Revised Rental Income Budget is a direct result of the COVID-19 pandemic. The Armory stopped taking reservations from March 16, 2020 through May 31, 2020. On June 1, 2020, the Armory began indefinitely accepting reservations that were in accordance with the Governor's limitations on group gatherings. Several Revised 2020 Budget Allocations also decreased in correlation with the COVID-19 closures. The 2021 Budget estimates rental revenue and expenditures related to the revenue producing events to be 75% of normal year activities due to continued pandemic restrictions.

An annual transfer from this fund to the Municipal Building Fund supports future capital improvements.

**Capital Outlay:**

A detailed discussion of the City's five year Capital Improvement Plan and purchases funded through the Municipal Building Fund for this department is in the Summary Data section of the document.

**Fund: Armory Fund 2030**

**Goals:**

1. Continue to monitor user groups to ensure compliance with established facility use protocol.
2. Promote the facility to encourage revenue producing rental opportunities.
3. Monitor the number of weekends the facility is booked for non-profit events to ensure the facility is not turning away revenue-producing customers.
4. Work with elevator repair company to draft a plan on maintenance and replacement as parts become obsolete.
5. Continue discussions on repurposing the gym space at the Armory.

**Measurable Workload Data:**

	<u>2018 Actual</u>	<u>2019 Actual</u>	<u>2020 Budget</u>	<u>2021 Budget</u>
Private Parties Rentals				
Resident	6	8	5	6
Non-Resident	18	16	2	12
Non-Profit Group Rentals				
Resident	4	17	20	13
Non-Resident	6	1	1	1
Community Group Rentals				
Resident	6	1	10	10
Non-Resident	2	0	0	0
WBL School District	124	127	65	95
Sporting Group Rentals				
Resident	131	152	50	115
Non-Resident	<u>141</u>	<u>71</u>	<u>40</u>	<u>55</u>
Total	<u>492</u>	<u>393</u>	<u>193</u>	<u>307</u>
Overall Use Analysis				
Resident	147	178	85	144
Non-Resident	167	88	43	68
WBL School District	<u>124</u>	<u>127</u>	<u>65</u>	<u>95</u>
Total	<u>438</u>	<u>393</u>	<u>193</u>	<u>307</u>

**City of White Bear Lake  
Armory**

**Annual Budget  
Fund Summary**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Revenues</b>						
4955	Investment income	\$ -	\$ 1,646	\$ -	\$ -	\$ -
4975	Rental income	29,478	32,732	36,000	18,000	27,000
4975	Lease - armory bus garage	4,250	4,250	4,250	3,195	-
4975	Lease - Lions	3,300	3,300	3,300	3,300	3,300
5010	Sale of property	-	619	-	-	-
5360	Refunds and reimbursements	3,531	5,019	5,150	2,450	2,450
	Total operating revenues	<u>40,559</u>	<u>47,566</u>	<u>48,700</u>	<u>26,945</u>	<u>32,750</u>
5205	Transfers In	25,000	25,000	25,000	25,000	25,000
	Total revenues	<u>65,559</u>	<u>72,566</u>	<u>73,700</u>	<u>51,945</u>	<u>57,750</u>
<b>Expenditures</b>						
Personnel Services						
6105	Salaries - regular employees	21,721	22,758	23,592	23,730	24,231
6117	Overtime - regular employees	6	506	1,000	1,000	1,000
6119	Salaries - temporary employees	5,208	5,357	6,051	1,362	3,801
6122	PERA	1,941	2,105	2,298	1,957	2,177
6124	FICA/Medicare	1,956	2,068	2,344	1,996	2,221
6128	Insurance contribution	2,210	2,350	2,468	2,468	3,325
6138	Worker's compensation	230	300	300	300	910
6148	Other benefits	-	-	-	-	560
	Total personnel services	<u>33,272</u>	<u>35,444</u>	<u>38,053</u>	<u>32,812</u>	<u>38,225</u>
Supplies						
6210	Office supplies	-	1	150	50	50
6240	Building supplies	1,238	2,554	2,175	1,290	1,505
6250	Other supplies	42	-	300	300	300
6295	Small tools	-	-	800	200	625
	Total supplies	<u>1,280</u>	<u>2,555</u>	<u>3,425</u>	<u>1,840</u>	<u>2,480</u>
Other Services and Charges						
6401	Professional services	369	467	500	500	550
6411	Telephone	997	677	1,100	800	800
6422	Electric	7,863	7,863	7,500	6,200	6,500
6423	Natural gas	5,235	4,956	7,000	5,000	5,000
6492	Advertising	-	-	500	-	500
6505	Repair/maintenance equipment	-	139	800	1,405	1,400
6515	Repair/maintenance building	8,090	8,543	7,025	4,225	7,775
6535	Repair/maintenance other	-	-	200	200	200
6555	Equipment rental	-	-	250	250	250
6560	Contractual services	5,229	6,629	5,700	2,650	4,175
	Total other services and charges	<u>27,783</u>	<u>29,274</u>	<u>30,575</u>	<u>21,230</u>	<u>27,150</u>
7605	Transfers Out					
	Municipal Building Fund	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>
	Total expenditures	<u>72,335</u>	<u>77,273</u>	<u>82,053</u>	<u>65,882</u>	<u>77,855</u>
	Revenues over (under) expenditures	<u>(6,776)</u>	<u>(4,707)</u>	<u>(8,353)</u>	<u>(13,937)</u>	<u>(20,105)</u>
	Fund balance January 1	<u>59,643</u>	<u>52,867</u>	<u>47,053</u>	<u>48,160</u>	<u>34,223</u>
	Fund balance December 31	<u>\$ 52,867</u>	<u>\$ 48,160</u>	<u>\$ 38,700</u>	<u>\$ 34,223</u>	<u>\$ 14,118</u>

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**Fund: Surface Water Pollution Prevention 2040**

**Department Activities and Responsibilities:**

The Surface Water Pollution Prevention Fund accounts for revenue and expenditures related to the City's Municipal Separate Storm Sewer System (MS4) General Permit requirements. The MS4 General Permit is designed to reduce the amount of sediment and pollution that enters surface and ground water from storm sewer systems to the maximum extent practicable. Stormwater discharges associated with MS4s are subject to regulation under the Federal National Pollutant Discharge Elimination System (NPDES) program. The Minnesota Pollution Control Agency (MPCA) is authorized to administer the Federal NPDES MS4 program in Minnesota. Through its MS4 General Permit, the City developed a stormwater pollution prevention program (SWPPP) that incorporates the following seven best management practices (BMPs):

- 1) Public Education and Outreach
- 2) Public Participation and Involvement
- 3) Illicit Discharge, Detection, and Elimination
- 4) Construction Site Stormwater Runoff
- 5) Post Construction Stormwater Runoff Control
- 6) Pollution Prevention/Good Housekeeping
- 7) Impaired Waters and TMDLs

The Surface Water Pollution Prevention Fund fully or partially supports the activities of the following four BMP's in the MS4 program:

BMP 1: Printing and mailing costs related to stormwater educational materials; contributions to Vadnais Lake Area Water Management (VLAWMO) education initiatives (as per the VLAWMO Joint Powers Agreement and Water Management Plan); memberships and event sponsorships; Environmental Advisory Commission (EAC) budget, including the cost of a rain barrel that is given away at the annual EAC Environmental Resource Expo. The purchase of five additional rain barrels are for VLAWMO, which the City receives reimbursement for the full cost of the rain barrels.

BMP 2: SWPPP annual public meeting notice in the local press.

BMP 6: Ongoing maintenance costs and electricity for the Orchard Lane stormwater reuse system; contracts for maintenance of City owned raingardens and shorelines (including invasive species removal); miscellaneous storm sewer repairs; outfall maintenance; consulting engineering (WSB) fee for quarterly facility inspections; staff training; stormwater operations & maintenance agreements.

BMP 7: City contribution for stormwater treatment capital improvement projects (as per the VLAWMO Joint Powers Agreement); pass through funding for the street reconstruction curb cut raingarden program (as part of the 2020 street reconstruction project, the City provided a curb cut for three residential properties and paid Sandstrom Land Management for the cost to install the raingardens. The City received a reimbursement from Rice Creek Watershed District (RCWD) and Ramsey Washington Metro Watershed District as a cost share partnership for expenditures related to the contract with Sandstrom Land Management. Property owners paid the City for the share of expenditures not covered by the RCWD reimbursement. Also included in the contract with Sandstrom Land Management was the cost to replacement a broken raingarden pretreatment structure that was originally installed in 2012. The City received reimbursement from Ramsey Washington Metro Watershed District for half the cost of the repair).

The City plans to update the Surface Water Management Plan (SWMP) on a 10-year cycle. The SWMP provides a framework for a comprehensive program to protect and improve the quality of water resources within the City, and is prepared in accordance with Minnesota Statutes and Rules.

**Budget Summary:**

The Surface Water Pollution Prevention Fund has historically received an allocation of Local Government Aid (LGA) to help support the fund's operation. Due to a reduction in the City's LGA allocation in 2021, this fund will no longer be receiving this revenue stream. Therefore, the City will implement a Surface Water Management fee on quarterly utility bills to finance the storm water system maintenance and activities required to be compliant with the MS4 permit requirements. Residential and commercial customers will begin paying a flat quarterly fee of \$5.00 in 2021.

**Fund: Surface Water Pollution Prevention 2040**

In previous years, the fund supported a .50 FTE staff position responsible for developing, managing, and ensuring long-term viability of the City's MS4 program. In the 2021 Budget allocation, the fund will begin to support 100% of the position's salary to align with actual time spent on duties.

**Goals:**

- 1) Increase public awareness of water quality issues.
- 2) Reduce pollutants to waterbodies.
- 3) Improve wildlife habitat.

**Measurable Workload Data:**

	<u>2018 Actual</u>	<u>2019 Actual</u>	<u>2020 Budget</u>	<u>2021 Budget</u>
Number of educational materials/articles distributed	29	27	20	25
Number of water quality BMPs installed <sup>(1)</sup>	15	13	12	15
Number of BMP's inspected <sup>(2)</sup>	27	27	28	30
Number of BMP's maintained <sup>(3)</sup>	12	10	18	18
Phosphorus load reductions to impaired waters (lbs/yr) <sup>(4)</sup>	9.5	11.1	11.1	13
Number of areas restored with native vegetation	1	1	1	2

<sup>(1)</sup> Includes BMP's installed as part of street reconstruction (Fund 4400)

<sup>(2)</sup> Includes BMP's inspections by sewer department staff (Fund 5050)

<sup>(3)</sup> Includes BMP's maintained by sewer department staff (Fund 5050)

<sup>(4)</sup> Reductions calculated for Bald Eagle Lake subwatershed, as reported in the MS4 permit. Starting in 2021, MS4 permits will require phosphorus load reduction reporting for all impaired waterbodies.



**City of White Bear Lake**  
**Surface Water Pollution Prevention**

**Annual Budget**  
**Fund Summary**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Revenues</b>						
	Intergovernmental					
4624	Local government aid	\$ 87,297	\$ 90,000	\$ 90,000	\$ 90,000	\$ -
4682.1	Intergovernmental operating grants	16,248	22,397	-	1,525	-
4882	Infrastructure fee	-	-	-	-	164,040
4955	Interest	-	16,081	-	6,000	5,000
5360	Refunds & reimbursements	-	7,831	400	-	-
	<b>Total revenues</b>	<b>103,545</b>	<b>136,309</b>	<b>90,400</b>	<b>97,525</b>	<b>169,040</b>
<b>Expenditures</b>						
Personnel Services						
6105	Salaries - regular employees	28,373	33,436	37,461	38,262	78,139
6117	Overtime - regular employees	480	1,825	500	-	-
6119	Salaries - temporary employees	-	-	6,076	-	-
6122	PERA	2,164	2,644	2,847	2,870	5,860
6124	FICA/Medicare	2,085	2,578	3,369	2,927	5,978
6128	Insurance contribution	4,320	4,550	4,778	4,778	9,500
6138	Worker's compensation	740	750	750	750	575
6148	Other benefits	400	400	400	400	1,600
	<b>Total personnel services</b>	<b>38,562</b>	<b>46,183</b>	<b>56,181</b>	<b>49,987</b>	<b>101,652</b>
Supplies						
6220	Equipment supplies	-	1,047	750	3,750	1,000
6250	Other supplies	547	3,164	1,500	1,500	1,500
6255	Landscaping supplies	680	-	1,000	1,000	1,000
6290	Uniforms	-	-	100	100	100
6295	Small tools	-	60	1,000	1,000	1,300
	<b>Total supplies</b>	<b>1,227</b>	<b>4,271</b>	<b>4,350</b>	<b>7,350</b>	<b>4,900</b>
Other Services and Charges						
6401	Professional services	6,467	172	13,000	5,500	5,500
6402	Data processing	1,500	1,500	1,500	1,500	1,500
6412	Cellular	420	317	850	850	850
6422	Electric	138	276	300	300	300
6445	Postage	-	-	200	200	200
6450	Outside printing	83	584	2,000	2,000	2,000
6455	Equipment maintenance service	-	87	100	100	100
6460	Subscription/memberships	1,488	3,294	3,500	3,500	7,500
6470	Training	578	608	2,375	2,375	2,375
6486	Travel	-	209	400	400	400
6560	Other contractual services	100,702	49,764	165,600	162,900	155,600
	<b>Total other services and charges</b>	<b>111,376</b>	<b>56,811</b>	<b>189,825</b>	<b>179,625</b>	<b>176,325</b>
	<b>Total expenditures</b>	<b>151,165</b>	<b>107,265</b>	<b>250,356</b>	<b>236,962</b>	<b>282,877</b>
	Revenues over (under) expenditures	(47,620)	29,044	(159,956)	(139,437)	(113,837)
	Capital reserve adjustment (to) from	-	-	-	-	-
	Fund balance January 1	853,630	806,010	781,839	835,054	695,617
	Fund balance December 31	\$ 806,010	\$ 835,054	\$ 621,884	\$ 695,617	\$ 581,780
	Capital infrastructure reserves	\$ -	\$ -	\$ -	\$ -	\$ -

**Fund: Marina Fund 2050**

**Department Activities and Responsibilities:**

The Marina Fund accounts for the revenues and expenditures to operate a 160-boat slip marina on White Bear Lake. The boat slip revenues provide the primary source of revenue for the fund.

In November 2009, the City Council agreed to contribute funds to the White Bear Area YMCA for a facility renovation and expansion during 2010. The contribution included a \$1,000,000 internal loan with resources from the Park Improvement Fund, Insurance Fund, and the Non-Bonded Debt Service Fund. Resolution No. 10604 from November 2009 established a 15-year repayment schedule for the internal loan principal and interest through an annual tax levy allocation of \$132,000 and \$155,000 of marina operation revenues during 2017-2025.

During 2018, the City Council entered a partnership with the White Bear Lake Area Hockey Association to renovate the ice arena at the city-owned Sports Center. The City Council redirected the \$132,000 tax levy and the marina revenues from this internal loan repayment plan to the debt service associated with the renovation project. In 2019, the City Council formalized the 2018 decision to redirect the monies used to repay the internal loan and rescind the internal loan repayment schedule to the Non-Bonded Fund. The 2020 and 2021 Budgets transfer the marina revenues supporting the debt service and internal loan repayment directly to the appropriate funds.

The City began contracting management services with White Bear Boat Works to operate the marina in 2008 and renewed the contract in 2015. With the latest contract ending on December 31, 2020, the City Council adopted a resolution to extend the contract for the 2021-2023 boating seasons with extension options for 2024 and 2025.

**Budget Summary:**

The Marina Fund Budget continues to improve with lake water at its highest level in years and the installation of the new dock system. Customers rented all available marina slips during the 2018 through 2020 seasons and it appears this activity will continue in future years. To align the City's annual slip rental rates with those of the private slip providers in the area, the 2020 Budget increases the rental fee to \$2,400, which is 4.3% above the 2019 rate of \$2,295.

Upon completion of the new Public Works Facility in 2010, the City began renting space in the old Public Works building to White Bear Boat Works and a local sail repair and sailcloth gear business. The 2021 Budget moves these rental revenues to the Economic Development fund, which allows the City an efficient system to track all revenues and expenditures related to the old Public Works building site.

Temporary staff time allocated to the budget provides for Police Community Service Officers (CSOs) to patrol the area during high usage times.

As the City, lakeshore property owners, and residents celebrate the lake's return to a normal water level, the high water did create some challenges with the new dock system. The spud poles supporting the main walkways and "fingers" between boats use technology that rests on the lake bottom instead of securing into the lakebed. With the lake level higher than anticipated, the spud pole bases lifted off the bottom and shifted during storms or high winds. The 2020 Budget for Capital supports the purchase of spud pole extensions to secure the dock into the lakebed and prevent the shifting.

The City completed installation of the new dock system at the marina in 2017. The 2020 Budget begins a reserve account to save for the next dock replacement.

**Measurable Workload Data:**

	2018 <u>Actual</u>	2019 <u>Actual</u>	2020 <u>Budget</u>	2021 <u>Budget</u>
Boat slips rented	160	160	160	160

**City of White Bear Lake  
Marina**

**Annual Budget  
Fund Summary**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Revenues</b>						
4975	Rental					
	Slips	\$ 367,200	\$ 367,200	\$ 384,000	\$ 384,000	\$ 384,000
	Storage	16,800	16,800	16,000	16,800	-
	Property	5,438	5,388	5,000	5,388	-
4955	Interest	-	3,889	-	-	-
	Total revenues	<u>389,438</u>	<u>393,277</u>	<u>405,000</u>	<u>406,188</u>	<u>384,000</u>
<b>Expenditures</b>						
<b>Personnel Services</b>						
6119	Salaries - temporary employees	7,954	20,793	24,905	26,910	27,583
6124	FICA/Medicare	609	1,591	1,905	2,059	2,270
	Total personnel services	<u>8,563</u>	<u>22,384</u>	<u>26,810</u>	<u>28,969</u>	<u>29,853</u>
<b>Supplies</b>						
6220	Equipment supplies	6,854	3,168	5,000	3,500	5,500
6240	Building supplies and parts	11	865	1,000	500	1,000
6250	Other supplies	78	-	500	500	500
6295	Small tools	-	-	-	500	500
	Total supplies	<u>6,943</u>	<u>4,033</u>	<u>6,500</u>	<u>5,000</u>	<u>7,500</u>
<b>Other Services and Charges</b>						
6401	Professional Services	73,200	72,950	81,250	83,310	86,530
6455	Legal notices publications	-	104	125	125	130
6460	Subscriptions and dues	-	110	75	250	250
6505	Equipment repair service	8,530	9,629	5,000	5,000	5,000
6555	Equipment rental	-	-	500	200	500
6560	Contractual services	3,291	3,901	7,000	3,950	3,000
	Total other services and charges	<u>85,021</u>	<u>86,694</u>	<u>93,950</u>	<u>92,835</u>	<u>95,410</u>
7160	Capital Outlay	-	-	40,000	24,672	-
<b>Transfers Out</b>						
7605	General Fund	40,000	70,000	70,000	70,000	70,000
7605	Municipal Buidling Debt Service	155,000	155,000	-	-	-
7605	2018B Tax Abatement Debt Service	-	-	111,000	111,000	165,500
7605	Insurance Fund	-	-	44,000	44,000	-
	Total transfers out	<u>195,000</u>	<u>225,000</u>	<u>225,000</u>	<u>225,000</u>	<u>235,500</u>
	Total expeditures	<u>295,527</u>	<u>338,111</u>	<u>392,260</u>	<u>376,476</u>	<u>368,263</u>
	Revenues over (under) expenditures	<u>93,911</u>	<u>55,166</u>	<u>12,740</u>	<u>29,712</u>	<u>15,737</u>
	Capital reserve adjustment (to) from	-	-	(37,500)	(37,500)	(15,000)
	Fund balance January 1	<u>73,083</u>	<u>166,994</u>	<u>195,059</u>	<u>222,160</u>	<u>214,372</u>
	Fund balance December 31	<u>\$ 166,994</u>	<u>\$ 222,160</u>	<u>\$ 170,299</u>	<u>\$ 214,372</u>	<u>\$ 215,109</u>
<b>Reserves:</b>						
	Capital infrastructure reserves - docks	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 37,500</u>	<u>\$ 37,500</u>	<u>\$ 52,500</u>

**Fund: Sports Center Fund 5200**

**Department Activities and Responsibilities:**

In 1989, the City purchased an old tennis club and converted it to a Sports Center offering an indoor ice rink, courts for racquetball, dodgeball or wallyball, an exercise room, and a community room.

After years of operations, the original Sports Center facility developed significant issues related to the refrigerant system and building insulation. City staff and City Council contemplated the future of the facility in many discussions, while trying to determine the best means to finance the large-scale renovation project. During this process, the White Bear Lake Hockey Association recognized the importance of the facility to their organization and the community as a whole and pledged \$2,500,000 to the project to ensure financial support for the renovation. Through this financing agreement with the Hockey Association and a reallocation of a current debt levy obligation for the City, sufficient resources were available and the City Council approved construction work that began in May 2018.

The project replaced the rink floor, installed a new Ammonia based refrigerant system, replaced the roof, increased insulation, retrofitted lighting fixtures for LED bulbs, improved air handling system, implemented ADA compliant features, and made improvements to the outer appearance of the building. Construction ended in September 2018 allowing the City, Hockey Association, and community to celebrate the grand re-opening of the facility in time to kick off the winter skating season.

The refrigeration system and building improvements support the ability to add a second sheet of ice to the facility. While the City does not plan to finance another sheet of ice, it is open to forming another local organization partnership if there is interest. The extra ice rental fees from a second sheet of ice would help the Sports Center Fund break even in annual operations.

Three primary users provide the majority of revenues to the Sports Center through ice rental. Each provides services to area youth and compete to rent prime ice time hours. The White Bear Hockey Association utilizes the facility for practice sessions, games, and several tournaments throughout the winter. The City operated Skate School offers skating lessons to participants of all levels, from beginning students in "Learn to Skate" classes, to competitive figure skating programs, and finally the White Bear Lake Girls High School hockey program utilizes the facility for their practices and games during the season.

The contract between the City and the White Bear Lake Area School District for the Girls Hockey team provides an annual donation to the Sports Center operations to participate in future capital costs for the facility.

In addition to the three primary users, the facility offers creative activities to attract residents to the facility. The Sports Center offers a "birthday party" rental option to provide a place for parents to host their child's birthday party at the ice rink. The party package includes ice skating time and a room for the children to have treats and open presents. The facility also offers holiday open skate events with games and treats.

**Budget Summary:**

In response to the COVID-19 pandemic in 2020, the Sports Center closed to the public in mid-March. It reopened 11 weeks later and began operating indefinitely under the Governor's order for youth sports. During the 11-week closure, the Fund recognized almost no revenue and issued over \$25,000 in refunds. Once the Sports Center reopened, it saw a rebound in revenues that were similar to revenues recognized in 2019. While it is difficult to foresee the impact of the COVID-19 pandemic in 2021, the Sports Center is predicting revenue streams to be similar to 2019 given the steady revenues that have come in after the reopening in 2020. Skating school and open skate are the two exceptions to this. Because of the Governor's order for youth sports, the Sports Center is limited to a decreased number of skaters on the ice.

The Sports Center will receive an allocation of the City's Coronavirus Aid, Relief, and Economic Security Act (CARES) funding in 2020 to help cover the costs of sanitizer, sanitizer stands, and gloves.

**Fund: Sports Center Fund 5200**

The 2020 Revised Budget for Personnel Services and Electric decreased as a direct result of the Sports Center 11-week closure during the COVID-19 pandemic. In comparing the data to previous years, the Sports Center experienced its first full year of operations in their renovated facility during 2019. The 2018 expenditure levels are lower in these accounts as the City recorded staff time associated with project specific responsibilities to the renovation project accounts within the Municipal Building Fund.

The Ice Skating Institute ISI requires each participant in the City's Skate School program to pay an annual participant fee of \$15. Previously, staff monitored skater registrations to ensure every student paid the amount once a year. To simplify record keeping, the City incorporated the annual fee into the Skate School's registration rate structure so these revenues can offset the ISI expenditure in the Subscription/Memberships account budget.

The budget for the Equipment Maintenance Service account includes funding for annual refrigeration system maintenance, refrigeration system condenser water treatment maintenance and air sensor calibrations required by the Minnesota Department of Health. In addition to these annual maintenance programs, all full-time Sports Center staff and Fire Department members trained on how to handle the new Ammonia based refrigerant system and Sports Center staff also learned to read the indoor air quality system.

**Capital Outlay:**

A detailed discussion of the City's five year Capital Improvement Plan and purchases funded for this department through the Equipment Acquisition Fund and Municipal Building Fund is in the Summary Data section of the document.

**Goals:**

1. Analyze the possibility of expansion into a second sheet of ice.
2. Continue discussion on repurposing the racquetball courts with White Bear Lake Hockey Association and any other interest parties.

**Measurable Workload Data:**

	<u>2018 Actual</u>	<u>2019 Actual</u>	<u>2020 Budget</u>	<u>2021 Budget</u>
Ice time hours rented based on a 17-hour day (6 a.m. to 11 p.m.)	889	1,585	1,200	1,500
Registrations for skating lessons and programs (does not include competition skaters)	1,224	1,300	800	1,300
Number of high school games	5	8	8	8
Energy consumption (in kWh)	722,932*	1,143,919*	900,000**	1,025,000
Average monthly energy charge	\$5,841*	\$8,995*	\$7,000**	\$9,000

\*Energy consumption and average monthly energy charge for 2018 is significantly lower due to the renovation of the Sports Center from May 2018 – September 2018.

\*\*Energy consumption and average monthly energy charge is down in the 2020 Budget due to the 11-week closure for COVID-19.

**City of White Bear Lake**  
**Special Revenue - Sports Center Fund**

**Annual Budget**  
**Fund Summary**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Revenues</b>						
4604	Federal grants	\$ -	\$ -	\$ -	\$ 787	\$ -
Charges for Services						
4888	Ice rental	162,955	259,168	278,990	220,000	260,000
4890	Skating school	166,810	197,065	150,000	146,000	150,000
4891	Skate camps	52,765	52,104	48,700	7,271	48,000
4892	Open skate	12,763	22,936	16,000	10,000	13,000
4894	Hockey games	6,479	10,172	9,600	7,357	9,600
4896	Court fees	16,399	16,509	12,000	5,308	12,000
4955	Interest	-	4,683	-	3,000	2,000
4975	Rent	7,375	16,975	15,500	7,500	13,500
5310	Vending sales	352	567	2,000	300	1,000
5312	Sale of goods	1,886	1,959	2,500	906	1,915
5350	Miscellaneous	1,101	4,393	3,000	2,600	4,000
5360	Refunds and reimbursements	65	-	-	-	-
	Total charges for services	<u>428,950</u>	<u>586,531</u>	<u>538,290</u>	<u>410,242</u>	<u>515,015</u>
Other Revenue						
4990	Donations	-	153	-	-	-
Transfers In						
5205	Economic Development Fund	-	-	-	1,953	-
	Total revenues	<u>428,950</u>	<u>586,684</u>	<u>538,290</u>	<u>412,982</u>	<u>515,015</u>
<b>Expenditures</b>						
	Operations	<u>441,329</u>	<u>592,639</u>	<u>603,691</u>	<u>555,468</u>	<u>626,702</u>
	Revenues over (under) expenditures	<u>(12,379)</u>	<u>(5,955)</u>	<u>(65,401)</u>	<u>(142,486)</u>	<u>(111,687)</u>
	Fund balance January 1	<u>283,171</u>	<u>270,792</u>	<u>249,017</u>	<u>264,837</u>	<u>122,351</u>
	Fund balance December 31	<u>\$ 270,792</u>	<u>\$ 264,837</u>	<u>\$ 183,616</u>	<u>\$ 122,351</u>	<u>\$ 10,664</u>

**City of White Bear Lake**  
**Special Revenue - Sports Center Fund**

**Annual Budget**  
**Business Unit: 5200 - 5205**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Personnel Services</b>						
6105	Salaries - regular employees	\$ 134,294	\$ 206,002	\$ 217,654	\$ 214,364	\$ 218,968
6117	Overtime - regular employees	8,861	6,109	6,000	6,000	6,000
6119	Salaries - temporary employees	53,521	75,391	72,250	58,835	76,000
6122	PERA	13,423	19,671	20,937	20,053	21,373
6124	FICA/Medicare	14,615	21,679	22,637	21,359	23,024
6128	Insurance contribution	19,680	29,100	30,555	30,555	32,083
6138	Worker's compensation	5,515	7,730	7,730	7,730	11,050
6148	Other benefits	2,900	4,000	4,000	4,000	4,000
	Total personnel services	<u>252,809</u>	<u>369,682</u>	<u>381,763</u>	<u>362,896</u>	<u>392,498</u>
<b>Supplies</b>						
6210	Office supplies	680	632	970	500	955
6220	Equipment supplies	845	1,291	1,050	700	1,125
6230	Vehicle supplies	430	678	1,260	355	1,270
6240	Building supplies	5,878	4,482	3,750	6,425	4,000
6250	Other supplies	15,673	12,757	15,750	13,750	16,900
6255	Landscaping supplies	-	342	50	720	2,250
6272	Motor fuels	1,741	2,258	2,300	2,080	2,700
6290	Uniforms	1,522	1,306	1,200	1,236	1,600
6295	Small tools	1,525	3,352	800	205	1,425
	Total supplies	<u>28,294</u>	<u>27,098</u>	<u>27,130</u>	<u>25,971</u>	<u>32,225</u>
<b>Other Services and Charges</b>						
6401	Professional services	1,579	3,538	5,200	2,425	5,675
6402	Data processing	8,790	9,030	10,165	10,165	11,280
6411	Telephone	2,830	1,999	2,255	2,255	2,340
6412	Cellular	360	360	400	700	400
6422	Electric	65,025	96,705	90,660	71,910	90,660
6423	Natural gas	15,386	20,931	18,000	14,250	18,000
6434	General liability insurance	15,529	15,529	15,529	15,529	15,529
6436	Vehicle liability insurance	929	929	929	929	200
6445	Postage	96	134	250	200	200
6450	Outside printing	1,257	997	1,500	550	1,150
6460	Subscription/memberships	2,172	4,870	7,610	6,025	7,660
6470	Training	1,050	830	2,300	-	1,525
6486	Mileage Reimbursement	48	-	50	50	50
6492	Advertising	927	986	1,350	-	1,425
6505	Equipment maintenance service	3,643	13,119	18,825	17,325	17,875
6510	Vehicle maintenance service	1,334	1,453	2,000	8,019	225
6515	Building maintenance service	2,052	11,242	2,000	11,522	13,110
6525	Electrical maintenance service	150	990	1,000	700	1,000
6535	Other maintenance service	1,875	-	500	-	-
6555	Equipment rental	10,666	8,364	9,550	1,922	8,550
6560	Other contractual service	22,635	1,431	1,275	1,275	1,675
7570	Cost of goods sold	1,893	2,422	3,450	850	3,450
	Total other services and charges	<u>160,226</u>	<u>195,859</u>	<u>194,798</u>	<u>166,601</u>	<u>201,979</u>
<b>Total</b>		<b><u>\$ 441,329</u></b>	<b><u>\$ 592,639</u></b>	<b><u>\$ 603,691</u></b>	<b><u>\$ 555,468</u></b>	<b><u>\$ 626,702</u></b>

**Fund: Forfeiture Fund 2060**

**Department Activities and Responsibilities:**

The Police Department has the authority to seize property associated with certain crimes and assume ownership of the property under proceedings known as “civil forfeiture”. Vehicles typically tend to be the property seized from people. This fund manages the proceeds from the sale of the seized vehicles and the expenditures related to the City taking ownership of the property. Any remaining funds support the Police Department in training and crime prevention activities.

The City does not plan to hold a significant Fund Balance for this department. If revenues exceed budget expectations during a year and increase the Fund Balance, the City will utilize available resources to purchase expenditures allowed by Federal and State guidelines to reduce the reserves.

**Budget Summary**

The revenues and expenditures in this fund fluctuate based on the seizure activity. As mentioned above, the City utilizes additional revenues or excess Fund Balance to purchase allowable expenditures. The 2021 Budget allocates resources for three security cameras with the ability to read license plates for crime prevent at the City’s Sports Center facility. Capital acquisitions are budgeted and purchased through either the Equipment Acquisition Fund or the Municipal Building Fund unless there are excess funds to use in this department.

Addressing mental health issues in the community continues to be a high priority within the Police Department. In 2019, the Department began a collaboration with other Ramsey County suburban police departments to develop a proactive solution that encourages and supports mental health and wellness within their communities. The plan requires participating communities to contribute funding for a shared mental health coordinator through Northeast Youth and Family Services to connect people in crisis with the care they need to reduce mental health crisis related arrests and calls for service. The City of White Bear Lake’s portion was included in Professional Services account of the Forfeiture Fund Budget for 2019 and 2020. In 2021, the funding was moved to the Police Budget.

**Goals**

1. Maintain the Forfeiture program in compliance with Federal and State regulations.
2. Utilize forfeiture funds for public safety acquisition that enhances public safety operations.
3. Continue to track and report all forfeiture activity to the County and State.
4. Utilize forfeiture funds for equipment to assist with the investigation and enforcement of DWI and Controlled Substance laws.

**Measurable Workload Data:**

	2018 <u>Actual</u>	2019 <u>Actual</u>	2020 <u>Budget</u>	2021 <u>Budget</u>
Number of forfeiture incidents report to the State	54	60	55	55
Net forfeiture proceeds	\$48,154	\$38,258	\$50,000	\$50,000



**City of White Bear Lake  
Forfeiture Fund**

**Annual Budget  
Fund Summary**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Revenues</b>						
4662	Ramsey County forfeiture	\$ 2,171	\$ -	\$ -	\$ -	\$ -
4975	Interest	-	1,239	-	-	-
5350	Criminal case proceeds	5,550	11,332	10,000	24,697	10,000
5360	DUI case proceeds	65,693	33,646	30,000	25,600	30,000
	Total revenues	<u>73,414</u>	<u>46,217</u>	<u>40,000</u>	<u>50,297</u>	<u>40,000</u>
<b>Expenditures</b>						
Supplies						
6220	Equipment supplies	20	-	200	100	200
6230	Vehicle supplies and parts	187	692	500	250	500
6240	Building supplies and parts	35,015	15,478	-	-	-
6250	Other supplies	2,185	-	300	100	300
6295	Small tools	9,055	-	-	-	2,800
	Total supplies	<u>46,462</u>	<u>16,170</u>	<u>1,000</u>	<u>450</u>	<u>3,800</u>
Other Services and Charges						
6401	Professional services	1,584	16,623	21,850	8,750	5,850
6560	Contractual services	23,341	20,993	17,800	15,725	17,800
	Total other services and charges	<u>24,925</u>	<u>37,616</u>	<u>39,650</u>	<u>24,475</u>	<u>23,650</u>
Capital Outlay						
7140	Equipment	69,231	-	-	-	-
	Total capital outlay	<u>69,231</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Total expenditures	<u>140,618</u>	<u>53,786</u>	<u>40,650</u>	<u>24,925</u>	<u>27,450</u>
	Revenues over (under) expenditures	<u>(67,204)</u>	<u>(7,569)</u>	<u>(650)</u>	<u>25,372</u>	<u>12,550</u>
	Fund balance January 1	<u>128,818</u>	<u>61,614</u>	<u>39,964</u>	<u>54,045</u>	<u>79,417</u>
	Fund balance December 31	<u>\$ 61,614</u>	<u>\$ 54,045</u>	<u>\$ 39,314</u>	<u>\$ 79,417</u>	<u>\$ 91,967</u>

**Fund: Economic Development Fund 4240**

**Department Activities and Responsibilities:**

Economic development is vital to the City of White Bear Lake as its rich history and growth through the years now presents very limited availability of vacant land within the City boundaries. The community relies on redevelopment to expand housing options and business opportunities to draw people to the area.

For many years, the City maintained two separate economic development funds; however, after a review of the operations, the HRA Economic Development Fund and the Economic Development Fund merged into this fund during 2017 to provide a concentrated financial picture of the City's available economic development resources.

The following sections highlight unique activities this fund conducts to support economic activities:

City Owned Rental Properties

The City rents out the Bellaire Center at County Road F and Bellaire Avenue, the Boatworks Commons community room, a building on Fourth Street that is home to the Burger Bar and the White Bear Bar, and two residential homes on Bald Eagle Avenue and 8<sup>th</sup> Street. The net revenues received from these five locations assist in providing additional resources for the City to use in other economic development initiatives. The City contracts with a company for property management services at the Bald Eagle Avenue and 8<sup>th</sup> Street residential rental locations. At this time, the City plans to manage all other facilities in their current state; however, future conversations should include a cost benefit analysis of owning and contracting management duties versus selling the properties to determine the City's best use of resources. This fund receives the excess tax increment financing proceeds related to these sites to provide additional resources for development activities. The HRA Tax Increment Fund accounts for the tax increment related to each district.

Special Service Districts

The City assists two special service districts by collecting property owner special assessment payments and remitting them to the respective organizations for appropriate expenditures.

The Downtown Special Service District levy promotes downtown business activities to encourage customers to visit the downtown area. The biennial Special Service District assessment provides approximately \$44,000 each year for promoting the downtown area.

The Birch Lake Improvement District levy funds environmental improvements to the area surrounding Birch Lake. The annual Birch Lake Improvement assessment provides approximately \$19,000 for improving and protecting the lake.

Revolving Business Loans:

In 1989, the White Bear Lake Economic Development Corporation (WBLEDC) began a program promoting downtown revitalization through a Downtown Revolving Loan and Grant Program (RLGP). The White Bear Lake Housing and Redevelopment Authority administers the program under the guidance of policies set by the WBLEDC. The program aims at improving the utility and appearance of downtown businesses while encouraging private investment, which might not otherwise occur. Business owners apply for front-end project financing at a 2% interest rate for a loan up to 10 years. The program began with a \$150,000 allocation and received an additional \$100,000 to bring the total loan money available to \$250,000 as the program expanded.

Due to the success of the Downtown program, the White Bear Lake Housing and Redevelopment Authority created the County Road E Revolving Loan and Grant Program in 2017 with an initial investment of \$150,000. The program targets small to medium sized businesses located in the County Road E corridor who have limited capital for improvements to their buildings.

For both loan programs, businesses may receive a maximum loan of \$40,000 at a 2% interest rate with a required 100% match from a local bank at a negotiated rate. A Building Façade Grant up to \$3,000 is available for the first loan event, with a total of \$5,000 available for all loan events on the property. The

**Fund: Economic Development Fund 4240**

success of the program is evident through the amount of investment it has supported in the community. The program has made forty-two loans, resulting in more than \$4.50 of private investment for every \$1.00 invested by the City into the RLGP, which equates to over \$1.5 million of investments in White Bear Lake commercial properties. Additionally, as a revolving fund, the interest paid generates additional funds for future use.

Internal Loan Obligation

The Boatworks Commons project required a \$750,000 internal loan to complete financing of the redevelopment project within TIF District #27. The City established the internal loan interest rate at 3.00%, which in March 2016 was 1.00% below the maximum statutory interest rate allowed.

The loan's future principal and interest obligation is as follows:

Year	Principal	Interest	Total	Rate
2022	\$ -	\$ 22,500	\$ 22,500	3.000%
2023	-	22,500	22,500	3.000%
2024	-	22,500	22,500	3.000%
2025	-	22,500	22,500	3.000%
2026	-	22,500	22,500	3.000%
2027	-	22,500	22,500	3.000%
2028	-	22,500	22,500	3.000%
2029	-	22,500	22,500	3.000%
2030	-	22,500	22,500	3.000%
2031	-	22,500	22,500	3.000%
2032	10,000	22,350	32,350	3.000%
2033	10,000	22,050	32,050	3.000%
2034	10,000	21,750	31,750	3.000%
2035	10,000	21,450	31,450	3.000%
2036	10,000	21,150	31,150	3.000%
2037	10,000	20,850	30,850	3.000%
2038	190,000	17,850	207,850	3.000%
2039	200,000	12,000	212,000	3.000%
2040	200,000	6,000	206,000	3.000%
2041	100,000	1,500	101,500	3.000%
Total	750,000	391,950	1,141,950	

Farmer's Market

The City sponsors a Farmer's Market in its Central Business District to encourage commerce and availability of fresh produce to area residents. The Farmer's Market operates weekly from late June through October each year. Vendors pay a reservation fee to participate in the market in order to offset the City's operating costs to host the event.

Flower Program

The City's flower program supports planting and maintenance efforts throughout the downtown area, parks and City entrance monuments to welcome residents and visitors. The program compliments the Downtown's vibrant environment and natural beauty of the area.

**Fund: Economic Development Fund 4240**

**Budget Summary:**

The 2020 Revised Budget received an allocation of the City's Coronavirus Aid, Relief, and Economic Security Act (CARES) funding to help cover unexpected costs incurred due to the COVID-19 pandemic. Expenditures covered by the funding in the Economic Development fund include redirecting a portion of the Housing and Economic Development Coordinator's salaries and benefits towards a Community COVID Coordinator position, social distancing signs, and miscellaneous small business assistance expenditures through August 31, 2020.

After that time, the City Council authorized assignment of the remaining funding reimbursements to public safety payroll expenditures through September 30, 2020. This allowed the General Fund to transfer a portion of the current year operating revenues in an amount equal to the public safety payroll expenditures to the Economic Development Fund to further support any city funds experiencing hardship due to the pandemic and create grant programs for local residents, businesses and non-profit organizations with demonstrated economic impact from COVID-19.

In the past, the City has allocated a half time position dedicated to promoting environmental business initiatives and long-term resiliency planning and activity to the Economic Development Fund. The 2021 Budget relocates to the funding to the Surface Water Pollution Fund to acknowledge a change in the staff person's responsibilities.

As in previous years, the Economic Development Fund budget continues to include support for Marketfest, the White Bear Lake Area Historical Society, Farmer's Market, and the City flower program.

**Capital Outlay:**

The City purchased the land adjacent to the current Public Works site during 2019. The property is larger than needed for the Public Works expansion; therefore, the neighboring business purchased the northern half of the acquired property in 2020. The City's expenditures related to this sale are in the Professional Services Budget.

The City Council approved the purchase of a duplex at 2174 8<sup>th</sup> Street for the appraised value of \$212,000 at their December 10, 2019 meeting. The property owner approached staff to sell the property after the selection of the 7<sup>th</sup> Street location for the Downtown Rush Line station. After consideration, staff determined the property acquisition would help minimize impacts of the station on the adjacent business by providing space for a small station parking area if needed and additional space for a driver's relief facility. The City will use a property management company to rent both units to households earning no more than 50% of Area Median Income at a rent level deemed to be affordable to such a household per Met Council guidelines regarding housing affordability as an interim use before the station is complete.

The 2021 budget includes appropriations parking lot and lighting improvements at the Bellaire Center and entrance monuments at the south side of the City. The Capital Improvement Plan section in the Summary Data section of the document discuss these projects in detail.

**City of White Bear Lake**  
**Economic Development Fund**

**Annual Budget**  
**Fund Summary**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Revenues</b>						
4045	Excess TIF	\$ 32,587	\$ 46,091	\$ 20,000	\$ 1,510	\$ -
4210	Special assessments - service district	58,539	58,722	58,000	54,000	54,000
4225	Special assessments - delinquent	-	-	-	780	-
4230	Special assessments - penalty/interest	321	111	200	100	-
4220	Special assessments - prepay city	4,590	1,224	4,000	135	-
4604	Federal grants	-	-	-	68,926	-
4646.1	Ramsey County Boatworks Grant	25,000	-	-	-	-
4670	Met Council Boatworks Grant	396,000	-	-	-	-
4818	Farmers Market	5,520	5,760	5,000	3,530	5,000
4955	Interest	-	46,963	-	-	-
4975	Rental income	373,401	417,801	400,500	372,015	426,900
5010	Land sale	-	-	400,000	400,858	-
5322	Revolving Loan repayment	53,270	57,837	50,000	38,000	50,000
5322	Boatworks loan repayment	22,500	22,500	22,500	22,500	22,500
5360	Reimbursement	2,972	1,652	-	17,828	-
5350	Miscellaneous	46,722	15,094	1,100	5,080	-
	Total operating revenues	<u>1,021,422</u>	<u>673,755</u>	<u>961,300</u>	<u>985,262</u>	<u>558,400</u>
<b>Transfers In</b>						
5205	General Fund	-	-	-	1,489,375	-
	Total revenues	<u>1,021,422</u>	<u>673,755</u>	<u>961,300</u>	<u>2,474,637</u>	<u>558,400</u>
<b>Expenditures</b>						
<b>Personnel Services</b>						
6105	Salaries - regular employees	79,331	103,037	107,016	121,239	84,670
6117	Overtime - regular employees	1,631	558	1,500	1,500	1,500
6119	Salaries - temporary employees	16,924	16,329	19,282	20,280	20,639
6122	PERA	6,113	7,770	8,139	9,205	6,463
6124	FICA/Medicare	7,316	8,648	9,776	10,941	8,171
6128	Insurance contribution	12,330	1,300	13,650	13,650	10,925
6138	Worker's compensation	740	740	740	740	1,225
6148	Other benefits	285	300	300	300	1,840
	Total personnel services	<u>124,670</u>	<u>138,682</u>	<u>160,403</u>	<u>177,855</u>	<u>135,432</u>
<b>Supplies</b>						
6220	Equipment supplies	1,407	1,694	750	1,800	1,800
6240	Building supplies	2,948	3,533	4,410	5,210	4,410
6248	Community engagement	-	253	275	275	300
6250	Other supplies	2,256	12,400	14,150	811,405	29,275
6255	Landscaping materials	6,724	10,080	10,575	10,575	10,575
6295	Small tools	309	46	200	200	200
	Total supplies	<u>13,644</u>	<u>28,006</u>	<u>30,360</u>	<u>829,465</u>	<u>46,560</u>
<b>Other Services and Charges</b>						
6401	Professional services	65,330	121,484	95,400	140,273	82,900
6411	Telephone	-	-	-	400	400
6421	Water and sewer	1,275	1,785	1,600	2,100	2,100
6422	Electric	7,480	6,909	7,650	21,535	21,950
6423	Natural gas	2,526	2,779	3,000	3,750	3,750
6445	Postage	-	-	100	1,660	-
6450	Outside printing	168	-	500	500	500
6455	Legal notices publications	-	261	-	2,435	550
6460	Subscription/memberships	131	130	600	1,060	1,075
6470	Training	125	972	2,800	2,500	2,800
6486	Mileage reimbursement	140	237	400	250	400
6492	Advertising	1,251	-	2,000	7,800	2,400
6505	Equipment repair service	196	-	-	200	500
6515	Building repair service	44,143	21,582	83,350	67,265	14,250

**City of White Bear Lake**  
**Economic Development Fund**

**Annual Budget**  
**Fund Summary**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
6525	Electrical repair service	342	2,025	-	1,000	5,000
6540	Vandalism	-	-	-	225	-
6555	Rental of equipment	2,541	2,317	3,000	4,175	2,500
6560	Contractual services	403,858	183,445	249,333	259,868	266,400
	Total other services and charges	<u>529,506</u>	<u>343,926</u>	<u>449,733</u>	<u>516,996</u>	<u>407,475</u>
	Capital Outlay					
7110	Land	-	865,794	-	212,707	-
7120	Building	-	-	10,000	-	10,000
7160	Other improvements	-	-	137,000	2,500	142,000
	Total capital outlay	<u>-</u>	<u>865,794</u>	<u>147,000</u>	<u>215,207</u>	<u>152,000</u>
	Total operating expenditures	<u>667,820</u>	<u>1,376,408</u>	<u>787,496</u>	<u>1,739,523</u>	<u>741,467</u>
	Transfers Out					
7605	General Fund	-	-	-	28,117	-
7605	Equipment Acquisition	-	-	-	57,093	-
7605	Municipal Building	-	-	-	20,100	-
7605	Water	-	-	-	67	-
7605	Sewer	-	-	-	44	-
7605	Sports Center	-	-	-	1,953	-
7605	Ambulance	-	-	-	147,499	-
7605	Pioneer Manor	-	-	-	829	-
7605	License Bureau	-	-	-	6,632	-
7605	Employee Expense	-	-	-	556	-
	Total transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>262,890</u>	<u>-</u>
	Total expenditures	<u>667,820</u>	<u>1,376,408</u>	<u>787,496</u>	<u>2,002,413</u>	<u>741,467</u>
	Revenues over (under) expenditures	<u>353,602</u>	<u>(702,653)</u>	<u>173,804</u>	<u>472,224</u>	<u>(183,067)</u>
	Reserve adjustment (to) from	<u>(835,975)</u>	<u>800,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Fund balance January 1	<u>2,244,450</u>	<u>1,762,077</u>	<u>1,695,737</u>	<u>1,859,424</u>	<u>2,331,648</u>
	Fund balance December 31	<u>\$ 1,762,077</u>	<u>\$ 1,859,424</u>	<u>\$ 1,869,541</u>	<u>\$ 2,331,648</u>	<u>\$ 2,148,581</u>
	<b>Reserves:</b>					
	Revolving loans	\$ 232,960	\$ 232,960	\$ 232,960	\$ 232,960	\$ 232,960
	Special Service District - Downtown	22,284	22,284	22,284	22,284	22,284
	Special Service District - Birch Lake	6	6	6	6	6
	Property Acquisition	800,000	-	-	-	-
	MCES SAC Credits	-	-	-	-	-
	Balance, December 31	<u>\$ 1,055,250</u>	<u>\$ 255,250</u>	<u>\$ 255,250</u>	<u>\$ 255,250</u>	<u>\$ 255,250</u>

**City of White Bear Lake  
Economic Development Fund**

**Annual Budget  
Fund Detail**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>4241-</b>						
<b>4242</b>	<b>General Economic Development</b>					
	Revenue	\$ 596,105	\$ 201,737	\$ 514,300	\$ 2,066,382	\$ 85,100
	Expenditures	288,514	1,191,428	396,521	1,207,348	364,342
	Revenues over (under) expenditures	<u>\$ 307,591</u>	<u>\$ (989,691)</u>	<u>\$ 117,779</u>	<u>\$ 859,034</u>	<u>\$ (279,242)</u>
<b>4243</b>	<b>Sustainability and Resilience</b>					
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expenditures	-	-	-	-	-
	Revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>4244</b>	<b>Economic Development Loans</b>					
	Revenue	\$ 53,270	\$ 57,837	\$ 50,000	\$ 38,000	\$ 50,000
	Expenditures	123,293	-	69,000	69,000	69,000
	Revenues over (under) expenditures	<u>\$ (70,023)</u>	<u>\$ 57,837</u>	<u>\$ (19,000)</u>	<u>\$ (31,000)</u>	<u>\$ (19,000)</u>
<b>4245</b>	<b>Flower Program</b>					
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expenditures	9,685	15,003	12,225	14,375	18,475
	Revenues over (under) expenditures	<u>\$ (9,685)</u>	<u>\$ (15,003)</u>	<u>\$ (12,225)</u>	<u>\$ (14,375)</u>	<u>\$ (18,475)</u>
<b>4247</b>	<b>Bellaire Center</b>					
	Revenue	\$ 259,910	\$ 288,947	\$ 274,000	\$ 232,490	\$ 265,000
	Expenditures	65,655	79,329	162,150	80,050	167,150
	Revenues over (under) expenditures	<u>\$ 194,255</u>	<u>\$ 209,618</u>	<u>\$ 111,850</u>	<u>\$ 152,440</u>	<u>\$ 97,850</u>
<b>4248</b>	<b>Marina Triangle</b>					
	Revenue	\$ 4,874	\$ 2,885	\$ -	\$ 1,465	\$ -
	Expenditures	56,985	55,032	111,100	96,075	61,725
	Revenues over (under) expenditures	<u>\$ (52,111)</u>	<u>\$ (52,147)</u>	<u>\$ (111,100)</u>	<u>\$ (94,610)</u>	<u>\$ (61,725)</u>
<b>4249</b>	<b>4th Street Development</b>					
	Revenue	\$ 107,263	\$ 114,485	\$ 112,000	\$ 114,000	\$ 114,000
	Expenditures	123,688	34,277	34,500	41,285	43,100
	Revenues over (under) expenditures	<u>\$ (16,425)</u>	<u>\$ 80,208</u>	<u>\$ 77,500</u>	<u>\$ 72,715</u>	<u>\$ 70,900</u>
<b>4250</b>	<b>WBL Rental Houses</b>					
	Revenue	\$ -	\$ 7,864	\$ 11,000	\$ 22,300	\$ 23,300
	Expenditures	-	1,339	2,000	217,390	3,675
	Revenues over (under) expenditures	<u>\$ -</u>	<u>\$ 6,525</u>	<u>\$ 9,000</u>	<u>\$ (195,090)</u>	<u>\$ 19,625</u>
<b>4251</b>	<b>4200 Hoffman Road</b>					
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ 21,000
	Expenditures	-	-	-	14,000	14,000
	Revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (14,000)</u>	<u>\$ 7,000</u>

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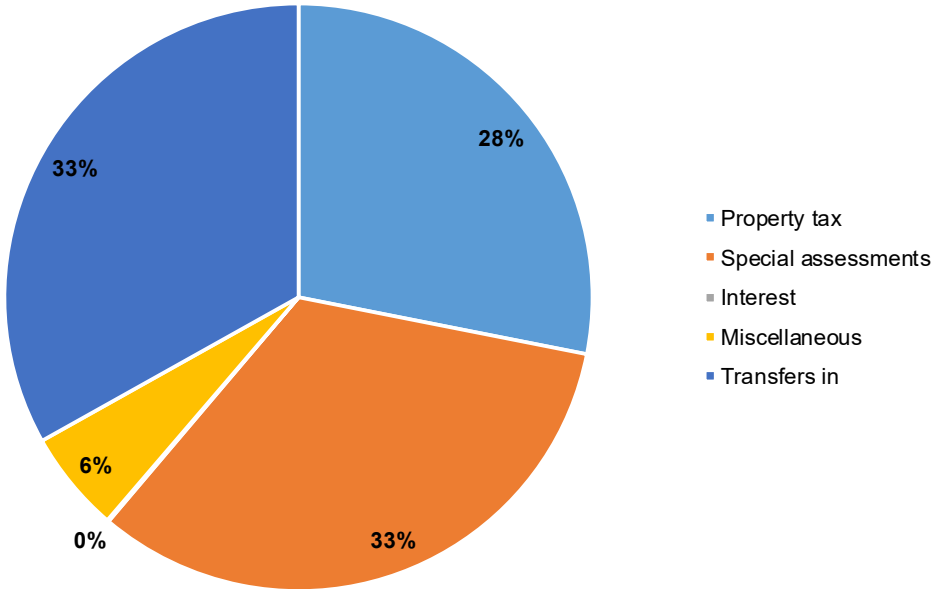
**City of White Bear Lake  
Debt Service Funds**

**Annual Budget**

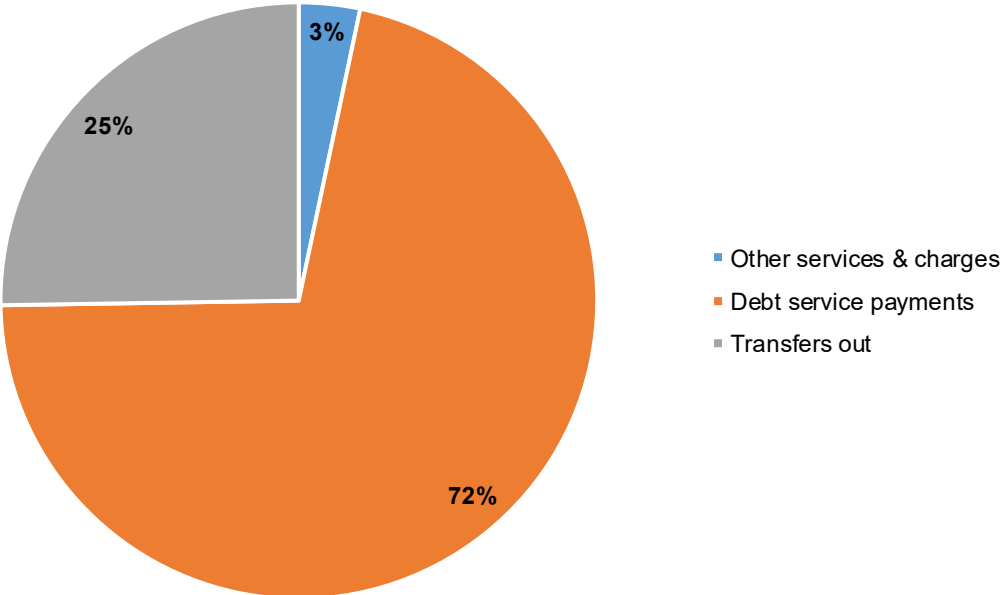
<u>Item</u>	<u>2018 Actual</u>	<u>2019 Actual</u>	<u>2020 Budget</u>	<u>2020 Revised</u>	<u>2021 Budget</u>
<b>Revenues</b>					
Property tax	\$ 129,000	\$ 352,000	\$ 425,000	\$ 434,140	\$ 692,000
Special assessments	1,341,815	1,217,843	790,000	745,611	814,132
Loan repayments	47,500	50,000	-	-	-
Bond sale	380,762	95,521	-	143,495	-
Miscellaneous	-	200,000	137,810	75,528	137,810
Interest	-	20,276	-	2,175	2,415
Transfers in	895,000	1,477,117	616,000	616,000	815,500
Total revenues	<u>2,794,077</u>	<u>3,412,757</u>	<u>1,968,810</u>	<u>2,016,949</u>	<u>2,461,857</u>
<b>Expenditures</b>					
Other services & charges	161,537	86,869	83,350	157,684	63,470
Debt service payments	893,521	1,132,551	1,221,055	1,221,055	1,370,027
Transfers out	2,016,547	2,549,617	647,000	647,000	484,000
Total expenditures	<u>3,071,605</u>	<u>3,769,037</u>	<u>1,951,405</u>	<u>2,025,739</u>	<u>1,917,497</u>
Revenues over (under) expenditures	<u>(277,528)</u>	<u>(356,280)</u>	<u>17,405</u>	<u>(8,790)</u>	<u>544,360</u>
Fund Balance, January 1	<u>2,186,980</u>	<u>1,909,452</u>	<u>1,427,888</u>	<u>1,553,172</u>	<u>1,544,382</u>
Fund Balance, December 31	<u>\$ 1,909,452</u>	<u>\$ 1,553,172</u>	<u>\$ 1,445,293</u>	<u>\$ 1,544,382</u>	<u>\$ 2,088,742</u>

# 2021 Debt Service Funds

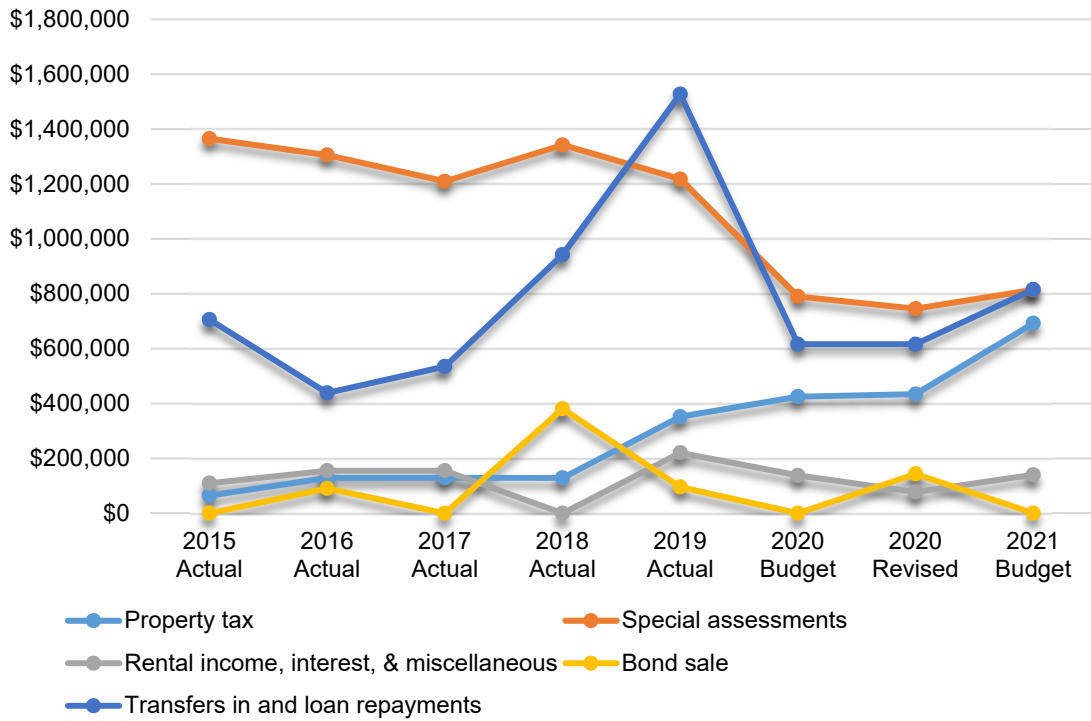
Total Revenues \$2,461,857



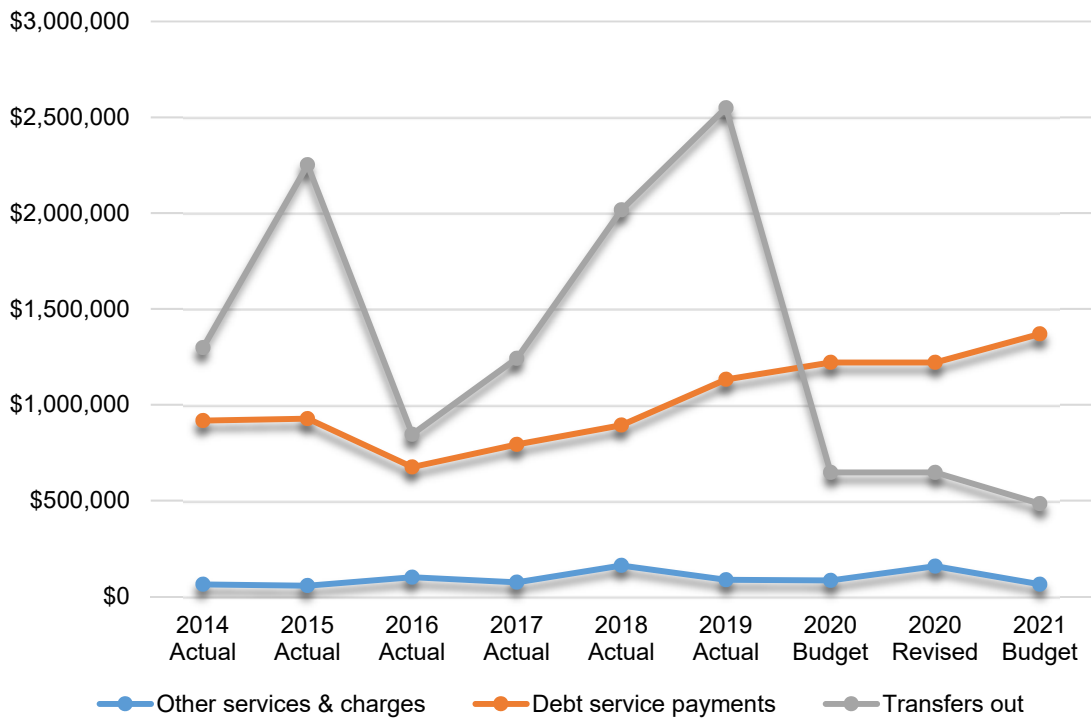
Total Expenditures \$1,917,497



### Debt Service Funds Revenue Trend Analysis



### Debt Service Funds Expenditure Trend Analysis



**Fund: Municipal Building General Obligation Debt Service 3020**

**Department Activities and Responsibilities:**

The City created this fund pursuant to Section 5.13 of the City Charter for retirement of “at large” general obligation bonds or loans related to public improvements, which are not assessable against specific properties. The public improvements financed through these bonds or loans are a general benefit to the City as a whole and ad valorem tax levies repay the debt obligations.

**Budget Summary:**

In 2010, the White Bear Area YMCA renovated and expanded their facility in a \$6 million project. Acknowledging the benefit this reconstruction plan would bring to the community, the City Council agreed to contribute \$2.75 million to the YMCA to assist in the overall project costs. An internal loan from the following funds financed the City’s contribution to the YMCA:

Park Improvement	\$ 725,000
Insurance Fund	1,000,000
Non-Bonded Fund	<u>1,000,000</u>
Total	<u>\$2,725,000</u>

Resolution No. 10604 from November 2009 established a 15-year repayment schedule for the debt. At the time of the loan origination, the City anticipated to pay the internal loan obligation through an annual tax levy allocation and rental income from the City’s marina operations. For years 2017 – 2019, the City utilized the annual tax levy payment of \$132,000 and \$155,000 of marina operations revenue to pay the loan principal and interest amounts due.

During 2018, the City Council entered a partnership with the White Bear Lake Area Hockey Association to renovate the ice arena at the city-owned Sports Center. The City Council redirected the \$132,000 tax levy and the marina revenues from this internal loan repayment plan to the debt service associated with the renovation project. The 2020 Budget reflects this change by recording the tax levy directly to the debt service fund. The Marina Fund also transfers the revenues supporting the debt service fund and repaying the internal loan directly to the appropriate funds.

In 2019, the City Council officially wrote off the \$1,000,000 internal loan between the Non-Bonded Debt Service Fund and this fund. The remaining balance owed on the internal loan with the Insurance Fund was transferred to the Non-Bonded Debt Service Fund. The City closed the Municipal Building General Obligation Debt Service Fund and transferred the remaining fund balance to the Non-Bonded Debt Service Fund.

**City of White Bear Lake**  
**Municipal Building Fund Debt Service (3020)**

**Annual Budget**  
**Fund Summary**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Revenues</b>						
	General property tax					
4015	Regular levy YMCA/Sports Center	\$ 129,000	\$ 132,000	\$ -	\$ -	\$ -
4955	Interest	-	2,307	-	-	-
	Total revenues	<u>129,000</u>	<u>134,307</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Transfers In					
5205	Marina Fund	<u>155,000</u>	<u>155,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Total revenues	<u>284,000</u>	<u>289,307</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>						
Debt Service						
YMCA/Sports Center internal loan						
7410	Principal	210,000	215,000	-	-	-
7420	Interest	<u>75,000</u>	<u>70,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Total expenditures	<u>285,000</u>	<u>285,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Transfers Out					
7605	Non-Bonded Debt Fund	<u>-</u>	<u>204,341</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Total expenditures	<u>285,000</u>	<u>489,341</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Revenues over (under) expenditures	<u>(1,000)</u>	<u>(200,034)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Fund balance January 1	<u>201,034</u>	<u>200,034</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Fund balance December 31	<u>\$ 200,034</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Fund: 2012 Refunding Tax Increment Bond Debt Service 3040  
Pioneer Manor**

**Department Activities and Responsibilities:**

The City sold \$2,820,000 tax increment general obligation bonds in 1993 to finance the land acquisition and construction of a 42-unit senior housing complex called Pioneer Manor. The HRA Tax Increment Fund contributed \$144,000 for Pioneer Manor construction between 1995 and 2003.

The City refinanced the bonds in 2012, which provided a net savings of \$244,472. The savings reduced Pioneer Manor's anticipated debt service obligation, which is similar to a mortgage, by \$17,000 annually from 2012 through 2023. The refinancing established Pioneer Manor's annual contribution to pay the debt at \$160,000. This revenue stream will provide sufficient funding to meet the annual debt service obligation.

**Budget Summary:**

The City does not expect any general tax levy will be required to retire these bond debt obligations. At the end of 2021, the City's principal obligation on the bond issue will total \$340,000. Bonds maturing on or after February 1, 2020 are subject to early redemption at par at the option of the City. Future principal and interest obligations on this debt are as follows:

Year	Principal	Interest	Total	Rate
2022	170,000	5,100	175,100	2.00%
2023	170,000	1,700	171,700	2.00%
Total	340,000	6,800	346,800	

**City of White Bear Lake**  
**2012 Refunding Tax Increment Bond Fund Pioneer Manor Debt Service (3040)**

**Annual Budget**  
**Fund Summary**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Revenues</b>						
4955	Interest	\$ -	\$ 1,477	\$ -	\$ -	\$ -
5205	Transfers In Pioneer Manor Fund	160,000	160,000	160,000	160,000	160,000
	Total revenues and transfers in	160,000	161,477	160,000	160,000	160,000
<b>Expenditures</b>						
Debt Service						
7410	Principal	155,000	160,000	160,000	160,000	170,000
7420	Interest	18,150	15,000	11,800	11,800	8,500
	Total debt service	173,150	175,000	171,800	171,800	178,500
Other Services and Charges						
6401	Professional services	-	-	-	635	660
7430	Fiscal agent fees	500	500	500	500	500
	Total other services and charges	500	500	500	1,135	1,160
	Total expenditures	173,650	175,500	172,300	172,935	179,660
	Revenues over (under) expenditures	(13,650)	(14,023)	(12,300)	(12,935)	(19,660)
	Fund Balance January 1	113,236	99,586	84,086	85,563	72,628
	Fund Balance December 31	\$ 99,586	\$ 85,563	\$ 71,786	\$ 72,628	\$ 52,968

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**Fund: Non-Bonded Special Assessment Debt Service Fund 3070**

**Department Activities and Responsibilities:**

This fund accounts for construction costs paid through property owner special assessments in situations where the City does not issue debt for the construction project.

In 2010, the White Bear Area YMCA renovated and expanded their facility in a \$6 million project. The City agreed to contribute a total of \$2.75 million to the overall project costs, with \$1,000,000 coming from this fund and the rest coming from two other funds. Resolution No. 10604 from November 2009 established a 15-year repayment schedule to all three funds for the loan.

In 2018, the City Council entered into a partnership with the White Bear Lake Area Hockey Association to renovate the ice arena at the City-owned Sports Center. The City Council redirected the tax levy and marina revenues originally assigned to repay the internal loan for the YMCA to the debt service issued for the renovation. In December 2019, the City Council formalized their 2018 decision to redirect the monies used to repay the internal loan from 2009 and rescind the internal loan repayment schedule to the Non-Bonded Fund set forth in Resolution No. 10604 by passing Resolution No. 12504. In the 2020 and 2021 Budgets, this fund will assist the Marina Fund in repaying the Insurance Fund its portion of the internal loan.

As mentioned above, the City and the White Bear Lake Hockey Association partnered in the project to renovate the Sports Center Facility. The City Council adopted Resolution No. 12138 in December 2017 to approve a financial agreement with the Association. The City agreed to issue debt to cover the entire project, while the Association agreed to pay an initial contribution of \$500,000 at the completion of the renovation for construction costs and annual payments for 20 years to assist in paying debt service costs up to \$2 million dollars. Annual contributions for the loan began in 2019. Two bond issues covered the total expenditures for the project. The Association's annual payments will cover the bond issue payments for the refrigeration equipment accounted for in the 2018A General Obligation Bond Debt Service Fund. The Association does have the option to prepay the loan without penalties. The tax levy previously assigned to repay the YMCA/Sports Center debt supports the annual debt service payments for the second bond issue accounted for in the 2018B General Obligation Tax Abatement Bonds Debt Service Fund. The Association's annual principal and interest payments as of December 31, 2021 are as follows:

Year	Principal	Interest	Total	Rate
2022	\$ 82,094	\$ 55,715	\$ 137,810	3.27%
2023	84,779	53,031	137,810	3.27%
2024	87,551	50,259	137,810	3.27%
2025	90,414	47,396	137,810	3.27%
2026	93,370	44,439	137,810	3.27%
2027	96,423	41,386	137,810	3.27%
2028	99,576	38,233	137,810	3.27%
2029	102,833	34,977	137,810	3.27%
2030	106,195	31,614	137,810	3.27%
2031	109,668	28,142	137,810	3.27%
2032	113,254	24,556	137,810	3.27%
2033	116,957	20,852	137,810	3.27%
2034	120,782	17,028	137,810	3.27%
2035	124,731	13,078	137,810	3.27%
2036	128,810	8,999	137,810	3.27%
2037	133,022	4,787	137,810	3.27%
2038	13,378	437	13,815	3.27%
Total	1,703,837	514,930	2,218,775	

**Fund: Non-Bonded Special Assessment Debt Service Fund 3070**

The City elected to utilize historic low interest rates in 2012 to issue \$2,555,000 of general obligation improvement bonds. Future transfers to the 2012 Special Assessment Debt Service Fund from the Non-bonded Debt Service Fund to meet debt service obligations are as follows:

Year	Amount
2022	\$ 190,000
2023	178,000
2024	170,000
2025	163,000
2026	155,000
2027	102,000
2028	70,000
Total	<u>1,028,000</u>

**Budget Summary:**

The City originally budgeted for White Bear Lake Hockey Association's 2019 and 2020 contribution revenue in the 2018A General Obligation Bond Debt Service Fund, but after further review, it was determined that the contribution revenue should be recorded in the Non-Bonded Special Assessment Debt Service Fund in order to be compliant with arbitrage requirements.

In 2019, the White Bear Lake Hockey Association paid additional principal on the loan for the Sports Center renovation. In 2020, the Association's fundraising efforts were negatively impacted by the COVID-19 pandemic. The City and the Association reached an agreement that allowed the Association to reduce their 2020 principal payment by the amount of additional principal paid in 2020. In the 2021 Budget, the Association contribution returns to the annual principal and interest amount of \$137,810. The 2021 Budget transfers some of the Association's money to the 2018A General Obligation Debt Service Fund for the Sports Center debt service payment.

As noted above, the 2021 Budget includes a transfer to the Insurance Fund for the annual internal loan payment.

**City of White Bear Lake**  
**Non-Bonded Debt Service Fund (3070)**

**Annual Budget**  
**Fund Summary**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Revenues</b>						
4210	Special assessments current	\$ 695,553	\$ 611,824	\$ 600,000	\$ 546,000	\$ 546,000
4215	Special assess. prepaid to county	88,322	165,805	100,000	62,000	48,000
4220	Special assessments prepaid to city	537,896	1,708	-	2,200	-
4225	Special assessments delinquent	13,164	15,170	10,000	10,000	10,000
4230	Special assess. penalties and interest	6,880	9,543	5,000	2,500	2,500
4955	Interest	-	8,616	-	-	-
5323	Internal loan repayment for YMCA	47,500	50,000	-	-	-
5360	WBLHA debt service contribution	-	200,000	-	75,528	137,810
	<b>Total revenues</b>	<b>1,389,315</b>	<b>1,062,666</b>	<b>715,000</b>	<b>698,228</b>	<b>744,310</b>
<b>Transfers In</b>						
5205	Sewer Fund	200,000	-	-	-	-
5205	Water Fund	-	125,000	-	-	-
5205	G.O. Building Debt Fund	-	204,341	-	-	-
	<b>Total transfers in</b>	<b>200,000</b>	<b>329,341</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total revenues</b>	<b>1,589,315</b>	<b>1,392,007</b>	<b>715,000</b>	<b>698,228</b>	<b>744,310</b>
<b>Expenditures</b>						
<b>Other Services and Charges</b>						
6401	Professional services	5,832	9,193	30,000	-	-
6560	Other contracted services	27,168	18,868	50,000	50,000	50,000
	<b>Total other services and charges</b>	<b>33,000</b>	<b>28,061</b>	<b>80,000</b>	<b>50,000</b>	<b>50,000</b>
<b>Transfers Out</b>						
7605	2012 Special Assessment Debt Service Fund	225,000	225,000	205,000	205,000	200,000
7605	2018A G.O. Debt Service Fund	-	412,776	-	-	150,000
7605	Equipment Acquisition Fund	400,000	-	-	-	-
7605	Interim Construction Fund	1,266,547	107,500	-	-	-
7605	Water Fund	125,000	-	-	-	-
7605	Sewer Fund	-	-	-	-	-
7605	Ambulance Fund	-	200,000	200,000	200,000	-
7605	Insurance Fund	-	-	242,000	242,000	134,000
7605	Municipal Building Fund Debt Service	-	1,400,000	-	-	-
	<b>Total transfers out</b>	<b>2,016,547</b>	<b>2,345,276</b>	<b>647,000</b>	<b>647,000</b>	<b>484,000</b>
	<b>Total expenditures</b>	<b>2,049,547</b>	<b>2,373,337</b>	<b>727,000</b>	<b>697,000</b>	<b>534,000</b>
	<b>Revenues over (under) expenditures</b>	<b>(460,232)</b>	<b>(981,330)</b>	<b>(12,000)</b>	<b>1,228</b>	<b>210,310</b>
	<b>Fund balance January 1</b>	<b>1,846,323</b>	<b>1,386,091</b>	<b>234,315</b>	<b>404,761</b>	<b>405,989</b>
	<b>Fund balance December 31</b>	<b>\$ 1,386,091</b>	<b>\$ 404,761</b>	<b>\$ 222,315</b>	<b>\$ 405,989</b>	<b>\$ 616,299</b>

**Fund: 2012 Special Assessment Debt Service Fund 3071**

**Department Activities and Responsibilities:**

This fund manages the principal and interest payments related to special assessment bonds issued in 2012. The City issued bonds in amounts necessary to meet expenditure requirements for special assessment projects completed during 2010 through 2012 due to the favorable interest rate at the time. Property owner special assessment payments for the improvement benefiting their properties provide revenues to retire these bonds.

The Non-Bonded Fund collects the special assessment payments and makes an annual transfer to pay the debt principal and interest obligations.

Bond maturing on and after February 1, 2019, are subject for call at par by the City.

**Budget Summary:**

No tax levy is required to support this fund. The City's principal and interest obligation as of December 31, 2021, for the Special Assessment Bonds are as follows:

Year	Principal	Interest	Total	Rate
2022	\$ 175,000	\$ 15,310	\$ 190,310	1.400%
2023	165,000	12,806	177,806	1.550%
2024	160,000	10,208	170,208	1.650%
2025	155,000	7,531	162,531	1.750%
2026	150,000	4,787	154,787	1.850%
2027	100,000	2,400	102,400	2.000%
2028	70,000	700	70,700	2.000%
Total	975,000	53,742	1,028,742	

**City of White Bear Lake**  
**Special Assessment 2012 Debt Service (3071)**

**Annual Budget**  
**Fund Summary**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Revenues</b>						
4955	Interest	\$ -	\$ 325	\$ -	\$ -	\$ -
5205	Transfers In Non-Bonded Fund	225,000	225,000	205,000	205,000	200,000
	Total revenues	225,000	225,325	205,000	205,000	200,000
<b>Expenditures</b>						
Debt Service						
7410	Principal	195,000	185,000	185,000	185,000	180,000
7420	Interest	23,265	21,653	19,802	19,802	17,660
	Total debt service	218,265	206,653	204,802	204,802	197,660
Other Services and Charges						
6401	Professional services	-	-	-	635	660
7430	Fiscal agent fees	450	500	500	500	500
	Total other services and charges	450	500	500	1,135	1,160
	Total expenditures	218,715	207,153	205,302	205,937	198,820
	Revenues over (under) expenditures	6,285	18,172	(302)	(937)	1,180
	Fund balance January 1	5,699	11,984	29,831	30,156	29,219
	Fund balance December 31	\$ 11,984	\$ 30,156	\$ 29,529	\$ 29,219	\$ 30,399

**Fund: 2016 Tax Increment Bond Debt Service Fund 3081  
Boatworks Commons**

**Department Activities and Responsibilities:**

The City sold \$2,275,000 tax increment general obligation bonds in 2016 to assist in financing the redevelopment of the Johnson Boat Works property into the Boatworks Commons development. The bond sale provided \$2,250,000 for site cleanup, soil correction, utility improvements, and public facility improvements.

The Boatworks Common Tax Increment District No. 27 provides the funding source for payment of the bond obligation. The City does not expect any general tax levy will be required to retire the bonded debt obligation.

Beginning in the 2019 Revised Budget, transactions related to the inter-fund loan established through City Council Resolution #11770 on March 8, 2016, that were originally included in this fund moved to the Economic Development Fund budget as the loan is not part of the debt service issue.

**Budget Summary:**

The 2020 Revised Budget adds an allocation for interim arbitrage work required for compliance with IRS regulations. Arbitrage analysis reports will occur on every five-year anniversary of the issuance until the bond is paid.

The City's principal obligation on the bond issue will total \$1,965,000 as of December 31, 2021. Bonds maturing on or after February 1, 2025 are subject to early redemption at par at the option of the City. Future principal and interest obligations on the debt are as follows:

Year	Principal	Interest	Total	Rate
2022	\$ 90,000	\$ 48,313	\$ 138,313	3.000%
2023	90,000	45,612	135,612	3.000%
2024	95,000	42,837	137,837	3.000%
2025	100,000	39,912	139,912	3.000%
2026	105,000	37,363	142,363	2.000%
2027	110,000	35,212	145,212	2.000%
2028	115,000	32,962	147,962	2.000%
2029	120,000	30,552	150,552	2.100%
2030	125,000	27,917	152,917	2.200%
2031	130,000	25,047	155,047	2.300%
2032	135,000	21,932	156,932	2.400%
2033	140,000	18,563	158,563	2.500%
2034	145,000	15,000	160,000	2.500%
2035	150,000	11,125	161,125	2.750%
2036	155,000	6,932	161,932	2.750%
2037	160,000	2,400	162,400	3.000%
<b>Total</b>	<b>1,965,000</b>	<b>441,679</b>	<b>2,406,679</b>	

**City of White Bear Lake**  
**Tax Increment Bond Debt Service Boatworks Commons (3081)**

**Annual Budget**  
**Fund Summary**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Revenues</b>						
4955	Interest	\$ -	\$ 790	\$ -	\$ -	\$ -
5205	Transfers In HRA Fund Boatworks Commons TIF	155,000	135,000	140,000	140,000	140,000
	Total revenues	155,000	135,790	140,000	140,000	140,000
<b>Expenditures</b>						
7420	Interfund Loan Interest Total debt service	22,500	-	-	-	-
	Debt Service					
7410	Principal	70,000	75,000	80,000	80,000	85,000
7420	Interest Total debt service	57,913	55,738	53,413	53,413	50,938
	Other Services and Charges					
6401	Professional services	-	-	-	4,385	3,160
7430	Fiscal agent fees Total other services and charges	450	450	500	450	500
	Total expenditures	150,863	131,188	133,913	138,248	139,598
	Revenues over (under) expenditures	4,137	4,602	6,087	1,752	402
	Fund balance January 1	20,688	24,825	28,637	29,427	31,179
	Fund balance December 31	\$ 24,825	\$ 29,427	\$ 34,724	\$ 31,179	\$ 31,581

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**Fund: 2018A General Obligation Bond Debt Service Fund 3082  
Street Reconstruction and Sports Center Refrigeration Equipment**

**Department Activities and Responsibilities:**

The \$5,850,000 General Obligation Bonds, Series 2018A were issued pursuant to Minnesota Statutes, Sections 410.32 and 412.301 and Chapters 429 and 475 to finance the 2018 street reconstruction project and the acquisition of the refrigeration equipment system for the City's Sport Center. The bonds are a general obligation of the City for which the City pledges its full faith, credit, and taxing powers for the repayment.

A new tax levy supports the annual debt service payments related to the street reconstruction project.

The City and the White Bear Lake Hockey Association partnered in the project to renovate the Sports Center Facility. The City Council adopted Resolution No. 12138 in December 2017 to approve a financial agreement with the Association. The City agreed to issue debt to cover the entire project, while the Association agreed to pay an initial contribution at the completion of the renovation for construction costs and annual payments for 20 years to assist in paying debt service costs up to \$2 million dollars. Two bond issues covered the total expenditures for the project. The Hockey Association's annual payments will cover the bond issue payments for the refrigeration equipment accounted for in this fund. The tax levy previously assigned to repay the YMCA/Sports Center debt supports the annual debt service payments for the second bond issue accounted for in the 2018B General Obligation Bond Debt Service Fund.

Bonds maturing on or after February 1, 2025, are subject for early redemption call at par at the option of the City.

**Budget Summary:**

The White Bear Lake Hockey Association signed a financial agreement with the City on December 11, 2017, which states it agrees to contribute money to the City for the cost of the Sports Center renovation. The Association paid \$500,000 in 2018 for initial project costs. Beginning in 2019, the Association will make annual payments that equal an additional \$2,000,000 principal and interest at the bond issue rate to the City consistent with the debt service schedule established for the bonds issued for the project. The annual contribution revenue for 2019 and 2020 were originally budgeted for in this fund. After further review, the City determined that the contribution revenue should be recorded in the Non-Bonded Special Assessment Debt Service Fund to be compliant with arbitrage requirements. The Non-Bonded Special Assessment Debt Service Fund will transfer funds in to this fund for the annual debt service payment.

The 2020 Revised Budget adds an allocation in the Professional Services account for interim arbitrage work required for compliance with IRS regulations. Arbitrage analysis reports will occur on every five-year anniversary of the issuance until the bond is paid.

As of December 31, 2021, the City's principal obligation on the debt is \$5,390,000. Future principal and interest obligations on this debt by expense category are as follows:

**Fund: 2018A General Obligation Bond Debt Service Fund 3082  
Street Reconstruction and Sports Center Refrigeration Equipment**

Year	GO Improve. Principal	GO Improve. Interest	SC Equipment Principal	SC Equipment Interest	Total	Rate
2022	\$ 165,000	\$ 117,700	\$ 70,000	\$ 55,256	\$ 407,956	4.000%
2023	170,000	111,000	75,000	52,356	408,356	4.000%
2024	175,000	104,100	75,000	49,356	403,456	4.000%
2025	180,000	97,900	80,000	46,656	404,556	3.000%
2026	185,000	92,425	80,000	44,256	401,681	3.000%
2027	190,000	86,800	85,000	41,781	403,581	3.000%
2028	190,000	81,100	90,000	39,156	400,256	3.000%
2029	195,000	75,325	90,000	36,456	396,781	3.000%
2030	200,000	69,400	95,000	33,681	398,081	3.000%
2031	205,000	63,325	95,000	30,831	394,156	3.000%
2032	210,000	56,969	100,000	27,844	394,813	3.125%
2033	215,000	50,328	100,000	24,719	390,047	3.125%
2034	215,000	43,475	105,000	21,450	384,925	3.250%
2035	225,000	36,325	110,000	17,956	389,281	3.250%
2036	230,000	28,787	110,000	14,312	383,099	3.375%
2037	235,000	20,941	115,000	10,516	381,457	3.375%
2038	240,000	12,776	120,000	6,476	379,252	3.500%
2039	245,000	4,288	125,000	2,188	376,476	3.500%
Total	3,670,000	1,152,964	1,720,000	555,246	7,098,210	

**City of White Bear Lake**  
**2018A GO Bonds for Street Reconstruction and Sports Center Refrigeration Equipment (3082)**

**Annual Budget**  
**Fund Summary**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Revenues</b>						
4015	Regular Levy street reconstruction	\$ -	\$ 220,000	\$ 215,000	\$ 220,000	\$ 220,000
4025	Delinquent Property Taxes	-	-	-	575	-
4210	Special Assessments Current	-	63,482	55,000	45,000	48,945
4215	Special Assess. Prepaid to County	-	35,944	-	15,200	-
4220	Special Assess. Prepaid to City	-	4,616	-	6,485	-
4225	Special Assessments Delinquent	-	-	-	710	-
4230	Special Assess. Penalties and Interest	-	258	-	90	-
4955	Interest	-	4,668	-	-	-
5105	Bond sale proceeds	65,950	-	-	-	-
5324	Bond issuance fees	181,911	-	-	-	-
5360	Refunds and reimbursement	-	-	137,810	-	-
	Total operating and other revenues	<u>247,861</u>	<u>328,968</u>	<u>407,810</u>	<u>288,060</u>	<u>268,945</u>
Transfers In						
5205	Non-Bonded Debt Service Fund	-	277,776	-	-	150,000
	Total revenues	<u>247,861</u>	<u>606,744</u>	<u>407,810</u>	<u>288,060</u>	<u>418,945</u>
<b>Expenditures</b>						
Other Services and Charges						
6401	Professional services	126,287	-	-	3,135	660
6560	Contracted services	-	-	-	302	-
7430	Fiscal agent fees	850	500	500	500	500
	Total other services and charges	<u>127,137</u>	<u>500</u>	<u>500</u>	<u>3,937</u>	<u>1,160</u>
Debt Service						
7410	Principal	-	-	225,000	225,000	235,000
7420	Interest	-	216,452	188,081	188,081	181,181
	Total debt service	<u>-</u>	<u>216,452</u>	<u>413,081</u>	<u>413,081</u>	<u>416,181</u>
	Total expenditures	<u>127,137</u>	<u>216,952</u>	<u>413,581</u>	<u>417,018</u>	<u>417,341</u>
	Revenues over (under) expenditures	<u>120,724</u>	<u>389,792</u>	<u>(5,771)</u>	<u>(128,958)</u>	<u>1,604</u>
	Fund Balance January 1	<u>-</u>	<u>120,724</u>	<u>732,335</u>	<u>510,516</u>	<u>381,558</u>
	Fund Balance December 31	<u>\$ 120,724</u>	<u>\$ 510,516</u>	<u>\$ 726,564</u>	<u>\$ 381,558</u>	<u>\$ 383,162</u>

**Fund: 2018B General Obligation Tax Abatement Bonds Debt Service Fund 3083  
Sports Center**

**Department Activities and Responsibilities:**

The \$3,330,000 General Obligation Tax Abatement Bonds, Series 2018B issued on June 14, 2018, pursuant to Minnesota Statutes, Chapters 429 and 475 financed the costs associated with renovation of the City's Sport Center facility. The bonds are a general obligation of the City for which the City pledges its full faith, credit, and taxing powers for the repayment.

The City and the White Bear Lake Hockey Association partnered in the project to renovate the Sports Center Facility. The City Council adopted Resolution No. 12138 in December 2017 to approve a financial agreement with the Association. The City agreed to issue debt to cover the entire project, while the Association agreed to pay an initial contribution at the completion of the renovation for construction costs and annual payments for 20 years to assist in paying debt service costs up to \$2 million dollars. Two bond issues covered the total expenditures for the project.

The annual debt service payments for the bond issue accounted for in this fund are supported by the tax levy that was previously assigned to repay the YMCA/Sports Center debt and a transfer in from the Marina Fund. The Hockey Association's annual payments will cover the other bond issue payments for the refrigeration equipment accounted for in the 2018A General Obligation Bond Debt Service Fund for Street Reconstruction and Sports Center Refrigeration Equipment.

Bonds maturing on or after February 1, 2025, are subject for early redemption call at par at the option of the City.

**Budget Summary:**

The 2020 Revised Budget adds an allocation in the Professional Services account for interim arbitrage work required for compliance with IRS regulations. Arbitrage analysis reports will occur on every five-year anniversary of the issuance until the bond is paid.

As of December 31, 2021, the City's principal obligation on the debt is \$3,080,000. Future principal and interest obligations on this debt by expense category are as follows:

Year	Principal	Interest	Total	Rate
2022	\$ 130,000	\$ 95,550	\$ 225,550	3.000%
2023	135,000	91,575	226,575	3.000%
2024	140,000	87,450	227,450	3.000%
2025	145,000	83,175	228,175	3.000%
2026	150,000	78,750	228,750	3.000%
2027	150,000	74,250	224,250	3.000%
2028	155,000	69,675	224,675	3.000%
2029	160,000	64,950	224,950	3.000%
2030	165,000	60,075	225,075	3.000%
2031	170,000	55,050	225,050	3.000%
2032	175,000	49,766	224,766	3.125%
2033	180,000	44,219	224,219	3.125%
2034	190,000	38,319	228,319	3.250%
2035	195,000	32,063	227,063	3.250%
2036	200,000	25,519	225,519	3.375%
2037	205,000	18,684	223,684	3.375%
2038	215,000	11,462	226,462	3.500%
2039	220,000	3,850	223,850	3.500%
<b>Total</b>	<b>3,080,000</b>	<b>984,382</b>	<b>4,064,382</b>	

**City of White Bear Lake**  
**2018B GO Tax Abatement Bonds for Sports Center Renovations (3083)**

**Annual Budget**  
**Fund Summary**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Revenues</b>						
4015	Regular Levy YMCA/Sports Center	\$ -	\$ -	\$ 129,000	\$ 132,000	\$ 132,000
4025	Delinquent Property Tax	-	-	-	347	-
4955	Interest	-	3,028	-	2,175	2,415
5105	Bond sale proceeds	60,300	-	-	-	-
5324	Bond issuance fees	72,601	-	-	-	-
	Total operating revenues	<u>132,901</u>	<u>3,028</u>	<u>129,000</u>	<u>134,522</u>	<u>134,415</u>
Transfers In						
5205	Marina Fund	-	-	111,000	111,000	165,500
5205	Insurance Fund	-	195,000	-	-	-
	Total transfers in	<u>-</u>	<u>195,000</u>	<u>111,000</u>	<u>111,000</u>	<u>165,500</u>
	Total revenues	<u>132,901</u>	<u>198,028</u>	<u>240,000</u>	<u>245,522</u>	<u>299,915</u>
<b>Expenditures</b>						
Other Services and Charges						
6401	Professional services	-	-	-	3,135	660
7430	Fiscal agent fees	850	500	500	500	500
7440	Discount on bonds sold	65,843	-	-	-	-
	Total other services and charges	<u>66,693</u>	<u>500</u>	<u>500</u>	<u>3,635</u>	<u>1,160</u>
Debt Service						
7410	Principal	-	-	125,000	125,000	125,000
7420	Interest	-	118,708	103,125	103,125	99,375
	Total debt service	<u>-</u>	<u>118,708</u>	<u>228,125</u>	<u>228,125</u>	<u>224,375</u>
	Total expenditures	<u>66,693</u>	<u>119,208</u>	<u>228,625</u>	<u>231,760</u>	<u>225,535</u>
	Revenues over (under) expenditures	<u>66,208</u>	<u>78,820</u>	<u>11,375</u>	<u>13,762</u>	<u>74,380</u>
	Fund balance January 1	<u>-</u>	<u>66,208</u>	<u>142,000</u>	<u>145,028</u>	<u>158,790</u>
	Fund balance December 31	<u>\$ 66,208</u>	<u>\$ 145,028</u>	<u>\$ 153,375</u>	<u>\$ 158,790</u>	<u>\$ 233,170</u>

**Fund: 2019A General Obligation Improvement Bonds Debt Service Fund 3084**

**Department Activities and Responsibilities:**

The \$1,925,000 General Obligation Improvement Bonds, Series 2019A issued on June 25, 2019, pursuant to Minnesota Statutes, Chapters 429 and 475 financed the costs associated with the City's annual street improvement project. The bonds are a general obligation of the City for which the City pledges its full faith, credit and taxing powers for the repayment.

Bonds maturing on or after February 1, 2030, are callable February 1, 2029 or any date thereafter.

**Budget Summary:**

The 2021 Budget adds an allocation for interim arbitrage work required for compliance with IRS regulations in the Professional Services account. Arbitrage analysis reports will occur on every five-year anniversary of the issuance until the bond is paid.

As of December 31, 2021, the City's principal obligation on the debt is \$1,825,000. Future principal and interest obligations on this debt by expense category are as follows:

Year	Principal	Interest	Total	Rate
2022	\$ 100,000	\$ 61,400	\$ 161,400	4.000%
2023	105,000	57,300	162,300	4.000%
2024	105,000	53,100	158,100	4.000%
2025	110,000	48,800	158,800	4.000%
2026	110,000	44,400	154,400	4.000%
2027	110,000	40,000	150,000	4.000%
2028	110,000	35,600	145,600	4.000%
2029	115,000	31,100	146,100	4.000%
2030	115,000	27,075	142,075	3.000%
2031	95,000	23,925	118,925	3.000%
2032	100,000	21,000	121,000	3.000%
2033	100,000	18,000	118,000	3.000%
2034	100,000	15,000	115,000	3.000%
2035	100,000	12,000	112,000	3.000%
2036	65,000	9,525	74,525	3.000%
2037	65,000	7,575	72,575	3.000%
2038	70,000	5,550	75,550	3.000%
2039	75,000	3,375	78,375	3.000%
2040	75,000	1,125	76,125	3.000%
Total	1,825,000	515,850	2,340,850	

**City of White Bear Lake**  
**2019A GO Street Reconstruction Bonds Debt Service Fund (3084)**

**Annual Budget**  
**Fund Summary**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Revenues</b>						
4015	General property tax levy	\$ -	\$ -	\$ 81,000	\$ 81,000	\$ 81,000
4025	Delinquent property tax	-	-	-	218	-
4210	Special assessments current	-	-	20,000	36,600	52,890
4215	Special assess. prepaid to county	-	1,703	-	18,250	-
4220	Special assess. prepaid to city	-	307,790	-	566	-
4230	Special assess. penalties and interest	-	-	-	10	-
4955	Interest	-	2,093	-	-	-
5324	Bond issuance fees	-	92,493	-	-	-
	<b>Total revenues</b>	<u>-</u>	<u>404,079</u>	<u>101,000</u>	<u>136,644</u>	<u>133,890</u>
<b>Expenditures</b>						
Other Services and Charges						
6401	Professional services	-	-	-	635	3,160
7430	Fiscal agent fees	-	-	850	850	850
7440	Discount on bonds sold	-	56,358	-	-	-
	<b>Total other services and charges</b>	<u>-</u>	<u>56,358</u>	<u>850</u>	<u>1,485</u>	<u>4,010</u>
Debt Service						
7410	Principal	-	-	-	-	100,000
7420	Interest	-	-	69,834	69,834	65,400
	<b>Total expenditures</b>	<u>-</u>	<u>56,358</u>	<u>70,684</u>	<u>71,319</u>	<u>169,410</u>
	<b>Revenues over (under) expenditures</b>	<u>-</u>	<u>347,721</u>	<u>30,316</u>	<u>65,325</u>	<u>(35,520)</u>
	<b>Fund balance January 1</b>	<u>-</u>	<u>-</u>	<u>176,684</u>	<u>347,721</u>	<u>413,046</u>
	<b>Fund balance December 31</b>	<u>\$ -</u>	<u>\$ 347,721</u>	<u>\$ 207,000</u>	<u>\$ 413,046</u>	<u>\$ 377,526</u>

**Fund: 2020A General Obligation Bonds Debt Service Fund 3085**

**Department Activities and Responsibilities:**

On July 16, 2020, the City issued General Obligation Bonds, Series 2020A in an aggregate principal amount of \$4,440,000. The bond issuance consists of:

\$2,450,000 for General Obligation Improvement Bonds issued pursuant to Minnesota Statutes, Chapters 429 and 475 to finance the costs associated with the City's annual street improvement project.

\$1,130,000 for General Obligation Equipment Certificates issued pursuant to Minnesota Statutes chapter 475 and Minnesota Statutes, Sections 410.32 and 412.301 to finance the purchase of capital equipment.

\$860,000 for General Obligation Utility Revenue Bonds issued pursuant to Minnesota Statutes, Chapters 444 and 475 to provide financing for utility improvements.

This fund accounts for payments related to the General Obligation Improvement Bonds and the General Obligation Equipment Certificates. The Water Fund in the Enterprise Fund section accounts for the payments related to the General Obligation Utility Revenue Bonds.

The bonds are a general obligation of the City for which the City pledges its full faith, credit, and taxing powers for the repayment. Bonds maturing on or after February 1, 2031, are callable February 1, 2030 or any date thereafter.

**Budget Summary:**

As of December 31, 2021, the City's principal obligation on the debt is \$3,580,000. Future principal and interest obligations on this debt by expense category are as follows:



**Fund: 2020A General Obligation Bonds Debt Service Fund 3085**

Year	GO Improve. Principal	GO Improve. Interest	GO Equipment Principal	GO Equipment Interest	Total	Rate
2022	\$ 140,000	\$ 62,050	\$ 110,000	\$ 33,900	\$ 345,950	3.000%
2023	140,000	57,850	115,000	30,600	343,450	3.000%
2024	140,000	53,650	120,000	27,150	340,800	3.000%
2025	145,000	49,450	120,000	23,550	338,000	3.000%
2026	145,000	45,100	125,000	19,950	335,050	3.000%
2027	145,000	40,750	130,000	16,200	331,950	3.000%
2028	150,000	36,400	135,000	12,300	333,700	3.000%
2029	150,000	31,900	135,000	8,250	325,150	3.000%
2030	150,000	27,400	140,000	4,200	321,600	3.000%
2031	155,000	22,900	-	-	177,900	2.000%
2032	100,000	19,800	-	-	119,800	2.000%
2033	105,000	17,800	-	-	122,800	2.000%
2034	105,000	15,700	-	-	120,700	2.000%
2035	105,000	13,600	-	-	118,600	2.000%
2036	110,000	11,500	-	-	121,500	2.000%
2037	90,000	9,300	-	-	99,300	2.000%
2038	90,000	7,500	-	-	97,500	2.000%
2039	95,000	5,700	-	-	100,700	2.000%
2040	95,000	3,800	-	-	98,800	2.000%
2041	95,000	1,900	-	-	96,900	2.000%
<b>Total</b>	<b>2,450,000</b>	<b>534,050</b>	<b>1,130,000</b>	<b>176,100</b>	<b>4,290,150</b>	

**City of White Bear Lake**  
**2020A GO Street Reconstruction and Equipment Certificates Bonds Debt Service Fund (3085)**

**Annual Budget**  
**Fund Summary**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Revenues</b>						
4015	General property tax levy	\$ -	\$ -	\$ -	\$ -	\$ 259,000
4210	Special assessments current	-	-	-	-	105,797
5324	Bond issuance fees	-	-	-	143,495	-
	<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>143,495</u>	<u>364,797</u>
<b>Expenditures</b>						
Other Services and Charges						
6401	Professional services	-	-	-	-	660
7430	Fiscal agent fees	-	-	-	-	500
7440	Discount on bonds sold	-	-	-	91,522	-
	<b>Total other services and charges</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>91,522</u>	<u>1,160</u>
Debt Service						
7420	Interest	-	-	-	-	51,973
	<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>91,522</u>	<u>53,133</u>
	<b>Revenues over (under) expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>51,973</u>	<u>311,664</u>
	<b>Fund balance January 1</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>51,973</u>
	<b>Fund balance December 31</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 51,973</u>	<u>\$ 363,637</u>

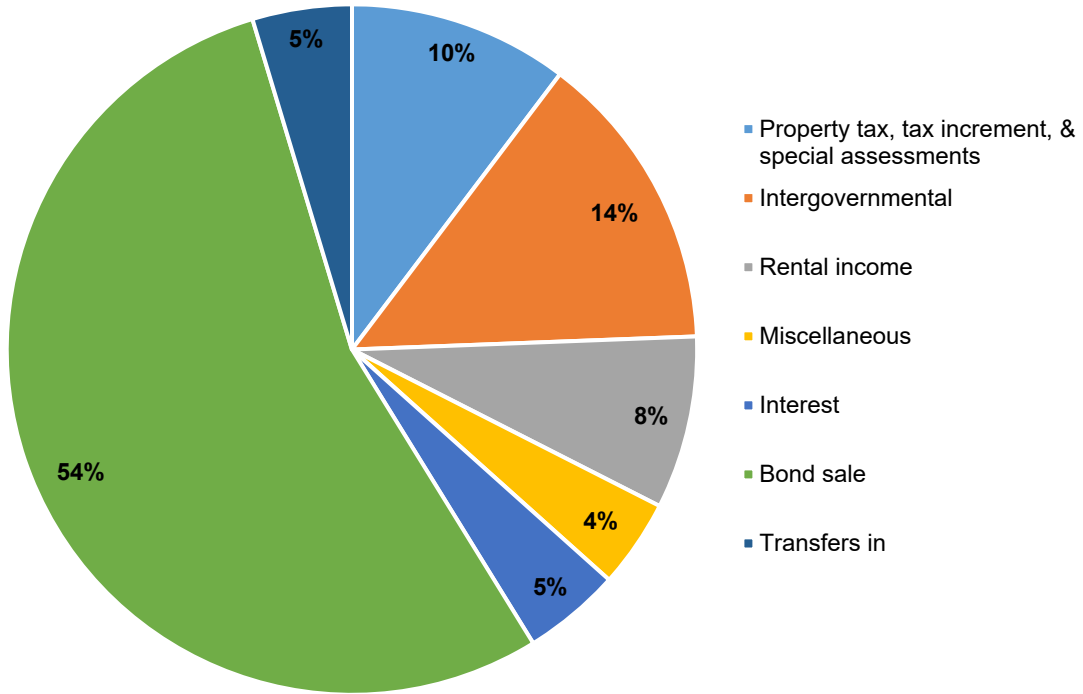
**City of White Bear Lake  
Capital Project Funds**

**Annual Budget**

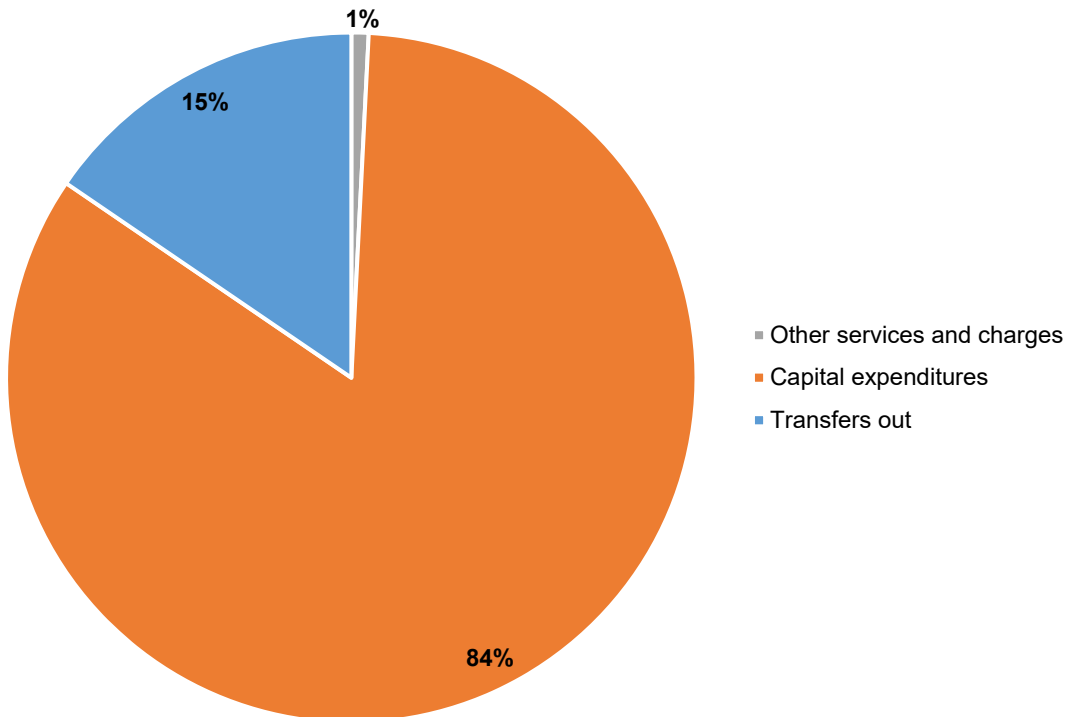
Item	2018 Actual	2019 Actual	2020 Budget	2020 Revised	2021 Budget
<b>Revenues</b>					
Property tax	\$ 333,800	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Tax increment	490,475	542,961	429,000	559,700	475,745
Special Assessment	-	170,566	25,000	151,781	50,000
Intergovernmental	1,015,338	1,004,884	1,005,000	1,379,430	753,518
Interest	391,126	554,238	199,825	250,795	244,666
Rental income	441,399	441,278	426,000	435,610	433,000
Miscellaneous	1,825,407	752,064	323,400	352,223	221,000
Loan repayments	110,000	200,000	-	-	-
Bond sale	8,866,818	1,996,842	4,725,000	3,794,868	2,895,000
Transfers in	2,076,546	577,500	323,900	701,093	248,900
Total revenues	<u>15,550,909</u>	<u>6,265,333</u>	<u>7,482,125</u>	<u>7,650,500</u>	<u>5,346,829</u>
<b>Expenditures</b>					
Supplies	440	-	-	-	-
Other services and charges	611,641	336,504	64,410	59,145	60,960
Capital expenditures	12,422,858	5,051,054	8,721,150	4,795,387	6,483,280
Transfers out	685,737	1,795,200	1,186,400	2,037,100	1,172,400
Total expenditures	<u>13,720,676</u>	<u>7,182,758</u>	<u>9,971,960</u>	<u>6,891,632</u>	<u>7,716,640</u>
Revenues over (under) expenditures	<u>1,830,233</u>	<u>(917,425)</u>	<u>(2,489,835)</u>	<u>758,868</u>	<u>(2,369,811)</u>
Reserve adjustment (to) from	-	(43,875)	(6,000)	(9,823)	(6,000)
Fund balance, January 1	<u>16,420,007</u>	<u>18,250,240</u>	<u>15,524,771</u>	<u>17,288,941</u>	<u>18,037,985</u>
Fund balance, December 31	<u>\$ 18,250,240</u>	<u>\$ 17,288,941</u>	<u>\$ 13,028,936</u>	<u>\$ 18,037,985</u>	<u>\$ 15,662,174</u>
Reserves	<u>60,417</u>	<u>104,292</u>	<u>66,417</u>	<u>114,115</u>	<u>120,115</u>
Total fund balance and reserves, December 31	<u>\$ 18,310,657</u>	<u>\$ 17,393,233</u>	<u>\$ 13,095,353</u>	<u>\$ 18,152,100</u>	<u>\$ 15,782,289</u>

# 2021 Capital Project Funds

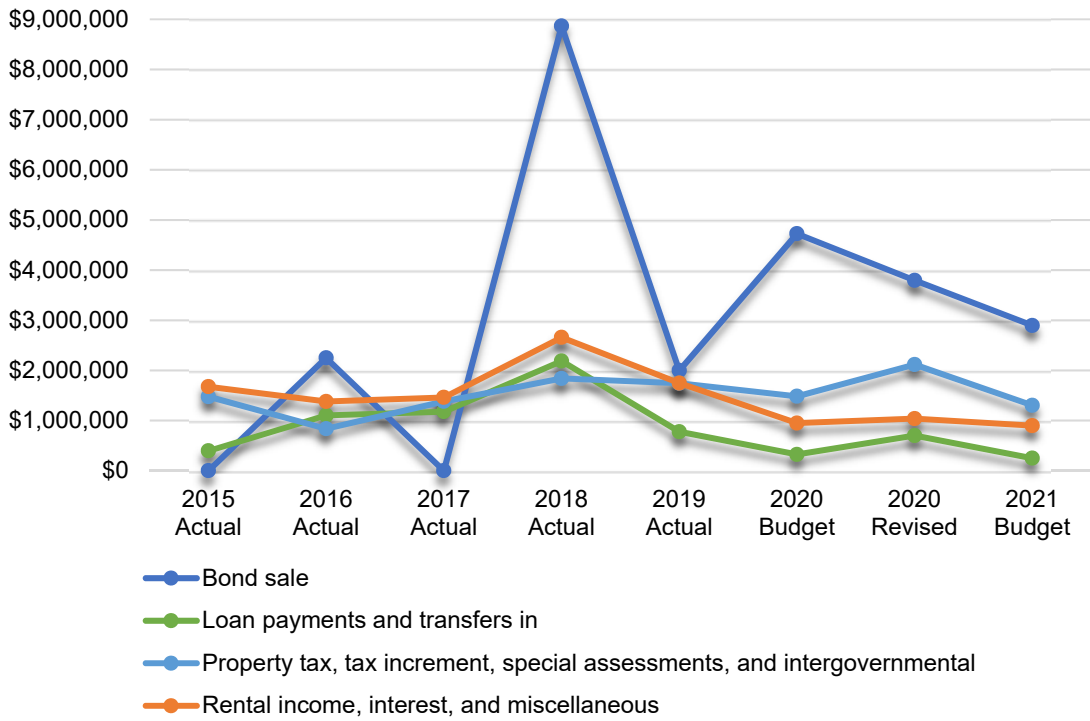
Total Revenues \$5,346,829



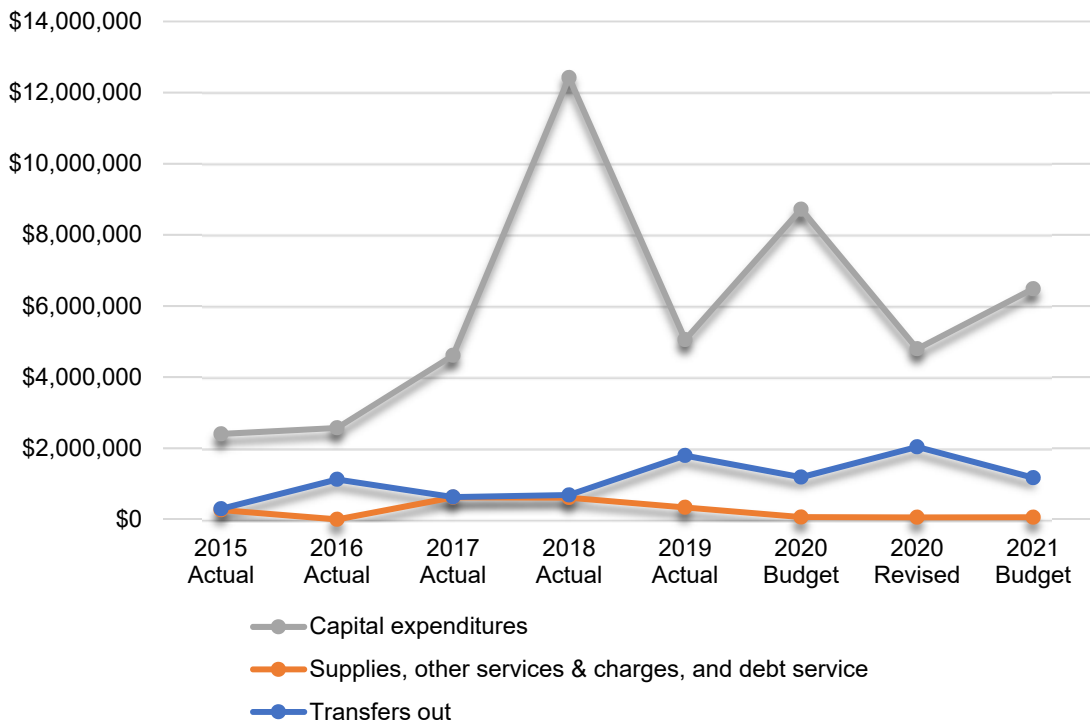
Total Expenditures \$7,716,640



### Capital Project Funds Revenue Trend Analysis



### Capital Project Funds Expenditure Trend Analysis



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**Fund:                Equipment Acquisition Fund 4100**

**Department Activities and Responsibilities:**

The Equipment Acquisition Fund accounts for major capital equipment purchases identified in the City's long-range plans for departments in the General and Special Revenue Funds.

Previously, the Fund received a portion of the annual tax levy to support operations; however, in 2019 a philosophical change replaces the tax levy allocation with a portion of the annual State's Local Government Aid. The State aid payment can be uncertain, making it difficult to rely on for General Fund operations. By recognizing this revenue source in the budget, the City may modify expenditures if the State reduces or eliminates the aid.

The City designates special revenue from lease payments for cell tower sites on City properties and the franchise fee from Ramsey Washington Cable to provide additional revenue to this Fund. These special revenue streams represent 97% of the fund's operating revenue in the 2021 Budget.

**Budget Summary:**

The 2020 Revised Budget received a portion of the City's Coronavirus Aid, Relief, and Economic Security Act (CARES) funding to help cover the acquisition of technology to enable employees to work from home, glass barriers for in-person customer service, and other necessary equipment.

The Local Government Aid (LGA) formula for the 2021 distributes anticipates a reduction in the allocation to the City. Therefore, the 2021 Budget removes the Local Government Aid (LGA) as a funding source for the year. In 2022, the City will increase the General Operations tax levy to recover the lost LGA dollars, which allows for a reduction of the LGA assigned to the General Fund to return a section of the aid payment as funding in this budget.

A lower franchise fee amount from Ramsey Washington Cable is estimated for the 2021 Budget as customers choose options other than cable for service.

The City issued equipment bonds in 2020 to purchase a new ladder truck for the Fire Department and a dump truck for the Street Department. The City plans to issue equipment bonds in 2021 for the purchase of a water tanker truck, multi-use utility/garbage truck, dump truck, and a loader.

Since the General Fund saw a considerable increase to fund balance in 2019, the General Fund made a one-time transfer in 2020 to reduce bonding needs for future equipment purchases.

The following page summarizes the total proposed expenditures by department. Even though the budget allocates resources for these expenditures, each item included in the total will undergo a detailed analysis and review before final approval authorizes the purchase. Funding for capital replacements could move to future years' budgets based on unanticipated maintenance issues or budget reductions during the year.

A detailed discussion of the City's five year Capital Improvement Plan and purchases or projects funded by this budget is in the Summary Data section of the document.

**City of White Bear Lake**  
**Equipment Acquisition Fund**

**Annual Budget**  
**Fund Summary**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Revenues</b>						
4015	General property tax levy	\$ 190,000	\$ -	\$ -	\$ -	\$ -
4604	Federal grants	-	-	-	75,132	-
4624	Local government aid	-	195,000	195,000	195,000	-
4682.2	Intergovernmental capital contribution	-	-	-	1,200	1,200
4955	Interest	28,896	37,531	15,000	16,470	16,500
4975	Rental income - cell towers	424,222	421,012	410,000	410,000	415,000
4990	Donations	72,188	3,200	-	-	-
5010	Sale of equipment	76,402	39,953	20,400	6,255	-
5360	Ramsey Washington Cable	231,079	258,597	230,000	202,990	185,000
5360	Refunds and reimbursements	-	-	-	14,710	-
5105	Bond proceeds	-	-	1,425,000	1,225,889	545,000
	Total operating revenues	<u>1,022,787</u>	<u>955,293</u>	<u>2,295,400</u>	<u>2,147,646</u>	<u>1,162,700</u>
<b>Transfers In</b>						
5205	General Fund	-	-	-	300,000	-
5205	Economic Development Fund	-	-	-	57,093	-
5205	Non-Bonded Debt Service Fund	400,000	-	-	-	-
5205	Insurance Fund	-	40,000	-	-	-
	Total transfers in	<u>400,000</u>	<u>40,000</u>	<u>-</u>	<u>357,093</u>	<u>-</u>
	Total revenues	<u>1,422,787</u>	<u>995,293</u>	<u>2,295,400</u>	<u>2,504,739</u>	<u>1,162,700</u>
<b>Expenditures</b>						
	Capital	<u>1,132,311</u>	<u>1,115,793</u>	<u>2,142,950</u>	<u>758,275</u>	<u>2,558,930</u>
<b>Transfers out</b>						
	Water Fund	30,137	-	-	-	-
	Sewer Fund	-	-	10,000	8,215	-
	Ambulance Fund	240,600	235,200	-	-	-
	Total transfers out	<u>270,737</u>	<u>235,200</u>	<u>10,000</u>	<u>8,215</u>	<u>-</u>
	Total expenditures	<u>1,403,048</u>	<u>1,350,993</u>	<u>2,152,950</u>	<u>766,490</u>	<u>2,558,930</u>
	Revenues over (under) expenditures	<u>19,739</u>	<u>(355,700)</u>	<u>142,450</u>	<u>1,738,249</u>	<u>(1,396,230)</u>
	Fund balance January 1	<u>1,383,693</u>	<u>1,403,432</u>	<u>860,383</u>	<u>1,047,732</u>	<u>2,785,981</u>
	Fund balance December 31	<u>\$ 1,403,432</u>	<u>\$ 1,047,732</u>	<u>\$ 1,002,833</u>	<u>\$ 2,785,981</u>	<u>\$ 1,389,751</u>



**City of White Bear Lake  
Equipment Acquisition Fund**

**Annual Budget**

<b>Business Unit</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
4102	City Hall	\$ 140,504	\$ 80,046	\$ 198,100	\$ 160,655	\$ 119,600
4104	Building	2,281	21,576	22,500	32,500	38,500
4106	Streets and Snow Removal	316,038	68,835	307,000	161,470	525,030
4105	Engineering	6,545	-	35,000	-	40,000
4107	Parks	16,010	124,926	2,600	2,600	274,000
4108	Police	318,386	192,990	297,000	262,150	310,400
4109	Fire	246,610	582,791	1,242,250	52,400	1,044,400
4111	Dispatch	67,533	-	-	-	-
4116	City Wide Improvements	15,510	-	-	-	60,000
4117	Communication Towers	-	19,298	-	55,000	25,000
4118	Public Works Facility	2,894	21,909	5,000	5,000	-
4119	Sports Center	-	3,422	33,500	26,500	122,000
	Transfers out	270,737	235,200	10,000	8,215	-
	<b>Total</b>	<b>\$ 1,403,048</b>	<b>\$ 1,350,993</b>	<b>\$ 2,152,950</b>	<b>\$ 766,490</b>	<b>\$ 2,558,930</b>

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**Fund:                   Municipal Building Fund 4300**

**Department Activities and Responsibilities:**

The Municipal Building Fund accounts for the sources and uses associated with development or renovation of City facilities. Previously, the Fund received a portion of the annual tax levy to support operations; however, in 2019 a philosophical change replaced the tax levy allocation with a portion of the annual State's Local Government Aid. Since the State aid payment can be uncertain, making it difficult to rely on for General Fund operations, by recognizing the revenue in this budget, the City may modify expenditures if the State reduces or eliminates the aid.

The City's Community Counseling Center merged with Northeast Youth and Family Services (NYFS) in 2012. The merger allows NYFS to rent the counseling center facility if the center's purpose assists community mental health needs of the greater White Bear area. Counseling Center funds are set aside as a reserve for future building improvements. The rent paid by NYFS increases the building reserve balance each year.

**Budget Summary:**

The following page summarizes the total proposed expenditures by department. Even though the budget allocates resources for these expenditures, each item included in the total will undergo a detailed analysis and review before final approval authorizes the purchase. Funding for capital replacements could move to future years' budgets based on unanticipated maintenance issues or budget reductions during the year.

A detailed discussion of the City's five year Capital Improvement Plan and purchases or projects funded by this budget is in the Summary Data section of the document.

**City of White Bear Lake  
Municipal Building Fund**

**Annual Budget  
Fund Summary**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Revenues</b>						
4015	General property tax levy	\$ 143,800	\$ -	\$ -	\$ -	\$ -
4604	Federal grants	-	-	-	70,098	-
4624	Local government aid	-	100,000	100,000	100,000	131,318
4662	Ramsey County - Counseling Center	32,845	-	-	-	-
4955	Interest	33,303	31,191	10,000	14,500	12,000
4975	Rental income - Counseling Center	6,000	6,000	6,000	6,000	6,000
4990	Donations - WBL Hockey Assoc.	500,000	-	-	-	-
5015	Bond sale proceeds	5,000,174	-	-	-	-
5360	Refunds and reimbursements	52,683	34,612	-	-	-
	Total operating revenues	<u>5,768,805</u>	<u>171,803</u>	<u>116,000</u>	<u>190,598</u>	<u>149,318</u>
Transfers In						
5205	Armory Fund	10,000	10,000	10,000	10,000	10,000
5205	Economic Development Fund	-	-	-	20,100	-
5205	Community Reinvestment Fund	-	-	50,000	50,000	50,000
	Total transfers in	<u>10,000</u>	<u>10,000</u>	<u>60,000</u>	<u>80,100</u>	<u>60,000</u>
	Total revenues	<u>5,778,805</u>	<u>181,803</u>	<u>176,000</u>	<u>270,698</u>	<u>209,318</u>
<b>Expenditures</b>						
	Capital	<u>5,645,035</u>	<u>317,935</u>	<u>514,500</u>	<u>314,400</u>	<u>403,650</u>
	Revenues over (under) expenditures	<u>133,770</u>	<u>(136,132)</u>	<u>(338,500)</u>	<u>(43,702)</u>	<u>(194,332)</u>
	Reserve adjustment (to) from	<u>-</u>	<u>-</u>	<u>(6,000)</u>	<u>(6,000)</u>	<u>(6,000)</u>
	Fund Balance January 1	<u>866,819</u>	<u>1,000,589</u>	<u>772,464</u>	<u>864,458</u>	<u>814,756</u>
	Fund Balance December 31	<u>\$ 1,000,589</u>	<u>\$ 864,458</u>	<u>\$ 427,964</u>	<u>\$ 814,756</u>	<u>\$ 614,424</u>
<b>Reserve</b>						
	Reserve - Counseling center	<u>\$ 60,417</u>	<u>\$ 60,417</u>	<u>\$ 66,417</u>	<u>\$ 66,417</u>	<u>\$ 72,417</u>

**City of White Bear Lake  
Municipal Building Fund**

**Annual Budget**

<b>Business Unit</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
4304	City Hall	\$ 21,513	\$ 88,489	\$ 102,000	\$ 87,550	\$ 60,600
4306	Community Counseling Center	32,845	-	-	-	-
4308	Armory	122,358	26,486	10,000	18,000	10,000
4310	Public Safety Facility	126,370	59,988	79,500	53,950	29,800
4312	Fire Station 1	-	-	5,000	4,700	-
4314	Fire Station 2	131,391	61,170	74,000	71,400	51,000
4316	Public Works Facility	20,728	71,587	94,000	58,300	87,000
4320	Sports Center	5,189,830	6,500	130,000	20,500	85,250
4321	General City Wide Improvements	-	3,715	-	-	25,000
4322	Boatworks Commons	-	-	-	-	5,000
4323	Depot	-	-	20,000	-	50,000
	<b>Total</b>	<b>\$ 5,645,035</b>	<b>\$ 317,935</b>	<b>\$ 514,500</b>	<b>\$ 314,400</b>	<b>\$ 403,650</b>

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**Fund: Park Improvement Fund 4010**

### **Department Activities and Responsibilities**

This fund accounts for the acquisition, development, and improvements to City owned parkland and facilities. Primary revenue sources are park dedication fees levied against all new buildings constructed within the City, boat launch tag sales at Matoska Park, and an annual transfer from the Park Improvement Trust within the Community Reinvestment Fund. The fund also receives donations from local non-profit organizations to support projects that benefit their groups' activities.

The City Council delegates the prioritization of park improvement designs to the Parks Advisory Commission. The improvement project process begins at the commission meetings with the development of detailed plans the City Council will review for final approval. Both the Park Advisory Commission and the City Council approve any major park renovations before construction commences. For the past several years, the commission recommendations typically focus improvements on two parks per year in order to make a more meaningful impact with available funds.

The White Bear Lake Lions Club donated \$75,000 toward the construction of an all abilities park at one of the City's existing park locations. With the receipt of the donation, the Parks Commission will now begin exploring the total cost and best method to add the all abilities structures to current park equipment. The City is holding the donation as a deposit payable until it approves the plans and begins the project.

### **Budget Summary**

The following page summarizes the total proposed expenditures by park location. Even though the budget allocates resources for these expenditures, each item included in the total will undergo a detailed analysis and review before final approval authorizes the purchase. Funding for capital replacements could move to future years' budgets based on unanticipated maintenance or budget reductions during the year.

A detailed discussion of the City's five year Capital Improvement Plan and purchases or projects funded by this budget is in the Summary Data section of the document.

**City of White Bear Lake  
Park Improvement Fund**

**Annual Budget  
Fund Summary**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Revenues</b>						
4350	Launch tag revenues	\$ 9,976	\$ 12,034	\$ 10,000	\$ 17,610	\$ 10,000
4955	Interest	43,554	50,258	15,000	25,000	22,500
4975	Rental income	1,201	2,232	-	2,000	2,000
4990	Donations	84,726	19,071	-	900	-
5045	Park dedication fees	16,550	37,634	15,000	1,200	15,000
5046	Tree dedication fees	1,020	12,249	-	20,585	-
5360	Refunds and reimbursements	1,012	-	-	-	-
	Total operating revenues	<u>158,039</u>	<u>133,478</u>	<u>40,000</u>	<u>67,295</u>	<u>49,500</u>
Transfers In						
5205	Community Reinvestment Fund	<u>30,000</u>	<u>30,000</u>	<u>75,900</u>	<u>75,900</u>	<u>75,900</u>
	Total revenues	<u>188,039</u>	<u>163,478</u>	<u>115,900</u>	<u>143,195</u>	<u>125,400</u>
<b>Expenditures</b>						
	Other services and charges	413,655	61,994	4,500	-	-
	Capital	<u>138,231</u>	<u>91,973</u>	<u>386,500</u>	<u>284,600</u>	<u>324,500</u>
	Total expenditures	<u>551,886</u>	<u>153,967</u>	<u>391,000</u>	<u>284,600</u>	<u>324,500</u>
	Revenues over (under) expenditures	<u>(363,847)</u>	<u>9,511</u>	<u>(275,100)</u>	<u>(141,405)</u>	<u>(199,100)</u>
	Fund balance January 1	<u>2,019,076</u>	<u>1,655,229</u>	<u>1,466,749</u>	<u>1,664,740</u>	<u>1,523,335</u>
	Fund balance December 31	<u>\$ 1,655,229</u>	<u>\$ 1,664,740</u>	<u>\$ 1,191,649</u>	<u>\$ 1,523,335</u>	<u>\$ 1,324,235</u>



**City of White Bear Lake  
Park Improvement Fund**

**Annual Budget**

<b>Business Unit</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
4012	General park improvements	\$ 52,000	\$ -	\$ 4,500	\$ -	\$ 11,000
4012	Trail repairs and maintenance	125,121	-	-	-	-
4012	Miscellaneous projects	15,631	978	43,000	33,000	43,000
4015	Bossard Park	-	-	-	-	-
4021	Ebba Park	-	-	-	-	3,000
4024	Hidden Hollow Park	800	-	-	-	2,000
4027	Marina	-	-	-	-	-
4030	Lakeview Park	4,525	-	-	-	-
4033	Lakewood Hills Park	82,107	53,521	75,000	63,000	-
4036	Lions Park	790	1,476	-	2,000	1,000
4039	Matoska Park	23,245	20,405	-	-	-
4045	Memorial Beach	6,140	-	-	3,000	240,000
4042	McCarty Park	21,840	-	-	-	-
4048	Podvin Park	48,791	1,600	40,000	8,000	-
4051	Railroad Park	84,985	16,231	20,000	20,000	-
4054	Ramaley Park	3,365	-	-	-	-
4057	Rotary Nature Preserve	-	-	-	-	-
4060	Spruce Park	3,476	-	-	-	-
4063	Stellmacher Park	20,343	3,645	-	-	-
4065	Varney Lake Trail	-	-	800	-	800
4066	Veteran's Memorial Park	50,816	17,213	40,000	10,000	-
4069	West Park and Memorial Beach	5,198	(2,062)	145,000	141,900	-
4072	Weyerhauser Park	-	30,500	20,000	-	20,000
4078	Yost Park	-	10,460	-	-	-
4079	Boatworks Park / Boardwalk	-	-	2,700	3,700	3,700
4081	Geist gazebo	2,713	-	-	-	-
	<b>Total</b>	<b>\$ 551,886</b>	<b>\$ 153,967</b>	<b>\$ 391,000</b>	<b>\$ 284,600</b>	<b>\$ 324,500</b>

**Fund: Water Improvement Fund 4220**

**Department Activities and Responsibilities**

This fund accounted for resources to provide system-wide expansion and improvements to the City's water production and distribution network that may or may not provide direct benefit or be assessable to private property. These improvements included water main replacements, treatment plant equipment upgrades, and major water infrastructure renovations to facilities such as wells or reservoirs.

In 2020, the City transferred the December 31, 2019, fund balance of the Water Improvement Fund to the Water Fund to merge the infrastructure budget costs with the operating budget into one fund. This combination allows the Water Fund to prepare a comprehensive budget for all expenditures related to the activity and ensure rates are set at an appropriate level to support operations.

**City of White Bear Lake**  
**Water Improvement Fund**

**Annual Budget**  
**Fund Summary**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Revenues</b>						
4955	Interest	\$ 8,962	\$ 11,588	\$ 5,000	\$ -	\$ -
5025	Connection charges	23,562	90,380	20,000	-	-
5105	Bond sale proceeds	-	-	1,300,000	-	-
5360	Refund - Township Whitaker Lift Stat.	8,000	-	-	-	-
	<b>Total revenues</b>	<u>40,524</u>	<u>101,968</u>	<u>1,325,000</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>						
7220	Building Improvements (4222)	217,523	64,351	40,000	-	-
7220	Equipment Improvements (4222)	4,874	-	1,250,000	-	-
7220	Pump Improvements (4224)	44,869	32,485	60,000	-	-
	<b>Total expenditures</b>	<u>267,266</u>	<u>96,836</u>	<u>1,350,000</u>	<u>-</u>	<u>-</u>
Transfers Out						
7605	Water Fund	-	-	-	370,689	-
	<b>Total expenditures</b>	<u>267,266</u>	<u>96,836</u>	<u>1,350,000</u>	<u>370,689</u>	<u>-</u>
	Revenues over (under) expenditures	<u>(226,742)</u>	<u>5,132</u>	<u>(25,000)</u>	<u>(370,689)</u>	<u>-</u>
	Fund balance January 1	<u>592,299</u>	<u>365,557</u>	<u>285,799</u>	<u>370,689</u>	<u>-</u>
	Fund balance December 31	<u>\$ 365,557</u>	<u>\$ 370,689</u>	<u>\$ 260,799</u>	<u>\$ -</u>	<u>\$ -</u>

**Fund: Sewer Improvement Fund 4200**

**Department Activities and Responsibilities**

This fund provided for system-wide expansion and improvements to the City's sanitary sewer network, which may or may not provide direct benefit or be assessable to private property. These improvements included sanitary sewer main upgrades, lift station expansions, and sewer flow metering.

In 2020, the City transferred the December 31, 2019, fund balance of the Sewer Improvement Fund to the Sewer Fund to merge the infrastructure budget costs with the operating budget into one fund. This combination allows the Sewer Fund to prepare a comprehensive budget for all expenditures related to the activity and ensure rates are set at an appropriate level to support operations.

**City of White Bear Lake**  
**Sewer Improvement Fund**

**Annual Budget**  
**Fund Summary**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Revenues</b>						
4955	Interest	\$ 12,024	\$ 10,414	\$ -	\$ -	\$ -
5025	Connection charges	5,200	89,040	10,000	-	-
5360	Refund - Township Whitaker Lift Stat.	12,137	6,237	7,000	-	-
	Total revenues	<u>29,361</u>	<u>105,691</u>	<u>17,000</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>						
7220	General Improvements (4202)	78,881	-	34,200	-	-
7220	Sewer Relining Projects (4204)	110,997	119,931	125,000	-	-
	Total expenditures	<u>189,878</u>	<u>119,931</u>	<u>159,200</u>	<u>-</u>	<u>-</u>
Transfers Out						
7605	Sewer Fund	-	-	-	488,383	-
	Total expenditures	<u>189,878</u>	<u>119,931</u>	<u>159,200</u>	<u>488,383</u>	<u>-</u>
	Revenues over (under) expenditures	<u>(160,517)</u>	<u>(14,240)</u>	<u>(142,200)</u>	<u>(488,383)</u>	<u>-</u>
	Fund balance January 1	<u>663,140</u>	<u>502,623</u>	<u>404,623</u>	<u>488,383</u>	<u>-</u>
	Fund balance December 31	<u>\$ 502,623</u>	<u>\$ 488,383</u>	<u>\$ 262,423</u>	<u>\$ -</u>	<u>\$ -</u>

**Fund: Community Reinvestment Fund 4770**

**Department Activities and Responsibilities:**

During the 1996 Budget process, City staff expressed concern regarding the high cost of street improvement projects assessed to homeowners and the expected loss of revenue from dedicated park availability fees imposed against new construction projects. To address these concerns, the City established the Community Reinvestment Fund through Ordinance No. 96-3-931 with the intent of building a significant fund balance to use as an endowment to assist in reducing the cost of street improvements assessed to homeowners and securing a perpetual source of park improvement funding. The endowment has grown substantially through the years from settlements, interest earned on special assessments and debt service savings gained through special assessment debt restructuring.

In 2019, the City Council modified the provisions of the original ordinance in Ordinance No. 19-12-2041 to allow the fund to spend down the balance to a minimum of \$6,000,000 for capital expenditures to include support of the Interim Construction Fund, Park Improvement Fund and the Municipal Building Fund.

**Budget Summary:**

Through analysis of the current economic environment for interest rates and bond rates, and the City's Capital Improvement Plan, the 2020 and 2021 Budgets incorporate a planned drawdown of the reserve balance per direction of the City Council. To accomplish this strategy, the 2020 and 2021 Budgets record a reduced amount of interest to the fund while increasing the allocations to offset street improvement costs budgeted in the Interim Construction Fund and park improvement costs budgeted in the Park Improvement Fund. In addition to funding those two activities, the 2020 Budget begins an annual transfer to the Municipal Building Fund to support facility capital needs.

The analysis will continue each year to monitor the Fund Balance and determine the appropriate interest revenues and transfers out to support the street, park, and municipal building improvements.

**City of White Bear Lake  
Community Reinvestment Fund**

**Annual Budget  
Fund Summary**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Revenues</b>						
4955	Interest	\$ 125,000	\$ 284,084	\$ 114,825	\$ 114,825	\$ 113,666
	Total revenues	<u>125,000</u>	<u>284,084</u>	<u>114,825</u>	<u>114,825</u>	<u>113,666</u>
<b>Transfers Out</b>						
7605	Interim Construction Fund - Streets	95,000	105,000	113,000	113,000	113,000
7605	Park Improvement Fund - Parks	30,000	30,000	75,900	75,900	75,900
7605	Municipal Building Fund - Buildings	-	-	50,000	50,000	50,000
	Total transfers out	<u>125,000</u>	<u>135,000</u>	<u>238,900</u>	<u>238,900</u>	<u>238,900</u>
	Revenues over (under) expenditures	-	149,084	(124,075)	(124,075)	(125,234)
	Fund balance January 1	<u>7,655,000</u>	<u>7,655,000</u>	<u>7,655,000</u>	<u>7,804,084</u>	<u>7,680,009</u>
	Fund balance December 31	<u>\$ 7,655,000</u>	<u>\$ 7,804,084</u>	<u>\$ 7,530,925</u>	<u>\$ 7,680,009</u>	<u>\$ 7,554,775</u>
<b>Reserve</b>						
	Street Improvements	\$ 5,980,000	\$ 6,096,463	\$ 5,931,240	\$ 5,999,537	\$ 5,901,706
	Park Improvements	<u>1,675,000</u>	<u>1,707,621</u>	<u>1,599,685</u>	<u>1,680,472</u>	<u>1,653,069</u>
	Balance, December 31	<u>\$ 7,655,000</u>	<u>\$ 7,804,084</u>	<u>\$ 7,530,925</u>	<u>\$ 7,680,009</u>	<u>\$ 7,554,775</u>

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**Fund: HRA Tax Increment Financing Pool Fund 4600**

**Department Activities and Responsibilities:**

This fund accounts for the revenues and expenditures related to the City's tax increment districts. Tax Increment Financing (TIF) is a statutory tool used by local governments to assist in paying for qualifying improvements through the increased property taxes generated from the new development, redevelopment, or housing that would not have otherwise occurred "but for" the use of TIF. Tax increment is the difference between the existing taxes on a parcel before development or redevelopment occurs and the increased property taxes created by the new development.

After approving a TIF plan, the City must request certification of the district by the county auditor, who then certifies the district's original values. Requests for certification made on or before June 30 each year will have their original values based on the previous assessment year, and requests after June 30 will have their values based on the current assessment year information.

The four most commonly used types of tax increment districts available to a city are housing, economic development, redevelopment, and soils districts.

Housing districts provide affordable, safe, and sanitary housing options for low and moderate-income occupants. Housing may be either rental or occupant owned and based on income limits defined by the Internal Revenue Code.

Economic development districts promote economic development through the establishment of increased tax base and job creation. Eligible development is generally restricted to manufacturing, industrial, and warehouse type development.

Redevelopment districts promote the redevelopment of blighted properties and most often involves acquiring parcels of land, which contain blighted structures, removing the structures, and conveying the site to a redeveloper.

Soils districts help pay the remedial expenses associated with the cleanup of polluted soils in order to encourage development. In the past, cities could also create soils districts to improve soils that were not polluted but deficient for building purposes due to other characteristics, i.e. organic content. Today, however, the soil must have a hazardous substance, pollution, or contaminants to establish a soils district.

In 1982, statute amendments loosened restrictions to allow cities to "pool" tax increment districts, which groups several districts together into a master project area and allows tax increment from one district's development to fund improvement expenditures in other districts in the larger project area. The policy changes do not allow the increment revenue to fund improvements or activities other than those allowed for the specific district type from which they were derived. For example, the restrictions placed on tax increments from a "soils" district require those funds to be spent on soil mitigation within the master project area even if they are pooled.

The City pooled HRA districts 1 through 11, which allows the funds in each of the districts to share their resources within an expanded project area. HRA districts 12 through 27 are restricted districts, which require tax increment expenditures to stay within the district and are not available to contribute to the area-wide pool.

The HRA Fund has maintained reporting and budgeting practices, which recognizes and coordinates the following activities into separate and distinct reporting entities. The HRA Fund accounts for only tax increment revenues and expenditures, assigns all expenditures to specific TIF districts, and charges both principal and interest portions of debt service payments directly to the appropriate TIF district.

**Fund: HRA Tax Increment Financing Pool Fund 4600**

Debt Service

The City sold \$2,275,000 Tax Increment General Obligation Bonds in 2016 to assist in financing the redevelopment of the Johnson Boat Works property into the Boatworks Commons development. The bond sale provided \$2,250,000 for site cleanup, soil correction, utility improvements, and public facility improvements.

The Boatworks Commons Tax Increment District 27 provides the funding source for payment of the bond obligation.

Year	Principal	Interest	Total	Rate
2022	\$ 90,000	\$ 48,313	\$ 138,313	3.000%
2023	90,000	45,612	135,612	3.000%
2024	95,000	42,837	137,837	3.000%
2025	100,000	39,912	139,912	3.000%
2026	105,000	37,363	142,363	2.000%
2027	110,000	35,212	145,212	2.000%
2028	115,000	32,962	147,962	2.000%
2029	120,000	30,552	150,552	2.100%
2030	125,000	27,917	152,917	2.200%
2031	130,000	25,047	155,047	2.300%
2032	135,000	21,932	156,932	2.400%
2033	140,000	18,563	158,563	2.500%
2034	145,000	15,000	160,000	2.500%
2035	150,000	11,125	161,125	2.750%
2036	155,000	6,932	161,932	2.750%
2037	160,000	2,400	162,400	3.000%
Total	1,965,000	441,679	2,406,679	

District Operating Loans

A number of the tax increment districts have resources available to share with other tax increment districts through an internal loan to provide funding until the receiving district generates sufficient revenue to repay the loan.

District No. 25 – Project C:

In 2005, District 25 incurred street, lighting, and landscaping costs associated with the annual street reconstruction project. Since the District did not have enough funds to cover the costs, the White Bear Lake Housing and Redevelopment Authority approved a loan to the District since the estimated tax increment collections over the District's life exceeded the loan amount needed to pay the expenditures. The original loan schedule planned for a sixteen-year repayment plan; however, tax increment revenues exceeded expectations, which allowed repayment of the remaining balance in 2019. The loan repayments did not include interest because the loans are within the same fund.

District No. 27 – Boatworks Common:

On November 12, 2012, the City Council created Tax Increment Financing (TIF) District No. 27 (Boatworks Commons) within the Development Project Area No. 1. The Boatworks Common TIF District assisted in financing extensive public improvements planned both onsite and within the adjacent Lake Avenue right-of-way. The City Council adopted resolution # 11770 on March 8, 2016 establishing a \$750,000 internal loan with a 3.00% interest rate from the Economic Development Fund to complete Boatworks Commons financing on November 24, 2015.

**Fund: HRA Tax Increment Financing Pool Fund 4600**

Year	Principal	Interest	Total	Rate
2022	\$ -	\$ 22,500	\$ 22,500	3.000%
2023	-	22,500	22,500	3.000%
2024	-	22,500	22,500	3.000%
2025	-	22,500	22,500	3.000%
2026	-	22,500	22,500	3.000%
2027	-	22,500	22,500	3.000%
2028	-	22,500	22,500	3.000%
2029	-	22,500	22,500	3.000%
2030	-	22,500	22,500	3.000%
2031	-	22,500	22,500	3.000%
2032	10,000	22,350	32,350	3.000%
2033	10,000	22,050	32,050	3.000%
2034	10,000	21,750	31,750	3.000%
2035	10,000	21,450	31,450	3.000%
2036	10,000	21,150	31,150	3.000%
2037	10,000	20,850	30,850	3.000%
2038	190,000	17,850	207,850	3.000%
2039	200,000	12,000	212,000	3.000%
2040	200,000	6,000	206,000	3.000%
2041	100,000	1,500	101,500	3.000%
<b>Total</b>	<b>750,000</b>	<b>391,950</b>	<b>1,141,950</b>	

**Budget Summary:**

An annual transfer to the General Fund serves as reimbursement for the portion of staff time related to the planning and administrative duties for redevelopment projects financed in this Fund. The fund also supports transfers out to pay the annual debt service and internal loan payments for District 27 – Boatworks Commons.

The year-end fund balance is comprised of activity in the following tax increment districts:

District	Business Unit	Name	Type	Balance 12/31/2020	Balance 12/31/2021
N/A	4601	HRA Fund General Revenues	N/A	\$ 12,299	\$ 17,299
25	4640	Project C	Redevelopment	766,204	984,194
26	4641	Hoffman Place	Housing	50,258	46,643
27	4645	Boatworks Commons	Redevelopment	188,073	250,883
<b>Total</b>				<b>1,016,834</b>	<b>1,299,019</b>

**City of White Bear Lake**  
**HRA Tax Increment Pool**

**Annual Budget**  
**Fund Summary**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Revenues</b>						
4020	Tax increment	\$ 490,475	\$ 542,961	\$ 429,000	\$ 559,700	\$ 475,745
4955	Interest	-	7,299	-	5,000	5,000
5325	Loan repayments	110,000	200,000	-	-	-
	Total revenues	<u>600,475</u>	<u>750,260</u>	<u>429,000</u>	<u>564,700</u>	<u>480,745</u>
<b>Expenditures</b>						
Supplies						
6250	Other supplies and parts	440	-	-	-	-
	Total supplies	<u>440</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Services and Charges						
6401	Professional services	-	7,656	7,660	7,500	7,660
6434	General liability insurance	2,426	1,207	1,250	1,090	1,250
6455	Legal notice publication	-	260	300	300	350
6550	Developer payments	38,592	40,183	43,000	42,555	44,000
6560	Contractual services	156,968	202,030	6,000	6,000	6,000
6590	Administration charges	-	674	1,700	1,700	1,700
7420	Debt interest	-	22,500	-	-	-
	Total other services and charges	<u>197,986</u>	<u>274,510</u>	<u>59,910</u>	<u>59,145</u>	<u>60,960</u>
Transfers Out						
7604	Loan payment	110,000	200,000	-	-	-
7605	Transfer out - General Fund	25,000	25,000	25,000	25,000	25,000
7605	Transfer out - Economic Development	-	-	22,500	22,500	22,500
7605	Transfer out - 2016 G.O. TIF Bonds	155,000	135,000	140,000	133,413	136,000
	Total transfers out	<u>290,000</u>	<u>360,000</u>	<u>187,500</u>	<u>180,913</u>	<u>183,500</u>
	Total expenditures	<u>488,426</u>	<u>634,510</u>	<u>247,410</u>	<u>240,058</u>	<u>244,460</u>
	Revenues over (under) expenditures	<u>112,049</u>	<u>115,750</u>	<u>181,590</u>	<u>324,642</u>	<u>236,285</u>
	Fund balance January 1	<u>464,393</u>	<u>576,442</u>	<u>565,908</u>	<u>692,192</u>	<u>1,016,834</u>
	Fund balance December 31	<u>\$ 576,442</u>	<u>\$ 692,192</u>	<u>\$ 747,498</u>	<u>\$ 1,016,834</u>	<u>\$ 1,253,119</u>
<b>Fund Balance Reconciliation to CAFR:</b>						
	Budget fund balance December 31	\$ 576,442	\$ 692,192			
	Advances to other funds	(750,000)	(750,000)			
	CAFR fund balance December 31	<u>\$ (173,558)</u>	<u>\$ (57,808)</u>			

City of White Bear Lake  
HRA Tax Increment Pool

Annual Budget  
Fund Detail

Code	Item	2018 Actual	2019 Actual	2020 Adopted	2020 Revised	2021 Budget
4601	<b>HRA Fund General Revenues</b>	\$ -	\$ 7,299	\$ -	\$ 5,000	\$ 5,000
4630	<b>Smith - Birch Cove</b>					
	Revenue	\$ 110,000	\$ 200,000	\$ -	\$ -	\$ -
	Expenditures	155,000	200,000	-	-	-
	Revenues over (under) expenditures	\$ (45,000)	\$ -	\$ -	\$ -	\$ -
4640	<b>Downtown Expansion Parcel C - District 26</b>					
	Revenue	\$ 267,138	\$ 290,793	\$ 232,000	\$ 294,400	\$ 250,240
	Expenditures	138,214	227,019	32,250	32,090	32,250
	Revenues over (under) expenditures	\$ 128,924	\$ 63,774	\$ 199,750	\$ 262,310	\$ 217,990
4644	<b>Hoffman Place - District 26</b>					
	Revenue	\$ 42,806	\$ 46,490	\$ 38,000	\$ 48,100	\$ 40,885
	Expenditures	39,049	41,324	43,500	43,055	44,500
	Revenues over (under) expenditures	\$ 3,757	\$ 5,166	\$ (5,500)	\$ 5,045	\$ (3,615)
4645	<b>Boatworks - District 27</b>					
	Revenue	\$ 180,531	\$ 205,678	\$ 159,000	\$ 217,200	\$ 184,620
	Expenditures	156,162	166,167	171,660	164,913	167,710
	Revenues over (under) expenditures	\$ 24,369	\$ 39,511	\$ (12,660)	\$ 52,287	\$ 16,910
	<b>Totals</b>					
	Total revenues	\$ 600,475	\$ 742,961	\$ 429,000	\$ 559,700	\$ 475,745
	Total expenditures	488,425	634,510	247,410	240,058	244,460
	Revenues over (under) expenditures	\$ 112,050	\$ 108,451	\$ 181,590	\$ 319,642	\$ 231,285

**Fund: Construction Fund 4400**

**Department Activities and Responsibilities:**

The Construction Fund handles the revenues and expenditures for City projects relating to street rehabilitation, sidewalks, trails, and traffic signals.

**Budget Summary:**

Multiple revenue sources come together in this fund to provide support for the project expenditures. A major revenue is the State of Minnesota's financial assistance to cities with high volume or key streets covered by the municipal state-aid street system. Funding for the assistance comes from transportation-related taxes, which the state distributes based on a statutory formula.

The property tax levy funds activities to manage the impacts of the Emerald Ash Borer tree disease.

In years when the interest earnings were very high, the City paid a large portion of the street reconstruction expenditures with the interest revenues and did not need additional financing. However, in the years since the economic slow-down in the mid 2000's and now the COVID-19 pandemic, the low interest rates have significantly affected the City's available resources. To address the reduced interest revenues, declining fund balances, and decreasing support from the License Bureau Fund, the City began issuing bonds in 2018 to cover expenditures for the annual street improvement projects. This funding arrangement continued in 2019 with a smaller scale construction project and lower costs. The financial management plan continues smaller scale projects with annual bond issuance for financial support.

Within each street reconstruction project, an agreement between the City and the contractors allows residential property owners to re-surface their driveway or televise their sewer line at a reduced rate using the contractors' services while onsite for the project. Property owners reimburse the City for the services, which the City includes in the contract payment. The 2021 Budget estimates the reimbursement amount since these items are unknown until the project work begins the next year.

As the City continues to implement its pavement management plan, it will be important to review of alternative funding sources and the special assessment process.

The Construction Fund also relies on transfers from other City funds to strengthen the construction program budget. In previous years, the Non-Bonded Fund supported construction activities through a transfer of special assessments accumulated from property owners in annual project areas not tied to a specific debt service issue. This practice ends in 2019 as special assessments collected from property owners pay the related debt service issue. The annual Community Reinvestment Fund transfer offsets street improvement costs for residents. In the past, the City has allocated excess revenues from the License Bureau Fund to this budget since the customer activity for the department relates to streets and transportation. In the 2021 Budget, the License Bureau is unable to continue this transfer as the fund's balance has decreased in recent years since revenues received to process driver's licenses within the State's new computer system do not cover costs to process the customer transactions.

The following page summarizes the total proposed expenditures by project. A detailed discussion of the City's five year Capital Improvement Plan and purchases or projects funded by this budget is in the Summary Data section of this document.

In 2019, this Fund began transferring resources to the General Fund for reimbursement of services provided by the Engineering Department when the department transitioned from an Internal Service Fund.

**City of White Bear Lake  
Construction Fund**

**Annual Budget  
Fund Summary**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Revenues</b>						
4015	General property tax levy	\$ -	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
4210	Special assessments	-	170,566	25,000	151,781	50,000
4626	MSA maintenance	764,358	709,884	710,000	797,000	621,000
4670	Met Council grant	218,135	-	-	141,000	-
4955	Interest on investment	139,387	121,873	40,000	75,000	75,000
4990	Donations	8	-	-	-	-
5010	Sale of goods and property	1,186	834	-	268	-
5105	Bond sale proceeds	3,866,644	1,996,842	2,000,000	2,568,979	2,350,000
5350	Miscellaneous revenue	68,015	68,650	-	84,315	-
5360	Refunds and reimbursements	671,639	91,607	21,000	21,000	21,000
	<b>Total operating and other revenues</b>	<b>5,729,372</b>	<b>3,185,256</b>	<b>2,821,000</b>	<b>3,864,343</b>	<b>3,142,000</b>
<b>Transfers In</b>						
5205	Non-Bonded Debt Fund	1,266,546	107,500	-	-	-
5205	2018A GO Improvement Bonds	-	135,000	-	-	-
5205	Community Reinvestment Fund	95,000	105,000	113,000	113,000	113,000
5205	License Bureau Fund	200,000	150,000	75,000	75,000	-
5205	Surface Water Pollution Prevention	75,000	-	-	-	-
5205	Sewer	-	-	-	-	-
	<b>Total transfers in</b>	<b>1,636,546</b>	<b>497,500</b>	<b>188,000</b>	<b>188,000</b>	<b>113,000</b>
	<b>Total revenues</b>	<b>7,365,918</b>	<b>3,682,756</b>	<b>3,009,000</b>	<b>4,052,343</b>	<b>3,255,000</b>
<b>Expenditures</b>						
<b>Construction projects</b>						
4402	General expenditures	18,270	33,695	50,000	25,918	51,200
4404	Seal coating and crack sealing	281,403	198,165	300,000	136,725	300,000
4405	Sidewalks	49,583	275	-	-	50,000
4491	Ash Borer	25,125	30,161	25,000	21,200	25,000
	Street reconstruction projects	4,415,322	2,710,843	1,790,000	1,559,000	-
	Mill and overlay projects	260,434	335,447	1,500,000	1,625,500	2,400,000
	Sanitary Sewer projects	-	-	165,000	-	-
	Miscellaneous concrete projects	-	-	63,000	69,769	65,000
	Miscellaneous street related projects	-	-	275,000	-	305,000
	<b>Total construction projects</b>	<b>5,050,137</b>	<b>3,308,586</b>	<b>4,168,000</b>	<b>3,438,112</b>	<b>3,196,200</b>
	Transfers out	-	1,065,000	750,000	750,000	750,000
	<b>Total expenditures</b>	<b>5,050,137</b>	<b>4,373,586</b>	<b>4,918,000</b>	<b>4,188,112</b>	<b>3,946,200</b>
	Revenues over (under) expenditures	2,315,781	(690,830)	(1,909,000)	(135,769)	(691,200)
	Reserve adjustment (to) from	-	(43,875)	-	(3,823)	-
	Fund balance January 1	2,775,587	5,091,368	3,513,845	4,356,663	4,217,071
	Fund balance December 31	<u>\$ 5,091,368</u>	<u>\$ 4,356,663</u>	<u>\$ 1,604,845</u>	<u>\$ 4,217,071</u>	<u>\$ 3,525,871</u>
<b>Reserve for Emerald Ash Borer</b>						
	Balance, January 1	\$ -	\$ -	\$ 43,875	\$ 43,875	\$ 47,698
	Additions	-	43,875	-	3,823	-
	Usages	-	-	-	-	-
	Balance, December 31	<u>\$ -</u>	<u>\$ 43,875</u>	<u>\$ 43,875</u>	<u>\$ 47,698</u>	<u>\$ 47,698</u>

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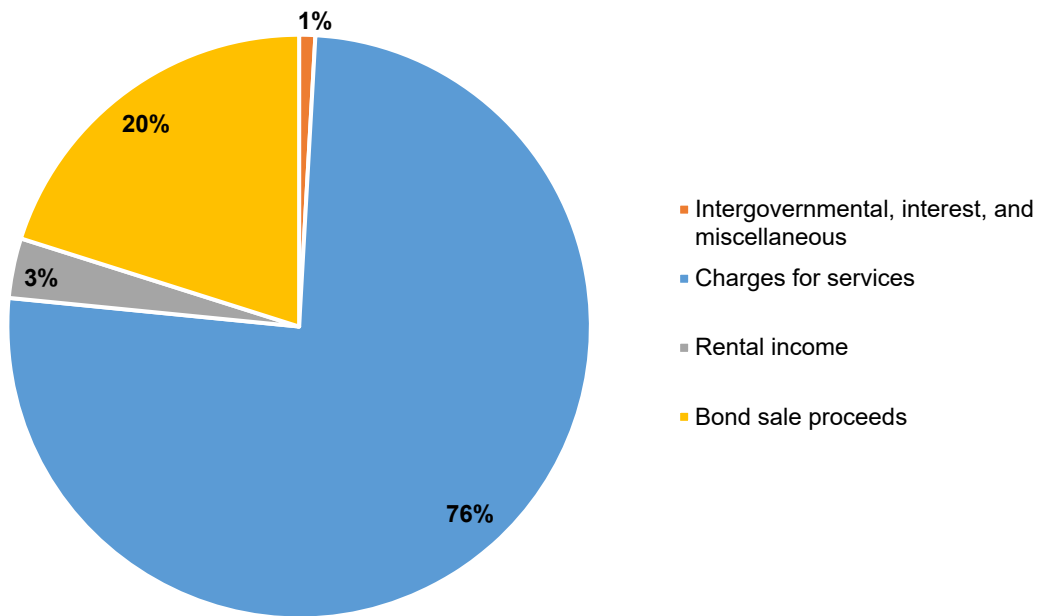
**City of White Bear Lake  
Enterprise Funds**

**Annual Budget**

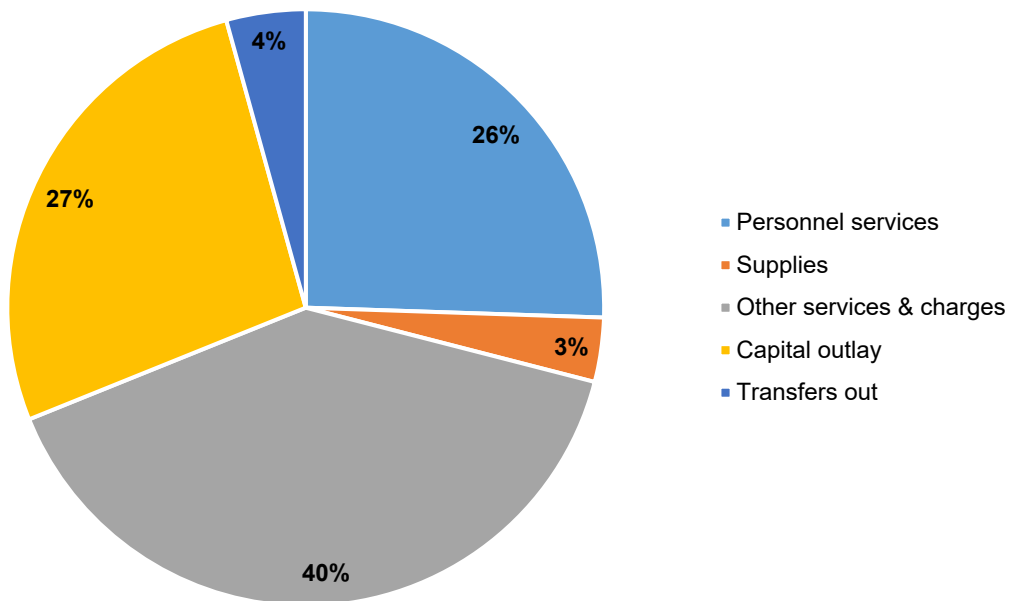
	<u>2018 Actual</u>	<u>2019 Actual</u>	<u>2020 Budget</u>	<u>2020 Revised</u>	<u>2021 Budget</u>
<b>Revenues</b>					
Intergovernmental	\$ 60,691	\$ 279,418	\$ 123,904	\$ 706,797	\$ 62,339
Charges for services	8,466,157	9,127,756	9,524,750	8,814,282	9,401,728
Rental income	386,837	399,896	400,300	400,300	412,000
Interest	-	28,826	-	12,500	10,000
Bond sale proceeds	-	-	-	904,350	2,500,000
Miscellaneous	57,907	79,125	44,000	34,179	39,000
Transfer in	125,000	435,200	210,000	1,222,358	-
Total revenues	<u>9,096,592</u>	<u>10,350,221</u>	<u>10,302,954</u>	<u>12,094,766</u>	<u>12,425,067</u>
<b>Expenditures</b>					
Personnel services	2,667,427	3,098,645	3,520,529	3,290,460	3,357,141
Supplies	429,891	414,305	477,595	471,629	457,200
Other services & charges	4,679,481	4,755,755	5,213,161	5,274,310	5,246,373
Capital outlay	36,873	235,200	649,600	1,993,447	3,525,700
Transfers out	1,181,929	915,000	715,000	715,000	565,000
Total expenditures	<u>8,995,601</u>	<u>9,418,905</u>	<u>10,575,885</u>	<u>11,744,845</u>	<u>13,151,414</u>
Revenues over (under) expenditures	<u>100,991</u>	<u>931,316</u>	<u>(272,931)</u>	<u>349,920</u>	<u>(726,347)</u>
Reserve adjustment (to) from	<u>(10,000)</u>	<u>(10,000)</u>	<u>70,000</u>	<u>(686,852)</u>	<u>338,500</u>
Fund balance, January 1	<u>523,150</u>	<u>614,141</u>	<u>1,159,843</u>	<u>1,535,457</u>	<u>1,198,525</u>
Fund balance, December 31	<u>\$ 614,141</u>	<u>\$ 1,535,457</u>	<u>\$ 956,912</u>	<u>\$ 1,198,525</u>	<u>\$ 810,679</u>
Reserves	<u>150,000</u>	<u>160,000</u>	<u>90,000</u>	<u>846,852</u>	<u>508,352</u>
Total fund balance and reserves, December 31	<u>\$ 764,141</u>	<u>\$ 1,695,457</u>	<u>\$ 1,046,912</u>	<u>\$ 2,045,377</u>	<u>\$ 1,319,031</u>

# 2021 Enterprise Funds

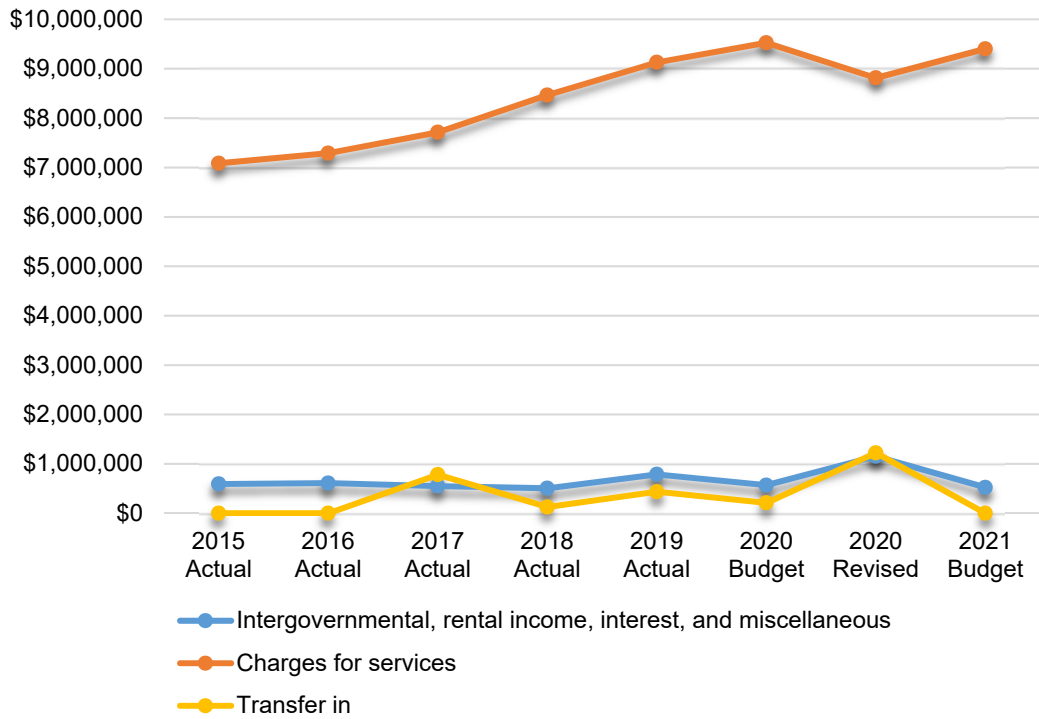
Total Revenues \$12,425,067



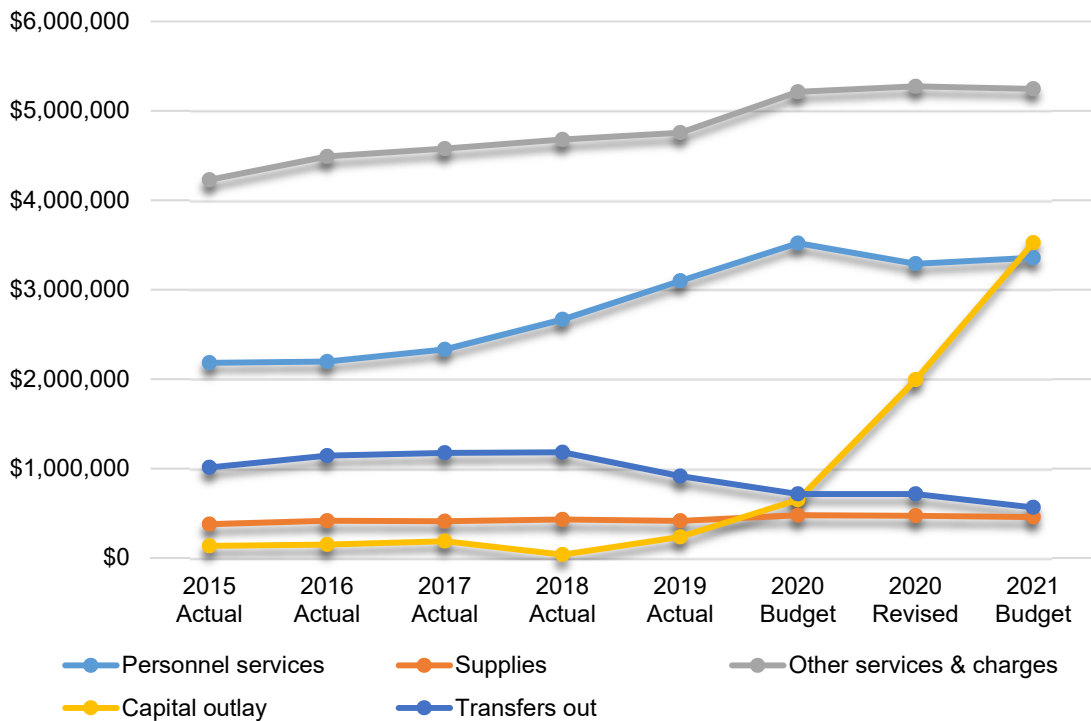
Total Expenditures \$13,151,414



## Enterprise Funds Revenue Trend Analysis



## Enterprise Funds Expenditure Trend Analysis



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**Fund: Water Fund 5010**

**Department Activities and Responsibilities:**

The Water Fund, which is a function of the City's Public Works Division, accounts for the operation, maintenance, and repair of all facilities necessary for the production, treatment, storage, and distribution of water to residents and commercial/industrial enterprises in White Bear Lake. As part of the daily operations, this department also oversees the installation of all new water connections for customers, final service reads, fire hydrant maintenance, and fire hydrant flushing activities twice each year.

The City uses five deep wells, three storage reservoirs, and one treatment plant in the water production process. The production levels fluctuate each season since weather conditions influence customer usage during the summer months.

The water level in White Bear Lake dropped significantly in 2008 and remained low for the following years. Some lakeshore property owners became concerned that City pumping activities in the local aquifer were drawing down the lake level. They formed the White Bear Lake Restoration Association to protect the interests of the lake by submitting a lawsuit against the Minnesota Department of Natural Resources regarding the water pumping permits given to the City of White Bear Lake. The City was not originally part of the lawsuit; however, the legal challenge directly involved City operations. Therefore, in 2014, the City intervened in the lawsuit, authorizing the City Manager and City Attorney to take all actions necessary to protect the City's investments in its public water supply infrastructure. The Water Fund originally absorbed the legal costs within the operating budget; however, as the legal expenses depleted the Fund Balance, the City added a lake level litigation fee to the quarterly utility bills to subsidize the costs. At that point, the litigation fees collected from users and legal costs moved to the Insurance Fund to account for the situation as a claim against the City.

The Ramsey County District Judge ruled in favor of the White Bear Lake Restoration Association and declared certain remedies that would adversely affect the City and its residents. The DNR and City were successful in its appeal to the Court of Appeals in 2019. The Minnesota State Supreme Court is now considering the case. Based upon current litigation costs, the fee will continue through the end of 2020. At that time, the City will have recovered expenditure costs through the fee revenues. Since anticipated litigation costs are minimal, the 2021 Budget redirects the lake level litigation fee and litigation expenditures to the Water Fund.

**Budget Summary:**

The City strives to create a balanced budget for the Water Fund operations as it promotes water conservation to customers to encourage reduced pumping and production activities, while trying to receive sufficient revenues to support expenses. The City needs to consider two key components in stabilizing the department's fund balance and the customer rate structure.

First, all expenditures for the activity should be accounted for in one fund. Up until this point, the Water Fund budgeted for operating expenditures and the Water Improvement Fund maintained the infrastructure budgets. To improve the long range planning process, the City transferred the December 31, 2019, fund balance, revenues and expenditures of the Water Improvement Fund into the Water Fund to create a comprehensive plan for the activities. The annual water connection fees and the fund balance provide a beginning balance for a new Capital Infrastructure Reserve to fund major improvement costs in future years.

Second, rates must be set at an appropriate level to support both operations and infrastructure replacement costs. To assist with long range financial planning, in 2020, the City began using an in-house analytics software for government entities that provide water services. The software enables users to integrate revenue, operating and capital costs, and reserves information on one platform and visually display impacts of rates increases and potential expenditures over time. The software also provides opportunity to enter different scenarios for comparisons. Through the analysis, the City determined need to implement an infrastructure fee into the quarterly water billings to save for future infrastructure renewal and replacements costs on the City's aging infrastructure.

The 2021 Budget also includes a modest rate adjustment to maintain the financial sustainability of the Fund.

**Fund: Water Fund 5010**

The following charts present current rates and the proposed rates used to prepare the 2021 Budget.

Residential Units Consumed	2019 Rate	2020 Rate	Proposed 2021 Rate
0-8	\$13.40 flat fee	\$13.80 flat fee	\$13.76 flat fee
Winter quarter >8	1.60 per unit	1.65 per unit	1.72 per unit
Non-winter quarter >8	1.95 per unit	2.00 per unit	2.08 per unit

Commercial Units Consumed	2019 Rate	2020 Rate	Proposed 2021 Rate
0-8	\$13.40 flat fee	\$13.80 flat fee	\$13.28 flat fee
8-27	1.55 per unit	1.60 per unit	1.66 per unit
27-75	1.60 per unit	1.65 per unit	1.72 per unit
>75	1.80 per unit	1.85 per unit	1.92 per unit
Non-winter quarter over base	1.95 per unit	2.00 per unit	2.08 per unit

As mentioned above, the City chose to repurpose the redirected the residential and commercial lake level litigation fees transferred to the Water Fund in 2021 to a new infrastructure fee. This provides the operations with much needed funds with minimal effects on customers. The commercial fee will remain at \$17.50 per quarter, while the residential fee will increase from \$4.00 per quarter to \$5.00 per quarter to provide additional funds to support the residential meter replacement program.

The City provides water to the neighboring communities of Birchwood Village and Gem Lake through a cooperative contract agreement. Each community receives a quarterly charge and it becomes their responsibility to charge the costs to their residents.

The City received another water efficiency grant from the Metropolitan Council in August 2019 to support resident installation of EPA Water Sense-certified low-flow toilets during the calendar year 2020. The grant will cover 75% of program costs with the municipality providing the remaining 25% as a match.

On July 16, 2020, the City issued General Obligation Bonds, Series 2020A in an aggregate principal amount of \$4,440,000. Of that total, this fund accounts for payments related to the \$860,000 of General Obligation Utility Revenue Bonds issued pursuant to Minnesota Statutes, Chapters 444 and 475 to provide financing for utility improvements at the City's 1 million gallon north water tower. The 2020A General Obligation Bonds Debt Service Fund in the Debt Service section of this budget accounts for the remainder of the bond issuance payments. As of December 31, 2021, the City's principal obligation on the debt is \$3,580,000. Future principal and interest obligations on this debt by expense category are as follows:

**Fund: Water Fund 5010**

Year	Principal	Interest	Total	Rate
2022	\$ 35,000	\$ 20,550	\$ 55,550	3.000%
2023	35,000	19,500	54,500	3.000%
2024	35,000	18,450	53,450	3.000%
2025	35,000	17,400	52,400	3.000%
2026	35,000	16,350	51,350	3.000%
2027	40,000	15,300	55,300	3.000%
2028	40,000	14,100	54,100	3.000%
2029	40,000	12,900	52,900	3.000%
2030	40,000	11,700	51,700	3.000%
2031	45,000	10,500	55,500	2.000%
2032	45,000	9,600	54,600	2.000%
2033	45,000	8,700	53,700	2.000%
2034	45,000	7,800	52,800	2.000%
2035	45,000	6,900	51,900	2.000%
2036	50,000	6,000	56,000	2.000%
2037	50,000	5,000	55,000	2.000%
2038	50,000	4,000	54,000	2.000%
2039	50,000	3,000	53,000	2.000%
2040	50,000	2,000	52,000	2.000%
2041	50,000	1,000	51,000	2.000%
<b>Total</b>	<b>860,000</b>	<b>210,750</b>	<b>1,070,750</b>	

In 2021, the City intends to issue \$2,500,000 of General Obligation bonds to finance the replacement of residential water meters as this project continues to remain a high priority for the department as meters experience reduced accuracy with age. Though a project of this magnitude is expensive, upgrading all meters to a radio read system would provide a savings in contracted meter reading services and ensure users pay for their actual water consumption each quarter. In 2014, the City began installing radio read meters that significantly reduce the amount of time spent obtaining meter readings. At this time, the Utility Billing Clerk continues to work with Water Department staff to identify non-functioning meters needing replacement immediately. To date, 1,478 of the City's meters are radio read. The bond issuance will provide funding to replace the approximately 6,200 remaining meters with radio read units.

Water Distribution:

In the Personnel Services section, the Insurance Contribution account is adjust to reflect an average cost of insurance per employee to simplify the budgeting process and allocate costs to departments based on full-time equivalent employee counts.

The 2021 Budget for the Small Tools account decreases the allocation for residential meter replacements as the City begins the new meter installation project during the year. The expenditure decrease one more time in 2022 upon completion for the project and will remain low until the new meters near their end of useful life and need replacement again.

The Professional Services expenditure budget includes appropriations for meter reading services. The monthly rate increased dramatically as the vendor plans to end their contract meter reading work at the end of 2021. It is difficult to find services to perform these duties so the City agreed to the higher terms with the understanding that the department will work to reading the meters internally in 2021. The installation of

**Fund: Water Fund 5010**

new meters in 2021 will eliminate this \$70,000 expenditure from the budget in future years. The 2021 budget also provides funding for assistance with the City's Wellhead Protection Plan Part B Update and a Risk and Resilience Assessment and Emergency Response Plan.

Although the City experiences water main breaks each year, they have not been at the same level as 2018 nor have they caused significant damage. Staff continues to review water infrastructure plans to determine areas that might provide a high risk of potential damage if a break were to occur.

The Revised 2020 Budget for Contracted Services adds funding for unanticipated water tower tank modifications at the City's 1 million gallon north water tower to coincide with the painting project during the year.

Water Treatment:

Water Treatment operations remain consistent with previous years. The Equipment Maintenance Service account adds funding in the Revised 2020 Budget for unexpected slaker and bearing repairs, while the 2021 Budget adds funds for SCADA system maintenance in the Contracted Services account.

**Capital Outlay:**

This department painted the 1 million gallon north water tower and replaced a mower in 2020. The 2021 Budget plans to replace the tank truck, add fiber connections to equipment in lift stations and wells, replacement water meters, complete a water treatment plant system analysis, rehabilitate one well, demo the lagoon facility, clean the 3 million gallon south water tower tank and replace doors at the treatment plant and well facilities.

**Goals:**

1. Develop and implement conservative measures with goal of reducing water consumption by three to five percent.
2. Monitor/adjust utility rates in a fiscally responsible matter that will result in the Water Fund financial stability.
3. Ensure that a high quality, reliable, secure water supply is readily available to residents and businesses of White Bear Lake.
4. Continue to install radio read metering equipment and to administer the large meter replacement and calibration program.

**Measurable Workload Data:**

	2018 <u>Actual</u>	2019 <u>Actual</u>	2020 <u>Budget</u>	2021 <u>Budget</u>
Number of Gallons (in Millions) Pumped and Treated	731	718	695	695
Meters converted to T10 Sensus radio read units	328	282	100	300
Flush water mains and exercise gate valves and hydrants annually to ensure reliable operations.	100%	100%	100%	100%



**City of White Bear Lake  
Water Fund**

**Annual Budget  
Fund Summary**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Revenues</b>						
4882	Charges for services	\$ 1,368,768	\$ 1,375,509	\$ 1,510,000	\$ 1,510,000	\$ 1,568,000
4842	Miscellaneous public works charges	-	7,170	-	5,320	5,000
4886	Penalties	102,113	98,313	100,000	22,850	50,000
4889	Capital infrastructure fees	-	-	-	-	199,130
4670	Met Council water conservation grant	-	-	64,000	64,000	-
5010	Sale of goods and property	17,498	23,027	12,000	18,550	12,000
5025	System connection charges	-	-	-	11,390	10,000
5105	Bond sale proceeds	-	-	-	904,350	2,500,000
5350	Miscellaneous	5,614	5,472	7,500	5,000	5,000
	Total operating and other revenues	<u>1,493,993</u>	<u>1,509,491</u>	<u>1,693,500</u>	<u>2,541,460</u>	<u>4,349,130</u>
<b>Transfers In</b>						
5205	Economic Development Fund	-	-	-	67	-
5205	Non-Bonded Debt Service Fund	125,000	-	-	-	-
5205	Water Improvement Fund	-	-	-	370,689	-
	Total transfers in	<u>125,000</u>	<u>-</u>	<u>-</u>	<u>370,756</u>	<u>-</u>
	Total revenues	<u>1,618,993</u>	<u>1,509,491</u>	<u>1,693,500</u>	<u>2,912,216</u>	<u>4,349,130</u>
<b>Expenditures</b>						
	Operating - Distribution	903,805	720,109	931,058	944,119	921,273
	Operating - Treatment	519,646	528,744	536,981	543,366	545,162
	Capital equipment - Distribution	9,645	-	-	930,000	-
	Capital equipment - Treatment	-	-	6,000	14,500	235,000
	Capital infrastructure - Distribution	-	-	-	-	2,598,200
	Capital infrastructure - Treatment	-	-	-	-	145,000
	Total expenditures	<u>1,433,096</u>	<u>1,248,853</u>	<u>1,474,039</u>	<u>2,431,985</u>	<u>4,444,635</u>
<b>Debt Service</b>						
7420	Interest	-	-	-	-	11,131
7430	Fiscal agent fee	-	-	-	-	550
	Total debt service	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,681</u>
<b>Transfers Out</b>						
7605	General Fund	120,820	120,000	120,000	120,000	128,000
7605	Non-Bonded Fund	-	125,000	-	-	-
	Total transfers out	<u>120,820</u>	<u>245,000</u>	<u>120,000</u>	<u>120,000</u>	<u>128,000</u>
	Total expenditures	<u>1,553,916</u>	<u>1,493,853</u>	<u>1,594,039</u>	<u>2,551,985</u>	<u>4,572,635</u>
	Revenues over (under) expenditures	<u>65,077</u>	<u>15,638</u>	<u>99,461</u>	<u>360,231</u>	<u>(223,505)</u>
	Capital reserves adjustment (to) from	<u>-</u>	<u>-</u>	<u>-</u>	<u>(382,079)</u>	<u>168,500</u>
	Fund balance January 1	<u>68,002</u>	<u>133,079</u>	<u>134,849</u>	<u>148,717</u>	<u>126,869</u>
	Fund balance December 31	<u>\$ 133,079</u>	<u>\$ 148,717</u>	<u>\$ 234,310</u>	<u>\$ 126,869</u>	<u>\$ 71,863</u>
	Capital infrastructure reserves	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 382,079</u>	<u>\$ 213,579</u>
<b>Fund Balance Reconciliation to CAFR:</b>						
	Budget fund balance December 31	\$ 133,079	\$ 148,717			
	Deferred outflows of pension resources	56,970	33,540			
	Net pension liability	(276,692)	(263,763)			
	Deferred inflows of pension resources	(75,093)	(86,535)			
	Net capital assets	1,776,457	1,662,248			
	Accounts receivable	1,112,200	1,227,288			
	Special assessments receivable	318,429	346,716			
	CAFR fund balance December 31	<u>\$ 3,045,350</u>	<u>\$ 3,068,211</u>			

**City of White Bear Lake**  
**Enterprise - Water Distribution**

**Annual Budget**  
**Business Unit: 5012**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Personnel Services</b>						
6105	Salaries - regular employees	\$ 160,955	\$ 159,004	\$ 171,085	\$ 174,356	\$179,960
6117	Overtime - regular employees	16,812	14,719	13,000	11,000	14,500
6119	Salaries - temporary employees	3,822	-	7,899	-	-
6122	PERA	13,332	13,029	13,806	13,902	14,585
6124	FICA/Medicare	13,442	12,984	14,687	14,180	14,876
6128	Insurance contribution	11,750	12,300	12,915	12,915	24,225
6138	Worker's compensation	6,155	6,150	6,150	6,150	7,800
6148	Other benefits	1,500	1,500	1,500	1,500	4,080
	<b>Total personnel services</b>	<b>227,768</b>	<b>219,686</b>	<b>241,042</b>	<b>234,003</b>	<b>260,026</b>
<b>Supplies</b>						
6210	Office supplies	-	-	100	-	100
6220	Equipment supplies	5,275	1,491	4,000	4,000	4,000
6230	Vehicle supplies	2,975	276	3,000	3,000	3,500
6240	Building supplies	647	(171)	750	750	750
6250	Other supplies	20,134	13,279	31,400	31,400	31,400
6255	Landscaping supplies	-	-	200	-	200
6272	Motor fuels	7,312	7,453	9,000	8,500	9,000
6274	Lubricants & additives	833	-	400	400	400
6280	Books & periodicals	-	-	100	100	100
6290	Uniforms	1,208	944	1,300	1,300	1,300
6295	Small tools	106,065	88,494	95,000	92,000	64,400
	<b>Total supplies</b>	<b>144,449</b>	<b>111,766</b>	<b>145,250</b>	<b>141,450</b>	<b>115,150</b>
<b>Other Services and Charges</b>						
6401	Professional services	73,419	52,690	64,450	79,000	142,450
6402	Data processing	27,093	27,280	30,710	30,710	34,090
6411	Telephone	739	691	830	830	915
6412	Cellular	973	933	1,200	925	925
6422	Electric	169,800	146,813	180,000	150,000	170,000
6423	Natural gas	11,332	9,665	15,000	11,200	13,000
6434	General liability insurance	21,217	21,217	21,217	21,217	21,217
6436	Vehicle liability insurance	6,634	6,634	6,634	6,634	1,500
6445	Postage	4,838	5,746	6,000	6,000	6,000
6450	Outside printing	1,404	3,422	2,900	2,900	2,900
6455	Legal notices and publications	-	1,121	-	1,000	1,000
6460	Subscription/memberships	452	475	475	825	825
6470	Training	1,857	-	2,500	450	2,200
6487	Water conservation	-	-	64,000	64,000	-
6492	Advertising	-	-	-	650	300
6505	Equipment maintenance service	5,323	1,969	7,350	5,575	5,575
6510	Vehicle maintenance service	62	456	1,500	1,500	1,500
6515	Building maintenance service	3,464	1,502	4,000	4,000	4,000
6525	Electrical repair service	5,065	-	5,800	5,800	5,500
6535	Other maintenance service	185,664	97,021	110,000	110,000	110,000
6555	Equipment rental	-	525	700	700	700
6560	Other contractual services	12,252	10,497	19,500	48,350	21,500
7440	Discount on bonds sold	-	-	-	16,400	-
	<b>Total other services and charges</b>	<b>531,588</b>	<b>388,657</b>	<b>544,766</b>	<b>568,666</b>	<b>546,097</b>
<b>Capital Outlay</b>						
7120	Building	-	-	-	930,000	-
7140	Equipment	9,645	-	-	-	-
7220	Infrastructure	-	-	-	-	2,598,200
	<b>Total capital outlay</b>	<b>9,645</b>	<b>-</b>	<b>-</b>	<b>930,000</b>	<b>2,598,200</b>
<b>Transfers</b>						
7605	Non-bonded fund	-	125,000	-	-	-
7605	General Fund - administration charge	102,280	101,000	101,000	101,000	108,000
	<b>Total transfers</b>	<b>102,280</b>	<b>226,000</b>	<b>101,000</b>	<b>101,000</b>	<b>108,000</b>
<b>Total</b>		<b>\$ 1,015,730</b>	<b>\$ 946,109</b>	<b>\$ 1,032,058</b>	<b>\$ 1,975,119</b>	<b>\$ 3,627,473</b>

**City of White Bear Lake**  
**Enterprise - Water Treatment**

**Annual Budget**  
**Business Unit: 5013**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Personnel Services</b>						
6105	Salaries - regular employees	\$ 149,823	\$ 164,088	\$ 159,833	\$ 158,235	\$ 164,659
6117	Overtime - regular employees	7,430	6,126	10,000	10,000	10,763
6122	PERA	11,794	12,766	12,738	12,618	13,157
6124	FICA/Medicare	11,937	13,138	12,992	12,870	13,420
6128	Insurance contribution	22,760	23,900	25,095	25,095	20,425
6138	Worker's compensation	13,660	13,660	13,660	13,660	7,800
6148	Other benefits	3,000	3,000	3,000	3,000	3,440
	Total personnel services	<u>220,404</u>	<u>236,678</u>	<u>237,318</u>	<u>235,478</u>	<u>233,664</u>
<b>Supplies</b>						
6210	Office supplies	203	-	150	350	350
6220	Equipment supplies	3,250	9,939	6,500	6,500	6,500
6230	Vehicle supplies	15	11	500	1,000	1,000
6240	Building supplies	1,860	6,914	4,000	3,700	3,700
6250	Other supplies	985	297	1,750	1,750	1,750
6255	Landscaping supplies	-	-	200	500	500
6260	Chemicals	143,076	119,718	135,000	135,000	135,000
6272	Motor fuels	210	22	1,000	625	500
6274	Lubricants & additives	-	23	250	250	250
6280	Books & periodicals	-	-	100	-	100
6290	Uniforms	808	1,719	1,500	1,500	1,500
6295	Small tools	916	2,521	2,250	2,250	3,550
	Total supplies	<u>151,323</u>	<u>141,164</u>	<u>153,200</u>	<u>153,425</u>	<u>154,700</u>
<b>Other Services and Charges</b>						
6401	Professional services	7,103	67	525	525	525
6411	Telephone	2,278	1,714	1,970	1,970	2,095
6412	Cellular	1,358	1,413	1,420	1,420	1,420
6434	General liability insurance	23,866	23,866	23,865	23,865	23,865
6436	Vehicle liability insurance	3,983	3,983	3,983	3,983	3,983
6460	Subscription/memberships	110	156	350	300	360
6470	Training	342	542	1,800	800	1,800
6487	Water conservation	-	-	100	100	100
6505	Equipment maintenance service	4,622	3,249	5,650	12,650	9,750
6510	Vehicle maintenance service	-	-	1,000	1,000	1,000
6515	Building maintenance service	6,101	1,986	3,100	4,750	3,100
6525	Electrical repair service	2,248	6,873	4,000	4,000	4,000
6535	Other maintenance service	1,906	-	-	-	-
6555	Equipment rental	794	795	900	900	900
6560	Other contractual services	4,028	24,728	5,500	5,900	11,600
6565	Disposal fees	89,180	81,530	92,300	92,300	92,300
	Total other services and charges	<u>147,919</u>	<u>150,902</u>	<u>146,463</u>	<u>154,463</u>	<u>156,798</u>
<b>Capital Outlay</b>						
7140	Equipment	-	-	6,000	14,500	235,000
7220	Improvements	-	-	-	-	145,000
	Total capital outlay	<u>-</u>	<u>-</u>	<u>6,000</u>	<u>14,500</u>	<u>380,000</u>
<b>Transfers</b>						
7605	General Fund - administration charge	18,540	19,000	19,000	19,000	20,000
	<b>Total</b>	<b><u>\$ 538,186</u></b>	<b><u>\$ 547,744</u></b>	<b><u>\$ 561,981</u></b>	<b><u>\$ 576,866</u></b>	<b><u>\$ 945,162</u></b>

**Fund: Sewer Fund 5050**

**Department Activities and Responsibilities:**

The Sewer Fund maintains the financial information for the sewer collection system and oversees the treatment of wastewater to allow its safe return to the environment. The costs for these services fall into two categories.

The first category includes costs associated with moving the sewage from local residential and commercial customers to the regional wastewater treatment facility. The City has complete control over the operating and capital improvement costs related to the activity.

The second category refers to the wastewater collection and treatment costs associated with the regional facility operated by the Metropolitan Council Environmental Services (MCES). The regional program serves 109 communities within the seven-county metro area. Communities connected to the system pay an annual Municipal Wastewater Charge (MWC) based on their percentage of the total regional wastewater flow. The high level of oversight and coordination of services offered through the MCES regional wastewater treatment program provides communities with cost savings and enhances the region's environmental quality. Though the service is a significant portion of the Sewer Department budget that the city cannot control, the City would incur greater costs providing these services on its own.

**Budget Summary:**

The City continues to make considerable efforts to regulate operational costs; however, with MCES charges at approximately 75% of the total fund expenditures, it becomes extremely difficult to control overall costs for the department. The following chart summarizes the operational and MCES disposal costs affecting the fund over a ten-year period:

<u>Year</u>	<u>Operations</u>	<u>Disposal</u>	<u>Total</u>
2012	\$ 549,569	\$ 1,738,459	\$ 2,288,028
2013	574,050	1,793,656	2,367,706
2014	619,724	1,692,271	2,311,995
2015	591,805	1,788,793	2,380,598
2016	590,410	1,967,272	2,557,682
2017	662,655	2,079,102	2,741,757
2018	603,640	2,154,783	2,758,423
2019	608,886	2,278,929	2,887,815
2020 Est.	689,343	2,286,900	2,976,243
2021 Est.	757,385	2,177,800	2,935,185

This expenditure comparison is a good starting point in the discussion of revenues and securing financial stability within the Fund. The City needs to consider two key components in relation to revenues and sustainable rate structures.

First, all expenditures for the activity are now being accounted for in one fund. Up until this point, the Sewer Fund budgeted for operating expenditures and the Sewer Improvement Fund maintained the infrastructure budgets. To improve the long range planning process, the City transferred the December 31, 2019, fund balance, revenues and expenditures of the Sewer Improvement Fund into the Sewer Fund to create a comprehensive plan for the activities. The annual sewer connection fees and the fund balance provide a beginning balance for a new Capital Infrastructure Reserve to fund major improvement costs in future years.

Second, rates must be set at an appropriate level to support both operations and infrastructure replacement costs. After multiple years without a sewer rate increase, the City began adjusting rates in 2016 to avoid a fund deficit. Annual rate adjustments since that time have provided enough revenues to cover current operating expenditures and a significant portion of the required capital expenditures beginning in 2020.

The chart below compares recent rates with the proposed rates for 2021.

**Fund: Sewer Fund 5050**

Units Consumed	2019 Rate	2020 Rate	Proposed 2021 Rate
0-8	\$33.45 flat fee	\$34.45 flat fee	\$35.50 flat fee
>8	4.15 per unit	4.30 per unit	4.45 per unit

In considering these proposed rate increases, the City recognizes the need for a sewer rate structure to guarantee a steady funding source for operations, capital and infrastructure expenditures in future years. The 2021 Professional Services budget allocates funds for an in-house rate study software to support long-range financial planning and eliminate rate spikes when emergencies occur.

The annual Municipal Waste Charge for disposal fees fluctuates each year based on what percentage the City's flow is of the total flow through the system. For the 2021 calculation, the City's portion of the total flow increased 3.02%; however, in relation to the overall flow of the entire system the change in our Municipal Waste Charge is actually a reduction of 4.754%. Therefore, the total due to the Metropolitan Council for these services is lower than in 2020. Though our 2021 share of revenues is lower, the Metropolitan Environmental Services division continues to prioritize planning for capital infrastructure purchases and begin building financial stability into their fund balance.

**Capital Outlay:**

The 2020 Budget includes funding to upgrade the GraniteNet software, video inspection system, and an addition of a Geographical Information Systems mapping module to perform sewer line inspections and help staff make informed decisions on the condition of the pipes. The department also replaced its major vehicle, the Vactor/Jetter truck in 2020. The 2021 Budget allocates resources for equipment purchases of a pipe inspection camera, a mobile generator, and a small sewer line jetter, while large scale projects include an upgrade to the Whitaker Lift Station gate valve and bypass pump, the Willow Avenue sewer easement, and lining project for sewer line, manholes and lift stations.

**Goals:**

1. Monitor and maintain a reliable collection system for City sanitary sewer flow by performing routine maintenance work.
2. Improve public awareness of City's technology to investigate potential sewer problems through brochures, website, cable access, utility bill information, in addition, newspaper articles.
3. Restructure sanitary sewer maintenance inspections to take full advantage of the new remote telemetry alarm systems.

**Measurable Workload Data:**

	2018 <u>Actual</u>	2019 <u>Actual</u>	2020 <u>Budget</u>	2021 <u>Budget</u>
Miles of Sewer Lines Rodded and Jetted	20	27	23	35
Number of Public Line Sewer Backups	3	5	2	3
Number of Private Line Sewer Backups	43	40	40	40
Percent of Sewer Lift Station Monthly Alarm Checks	100%	100%	100%	100%

**City of White Bear Lake  
Sewer Fund**

**Annual Budget  
Fund Summary**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Revenues</b>						
4604	Federal grants	\$ -	\$ -	\$ -	\$ 2,147	\$ -
4882	Charges for services	3,106,133	3,304,973	3,398,000	3,220,695	3,317,300
4955	Interest	-	7,212	-	5,000	5,000
5010	Sale of goods and property	203	-	-	-	-
5025	System connection charges	-	-	-	11,390	10,000
5316	Sewer availability charge retainer	720	5,045	2,000	425	-
5360	Refunds and reimbursements	-	1,774	-	100	-
	<b>Total operating and other revenues</b>	<u>3,107,056</u>	<u>3,319,004</u>	<u>3,400,000</u>	<u>3,239,757</u>	<u>3,332,300</u>
<b>Transfers In</b>						
5205	Equipment Acquisition Fund	-	-	-	44	-
5205	Equipment Acquisition Fund	-	-	10,000	8,215	-
5205	Sewer Improvement Fund	-	-	-	488,383	-
	<b>Total transfers in</b>	<u>-</u>	<u>-</u>	<u>10,000</u>	<u>496,642</u>	<u>-</u>
	<b>Total revenues</b>	<u>3,107,056</u>	<u>3,319,004</u>	<u>3,410,000</u>	<u>3,736,399</u>	<u>3,332,300</u>
<b>Expenditures</b>						
	Operating	497,240	498,886	577,239	579,343	637,385
	Disposal	2,154,783	2,278,929	2,286,900	2,286,900	2,177,800
	Capital Equipment	-	-	566,000	503,447	90,000
	Capital Infrastructure	5,048	-	10,000	125,000	425,000
	<b>Total expenditures</b>	<u>2,657,071</u>	<u>2,777,815</u>	<u>3,440,139</u>	<u>3,494,690</u>	<u>3,330,185</u>
<b>Transfers Out</b>						
7605	General Fund	106,400	110,000	110,000	110,000	120,000
7605	Non-Bonded Fund	200,000	-	-	-	-
	<b>Total transfers out</b>	<u>306,400</u>	<u>110,000</u>	<u>110,000</u>	<u>110,000</u>	<u>120,000</u>
	<b>Total expenditures</b>	<u>2,963,471</u>	<u>2,887,815</u>	<u>3,550,139</u>	<u>3,604,690</u>	<u>3,450,185</u>
	<b>Revenues over (under) expenditures</b>	<u>143,585</u>	<u>431,189</u>	<u>(140,139)</u>	<u>131,709</u>	<u>(117,885)</u>
	<b>Capital reserves adjustment (to) from</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(374,773)</u>	<u>150,000</u>
	<b>Fund balance January 1</b>	<u>38,577</u>	<u>182,162</u>	<u>522,511</u>	<u>613,351</u>	<u>370,287</u>
	<b>Fund balance December 31</b>	<u>\$ 182,162</u>	<u>\$ 613,351</u>	<u>\$ 382,372</u>	<u>\$ 370,287</u>	<u>\$ 402,402</u>
	<b>Capital Infrastructure Reserves</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 374,773</u>	<u>\$ 224,773</u>
<b>Fund Balance Reconciliation to CAFR:</b>						
	Budget fund balance December 31	\$ 182,162	\$ 613,351			
	Deferred outflows of pension resources	38,881	23,953			
	Net pension liability	(188,837)	(188,371)			
	Deferred inflows of pension resources	(51,251)	(61,801)			
	Net capital assets	1,255,689	1,152,281			
	Accounts receivable	300,900	289,900			
	<b>CAFR fund balance December 31</b>	<u>\$ 1,537,544</u>	<u>\$ 1,829,313</u>			

**City of White Bear Lake**  
**Enterprise - Sewer**

**Annual Budget**  
**Business Unit: 5052**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Personnel Services</b>						
6105	Salaries - regular employees	\$ 220,539	\$ 238,767	\$ 273,152	\$ 279,308	\$ 299,628
6117	Overtime - regular employees	8,100	6,867	8,000	8,000	8,200
6119	Salaries - temporary employees	5,531	6,025	7,899	7,899	8,096
6122	PERA	17,148	18,423	21,086	21,548	23,087
6124	FICA/Medicare	18,049	19,682	22,112	22,583	24,168
6128	Insurance contributions	32,305	33,900	35,595	35,595	41,800
6138	Worker's compensation	19,785	19,785	19,785	19,785	26,160
6148	Other benefits	3,600	3,600	3,600	3,600	7,040
	<b>Total personnel services</b>	<b>325,057</b>	<b>347,049</b>	<b>391,229</b>	<b>398,318</b>	<b>438,180</b>
<b>Supplies</b>						
6210	Office supplies	-	-	400	400	400
6220	Equipment supplies	9,497	8,809	14,200	9,250	15,200
6230	Vehicle supplies	906	3,486	1,600	1,000	1,600
6240	Building supplies	613	988	2,500	1,750	2,200
6250	Other supplies	24	66	400	400	900
6260	Chemicals	-	-	1,000	-	1,500
6272	Motor fuels	5,811	7,242	9,000	9,000	9,000
6274	Lubricants & additives	823	48	600	300	600
6290	Uniforms	1,911	1,671	2,700	3,625	2,900
6295	Small tools	7,615	2,399	4,000	5,950	4,000
	<b>Total supplies</b>	<b>27,200</b>	<b>24,709</b>	<b>36,400</b>	<b>31,675</b>	<b>38,300</b>
<b>Other Services and Charges</b>						
6401	Professional services	42,881	9,220	20,750	9,520	13,385
6402	Data processing	27,093	27,280	30,710	30,710	34,090
6411	Telephone	614	575	690	690	760
6412	Cellular	976	900	1,150	1,370	1,370
6422	Electric	14,600	12,448	14,400	13,500	14,000
6423	Natural gas	1,648	1,535	2,000	1,650	1,700
6434	General liability insurance	30,500	30,500	30,500	30,500	30,500
6436	Vehicle liability insurance	5,310	5,310	5,310	5,310	1,500
6445	Postage	4,924	5,880	5,500	5,500	5,000
6450	Outside printing	270	142	700	200	700
6460	Subscription/memberships	425	448	500	1,000	1,000
6470	Training	2,416	1,613	2,400	2,200	2,300
6505	Equipment maintenance service	7,933	6,611	8,500	9,000	8,500
6510	Vehicle maintenance service	-	-	4,000	3,000	4,000
6515	Building maintenance service	-	-	-	9,200	15,600
6525	Electrical repair service	-	-	2,000	2,000	2,000
6535	Other maintenance service	3,348	17,144	12,000	12,000	12,000
6555	Equipment rental	78	-	1,000	1,000	1,000
6560	Other contractual service	1,967	7,522	7,500	11,000	11,500
6565	Disposal charges	2,154,783	2,278,929	2,286,900	2,286,900	2,177,800
	<b>Total other services and charges</b>	<b>2,299,766</b>	<b>2,406,057</b>	<b>2,436,510</b>	<b>2,436,250</b>	<b>2,338,705</b>
<b>Capital Outlay</b>						
7140	Equipment	5,048	-	566,000	503,447	90,000
7220	Infrastructure	-	-	10,000	125,000	425,000
	<b>Total capital outlay</b>	<b>5,048</b>	<b>-</b>	<b>576,000</b>	<b>628,447</b>	<b>515,000</b>
<b>Transfers</b>						
7605	Non-Bonded Fund	106,400	110,000	110,000	110,000	120,000
7605	General Fund - administration charge	200,000	-	-	-	-
	<b>Total transfers</b>	<b>306,400</b>	<b>110,000</b>	<b>110,000</b>	<b>110,000</b>	<b>120,000</b>
	<b>Total</b>	<b>\$ 2,963,471</b>	<b>\$ 2,887,815</b>	<b>\$ 3,550,139</b>	<b>\$ 3,604,690</b>	<b>\$ 3,450,185</b>

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**Fund: Environmental Recycling and Waste Disposal Fund 5100**

**Department Activities and Responsibilities:**

This department accounts for costs related to refuse collection and recycling services to residents. The City works with three main organizations to accomplish these activities: a contracted collection and hauling company, a waste to energy processing center, and a recycling processing facility.

Contract Collection and Hauling Services

Republic Services provides organized collection of residential refuse, recyclables, and yard waste through wheeled cart service on a weekly basis. The contract defines residential service as single-family homes, duplexes, triplexes, quad homes, and townhomes. This structure allows for a lower rate through efficient service routes, guarantees collection from all residential properties, reduces the wear on City streets by limiting the number of heavy vehicles traveling the streets each week, and improves residential recycling participation through coordinated pick up. The City invoices residents for this service on their quarterly utility bills and remits one payment to Republic.

The City's contract with Republic Services began in October 2016, when they purchased the remaining time of the previous hauler's contract with the City at the original rate and terms. While advantageous to the City, the previous hauler's rates were lower than the industry standards and resulted in losses for Republic. Since assuming the contract in 2016, Republic's rates have only increased 2%. Republic absorbed the losses for the short term, but need a more significant adjustment in the new contract to continue providing service.

The City and Republic Services negotiated a new seven-year contract extension for services to begin in September 2019 to include a 2% increase in 2019, as budgeted, an overall 10% increase in 2020 with the change to a flat hauler rate, a 4% increase in 2021, and a 2% increase each year thereafter for the duration of the contract. Staff compared the impacts of these rate increases to rates from competing haulers proposed in the 2014 Request for Proposal results. Had the proposed rates from each of the competing haulers been increased by 2% each year since 2014, all competing hauler rates would have been greater than the rates negotiated in the negotiated contract.

The new contract with Republic also changes the manner in which refuse and recycling costs are broken out. Previously, the recycling base collection fee was 20-25% of the total collection fee, depending on the service level. The new contract splits the fees 50/50, which lowers the residential bills in the calculation of county and state refuse taxes. The hauling contract does not include recycling processing, which is handled under a separate contract with Eureka Recycling, and the refuse disposal/tipping costs are paid directly by the City. As such, the hauler costs for the pick-up of recycling and refuse are equal, as each require a separate truck. Ramsey County taxes all residential refuse at a rate of 28%, so the ability to shift more of the cost toward recycling reduces the tax burden to homeowners.

Ramsey Washington Recycling and Energy Center

Per Minnesota law, the refuse hauler must deliver the collected waste to the Ramsey – Washington County Recycling & Energy Center facility in Newport, MN. The center processes waste to recover recyclables and to make fuel used to generate electricity at power plants owned and operated by Xcel Energy. The center plans additions of technology and equipment to recover more recyclables from trash, collect residential organic waste, and work with the private sector to produce biofuels and other products from refuse-derived fuel.

The center receives revenue through a tipping fee on all deliveries of waste to its location. The tipping fee is a per ton charge and pay the costs of operating the recycling and energy center. Prior to 2016, when a private company owned the center, Ramsey County issued a rebate to waste haulers to subsidize their overall tipping costs and encourage them to bring the waste to the center instead of landfills. Now under the joint ownership of Ramsey and Washington Counties, the law requires trash delivery to the center and eliminates the need for the subsidy. The rebate program ended in the beginning of 2020. This change requires haulers, residents, and businesses to pay the full cost of responsibly managing trash disposal.

**Fund: Environmental Recycling and Waste Disposal Fund 5100**

The funds previously used for hauler rebates will support activities to help the counties meet the state's goal of a 75% recycling rate and focus on their targeted waste plan initiatives.

The following chart illustrates the historical impact of the disposal fee and rebate changes for the facility over the last twelve-year period, while showing the significant increase is the City's costs to tip trash at the required center.

Year	Cost per ton	County Rebate	Net		% Change
			Disposal Cost		
2010	\$ 64.00	\$ 12.00	\$ 52.00		10.64%
2011	68.00	14.00	54.00		3.85%
2012	72.00	14.00	58.00		7.41%
2013	84.00	28.00	56.00		-3.45%
2014	84.81	28.00	56.81		1.45%
2015	86.22	28.00	58.22		2.48%
2016	70.00	12.00	58.00		-0.38%
2017	70.00	12.00	58.00		0.00%
2018	77.00	12.00	65.00		12.07%
2019	79.00	10.00	69.00		6.15%
2020	82.00	-	82.00		18.84%
2021	84.00	-	84.00		2.44%

Recycling Processing Facility

While Republic Services collects the recyclables from residential customers, their responsibility ends when they transport the materials to the recycling processing facility. Therefore, the City contracts with Eureka Recycling, a non-profit recycling processing center, to handle the materials after drop off. Eureka Recycling relies on local markets to ensure the materials are managed responsibly and uses best management practices to lead the local industry in innovation and environmental stewardship by focusing on a wide range of initiatives related to reuse, recycling, composting, waste reduction, and producer responsibility. Eureka Recycling provides a single sort processing system, which is consistent with the long-range environmental policy of the City's Environmental Advisory Commission.

The City's contract with Eureka contains a revenue sharing formula, which means the City receives all revenues received through sales minus the processing costs. This formula benefited the City in the past when the recycling markets were strong. However, during 2019, the markets weakened significantly and the City paid Eureka to process the materials instead of receiving sales revenue. Eureka's solid commitment to the local market has helped them to maintain some sales but the revenues are still less than the cost of processing. Because the City is now paying for processing not covered by revenues, as opposed to receiving revenue which had previously exceeded processing costs, the City will need to charge a recycling surcharge to cover these costs. The 2020 Budget incorporates a \$0.75 per household monthly recycling surcharge to cover these costs and that increased to a \$1.00 per household monthly recycling surcharge in the 2021 budget. The City will eliminate this extra processing fee once recycling markets stabilize and the sales revenues exceed the processing costs.

Recyclers are struggling with China's shunning of the WS waste exports. Experts in the industry say the current challenges could ultimately prompt changes that make recycling more efficient, widespread, and sustainable across the country. Eureka estimates that 93% of what comes in to their plant goes to companies that make cardboard, bottles, cans, and other items.

State law mandates every county, and every community with 5,000 or more people, give residents an opportunity to recycle. That can include operating a recycling center or providing curbside pickup. Collected recyclable materials cannot be sent to landfills or incinerators without state permission. By 2030,

**Fund: Environmental Recycling and Waste Disposal Fund 5100**

counties in the Twin Cities metro area will be required to recycle 75% of the solid waste they generate. Those efforts include the construction or expansion of more US recycling plants and the development of new uses and customer for recycled products. Any reduction of contaminated items in recycling materials will reduce the cost to process the recycling and provide greater value of the end products.

**Budget Summary:**

The City passes all collection, disposal and recycling processing costs directly to customers through a tiered volume-based rate structure. There are three sizes for refuse containers, and four rates (one for senior with 30-gallon service). Each size has a corresponding monthly charge that the City bills to residents on a quarterly basis. The hauler bills directly for all extra refuse service.

The City monitors the residential rates to ensure they provide sufficient revenue to offset contract costs and provide financial integrity to the fund. Ninety-three percent (93%) of the refuse fund expenditures are directly associated with collection, disposal, and recycling processing, with the remaining 7% associated with administrative and billing costs. The 2021 Budget contains a rate increase for each service level in order to avoid an operating deficit in the fund. The following chart presents a comparison of recent and proposed residential rates.

Monthly Service Level	2018 Rate	2019 Rate	2020 Rate	Proposed 2021 Rate
30 gallon senior	\$10.00	\$10.55	\$12.81	\$13.51
30 gallon	10.25	10.80	13.02	13.72
60 gallon	15.05	15.90	18.36	19.17
90 gallon	20.50	21.65	24.51	25.45

During these challenging times in the recycling market, the revenues for the recycling processed at the Eureka Recycling facility are not enough to cover the processing costs. When the market was stronger, the City would receive \$2,000 - \$3,000 each month from Eureka in market revenues, but has instead needed to pay Eureka \$3,000 - \$5,000 in recent months to cover the processing costs, as revenues have significantly decreased. To offset these costs, the 2021 budget includes a \$1.00 per bill fee. This fee is temporary and will decrease and hopefully be discontinued as the recycling market stabilizes.

The City provides a local clean up day in May and October each year at the Public Works facility to give residents an opportunity to more conveniently dispose of large items, hazardous waste products, or other items. The City coordinates these events with the garbage hauler and other recycling companies to simplify the disposal process. Residents are charged to help the City recover some of the disposal costs.

**Goals:**

1. Continue to advertise ways to improve the efficiency of single sort recycling.
2. Investigate options to incorporate multi-unit housing into organized recycling collection.

**Measurable Workload Data:**

	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Number of collection accounts	7,601	7,531	7,538	7,540
Tons of Residential Garbage Collected	5,576	5,968	6,000	6,000
Tons of Residential Recycling Collected	1,946	1,898	1,955	1,955

**City of White Bear Lake**  
**Environmental Recycling and Waste Disposal**

**Annual Budget**  
**Fund Summary**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Revenues</b>						
Charges for Services						
4882	Disposal charges	\$ 1,053,847	\$ 1,110,700	\$ 1,049,500	\$ 1,042,900	\$ 1,079,928
4884	Renewable waste charges	263,029	278,738	482,675	482,625	501,000
4887	Recycling processing fee	-	-	68,175	68,195	90,900
	Total charges for service	<u>1,316,876</u>	<u>1,389,438</u>	<u>1,600,350</u>	<u>1,593,720</u>	<u>1,671,828</u>
Other Revenue						
4660	County aid - SCORE grant	60,691	66,997	59,904	62,339	62,339
4955	Interest	-	10,774	-	5,000	5,000
5010	Sales recyclables	2,878	166	-	-	-
5350	Miscellaneous	237	4	3,000	-	3,000
5350	Clean up	19,350	20,015	16,000	6,000	16,000
	Total other revenues	<u>83,156</u>	<u>97,956</u>	<u>78,904</u>	<u>73,339</u>	<u>86,339</u>
	Total revenues	<u>1,400,032</u>	<u>1,487,394</u>	<u>1,679,254</u>	<u>1,667,059</u>	<u>1,758,167</u>
<b>Expenditures</b>						
	Operational	196,668	248,279	257,255	258,071	170,057
	Disposal	<u>1,206,066</u>	<u>1,257,509</u>	<u>1,445,000</u>	<u>1,485,000</u>	<u>1,540,900</u>
	Total expenditures	<u>1,402,734</u>	<u>1,505,788</u>	<u>1,702,255</u>	<u>1,743,071</u>	<u>1,710,957</u>
	Revenues over (under) expenditures	<u>(2,702)</u>	<u>(18,394)</u>	<u>(23,001)</u>	<u>(76,012)</u>	<u>47,210</u>
	Fund balance January 1	<u>103,263</u>	<u>100,561</u>	<u>60,328</u>	<u>82,167</u>	<u>6,155</u>
	Fund balance December 31	<u>\$ 100,561</u>	<u>\$ 82,167</u>	<u>\$ 37,327</u>	<u>\$ 6,155</u>	<u>\$ 53,365</u>
<b>Fund Balance Reconciliation to CAFR:</b>						
	Budget fund balance December 31	100,561	82,167			
	Deferred outflows of pension resources	392	259			
	Net pension liability	(1,905)	(2,035)			
	Deferred inflows of pension resources	(517)	(668)			
	Accounts receivable	116,100	129,100			
	CAFR fund balance December 31	<u>214,631</u>	<u>208,823</u>			

**City of White Bear Lake**  
**Enterprise - Environmental Recycling and Waste Disposal**

**Annual Budget**  
**Business Unit: 5100**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Expenditures</b>						
Personnel Services						
6117	Overtime - regular employees	\$ 2,303	\$ 2,654	\$ 4,244	\$ 2,000	\$ 4,350
6122	PERA	173	199	318	150	326
6124	FICA/Medicare	179	204	325	153	333
	Total personnel services	<u>2,655</u>	<u>3,057</u>	<u>4,887</u>	<u>2,303</u>	<u>5,009</u>
Supplies						
6250	Other supplies	1,149	1,073	1,600	800	1,600
	Total supplies	<u>1,149</u>	<u>1,073</u>	<u>1,600</u>	<u>800</u>	<u>1,600</u>
Other Services and Charges						
6401	Professional services	9,970	9,077	10,725	9,525	10,725
6402	Data processing	27,093	27,280	30,710	30,710	34,090
6434	General liability insurance	3,983	3,983	3,983	3,983	3,983
6445	Postage	4,838	5,746	8,000	8,000	8,000
6450	Outside printing	5,440	6,495	6,500	6,600	6,900
6460	Subscription/memberships	100	-	100	-	-
6470	Training	-	-	50	-	-
6486	Mileage reimbursement	-	20	-	50	50
6555	Rental of equipment	70	140	200	100	200
6560	Other contractual services	32,370	81,408	80,500	86,000	99,500
6565	Disposal fees	1,206,066	1,257,509	1,445,000	1,485,000	1,540,900
	Total other services and charges	<u>1,289,930</u>	<u>1,391,658</u>	<u>1,585,768</u>	<u>1,629,968</u>	<u>1,704,348</u>
Transfer						
7605	General fund - administration charge	109,000	110,000	110,000	110,000	-
	<b>Total</b>	<b><u>\$ 1,402,734</u></b>	<b><u>\$ 1,505,788</u></b>	<b><u>\$ 1,702,255</u></b>	<b><u>\$ 1,743,071</u></b>	<b><u>\$ 1,710,957</u></b>

**Fund: Ambulance Fund 5250**

**Department Activities and Responsibilities:**

The Ambulance Fund accounts for revenues and expenditures related to providing emergency medical services to the City of White Bear Lake and the surrounding communities of White Bear Township, Birchwood Village, the City of Dellwood, and a small section of the City of Lino Lakes. The total coverage area includes a population of approximately 37,000 people.

The Fire Chief leads the department in conjunction with the Fire Department, as employees handle both fire and ambulance calls for service. Though the Fire Department operation celebrated its 130<sup>th</sup> year of service to White Bear Lake area in 2018, the City has only provided the emergency medical services to the area since the 1990s. As with the progression of any long-term organization, change is inevitable and necessary to meet customer needs. After a long history of providing service through the paid on call volunteer staffing model, ever-increasing call demands prompted a comprehensive strategic planning process to assess operations and identify improvements to landscape of emergency medical response and fire service.

The City began shifting from the volunteer staffing structure in 2014, by adding four full-time medical responders to begin developing a “combination staffing model” of full-time and on-call employees. Results from the strategic planning process indicated need for additional full-time staff to meet the high call volume, especially during the evening and weekend hours. As the required time commitments continued to strain employee schedules, the department tried a “Duty Crew” scheduling system in the beginning of 2018, which allowed employees to sign up for specific shifts at each station to balance schedule flexibility for employees while providing staff for call coverage. Even with accommodating schedule option of Duty Crews, employees continued to struggle to meet required percentages and shifts often remained uncovered. Therefore, new full-time positions created during 2018 and 2019 brought the staff complement to 12 full-time positions. This staffing level provides 24 hours coverage seven days a week, with one team at each station. The department continues to employ paid-on-call members to fill in for a third crew to help with duties.

Full-time Firefighter/Paramedics work 24-hour shifts with a base schedule of 2,912 hours per year. This is more than the 2,080 hours worked by most typical full-time employees who work five 8-hour days each week. While some overtime is necessary with the 24/7 scheduling, Fair Labor Standards overtime rules are more liberal for Firefighter/Paramedic positions.

The 2020 and 2021 Budgets include 80% of the associated staffing costs, with the remaining 20% assigned to the Fire Department budget in the General Fund. The City must evaluate this split in future years to ensure appropriate funding for both fire and emergency medical services. An expenditure split between the Fire Department and Ambulance Fund at either 30%/70% or 40%/60% is probably more appropriate even though a majority of the calls for service are ambulance-related as the ambulance bill payments help cover a portion of the full-time firefighter/paramedic salaries and keep the overall fire department expenditures down. Without the ambulance division and revenues, the fire department expenditures would drastically increase, causing a higher property tax levy to cover all salaries for the operations. Transitioning back to a volunteer department is not a solid option due to a shortage of volunteers willing to respond on an on-call basis around their other work responsibilities. Both budgets include funding for paid on-call staff to respond to calls for service when full-time staff need assistance.

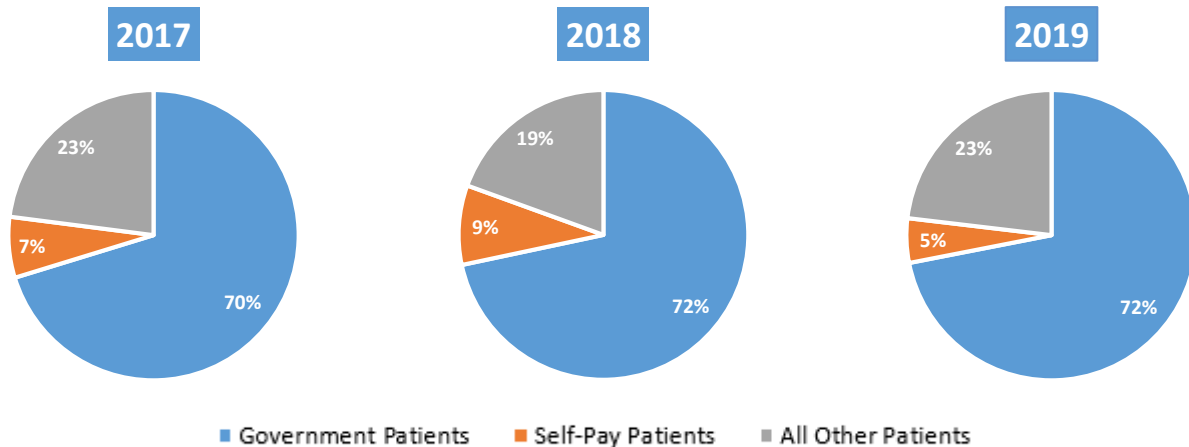
As an Enterprise Fund in the City’s financial structure, the Ambulance Fund operates similar to a private business with revenues from user charges funding the operating and capital costs of the department. The City Council establishes the service rates billed to patients on a per run basis, which are consistent with the metropolitan average rates. Third party denials for selected billings and client non-payments reduce the revenue collections for the department.

One significant challenge the department faces in revenue collection relates to federal laws limiting the fees ambulance service providers may collect for Medicare patient transportations. All providers must accept the allowable reimbursement amount set by law as payment in full, without the ability to bill patients for the difference between that allowable amount and the actual cost of the service.

**Fund: Ambulance Fund 5250**

Approximately 72% of the department’s collections are for patients who fall under this revenue collection restriction through government programs such as Medicare or Medicaid. These accounts significantly reduce the ambulance billing revenues due to the federal law. Below are charts depicting the City’s patient mix for recent years:

White Bear Lake Patient Mix



The 2021 Budget conservatively assumes no increase in Medicare and Medicaid reimbursement rates since the actual change is unknown at this time.

In light of the revenue collection limits and the additional staff needed to respond to calls for service, a review of ambulance rates demonstrates a need to adjust the rates in the 2021 Budget to ensure the fund can financially support ambulance operations. A comparison of recent rates and the proposed rates are as follows:

Call Type	Rates Effective 1/1/2018	Rates Effective 1/1/2019	Rates Effective 1/1/2020	Rates Effective 1/1/2021
Basic Life Support	\$ 1,285.00	\$ 1,415.00	\$ 1,457.00	\$ 1,501.00
Advanced Life Support-1	1,695.00	1,865.00	1,921.00	1,979.00
Advanced Life Support-2	1,850.00	2,035.00	2,096.00	2,159.00
Treatment No Transport	430.00	475.00	489.00	504.00
Mileage per mile	26.60	30.00	31.00	32.00

**Budget Summary:**

The Fund is experiencing challenges in revenue collections as a majority of the calls are for patients covered by government plans that limit the allowable reimbursement amount for each transport and the increase of patients who have high deductible insurance plans and must pay the total amount due until they reach their annual deductible amount. These issues compound as the staffing model changes to ensure timely response to all calls for service.

The Fund received a transfer from the Non-Bonded Fund in 2019 and 2020 to stabilize the Fund Balance. The City considers both transfer a one-time event instead of an internal loan; therefore, no repayment terms

**Fund: Ambulance Fund 5250**

are set up at this time. The 3.0% rate increase in the 2021 Budget recognizes the need for additional revenues to support the operations yet understands the rates need to stay within a reasonable range.

The City will continue to monitor revenues, expenditures and call volumes to evaluate the percentage split used for the Firefighter/Paramedic positions between the Ambulance Fund and the Fire Department to determine if a different percentage is appropriate.

The full-time firefighter/paramedic employees voted in union representation in 2019. The current contract ends as of December 31, 2020 and union negotiations are underway for the 2021 budget year. Since the temporary staffing and overtime budgets for 2020 and 2021 rely on estimates, there may be possible reductions based on the employee structure actually responds to calls in this new model.

The employment of full-time staff stabilizes expenditures for outfitting and training members for duty. Previously, the department experienced a high turnover rate with the temporary employees as they left for full-time employment opportunities with other agencies or could not meet the required time commitment.

The 2020 Revised Small Tools budget allocates funds to purchase a video laryngoscope for each of the four ambulances to meet Regions Medical Center's safety requirements for emergency medicine and replacement of tablets and docking stations for the ambulances. The 2021 Budget includes funding for a CPR device and a comprehensive pediatric resuscitation system.

The Professional Services budget increases in 2020 to implement Lexipol services that improve operational excellence through policy maintenance and employee policy training.

The new staffing model and large applicant pools for hiring processes allows Training expenditure budget to eliminate funding for the program that paid paramedic school tuition for employees who agreed to work for the department five years after graduation. The expenditure account also changes through the restructuring of the staff training procedures.

The transfer to the General Fund supports the Ambulance Fund's share of dispatch services and administrative services.

**Capital Outlay:**

The 2020 Budget allocated funds to purchase a video laryngoscope for each of the four ambulances and replacement of tablets and docking stations for the ambulances. These funds were moved to the Small Tools Budget in the 2020 Revised Budget.

**Goals:**

1. Effectively deploy personnel and apparatus to increase overall service delivery.
2. Adjust personnel utilization to provide appropriate service levels.
3. Continue involvement of members in various community education endeavors including general health awareness and CPR training.
4. Implement new technology and skills to improve patient care for critically ill patients.



**Fund: Ambulance Fund 5250**

**Measurable Workload Data:**

	2018	2019	2020	2021
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>
Medical Response Calls	3,405	3,355	3,400	3,400
Average Response Times	7:58	6:14	6:00	6:00
Net Collection Rate for Ambulance Calls*	84%**	81%**	90%	90%
Percentage of Patients that Utilize Medicare, Medicaid, and Other Government Plans	72%	72%	72%	70%
CPR Training Classes Held	8	14	0	10

\*Per the National Academy of Ambulance Compliance, the net collection rate for ambulance is 80-85%.

\*\*Still actively collecting claims.

**City of White Bear Lake**  
**Enterprise - Ambulance**

**Annual Budget**  
**Fund Summary**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Revenues</b>						
Charges for services						
4882	Ambulance charges	\$ 1,604,479	\$ 1,982,105	\$ 1,971,000	\$ 1,864,000	\$ 1,947,000
	Total charges for services	<u>1,604,479</u>	<u>1,982,105</u>	<u>1,971,000</u>	<u>1,864,000</u>	<u>1,947,000</u>
Other revenue						
4604	Intergovernmental - Federal Grant	-	-	-	138,088	-
4646	Intergovernmental - State Grant	-	8,250	-	-	-
4990	Donations	-	2,453	-	-	-
5010	Sale of property	6,090	17,076	-	-	-
5360	Refunds/reimbursements	437	56	-	-	-
	Total other revenue	<u>6,527</u>	<u>27,835</u>	<u>-</u>	<u>138,088</u>	<u>-</u>
Transfers in						
	Economic Development Fund	-	-	-	147,499	-
	Non Bonded Fund	-	200,000	200,000	200,000	-
	Equipment Acquisition Fund	-	235,200	-	-	-
	Total transfers in	<u>-</u>	<u>435,200</u>	<u>200,000</u>	<u>347,499</u>	<u>-</u>
	Total revenues	<u>1,611,006</u>	<u>2,445,140</u>	<u>2,171,000</u>	<u>2,349,587</u>	<u>1,947,000</u>
<b>Expenditures</b>						
	Operations	1,688,641	1,928,240	2,213,162	2,183,883	2,169,048
	Capital	-	235,200	22,000	-	-
	Total expenditures	<u>1,688,641</u>	<u>2,163,440</u>	<u>2,235,162</u>	<u>2,183,883</u>	<u>2,169,048</u>
	Revenues over (under) expenditures	<u>(77,635)</u>	<u>281,700</u>	<u>(64,162)</u>	<u>165,704</u>	<u>(222,048)</u>
	Fund balance January 1	<u>11,944</u>	<u>(65,691)</u>	<u>64,238</u>	<u>216,009</u>	<u>381,713</u>
	Fund balance December 31	<u>\$ (65,691)</u>	<u>\$ 216,009</u>	<u>\$ 76</u>	<u>\$ 381,713</u>	<u>\$ 159,664</u>
<b>Fund Balance Reconciliation to CAFR:</b>						
	Budget fund balance December 31	(65,691)	216,009			
	Deferred outflows of pension resources	136,435	990,595			
	Net pension liability	(662,636)	(789,380)			
	Deferred inflows of pension resources	(179,843)	(1,138,657)			
	Net capital assets	491,997	595,350			
	Accounts receivable	776,771	834,306			
	Recognize part of A/R	(120,000)	(120,000)			
	CAFR fund balance December 31	<u>377,033</u>	<u>588,223</u>			

**City of White Bear Lake**  
**Enterprise - Ambulance**

**Annual Budget**  
**Business Unit: 5252**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Personnel Services</b>						
6105	Salaries - regular employees	\$ 467,511	\$ 752,924	\$ 897,518	\$ 909,512	\$ 877,167
6117	Overtime - regular employees	51,704	135,987	164,477	162,946	173,707
6119	Salaries - temporary employees	333,279	263,699	272,102	238,089	241,707
6122	PERA Defined Benefit	60,173	146,919	183,570	185,431	181,518
6123	PERA Defined Contribution	12,320	5,099	7,128	3,564	3,564
6124	FICA/Medicare	53,373	30,086	38,891	36,435	36,455
6128	Insurance contribution	53,235	56,000	58,800	58,800	61,740
6138	Worker's compensation	111,005	119,000	119,000	119,000	117,100
6148	Other benefits	10,000	10,000	10,000	10,000	10,000
	Total personnel services	<u>1,152,600</u>	<u>1,519,714</u>	<u>1,751,486</u>	<u>1,723,777</u>	<u>1,702,959</u>
<b>Supplies</b>						
6210	Office supplies	108	-	400	50	50
6220	Equipment supplies	1,939	12,671	6,700	3,000	3,000
6230	Vehicle supplies	3,636	1,722	5,000	5,000	5,000
6240	Building supplies	232	8	1,000	-	-
6250	Other supplies	37,236	41,110	55,000	55,000	55,000
6272	Motor fuels	22,676	28,400	24,000	21,400	24,000
6280	Books & periodicals	-	-	600	600	600
6290	Uniforms	9,351	8,705	10,000	10,000	10,000
6295	Small tools	5,343	7,546	7,000	22,450	18,520
	Total supplies	<u>80,521</u>	<u>100,162</u>	<u>109,700</u>	<u>117,500</u>	<u>116,170</u>
<b>Other Services and Charges</b>						
6401	Professional services	114,241	110,891	123,650	123,650	126,650
6402	Data processing	7,125	8,555	9,650	9,650	10,710
6405	Minnesota Care 2% Tax	18,005	21,971	20,000	20,000	20,000
6412	Cellular	4,218	3,926	4,950	6,480	6,500
6434	General liability insurance	6,634	6,634	6,634	6,634	6,634
6436	Vehicle liability insurance	7,967	7,967	7,967	7,967	2,000
6445	Postage	-	-	200	-	-
6450	Outside printing	84	84	100	100	100
6460	Subscription/memberships	150	-	325	325	325
6470	Training	13,594	335	11,000	9,800	11,000
6486	Mileage Reimbursement	-	-	-	-	-
6492	Advertising	-	-	-	-	-
6505	Equipment maintenance service	3,040	-	7,000	5,000	7,000
6510	Vehicle maintenance service	25,942	8,001	19,000	13,000	19,000
6560	Other contractual service	520	-	1,500	-	-
	Total other services and charges	<u>201,520</u>	<u>168,364</u>	<u>211,976</u>	<u>202,606</u>	<u>209,919</u>
<b>Capital Outlay</b>						
	Equipment	-	235,200	22,000	-	-
	Total capital outlay	<u>-</u>	<u>235,200</u>	<u>22,000</u>	<u>-</u>	<u>-</u>
<b>Transfers</b>						
	General Fund	<u>254,000</u>	<u>140,000</u>	<u>140,000</u>	<u>140,000</u>	<u>140,000</u>
<b>Total</b>		<b><u>\$ 1,688,641</u></b>	<b><u>\$ 2,163,440</u></b>	<b><u>\$ 2,235,162</u></b>	<b><u>\$ 2,183,883</u></b>	<b><u>\$ 2,169,048</u></b>

**Fund: Pioneer Manor Fund 5300**

The Pioneer Manor Fund accounts for operation and maintenance of a 42-unit senior citizen housing facility. The City built Pioneer Manor in 1994 with the goal to provide a quality independent living environment at a reasonable cost without direct tax payer support.

**Department Activities and Responsibilities:**

City staff oversees the long-range facility planning and contracts with Walker Methodist Consulting to manage the day-to-day operations. The one-year contract began in January 2018 and will renew for 3-year periods if not cancelled 90 days in advance. Walker Methodist's experience in managing senior facilities and their strong customer service have both residents and staff enthusiastic about this agreement.

In 2012, the annual debt service analysis indicated an advantage in refinancing the debt issue to recognize interest savings available through record low rates in the market. Even though this process reduced the Fund's annual required debt payment, the City chose not to base the transfer to the Debt Service Fund on the new amortization schedule and continue to transfer \$160,000 per year according to the original plan. This decision provides budget consistency from year to year and allows the Debt Service Fund to accumulate fund balance to cover the higher annual payments at the end of the bond. The debt obligation will expire in 2023.

**Budget Summary:**

The City plans a minimal rate increase each year in April to maintain current operations. In response to the COVID-19 pandemic, the City Council decided to defer the rate increase until October 2020. The 2021 Budget plans a 2.0% rate increase effective in April. This provides additional means to sustain the Fund but recognizes the limited monthly budget of many senior citizens. The following schedule provides the rental rates from 2017 through the proposed 2021 fee adjustment. The facility's caretaker occupies one two-bedroom unit.

<u>Type of Unit</u>	<u>No. of Units</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
1 bedroom	23	\$675	\$690	\$705	\$715	\$725
1 bedroom/den	3	725	740	755	765	775
2 bedroom	6	790	805	825	840	850
2 bedroom deluxe	10	840	855	875	890	900
Garage	20	55	56	57	58	59

The 2019 rental inspection of Pioneer Manor noted many of the windows in living units were difficult for residents to open. Additionally, there had been the increasing necessity to complete ongoing minor repairs to individual windows throughout the building. In 2020, the City received a \$382,000 Community Development Block Grant (CDBG) to replace all windows and perform related exterior improvements at the senior housing facility.

The 2020 Revised Apartment Turnover Maintenance Budget adds additional funding for turnover expenses due to an unexpected number of move outs. Turnover expenses include flooring, painting, lighting updates, countertop refinish, updated hardware, and carpet cleaning.

**Capital Outlay:**

The facility celebrated its 25<sup>th</sup> year in 2019 and with this significant anniversary arrived the need to analyze the building and its major systems to plan for future maintenance and replacement costs. The 2020 Original Budget for Professional Services included an appropriation for a comprehensive facility study to evaluate all components and create a Capital Improvement Plan to assist in the long-term financial planning process. However, the 2020 Revised Budget removed this appropriation after City and Walker Methodist staff were able to develop a Capital Improvement Plan internally. In accordance with the Capital Improvement Plan, the 2020 Revised Capital Outlay Budget allocates funds for the window replacement project, replacement of two of the four boilers in the facility, and second floor carpeting replacement. The 2021 Capital Outlay Budget allocates funds for corridor carpet replacement, the installation of entry access system, a carpet cleaning extractor and a property management system.

**Fund: Pioneer Manor Fund 5300**

**Goals:**

1. Continue to provide a quality senior facility for residents at affordable rental rates.
2. Continue providing social activities through management programming efforts.
3. Receive monthly reports from management organization that includes, but is not limited to, resident events, apartment vacancies and the number of applications received.
4. Continue to invest in capital improvement projects as outlined in the current 5-year Capital Improvement Plan
5. Conduct an annual survey to ascertain resident satisfaction with the facility and property management.

**Measurable Workload Data:**

	<u>2018 Actual</u>	<u>2019 Budget</u>	<u>2020 Budget</u>	<u>2021 Actual</u>
Number of Unit-day vacancies per year	128	38	120	50
Scheduled resident events	120	215	150	200

**City of White Bear Lake**  
**Pioneer Manor Fund**

**Annual Budget**  
**Fund Summary**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Revenues</b>						
4604.1	Federal grant	\$ -	\$ -	\$ -	\$ 382,351	\$ -
4662.2	County capital grant	-	-	-	-	-
4955	Interest	-	4,292	-	2,500	-
4975	Rents	386,837	399,896	400,300	400,300	412,000
5350	Miscellaneous	3,331	2,788	2,500	2,500	2,500
5360	Refunds and reimbursements	268	50	-	1,355	-
	Total operating revenues	<u>390,436</u>	<u>407,026</u>	<u>402,800</u>	<u>789,006</u>	<u>414,500</u>
5205	Transfers In Economic Development Fund	-	-	-	829	-
	Total revenues	<u>390,436</u>	<u>407,026</u>	<u>402,800</u>	<u>789,835</u>	<u>414,500</u>
<b>Expenditures</b>						
	Operating	344,623	397,519	424,020	413,965	435,950
	Capital equipment	-	-	5,600	-	13,000
	Capital infrastructure	22,180	-	40,000	420,500	19,500
	Total expenditures	<u>366,803</u>	<u>397,519</u>	<u>469,620</u>	<u>834,465</u>	<u>468,450</u>
	Revenue over (under) expenditures	<u>23,633</u>	<u>9,507</u>	<u>(66,820)</u>	<u>(44,630)</u>	<u>(53,950)</u>
	Capital reserves adjustment (to) from	<u>(10,000)</u>	<u>(10,000)</u>	<u>70,000</u>	<u>70,000</u>	<u>20,000</u>
	Fund balance January 1	<u>39,467</u>	<u>53,100</u>	<u>41,990</u>	<u>52,607</u>	<u>77,977</u>
	Fund balance December 31	<u>\$ 53,100</u>	<u>\$ 52,607</u>	<u>\$ 45,170</u>	<u>\$ 77,977</u>	<u>\$ 44,027</u>
	Capital reserves	<u>\$ 150,000</u>	<u>\$ 160,000</u>	<u>\$ 90,000</u>	<u>\$ 90,000</u>	<u>\$ 70,000</u>
<b>Fund Balance Reconciliation to CAFR:</b>						
	Budget fund balance December 31	203,100	212,607			
	Net capital assets	1,545,639	1,465,093			
	CAFR fund balance December 31	<u>1,748,739</u>	<u>1,677,700</u>			

**City of White Bear Lake**  
**Enterprise - Pioneer Manor**

**Annual Budget**  
**Business Unit: 5300**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Supplies</b>						
6210	Office supplies	\$ 1,012	\$ 788	\$ 750	\$ 1,000	\$ 1,000
6240	Building supplies	14,194	20,042	17,500	16,550	17,300
6250	Other supplies	481	140	500	100	500
6255	Equipment supplies	-	202	1,200	800	1,200
6295	Small tools	531	3,802	1,500	1,100	1,500
	<b>Total supplies</b>	<u>16,218</u>	<u>24,974</u>	<u>21,450</u>	<u>19,550</u>	<u>21,500</u>
<b>Other Services and Charges</b>						
6401	Professional services	46,488	43,687	74,200	44,800	46,200
6411	Telephone	2,202	2,173	2,400	2,400	2,400
6421	Water/sewer	5,737	6,724	7,000	7,000	7,000
6422	Electric	14,349	12,098	16,000	14,115	15,500
6423	Natural gas	8,513	7,867	10,000	8,900	9,500
6434	General liability insurance	3,320	3,320	3,320	3,320	3,320
6445	Postage	7	100	150	180	180
6449	In-house printing	83	-	500	-	-
6487	Programs	2,490	2,680	2,400	2,400	3,000
6505	Equipment maintenance service	30	149	1,500	500	1,000
6515	Building maintenance service	54,851	101,608	76,100	70,600	84,500
6517	Apartment turnover maintenance	-	-	18,000	46,000	30,000
6560	Other contractual services	30,326	32,139	31,000	34,200	34,850
	<b>Total other services and charges</b>	<u>168,396</u>	<u>212,545</u>	<u>242,570</u>	<u>234,415</u>	<u>237,450</u>
<b>Capital Outlay</b>						
7120	Capital infrastructure - building	22,180	-	40,000	420,500	19,500
7140	Equipment	-	-	5,600	-	13,000
	<b>Total capital outlay</b>	<u>22,180</u>	<u>-</u>	<u>45,600</u>	<u>420,500</u>	<u>32,500</u>
<b>Transfer</b>						
7605	General Fund	-	-	-	-	17,000
7605	Economic Development Fund	-	-	-	-	-
7605	Debt Service Fund	160,009	160,000	160,000	160,000	160,000
	<b>Total transfer</b>	<u>160,009</u>	<u>160,000</u>	<u>160,000</u>	<u>160,000</u>	<u>177,000</u>
	<b>Total</b>	<u><b>\$ 366,803</b></u>	<u><b>\$ 397,519</b></u>	<u><b>\$ 469,620</b></u>	<u><b>\$ 834,465</b></u>	<u><b>\$ 468,450</b></u>

**Fund: License Bureau Fund 5350**

The License Bureau serves as a Deputy Registrar on behalf of the Minnesota Department of Public Safety. The office handles transactions for motor vehicle registrations, title transfers, driver's license renewals, instruction permits, ID cards, watercraft, snowmobiles, off-road vehicles, and hunting licenses.

As an Enterprise Fund in the City's financial structure, the License Bureau operates similar to a private business with revenues from user charges covering the operating costs of the department. The State of Minnesota sets the fee the department receives for each transaction type, mandates the department to submit transaction reports, and transfer applicable license fee revenues to the State's bank account on a daily basis.

The Fund also employs a full-time Passport Clerk to assist customers with passport applications and passport photos. Federal security regulations require passport activities be physically separate from all driver's license or motor vehicle transaction operations to restrict personnel from handling both transaction types. Based upon these requirements, the office is in a separate secure work area within City Hall.

**Department Activities and Responsibilities:**

As an agent of the State of Minnesota, the department must follow State requirements for equipment and computer systems to process customer transactions. After many years of planning and preparation, the State launched a new secure web-based system, Minnesota Licensing and Registration System (MNLARS) in 2017 to replace the 30-year old legacy IT system. The project contained two implementation phases, the first phase in 2017 concentrated on the vehicle registration and ownership transactions and the second phase in 2018 focused on the driver's license and identification card transactions.

Despite improvements since the initial implementation of the first phase handling the vehicle registration and ownership records, significant issues remained. The State Legislature voted during their 2019 session to replace the MNLARS system with The Vehicle Title and Registration System named "MNDrive" because the cost of continuing to fix MNLARS was greater than implementing an entirely new system. The State is launching the new "MNDrive" system in November 2020, with full implementation as well as the decommissioning of MNLARS completed by the fall of 2021.

Through the implementation of both MNLARS phases, the State of Minnesota transferred many duties previously completed by its staff to the local Deputy Registrar offices to streamline transaction processing. Our department staff now enters all information directly into MNLARS to provide real-time data for the Department of Public Safety and system users. This shift in responsibilities drastically affects the department's operations. Since State Statutes set the rate for the transaction filing fees, which are the main revenues in the Fund, the City has no influence on changes to its revenue sources and can only balance the budget with strict expense management. This situation presents a major challenge as the department operations revolve around staff costs in a customer service driven department.

The Minnesota Legislature recognized the some of the financial challenges the MNLARS implementation caused for Deputy Registrar offices through their passage of two financial assistance programs in 2019. First, the Governor signed legislation appropriating \$13 million as reimbursement to deputy registrar offices for costs associated with the new MNLARS system. Of that total, the City received \$204,171 based on a formula that distributes some of the available funds equally and the rest of the funds allocated proportionally based on the number of transactions with a filing fee retained by the deputy registrar from August 1, 2017 through December 31, 2018. This payment replenishes the fund balance for extremely high expenses experienced due to the implementation. Second, the Governor also signed legislation to increase filing fees the Deputy Registrars collect from customers for long and short motor vehicle applications by \$1 per transaction. Though the additional funds assist to support operating activities, the amount is lower than Deputy Registrars hoped to receive as compensation in relation to the amount of work they assumed for each application. Of greatest importance is the State's lack of increase in transaction filing fees paid to Deputy Registrars for driver's license applications.



**Fund: License Bureau Fund 5350**

The following table depicts the current fee structure after the most recent increase:

<u>Transaction Type</u>	<u>Rates as of 1/1/14</u>	<u>New Rates as of 8/1/2019</u>
Long Forms for Title Changes	\$10.00	\$11.00
Short Forms for Tab Renewals	6.00	7.00
Drivers Licenses	8.00	8.00

**Budget Summary:**

The City does not allocate any administrative service charges or building costs to the department in this budget to reduce the expenses; however, these measures are not helping and the department is slowly becoming less profitable. The City is not alone in this issue as other Deputy Registrar offices are experiencing similar situations.

The COVID-19 pandemic greatly stunted the License Bureau operations. In order to comply with public health measures to prevent the spread of COVID-19, the License Bureau closed to the public on March 16, 2020. The department experienced a significant decline in revenues as a result of the closure. The City was unable to process any transactions during this time. The License Bureau received authorization to open as an essential service in April and began offering drop-box services in mid-month, which provided customers with an easy way to complete tab renewals, title transactions, and DNR transfers and renewals. Given the decline in business, the department struggled to provide enough work for employees to meet their weekly hours. In the beginning of May, the City made the difficult decision to lay off three of the department's eleven clerks.

The State of Minnesota allowed Deputy Registrars to reopen to the public on May 19, 2020, pending the submission and approval of a plan to reopen while following the State's guidelines to implement social distancing and sanitizing strategies to stop the spread of COVID-19. In preparation for the reopening, an in-depth analysis of the Department's revenues and expenses was performed. The analysis further highlighted the fact that the filing fee paid to the License Bureau per driver's license transaction did not cover the City's cost of processing the transaction. On average, a Standard ID transaction will take an employee 15 minutes to process. Enhanced ID and Real ID transactions, which require significantly more documentation from the customer, will take an employee an average of 30 minutes to process. Using an average of the License Bureau staffs' hourly salaries and benefits, excluding any other variable or overhead costs of the Department, the cost to the City to process one Standard ID transaction is \$9.53 and the cost to process one Enhanced ID or Real ID transaction is \$19.06. As mentioned above, the City only receives \$8.00 per driver's license transaction processed, whether or not it is a Standard, Enhanced, or Real ID. From January 2019 through February 2020, the City would process anywhere from 1,250-2,130 driver's license transactions per month. In March 2020, only 1,010 driver's license transactions were processed, and in April 2020, no driver's license transactions were processed.

Based on this information, the City began to consider two different options: continuing to provide full driver's license services or offering limited driver's license services (no first-time applications or renewals accepted). Ultimately, it was decided to continue offering full driver's license services. While offering limited driver's licenses would result in decreased expenses, the City believed it was important to continue to offer a wide-array of services to its customers. The hope is that the State will increase driver's license transaction filing fees paid to Deputy Registrars in the next legislative session to reflect the amount of work associated with each transaction.

Rather than fully reopening to the public on May 19, 2020, the License Bureau began offering scheduled appointments for driver's license services and title transfers. Customers book an appointment online for either transaction type as far out as 90 days. Given social distancing guidelines and the workload of the License Bureau employees, the Department designated one employee to process all driver's license transactions. The time to process each driver's license transaction increased to 30 minutes for Standard IDs and 45 minutes for Enhanced and Real IDs after factoring in the time spent to let the customer into City Hall for their appointment and to sanitize after each appointment. The extra time also adds flexibility to allow the customer to come back on the same day to submit documents they had forgotten rather than rescheduling another appointment in the future. Based on the time to complete each transaction and how customer appointments are scheduled, the License Bureau is able to process 7-8 transactions per day.

**Fund: License Bureau Fund 5350**

The department expects to continue processing driver’s license transactions in this manner until City Hall reopens to the public.

The Department received an allocation of the City’s Coronavirus Aid, Relief, and Economic Security Act (CARES) funding in 2020 to help cover the costs of sanitizer, gloves, a drop box, increased postage for transactions not typically done through the mail, and Emergency Family and Medical Leave related to COVID-19.

When the License Bureau closed to the public in March 2020, the City also halted passport operations. The City plans to reconfigure the passport office before operations resume in order to provide safer separation between the applicant and staff.

In previous years, the City chose to transfer the Fund’s profits to the Interim Construction Fund to support the annual street reconstruction program. Though the annual transfer remained consistent for many years, the extra operating expenses associated with the MNLARS system affects the transfer amounts in future years. The transfer for 2020 is 20% of the amount transferred in 2017. The 2021 Budget eliminates the transfer, as the Fund is no longer able to support it due to the declining fund balance.

**Capital Outlay:**

The Municipal Building Fund, in the Capital Project Funds section of the budget, originally included an appropriation to renovate the office to improve efficiency and workflow in 2020. Since the start of the COVID-19 pandemic, the Department’s workflow has changed significantly, so the 2020 Revised Budget reduced the allocation to only provide funding for a layout change.

The Equipment Acquisition Fund, also found in the Capital Project Funds section of the budget includes an allocation for equipment necessary to implement the State’s new “MNDrive” software in November 2020.

**Goals:**

1. Enhance relationship with local automobile by maintaining current relationships and acquiring more dealership customers.
2. Provide services to increase revenue by maintaining the drop box, appointments, walk-ins (in the future depending on COVID-19 pandemic), and curbside assistance. Kiosks may be offered by Minnesota Driver & Vehicle Services for deputies to operate – look into additional resources like this.
3. Adjust staffing levels throughout 2021 based on customer and dealer transactions. COVID-19 has changed the way in which we work and provide services. The Real ID deadline is now October 1<sup>st</sup>, 2021.

**Measurable Workload Data:**

	2018 <u>Actual</u>	2019 <u>Actual</u>	2020 <u>Budget</u>	2021 <u>Budget</u>
Transactions processed, Counter	61,096	57,613	26,000	26,000
Transactions processed, Dealer	27,827	22,509	19,700	21,600
Drivers licenses processed	18,090	20,880	6,700	2,600
License Bureau transactions processed per hour	6.02	5.36	4.00	4.00
Passport transactions processed	2,261	2,093	420	2,000

**City of White Bear Lake**  
**Enterprise - License Bureau**

**Annual Budget**  
**Fund Summary**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Revenues</b>						
4604	Federal aid	\$ -	\$ -	\$ -	\$ 57,872	\$ -
4646	State aid	-	204,171	-	-	-
4811	Deputy registrar	856,384	859,987	842,300	555,000	555,000
4812	Passports	71,280	73,255	65,300	14,105	65,300
4814	Passport photos	22,800	21,304	22,000	3,465	20,000
4816	Passport renewal photos	17,324	15,702	15,800	2,347	15,800
4955	Interest	-	6,548	-	-	-
5010	Sale of goods	713	481	-	39	-
5350	Miscellaneous	568	718	1,000	210	500
	Total operating revenues	<u>969,069</u>	<u>1,182,166</u>	<u>946,400</u>	<u>633,038</u>	<u>656,600</u>
	Transfers In					
	Economic Development Fund	-	-	-	6,632	-
	Total revenues	<u>969,069</u>	<u>1,182,166</u>	<u>946,400</u>	<u>639,670</u>	<u>656,600</u>
<b>Expenditures</b>						
	Operating - License Bureau	721,795	751,341	863,470	717,325	706,198
	Operating - Passport Office	66,541	69,149	86,200	34,426	73,941
	Total expenditures	<u>788,336</u>	<u>820,490</u>	<u>949,670</u>	<u>751,751</u>	<u>780,138</u>
	Transfers Out					
	Interim Construction Fund	200,000	150,000	75,000	75,000	-
	General Fund	31,700	-	-	-	-
	Total transfers out	<u>231,700</u>	<u>150,000</u>	<u>75,000</u>	<u>75,000</u>	<u>-</u>
	Total expenditures	<u>1,020,036</u>	<u>970,490</u>	<u>1,024,670</u>	<u>826,751</u>	<u>780,138</u>
	Revenues over (under) expenditures	<u>(50,967)</u>	<u>211,676</u>	<u>(78,270)</u>	<u>(187,081)</u>	<u>(123,538)</u>
	Fund balance January 1	<u>261,897</u>	<u>210,930</u>	<u>335,927</u>	<u>422,606</u>	<u>235,525</u>
	Fund balance December 31	<u>\$ 210,930</u>	<u>\$ 422,606</u>	<u>\$ 257,657</u>	<u>\$ 235,525</u>	<u>\$ 111,987</u>
<b>Fund Balance Reconciliation to CAFR:</b>						
	Budget fund balance December 31	\$ 210,930	\$ 422,606			
	Deferred outflows of pension resources	94,289	55,669			
	Net pension liability	(457,941)	(437,788)			
	Deferred inflows of pension resources	(124,288)	(143,629)			
	Net capital assets	924	341			
	CAFR fund balance December 31	<u>\$ (276,086)</u>	<u>\$ (102,801)</u>			

Code	Item	2018 Actual	2019 Actual	2020 Adopted	2020 Revised	2021 Budget
<b>Personnel Services</b>						
6105	Salaries - regular employees	\$ 483,440	\$ 519,354	\$ 586,159	\$ 475,549	\$ 450,620
6117	Overtime - regular employees	12,865	4,134	9,000	3,000	3,000
6119	Salaries - temporary employees	18,926	10,236	21,428	14,727	13,791
6122	PERA Defined Benefit	38,279	39,260	45,632	36,858	35,056
6124	FICA/Medicare	37,805	38,823	47,169	37,736	35,757
6128	Insurance contribution	71,210	80,000	89,500	78,500	81,700
6138	Worker's compensation	11,460	11,500	11,500	11,500	4,400
6146	Severance	-	-	-	-	11,697
6148	Other benefits	6,200	6,200	6,200	6,200	13,760
	Total Personnel Services	<u>680,185</u>	<u>709,507</u>	<u>816,587</u>	<u>664,069</u>	<u>649,782</u>
<b>Supplies</b>						
6210	Office supplies	2,602	3,625	3,685	3,700	3,700
6220	Equipment supplies	21	96	200	350	200
6240	Building supplies	316	167	200	525	200
6250	Other supplies	1,250	454	1,250	175	1,230
6290	Uniforms	81	-	60	-	-
6295	Small tools	1,241	3,476	1,300	1,924	2,600
	Total Supplies	<u>5,511</u>	<u>7,818</u>	<u>6,695</u>	<u>6,674</u>	<u>7,930</u>
<b>Other Services and Charges</b>						
6401	Professional services	222	71	225	286	225
6402	Data processing	8,454	8,555	9,630	9,630	10,690
6411	Telephone	2,491	2,724	3,050	2,050	2,255
6422	Electric	1,762	1,453	1,700	1,445	1,700
6423	Natural gas	527	499	800	600	800
6434	General liability insurance	7,233	7,233	7,233	7,233	7,233
6445	Postage	1,946	1,464	2,400	11,300	10,900
6450	Outside printing	63	84	150	100	100
6460	Subscription/memberships	653	1,440	1,140	1,000	1,000
6470	Training	921	370	1,050	700	570
6486	Mileage Reimbursement	-	-	100	-	75
6492	Advertising	1,071	1,623	3,100	1,738	2,438
6505	Equipment maintenance service	6,950	8,174	9,160	9,500	9,500
6515	Building maintenance service	1,578	-	-	-	-
6560	Other contractual services	2,228	326	450	1,000	1,000
	Total Other Services and Charges	<u>36,099</u>	<u>34,016</u>	<u>40,188</u>	<u>46,582</u>	<u>48,486</u>
<b>Transfers</b>						
7605	Interim Construction Fund	200,000	150,000	75,000	75,000	-
7605	General Fund	31,700	-	-	-	-
	Total Transfers	<u>231,700</u>	<u>150,000</u>	<u>75,000</u>	<u>75,000</u>	<u>-</u>
<b>Total</b>		<b><u>\$ 953,495</u></b>	<b><u>\$ 901,341</u></b>	<b><u>\$ 938,470</u></b>	<b><u>\$ 792,325</u></b>	<b><u>\$ 706,198</u></b>

**City of White Bear Lake**  
**Enterprise - Passports**

**Annual Budget**  
**Business Unit: 5353**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Personnel Services</b>						
6105	Salaries - regular employees	\$ 43,968	\$ 47,380	\$ 56,267	22,154	43,211
6117	Overtime - regular employees	110	-	700	-	700
6119	Salaries - temporary employees	1,372	1,728	5,000	-	5,000
6122	PERA defined benefit	3,306	3,554	4,273	1,662	3,293
6124	FICA/Medicare	3,287	3,577	4,740	1,695	3,742
6128	Insurance contribution	5,695	5,695	5,980	5,980	9,500
6138	Worker's compensation	915	915	915	915	475
6148	Other benefits	105	105	105	105	1,600
	Total personnel services	<u>58,758</u>	<u>62,954</u>	<u>77,980</u>	<u>32,511</u>	<u>67,521</u>
<b>Supplies</b>						
6210	Office supplies	1,688	2,539	2,450	555	1,225
6220	Equipment supplies	7	100	250	-	125
6250	Other supplies	-	-	200	-	100
6290	Uniforms	-	-	-	-	-
6295	Small tools	1,825	-	400	-	400
	Total supplies	<u>3,520</u>	<u>2,639</u>	<u>3,300</u>	<u>555</u>	<u>1,850</u>
<b>Other Services and Charges</b>						
6401	Professional services	19	-	20	-	20
6411	Telephone	231	216	260	260	285
6445	Postage	2,690	3,096	3,300	1,000	3,300
6450	Outside printing	100	124	125	-	125
6460	Subscription/memberships	-	-	140	-	140
6470	Training	-	-	-	-	-
6492	Advertising	353	-	500	-	500
6505	Equipment maintenance service	120	120	275	100	200
6560	Other contractual services	750	-	300	-	-
	Total other services and charges	<u>4,263</u>	<u>3,556</u>	<u>4,920</u>	<u>1,360</u>	<u>4,570</u>
<b>Total</b>		<b><u>\$ 66,541</u></b>	<b><u>\$ 69,149</u></b>	<b><u>\$ 86,200</u></b>	<b><u>\$ 34,426</u></b>	<b><u>\$ 73,941</u></b>

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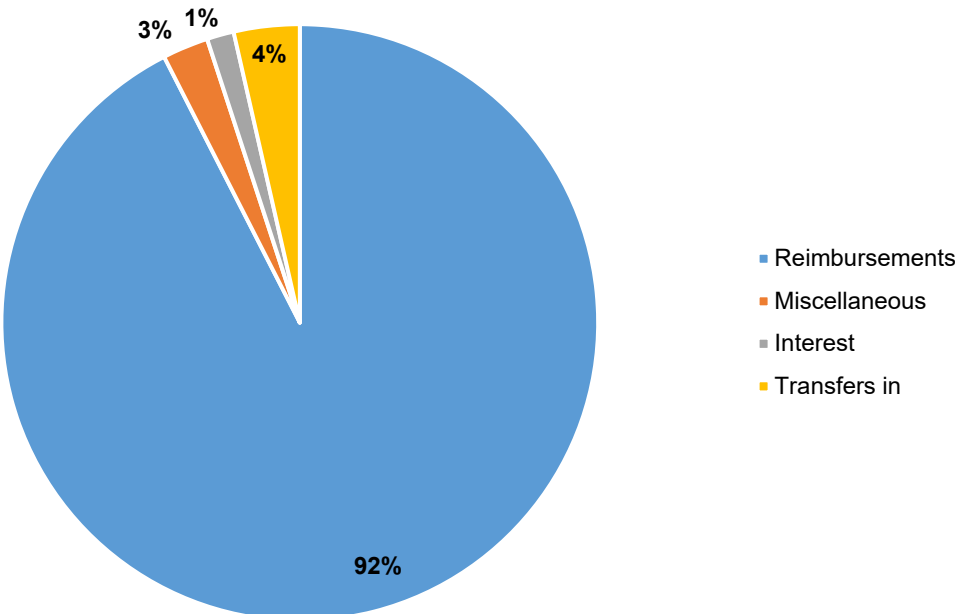
**City of White Bear Lake  
Internal Service Funds**

**Annual Budget**

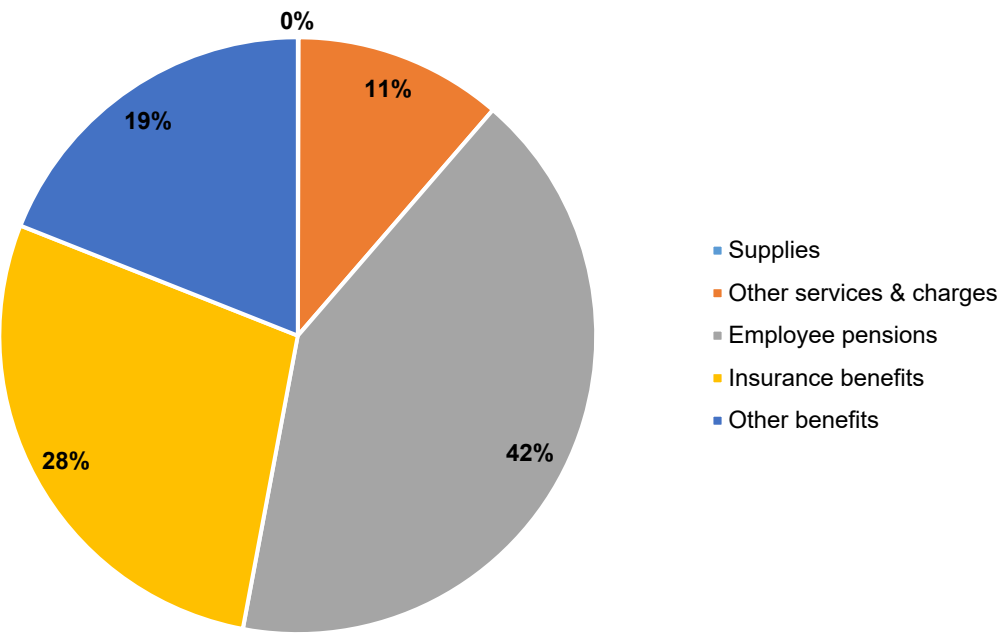
	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Budget</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Revenues</b>					
Reimbursements	\$ 2,935,521	\$ 3,175,390	\$ 3,460,938	\$ 3,364,081	\$ 3,475,945
Miscellaneous	248,535	418,187	183,430	255,765	93,430
Interest	-	84,149	-	55,000	55,000
Loan repayments	237,500	235,000	-	-	-
Transfers in	-	-	286,000	286,000	134,000
Total revenues	<u>3,421,556</u>	<u>3,912,726</u>	<u>3,930,368</u>	<u>3,960,846</u>	<u>3,758,375</u>
<b>Expenditures</b>					
Supplies	8,655	507	2,100	1,750	1,750
Other services & charges	447,190	444,791	514,825	446,609	445,175
Capital outlay	20,530	-	-	-	-
Employee pensions	1,345,123	1,459,646	1,546,000	1,555,000	1,639,000
Insurance benefits	810,257	1,017,829	1,109,500	1,079,500	1,105,500
Other benefits	573,837	710,881	740,000	684,970	748,000
Transfers out	-	235,000	-	-	-
Total expenditures	<u>3,205,592</u>	<u>3,868,654</u>	<u>3,912,425</u>	<u>3,767,829</u>	<u>3,939,425</u>
Revenues over (under) expenditures	<u>215,964</u>	<u>44,072</u>	<u>17,943</u>	<u>193,017</u>	<u>(181,050)</u>
Fund balance, January 1	<u>2,858,231</u>	<u>3,074,195</u>	<u>3,114,268</u>	<u>3,118,267</u>	<u>3,311,284</u>
Fund balance, December 31	<u>\$ 3,074,195</u>	<u>\$ 3,118,267</u>	<u>\$ 3,132,211</u>	<u>\$ 3,311,284</u>	<u>\$ 3,130,234</u>

# 2021 Internal Service Funds

Total Revenues \$3,758,375

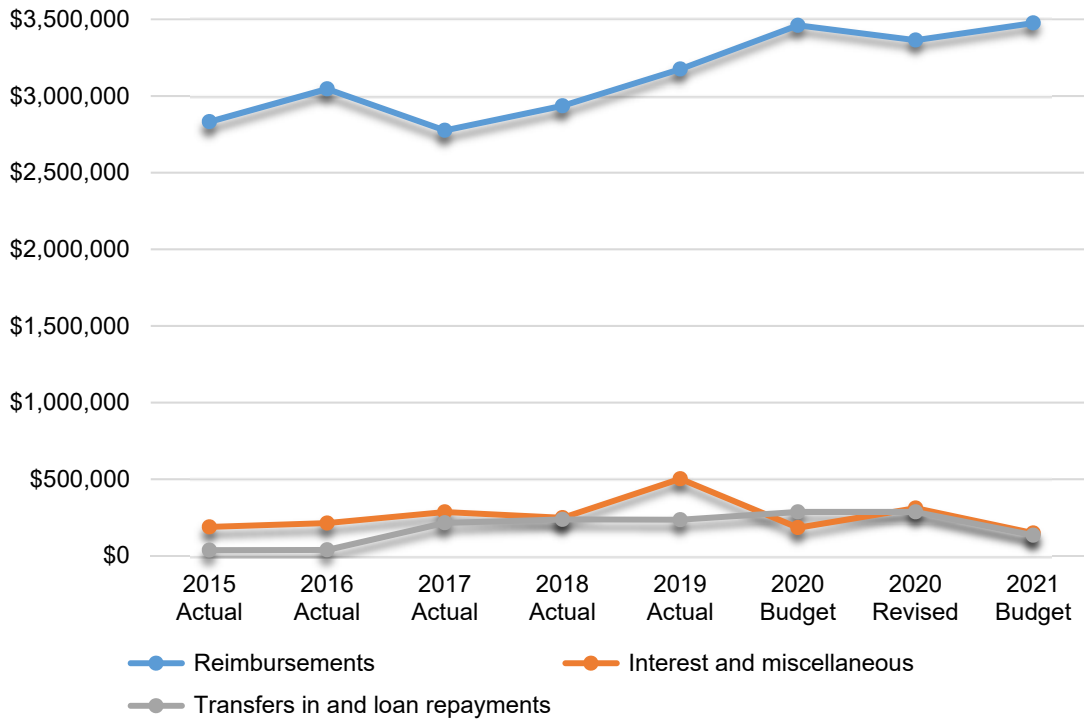


Total Expenditures \$3,912,425

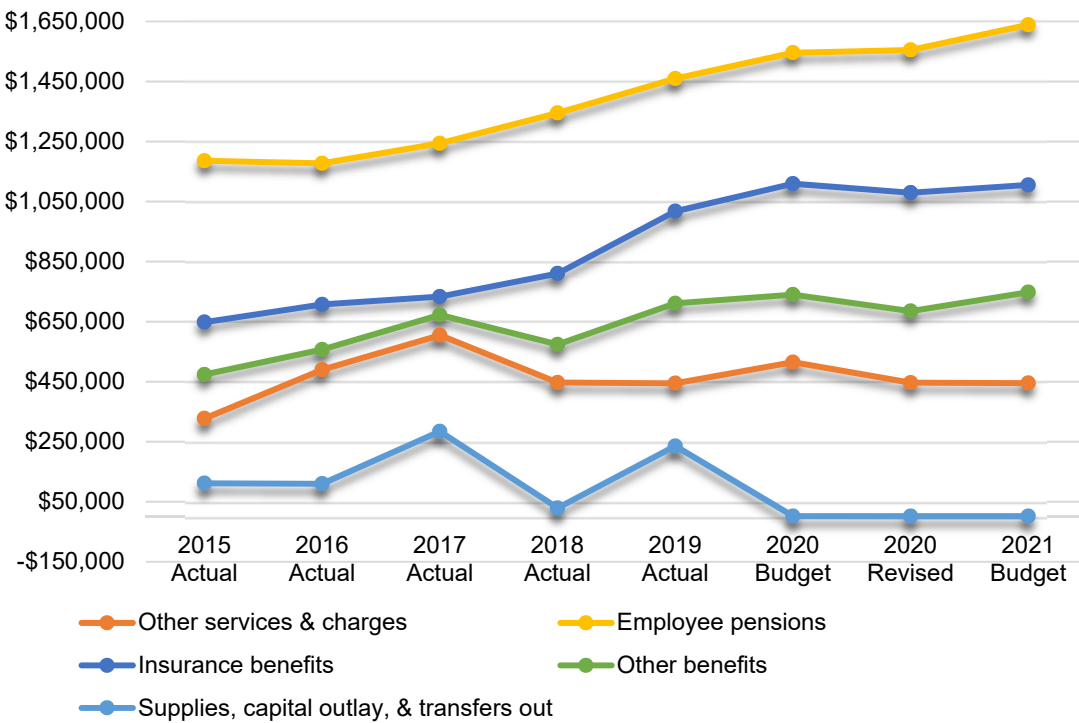




### Internal Service Funds Revenue Trend Analysis



### Internal Service Funds Expenditure Trend Analysis



**Fund: Insurance Fund 6000**

The Insurance Fund accounts for premiums and losses related to the City's property and liability insurance coverage.

**Department Activities and Responsibilities:**

Reimbursements from the City's operating departments provide the primary source of revenue to the Fund. These revenues cover the cost of annual insurance premiums for the City. The City's property and liability insurance coverage contains a deductible of \$25,000 per occurrence and a \$100,000 aggregate level per year. This deductible level offers premium savings, which pay for claims that do not exceed the deductible amount. The City will monitor insurance premiums and claims and adjust departmental charge backs to maintain a sufficient fund balance.

In 2010, the White Bear Area YMCA renovated and expanded their facility in a \$6 million project. The City agreed to contribute a total of \$2.75 million to the overall project costs, with \$1,000,000 coming from this fund and the rest coming from two other funds. Resolution No. 10604 from November 2009 established a 15-year repayment schedule to all three funds for the loan. The final loan payment of \$134,000 for this fund will be made in 2021.

A group of residents formed the White Bear Lake Restoration Association to protect the interests of the lake by submitting a lawsuit against the Minnesota Department of Natural Resources regarding the water pumping permits given to the City of White Bear Lake. The City was not originally part of the lawsuit; however, the legal activities revolved around City operations. Therefore, in 2014, the City intervened in the lawsuit, authorizing the City Manager and City Attorney to take all actions necessary to protect the City's investments in its public water supply infrastructure.

The Water Fund originally absorbed the legal costs within the operating budget; however, as the extra expenditures began to deplete the fund balance, the City added a lake level litigation fee to the quarterly utility bills to subsidize the costs. At that point, the litigation fees collected from users and legal costs moved to the Insurance Fund to account for the situation as a claim against the City. The fee provides approximately \$150,000 annually to help cover litigation costs. Based upon total litigation costs paid to date, the fee will continue through 2020. At that time, the City will have recovered expenditure costs through the fee revenues. Since the City anticipates minimal remaining litigation costs, the City will redirect future litigation fees and expenditures to the Water Fund as of 2021.

**Budget Summary:**

Total reimbursements from other departments were decreased in the 2021 Budget based on an in-depth analysis of the general liability and auto insurance premiums that should be allocated to each department.

The City's long-term objective is to build an adequate reserve to increase the insurance deductible amount to lower the City's overall insurance premium costs.

In 2019, the Fund used the proceeds from the internal loan repayment to support a transfer to the 2018B General Obligation Tax Abatement Bonds for Sports Center Renovations debt service payment. A philosophical change regarding the internal loan modifies the repayment plan in 2020 for more transparency. Moving forward, the Non-Bonded Fund transfer in 2020 repays the principal and interest amounts due for the year. An additional transfer from the Marina Fund prepays a portion of the 2021 principal amount. The Non-Bonded Fund completes the internal loan repayment plan in 2021 by transferring the remaining principal balance and interest. The fund will not make a transfer to the 2018B General Obligation Tax Abatement Bond as the debt service revenue will be applied as originally directed by the City Council.

**City of White Bear Lake  
Insurance Fund**

**Annual Budget  
Fund Summary**

<b>Code</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2020 Revised</b>	<b>2021 Budget</b>
<b>Revenues</b>						
4819	Department reimbursements					
	General Fund	\$ 135,475	\$ 146,822	\$ 141,195	\$ 146,822	\$ 134,052
	Water Fund	55,700	55,699	54,850	55,699	46,582
	Sewer Fund	35,810	35,810	35,555	35,810	32,000
	Refuse Fund	3,983	3,983	3,960	3,983	3,983
	Sports Center Fund	16,458	16,458	16,455	16,458	15,729
	Ambulance Fund	14,601	14,601	14,525	14,601	8,634
	Pioneer Manor	3,320	3,320	3,250	3,320	3,320
	License Bureau	7,233	7,233	7,210	7,233	7,233
	Engineering	6,347	-	-	-	-
	Total reimbursements	<u>278,927</u>	<u>283,926</u>	<u>277,000</u>	<u>283,926</u>	<u>251,533</u>
	Other Revenue					
4885	Lake litigation fees	170,252	171,909	160,000	160,000	75,000
4955	Interest	-	39,879	-	25,000	25,000
5010	Sale of property	-	3,650	-	-	-
5322	Loan principal repayment	210,000	215,000	-	-	-
5323	Loan interest repayment	27,500	20,000	-	-	-
5360	Refunds and reimbursements	16,657	74,227	-	39,356	-
	Total other revenue	<u>424,409</u>	<u>524,665</u>	<u>160,000</u>	<u>224,356</u>	<u>100,000</u>
	Transfers In					
5205	Marina Fund	-	-	44,000	44,000	-
5205	Non-Bonded Fund	-	-	242,000	242,000	134,000
	Total transfers in	<u>-</u>	<u>-</u>	<u>286,000</u>	<u>286,000</u>	<u>134,000</u>
	Total revenues	<u>703,336</u>	<u>808,591</u>	<u>723,000</u>	<u>794,282</u>	<u>485,533</u>
<b>Expenditures</b>						
	Supplies					
6220	Equipment supplies and parts	3,114	-	1,500	1,500	1,500
6240	Building supplies and parts	5,500	36	100	150	150
6250	Other supplies and parts	41	471	500	100	100
	Total supplies	<u>8,655</u>	<u>507</u>	<u>2,100</u>	<u>1,750</u>	<u>1,750</u>
	Other Services and Charges					
6401	Professional services	112,498	49,709	106,000	56,000	31,000
6434	General liability insurance	209,037	210,031	215,000	219,683	227,000
6436	Auto liability	25,165	24,049	28,000	21,636	23,000
6460	Subscriptions and dues	-	-	500	500	500
6470	Training and subsistence	17	15,612	10,100	8,060	10,000
6510	Vehicle repair service	13,074	1,818	-	550	-
6515	Building repair service	1,725	-	-	580	-
6525	Electrical repair service	12,817	-	-	-	-
6560	Contractual services	37,403	135,703	127,000	127,000	136,000
	Total other services and charges	<u>411,736</u>	<u>436,922</u>	<u>486,600</u>	<u>434,009</u>	<u>427,500</u>
	Capital Outlay					
7120	Building	20,530	-	-	-	-
	Transfers Out					
7605	2018 GO Tax Abatement Bonds	-	195,000	-	-	-
7605	Equipment Acquisition Fund	-	40,000	-	-	-
	Total transfers out	<u>-</u>	<u>235,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Total expenditures	<u>440,921</u>	<u>672,429</u>	<u>488,700</u>	<u>435,759</u>	<u>429,250</u>
	Revenues over (under) expenditures	<u>262,415</u>	<u>136,162</u>	<u>234,300</u>	<u>358,523</u>	<u>56,283</u>
	Fund balance January 1	<u>1,702,384</u>	<u>1,964,799</u>	<u>1,971,980</u>	<u>2,100,961</u>	<u>2,459,484</u>
	Fund balance December 31	<u>\$ 1,964,799</u>	<u>\$ 2,100,961</u>	<u>\$ 2,206,280</u>	<u>\$ 2,459,484</u>	<u>\$ 2,515,767</u>
<b>Fund Balance Reconciliation to CAFR:</b>						
	Budget fund balance December 31	1,964,799	2,100,961			
	Advances to other funds	615,000	400,000			
	CAFR fund balance December 31	<u>2,579,799</u>	<u>2,500,961</u>			

**Fund: Employment Expense Fund 6200**

The Employment Expense Fund centralizes reporting for employment–related costs for all City employees. Expenditure categories include the Public Employees Retirement Association (PERA), FICA, Medicare, employee insurances and Workers’ Compensation.

**Department Activities and Responsibilities:**

Pension Benefits:

The City participates in the Public Employees Retirement Association (PERA), a statewide pension program administered and managed by the State Legislature. The City employees qualify for one of two plans, the Coordinated Plan or the Police and Fire Plan. PERA contribution rates adjust periodically to ensure the financial integrity of the plans.

Pension rates for Coordinated Plan members remain consistent with previous years. During 2018, the Legislature passed a bill during their session to increase the Police and Fire Pension Plan contributions in 2019 and 2020 to provide long-term financial stability. Rates for both pension plans are as follows:

<u>Year</u>	<u>Coordinated</u>		<u>Police/Fire</u>	
	<u>Employee</u>	<u>Employer</u>	<u>Employee</u>	<u>Employer</u>
January 1, 2015	6.50%	7.50%	10.80%	16.20%
January 1, 2019	6.50%	7.50%	11.30%	16.95%
January 1, 2020	6.50%	7.50%	11.80%	17.70%

Coordinated Plan participants receive retirement benefits from PERA and Social Security. Police and Fire Plan participants receive retirement benefits from only PERA.

Health Insurance Options:

The City created an Employee Health Insurance Committee, composed of representatives from each bargaining and non-bargaining group, to provide employee feedback regarding insurance coverages.

Through its most recent RFP process in 2018, the Employee Health Insurance Committee chose Medica Health Plans as the insurance carrier for the three plan levels, effective in 2019. For 2020, Medica expanded their coverage offerings to include three additional lower cost plans with a narrow service provider network to help employees save on monthly insurance premium costs. The 2021 proposal received from Medica continues to provide for these six plan options with a 3% increase for all premiums.

Monthly premiums vary considerably between the plan options. The City’s monthly contribution to the insurance coverage varies by employee based on the level of insurance selected, the employee’s bargaining group, and participation in the non-smoking incentive program. In some years, the City splits health insurance premium increases with employees, notably in years when the increases are quite high. However, the City has taken the opportunity, when increases are more reasonable, to expand contributions for employee health insurance premiums in order to remain competitive for both existing and prospective employees. For 2021, the City will pay the 3% increase in premiums for employees.

A unique clause in the City’s benefit offerings allows an employee to opt out of the health insurance plan and receive a deposit to their retirement account in lieu of a contribution to a health insurance premium. Roughly 35% of the workforce opts out of the City’s health insurance, which considerably reduces the group size. There is no change in the amount paid to employees who opt out of the City’s health insurance coverage for the 2021 plan year.

A major challenge in controlling insurance costs for the group centers around the small pool of employees covered through multiple plan options and the ability for some to opt out of coverage completely. The experience-rating factor can drive insurance rates up when small groups have members with significant health issues in past years. The City might recognize savings by combining all employees into one group

**Fund: Employment Expense Fund 6200**

under one insurance coverage option without the ability to opt out of coverage. The RFP in 2018 did not include this scenario; however, this structure will be an important discussion in future years.

The City is required to prepare a Request for Proposal (RFP) for insurance coverage every five years per State Statute; however, the City does have the option to prepare one more frequently if necessary. The City's practice is not to request an additional RFP if the insurance provider presents what is considered a reasonable proposal within the five year time frame.

Life Insurance:

The City purchases life insurance policies for each employee at their annual salary up to \$100,000. Employees may purchase individual or family supplemental policies on their own. Basic life insurance premiums decreased through the RFP process for the coverage period of January 1, 2019 through December 31, 2021. Rates for all other individual or family supplemental insurances remained the same.

Other Insurance:

The City offers short-term and long-term disability and dental insurance plans to employees.

The City's current short-term disability insurance coverage period ends December 31, 2020. As the provider reviewed actual plan usage to prepare a quote for the next period, data indicated significant increase in benefits paid in recent years. Since the short-term disability insurance rates have not changed for more than 7 years, the plan provider proposed a 5% rate increase for 2021. During negotiations, the provider offered to reduce the premium increase if policy provisions changed benefit qualification dates from day 1 of hospitalization to day 30 to match the qualifications of the non-hospitalized injuries/illnesses. Employee Insurance Committee members voted to continue current plan benefits, accept the proposed rate increase for 2021, and carry the rates through 2022.

Long-term disability insurance rates remain unchanged, as this is the third year within the current contract period of January 1, 2019 through December 31, 2021.

The dental insurance plan offered to employees is a pooled voluntary dental product through HealthPartners, which provides employees additional coverage if they select a HealthPartners or Park Dental clinic. There is no rate increase for dental insurance premiums in 2021.

Workers' Compensation:

The City has an active Employee Safety Committee and training program to reduce accidents, decrease workers' compensation injuries, and lower annual workers' compensation insurance premiums. For many years, the City participated in the League of Minnesota Cities Retrospective Worker's Compensation Rated Premium Option as a means to reduce costs if workers' compensation claims were minimal. However, during recent years the City experienced significant claims, which resulted in the City paying a substantial share of those claims. The City opted out of the Retrospective Rated Premium Program at the annual renewal on February 1, 2017. At that time, the City changed coverage to a \$5,000 deductible premium program to stabilize premium expenditures for future years.

Claims from the Retrospective Rating Program automatically close after 16 years. Each September the League of Minnesota Cities Insurance Trust analyzes the retrospective claims and either refunds excess reserves or requests reimbursement for additional claim expenditures within the recent year. Therefore, the City either receives a premium refund or pays the additional expenditures each year after the review. The League delayed their 2019 adjustment until the beginning of 2020, which was a refund entered into the Refunds and Reimbursement account. The annual analysis in 2020 required a payment by the City, while the 2021 review resulted in a refund to the City. Continuing obligations remain for the Retrospective Rating Premium coverage due to four open claims; however, these costs will decrease over time as reserves build.

**Fund:            Employment Expense Fund 6200**

**Budget Summary:**

The 2021 Budget bases employee related expenditures on a full complement of positions throughout the entire year. The budget includes an increase in City contributions to employee health insurance premiums.

Workers' Compensation rates for all position types increased in the 2020-2021 renewal, resulting in a 4% increase in the total Workers' Compensation premium.

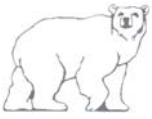
**City of White Bear Lake  
Employment Expense Fund**

**Annual Budget  
Fund Summary**

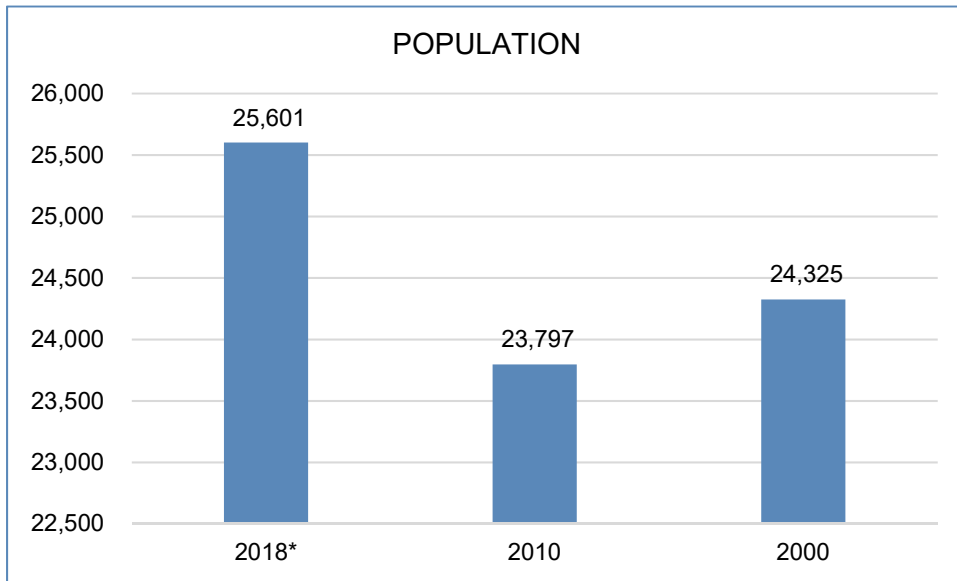
Code	Item	2018 Actual	2019 Actual	2020 Adopted	2020 Revised	2021 Budget
<b>Revenues</b>						
4819	Department reimbursements					
	General Fund	\$ 1,727,389	\$ 1,991,313	\$ 2,202,219	\$ 2,131,550	\$ 2,226,079
	Marina Fund	609	1,591	1,905	2,059	2,270
	Armory Fund	6,337	6,822	7,410	6,721	9,577
	Surface Water	9,709	10,923	12,144	11,725	23,513
	Economic Development Fund	26,784	18,758	32,605	34,836	28,624
	Municipal Building Fund	20,025	20,025	-	-	-
	Water Fund	109,330	112,427	116,543	115,890	123,808
	Sewer Fund	90,886	95,389	102,178	103,111	122,255
	Refuse Fund	352	403	643	303	659
	Sports Center Fund	56,133	82,180	84,404	83,143	91,530
	Ambulance Fund	300,106	362,005	417,389	409,666	406,814
	License Bureau	178,262	189,628	206,498	181,151	189,283
	Engineering	130,672	-	-	-	-
	Total reimbursements	<u>2,656,594</u>	<u>2,891,464</u>	<u>3,183,938</u>	<u>3,080,155</u>	<u>3,224,412</u>
	Other revenue					
4604	Federal grants	-	-	-	14,890	-
4646	Miscellaneous state aid - PERA	17,350	17,350	17,350	17,350	17,350
4809	Charges for services	4,793	1,033	1,080	1,080	1,080
4955	Interest	-	44,270	-	30,000	30,000
5350	Miscellaneous revenue	156	16	-	-	-
5360	Refunds and reimbursements	39,327	150,002	5,000	23,089	-
	Total other revenue	<u>61,626</u>	<u>212,671</u>	<u>23,430</u>	<u>86,409</u>	<u>48,430</u>
	Transfers In					
5205	Economic Development Fund	-	-	-	-	-
	Total revenue	<u>2,718,220</u>	<u>3,104,135</u>	<u>3,207,368</u>	<u>3,166,564</u>	<u>3,272,842</u>
<b>Expenditures</b>						
	Employee pensions					
6122	PERA - defined benefit	831,866	1,000,660	1,040,000	1,085,000	1,150,000
6123	PERA - defined contribution	12,083	5,198	6,000	5,000	5,000
6124	FICA	501,174	453,788	500,000	465,000	484,000
	Total employee pensions	<u>1,345,123</u>	<u>1,459,646</u>	<u>1,546,000</u>	<u>1,555,000</u>	<u>1,639,000</u>
	Insurance benefits					
6130	Health insurance	669,449	835,186	900,000	875,000	900,000
6131	Health savings account contribution	27,834	53,632	58,000	64,000	64,000
6132	Life insurance	5,629	4,972	11,000	10,000	11,000
6134	Dental insurance	826	2,242	500	500	500
6136	ICMA contributions	106,519	121,797	140,000	130,000	130,000
	Total insurance benefits	<u>810,257</u>	<u>1,017,829</u>	<u>1,109,500</u>	<u>1,079,500</u>	<u>1,105,500</u>
	Other employee benefits					
6138	Worker's compensation	376,405	541,953	535,000	520,000	565,000
6144	Unemployment	6,850	19,978	15,000	25,000	15,000
6146	Severance pay	190,582	148,950	190,000	139,970	168,000
	Total other employee benefits	<u>573,837</u>	<u>710,881</u>	<u>740,000</u>	<u>684,970</u>	<u>748,000</u>
	Other services					
6401	Professional services	4,518	1,777	4,000	4,000	4,000
6455	Legal notices publications	50	-	-	-	300
6470	Training	-	301	-	-	-
6560	Contractual services	30,886	5,791	24,225	8,600	13,375
	Total other services	<u>35,454</u>	<u>7,869</u>	<u>28,225</u>	<u>12,600</u>	<u>17,675</u>
	Total expenditures	<u>2,764,671</u>	<u>3,196,225</u>	<u>3,423,725</u>	<u>3,332,070</u>	<u>3,510,175</u>
	Revenues over (under) expenditures	<u>(46,451)</u>	<u>(92,090)</u>	<u>(216,357)</u>	<u>(165,506)</u>	<u>(237,333)</u>
	Fund balance January 1	<u>1,155,847</u>	<u>1,109,396</u>	<u>1,142,288</u>	<u>1,017,306</u>	<u>851,800</u>
	Fund balance December 31	<u>\$ 1,109,396</u>	<u>\$ 1,017,306</u>	<u>\$ 925,931</u>	<u>\$ 851,800</u>	<u>\$ 614,467</u>
<b>Fund Balance Reconciliation to CAFR:</b>						
	Budget fund balance December 31	\$ 1,109,396	\$ 1,017,306			
	Deferred outflows of OPEB resources	-	352,771			
	Net OPEB liability	(951,784)	(1,341,760)			
	Deferred inflows of OPEB resources	(27,733)	(24,883)			
	CAFR fund balance December 31	<u>\$ 129,879</u>	<u>\$ 3,434</u>			

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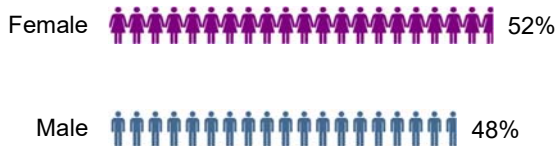
2018 POPULATION INFORMATION



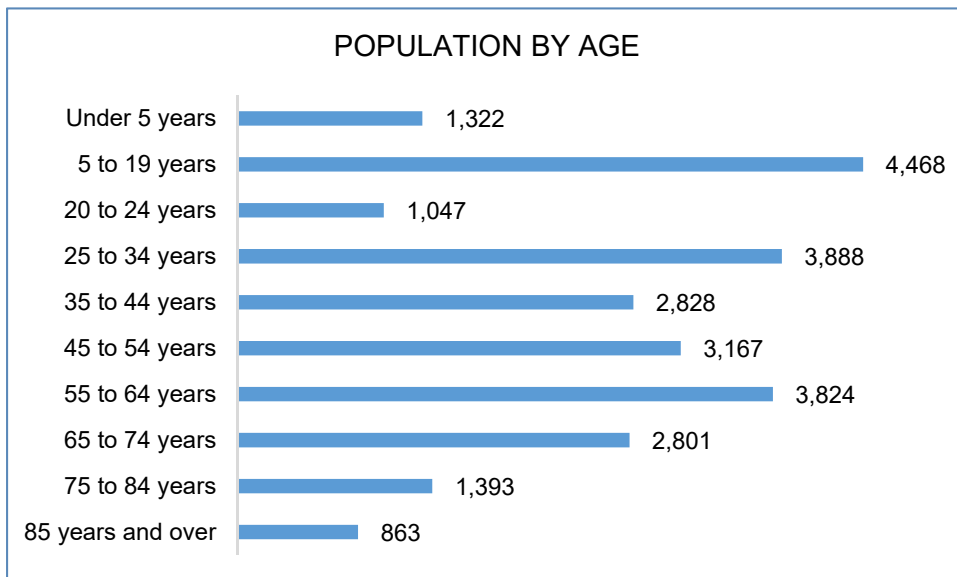
\*2018 is an estimate from the United States Census Bureau.

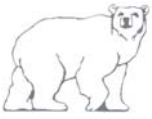
Population by Sex

Median Age



40 years

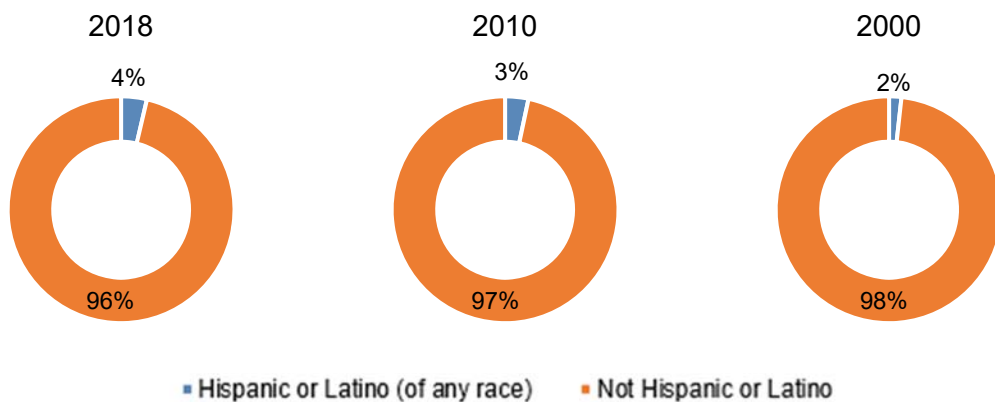




2018 POPULATION INFORMATION (CONTINUED)

POPULATION BY RACE

Race	2018	2010	2000
White	22,897	21,433	23,183
Black or African American	633	589	262
American Indian and Alaska Native	161	97	89
Asian	1,121	842	374
Other race	162	231	98
Two or more races	627	605	319

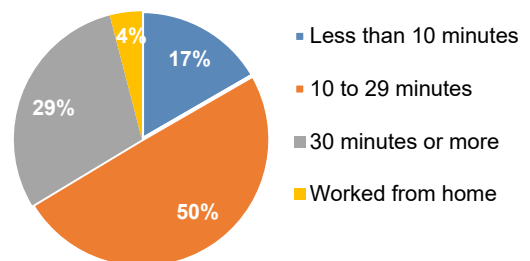


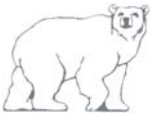
2018 OCCUPATION INFORMATION

Civilian employed population 16 years of age and over:

13,477

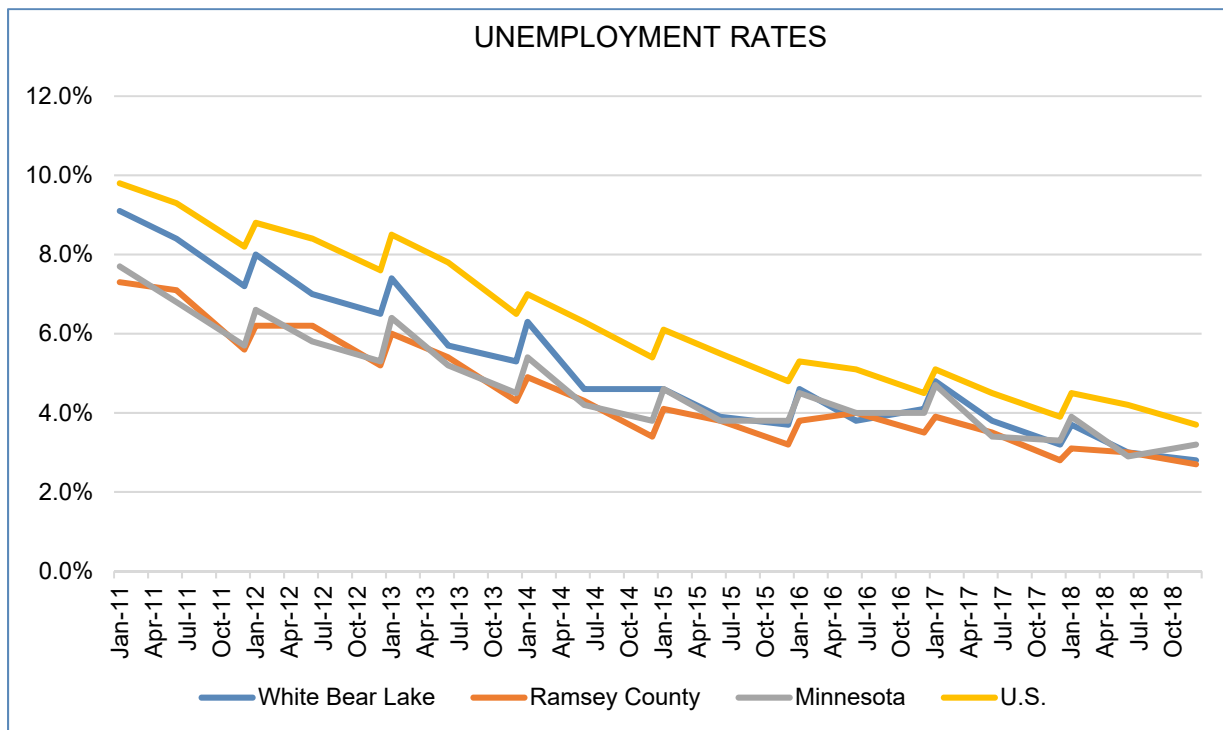
Travel Time to Work





2018 OCCUPATION INFORMATION (CONTINUED)

Industry:	Number of civilians employed
Construction	752
Manufacturing	1,860
Wholesale trade	490
Retail trade	1,995
Transportation and warehousing, and utilities	438
Information	157
Finance and insurance, and real estate and rental and leasing	284
Professional, scientific, and management, and administrative and waste management services	1,477
Educational services, and health care and social assistance	3,265
Arts, entertainment, and recreation, and accommodation and food services	2,029
Other services, except public administration	471
Public administration	259



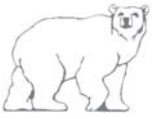
2018 HOUSING CHARACTERISTICS

Total housing units:

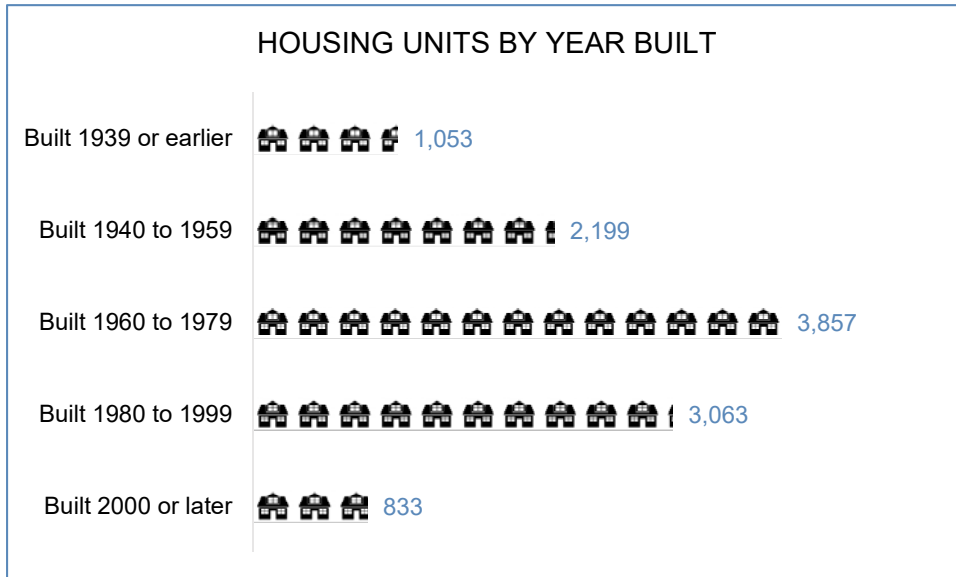
**10,638**

Average household size:

**2.38**



2018 HOUSING CHARACTERISTICS (CONTINUED)

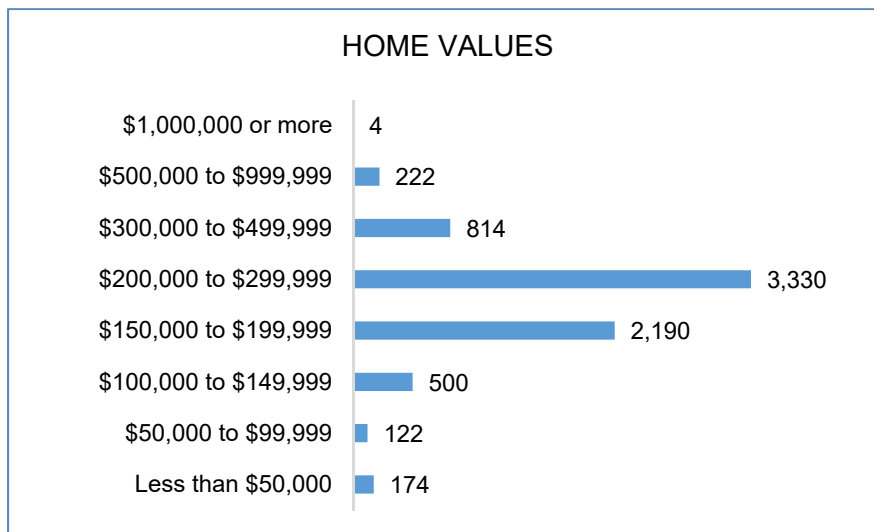


Median Home Value:

Median Monthly Mortgage Cost:

**\$215,800**

**\$1,492**



Occupied housing units: **10,638**

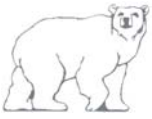
Vacant housing units: **367**

Owner-occupied units: **7,356**

Renter-occupied units: **3,282**

Housing units with a mortgage: **4,724**

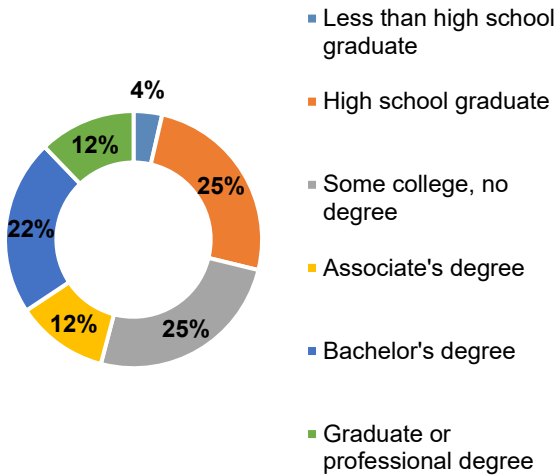
Housing units without a mortgage: **2,632**



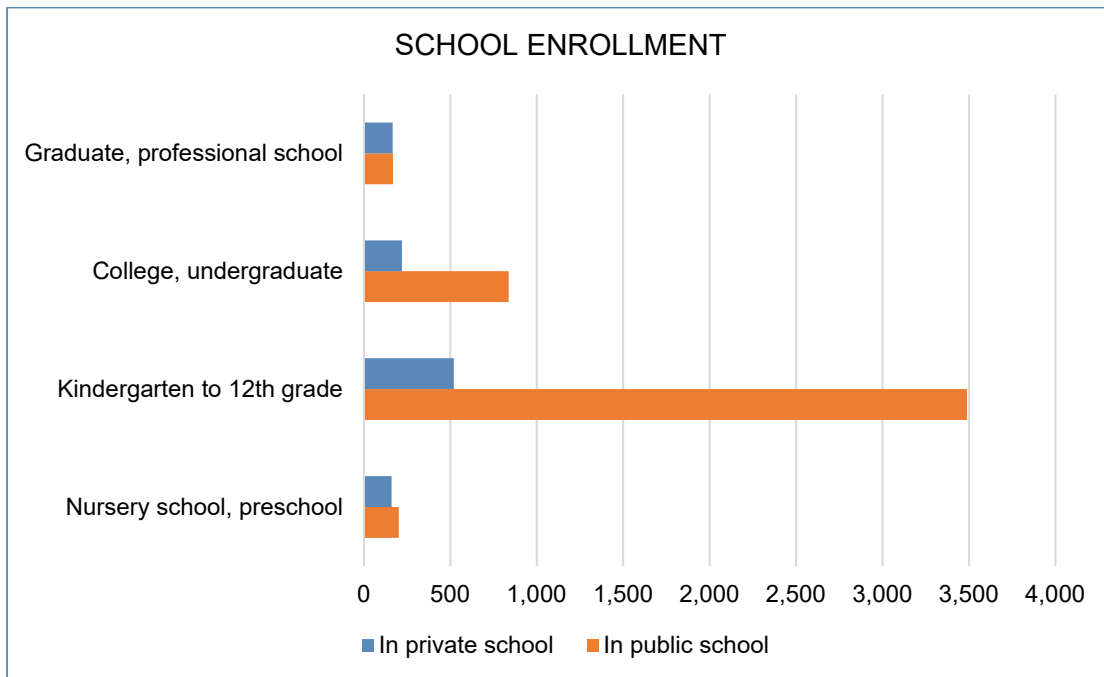
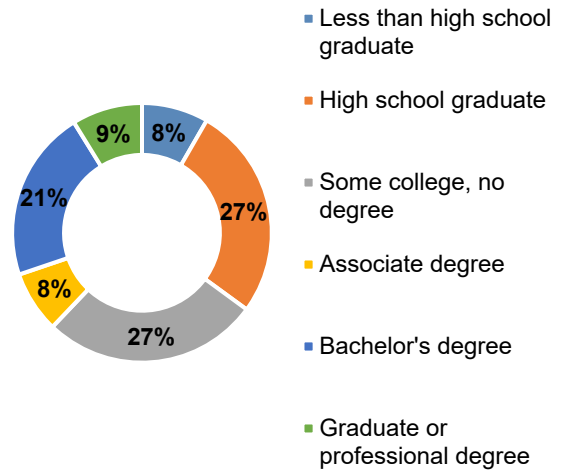
2018 EDUCATIONAL ATTAINMENT

**96.4%** of residents over 25 are high school graduates or higher.

2018 - POPULATION 25 YEARS AND OVER



2000 - POPULATION 25 YEARS AND OVER



Fiscal Year	Governmental Activities			Business-Type Activities		Personal Income	Percentage of Personal Income	Population	Per Capita
	Special Assessment Bonds	Tax Increment Financing	Tax Abatement Bonds	Revenue Bonds	Total Primary Government				
2010	-	3,465,000	-	-	3,465,000	1,138,448,480	0.30%	23,797	145.61
2011	-	3,070,000	-	-	3,070,000	1,199,083,236	0.26%	23,797	129.01
2012	2,555,000	2,650,000	-	-	5,205,000	1,218,273,900	0.43%	23,820	218.51
2013	2,555,000	2,195,000	-	-	4,750,000	1,286,899,744	0.37%	24,074	197.31
2014	2,340,000	1,745,000	-	-	4,085,000	1,497,574,000	0.27%	24,100	169.50
2015	2,125,000	1,280,000	-	-	3,405,000	1,347,975,564	0.25%	24,159	140.94
2016	1,920,000	3,415,000	-	-	5,335,000	1,458,514,512	0.37%	24,138	221.02
2017	1,720,000	3,260,000	-	-	4,980,000	1,458,514,512	0.34%	25,001	199.19
2018	7,436,187	3,035,000	3,330,000	-	13,801,187	1,491,125,376	0.93%	25,512	540.97
2019	9,332,390	2,800,000	3,336,090	-	15,468,480	1,550,188,536	1.00%	25,752	600.67

**City of White Bear Lake**  
**Legal Debt Margin**

**Annual Budget**

		<u>2020</u>
Estimated taxable market value		<u>\$ 3,116,819,600</u>
Debt limit - 3% of market value		82,176,975
Total bonded debt	\$ 17,780,000	
Less:		
Tax increment bonds	\$ 2,560,000	
Special assessment bonds	1,155,000	
G.O. Bond issues receiving special assessment proceeds	<u>10,860,000</u>	
	<u>14,575,000</u>	
Total debt applicable		<u>3,205,000</u>
Legal debt margin		<u>\$ 78,971,975</u>

**City of White Bear Lake  
Principal Property Taxpayers**

**Annual Budget**

Taxpayer	2019			2010		
	Tax Capacity Value	Rank	Percentage of Total City Tax Capacity	Tax Capacity Value	Rank	Percentage of Total City Tax Capacity
White Bear Woods Apartments	\$ 559,129	1	1.78%	\$ 271,563	5	1.02%
Xcel Energy	463,648	2	1.47%			
White Bear Marketplace	320,388	3	1.02%			
Lodge at White Bear	266,310	4	0.85%			
Trane Corporation	259,912	5	0.83%	1,158,392	1	4.36%
The Waters of White Bear Lake	250,000	6	0.79%			
Aspen Research	238,052	7	0.76%	336,042	4	1.27%
Birch Lake Townhomes	231,250	8	0.73%			
White Bear Shopping Center	209,250	9	0.66%	201,262	7	0.76%
Sam's Club Retail	198,946	10	0.63%	269,250	6	1.01%
Festival Foods				363,976	2	1.37%
K-Mart Corporation				355,920	3	1.34%
Life Time Fitness				155,250	8	0.58%
Taylor Corporation				148,532	9	0.56%
Cummins Sales and Services				133,840	10	0.50%
<b>Total</b>	<b>\$ 2,996,885</b>		<b>9.52%</b>	<b>\$ 3,394,027</b>		<b>12.78%</b>
<b>Total Tax Capacity of City</b>	<b>\$ 31,468,763</b>			<b>\$ 26,562,635</b>		

Source: Ramsey and Washington Counties



**City of White Bear Lake  
Larger Employers**

**Annual Budget**

2019

Employer	Type of Business/Product	Estimated Number of Employees
ISD No. 624 (White Bear Lake Area Schools)	Elementary and secondary education	1,338
Century College	Post-secondary education	1,000
Trane Corporation	HVAC distributor	360
Cerenity Care Center of White Bear Lake	Nursing home and senior living facilities	350
Life Time Fitness	Health club	200
Sam's Club	Discount retail store	180
City of White Bear Lake	Municipal and government services	173
Taymark Corporation	Marketing supplies	160
Saputo Dairy	Dairy products	155
Internaltional Paper	Corrugated box plant	122

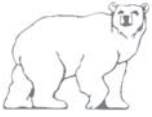
Source: ReferenceUSA, written and telephone survey (May 2020), and the Minnesota Department of Employment and Economic Development.

**City of White Bear Lake**  
**Capital Asset Statistics by Function**

**Annual Budget**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Public Safety</b>										
Police										
Stations	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Patrol vehicles	17.00	17.00	17.00	18.00	18.00	17.00	19.00	19.00	20.00	19.00
Fire										
Stations	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Fire trucks	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Rescue boats with motors	3.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
<b>Public Works</b>										
Streets										
Miles (1)	114.81	114.81	114.81	114.81	114.81	114.81	114.81	114.81	114.81	114.81
Street lights	515.00	515.00	515.00	515.00	515.00	515.00	515.00	515.00	523.00	529.00
Parks and recreation										
Public docks	7.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00
Outdoor ice rinks	2.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Playgrounds	9.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00
Softball fields	13.00	13.00	13.00	13.00	13.00	13.00	13.00	13.00	13.00	13.00
Basketball court	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	5.00	5.00
Disc golf course	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Sports Center										
Indoor ice rink	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Racquetball courts	4.00	4.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Water										
Miles of watermains	126.81	126.81	126.81	126.81	126.81	126.81	126.81	126.81	126.95	127.08
Fire hydrants	906.00	907.00	907.00	907.00	907.00	907.00	907.00	907.00	908.00	909.00
Sewer										
Miles of storm sewers	49.37	49.72	50.02	50.02	50.02	50.61	50.61	50.61	50.97	51.21
Miles of sanitary sewers	120.36	120.36	120.36	120.36	120.36	120.36	120.36	120.36	120.36	120.36

(1) Street miles listed on this report include City, County, MSA, and State and Private mileage within the City limits.



## GLOSSARY OF TERMS

**Accounting System:** The total set of records and procedures which are used to record, classify, and report information on the financial status and operations of an entity.

**Accrual Basis of Accounting:** The method of accounting under which revenues are recorded when they are earned (Whether or not cash is received at that time) and expenditures are recorded when goods and services are received (whether cash disbursements are made at that time or not).

**Amortization:** (1) The portion of the cost of a limited-life or intangible asset charged as an expense during a particular period. (2) The reduction of a debt by regular payments of principal and interest sufficient to retire the debt by maturity.

**Appropriation:** An authorization made by the legislative body of a government which permits officials to incur obligations against and to make expenditures of governmental resources. Appropriations are usually made for fixed amounts and are typically granted for a one-year period.

**Assessed Valuation:** A valuation set upon real estate or other property by a government as a basis for levying taxes.

**Assessment:** (1) The process of making the official valuation of property for taxation. (2) The valuation placed upon property as a result of this process.

**Assets:** Property owned by a government which has a monetary value.

**Audit:** An objective examination and evaluation of the financial statements of an organization to make sure the financial records are a fair and accurate representation of the transactions they claim to represent.

**Bond:** A written promise to pay (debt) a specified sum of money (called principal or face value) at a specified future date (called the maturity date [s]) along with periodic interest paid at a specified percentage of the principal (interest rate). Bonds are typically used for long-term debt.

**Budget:** A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them.

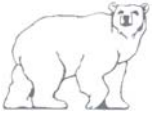
**Budget Document:** The official written statement prepared by the budget office and supporting staff which presents the proposed budget to the legislative body.

**Budget Message:** A general discussion of the proposed budget presented in writing as a part of or supplement to the budget document. The budget message explains principal budget issues against the background of financial experience in recent years and presents recommendations made by the chief executive and budget officer.

**Capital Assets:** Assets of significant value and having a useful life of several years. Capital assets are also called fixed assets.

**Capital Improvements Budget:** A plan of proposed capital expenditures and the means of financing them. The capital budget is usually enacted as part of the complete annual budget which includes capital outlays. The capital budget normally is based on a capital improvement plan (CIP).

**Capital Improvement Plan (CIP):** A plan for capital expenditures to be incurred each year over a fixed period of several future years setting forth each capital project, identifying the expected beginning and ending date for each project, the amount to be expended in each year, and the method of financing those expenditures.



**Capital Outlays:** Expenditures for the acquisition of capital assets.

**Capital Projects:** Projects which purchase or construct capital assets. Typically a capital project encompasses a purchase of land and/or the construction of a building or facility.

**CARES Act:** Coronavirus Aid, Relief, and Economic Security Act

**Cash Basis:** The method of accounting under which revenues are recorded when received in cash and expenditures are recorded when paid.

**CATV:** Cable television

**City Charter:** Legal document which establishes the formal government and powers of the City.

**Community Oriented Policing:** Residents and Police Officers work together to promote safety in the City.

**Comprehensive Annual Financial Report (CAFR):** The official annual report of a government. It includes (a) the five combined financial statements in the combined statements-overview and their related notes and (b) combining statements by fund type and account group financial statements prepared in conformity with GAAP and organized into a financial reporting pyramid. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, required supplementary information, extensive introductory material and a detailed statistical section.

**Conditional/Special Use Permit:** Those uses which may be appropriate or desirable in a zoning district, but require special approval because they may create problems such as excessive height or bulk, traffic congestions, strain on essential facilities and services, etc.

**Contingency Account:** A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted for.

**CPR:** Cardiac Pulmonary Resuscitation

**CPTED:** Crime Prevention Through Environmental Design

**DARE:** Drug Abuse Resistance and Education

**Debt:** An obligation resulting from the borrowing of money or from the purchase of goods and services. Debts of governments include: bonds, time warrants and interest.

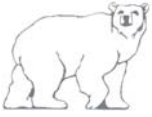
**Debt Service:** Payment of interest and repayment of principal to holders of a government's debt instruments.

**Debt Service Fund:** A fund established to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

**Deficit:** (1) The excess of an entity's liabilities over its assets (See Fund Balance); (2) the excess of expenditures or expenses over revenues during a single accounting period.

**Department:** A distinct division of an organization having a specialized function and personnel.

**Depreciation:** (1) Expiration in the service life of capital assets attributable to wear and tear, deterioration, action of the physical elements, inadequacy or obsolescence; (2) that portion of the cost of capital asset which is charged as an expense during a particular period.



**EMS:** Emergency Medical Services

**Enterprise Fund:** (1) A fund established to account for operations finance and operated in a manner similar to private business enterprises. In this case, the governing body intends that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

**Expenditures:** Where accounts are kept on the accrual or modified basis of accounting, the cost of goods received or services rendered whether cash payments have been made or not. Where accounts are kept on a cash basis, expenditures are recognized only when the cash payments for the above purchases are made.

**Fines & Forfeits:** A sum of money imposed or surrendered as a penalty.

**Fiscal Disparities:** A distribution of 40% of the growth in commercial and industrial properties within the seven-county metropolitan area since 1971.

**Fiscal Year:** A 12-month period to which the annual operating budget applies and at the end of which a government determines its financial position and the results of its operations.

**Full Faith And Concept:** A pledge of the general taxing power of a government to repay debt obligations (typically used in reference to bonds).

**Fund:** An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves, and equities which are segregated for the purpose of carrying on specific activities or attaining certain objectives.

**Fund Balance:** The excess of funds assets over its liabilities. A negative fund balance is sometimes called a deficit.

**General Fund:** The fund used to account for all financial resources, except those required to be accounted for in another fund.

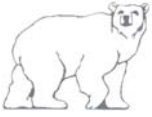
**General Obligation Bonds:** When a government pledges its full faith and credit to the repayment of the bonds it issues, then those bonds are general obligation (GO) bonds. Sometimes the term is also used to refer to bonds which are to be repaid from taxes and other general revenues.

**General Obligation Revenue Bonds:** Intended to be paid first from the revenues of the enterprise fund. They are backed by the full faith, credit and taxing power of the City.

**Generally Accepted Accounting Principals (GAAP):** Uniform minimum standards and guidelines for financial accounting and reporting. They govern the form and content of the financial statements of an entity. GAAP encompass the conventions, rules and procedures necessary to define accepted accounting practice at a particular time. They include not only broad guidelines of general application, but also detailed practices and procedures. GAAP provide a standard by which to measure financial presentations. The primary authoritative body on the application of GAAP to state and local governments is the GAAP.

**G.I.S.:** Geographic Information System

**Governmental Accounting Standards Board (GASB):** The authoritative accounting and financial reporting standard-setting body for government entities.



**Governmental Funds:** Funds used to account for the acquisition, use and balances of expendable financial resources and the related current liabilities-except those accounted for in proprietary funds and fiduciary funds. Under current GAAP, there are four governmental fund types: general, special revenue, debt service and capital projects.

**Grant:** A contribution of assets (usually cash) by one governmental unit or other organization to another. Typically, these contributions are made to local governments from the state and federal governments. Grants are usually made for specified purposes.

**Homestead and Agricultural Credit Aid (HACA):** A property tax relief program that replaced the former homestead credit program and the agricultural credit program. HACA is tied to class rate reductions for certain classes of property.

**HRA:** Housing and Redevelopment Authority

**HVAC:** Heating, Ventilation, Air Conditioning system

**Infrastructure:** The basic facilities, equipment, services and installations needed for the growth and functioning of a community. Includes roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems.

**Intergovernmental Revenues:** Revenues from other governments in the form of grants, entities, shared revenues or payments in lieu of taxes.

**Internal Service Fund:** A fund used to account for the financing of goods or services provided by one department of agency to other departments or agencies of a government, or to other governments, on a cost-reimbursement basis.

**IUOE Local 49:** International Union of Operating Engineers

**Legal Debt Limit:** The maximum amount of outstanding gross or net debt legally permitted.

**Legal Debt Margin:** The legal debt limit less outstanding debt subject to limitation.

**Legislative:** Having the power to create laws.

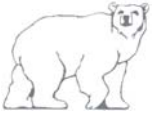
**Levy:** (1) (Verb) To impose taxes, special assessments or service charges for the support of government activities. (2) (Noun) The total amount of taxes, special assessments or service charges imposed by a government.

**Local Government Aid (LGA):** A state government revenue sharing program for cities and townships that is intended to provide an alternative to the property tax. LGA is distributed through a formula based on tax base, population, population decline, age of housing and the percent of market value classified as commercial or industrial.

**LOGIS:** Local Government Information Systems Association. A consortium of twenty-three Minnesota cities providing computer services to members under the governing of its members.

**Market Value:** An assessor's estimate of what property would be worth on the open market if sold. The market value is set on January 2 of the year before taxes are payable.

**Market Value Credit Aid:** A state government obligation to pay a certain portion of residential property tax. Homes valued at \$76,000 or less receives a \$304 state credit. The credit decreases \$9 for \$10,000 increase in market valuation. The credit is eliminated on homes valued at more than \$413,000.



**Modified Accrual Basis:** The basis of accounting under which expenditures other than accrued interest on general long-term debt are recorded at the time liabilities are incurred and revenues are recorded when received in cash except for material and/or available revenues, which should be accrued to reflect properly the taxes levied and revenue earned.

**Maturities:** The dates on which the principal or stated value of investments or debt obligations mature and may be reclaimed.

**MS4:** Municipal Separate Storm Sewer System. A conveyance or system of conveyances (roads with drainage systems, municipal streets, catch basins, curbs, gutters, ditches, man-made channels, storm drains, etc.) that is also:

- owned or operated by a public entity (which can include cities, townships, counties, military bases, hospitals, prison complexes, highway departments, universities, etc.) having jurisdiction over disposal of sewage, industrial wastes, stormwater, or other wastes, including special districts under State law such as a sewer district, flood control district or drainage districts, or similar entity, or an Indian tribe or an authorized Indian tribal organization, or a designated and approved management agency under section 208 of the Clean Water Act that discharges to waters of the United States;
- designed or used for collecting or conveying stormwater;
- which is not a combined sewer; and
- which is not part of a publicly owned treatment works.

**NPDES:** Federal National Pollutant Discharge Elimination System

**Object of Expenditure:** Expenditure classification based upon the types or categories of goods and services purchased. Typical objects of expenditure include:

- personal services (salaries and wages);
- contracted services (utilities, maintenance contracts, travel);
- supplies and materials; and,
- capital outlay.

**Objective:** Serving as a goal; being the object of a course of action.

**Operating Budget:** A plan of financial operation embodying an estimate of proposed expenditures for the calendar year and the proposed means of financing them (revenue estimates).

**Operating Expenses:** Proprietary fund expenses related directly to the fund's primary activities.

**Operating Transfer:** Routine and/or recurring transfers of assets between funds.

**Ordinance:** A formal legislative enactment by the government body of a municipality. If it is not in conflict with any higher form of law, it has the full force and effect of law within the boundaries of the municipality to which it applies.

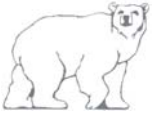
**PERA:** Public Employees Retirement Association

**Performance Indicators:** A quantitative or qualitative measurement of activity.

**Policy:** A set of guidelines used for making decisions.

**Pre-Emptive Devices:** Radio frequency controlled traffic light on emergency vehicles.

**Program:** Group activities, operations or organizational units directed to attaining specific purposes or objectives.



**Proprietary Funds:** Account for government's ongoing organizations and activities that are similar to those often found in the private sector. All assets, liabilities, equities, revenues, expenses and transfers relating to the government's business and quasi-business activities are accounted for through proprietary funds. The GAAP used are generally those applicable to similar businesses in the private sector and the measurement focus is on determination on net income, financial position and changes in financial position. Includes enterprise and internal service funds.

**Reserves:** Assets kept back or saved for future use or special purpose.

**Residual Equity Transfer:** Non-recurring or non-routine transfers of assets between funds.

**Retained Earnings:** An equity account reflecting the accumulated earnings of the government's proprietary funds (those funds where service charges will recover costs of providing those services).

**Revenue:** The term designates an increase to a fund's assets which:

- does not increase a liability (e.g., proceeds from a loan);
- does not represent a repayment of an expenditure already made;
- does not represent a cancellation of certain liabilities; and
- does not represent an increase in contributed capital.

**Revenue Estimate:** A formal estimate of how much revenue will be earned from a specific revenue source for some future period; typically, a future fiscal year.

**Special Assessment:** A compulsory levy made against certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties.

**Special Revenue Fund:** A fund used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditure for specified purposes.

**SWPPP:** Stormwater Pollution Prevention Program

**Tax Capacity:** A valuation set upon real estate and certain personal property by the County Assessor as a basis for levying property taxes. The assessor determines the estimated market (resale) value of the property. This value is converted to tax capacity by a formula specified in state law.

**Tax Capacity Rate:** The property tax rate which is based on the taxes levied as a proportion of the property value. A tax rate of 18.751% produces \$18.75 of taxes on each \$100 of tax capacity that a property is valued at.

**Tax Levy:** The total amount to be raised by general property taxes for the purposes stated in the resolution certified to the County Auditor.

**Taxes:** Compulsory charges levied by a government to finance services performed for the common benefit.

**TRIAD:** Local senior citizens group working with police officers to promote safety in their daily lives.

**Truth In Taxation:** The "taxation and notification law" which requires local governments to set estimated levies, inform taxpayers about the impacts, and hold a separate hearing to take taxpayer input.

**Variance:** A relaxation of the terms of the zoning ordinance where such variance will not be contrary to the public interest and where, owing to conditions peculiar to the property and not the result of the actions of the applicant, a literal enforcement of the ordinance would result in unnecessary and undue hardship.

**VTRS:** Vehicle Title and Registration System