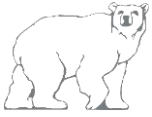


2024

City of White Bear Lake, Minnesota
Annual Budget





Adopted By:

Mayor

Dan Louismet

Councilpersons

Bill Walsh – Ward 1

Heidi Hughes – Ward 2

Dan Jones – Ward 3

Kevin Edberg – Ward 4

Steven Engstran – Ward 5

Presented By:

Management Team

Lindy Crawford, City Manager

Rick Juba, Assistant City Manager

Caley Longendyke, City Clerk

Paul Kauppi, City Engineer

Kerri Kindsvater, Finance Director

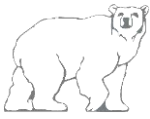
Jason Lindahl, Community Development Director

Dale Hager, Police Chief

Greg Peterson, Fire Chief

Cover:

Manitou Island Bridge
Courtesy of Brian Hanson



Introductory Section

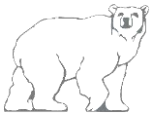
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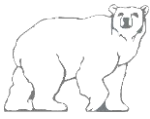
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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of White Bear Lake
Minnesota**

For the Fiscal Year Beginning

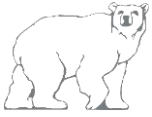
January 01, 2023

Christopher P. Morill

Executive Director

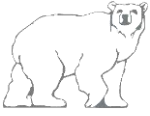
The Government Finance Officers Association of the United State and Canada (GFOA) presented an award of Distinguished Presentation to the City of White Bear Lake for its annual budget for the fiscal year beginning January 1, 2023. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications device. The award is valid for a period of one year only. We believe our current budget continues to conform to the program requirements, and we re submitting it to GFOA to determine its eligibility for another award.

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- The 2024 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. S&P assigned its AA+ rating to the 2023A 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 property tax levy for 2024 is \$12,003,000 and represents a \$2,048,000 increase above the 2023 tax levy. The City expects to remain one of the lowest per capita tax levies statewide for communities with a population between 16,000 and 37,000.
- The median value home changed from \$306,100 in 2022 to \$312,100 in 2023, which is a 1.96% increase. The City's share of the 2024 property tax levy on a median value home will be \$825.80.
- The Minnesota legislature increased the total Local Government Aid (LGA) appropriation and changed the LGA distribution formula during its 2023 session. This action boosted the City's 2024 LGA allocation to \$1,201,009, which is \$373,744 above the 2023 allocation.
- The City received a one-time allocation of \$1,096,939 in Public Safety Aid through the 2023 Minnesota State Tax Omnibus Bill during the 2023 legislative session. These funds are restricted to uses for recruitment, retention, and equipment purchases for the police and fire departments.
- The budget adds two full-time firefighter/paramedic positions as part of a plan to build a third 24/7 full-time crew to the fire and EMS staffing structure.
- The ambulance operations moves from an Enterprise Fund to a department within the General Fund to utilize tax levy support to stabilize revenues needed to maintain the services. The allocation of the firefighter/paramedic position expenditures will remain at 25% fire/75% ambulance.
- The 2023 Capital Improvement Plan within the City's Financial Management Plan funds a major construction project to the Public Safety Facility adjacent to City Hall. The project adds a garage for all police squads and completely renovates the fire department's apparatus bay while also improving offices/sleeping quarters for the full-time staff.
- The budget recommends modifications to the Enterprise Fund fee structures for Water, Sewer, Environmental Waste Removal and Pioneer Manor to reestablish or maintain the individual funds' financial integrity.
- The budget adds a facilities maintenance technician position to assist with various projects related to maintaining all city facilities.

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November 20, 2023

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

Mayor and City Council:

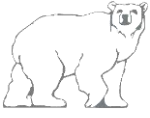
I am pleased to present to you the 2023 Revised and 2024 Budgets. This combined document provides the citizens of White Bear Lake, their elected officials, City staff and other interested parties, information about the financial operations of the City for the present and upcoming year.

WHAT GUIDES BUDGET DECISIONS

Budget development focuses on meeting resident expectations within realistic financial parameters. The City uses two significant guides for the process: the City's long-range Capital Improvement Plan (CIP) and the long-range financial management plan (FMP). The 2024 planning cycle incorporates an updated CIP for Council review.

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

1. A commitment to continue offering 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 capital equipment to ensure the budget process incorporates the most cost-effective replacement schedule.
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 supporting the implementation of Council policies and recognizing 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.



**PRIORITIES, OPPORTUNITIES,
AND ISSUES**

The budget addresses both the short-term financial issues of the next year and the longer-term issues anticipated for the next two to five (2-5) years. Each year, discussions focus on topics such as: municipal service levels, tax levy impacts, current economic challenges, long range financial planning, capital improvement planning and environmental protection activities. The following sections highlight specific activities considered when preparing this document:

Council/Manager

The Council and Staff participated in multiple work sessions during 2023 to discuss long-term planning for capital investments and finances, economic development and housing, and THC and cannabis ordinances.

Plans for 2024 include overall strategic planning, planning for the downtown street reconstruction and improvement project, further refinement of the long-range FMP and identifying long-term housing priorities and policies.

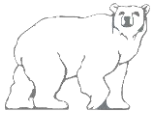
Financial Planning

- The City's fiscal condition continues to evolve, change, and adapt to economic realities. The City's fiscal status during an extended period beginning in the mid-2000's reflected overall declining revenues and required use of fund balances and reserves to maintain services and preserve critical infrastructure. Continued reliance of drawing down fund balances without an increase in offsetting revenues was not sustainable and required the City to begin issuing municipal bonds to maintain the City's critical infrastructure and capital investments.

While most metro area cities have historically relied on annual municipal bonding monies, this practice is relatively new for the City of White Bear Lake; consequently, there is a greater annual impact on the City's tax levy as bonds are issued without the offsetting benefit of retiring older bonds, which would otherwise cancel corresponding old debt service obligations. As demonstrated through the City's long-range FMP, alternative options to bonding for near term infrastructure projects are limited to either significantly reducing operations and services or revoking scheduled capital improvement projects and equipment purchases. Despite increased reliance on municipal bonding, City residents remain among the lowest taxed per capita when compared to similar sized cities throughout the state.

S&P Global Ratings supported the City's approach to financial planning when they affirmed the City's long-term debt rating of AA+ during the 2023A 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, with notable residential development and strong commercial demand,



City of White Bear Lake, Minnesota City Manager's Budget Message

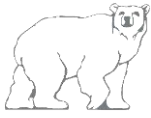
- Strong management, with good financial policies and practices under their Financial Management Assessment (FMA) methodology including long-term financial forecasting and capital planning,
- A strong institutional framework and
- Strong budgetary performance, reflecting conservative budgeting and positive variances with respect to permitting revenue

S&P Global Ratings deemed the City's financial outlook as stable for the two-year outlook horizon based on the City's very strong reserves and steady operational performance. Continued attention to maintenance of capital fund balances supported by secure revenue streams is critical. As outlined in the FMP, accelerated dedication of tax revenues to capital funds coupled with continued municipal bonding to assist with capital project financing will accomplish this objective.

- During the 2023 Legislative session, the Minnesota Legislature increased the total appropriation of Local Government Aid (LGA) to cities and made changes to the formula used to distribute the funds. These actions boosted the City's 2024 LGA allocation to \$1,201,009, an additional \$373,744 above the 2023 allocation of \$827,265.
- The City will experience a decrease in building permit revenues as the local school district's multi-year facility improvement project concludes in 2023.
- Budget discussions all incorporated the economic impacts related to high costs for electricity, natural gas, and fuel, supply chain issues delaying the receipt of ordered capital equipment, and the low availability of supplies for facility or infrastructure projects.
- In 2023, Council once again identified the Deputy Registrar fee schedule as one of their Legislative Priorities for State elected officials to endorse the importance of fee increases for State services provided by City employees. Highlighting this challenge proved successful as the Minnesota Legislature amended laws during the 2023 session that increased Deputy Registrar transaction fees for driver's licenses, motor vehicle transactions, and expanded service offerings to provide accident reports to customers for a fee. These newly adjusted fees will assist the City's License Bureau in covering operational costs to provide these services, including personnel expenses.

Facilities

- The public safety facility renovation and expansion project commenced construction in March 2023. Discussion's surrounding this project began in 2017 when Council identified the need for replacement of the North Fire Station's fire apparatus bay and construction of a garage for indoor storage of patrol squads and administrative vehicles for both police and fire. Since 2019, the City has been working with Wold Architects on a space needs study, creation of a site master plan, final project designs and preparation of construction bid documents for the

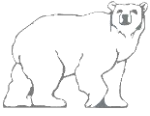


project. The City held a bid opening on October 11, 2022 and awarded the construction contracts in November 2022. The City issued General Obligation Capital Improvement Bonds in the amount of \$6,990,000 in December 2022 and \$10,000,000 in March 2023 as the main source of revenues for the project. The project will be substantially complete in June 2024.

- In 2021, the City contracted with Trane Technologies to perform an investment grade audit of the Sports Center and conduct a citywide lighting analysis. This work resulted in the identification projects related to the Sports Center building envelope, equipment controls, and solar array; and lighting in City facilities and parks that together demonstrate a return on investment through energy savings over approximately nine (9) years. Work on these energy improvements launched in late 2021 and finished with activation of the Sports Center's solar array in July 2023.
- The City's ten (10) year CIP contains other future improvements for city owned facilities; however, there are currently no substantial projects anticipated during this time-period.

Infrastructure

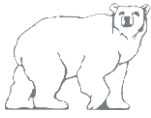
- In typical years, the City's annual pavement rehabilitation projects include both full reconstruction and mill and overlay projects as part of the City's pavement management program. However, these annual projects fluctuate as the City balances the financial impact of large-scale infrastructure or facility projects with any economic or staffing challenges. The City chose to shift all projects for 2023 and future years forward by one year to allow all bonding activities in the bank-qualified range of \$10 million directed to the public safety facility renovation and expansion project. The 2024 pavement rehabilitation project includes a combination of reconstruction and mill and overlay activities in a residential area and three downtown parking lots.
- In April 2023, the City launched a Downtown Mobility and Parking Study to identify parking needs, mobility patterns, and to collaborate with stakeholders ahead of the upcoming pavement reconstruction project in the downtown area. The first phase involved gathering data and public engagement activities. The project is currently in its second phase, which includes creation of a Steering Committee to review and discuss the initial data analysis for parking, traffic, and design framework for mobility and circulation in the downtown area. The remaining work will focus on public realm components, design alternatives, a second round of public engagement and property/business owner outreach.
- The City remains committed to the maintenance and expansion of its pedestrian and bicycle infrastructure. The long awaited South Shore trail project, which concluded in late 2023, added another significant segment to the Lake Links Trail around White Bear Lake. The City will also continue to work toward the development of design options for a trail on the north side of the lake along T.H. 96.



- There is also considerable inter-jurisdictional coordination of infrastructure planning efforts following passage of White Bear Lake Area Schools' facilities referendum in 2019 as the newly expanded high school neighbors the expanding Arts District and is across the main thoroughfare from the City's downtown district. These significant planning efforts will continue into 2024 and beyond.

Economic Development & Redevelopment

- The City concluded a Corridor Action Plan with neighboring municipalities for the County Road E corridor in winter of 2022. Staff secured additional grant funds from Ramsey County to continue work focused on the corridor and begin implementing recommendations from the Action Plan. In partnership with the cities of Gem Lake and Vadnais Heights, staff released a request for proposals (RFP) seeking services to create branding, marketing and place-making strategies for the corridor, with completed work expected by summer 2024.
- Since completion of the Action Plan, a developer purchased blighted property at 2502 County Road E, a vacant gas station at the intersection of Bellaire Avenue. The site has been vacant since at least 2009. The developer submitted and received approvals to develop a nine-unit owner-occupied townhome complex, with anticipation of beginning construction in the summer of 2024.
- The City continues to explore potential development opportunities at the City owned parcel at the County Road E and Bellaire Avenue intersection, as well as other opportunity sites owned in part or whole by the City.
- The City is currently updating its zoning code, which will be its first major revision in 40 years. Updating the code will bring it in line with the 2040 Comprehensive Plan as well as modernize land use processes. The City anticipates this work will make investing in White Bear Lake more predictable and understandable for developers and landowners, thus attracting redevelopment projects that fit with the community.
- Council approved final development plans for a planned unit development that allows for the redevelopment of a former restaurant and single-family home to a two building, 244-unit market rate multi-family residential development. Construction at the site is well underway and the developer anticipates leasing of the first building to begin in March 2024 and the second building in May 2024. Based on the development of sites adjacent to this project, City staff anticipates the taxable market value for the two parcels in this project to increase from a value of \$2,150,000 to more than \$53 million upon project completion. (The \$53 million estimate is based on the 2024 per unit valuation of the Phase 1 project "The Barnum".)
- Over the next several years, the City will continue its work with the downtown commercial core to ensure it remains vibrant as a "walkable urban place" and regional destination for visitors and residents. The impending pavement reconstruction project in the downtown area offers



opportunities for additional parking and pedestrian, wayfinding and place-making improvements. The City is currently engaged in a comprehensive mobility and parking study to identify these opportunities, which involves the active participation of downtown businesses and property owners.

- Overall, the City will strive to continue providing the support, infrastructure, and services to facilitate an economically vibrant community, which serves the diverse needs of its community and future generations.

Technology

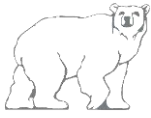
The City continues to invest in technology to better serve its residents and enhance internal efficiency.

- 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 electronically indexing all official records maintained by the city clerk, accounts payable records, and human resources documentation. The focus for the next two to five (2-5) years is to complete indexing the historical engineering, building, and planning department records.
- The City participates in a local government consortium, LOGIS, for finance, payroll, human resources and utility billing software. Involvement with this group provides the City an opportunity to utilize software systems it would not be able to buy on its own. Current systems have been in place since the early 2000's. LOGIS evaluated responses to a RFP to replace all systems with a new Enterprise Resource Planning (ERP) and utility billing software in 2022. LOGIS will begin implementing agencies in 2023, with the City's implementation planned for 2026.
- The City hired a Geographic Information System (GIS) Technician in 2021 to support construction of the GIS database. In addition to expanding use of the functionality in the engineering and public works departments; the mapping tools will be greatly improved for zoning, land use, and housing, and will be integrated with the City's building permit system. Future opportunities integrate GIS into the Police and Fire Departments, and develop further capabilities over a wide range of City operations.

Public Safety

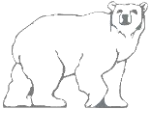
Public safety has endured increasing pressure to adapt to an evolving society, which demands more than ever from our law enforcement and EMS first personnel.

- 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 their police department; 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. The police departments utilize body worn cameras and less lethal tactics to help to maintain a culture of transparency.

- Council supported a significant shift in the delivery model for fire and EMS services through the approval of 12 full-time firefighter/paramedic positions in 2018. Initial analysis after completing approximately three full years under this new model demonstrates operational efficiencies and success in meeting the demands of increasing calls for service. The 2023 and 2024 budgets include funding for two additional full-time positions each year as part of a greater plan, which is 21 full-time positions on staff to help cover duties.
- Faced with the limitations of EMS service revenues due in part to Medicare collection limits and the expansion of patient deductibles, the City began migrating its personnel costs for firefighter/paramedic positions from a 20% fire/80% ambulance split in past years to a 25% fire/75% ambulance split in 2022 and 2023. As staff began analyzed the impact of changing the percentages between the two funds for the 2024 budget, it became evident that while moving a higher percentage of the salary expenditures to the General Fund reduces the negative fund balance amount in the Ambulance Fund, it does not eliminate the negative amount. This highlights the necessity of additional resources to support operations and resolve the financial challenges. As a result, the 2024 budget moves the Ambulance Fund from an Enterprise Fund to its own department within the General Fund to allow tax levy support to stabilize the revenues needed to maintain services.
- The 2024 Budget builds on the City's mental health support for public safety personnel by furnishing annual one-on-one employee/provider meetings through the current embedded mental health services contract.
- As is true for most public safety departments, the Police and Fire Departments both struggled with staffing shortages during the recent year as fewer people enter the fields and cities offer higher pay or expanded benefits to entice experienced personnel to join their teams.
- During the 2023 session, the Minnesota Legislature approved the 2023 State Tax Omnibus Bill, which included \$300 million dollars in public safety aid, for distribution to every city, county and Tribal nation in Minnesota by December 26, 2023. The City will receive \$1,096,939, which is restricted to uses for recruitment, retention and equipment costs for the Police and Fire Departments. The City Manager and the Chiefs of each department created recommendations of both operating and capital equipment uses of the aid for Council consideration.



Employee Recruitment and Retention

In October 2021, Council authorized McGrath Human Resources Group to conduct a Classification and Compensation Study to replace the current Classification and Compensation Plan originally implemented in 1988. While the City has remained in compliance with the Pay Equity Act, much has changed over the last 30 years and warranted a new plan.

Goals of the Study were to ensure future compliance with the Pay Equity Act, keep the City competitive in the labor market, and confirm appropriate classifications for each position. Council approved a new Classification and Compensation Plan in September 2022 following the conclusion of a Study.

The City began a three-step process to implement the plan in the 2022 Revised Budget by placing non-bargaining employees at their closest step, without a reduction in pay, in their new grade to avoid dramatic increases to the budget as of September 1, 2022. The following schedule describes how the plan affects the 2023 Budget and future years:

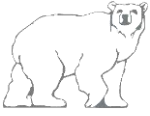
1. On January 1, 2023, staff received a Cost of Living Adjustment (COLA) of 3%.
2. On July 1, 2023, qualifying non-bargaining employees received an increase for longevity. Employees with over five (5) years of service in their current position moved to step five (5) if their closest step was below that point. Employees with over ten (10) years of service in their current position moved to step eight (8) if their closest step was below that point. This helped alleviate compression amongst non-bargaining employees within the pay system.
3. In 2024, regular step adjustments, in addition to COLA, for all employees will begin.

Implementation of the Plan for bargaining employees was included as part of their contract negotiations and approved separately by Council.

TAX LEVY

In accordance with the City Charter and State Statute, Council will adopt the 2024 budget and the 2023 tax levy collectible in 2024 on December 12, 2023. Staff prepared the budget based upon a \$12,003,000 tax levy, which will fund general operations and debt obligations. The following funds benefit from property taxes:

- General Fund for general government operations and services
- 2018A General Obligation Debt Service Fund for street improvements
- 2018B General Obligation Tax Abatement Debt Service Fund for the Sport Center renovation
- 2019A General Obligation Debt Service Fund for street improvements
- 2020A General Obligation Debt Service Fund for street improvements and equipment



- purchases
- 2021A General Obligation Debt Service Fund for street improvements and equipment purchases
 - 2022A General Obligation Debt Service Fund for street improvements
 - 2022B General Obligation Debt Service Fund for the Public Safety Facility Project
 - 2023A General Obligation Debt Service Fund for the Public Safety Facility Project

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.

BUDGET FORMAT

As in past years, the budget presents two years of historical activity; the original adopted budget, a revised budget for the current year based on actual revenue and expenditure estimates, and proposed revenue and expenditure estimates for the coming year for each fund.

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

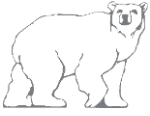
This budget has been prepared with the intent of being responsive to perceived public service requirements and, as such, the reader should use it as a statement of priorities and a mechanism that relates public policy decisions to tangible public services.

The document follows the format from previous 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.

GOALS AND MEASUREABLE WORKLOAD

As mentioned, 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 City has monitored departmental goals and measureable workload data for over twenty years. The 2024 Budget reports actual measureable workload results for 2021 and 2022, estimates for 2023 based on year to date actual data, and establishes an objective for 2024. This provides 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

Council delegates purchasing authority to staff under the City Charter and State law upon budget adoption. Purchases over \$5,000 occur only after departments receive multiple quotations and selects the lowest responsible price option. State Statutes authorize cities to enter into contracts that are less than \$175,000 without conducting a formal bidding process. Purchases over \$175,000 require a competitive bid process and Council approval.

ACKNOWLEDGEMENTS

Each year, several members of 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 budget, my gratitude is extended to all employees who participated.

In addition to the management team, special recognition is given to Assistant Finance Director, Jessica Saari, and Finance Director, Kerri Kindsvater, 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 its annual budget for the fiscal year beginning January 1, 2023. This was the 25th consecutive year the City has received this award, which is a reflection of the excellent work of those involved.

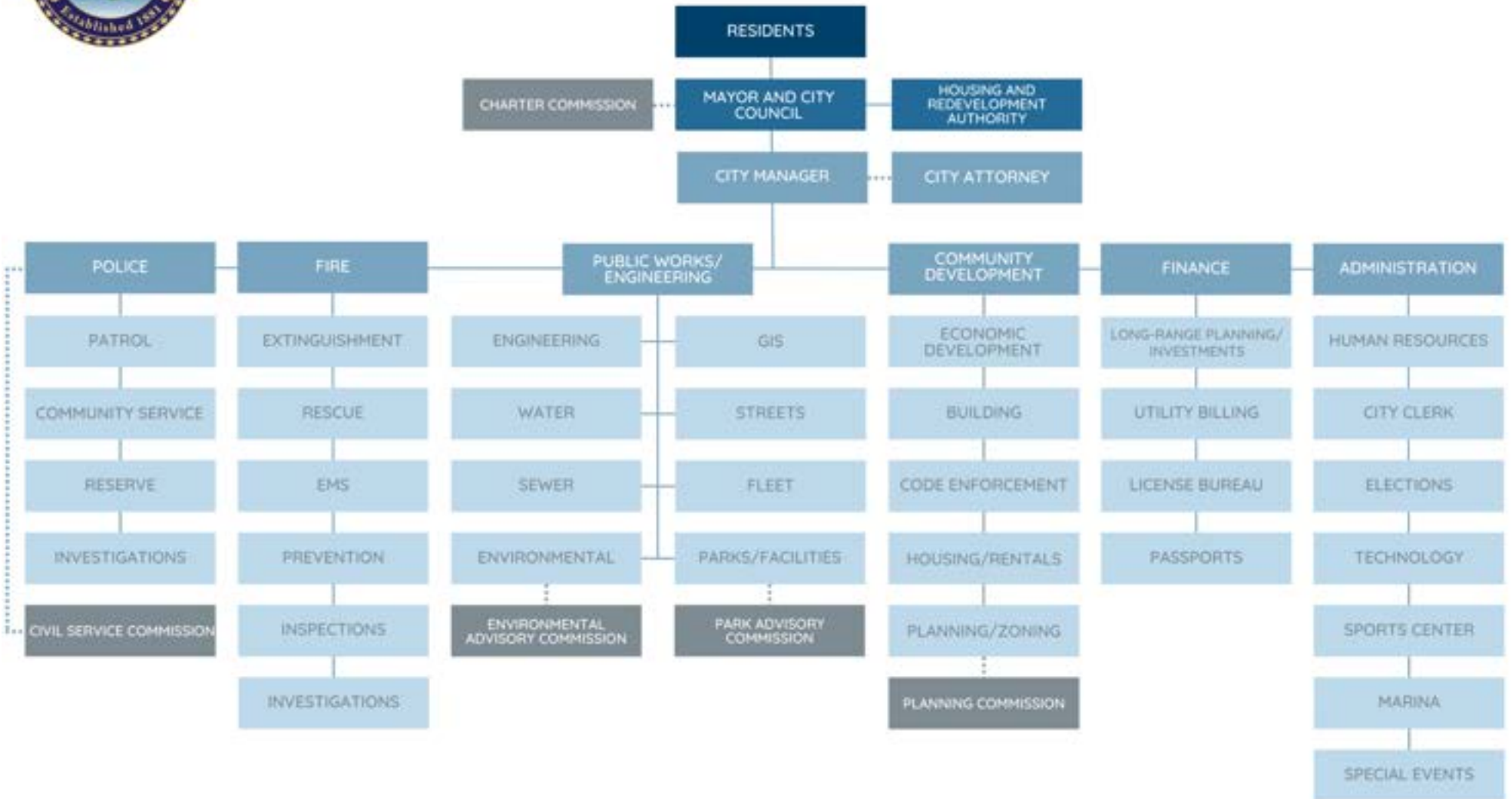
The management team would also like to express its gratitude to Council for its continued support throughout the year. Above all, we will always strive to uphold the public's trust as stewards of the City's physical and natural environment.

Respectfully submitted,

Lindy Crawford
City Manager



CITY OF WHITE BEAR LAKE 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 word 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.

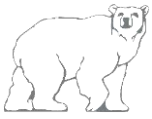
As the resort era faded shortly after the turn of the century, other industries, including farming and lumbering, continued to prosper. In keeping pace with this steady growth and development, leaders of the community officially incorporated the City of White Bear Lake in 1921. At that time, the city 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

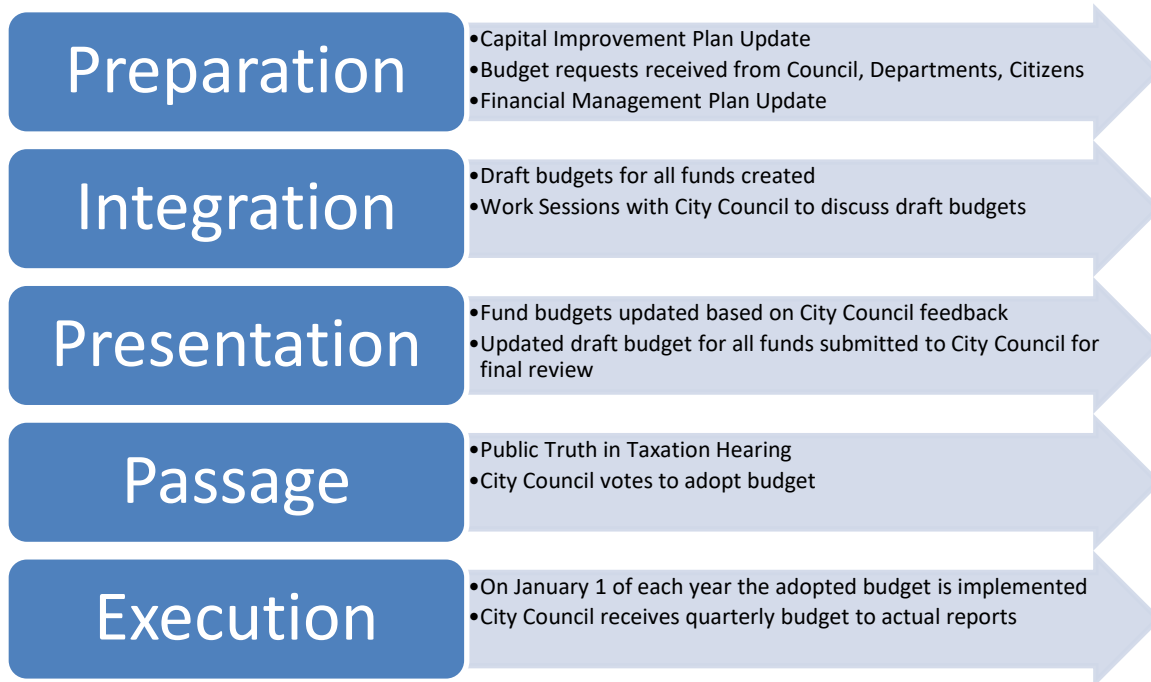
The legend of White Bear Lake is one of forbidden love and courage. Like all folklore, some parts of the story may be true; however, all of it is interesting and captivating. It seems that every spring, people from the Dakota Indian tribe visited the island in the middle of White Bear Lake to make maple 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.



The annual budget is a fiscal plan, which presents the services provided to the community and describes the resources needed to perform these services. The City of White Bear Lake operates under a calendar year, which begins on January 1 and ends on December 31. The City’s annual budget process consists of five chronological phases.



BUDGET FORMULATION

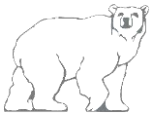
Section 5.03 through 5.09 of the White Bear Lake City Charter requires the City Manager to prepare and submit an annual budget to the City Council. The Mayor, City Council, and citizens are asked to convey budget priorities to the City Manager prior to preparation of the budget.

Formulation of the budget requires consolidation of information and detailed analysis of data available. New Priorities are established, and future revenues and expenditures must be projected and balanced with new program requests.

Budget work sessions held in June, August and October each year allow the City Council, City Manager and staff opportunities to analyze operations, review requests and provide recommendations for the budget.

The City Council formally discusses the budget publically at two of their regularly scheduled meetings each year:

- The first discussion is in September to adopt the preliminary tax levy, which needs to be approved by the City Council prior to September 30th per Minnesota State Law. Once the City Council adopts the proposed tax levy, the council may reduce the final tax levy but cannot increase the levy above the proposed tax levy certified to the county.



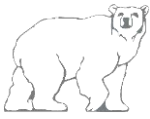
- The second discussion occurs in December when the City Council conducts the annual Truth in Taxation hearing and adopts the budget.

The City Council should receive a balanced budget for each budgeted fund. The City considers the budget balanced when total expenditures are equal to total revenues. However, there are a couple of exceptions to that rule. First, the budget is also considered balanced when total expenditures are less than total revenues, which is technically a surplus. Second, the City might plan to spend fund balance. The City considers the budget to be balanced in this case provided the fund balance is available from previous years. This type of balanced budget is common when capital projects are budgeted using proceeds from the issuance of bonds or after multiple years ending with a funding surplus.

The White Bear Lake City Charter requires the City Manager to enforce the provisions of the budget upon adoption.

BUDGET CALENDAR

Date	Process
January 9th	Finance distributes Capital Improvement Plan (CIP) to departments for annual update.
February 1st – February 28th	Finance Director and City Manager review department CIP requests and create a recommended plan for the City Council.
March 1st– March 31st	Finance Director prepares annual update of the Financial Management Plan (FMP) and analyzes year to date results for prior year operations.
April 18th	Budget work session with City Council to discuss CIP, FMP and any departments that need additional discussion based on prior year financial results.
June 12th	Budget documents and current year activity reports distributed to departments.
June 12th – June 27th	Departments prepare budget requests and submit to Finance Director for review.
June 28th - July 13th	Departments discuss budget requests with Finance Director and City Manager.
July 14th – July 31st	City Manager and Finance Director complete a preliminary budget for tax-supported funds.
August 15th	Budget work session with City Council to discuss tax levy recommendation to support General Fund and Debt Service Funds.
August 16th - August 30th	City Manager and Finance Director finalize the preliminary budget.
September 12th	City Council adopts preliminary tax levy and establishes the Truth in Taxation hearing date.



September 29th	Finance Director certifies the preliminary levy and hearing date to Ramsey County.
September 1st – October 12th	Finance Director and City Manager complete preliminary budgets for Special Revenue Funds, Enterprise Funds and a draft Fee Schedule for 2024.
October 17th	Budget work session with City Council to discuss budgets for the Special Revenue Funds, Enterprise Funds and the draft 2024 Fee Schedule.
November 20th	City Council receives proposed budget document.
December 12th	City Council holds its Truth in Taxation hearing.
December 12th	City Council adopts the tax levy collectible in 2023, the Revised 2023 Budget and the 2024 Budget.
December 28th	Finance Director submits the 2023 tax levy collectible in 2024 to State and County agencies.

BUDGET DOCUMENT PRESENTATION

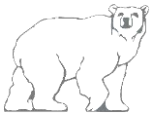
The City Manager and the Finance Department prepare estimates for the annual budget. The document is presented by fund/department and includes budgets for all funds and departments of the City.

Each budget includes the following:

- A Narrative section describes the operations, service levels, financial obligations and significant items or changes within the budget. The narrative for operating departments also includes the goals and measureable workload data.
- A Fund Summary report assists readers in understanding the fund’s financial direction.
 - Revenues
 - Expenditures
 - Fund Balance: January 1 and December 31
- An Expenditure Summary report provides a detail listing of the accounts that make up each expenditure category in the Fund Summary report.

The Fund Summary and Summary of Expenditure reports all contain the following columns:

- Actual data for each of the two previous years
- Current year adopted budget
- Current year revised budget
- Proposed budget for the next fiscal year



DEPARTMENT/FUND RELATIONSHIP

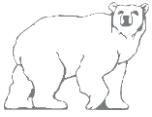
Department	General Fund	Special Revenue Funds					Capital Improvement Funds					Enterprise Funds					
		Surface Water	Marina	Sports Center	Forfeiture	Economic Develop.	Equipment Acquisition	Municipal Building	Park Improvement	Community Reinvest.	HRA Tax Increment	Pavement Management	Water	Sewer	Environmental Recycling & Waste	Pioneer Manor	License Bureau
Legislative	x																
Administration	x											x	x	x			x
Finance	x											x	x	x	x		x
City Hall	x						x	x									
Technology	x			x		x	x					x	x	x			x
Elections	x																
Planning	x					x	x				x					x	
Police	x				x		x	x									
Fire & Ambulance	x						x	x									
Building/Code Enf.	x						x										
Public Works	x	x					x	x		x		x	x				
Parks and Recreation	x		x	x			x		x	x							
Facilities	x			x		x	x	x									x
General Services	x																
Recycling & Waste														x			
Pioneer Manor																x	
License Bureau																	x

NEW PROGRAMS

The City defines new programs as an addition to the budget and can be revenues, expenditures or both. Examples include adding new positions, a new activity, a new service or a transition to a new process or type of equipment. An evaluation of each new program occurs separately from the baseline budget with specific consideration in relation to the City’s mission, cost/benefit, efficiency, effectiveness, need and potential for a positive outcome.

PUBLIC INPUT

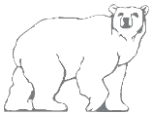
The 2024 budget addresses requests voiced by citizens. Throughout the year, information collected from citizens primarily through Council members and City staff attendance at public meetings. Staff distributes information to the appropriate Department for consideration in their budget formulation. The City gives public notification for the annual Truth in Taxation hearing regarding the budget and proposed tax levy each December, which gives the public an opportunity to address the City Council with their questions and concerns.



BUDGET AMENDMENTS

After adoption of the budget resolution, 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.



In accordance with Generally Accepted Accounting Principles (GAAP), the City of White Bear Lake's account structure is comprised of a number of separate fiscal entities known as funds. Fund accounting segregates transactions related to certain City functions or activities to demonstrate legal compliance and to aid management. A fund is a fiscal and accounting entity with a self-balancing set of accounts. Funds separate specific activities or objectives of a government to conform to special regulations, restrictions, or limitations. Each fund receives revenue from different sources that must balance with its expenditures.

There are seven fund types grouped into three broad categories for cities to use in their operations. A government is not required to use each individual fund type. The City of White Bear Lake utilizes five fund types in the following categories:

GOVERNMENTAL FUNDS

Governmental funds account for all or most of a government's general activities. The City of White Bear Lake maintains General, Special Revenue, Debt Service and Capital Project Funds.

General Fund

The General Fund is the City of White Bear Lake's general operating fund and accounts for financial transactions other than those required to be accounted for in another fund. Principal sources of revenue are property taxes, licenses and permits. Primary expenditures are for general government, planning and community development, public safety, public works, streets, parks, and debt service. The General Fund budget is appropriated and present in this document.

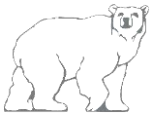
Special Revenue Funds

Special Revenue Funds account for and report *proceeds of specific revenue sources* that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The term *proceeds of specific revenue sources* establish that one or more specific restricted or committed revenues should be the foundation for a special revenue fund, and that revenue should be expected to continue to comprise a substantial portion of the inflows reports in the fund. Examples specific to the City of White Bear Lake are the American Rescue Plan Aid Fund, the Surface Water Management Fund, the Marina Fund, the Sports Center Fund, the Forfeiture Fund, and the Economic Development Fund, which are all included in this budget document.

Debt Service Funds

Debt service funds account for the resources accumulated to pay for principal and interest on long-term debt governmental funds. Examples of debt service funds maintained by the City are as follows:

- 2012 Refunding Tax Increment Debt Service Fund
- Non-Bonded Special Assessment Debt Service Fund
- 2012 Special Assessment Debt Service Fund
- 2016 Tax Increment Debt Service Fund
- 2018A General Obligation Debt Service Fund



- 2018B General Obligation Tax Abatement Debt Service Fund
- 2019A General Obligation Debt Service Fund
- 2020A General Obligation Debt Service Fund
- 2021A General Obligation Debt Service Fund
- 2022A General Obligation Debt Service Fund
- 2022B General Obligation Debt Service Fund
- 2023A General Obligation Debt Service Fund

Budgets for each of these funds are included in this document.

Capital Project Funds

Capital Project Funds account for financial resources used for the acquisition and/or construction of major capital equipment or facilities. These funds are *not* used for construction financed by a proprietary or trust fund. The primary sources of monies in these funds are proceeds of general obligation bonds, federal and state aid or grants, property taxes, special assessments, franchise fees, rental income, transfers from the special revenue funds, rental income, payments from private sources. Examples specific to the City of White Bear Lake include the Equipment Acquisition Fund, the Municipal Building Fund, the Park Improvement Fund, the Community Reinvestment Fund, the HRA Downtown Expansion Fund, the HRA Hoffman Place Fund, the HRA Boatworks Commons Fund and the Pavement Management Fund. Budgets for each of these funds are included in this document. The Capital Improvement Plan section of this document contains information on individual capital projects for each fund.

PROPRIETARY FUNDS

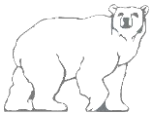
These funds report for the ongoing activities of the City of White Bear Lake that are similar to those of the private sector. The Proprietary Funds account for all assets, liabilities, equities, revenues, expenses and transfers relating to the City's business and quasi-business activities. The City of White Bear Lake utilizes two types of proprietary funds.

Enterprise Funds

Enterprise Funds account for activities that operate in a manner similar to business enterprises, where user charges or fees cover expenditures. The City has five Enterprise Funds and all are included in this document. Examples specific to the City include the Water Fund, the Sewer Fund, the Refuse Fund, the Pioneer Manor Fund and the License Bureau Fund.

Internal Service Funds

Internal Service Funds account for any activity that provides goods or services to other funds or departments of a primary government on a cost-reimbursement basis. The City has two Internal Service Funds and include the Insurance Fund and the Employment Expense Fund. Budgets for each of these funds are included in this document.



FIDUCIARY FUNDS

Fiduciary Funds account for the transactions related to assets held by the City of White Bear Lake in a trustee capacity or as an agent for individuals, private organizations, other governments or other funds. These funds; however, do not adopt budgets and are therefore not reported in this document. Examples of the City's fiduciary funds are the Deputy Registrar Fund, The Employee Flex Spending Fund, the Escrow Fund.

MAJOR FUNDS

In addition to the General Fund, the Non-Bonded Debt Service Fund, the Pavement Management Fund, the Municipal Building Fund, the Equipment Acquisition Fund and the Community Reinvestment Fund are major funds reported in this document. Any fund whose revenues or expenditures, excluding other financing sources or uses, is more than 10% of the total revenues or expenditures of the appropriated budget is considered a major fund for budgeting purposes.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

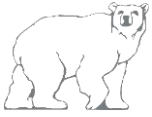
Measurement focus refers to how the types of resources that are measured and presented in financial statements. There are two different types of measurement focuses that used by a single government entity. Basis of accounting refers to the timing of transactions and event recognition; two methods are the accrual basis of accounting and the modified accrual basis of accounting.

Governmental Funds

All Governmental Funds in the City of White Bear Lake are accounted for using a current financial resources measurement focus and the modified accrual basis of accounting. The City recognizes revenues as soon as they are both measureable and available. The City considers revenues available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the revenues are available if they are collected within 60 days of the end of the current fiscal period; this period extends to 120 days for grant reimbursements. The City recognizes property tax revenue in the fiscal year for which the taxes are levied. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgements, are recorded only when payment is due. The City reports general capital asset acquisitions as expenditures in governmental funds and proceeds of general long-term debt and for acquisitions under capital leases as other financing sources.

Proprietary Funds

All Proprietary Funds are accounted for using the economic resources measurement focus and the accrual basis of accounting, which is similar to private-sector businesses. The goal of this measurement focus is to report whether a given fund is better or worse off economically because of transactions for that period. Therefore, financial statements prepared for Proprietary Funds report sources, uses and balances of economic resources regardless of whether they are spendable. Under accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.



BASIS OF BUDGETING

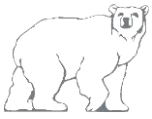
The basis of budgeting refers to the basis of accounting used to prepare the annual budgets. Except as noted below, the basis of budgeting is the same as the basis of accounting.

Governmental Funds

The City prepares budgets for Governmental Funds (i.e. General Fund, Special Revenue Funds, Debt Service Funds and Capital Project Funds) using the flow of current financial resources measurement focus and the modified accrual basis of accounting.

Proprietary Funds

Proprietary Funds (i.e. Enterprise Funds and Internal Service Funds) are budgeted using the flow of economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when the liability is incurred. The City departs from the accrual basis of budgeting for Enterprise Funds for budgeting capital expenses, debt service and depreciation. To better manage spending and predict cash flows, capital items are budgeted as expenses, debt principal payments are budgeted as expenses, and depreciation is not budgeted. The City considers this departure from the accrual basis of accounting for budgeting purposes preferable for budgetary control and cash flow planning. Additionally, for the average citizen, debt service requirements and capital expense needs are more relevant than depreciation.



Financial Management Policy

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

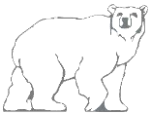
- Utilize one-time revenue sources to fund capital improvements instead of operating expenditures.
- Maintain a General Fund cash reserve that is at least one-half of projected property tax collection and local government aid, which the City receives in July and December, and the police relief aid, which the City receives in October.
- Maintain budgetary controls through City Council review of quarterly financial reports.
- Monitor purchases to ensure departments receive multiple quotes for purchases over \$10,000.
- Develop a General Fund budget that has current revenues paying current expenditures.
- Maintain and replace City facilities and equipment per direction of Capital Improvement Plan.
- 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.
- Avoid wide shifts in the City's tax levy.

Debt Management Policy

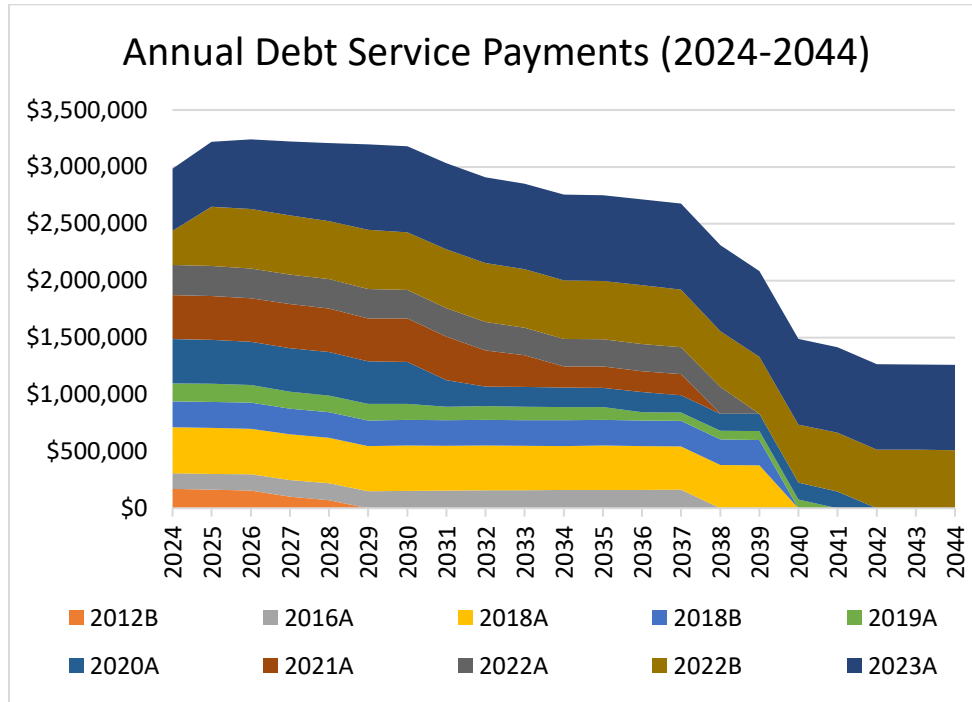
The City restricts long-term borrowing to equipment purchases or capital improvements that operating revenues or a portion of existing reserves cannot fund. The City created a Non-Bonded Debt Service Fund to accumulate construction related special assessments for projects without a related bond issue. The City internally financed many construction costs by providing a bridge between the point at which the Non-Bonded Fund "purchased" the assessments from the Pavement Management 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.

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 attempts 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.

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's legal debt margin was \$93,380,389 as of December 31, 2023, of that amount \$20,455,028 outstanding debt applied to the City's legal debt margin. The Appendix Section of this document contains the calculation of the legal debt margin.



The following graph illustrates the City’s debt service principal and interest payments for all outstanding debt as of December 31, 2023.



Reserve Policy

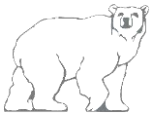
The City maintains two General Fund reserves. The first reserve is for cash flow and it bridges the funding gap between the beginning of the year and the dates when the City receives its three major revenue sources: property taxes and local government aid in July and December and the Police aid in October. 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 reserve balance anticipated for December 31, 2023, reserves 40.71% of the proposed General Fund 2024 expenditures, which complies with the State Auditor guidelines.

Capital Project Funds, Water Fund and Sewer Fund all contain reserves to 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 schedule for the City's General, Special Revenue, Debt Service, and Capital Project Fund account groups. The City fund balances are classified in a hierarchy based on the extent that each fund's 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.

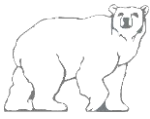
Investment Policy

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.

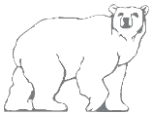
1. **Statement of Priority**

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**
The City distributes 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.

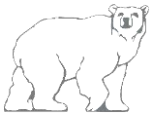
The City remains in compliance with its investment policy.



City of White Bear Lake, Minnesota Public Involvement Opportunities

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

Ways to Get Involved	
Public Meetings	Find the next public meeting at https://www.whitebearlake.org/calendar
Phone and Email	Find the staff directory or submit a request at https://www.whitebearlake.org/contact
News and Events	Find news and events related to the City at https://www.whitebearlake.org/news
Public Notices	View public notices at https://www.whitebearlake.org/public-notice
Notify Me	Sign up for email subscriptions to notices for news and events, public notices, City projects, and more at https://www.whitebearlake.org/newsletter/subscriptions
Facebook	Find the City on Facebook at https://www.facebook.com/cityofwhitebearlake/
Twitter	Find the City on Twitter at https://twitter.com/cityofwhitebear



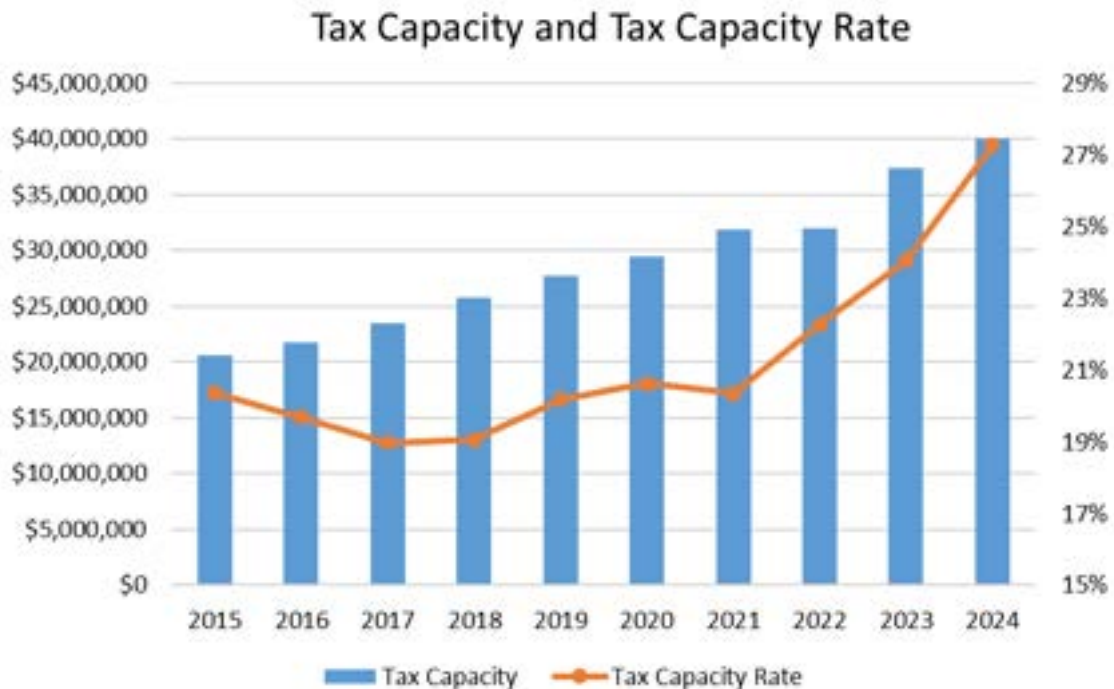
General Property Taxes

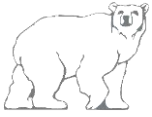
The 2023 Revised and 2024 Budgets allocate the general property tax levy revenue to the General Fund to support governmental operations and Debt Service funds to pay annual debt service obligations.

A City calculates a property's share of the tax levy through the following three steps:

1. The County Assessor's Office sets the taxable values for each property and makes required adjustments related to the Fiscal Disparity Program to calculate the total net tax capacity value for the City.
2. The City calculates its tax capacity rate by dividing the annual tax levy by the net tax capacity value received from the County.
3. The tax capacity rate is multiplied by the taxable value of each property determine the property's share of the tax levy.

The City's 2024 tax capacity rate is 27.263%. The graph below demonstrates the relationship between the City's tax capacity rate and the net tax capacity value for the past 10 years. As depicted in the graph, as the net tax capacity value increases, the tax capacity rate will typically decrease with the levy distributed over a greater base for the year. The information for 2018 through 2024 deviates from that norm, as the levy increased at a percentage higher than the taxable values increased.





The property market values continue to expand with overall growth. The chart below shows the percentage change for each property type from 2023 to 2024.

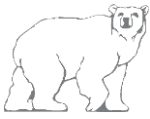
Property Type	Average EMV Percent Change Pay 2023 to Pay 2024
Residential	3.52%
Apartment	-3.26%
Commercial	16.89%
Industrial	20.35%

Looking specifically at the residential market, the median market value home for the 2024 payable tax year is \$312,100, which is \$6,000 higher than the median market value home for the 2023 tax year. The 1.96% increase in the median value home is within the average increase for residential property values for the City.

These valuation trends influence the City’s residential taxable property values:

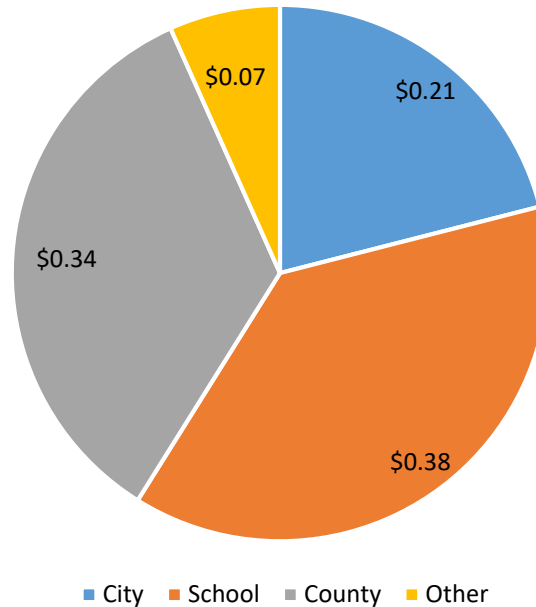
1. The Homestead Market Valuation Exclusion will continue to decline in 2021 as the residential property values increase. For every \$10,000 in valuation increase above \$76,000, the taxable market value for a residential property increases \$9.
2. Commercial property continues to comprise the largest 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. Residential property taxes decrease as the commercial property values increase because the residential properties would be responsible for a smaller share of the total.
3. In general, property taxes for apartment complexes in White Bear Lake will decrease as seen in the information above; however, newer facilities may experience a higher rate based on their specific circumstances. As the apartment complexes in decrease in value, the residential property taxes increase as their segment of the City’s total value is lower.

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 year-end. The City anticipates 2024 tax collections to remain consistent with previous years.



Several governmental entities assess taxes to properties. For every property tax dollar paid, \$0.18 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.

Where does your total tax dollar go?

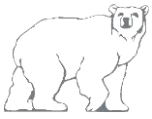


Tax Increment

Tax Increment revenues are collected on the incremental growth in designated redevelopment areas. The revenue provides funding for debt service payments for redevelopment projects. The 2024 Budget bases tax increment revenue estimates on prior years' historical information and actual revenue receipts for 2023 as of August 2023. The City has two active districts in 2024.

- Tax Increment District 26 is a housing district that began in 2009 to facilitate the development of Hoffman Place Apartments. The City signed a developer agreement pledging future tax increment receipts to pay a developer note with Sand Companies.
- Tax Increment District 27 is a redevelopment district that began in 2013; however, tax increments were not received until 2016. This area is also known as Boatworks Commons, which consists of community facilities, retail space and rental housing, redeveloped a blighted structures to a vibrant area on the shore of White Bear Lake.

Ehlers, Inc. created a Tax Increment Financing Management Plan to analyze activity in each district and determine a financial plan for the increment received. The City has no plans to add any new districts in 2024.



Special Assessments

Special assessments are revenues collected from property owners to pay for improvement projects that benefit their properties. The 2024 budget conservatively estimates revenues to be slightly less than the actual collections in prior years to account for prepayments of assessments by property owners.

The City has received payments between \$772,000 and \$1,650,000 annually in special assessments since 2005. The 2024 budget anticipates special assessment collections to be approximately \$737,000.

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.

Some cities changed to a flat monthly 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.

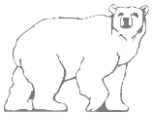
The City's 2023 Franchise Fee payment arrived at \$46,000 higher than the budget estimate; therefore, the 2024 Budget anticipates a higher payment to align with the actual amounts received in recent years.

The 2024 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 Licenses – fee collected from certain businesses for authority to operate
 - Fee covers a portion of the administration costs to monitor business
 - Type of businesses include liquor sales, cigarette sales, entertainment devices, gambling-site operations, and residential property rentals

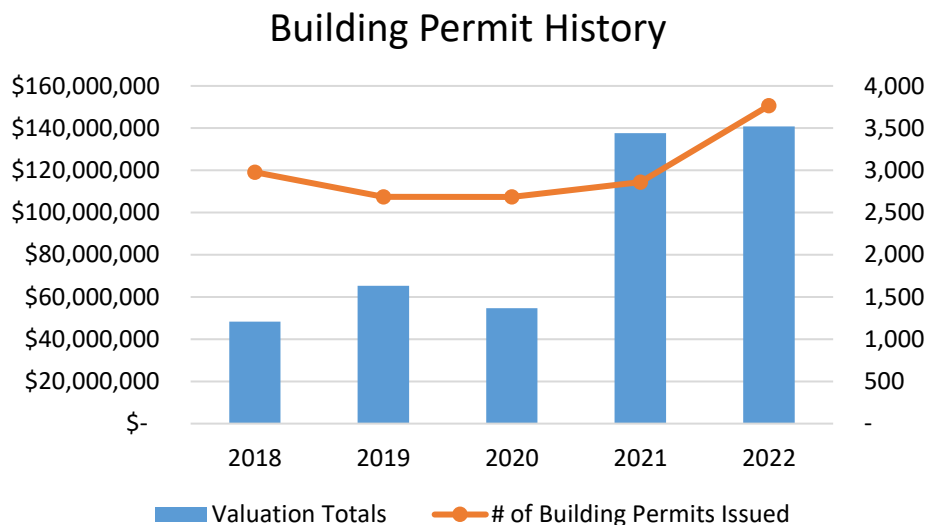


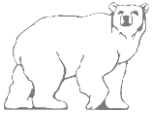
- Non-Business Licenses – fee collected to enforce construction activities
 - Collected at time of permit issue to cover inspection services
 - Depending on permit type, fees calculated either on project value or a flat fee
 - Redevelopment activity on blighted areas currently driving revenues in this category

Non-Business Licenses for building permit activities remain steady due to multiple redevelopment projects. The most significant project relates to the community’s passage of 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. The projects included in the referendum increased building permit activity for the years 2020 through 2023. The City issued final permits in 2023, ending the extremely high revenues received in recent years. In 2023, the City issued permits for the Shafer Richardson Phase 2 development of a multi-family housing complex. The City expects a gradual decrease in building activity in future years due to limited opportunities for new construction.

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 graph below compares total building permit valuation to the number of building permits issued from 2018-2022. Valuation totals spiked in 2019 due to the redevelopment of several land parcels into the Shafer Richardson Phase 1 development of a large market-rate apartment complex.





Intergovernmental

The State of Minnesota provides the City with a variety of shared revenue streams. The City records these revenues in the General Fund as many of these revenues relate to General Fund operations.

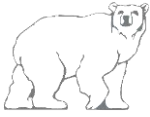
Of the funding sources in this category, the primary support received is the state Local Government Aid (LGA). The state created the LGA program to stabilize the local property taxes and ensure that quality basic city services are available in all Minnesota cities, regardless of population or property tax base. LGA has been an important part of the City's budget throughout the years.

In recent years, the City's LGA allocation decreased due to an above average tax base growth that is coupled with a growing tax base per capita, which contrasts with many of the cities receiving LGA. During discussions focused on long-range financial plans, the Council supported reducing the LGA allocation each year to eliminate the General Fund's reliance on this funding source to support operations. The 2024 Budget changes course on that decision in light of the Minnesota Legislature's increase of the total appropriation of Local Government Aid (LGA) to cities and changes to the LGA distribution formula during the 2023 session. These actions boosted the City's 2024 LGA allocation to \$1,201,009, an additional \$373,744 above the 2023 allocation of \$827,265. During a work session, the Council supported holding the LGA allocation to the General Fund at the 2023 level to offset a tax levy increase. The \$373,744 additional LGA funds received in 2024 will support operations in the Equipment Acquisition and Municipal Building Funds. Each year the Council will review LGA appropriations to determine allocation amounts to the General, Equipment Acquisition and Municipal Building Funds.

During the 2023 session, the Minnesota Legislature approved the 2023 State Tax Omnibus Bill, which included \$300 million dollars in public safety aid, for distribution to every city, county and Tribal nation in Minnesota by December 26, 2023. The City will receive \$1,096,939, which is restricted to uses for recruitment, retention and equipment costs for the Police and Fire Departments. The City Manager and the Chiefs of each department created recommendations of both General Fund operating expenditures and capital equipment purchases in the Equipment Acquisition Fund uses of the aid for the Council to review.

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 \$760,000 or 67% of its 2024 allotment to the Pavement Management Fund to assist in financing projects.

A 2% surcharge in automotive insurance coverages fund the State Police Aid, which helps to finance pension obligations for police officers. The estimate for Police Aid remains consistent with previous year budget levels.



Charges for Service

This category reflects contractual payments from surrounding communities for fire protection, fire inspection, and police services in the General Fund. 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 formula used to distribute the operating and capital expenditures for contracted services provided to other communities varies by service type.

- Police – distribution based on population
- Fire – based on a combination of taxable property value and population
- Fire Inspection – based on a predefined percentage
- Building Inspection – based on percentage of building activity within the two communities

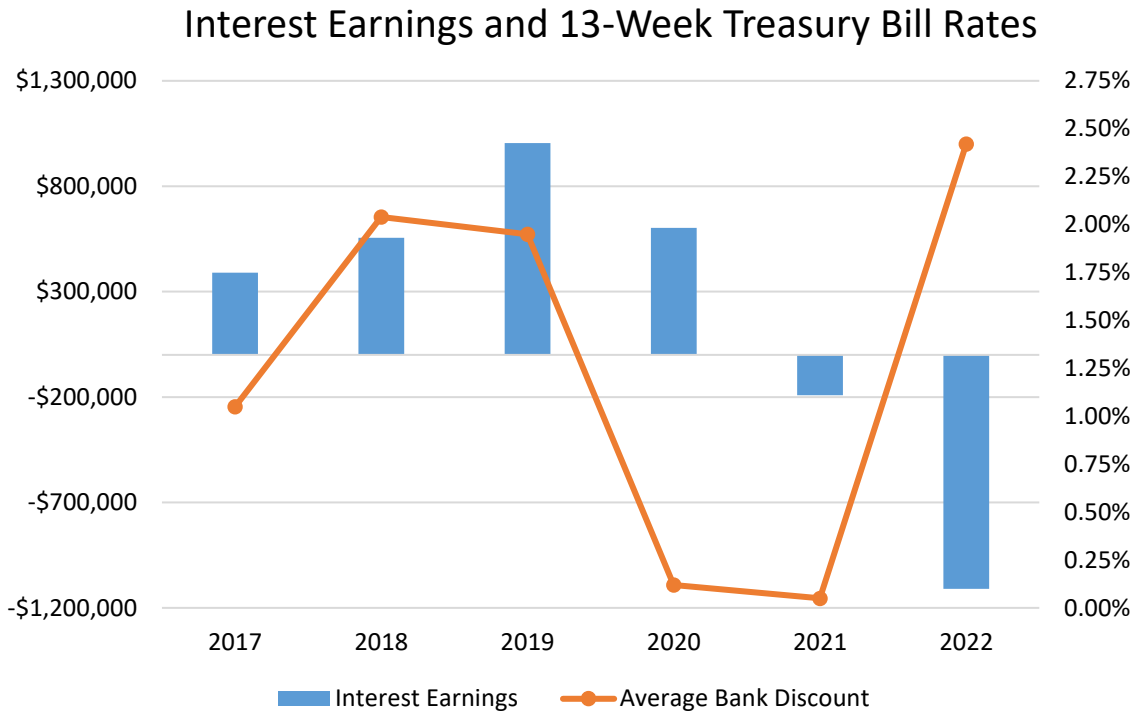
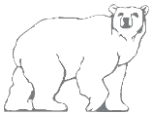
The City anticipates contract revenue from public safety and building inspection services to surrounding communities to increase proportionately based upon service delivery cost increases. Any fluctuation in building inspection fees relates to building permit activity within the communities. Construction activity estimates the receipt of inspection service charges from Mahtomedi of \$160,000 for 2024. A detailed service listing is provided in the General Fund discussion.

In the Enterprise Funds, this category reflects collections from users of the funds providing the product or service.

Interest Earnings

The City distributes investment earnings 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.

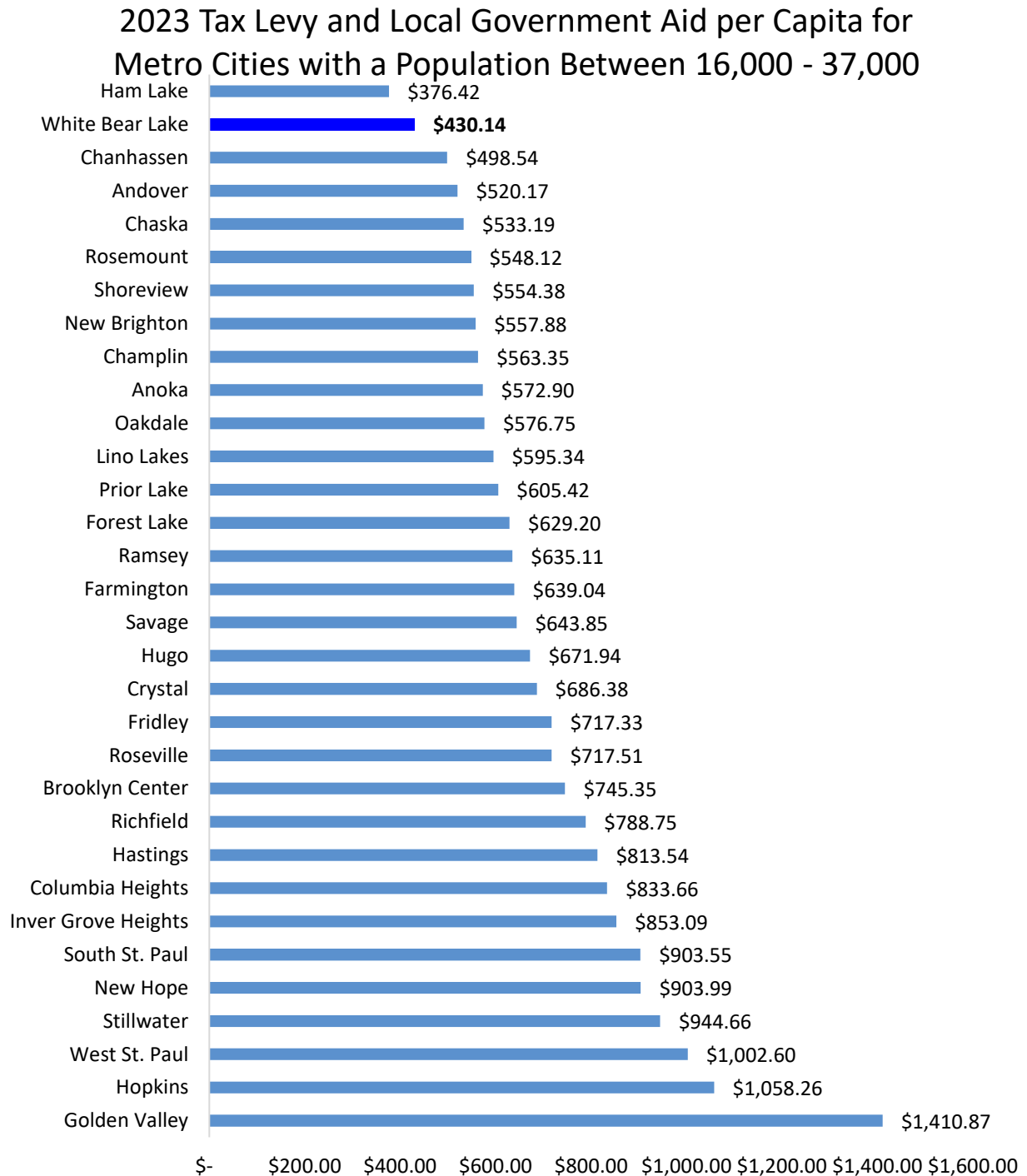
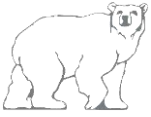
The graph below shows the City’s total interest earnings as compared to the average Treasury bill rate calculated from an average of quarterly rates of return from www.treasury.gov.



After experiencing increased interest earnings *in 2019*, the tide changed with the arrival of the COVID-19 pandemic in 2020. Given the lack of yield in the market across all investment types, coupled with the thin supply of Certificate of Deposits, the City conservatively estimated total interest earnings for 2021 that ended up being higher than the actual earnings. After experiencing low interest earnings in recent years, the tide changed post-pandemic in late 2022. The Adopted 2023 Budgets did not include interest earnings estimates given the unstable market at the time; however, the 2023 Revised Budget for each fund includes an interest allocation calculated by extrapolating the actual interest earnings as of June 30, 2023 for the year.

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 sales of recyclables, resident payments for city-wide cleanup events, 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 2023 and 2024 will remain consistent with previous year's experiences.



City of White Bear Lake

Annual Budget

Tax Levy

Tax Levy Year	Total	General Levy	Debt Service			
			CIP for Municipal Facilities or Equipment	YMCA / Sports Center	Street Construction	Emerald Ash Borer
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
2021	8,080,000	7,200,000	215,000	132,000	508,000	25,000
2022	9,955,000	8,233,000	886,000	132,000	704,000	-
2023	12,003,000	9,730,000	1,430,000	132,000	711,000	-

City of White Bear Lake
Property Tax Capacity Valuation & Rate

Annual Budget

Item	Property Value for Taxes Collectable in 2020	Property Value for Taxes Collectable in 2021	Property Value for Taxes Collectable in 2022	Property Value for Taxes Collectable in 2023	Property Value for Taxes Collectable in 2024
Total Estimated Market Value	\$ 2,804,152,700	\$ 3,108,858,300	\$ 3,156,599,200	\$ 3,601,334,200	\$ 3,794,513,900
Taxable Property Value					
Real estate	\$ 32,814,944	\$ 35,193,508	\$ 35,930,953	\$ 40,900,039	\$ 43,627,904
Personal property	616,990	691,896	425,614	434,724	482,527
Total property value	<u>33,431,934</u>	<u>35,885,404</u>	<u>36,356,567</u>	<u>41,334,763</u>	<u>44,110,431</u>
Tax increment project valuations	(529,588)	(609,646)	(603,972)	(305,318)	(306,873)
Subtotal - City	32,902,346	35,275,758	35,752,595	41,029,445	43,803,558
Fiscal disparity contribution	(3,465,043)	(3,426,066)	(3,793,357)	(3,689,685)	(3,754,475)
Net Tax Capacity Value	29,437,303	31,849,692	31,959,238	37,339,760	40,049,083
Fiscal disparity distribution	<u>4,137,333</u>	<u>4,299,572</u>	<u>4,728,009</u>	<u>4,370,502</u>	<u>4,510,363</u>
Total Tax Capacity	<u>\$ 33,574,636</u>	<u>\$ 36,149,264</u>	<u>\$ 36,687,247</u>	<u>\$ 41,710,262</u>	<u>\$ 44,559,446</u>
Tax Capacity Rate					
Levy	\$ 6,908,000	\$ 7,370,000	\$ 8,080,000	\$ 9,955,000	\$ 12,003,000
Fiscal disparity distribution levy	(835,344)	(886,963)	(962,390)	(973,350)	(1,084,295)
Net Levy	<u>6,072,656</u>	<u>6,483,037</u>	<u>7,117,610</u>	<u>8,981,650</u>	<u>10,918,705</u>
Divide by net tax capacity	<u>29,437,303</u>	<u>31,849,692</u>	<u>31,959,238</u>	<u>37,339,760</u>	<u>40,049,083</u>
Tax Capacity Rate	<u>20.629%</u>	<u>20.355%</u>	<u>22.271%</u>	<u>24.054%</u>	<u>27.263%</u>

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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
2012	117.314	19.940	26.102	61.317	9.955
2012*	0.248	-	0.248	-	-
2013	125.341	21.448	28.562	65.144	10.187
2013*	0.264	-	0.264	-	-
2014	123.224	21.102	28.562	63.735	9.825
2014*	0.273	-	0.273	-	-
2015	115.129	20.368	26.660	58.922	9.179
2015*	0.240	-	0.240	-	-
2016	113.863	19.690	26.236	58.885	9.052
2016*	0.235	-	0.235	-	-
2017	106.853	18.969	23.476	55.850	8.558
2017*	0.230	-	0.230	-	-
2018	104.954	19.058	23.685	53.962	8.249
2018*	0.223	-	0.223	-	-
2019	107.415	20.190	26.081	52.879	8.265
2019*	0.232	-	0.232	-	-
2020	117.957	20.629	36.777	52.302	8.249
2020*	0.220	-	0.220	-	-
2021	113.004	20.355	37.074	47.760	7.815
2021*	0.181	-	-	-	-
2022	115.108	22.271	34.800	48.067	9.970
2022*	0.193	-	-	-	-
2023	110.093	24.054	32.398	44.901	8.740
2023*	0.183	-	-	-	-
2024	113.302	27.263	32.398 **	44.901 **	8.740 **
2024*	0.183 **	-	-	-	-

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

** Tax capacity rates for the School District, County, and Other were not available at the time of publication. Prior year numbers were used for the current year calculation.



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 2nd 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 2024 for a residential homestead.

How to Calculate Your Residential Property Taxes Payable in 2024		
	Instructions:	Example:
Step 1: Determine Home Market Value	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 2023 values for taxes payable in 2024.	\$250,000
Step 2: Calculate the Market Value Homestead	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. $\$76,000 \times 40\% = \$30,400$ B. $\$250,000 - \$76,000 = \$174,000$ C. $\$174,000 \times 9\% = \$15,660$ D. $\$30,400 - \$15,660 = \$14,740$
Step 3: Calculate the Taxable Market Value	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)
Step 4: Calculate the Tax Capacity	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. $\$235,300 \times 1.00\% = \$2,353$ B. $\$0 \times 1.25\% = \0 C. $\$2,353 + 0 = \$2,353$
Step 5: Calculate the Tax Capacity Tax	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 2024 for the City is 27.431%, as noted on the previous page.	$\$2,353 \times 27.431\% = \645.45
Residential Property Taxes Payable in 2024	This amount is the total residential property taxes payable in 2024 for the City of White Bear Lake. This does not include the property taxes payable to the School District, County, or other taxing entities.	\$645.45

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

City of White Bear Lake
2024 Budget Summary

Annual Budget
All Funds

Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Revenues					
General property taxes	\$ 7,372,055	\$ 8,034,685	\$ 9,955,000	\$ 9,957,000	\$ 12,003,000
Tax increment	664,583	690,709	626,000	325,490	333,600
Special assessments	1,235,409	1,225,028	727,282	769,168	737,059
Licenses and permits	1,393,967	1,625,552	1,128,807	1,362,605	892,850
Franchise fees & fines	385,578	404,399	382,000	432,628	422,300
Intergovernmental	4,048,653	4,627,730	3,139,975	3,617,030	5,475,638
Charges for services	11,767,411	12,141,382	12,785,781	12,884,215	13,809,783
Interest on investments	(161,653)	(913,175)	109,244	1,419,928	1,096,743
Rental income	1,818,486	1,511,755	1,713,316	1,560,964	1,623,475
Loan repayments	451,248	243,402	154,610	176,381	148,810
Bond sale	4,470,996	10,360,156	10,000,000	10,326,692	4,000,000
Reimbursements	3,401,594	3,982,976	4,358,708	4,358,708	4,658,534
Miscellaneous	1,346,487	767,363	274,728	693,614	652,428
Total operating revenues	<u>38,194,814</u>	<u>44,701,962</u>	<u>45,355,451</u>	<u>47,884,423</u>	<u>45,854,220</u>
Transfers in	<u>3,835,108</u>	<u>5,730,340</u>	<u>2,312,100</u>	<u>2,377,145</u>	<u>2,329,520</u>
Total revenues	<u>42,029,922</u>	<u>50,432,302</u>	<u>47,667,551</u>	<u>50,261,568</u>	<u>48,183,740</u>
Expenditures					
Personnel services	16,279,821	17,734,692	20,031,210	19,224,279	21,112,990
Materials and supplies	1,141,923	1,321,439	1,493,488	1,545,946	1,651,455
Other services and charges	8,589,650	8,755,462	9,880,085	11,559,582	10,440,866
Capital outlay	7,054,137	7,609,955	19,514,254	18,720,462	15,841,062
Debt service	1,493,681	1,789,699	2,360,842	2,363,412	2,984,198
Total expenditures	<u>34,559,212</u>	<u>37,211,248</u>	<u>53,279,878</u>	<u>53,413,681</u>	<u>52,030,572</u>
Transfers out	<u>3,834,136</u>	<u>4,980,340</u>	<u>2,329,100</u>	<u>2,377,145</u>	<u>2,329,520</u>
Total expenditures and transfers out	<u>38,393,348</u>	<u>42,191,588</u>	<u>55,608,978</u>	<u>55,790,826</u>	<u>54,360,092</u>
Revenues over (under) expenditures	<u>3,636,574</u>	<u>8,240,714</u>	<u>(7,941,427)</u>	<u>(5,529,258)</u>	<u>(6,176,352)</u>
Reserve adjustment (to) from	<u>(213,642)</u>	<u>118,950</u>	<u>(549,463)</u>	<u>(395,363)</u>	<u>(150,000)</u>
Fund balance, January 1	<u>31,017,010</u>	<u>34,439,942</u>	<u>38,938,878</u>	<u>42,049,607</u>	<u>36,124,985</u>
Fund balance, December 31	<u>\$ 34,439,942</u>	<u>\$ 42,799,607</u>	<u>\$ 30,447,988</u>	<u>\$ 36,124,985</u>	<u>\$ 29,798,633</u>
Reserves	<u>5,268,442</u>	<u>5,244,202</u>	<u>5,751,455</u>	<u>5,597,355</u>	<u>5,747,355</u>
Total fund balance and reserves, December 31	<u>\$ 39,708,384</u>	<u>\$ 48,043,809</u>	<u>\$ 36,199,443</u>	<u>\$ 41,722,340</u>	<u>\$ 35,545,988</u>

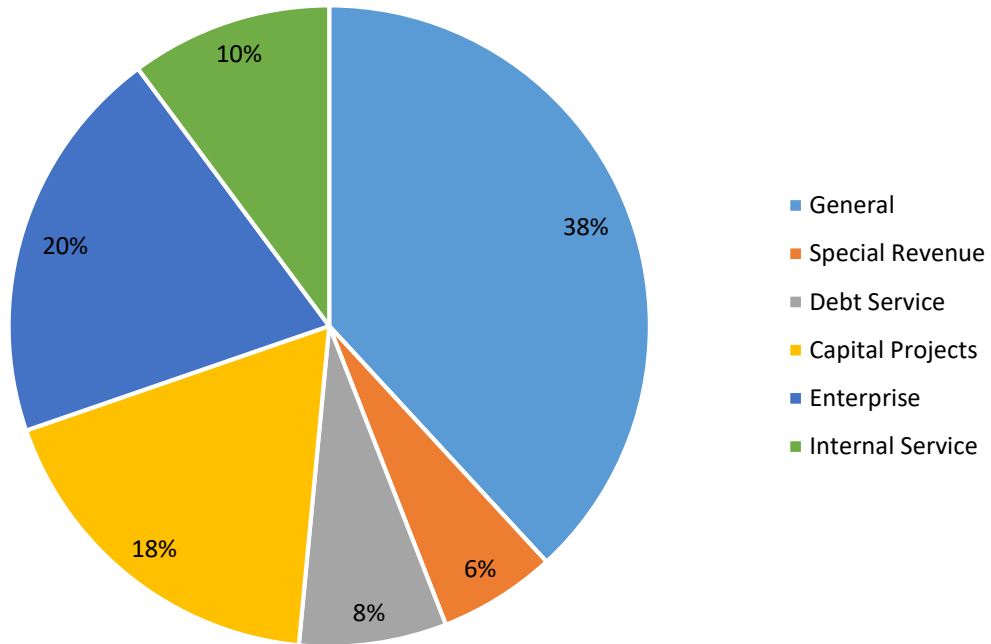
City of White Bear Lake
2024 Budget Summary

Annual Budget
By Fund Type

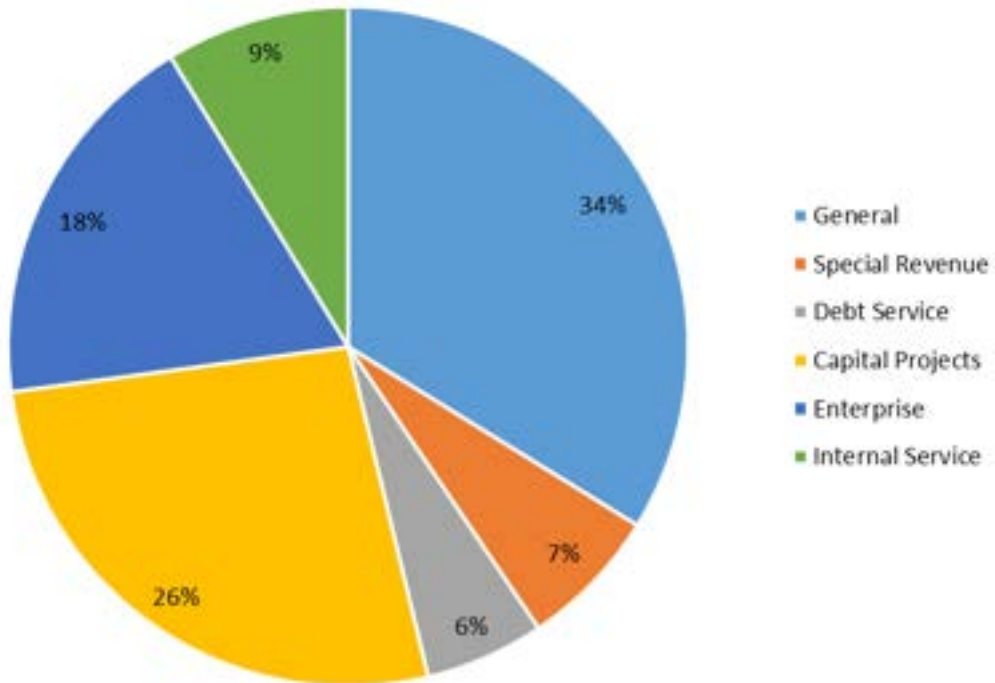
Fund Description	2021 Actual	2022 Actual	2023 Budget	2023 Revised	2024 Budget
Revenue					
General	\$ 13,146,420	\$ 13,799,095	\$ 13,802,873	\$ 14,259,874	\$ 18,380,042
Special Revenue	2,164,677	2,512,693	1,820,176	2,379,414	2,856,519
Debt Service	3,057,463	2,737,517	3,165,427	3,381,711	3,584,813
Capital Projects	6,204,003	16,352,220	12,472,394	13,410,228	8,770,146
Enterprise	13,534,615	11,136,243	12,046,895	12,189,219	9,690,884
Internal Service	3,922,744	3,894,534	4,359,786	4,641,122	4,901,337
Total revenue	<u>42,029,922</u>	<u>50,432,302</u>	<u>47,667,551</u>	<u>50,261,568</u>	<u>48,183,740</u>
Expenditures					
General	12,293,497	13,040,891	14,472,894	14,182,883	18,379,296
Special Revenue	2,081,524	3,219,597	3,208,981	2,840,768	3,659,305
Debt Service	1,950,681	2,266,665	2,524,105	2,539,064	3,082,837
Capital Projects	6,293,927	9,071,940	18,626,951	18,780,371	14,494,149
Enterprise	12,030,877	10,411,309	12,193,822	13,068,641	9,991,154
Internal Service	3,742,842	4,181,185	4,582,225	4,379,100	4,753,350
Total expenditures	<u>38,393,348</u>	<u>42,191,588</u>	<u>55,608,978</u>	<u>55,790,826</u>	<u>54,360,092</u>
Revenues over (under) expenditures	<u>3,636,574</u>	<u>8,240,714</u>	<u>(7,941,427)</u>	<u>(5,529,258)</u>	<u>(6,176,352)</u>
Reserve adjustment (to) from	<u>(213,642)</u>	<u>118,950</u>	<u>(549,463)</u>	<u>(395,363)</u>	<u>(150,000)</u>
Fund balance January 1	<u>31,017,010</u>	<u>34,439,942</u>	<u>38,938,878</u>	<u>42,049,607</u>	<u>36,124,985</u>
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Total fund balance and reserves, December 31	<u>\$ 39,708,384</u>	<u>\$ 48,043,809</u>	<u>\$ 36,199,443</u>	<u>\$ 41,722,340</u>	<u>\$ 35,545,988</u>

2024 Budget by Fund Type

Total Revenues \$48,183,740



Total Expenditures \$54,360,092



City of White Bear Lake
Personnel Services Staffing Summary

Annual Budget
Full-Time Equivalent Positions

	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
General Fund					
General Government					
Legislative	6.50	6.50	6.50	6.50	6.50
Administration (1)	2.50	2.50	2.50	3.50	4.50
Finance (1)	5.00	5.00	5.00	4.00	4.00
City Hall (2)	2.00	2.00	1.00	1.00	1.00
Technology (3)	-	-	1.00	1.00	1.00
Planning	3.00	3.00	3.00	3.00	3.00
Total General Government	19.00	19.00	19.00	19.00	20.00
Public Safety					
Police	38.50	38.20	39.00	38.80	38.80
Fire (3)	9.30	10.50	11.25	11.25	11.75
Building & Code	6.00	6.00	6.00	6.00	6.00
Total Public Safety	53.80	54.70	56.25	56.05	56.55
Public Works					
Engineering	4.50	5.00	5.00	5.00	5.00
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 (4)	5.00	5.00	5.00	5.00	6.00
Central Garage	1.50	2.00	2.00	2.00	2.00
Total Public Works	15.90	16.90	16.90	16.90	17.90
Total General Fund	88.70	90.60	92.15	91.95	94.45
Special Revenue Funds					
Armory (5)	0.35	0.35	-	-	-
Surface Water	1.00	1.00	1.00	1.00	1.00
Sports Center (6)	4.22	4.22	4.57	4.57	4.57
Economic Development	1.15	1.15	1.15	1.15	1.15
Total Special Revenue Funds	6.72	6.72	6.72	6.72	6.72
Enterprise Funds					
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 (3) Licensing & Passports (6)	32.70	28.50	29.75	29.75	31.25
	9.50	9.90	11.15	9.40	9.40
Total Enterprise Funds	51.30	47.50	50.00	48.25	49.75
Total	146.72	144.82	148.87	146.92	150.92
Total Full Time Equivalents					
Firefighters (Volunteer/Paid-on-call)	114.72	117.82	121.87	119.92	123.92
Ambulance support (Paid-on-call)	5.20	5.25	5.25	5.25	5.25
Mayor & Council	20.80	15.75	15.75	15.75	15.75
	6.00	6.00	6.00	6.00	6.00
Total	146.72	144.82	148.87	146.92	150.92

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) The Human Resources/Payroll Specialist transferred from the Finance Department to the Administration Department in 2023.

(2) In previous years, the City Hall Department has funded the personnel costs for the IT Coordinator position; however, in 2023 a separate Technology department that funds this position was created.

(3) In 2023, the City hired two new full-time positions as part of a three-year plan to build a third 24/7 full-time crew. The City intends to hire two additional full-time positions in 2024, which will bring the three-year plan to build a third 24/7 full-time crew to completion.

(4) The Parks Department adds a Building Maintenance position as of July 1, 2024.

(5) In November 2022, the City sold the Armory. A portion of salaries for the Sports Center's Manager, Receptionist, and Maintenance Technician were allocated to the Armory. After November 2022, this portion of salaries were moved to the Sports Center budget.

(6) Passport operations were halted at the start of the COVID-19 pandemic. The City originally planned to hire a full-time Passport Clerk position and resume these operations in January 2023. However, the Passport operations were reassessed, and the decision was made to not resume operations. Additionally, two full-time License Bureau positions turned over in 2023, and they were replaced with three part-time positions.



From February to May 2019, the White Bear Lake City Council and senior leadership team engaged in a strategic planning process. The process resulted in a strategic plan covering 2019-2022. The plan consists of six strategic priorities – the issues of greatest importance to the City over the three-year period. The planning effort began with an examination of the operating environment via a Strength, Weakness, Opportunity, and Threat (SWOT) analysis and a staff review of current conditions. On February 23, 2019, the City Council and senior leadership team held a strategic planning retreat. They developed a set of priorities, key outcomes and performance targets, and refined the City’s vision and mission. Based upon those priorities, the City’s senior staff met March 28, 2019 to identify a set of strategic initiatives and begin the process of developing detailed action steps. The City Council and senior leadership team will meet again in early 2024 to create a strategic plan covering 2024-2027. The creation of the new strategic plan was delayed as a result of the COVID-19 pandemic, as well as turnover in the City Manager position and the City Council. With the creation of the new strategic plan in 2024, the City will also evaluate how the strategic goals align with the departmental goals.

The strategic planning process followed by the City was designed to answer four key questions: (1) Where are we now? (2) Where are we going? (3) How will we get there? (4) What will we do? The process is divided into a development phase and an implementation phase. The full process is depicted below:



The 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:

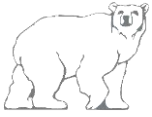
- Financial sustainability
- Clear community vision



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



The City created 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 at the beginning of each year 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. The plan 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

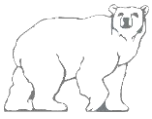
The plan also assumes that the population will remain stable at the current level over the next 10 years as the City is a primarily built-out community with few undeveloped sites left.

The General Fund projects annual expenditures to increase by 2.5% per year, with interest earnings conservatively projected to increase by 1.5%, and all other non-property tax revenues projected to increase by 2.0%. The annual property tax levy 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.

The General Fund Financial Management Plan includes an allocation of \$200,000 in 2024 to account for any additional staff that are hired during the year. This allocation increases by 2.5% each year of the plan.

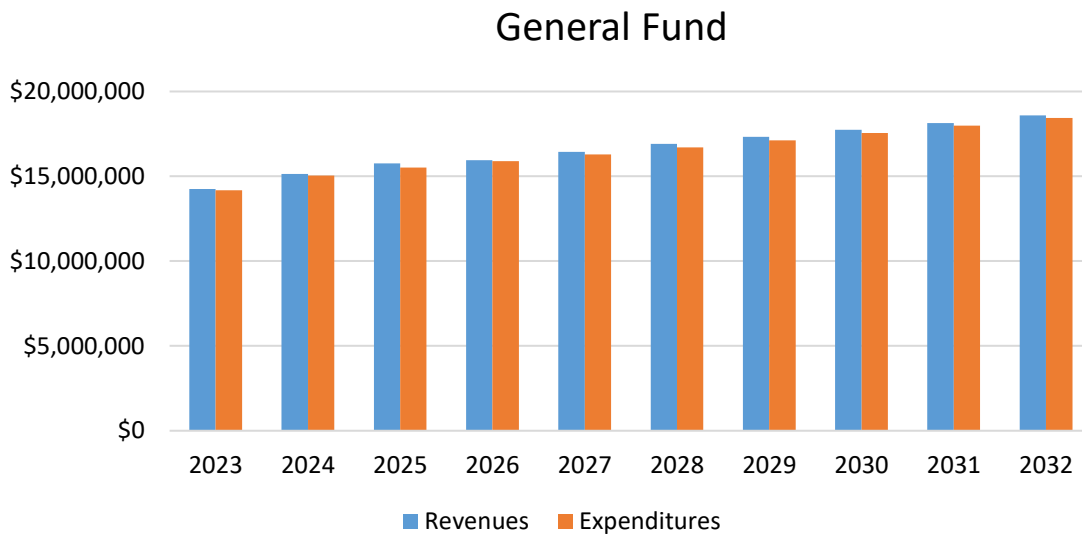
In years prior to 2023, the Minnesota Department of Revenue shared information that the City has an above average tax base growth that is coupled with a growing tax base per capita, in contrast with many of the other cities receiving Local Government Aid (LGA). As the City's market value continues to increase, it reduces the eligibility to receive aid through this program. Therefore, as a conservative measure, the City has begun preparing for a possible reduction of LGA 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.

In 2023, the Minnesota Legislature approved a bill that increased the annual LGA allocation as well as indexed the appropriation for inflation in future years. Since this changed increased the total LGA the City will receive in 2024, the City held the LGA allocation to the General Fund at the



2023 level for 2024. The City will consider reducing the General Fund’s reliance on LGA to support operations and allocate future LGA amounts to support capital improvement projects and equipment purchases in the Equipment Acquisition and Municipal Building Funds when preparing the 2025 Budget. Therefore, the General Fund allocation of LGA decreases by 5% in future years of the financial management plan, which in turn increases the property tax levy.

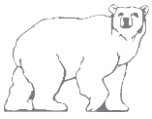
At the time the Financial Management Plan was created, the Council had not made the official decision to move the Ambulance Fund from an Enterprise Fund to the General Fund, therefore the Ambulance revenues and expenditures are not accounted for in the graph below.



The Capital Project Funds in the Financial Management Plan are the Equipment Acquisition, Municipal Building, Park Improvement, Community Reinvestment, and Pavement Management 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 3.0%, interest earnings are projected to increase by 4.25% in 2024, 3.25% in 2025, and 3.00% every year thereafter, and all other non-property tax revenues are projected to increase by 2.0%.

The large spike in 2023 and 2024 occurs within the Municipal Building Fund, which expects approximately \$17,800,000 in expenditures over the two years for renovation and expansion of the Public Safety Facility. The City bonded for this project. The Municipal Building Fund receives an allocation of Local Government Aid (LGA) each year to support operations. The Municipal Building Fund also begins receiving a property tax allocation in 2026 to help support operations.

In order to support park improvement expenditures, the Park Improvement Fund will start receiving an annual transfer in from the Marina Fund in 2024, and in 2027, the Fund will begin levying for property taxes. Historically, operating expenditures for projects such as routine sand replacement at playgrounds, buckthorn control, Arbor Day plantings, tree trimming, minor playground equipment repairs, park bench maintenance, and the playground matching grant funds have been budgeted in the Park Improvement Fund to reduce the Parks Department

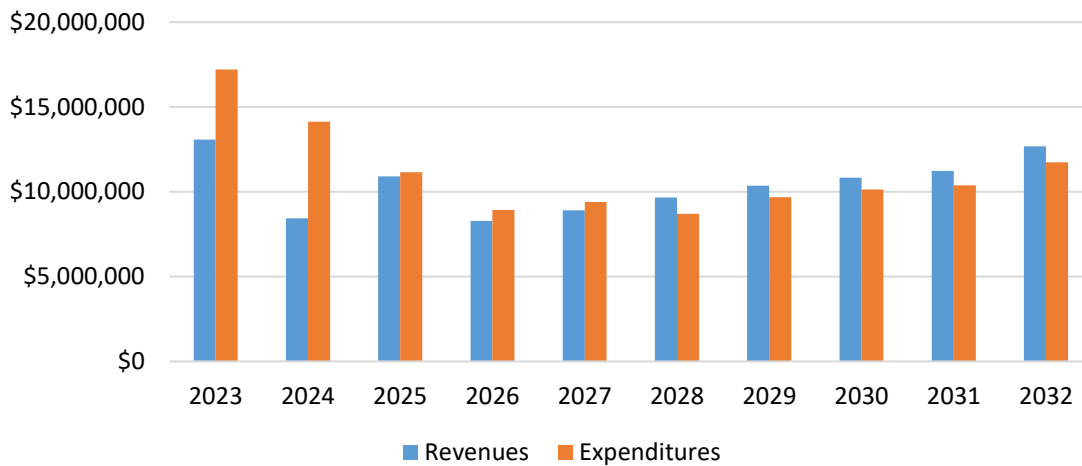


operating budget in the General Fund. In recognizing these projects are truly operating expenditures, the City has begun methodically moving these items out of the CIP in the Park Improvement Fund in 2023, and will continue the process through 2027. This gradual move minimizes the impact on the General Fund expenditures each year.

The Equipment Acquisition Fund begins levying property taxes in 2025 to support operations and again in 2026 to cover Equipment Certificate debt service payments. The City collects a franchise fee from Ramsey Washington Cable Commission each year. The long-term financial management plan decreases the amount collected each year as customers choose to leave cable television for other streaming options. In 2032, the CIP anticipates replacing a fire engine with funds available through the issuance of an Equipment Certificate bond the same year. The City plans to issue Equipment Certificate bond obligations for fire engines only to maintain annual funding usage on equipment purchases instead of expenditures for bond obligation issuance or interest on the debt.

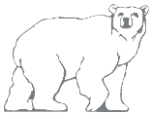
Previously, the Pavement Management Fund levied property taxes to manage the impacts of the Emerald Ash Borer tree disease. This levy was moved to the General Fund in 2022. The Fund previously received a transfer in from the License Bureau Fund to support the annual street improvement projects; however, the City eliminated the transfer in 2020, as the License Bureau no longer had resources to fund the support. As a result, the Fund will begin relying on property tax levies in 2025 to fund the street improvement projects and annual debt service payments.

Capital Project Funds



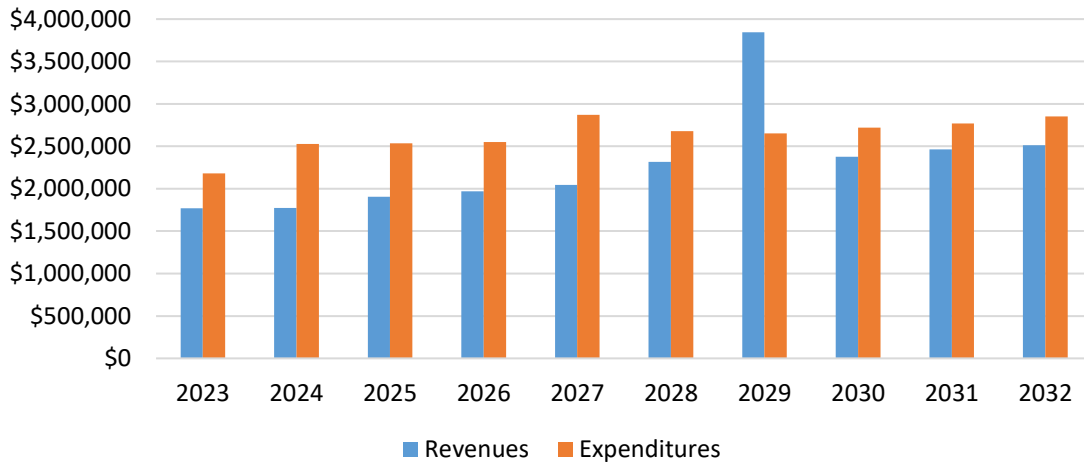
The Special Revenue Funds included in the Financial Management Plan are the Marina, Sports Center, and Economic Development Funds. For each fund, capital expenditures are projected to increase by 3.0% to 3.5% each year, personnel expenditures are projected to increase 3.0%, operating expenditures are 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 2025, the Financial Management Plan includes a levy to support operations. Similarly, the City currently



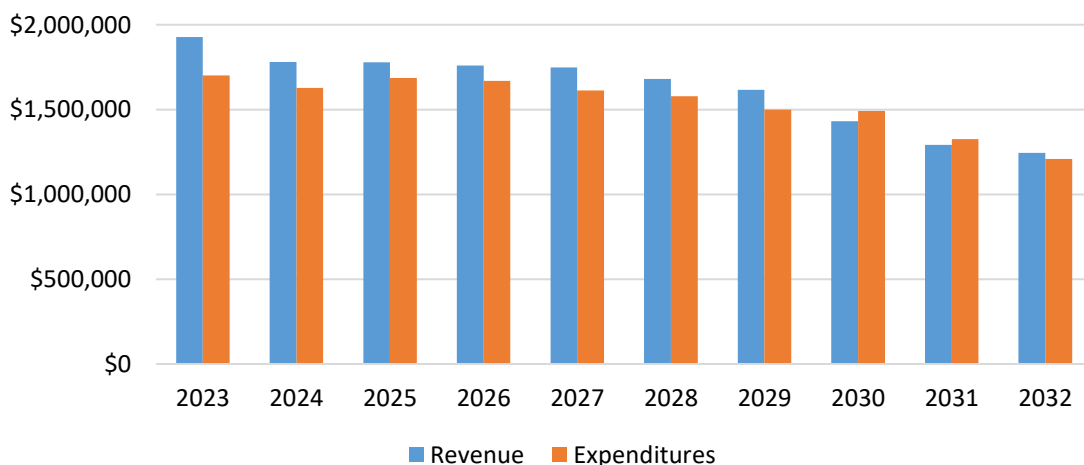
does not levy property taxes in the Economic Development Fund, but is projected to do so beginning in 2027. As mentioned above, the Marina Fund began an annual transfer out in 2023 to help fund park improvement expenditures. Revenues spike in 2029 with the planned sale of the old Public Works site within the Economic Development Fund.

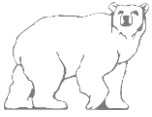
Special Revenue Funds



The Debt Service Funds included in the Financial Management Plan are the 2018A GO Bond, 2018B GO Tax Abatement Bond, 2019A GO Bond, 2020A GO Bond, 2021 GO Bond, 2022A GO Bond, 2022B CIP Bond, and the Non-Bonded Special Assessments Funds. The 2023 GO Bond is not included in the 2023 Financial Management Plan because the sale was not complete by the annual update of the Plan. The fund balance goal in these funds is 105% of the next year’s debt payment. Projected revenues include special assessments and property taxes. The Non-Bonded Special Assessments Fund also includes revenues related to a 20-year loan agreement the City entered into with the White Bear Lake Hockey Association to help cover their agreed portion of the Sports Center renovation. The majority of expenditures included the financial management plan for debt service funds are scheduled principal and interest payments.

Debt Service Funds





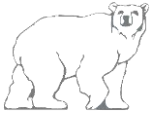
The City's Capital Improvement Plan (CIP) allows for the prioritization of projects that maximize public investment and avoid duplication, waste, and conflict while meeting safe standards and public expectations. By looking at future needs, the City is better able to find funding sources to fill the 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 2023-2024 CIP incorporates approved capital purchases 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 \$5,000 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 past years, the City Council holds a CIP workshop in April to review the document before approving the CIP in late-April. This process will change for the 2025 Budget, with the CIP work session moving from April to June.

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

2023-2024 total per the Capital Improvement Plan	\$ 34,626,046
Total CIP in budget document:	
Ambulance Fund	296,000
American Rescue Plan Aid Fund	848,352
Economic Development Fund	320,060
Equipment Acquisition Fund	2,968,884
Pavement Management Fund	6,866,000
Marina Fund	199,400
Municipal Building Fund	18,731,358
Park Improvement Fund	1,065,718
Pioneer Manor Fund	260,600
Surface Water Pollution Prevention Fund	458,900
Refuse Fund	14,000
Sewer Fund	1,238,300
Water Fund	<u>1,358,474</u>
Total	<u>\$ 34,626,046</u>

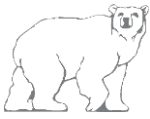
Ambulance Fund (Business Unit 5252)

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. The City has a 10-year replacement schedule for ambulances. In line with this schedule, the City replaced one ambulance in 2023. Beginning in 2024, the Ambulance Fund will become part of the General Fund; therefore, the Equipment Acquisition and Municipal Building Funds will account for all capital expenditures after 2023.

American Rescue Plan Aid Fund (Business Unit 2022)

The City’s share of the American Rescue Plan Act (ARPA) relief package was \$2,827,678. The State of Minnesota distributed 50% of the total amount to the City in 2021, with the remaining 50% distributed in 2022. The funds can be used through December 31, 2024. The City intends to expend the remaining \$848,352 of these funds on the following capital projects in 2023 and 2024:

- City Hall - \$238,811 is budgeted in 2024 for an office expansion. An additional \$200,000 is budgeted in 2024 for the City Hall window replacement project.
- Police – In 2023, \$15,000 is budgeted for squad cameras and in 2024, \$121,827 is budgeted for squad car replacements.
- Public Works – In 2023, \$55,030 is set aside for the for the Public Works Facility backup generator and \$180,499 for a single axle dump truck for the Streets Department.



Economic Development Fund (Business Unit 4242)

The Plan earmarked \$120,000 in 2023 to construct a city entrance monument at a key area in the southern section of the City. An additional \$50,000 is set aside in 2024 for a city entrance monument at a key area in the western section of the City.

The 2023 Budget includes \$24,000 to add a security camera system in the parking ramp, meeting room technology, and monument lighting at Boatworks Commons.

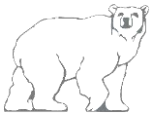
The CIP earmarks \$75,000 annually from 2024-2028 for the addition of monuments to and beautification of the County Road E corridor in 2028.

The City owns and rents out spaces in the Normandy Center at County Road F. The CIP earmarks \$42,500 in both 2024 and 2025 to build a 600-foot privacy fence. In 2027, \$200,000 is set aside for replacement of the Normandy Center roof.

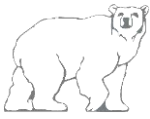
Equipment Acquisition Fund (Business Units 4102-4120)

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 follows a 7-year replacement plan for its six vehicles. In 2023, the department replaced one vehicle for \$38,500. The CIP allocates \$40,000 for a vehicle each year from 2027-2031, which is in-line with the 7-year replacement plan.
- **City Hall (4102)** – The City earmarked \$75,000 in 2023, \$90,000 in 2024, and \$110,000 in 2025 for the implementation of a new enterprise resource planning (ERP) software. The ERP software includes financial reporting, payroll, human resources, and utility billing systems. There is \$60,000 in 2028 and \$70,000 in 2029 set aside for the purchase of a new facility generator for City Hall.
- **Engineering (4105)** – The Engineering department earmarks \$35,000 in 2026, \$35,000 in 2027, and \$40,000 in 2028 for the replacement of the survey truck and survey equipment in 2028. In 2026, \$45,000 is set aside for painting the Public Safety Monopole. The Plan also allocates \$25,000 annually for costs related to the City’s cell towers.
- **Fire (4109)** – The CIP for the Fire department include the following significant items:
 - Vehicle replacements – The Plan replaces the following vehicles:
 - 2024 – 2015 Ford Explorer estimated at \$46,250
 - 2025 – 2016 Dodge Durango estimated at \$46,250
 - 2026 – 2016 Dodge Durango estimated at \$46,250
 - 2028 – 2016 Dodge Ram estimated at \$50,000
 - 2029 & 2030 – 2011 Ford F350 grass rig estimated at \$150,000 per year
 - 2032 – 2015 Ford Explorer estimated at \$46,250 and 2017 Ford Explorer estimated at \$47,500
 - Fire Communications (Radios, CAD, Mobile Devices) - \$20,000 is allocated annually from 2023-2032 to replace four 800MHz radios per year

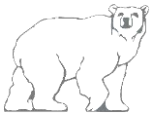


- Fire Rescue Boat – In 2023, the City purchased a fire rescue boat with pumping functionality for \$165,775
- Fire Emergency Lighting for Squads – The CIP includes an annual allocation of \$20,000 from 2024-2026 and then a \$5,000 annual allocation thereafter for the purchase of emergency lighting
- Squad Laptop Computers – Beginning in 2024, \$5,000 is set aside annually for laptop computers
- Fire Vehicle Radios - \$6,500 is budgeted annually from \$2027-2032 for the purchase of vehicle radios
- SCBA Air tanks – The CIP earmarks \$100,000 in 2030, 2031, and 2032 to purchase SCBA air tanks in 2032
- Miscellaneous equipment – In 2024, \$72,000 is allocated for an SCBA fill station compressor and \$28,000 is set aside for four fire thermal imagers.
- **Parks (4107)** – The majority of CIP requests for the Parks department are for mobile equipment purchases or replacements. The annual allocations include the following significant items:
 - 2023 - \$55,000 for the replacement of 2006 ¾-ton truck and \$23,000 for the replacement of a 2014 Exmark mower
 - 2024 - \$80,000 for the replacement of a 2003 Ford F250 and \$40,000 for the replacement of 1999 and 2013 Cushman Haulsters
 - 2025 - \$65,000 for the replacement of a 2003 Ford F250
 - 2026 - \$100,000 for the replacement of a 2003 Chevrolet 4500, \$85,000 for the replacement of a 2016 Toro Groundmaster, \$50,000 for the replacement of a 2019 Ventrac tractor, and \$37,000 for an air compressor on a trailer
 - 2027 - \$65,000 for the replacement of a 2006 Chevrolet 2500, \$85,000 for the replacement of a 2017 Toro Mower, and \$45,000 for a forestry mulcher
 - 2028 - \$40,000 for the replacement of a Jacobsen Turfcut mower and \$65,000 for the replacement of a 2008 Chevrolet 2500
 - 2029 - \$65,000 for the replacement of a 2013 Chevrolet 3500, \$80,000 for the replacement of a 2017 CAT skidsteer, and \$50,000 is earmarked for the replacement of a 2016 John Deere tractor in 2031
 - 2030 - \$50,000 earmarked for the replacement of a 2016 John Deere tractor in 2031
 - 2031 - \$65,000 for the replacement of a 2015 Ford F250 and \$85,000 for the replacement of a 2016 John Deere Tractor
 - 2032 - \$50,000 for the replacement of a 2019 Ventrac tractor
- **Police (4108)** – CIP requests include the following:
 - Vehicles - The Police department has previously replaced squads every three years. The current Public Safety Facility did not have enough capacity for all officers to park their squads inside, which required them to leave the vehicles running to protect the squad's equipment during hot and cold weather. With the construction of the new Public Safety Facility garage that is set to be completed in 2024, there will be enough capacity for all squads to be parked inside. The Department expects the useful lives of the squads to be increased to five years as a result of the reduced idling. Squad purchases over the life of the

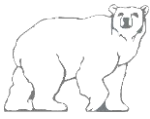


CIP are budgeted as follows:

- 2024 – three squad replacements estimated at \$138,750 and one admin squad replacement estimated at \$71,250
- 2025 – four squad replacements estimated at \$185,000
- 2026 – one admin squad replacement estimated at \$47,500
- 2028 – four squad replacements estimated at \$190,000
- 2029 – three squad replacements estimated at \$142,500 and one admin squad replacement estimated at \$75,000
- 2030 – four squad replacements estimated at \$195,000
- 2031 – one admin squad replacement estimated at \$48,750
- Radios – The Department is replacing five 800MHz portable radios per year. The replacements were budgeted at \$35,563 for 2023. In 2024, the City is receiving a one-time allocation of Public Safety Local Government Aid from the State and \$125,000 of these funds will be put toward the purchase of these radios in 2024. The City resumes annual radio replacements in 2029, 2030, and 2031 at \$42,000 per year.
- Miscellaneous equipment – The CIP also includes annual allocations for the replacement of miscellaneous equipment including squad laptop computers, radar units, squad equipment, body cameras, squad cameras, and taser units. The allocations for these replacements are \$93,750 in 2023, and \$100,000 every year thereafter. There is also a one-time allocation of \$30,600 in 2023 for the purchase of two drones.
- **Public Safety (4111)** – The Plan sets aside \$70,000 2024 for new exercise machines, with \$55,000 of this will be funded by the one-time Public Safety Local Government Aid from the State.
- **City-wide Improvements (4116)** – In 2025-2033, \$25,000 is earmarked for general security upgrades and improvements across the City. The Plan budgeted \$25,000 in 2023 for security upgrades to the License Bureau back office area, City Hall staff area, the Police Department, and Fire Station #2. The City also set aside \$20,000 in 2024-2027 and \$15,000 in 2028-2032 for a general maintenance contingency.
- **Public Works (4118)** – The CIP includes the following significant allocations for the Public Works department:
 - 2023 - \$19,000 for a fuel management/monitoring system and \$15,500 for an R-134 A A/C recovery/recycler
 - 2024 - \$28,000 for a 4K camera upgrade
 - 2025 - \$45,000 to replace a 2008 ½-ton truck and \$40,000 for a floor scrubber
 - 2026 - \$25,000 for an air compressor
 - 2027 - \$10,000 for a fuel island asset works system, \$80,000 for a mobile vehicle lift/ladder, and \$45,000 for a Komatso forklift
 - 2030 - \$55,000 to replace a 2019 ¾-ton truck
- **Sports Center (4119)** – Significant items included in the Sports Center CIP include:
 - 2029 - \$100,000 earmarked for the purchase of a generator in 2030
 - 2030 - \$29,000 for a scoreboard and \$100,000 earmarked for the purchase of a generator
 - 2031 - \$125,000 to replace the ice resurfacers



- 2032 - \$55,000 to replace the Sports Center truck
- **Streets (4106)** – The Streets department has budgeted for the replacement of several large vehicles and equipment over the next ten years, including the following:
 - 2023 - \$60,000 to replace a 2008 Chevrolet 2500, \$11,865 to repair the hotbox truck, and \$43,490 for a Wildcat Snowblower M8000
 - 2024 - \$175,000 to replace a 2008 trackless sidewalk plow, \$90,000 to replace a 2013 Bobcat, \$50,000 earmarked to replace a 2008 Chevrolet 3500 in 2025, and \$25,000 earmarked for the replacement of a 2011 freight truck hotbox
 - 2025 - \$40,000 earmarked for the replacement of a paver unit in 2026, \$50,000 to replace a 2008 Chevrolet 3500, \$40,000 earmarked for the replacement of a 2011 freight truck hotbox, and \$30,000 for two sidewalk snow blower attachments
 - 2026 - \$40,000 for the replacement of a paver unit, \$375,000 for the replacement of the 2015 Tymco sweeper, \$55,000 earmarked for the replacement of a 2011 freight truck hotbox, and \$50,000 to replace the 2014 Brush Bandi wood chipper
 - 2027 - \$117,500 earmarked for the replacement of a 2013 Freightliner truck in 2028, \$80,000 earmarked for the replacement of a 2011 freight truck hotbox, \$325,000 to replace a 2011 Case loader, and \$22,000 for a pavement mill
 - 2028 - \$117,500 for the replacement of a 2013 Freightliner truck
 - 2029 - \$50,000 earmarked to replace a 2011 Ford bucket truck in 2031, \$60,000 to replace an asphalt roller, \$40,000 earmarked for the replacement of a 2020 Ford F350 in 2030, and \$90,000 earmarked to purchase a new loader in 2030
 - 2030 - \$75,000 earmarked to replace a 2017 Freightliner truck in 2032, \$40,000 earmarked to replace a 2020 Ford F350, \$50,000 earmarked for the replacement of a 2011 Ford Bucket truck in 2030, \$90,000 earmarked to purchase a new loader, and \$100,000 to replace a 2015 Case mini excavator
 - 2031 - \$75,000 earmarked to replace a 2017 Freightliner truck in 2032, \$50,000 earmarked to replace a 2011 Ford bucket truck, and \$140,000 to replace an M.R. sidewalk plow
 - 2032 - \$85,000 earmarked to replace a 2017 Freightliner truck
- **Technology (4120)** – Routine computer and office equipment replacements are budgeted at \$40,000 per year in 2023 and then increased to \$45,000 per year in 2024-2032. Microsoft licenses are budgeted at \$15,500 in 2023, \$75,000 in 2024, and \$55,000 in 2025. These expenditures are planned to be moved to the General Fund operating expenditure budget in 2026. In 2023 and 2024, the City included \$10,000 each year for upgrades to Laserfiche, a business process automation, and document imaging software. The City intends to add fiber optic connections for City Hall, Public Works, Fire Station 2, and the Water Treatment Plant by earmarking \$20,000 in 2024 and \$25,000 in 2025, as well as \$15,000 in both 2026 and 2027 at the Sports Center. The City is a member of Local Government Information Systems (LOGIS), a consortium of cities formed to provide cost-effective computer system options for local governments. Among many services, LOGIS provides the City with IT services. Each year, LOGIS will recommend IT upgrades and maintenance that the City should perform. \$50,000 and \$35,000 are budgeted for these projects in 2023-2024, respectively, while

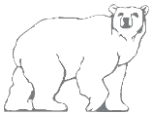


\$25,000 is earmarked annually in 2025-2032.

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, the South Shore Boulevard trail, and in the median of County Road 96. The CIP has allocated \$71,000 in 2023 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 2023 for decorative light pole painting. The City has identified several areas that are in need of retaining walls to prevent ongoing maintenance. The City has set aside the following for future retaining wall projects: \$100,000 in 2024, \$325,000 in 2026, \$190,000 in 2027, and \$160,000 in 2029.
- **Crack Sealing and Sealcoating** – 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. The plan allocates \$20,000 in 2023 and then \$100,000 each year thereafter for crack sealing. \$200,000 is allocated for sealcoating in 2022 and \$275,000 each year thereafter.
- **Pavement Rehabilitation Projects:**
 - Mill and overlay 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 20th – 25th 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. 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 50th 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. Pavement rehabilitation projects plan for \$4,000,000 in 2024, \$6,000,000 in 2025, and \$3,500,000 in 2026-2032. No pavement rehabilitation was planned for 2023 due to the Public Safety Facility expansion project.
- **Miscellaneous Concrete Projects** – The CIP budgets \$65,000 annually for miscellaneous street and sidewalk concrete projects.
- **Miscellaneous Street-Related Projects** – The plan allocates \$50,000 per year for expansion projects within the trail and sidewalk network and an additional \$675,000 budgeted in 2023 for the South Shore Trail and the County Road F sidewalk. In 2024, \$670,000 is included for the trail on Otter Lake Road, the Sports Center parking lot mill

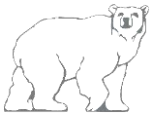


and overlay, and sealcoating of Lake Avenue North and South. The Plan earmarks \$100,000 in both 2026 and 2027 for the County Road 96 median from 35E to Otter Lake Road. The City plans for several traffic signal projects throughout the life of the CIP including \$225,000 in 2025, \$75,000 in 2026, \$300,000 in 2027, \$150,000 in 2028, \$75,000 in 2029, \$150,000 in 2030, \$250,000 in 2031, and \$375,000 in 2032.

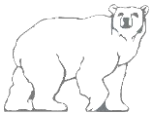
Municipal Building Fund (4304-4323)

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.

- **Boatworks Commons (4322)** – The Boatworks Commons area is a combination of a privately-owned multi-family apartment building, multi-tenant retail building with a lakefront restaurant and publically owned community room facility, public art, restrooms, and a boardwalk. The onsite parking ramp also has split ownership. The plan includes a \$10,000 appropriation to sand and refinish the community room wood floors every seven years, a \$5,000 appropriation every six years to buff and overcoat the floors, and a 2024 appropriation of \$20,000 for painting of the walls and ceilings for the publicly owned parking ramp level.
- **Counseling Center (4306)** – An allocation of \$10,070 is included in 2023 for roof fall protection.
- **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:
 - \$206,000 in 2023 for replacement of City Hall's air handler.
 - \$37,000 in 2023 for the Engineering office renovation
 - \$150,000 in 2024 for window replacements
 - \$30,000 in 2024 for an EV charging station
 - \$30,000 earmarked in 2024 and \$35,000 earmarked in 2025 for the attic fire suppression upgrade planned in 2025.
 - \$25,000 earmarked over both 2028 and 2029 for the first-floor restroom project set to take place in 2029, as well as \$25,000 and \$26,000 earmarked in 2030 and 2031, respectively, for the second-floor restroom project.
 - \$240,000 in 2031 for the Council Chambers upgrade and dais
 - \$25,000 is allocated annually from 2027-2032 for cosmetic projects and upgrades to City Hall
- **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 2023, \$85,000 was set aside for a paver block walkway and an additional \$7,900 was allocated for replacing windows
- **Fire Station 2 (4314)** – Fire Station 2 was built in 1972. The more significant projects included within the CIP include:
 - 2023 - \$27,500 for fuel tank removal
 - 2024 –\$18,000 for apparatus bay floor epoxy enhancements
 - 2025 – \$33,000 for all exterior doors and \$43,000 for the fire training tower



- exterior windows and doors
- 2026 - \$55,000 for a privacy fence and retaining wall
- **Public Safety Facility (4310)** – The Public Safety Facility, built in 1996, houses the Police Station and main Fire Department offices. One of the improvements for the Police and Fire Departments includes the addition of a police garage, replacement of the fire apparatus bay, and modification to the current building interior to better accommodate current police and fire operations. The project will extend to the two City owned properties directly across from the station. The Plan allocates \$12,762,903 and \$4,806,024 for the construction of a public safety facility in 2023 and 2024, respectively.
 - Operating Budget Impact – The design and project 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. Significant projects in the CIP include:
 - 2025 – \$30,000 to wash and clean shop walls and \$35,000 for an RTU energy recovery unit
 - 2026 – \$155,000 to seal concrete floors in the main garage, \$26,000 earmarked for the replacement of one HVAC rooftop unit in 2028, and \$26,000 earmarked for replacement of boiler #1 and #2 in 2027
 - 2027 – \$28,000 earmarked for the purchase of a canopy for the fuel island in 2029, \$40,000 for the replacement of boiler #1 and #2, \$112,500 earmarked for the replacement of the roof in 2030, \$26,000 earmarked for the replacement of one rooftop HVAC unit in 2028, and \$36,000 earmarked for the replacement of boiler #3 and #4 in 2028
 - 2028 – \$28,000 earmarked for the purchase of a canopy for the fuel island in 2029, \$30,000 for the replacement of boiler #3 and #4, \$112,500 earmarked for the replacement of the roof in 2030, and \$43,000 for the replacement of two rooftop HVAC units
 - 2029 – \$29,000 earmarked for the purchase of a canopy for the fuel island in 2029 and \$112,500 earmarked for the replacement of the roof in 2030
 - 2030 – \$112,500 to replace the facility’s roof and \$32,000 earmarked to replace boiler #5 and #6
 - 2031 - \$34,000 to replace boiler #5 and #6
- **Sports Center (4320)** – The Sports Center was newly renovated in 2018. The more significant projects in the CIP include:
 - In 2023, \$21,500 was allocated for upgrades to the waiting area and \$13,000 was allocated to replace water heater #1 on the south end of the building.
 - The Sports Center has two compressors that are on an 8-year replacement schedule. Compressor #1 is scheduled to be replaced for \$10,000 in 2024 and

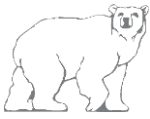


- 2032. Compressor #2 is scheduled to be replaced for \$10,000 in 2025.
- The plan earmarks \$15,000 in 2023, \$21,900 in 2024, \$16,900 in 2025, and \$28,300 in 2026 for rubber flooring replacement to take place in 2026.
- The pressure relief valve is on a 7-year replacement schedule. The Plan budgets \$30,000 in 2025 and 2032 for replacement.
- The plan earmarks an additional \$60,000 in 2028, \$90,000 in 2029, and \$125,000 in 2030 for the installation of new rink boards and glass in 2030.
- **Energy Performance (4324)** – The Sports Center’s energy use has been greater than anticipated following the 2018 renovation project. Since the facility was never formally commissioned at the completion of the project, the City contracted with Trane Technologies to conduct an energy and operational audit to identify performance issues and evaluate energy efficiency in 2021. Trane identified significant opportunities for operational savings that require an upfront investment but demonstrate a clear return related to lighting, insulation, the building envelope, control upgrades, mechanical upgrades, the courts area roof and heating, ventilation and air conditioning. The Energy Improvement Project began in 2021. The solar array system installed as part of the Energy Improvement Project passed all required tests and became active in July 2023.
 - Operating Budget Impact – A detailed investment grade energy performance audit was performed on the Sports Center and city-wide lighting. Energy conservation measure options that were determined through this audit included lighting upgrades, insulation, building envelope, controls upgrades, and mechanical upgrades. The annual cost savings of these five measures is estimated to be \$68,424 and the average simple payback is 8.7 years.

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:

- **Hidden Hollow Park (4024)** – In 2023-2025, \$30,000 is earmarked annually for a new pavilion in 2025. The plan allocates \$28,000 in 2023 for trail paving and earmarks \$30,000 annually from 2024-2026 for upper trail paving.
- **Lions Park (4036)** – Improvements to the park in 2023 include \$36,500 for three shelters and \$80,902 for restroom and pavilion replacement. The Plan allocates \$40,000 in 2028 for fishing pier decking and railing replacement. 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; therefore, \$35,000 is set aside in 2029 for an exercise station.
- **Lakewood Hills (4033)** – The CIP earmarks \$15,000 in both 2024 and 2025 for installation of exercise stations in 2025. The Plan also earmarks \$20,000 in 2023 and \$205,000 in 2024 for paving and connecting trails. An additional \$88,006 is budgeted in 2023 for restroom upgrades, pavilion steps and apron, the All Abilities Park, and other small maintenance items. The CIP earmarks \$10,000 in both 2025 and 2026 and \$180,000 in 2027 for upgrades to the three ballfield shelters in 2027. The Plan budgets \$40,000 each year in 2025-2027 to replace the pavilion in 2027. Projects also include \$40,000 in 2028 for fishing pier decking and railing replacement and \$50,000 in both 2031 and 2032 for irrigation upgrades at the ballfields in 2032.

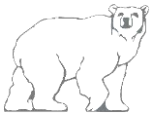


- **Matoska Park (4039)** – In 2023, the City paid \$15,313 to install a dog beach fence and buoys. The Plan budgets \$20,000 in 2025 for the park entrance sign and earmarks \$15,000 in both 2025 and 2026 for the installation of exercise equipment in 2026. An additional \$15,000 is set aside in 2026 for skid replacement and to pave a trail to the gazebo.
- **McCarty Park (4042)** – The CIP earmarks \$15,000 in 2027 and 2028 and \$60,000 in 2029 for a picnic shelter in 2029, while \$60,000 is allocated in 2031 for a retaining wall.
- **General Parks (4012)** – The General Parks CIP accounts for general expenditures for all parks, including Arbor Day plantings, playground equipment, tree trimming, and park bench restoration. The CIP includes \$10,000 annually for playground equipment, \$10,000 annually for tree trimming, \$6,000 annually for park bench restoration, and \$9,000 annually for Arbor Day plantings. Beginning in 2025, Arbor Day plantings will move to General Fund operating expenditures, as will playground equipment in 2025, tree trimming in 2026, and park bench restoration in 2027. Activities in 2023 include a one-time allocation of \$25,000 for composite benches and architectural sign design for all parks.
- **Podvin Park (4048)** – Plans for 2023 include a \$10,000 allocation for new park picnic tables and an allocation of \$18,100 in 2024 for basketball backboards and pavilion floor restoration. An earmark of \$50,000 in both 2025 and 2026 replaces older play equipment in 2026. Replacement of the skate park ramps and jump rails will occur in 2026 through an allocation of \$35,000. An additional \$8,000 is set aside in 2029 for meeting room air conditioning. The CIP earmarks \$75,000 in 2030, \$20,000 in 2031, and \$80,000 in 2032 for hockey rink improvements.
- **Rotary Nature Preserve (4057)** – A \$10,000 allocation in both 2023 and 2029 will seal the restroom and pavilion facility log walls. The City plans to replace the pavilion roof for \$80,000 in 2026. The Plan includes \$10,000 as an earmark in both 2027 and 2028 and \$5,000 in 2029 to install a green metal roof in 2029. An additional \$30,000 is allocated in 2029 for a drinking fountain with bottle filler, restroom fixture replacement, and reconstruction of the wetland overlook.
- **Veteran’s Memorial Park (4066)** – An earmark of \$50,000 from 2026-2030 will replace the fishing pier deck.
- **West Park (4069)** – The 2023 CIP includes \$31,687 for installation of an accessible path to Lake Ave and the beach stairs.
- **Weyerhauser Park (4072)** – The CIP earmarks \$50,000 in both 2025 and 2026 to install player benches and shelter and to upgrade the irrigation system. An earmark of \$15,000 in each year from 2027-2029 will continue the trail to the ballfields. An additional \$19,000 is budgeted in 2029 to replace the spectator stand concrete.

Pioneer Manor Fund (Business Unit 5302)

Pioneer Manor is a City-owned senior living facility. Significant expenditures budgeted in the CIP include:

- 2023 – \$30,400 for an FOB access system and garage and parking security cameras, \$33,200 for a fire panel, \$13,000 for third floor carpeting, and \$33,000 to replace boiler #3 and #4
- 2024 – \$13,500 for second floor carpeting, \$50,000 for second floor furniture and décor,



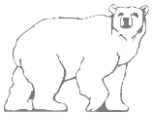
\$60,000 earmarked for elevator upgrades in 2025, and \$15,000 for sidewalks, concrete steps, and railings

- 2025 – \$13,500 for first floor carpeting, \$20,000 for common area light fixtures, \$30,000 for common space painting, \$65,000 for elevator upgrades, \$10,000 to replace water heater #1, and \$15,000 for sidewalks, concrete steps, and railings
- 2026 – \$92,500 for exterior painting, replacing water heater #2 and a chiller, and striping and sealing the parking lot
- 2027 – \$30,000 for replacing garage driveways
- 2029 - \$20,000 for new faucets and toilets

Surface Water Pollution Prevention (Business Unit 2042)

The Surface Water Pollution Prevention Fund accounts for 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. Through its MS4 General Permit, the City developed a stormwater pollution prevention program which has been incorporated into this CIP. Significant expenditures included in the CIP include:

- East Goose Lake – The City is collaborating with Vadnais Lake Area Water Management Organization to implement the adaptive lake management programs and projects. \$30,000 is budgeted in 2023, \$50,000 in 2024, \$75,000 in 2025-2026, and \$50,000 in 2027-2030.
- Pond sediment dredging and testing – Pond cleaning/sediment removal is a required maintenance practice per the City's MS4 permit. \$12,000 and \$10,000 are budgeted in 2023 and 2024, respectively, and then \$150,000 in odd years going forward to monitor sedimentation and implement pond cleanout and dredging, when needed
- Treatment opportunities – The City set aside annual allocations of \$25,000 in 2023, \$100,000 in 2024, \$250,000 in 2025, \$200,000 in 2026-2028, and \$100,000 in 2030-2032 to perform treatment in accordance with the MS4 General Permit's best management practices during City street and parking lot reconstruction
- Curb Cut Raingarden Program – The City has an annual partnership with water management organizations to provide a voluntary program for interested residents on the City's street renovation projects to install a curb cut raingarden. The City is reimbursed 100% by the water management organizations. The CIP includes annual allocations of \$12,400 in 2023, \$30,000 in 2024, and \$10,000 every year thereafter.
- Rotary Park Restoration – In partnership with several different entities, the City is partaking in a multi-phase project to remove invasive trees and restore the wetland buffer and upland woodland with native vegetation. The CIP includes allocations of \$24,000 in both 2023 and 2024, however, the City will be reimbursed by the other entities in the partnership for all but \$5,000 of the \$24,000 amount.
- Oak Knoll Pond Spent Lime – The City is currently partnering with Vadnais Lakes Area Water Management Organization (VLAWMO) on a pilot project to apply spent lime in Oak Knoll Pond to remove phosphorus. Spent lime is a City Water Treatment Plant waste product and is a cheaper alternative than alum, which is typically used for this application. In addition, using spent lime for this use saves Water Department staff time and City money for hauling the lime to St. Paul. The CIP allocates \$37,500 in 2023

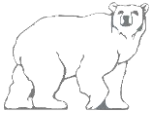


and \$10,000 in 2024 for this purpose.

- Utility Billing Sprypoint Software Implementation - The City will be implementing a new utility billing software. The costs will be split between the Water, Sewer, Refuse, and Surface Water funds. The Surface Water CIP includes \$14,000 in 2024 and \$16,000 in 2025 for this purpose.
- Miscellaneous – Other significant, one-time expenditures include:
 - 2024 - \$35,000 to reconstruct the Matoska Park Raingarden Outfall that is no longer functioning as designed and \$20,000 for a partnership with VLAWMO, Ramsey County, and White Bear Township to support projects in the Lambert Creek subwatershed
 - 2025 - \$60,000 for the Whitaker Pond Wetland Retrofit partnership, \$35,000 to restore the Sports Center and 7th Street swim dock shorelines (there is a potential grant available to help cover the costs of the 7th Street shoreline), \$25,000 for the Birch Lake Subwatershed retrofit partnership, and \$25,000 for Bellaire Avenue ditch cleaning
 - 2026 - \$50,000 for Lake Avenue Manhole structures retrofit, \$50,000 to create a stormwater City-wide model used to evaluate the City's stormwater infrastructure to determine capacity and level of future flooding risk (potential partners and grants would be identified to share in the cost), \$50,000 for the Buerkle Road runoff treatment partnership, and \$30,000 for the VLAWMO subwater resiliency study partnership
 - 2027 - \$50,000 to install additional stormwater treatment practices as part of the Bruce Vento trail project in partnership with VLAWMO to reduce pollutants to Goose Lake and \$25,000 to conduct a feasibility study in partnership with VLAWMO to determine potential projects to reduce sediment and phosphorus from stormwater runoff to East Goose Lake
 - 2028 - \$20,000 to create a wetland restoration and management plan, \$25,000 for the Birch Lake subwatershed retrofit partnership, and \$50,000 to update the Surface Water management plan for 2031-2040 as required by the State and Metropolitan Council
 - 2029 - \$50,000 to expand the City-owned stormwater reuse system at Lakewood Hills Park to irrigate the soccer field turf (there is a possible grant opportunity to help cover the cost)
 - 2031 - \$25,000 for the Birch Lake subwatershed retrofit partnership
 - 2032 - \$100,000 to install a Gisella Pond catch basin sump manhole that will keep sediment and trash out of the stormwater basin to extend the life and simplify maintenance

Sewer Fund (Business Unit 5052)

The plan includes an allocation of \$250,000 in 2023 and \$125,000 from 2024-2032 for sewer lining projects, which installs a fiberglass liner to the pipe to add strength and integrity. The plan also includes \$40,000 per year for manhole lining projects in 2023-2032 and \$30,000 per year from 2023-2026 to repair and replace coating on several sewer lift stations that pump wastewater or sewage from a lower to higher elevation. Earmarks of \$60,000 in 2023, \$100,000 in 2024, 2025, and 2026, and \$140,000 in 2027 replaces the City's Vacon truck in



2027. Other significant expenses in the CIP include:

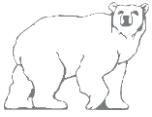
- 2023 - \$150,000 for the sewer extension at South Shore Boulevard in conjunction with the County's road construction project and \$30,000 for the Whitaker lift station gate valve
- 2024 - \$190,000 for an easement at Willow Avenue
- 2029 – \$150,000 for a camera televising trailer

Additional smaller items consist of replacement of ¾ ton pickup trucks for \$80,000 in 2023, \$65,000 in 2026, and \$65,000 in 2028. Replacement of a lift station generator occurs with earmarks of \$25,000 in 2024 and \$50,000 in 2025. The Plan anticipates earmarks of \$125,000 in both 2031 and 2032 to replace the vactor/jetter truck.

Water Fund (Business Units 5012 & 5013)

Significant Water Fund expenses in the CIP include:

- 2023 – \$70,000 is budgeted for Water Well #2 rehab, \$135,000 is earmarked for the water lagoon cold storage construction set to take place in 2026, \$400,000 is allocated to replace the Water Treatment Plant lime slaker, \$92,447 for the replacement of two F250 trucks, and \$124,000 to complete the residential and commercial meter replacement project that began in 2021.
 - Operating Budget Impact – The City issued Utility Revenue bonds in the amount of \$2,465,000 in 2021. The bond proceeds covered the purchase and installation of the meters. The City will pay the principal and interest payment on the bond over a 15-year period with water user fees. Previously, the City budgeted \$63,000 each year to replace failing residential meters. This annual expenditure will no longer be necessary as all meters will be new. Additionally, the City will 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 replaced required the reader to physically see the meter or even go into the resident's house to read the meter. The new meters are 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 expired at the end of 2021, and the City began performing meter reads in-house. The City expects to save approximately \$71,500 per year due to this change.
- 2024 – \$40,000 is budgeted for Water Well #4 rehab, \$225,000 is budgeted for Well #3 generator replacement, \$40,000 is allocated for the Water Treatment Plant main entrance stairs and railings, and \$70,000 is set aside for a Water Treatment Plant lime silo dust collection system
- 2025 – \$110,000 is earmarked for the purchase of a new Water Treatment Plant generator in 2026, \$135,000 is earmarked for the water lagoon cold storage construction in 2026, and \$225,000 is budgeted for Well #4 generator replacement, \$50,000 is earmarked for Water Treatment Plant remodel and furniture to take place in 2026, and \$75,000 is earmarked for the Water Treatment Plant parking lot entrance and pavement
- 2026 – \$60,000 is budgeted for Water Well #1 rehab, \$100,000 is budgeted for water well exterior upgrades and facelifts, \$135,000 is earmarked for the water lagoon cold storage construction, \$50,000 is earmarked for the Water Treatment Plant remodel and



- furniture, \$100,000 is allocated for clear well inspection and repairs, \$75,000 is earmarked for the Water Treatment Plant parking lot and entrance pavement, and \$140,000 is earmarked for the purchase of a new Water Treatment Plant generator
- 2027 - \$40,000 is budgeted for Water Well #3 rehab, \$75,000 is allocated for the 4th Street valve replacement, and \$100,000 is earmarked for the booster pump electric service replacement in 2028
 - 2028 - \$40,000 is budgeted for Water Well #4 rehab, \$335,000 is allocated for painting the 3MG reservoir exterior, and \$100,000 is earmarked for the booster pump electric service replacement
 - 2029 - \$40,000 is budgeted for Water Well #2 rehab
 - 2031 - \$60,000 is budgeted for Water Well #1 rehab
 - 2032 - \$40,000 is budgeted for Water Well #3 rehab and \$50,000 is budgeted for the 1MG water tower fiber connection

The Water Department CIP also include earmarking for several significant projects including:

- \$250,000 per year from 2028-2032 for residential and commercial water meter replacement in 2037
- \$60,000 per year from 2028-2032 to paint the 1MG water tower exterior in 2040
- \$110,000 per year from 2028-2032 for the Water Treatment Plant filter room rehab/painting in 2032
- \$75,000 per year from 2029-2032 for the SCADA system replacement in 2035

City of White Bear Lake

Annual Budget
Capital Improvement Plan

Business Unit	Funding Source	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Ambulance Fund											
5252	Mobile equipment	\$ 236,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5252	Equipment and technology	60,000	-	-	-	-	-	-	-	-	-
	Total Ambulance Fund	296,000	-	-	-	-	-	-	-	-	-
American Rescue Plan Aid Fund											
2022	City Hall	29,460	438,811	-	-	-	-	-	-	-	-
2022	Police	15,000	121,827	-	-	-	-	-	-	-	-
2022	Public Works	243,254	-	-	-	-	-	-	-	-	-
	Total American Rescue Plain Aid Fund	287,714	560,638	-	-	-	-	-	-	-	-
Economic Development Fund											
4242	General	128,560	125,000	75,000	75,000	75,000	75,000	-	-	-	-
4247	Normandy Center	-	42,500	42,500	-	200,000	-	-	-	-	-
4248	Boatworks Commons	24,000	-	-	-	-	-	-	-	-	-
4250	Rental properties	-	-	-	-	-	-	-	-	-	-
	Total Economic Development Fund	152,560	167,500	117,500	75,000	275,000	75,000	-	-	-	-
Equipment Acquisition Fund											
4104	Building department	38,500	-	-	-	40,000	40,000	40,000	40,000	40,000	-
4102	City Hall	81,700	102,250	110,000	-	-	60,000	70,000	-	-	-
4105	Engineering	25,000	25,000	35,000	105,000	60,000	65,000	25,000	40,000	41,000	35,000
4109	Fire	185,775	215,250	1,091,250	91,250	36,500	86,500	206,500	286,500	136,500	1,030,250
4107	Parks	91,000	150,000	188,000	272,000	225,000	105,000	195,000	50,000	150,000	50,000
4108	Police	184,119	435,000	185,000	147,500	115,000	308,500	361,500	339,000	192,750	102,000
4110	Ambulance	-	346,000	206,000	251,000	256,000	256,000	256,000	256,000	256,000	256,000
4111	Public Safety	-	70,000	-	-	-	-	-	-	-	-
4116	General	30,000	20,000	45,000	45,000	45,000	40,000	40,000	40,000	40,000	40,000
4118	Public Works	49,135	48,500	100,000	25,000	210,000	85,000	75,000	55,000	-	-
4119	Sports Center	7,800	9,000	1,350	11,000	-	-	107,500	131,000	125,000	67,000
4106	Streets	115,355	374,000	172,000	593,000	544,500	117,500	240,000	355,000	265,000	85,000
4120	Technology	156,500	210,000	175,000	110,000	110,000	110,000	110,000	95,000	95,000	95,000
	Total Equipment Acquisition Fund	964,884	2,005,000	2,308,600	1,650,750	1,642,000	1,273,500	1,726,500	1,687,500	1,341,250	1,760,250
Pavement Management Fund											
4402	General expenditures	96,000	100,000	-	325,000	190,000	-	160,000	-	-	-
4404	Seal coating and crack sealing	220,000	375,000	375,000	375,000	375,000	375,000	375,000	375,000	375,000	375,000
	Pavement Rehabilitation	-	4,000,000	6,000,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000
	Mill and overlay projects	-	250,000	-	-	-	-	-	-	-	-
	Miscellaneous concrete projects	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000
	Miscellaneous street related projects	725,000	970,000	275,000	225,000	450,000	200,000	125,000	200,000	300,000	425,000
	Total Interim Construction Fund	1,106,000	5,760,000	6,715,000	4,490,000	4,580,000	4,140,000	4,225,000	4,140,000	4,240,000	4,365,000
Marina Fund											
2052	Furniture/Equipment	39,400	-	-	-	-	-	-	-	-	-
2052	Dock System	45,000	65,000	50,000	50,000	50,000	50,000	50,000	50,000	33,000	33,000
2052	Other Improvements	50,000	-	-	1,700	1,700	1,700	1,700	1,700	1,700	1,700
	Total Marina Fund	134,400	65,000	50,000	51,700	51,700	51,700	51,700	51,700	34,700	34,700

City of White Bear Lake

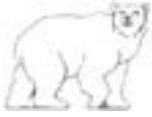
Annual Budget
Capital Improvement Plan

Business Unit	Funding Source	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Municipal Building Fund											
4322	Boatworks Commons	-	-	25,000	-	-	10,000	-	-	5,000	-
4304	City Hall	320,810	215,000	50,000	15,000	25,000	50,000	50,000	50,000	291,000	30,000
4306	Counseling Center	10,070	-	-	-	-	-	-	-	-	-
4323	Depot	92,900	-	-	-	-	-	-	-	-	-
4312	Fire Station 1	-	-	-	-	-	-	-	-	-	-
4314	Fire Station 2	31,500	18,000	8,000	82,500	55,000	-	-	10,000	-	-
4310	Public Safety Facility	13,010,825	4,838,024	17,100	-	-	-	-	-	-	-
4316	Public Works Facility	14,500	-	65,000	207,000	242,500	213,500	141,500	144,500	34,000	-
4320	Sports Center	55,500	39,900	60,400	31,800	3,500	63,500	90,000	125,000	-	40,000
4321	City-wide	15,964	35,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
4324	Energy Performance	33,365	-	-	-	-	-	-	-	-	-
	Total Municipal Building Fund	13,585,434	5,145,924	245,500	356,300	346,000	357,000	301,500	349,500	350,000	90,000
Park Improvement Fund											
4079	Boatworks Park	1,700	1,700	1,700	-	-	-	-	-	-	-
4024	Hidden Hollow Park	58,000	60,000	70,000	30,000	-	-	-	-	-	-
4030	Lakeview Park	-	3,000	-	-	-	-	-	-	-	-
4033	Lakewood Hills	351,116	223,000	69,000	50,000	229,500	40,000	-	-	50,000	50,000
4036	Lions Park	118,402	-	-	-	-	40,000	35,000	-	-	-
4039	Matoska Park	15,313	-	35,000	30,000	-	-	-	-	-	-
4042	McCarty Park	-	-	-	-	15,000	15,000	60,000	-	60,000	-
4012	General parks	68,000	43,000	39,000	44,000	38,000	78,000	186,000	170,000	170,000	180,000
4048	Podvin Park	10,000	18,100	60,000	85,000	-	-	-	75,000	20,000	-
4051	Railroad Park	19,000	-	-	-	-	-	-	-	-	-
4054	Ramaley Park	15,500	-	-	-	-	-	-	-	-	-
4057	Rotary Nature Preserve	10,000	3,000	-	80,000	10,000	10,000	45,000	-	-	-
4060	Spruce Park	3,200	-	-	9,000	-	-	-	-	-	-
4063	Stellmacher Park	-	-	-	15,000	-	-	-	-	-	-
4066	Veteran's Memorial Park	12,000	-	-	50,000	50,000	50,000	50,000	50,000	-	-
4069	West Park	31,687	-	-	-	-	-	-	-	-	-
4072	Weyerhauser Park	-	-	70,000	70,000	15,000	15,000	34,000	-	-	-
	Total Park Improvement Fund	713,918	351,800	344,700	463,000	357,500	248,000	410,000	295,000	300,000	230,000
Pioneer Manor Fund											
5302	Building upgrades	111,600	149,000	153,500	108,500	30,000	10,000	23,000	10,000	-	33,500
	Total Pioneer Manor Fund	111,600	149,000	153,500	108,500	30,000	10,000	23,000	10,000	-	33,500
Surface Water Pollution Prevention											
2042	Surface water projects/management	155,900	289,000	650,000	505,000	510,000	365,000	470,000	170,000	285,000	220,000
2042	Software	-	14,000	16,000	-	-	-	-	-	-	-
	Total Surface Water Fund	155,900	303,000	666,000	505,000	510,000	365,000	470,000	170,000	285,000	220,000
Refuse Fund											
5102	Software	-	14,000	16,000	-	-	-	-	-	-	-
	Total Refuse Fund	-	14,000	16,000	-	-	-	-	-	-	-

City of White Bear Lake

Annual Budget
Capital Improvement Plan

Business Unit	Funding Source	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Sewer Fund											
5052	Equipment and technology	12,000	32,500	16,000	-	-	-	150,000	25,000	-	86,000
5052	Mobile equipment	140,000	100,000	100,000	165,000	140,000	60,000	-	-	125,000	125,000
5052	Sanitary sewer projects	440,000	355,000	165,000	165,000	165,000	165,000	165,000	165,000	165,000	165,000
5052	Lift station improvements	76,300	82,500	80,000	30,000	-	30,000	-	-	-	4,200
	Total Sewer Fund	668,300	570,000	361,000	360,000	305,000	255,000	315,000	190,000	290,000	380,200
Water Fund											
5012/5013	Equipment and technology	543,225	251,000	437,000	190,000	-	250,000	250,000	250,000	250,000	261,000
5012/5013	Mobile equipment	120,249	-	-	-	-	20,000	20,000	60,000	-	-
5012/5013	Building improvements	147,000	111,000	135,000	177,500	95,000	110,000	110,000	110,000	110,000	110,000
5012/5013	Pump improvements	70,000	44,000	-	160,000	140,000	140,000	40,000	-	60,000	44,000
5012/5013	Other improvements	-	72,000	110,000	280,000	240,000	395,000	135,000	135,000	135,000	185,000
	Total Water Fund	880,474	478,000	682,000	807,500	475,000	915,000	555,000	555,000	555,000	600,000
	Total	\$ 19,057,184	\$ 15,569,862	\$ 11,659,800	\$ 8,867,750	\$ 8,572,200	\$ 7,690,200	\$ 8,077,700	\$ 7,448,700	\$ 7,395,950	\$ 7,713,650



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, 2023, the long-term bonded debt of the City consisted of the following:

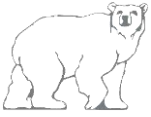
	Interest Rate	Issue Date	Final Maturity	Original Issue	Principal Outstanding
Governmental activities					
G.O. Tax Increment Refunding Bonds, Series 2012A	2.00%	4/3/2012	2/1/2023	\$ 2,650,000	\$ -
G.O. Improvement Bonds, Series 2012B	0.40-2.00%	12/19/2012	2/1/2028	2,555,000	635,000
G.O. Tax Increment Revenue Bonds, Series 2016A	2.00-3.00%	3/10/2016	2/1/2037	2,275,000	1,785,000
G.O. Bonds, Series 2018A	3.00-4.00%	6/14/2018	2/1/2039	5,850,000	4,910,000
G.O. Tax Abatement Bonds, Series 2018B	3.00-3.38%	6/14/2018	2/1/2039	3,330,000	2,815,000
G.O. Improvement Bonds, Series 2019A	3.00-4.00%	7/18/2019	2/1/2040	1,925,000	1,620,000
G.O. Improvement and Equipment Certificate Bonds, Series 2020A	2.00-3.00%	7/16/2020	2/1/2041	3,580,000	3,075,000
G.O. Improvement and Equipment Certificate Bonds, Series 2021A	1.50-2.50%	6/17/2021	2/1/2037	1,815,000	1,645,000
G.O. Bonds, Series 2022A	3.00-3.25%	6/2/2022	2/1/2038	3,010,000	3,010,000
G.O. CIP Bonds, Series 2022B	4.00-5.00%	12/13/2022	2/1/2044	6,990,000	6,990,000
G.O. CIP Bonds, Series 2023A	3.20-5.00%	3/23/2023	2/1/2044	10,000,000	10,000,000
Business-type activities					
G.O. Utility Revenue Bonds, Series 2020A	2.00-3.00%	7/16/2020	2/1/2041	860,000	790,000
G.O. Utility Revenue Bonds, Series 2021A	1.50-2.50%	6/17/2021	2/1/2037	2,465,000	2,325,000
Total				\$ 47,305,000	\$ 39,600,000

Bond Rating

Standard & Poor's (S&P) Global Ratings assigned its "AA+" long-term rating to the City's general obligation (GO) bonds, series 2023A in March of 2023. 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 2023, the total debt applicable is \$20,455,028 which is 0.54% of the City's preliminary total estimated market value of \$3,794,513,900.



Below are links to useful documents and information related to the City.

Useful Documents and Information
<u>2040 Comprehensive Plan</u>
<u>Fee Schedule</u>
<u>Annual Comprehensive Financial Report</u>
<u>Facebook</u>
<u>Twitter</u>
<u>White Bear Lake Historical Society</u>
<u>White Bear Area Chamber of Commerce</u>
<u>White Bear Lake Area Schools</u>
<u>Marketfest</u>
<u>Explore White Bear</u>

RESOLUTION NO. 13289

RESOLUTION ADOPTING THE 2024 BUDGET AND REVISING THE 2023 BUDGET AS ADOPTED BY RESOLUTION NO. 13111 FOR THE CITY OF WHITE BEAR LAKE

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. 13111 adopted the 2023 operating budget; and

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

WHEREAS, the City plans to close any remaining cash balances of the 2012 Refunding Tax Increment Fund to the Pioneer Manor Fund and the Ambulance Fund to the General Fund;

WHEREAS, the City plans to close the HRA Downtown Expansion District 25 Fund, which will have no remaining cash balances since remaining funds were paid to Ramsey County in during 2023;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of White Bear Lake, Minnesota, that the 2024 operating budget shall be adopted and the 2023 operating budget shall be revised as follows:

Revenue:	<u>2023 Budget</u>	<u>2024 Budget</u>
<u>General Fund</u>		
General Property Tax	\$ 8,233,000	\$ 9,730,000
Franchise Fees and Fines	432,628	422,300
Licenses and Permits	1,362,605	892,850
Intergovernmental	2,114,949	2,481,390
Charges for Services	883,286	3,578,327
Miscellaneous	184,806	207,655
Transfers In	<u>1,048,600</u>	<u>1,067,520</u>
Total General Fund	<u>14,259,874</u>	<u>18,380,042</u>

RESOLUTION NO. 13289

Special Revenue Funds

Amercian Rescue Plan Aid	305,714	570,638
Surface Water Pollution Prevention	297,353	506,428
Marina	439,075	452,145
Sports Center	758,593	747,360
Forfeiture	6,587	7,800
Economic Development	572,093	572,148
Total Special Revenue Funds	2,379,415	2,856,519

Debt Service Funds

Non-Bonded Special Assessment	606,771	498,160
2012 Special Assessment	178,300	172,400
2012 Refunding Tax Increment (PM)	160,000	-
2016 Tax Increment (BWC)	138,449	140,440
2018A G.O. Improvement and Equip. Cert.	421,799	394,797
2018B G.O. Tax Abatement Bonds	240,500	238,400
2019A G.O. Improvement Bonds	139,713	139,381
2020A G.O. Improvement and Equip. Cert.	329,200	326,400
2021A G.O. Improvement and Equip. Cert.	189,976	182,815
2022A G.O. Improvement and Equip. Cert.	274,626	265,020
2022B G.O. CIP Bonds (PS Facility)	367,000	557,000
2023A G.O. CIP Bonds (PS Facility)	335,377	670,000
Total Debt Service Funds	3,381,711	3,584,813

Capital Project Funds

Equipment Acquisition	554,319	1,394,171
Municipal Building	11,113,142	1,075,000
Park Improvement	285,751	178,000
Pavement Management	1,004,832	5,654,175
HRA Hoffman Place District 26	51,730	51,000
HRA Boatworks District 27	275,700	287,800
Total Capital Project Funds	13,285,474	8,640,146

Enterprise Funds

Water Utility	2,473,596	2,635,395
Sewer Utility	3,743,845	3,670,700
Environmental Recycling & Disposal Waste	1,827,474	2,025,411
Ambulance	2,799,500	-
Pioneer Manor	461,149	459,300
License Bureau	883,656	900,078
Total Enterprise Funds	12,189,220	9,690,884

RESOLUTION NO. 13289

<u>Internal Service Funds</u>		
Insurance	437,581	445,584
Employee Expense	4,203,541	4,455,753
Total Internal Service Funds	<u>4,641,122</u>	<u>4,901,337</u>
Revenue Subtotal	<u>50,136,816</u>	<u>48,053,741</u>
Community Reinvestment	<u>124,755</u>	<u>130,000</u>
Total Revenue	<u>\$ 50,261,571</u>	<u>\$ 48,183,741</u>
Appropriations/Reserves:	<u>2023 Budget</u>	<u>2024 Budget</u>
<u>General Fund</u>		
Legislative	\$ 158,683	\$ 170,058
Administration	543,133	628,350
Finance	676,957	657,457
Legal	79,736	83,851
City Hall	256,153	266,910
Technology	139,148	143,235
Elections	79,405	81,062
Planning	391,314	415,578
Public Safety		
Public Safety Facility	148,120	171,814
Police	5,533,953	5,869,957
Fire	1,522,993	1,687,157
Ambulance	-	3,020,971
Dispatch	251,800	254,300
Legal Prosecution	137,463	144,623
Animal Control	17,167	18,666
Emergency Preparedness	14,754	17,513
Building and Code Enforcement	793,158	911,334
Public Works		
Public Works Facility	269,099	296,710
Engineering	778,503	871,609
Garage	290,234	317,323
Streets	635,613	704,406
Snow and Ice Removal	305,708	310,135
Street Lighting	264,395	253,757
Parks	808,145	1,001,546
Non-Departmental		
Senior Bus	7,800	7,800
Lake Conservation District	22,450	13,175
Northeast Youth and Family Services	57,000	60,000
Total General Fund	<u>14,182,884</u>	<u>18,379,297</u>

RESOLUTION NO. 13289

Special Revenue Funds

American Rescue Plan Aid	305,714	570,638
Surface Water Pollution Prevention	342,220	540,100
Marina	455,095	431,325
Sports Center	804,076	880,531
Forfeiture	11,100	21,800
Economic Development	922,563	1,214,911
Total Special Revenue Funds	<u>2,840,768</u>	<u>3,659,305</u>

Debt Service Funds

Non-Bonded Special Assessment	375,487	315,175
2012 Special Assessment	178,295	171,418
2012 Refunding Tax Increment (PM)	191,368	-
2016 Tax Increment (BWC)	136,772	139,047
2018A G.O. Improvement and Equip. Cert.	412,566	404,666
2018B G.O. Tax Abatement Bonds	230,785	228,660
2019A G.O. Improvement Bonds	163,510	161,810
2020A G.O. Improvement and Equip. Cert.	344,585	338,110
2021A G.O. Improvement and Equip. Cert.	205,264	205,485
2022A G.O. Improvement and Equip. Cert.	108,409	270,057
2022B G.O. CIP Bonds (PS Facility)	191,534	302,035
2023A G.O. CIP Bonds (PS Facility)	489	546,374
Total Debt Service Funds	<u>2,539,064</u>	<u>3,082,837</u>

Capital Project Funds

Equipment Acquisition	1,197,884	2,005,000
Municipal Building	13,585,434	5,145,924
Park Improvement	726,218	351,800
Pavement Management	1,277,200	6,131,200
HRA Downtown Expansion District 25	1,481,510	-
HRA Hoffman Place District 26	52,275	45,950
HRA Boatworks District 27	169,850	174,275
Total Capital Project Funds	<u>18,490,371</u>	<u>13,854,149</u>

Enterprise Funds

Water Utility	2,948,713	2,634,283
Sewer Utility	3,589,429	3,641,646
Environmental Recycling & Disposal Waste	1,913,020	2,068,329
Ambulance	3,087,008	159,000
Pioneer Manor	605,917	489,040
License Bureau	924,553	998,856
Total Enterprise Funds	<u>13,068,640</u>	<u>9,991,154</u>

RESOLUTION NO. 13289

Internal Service Funds

Insurance	415,200	444,150
Employee Expense	3,963,900	4,309,200
Total Internal Service Funds	<u>4,379,100</u>	<u>4,753,350</u>
Appropriations/Reserves Subtotal	<u>55,500,827</u>	<u>53,720,092</u>
Community Reinvestment	<u>290,000</u>	<u>640,000</u>
Total Appropriations/Reserves	<u>\$ 55,790,827</u>	<u>\$ 54,360,092</u>

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

Ayes: Edberg, Engstran, Hughes, Jones
Nays: Walsh
Passed: December 12, 2023



Dan Louismet, Mayor

ATTEST:



Caley Longendyke, City Clerk

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RESOLUTION NO. 13290

**RESOLUTION APPROVING THE 2023 TAX LEVY FOR
TAXES COLLECTIBLE IN 2024 FOR THE CITY OF WHITE BEAR LAKE**

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, 2023; and

WHEREAS, detail for the revised 2023 and 2024 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 2023, collectible in 2024, upon the taxable property in said City of White Bear Lake for the following purposes:

General Fund	\$ 9,730,000
Debt Service: YMCA/Sports Center	132,000
Debt Service: Street Construction - 2018	220,000
Debt Service: Street Construction - 2019	83,000
Debt Service: Street Construction - 2020	107,000
Debt Service: Equipment Certificates - 2020	151,000
Debt Service: Street Construction - 2021	97,000
Debt Service: Equipment Certificates - 2021	61,000
Debt Service: Street Construction - 2022	204,000
Debt Service: Public Safety Facility CIP - 2022	553,000
Debt Service: Public Safety Facility CIP - 2023	<u>665,000</u>
Gross Levy	12,003,000
Less: Fiscal Disparity	<u>(1,084,295)</u>
Net Levy	<u>\$ 10,918,705</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 2024 on all

RESOLUTION NO. 13290

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

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 Engstran and supported by Councilmember Hughes, was declared carried on the following vote:

Ayes: Edberg, Engstran, Hughes, Jones
Nays: Walsh
Passed: December 12, 2023



Dan Louismet, Mayor

ATTEST:



Caley Longendyke, City Clerk

RESOLUTION NO. 13291

**RESOLUTION COMMITTING FUND BALANCES FOR SPECIFIC PURPOSE
FOR THE CITY OF WHITE BEAR LAKE**

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	2023	2024
Special Revenue			
Surface Water Pollution Prevention	Storm Water Run Off Control	\$ 838,828	\$ 805,156
Marina	Community Utilization	347,674	368,494
Sports Center	Community Utilization	209,623	76,451
Forfeiture	Public Safety	27,332	13,332
Economic Development	Economic Improvement	1,529,838	887,074
Debt Service			
Non-Bonded Debt	Special Assessment Finance	1,112,242	1,295,227
Special Assessment - 2012	Street Improvements	24,907	25,889
Tax Increment - 2016	Boatworks Commons	33,879	35,272
G.O. Impr. And Eq. Cert. - 2018	Street Impr, SC Equipment	449,026	439,157
G.O. Tax Abatement - 2018	Facility Renovation	245,704	255,444
G.O. Improvement - 2019	Street Improvements	384,571	362,142
G.O. Impr. and Eq. Cert. - 2020	Street Impr, Equipment	606,079	594,369
G.O. Impr. and Eq. Cert. - 2021	Street Impr, Equipment	325,502	302,832
G.O. Improvement - 2022	Street Improvements	426,472	421,435
G.O. Capital Improvement - 2022	Public Safety Facility	175,466	430,431
G.O. Capital Improvement - 2023	Public Safety Facility	334,888	458,514
Capital Projects			
Equipment Acquisition	City Equipment Purchases	1,574,542	963,713
Municipal Building	City Facility Construction	5,014,112	943,188
Park Improvement	Park Construction	963,455	789,655
Pavement Management	Street Construction	4,142,902	3,665,877
Community Reinvestment	Infrastructure Finance	6,827,460	6,317,460
HRA Hoffman Place District 26	Tax Increment Finance	66,403	71,453
HRA Boatworks District 27	Tax Increment Finance	460,979	574,504

RESOLUTION NO. 13291

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

Ayes: Edberg, Engstran, Hughes, Jones, Walsh
Nays: None
Passed: December 12, 2023



Dan Louismet, Mayor

ATTEST:



Caley Longendyke, 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, ambulance transportation 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 to support the operations of twenty-five different departments. The following paragraphs describe each revenue 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 calculates the annual property tax levy by subtracting the anticipated expenditures and reserve adjustments from all other revenue sources to determine the 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 \$12,003,000, of which \$9,730,000 or 81.1% supports General Fund operations. The City Council's philosophy is to maintain a steady revenue stream that eliminates wide fluctuations and provide residents with transparency in understanding tax levy increases.

Revenues - Franchise Fees & Fines

Franchise fee revenues derive from a 1.5% fee imposed on total electric consumption within the City's boundaries. Annual 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 for this revenue item to account for growth; however, the amount received often exceeded 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 due to the number of customers and their energy use during the different seasons and weather conditions during the year. Some cities now utilize a flat monthly 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 could provide additional revenue to allow a reduction in the General Fund's reliance on property taxes for revenue. The 2024 franchise fee estimate increases \$35,000 above the 2023 Budget amount to align closer to the actual amount received in 2023.

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

Fund: General Fund 1000

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, cannabis 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.

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 district 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 between the end of 2020 and 2023. With the issuance of the final permits in 2023, the extremely high revenues received in recent years end.

In 2023, the City issued permits for the Shafer Richardson Phase 2 development of a multi-family housing complex.

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 supporting general government operations in the General Fund. Of the funding sources in this category, the primary

Fund: General Fund 1000

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.

In recent years, the City's LGA allocation decreased due to an above average tax base growth that is coupled with a growing tax base per capita, which contrasts with many of the cities receiving LGA. During discussions focused on long-range financial plans, the Council supported reducing the LGA allocation each year to eliminate the General Fund's reliance on this funding source to support operations. The 2024 Budget changes course on that decision in light of the Minnesota Legislature's increase of the total appropriation of Local Government Aid (LGA) to cities and changes to the LGA distribution formula during the 2023 session. These actions boosted the City's 2024 LGA allocation to \$1,201,009, an additional \$373,744 above the 2023 allocation of \$827,265. During a work session, the Council supported holding the LGA allocation to the General Fund at the 2023 level to offset a tax levy increase. The \$373,744 additional LGA funds received in 2024 will support operations in the Equipment Acquisition and Municipal Building Funds. Each year the Council will review LGA appropriations to determine allocation amounts to the General, Equipment Acquisition and Municipal Building Funds.

During the 2023 session, the Minnesota Legislature approved the 2023 State Tax Omnibus Bill, which included \$300 million dollars in public safety aid, for distribution to every city, county and Tribal nation in Minnesota by December 26, 2023. The City will receive \$1,096,939, which is restricted to uses for recruitment, retention and equipment costs for the Police and Fire Departments. The City Manager and the Chiefs of each department created recommendations of both General Fund operating expenditures and capital equipment purchases in the Equipment Acquisition Fund uses of the aid for the Council to review.

A percentage of the State's motor fuel excise tax funds the Municipal State Aid (MSA) for street maintenance and improvements. The City distributes the allotment to the Pavement Management Fund to assist in financing the annual street rehabilitation program and the General Fund to support road maintenance.

A 2% surcharge applied to automotive insurance coverages funds the State's Police Aid, which assists in financing 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 increases the 2024 Budget estimate to align with the actual amount received during 2023.

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.

Fund: General Fund 1000

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.

Revenues - Charges for Service

This category reflects payments received from other communities for services provided by the Fire, Police, and Building Departments. The fire service contracts with four communities renew in 2023 for a five-year period effective January 2023. The police service contract with the City of Gem Lake 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
Fire Inspection	White Bear Township
Fire Inspection	Gem Lake
Police	Gem Lake
Building Inspection	Mahtomedi

The City continues to experience stable revenue through these contract service charges. The calculation of each contract cost includes department operating and capital expenditures; however, the formula used for the services varies by department. The Fire contract allocates the costs based on a combination of 35% property valuation and 65% population of the coverage area, the Police contract pricing structure allocates costs based on population and the Building inspection contract relies on the percentage of building activity within the two cities.

The 2024 Budget adds a line item for Ambulance Transport revenues as the operations move from an Enterprise Fund to a department within the General Fund.

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.

The City’s interest revenue depends on available rates when making the investments and on available cash balances. After experiencing low interest earnings in recent years, the tide changed post-pandemic in late 2022. The Adopted 2023 Budgets did not include interest earnings estimates given the unstable market at the time; however, the 2023 Revised Budget for

Fund: General Fund 1000

each fund includes an interest allocation calculated by extrapolating the actual interest earnings as of June 30, 2023 for the year.

The Water, Sewer, Refuse, Ambulance, Pioneer Manor and License Bureau Funds contribute to the General Fund through internal transfers to cover administrative costs associated with each of the funds. The Ambulance Fund transfer ends in 2023 as the operations move to a General Fund department in 2024.

The Marina Fund transfer reimburses for administrative costs associated with the fund's operations, while the Pavement Management Fund transfers funds to the General Fund for reimbursement of engineering services provided to the annual street rehabilitation and other infrastructure projects. The Pavement Management Fund transfer will end in 2024 after the three-year reduction process ends.

Expenditures

Each General Fund department expenditure budget includes a narrative section describing 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 2021 and 2022 and estimated results for 2023 and 2024.

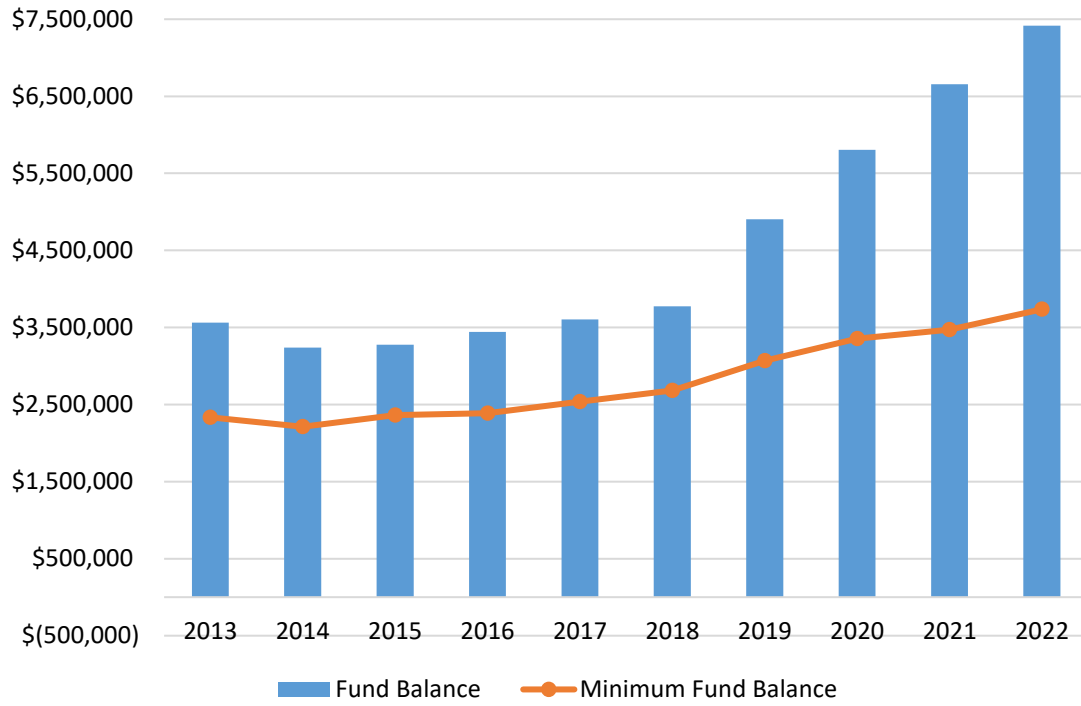
Reserve:

The City maintains a cash flow reserve to bridge the gap between receipt of the General Fund's major revenues, property taxes and local government aid in July/December and the Police State Aid in October, to pay the City's operating expenses. The reserve fund is \$4,010,000 as of December 31, 2023.

The graph below illustrates the General Fund's total fund balance as compared to the minimum required fund balance for 2012-2021. As described previously, the minimum fund balance used by the City is one-half of the General Fund major revenue sources, which are property taxes, local government aid, and police state aid.

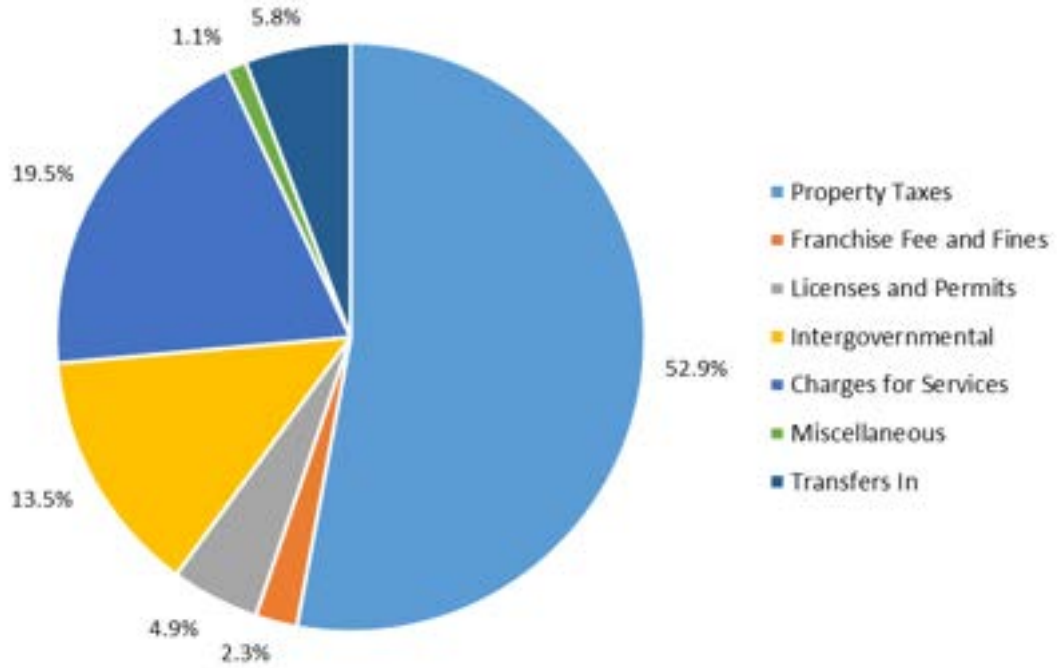
Fund: General Fund 1000

Total Fund Balance History

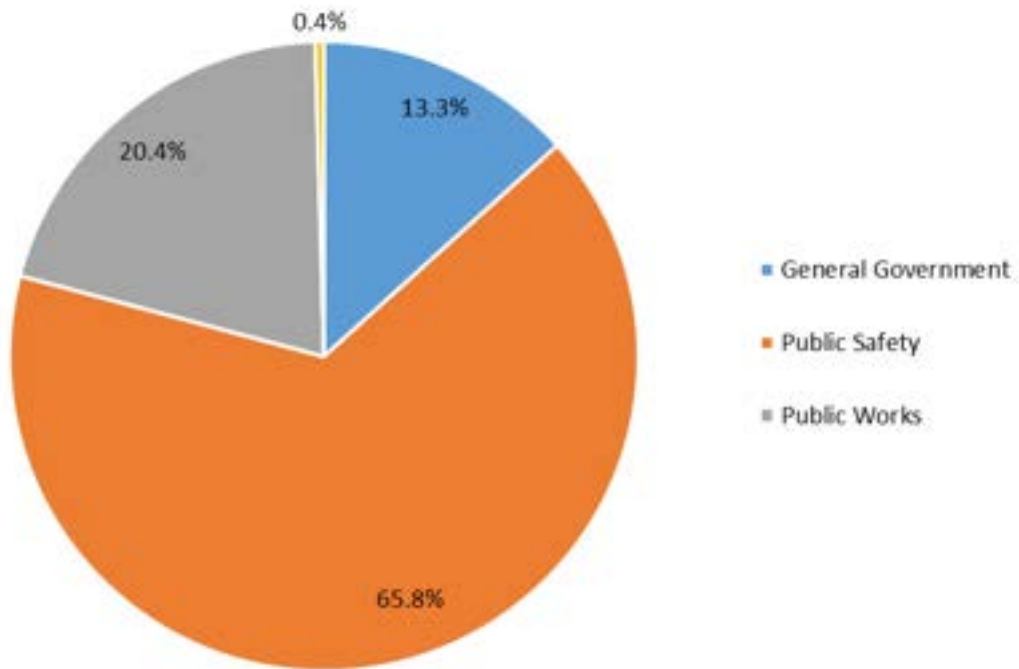


2024 General Fund Budget

Total Revenues \$18,380,042

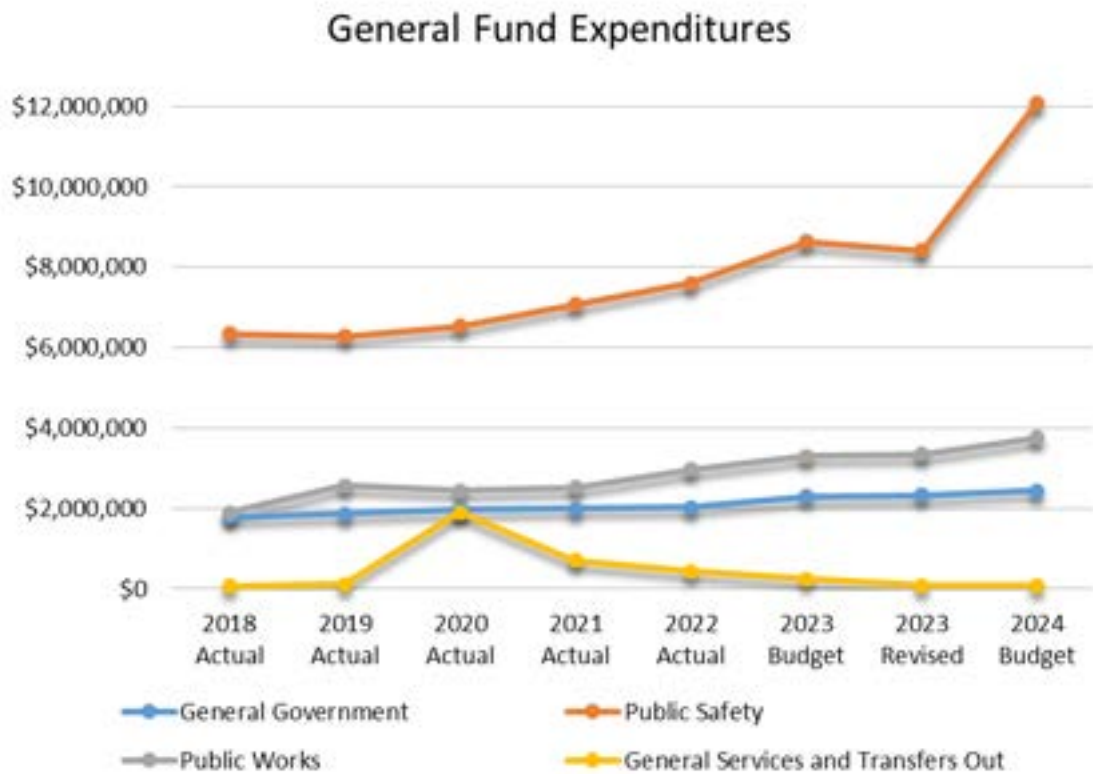
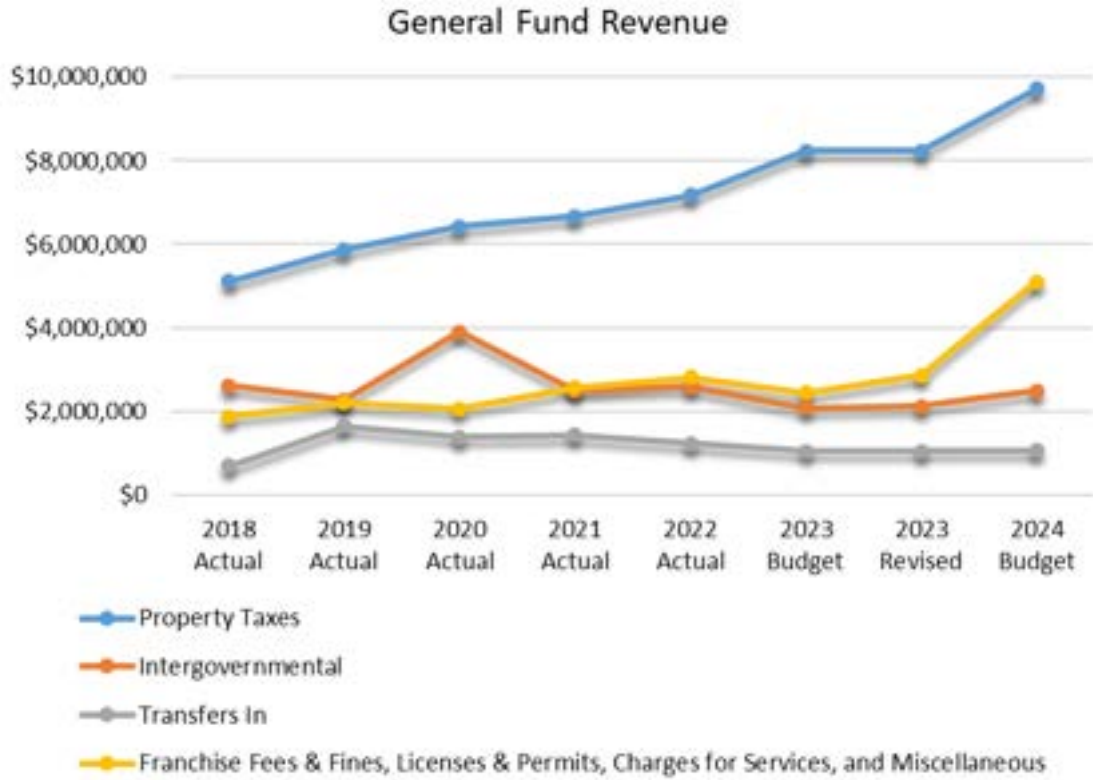


Total Expenditures \$18,379,296



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General Fund Trend Analysis



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

Annual Budget

Item	2021 Actual	2022 Actual	2023 Budget	2023 Revised	2024 Budget
Revenue					
Property taxes	\$ 6,667,935	\$ 7,174,250	\$ 8,233,000	\$ 8,233,000	\$ 9,730,000
Franchise fees and fines	385,578	404,399	382,000	432,628	422,300
Licenses and permits	1,393,967	1,625,552	1,128,807	1,362,605	892,850
Intergovernmental	2,481,616	2,576,763	2,073,590	2,114,949	2,481,390
Charges for services	730,177	862,424	871,126	883,286	3,578,327
Miscellaneous	54,075	(80,503)	65,750	184,806	207,655
Total Operating Revenue	<u>11,713,348</u>	<u>12,562,885</u>	<u>12,754,273</u>	<u>13,211,274</u>	<u>17,312,522</u>
Transfers In	<u>1,433,072</u>	<u>1,236,210</u>	<u>1,048,600</u>	<u>1,048,600</u>	<u>1,067,520</u>
Total Revenue	<u>13,146,420</u>	<u>13,799,095</u>	<u>13,802,873</u>	<u>14,259,874</u>	<u>18,380,042</u>
Expenditures					
General government	1,999,555	2,034,762	2,298,629	2,324,528	2,446,500
Public safety	7,070,825	7,607,354	8,628,996	8,419,407	12,096,335
Public works	2,515,785	2,964,543	3,300,227	3,351,697	3,755,486
General service and contingency	107,332	110,747	245,042	87,250	80,975
Total operating expenditures	<u>11,693,497</u>	<u>12,717,406</u>	<u>14,472,894</u>	<u>14,182,883</u>	<u>18,379,296</u>
Transfers Out	<u>600,000</u>	<u>323,485</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>12,293,497</u>	<u>13,040,891</u>	<u>14,472,894</u>	<u>14,182,883</u>	<u>18,379,296</u>
Revenues over (under) expenditures	<u>852,923</u>	<u>758,204</u>	<u>(670,021)</u>	<u>76,991</u>	<u>746</u>
Fund balance January 1	<u>1,794,657</u>	<u>2,647,580</u>	<u>2,671,166</u>	<u>3,405,784</u>	<u>3,482,775</u>
Fund balance December 31	<u>\$ 2,647,580</u>	<u>\$ 3,405,784</u>	<u>\$ 2,001,145</u>	<u>\$ 3,482,775</u>	<u>\$ 3,483,521</u>
Reserve for operations	<u>4,010,000</u>	<u>4,010,000</u>	<u>4,010,000</u>	<u>4,010,000</u>	<u>4,010,000</u>
Total fund balance and reserve for operations	<u>\$ 6,657,580</u>	<u>\$ 7,415,784</u>	<u>\$ 6,011,145</u>	<u>\$ 7,492,775</u>	<u>\$ 7,493,521</u>

City of White Bear Lake
General Fund Revenues

Annual Budget
Business Unit: 1001

Code	Item	2021 Actual	2022 Actual	2023 Budget	2023 Revised	2024 Budget
General Property Taxes						
4015	Current	\$ 5,867,886	\$ 6,771,058	\$ 7,275,039	\$ 7,275,039	\$ 8,645,705
4040	Fiscal disparities	795,213	397,470	957,961	957,961	1,084,295
	Total current ad valorem taxes	<u>6,663,099</u>	<u>7,168,528</u>	<u>8,233,000</u>	<u>8,233,000</u>	<u>9,730,000</u>
4025	Delinquent	3,764	1,698	-	-	-
4030	Penalties and interest	1,072	4,024	-	-	-
	Total general property tax	<u>6,667,935</u>	<u>7,174,250</u>	<u>8,233,000</u>	<u>8,233,000</u>	<u>9,730,000</u>
Franchise Fee						
5095	Franchise fee - utilities	<u>307,570</u>	<u>336,014</u>	<u>325,000</u>	<u>371,353</u>	<u>360,000</u>
Licenses and Permits - Business						
4305	Liquor, intoxicating	5,188	93,104	88,300	89,610	88,300
4307	Liquor, nonintoxicating	800	4,378	4,200	4,950	4,950
4309	Cigarette	3,750	4,375	3,600	3,750	3,750
4315	Rental housing fee	47,344	47,171	44,000	24,270	47,000
4317	General contractor	11,020	9,940	10,000	9,000	9,500
4319	Solicitor	3,500	2,090	2,000	2,190	2,000
4323	Other	5,878	4,190	5,000	6,115	5,950
4325	Gambling permits	2,700	2,812	2,400	2,475	2,400
	Total business licenses and permits	<u>80,180</u>	<u>168,060</u>	<u>159,500</u>	<u>142,360</u>	<u>163,850</u>
Non-Business						
4345	Animal	6,592	3,618	3,000	3,035	3,000
4350	Launch	16,000	16,000	16,000	16,000	19,000
4405	Building	727,081	761,454	560,792	660,400	391,000
4406	Building plan reviews	347,017	276,247	217,515	275,510	125,000
4415	Electrical	73,589	88,926	62,000	96,000	70,000
4420	Heating and air conditioning	79,529	247,062	55,000	93,000	55,000
4425	Plumbing	36,406	31,493	35,000	42,275	35,000
4430	Water and sewer	6,200	6,901	5,000	6,300	6,000
4435	Sign	6,418	9,125	5,000	7,275	7,000
4437	Driveway	10,355	8,066	5,000	8,450	8,000
4439	Right of way	4,600	8,600	5,000	12,000	10,000
	Total non-business licenses and permits	<u>1,313,787</u>	<u>1,457,492</u>	<u>969,307</u>	<u>1,220,245</u>	<u>729,000</u>
	Total licenses and permits	<u>1,393,967</u>	<u>1,625,552</u>	<u>1,128,807</u>	<u>1,362,605</u>	<u>892,850</u>
Fines						
4510	County	56,988	57,670	50,000	54,000	55,000
4520	Administrative - City fines	2,100	675	500	775	800
4522	Administrative - City share of State fines	18,920	10,040	6,500	6,500	6,500
	Total Fines	<u>78,008</u>	<u>68,385</u>	<u>57,000</u>	<u>61,275</u>	<u>62,300</u>

City of White Bear Lake
General Fund Revenues

Annual Budget
Business Unit: 1001

Code	Item	2021 Actual	2022 Actual	2023 Budget	2023 Revised	2024 Budget
Intergovernmental						
4604	Federal grants	119,824	149,094	84,000	84,000	167,000
4624	State local government aid	1,202,297	1,233,615	827,265	827,265	827,265
4625	State local government aid Public Safety	-	-	-	-	269,500
4626	State aid street maintenance	375,000	375,000	375,000	375,000	375,000
4630	State police relief aid	274,245	297,154	275,000	318,516	318,000
4632	State fire relief aid	276,820	289,125	289,125	289,125	289,125
4644	State police POST board	31,941	31,459	27,000	27,000	30,000
4646	State aid - other	25,271	12,994	10,000	10,000	13,000
4662	County aid - other	21,218	28,672	21,200	21,200	21,500
4666	Local aid - school district resource officers	155,000	159,650	165,000	162,843	171,000
	Total intergovernmental	2,481,616	2,576,763	2,073,590	2,114,949	2,481,390
Charges for Services						
4807	Customer service taxable	87	308	-	160	-
4809	Customer service non-taxable	30,789	26,719	18,000	24,000	24,000
4832	Fire contract services	465,011	532,946	585,442	585,442	936,611
4882	Ambulance transport revenues	-	-	-	-	2,317,250
4834	Police contract services	85,776	91,186	113,184	113,184	129,466
4835	False alarm services	5,800	4,525	500	2,000	2,000
4836	Public safety services	8,525	14,325	3,000	8,000	8,000
4842	Public works services	599	395	-	-	-
4845	Building inspection services	132,965	190,820	150,000	150,000	160,000
4846	Fire inspection services	625	1,200	1,000	500	1,000
	Total charges for services	730,177	862,424	871,126	883,286	3,578,327
Miscellaneous Revenues						
4955	Interest	(25,701)	(193,573)	-	120,000	150,000
4975	Rental income	50,392	50,266	53,450	41,796	42,655
4990	Donations	1,175	665	-	450	-
5010	Sale of property	3,123	359	-	2,870	-
5318	Gambling regulatory tax	8,301	7,718	6,000	8,000	8,500
5350	Miscellaneous revenues	12,757	30,841	-	505	-
5360	Refunds and reimbursements	4,028	23,221	6,300	11,185	6,500
	Total miscellaneous revenues	54,075	(80,503)	65,750	184,806	207,655
Transfers for Administrative Charges						
5205	Water distribution	108,000	112,000	116,000	116,000	188,000
5205	Water treatment	20,000	21,000	22,000	22,000	49,000
5205	Sewer	120,000	124,000	130,000	130,000	233,000
5205	Refuse	110,000	114,000	119,000	119,000	121,000
5205	Ambulance	140,000	145,000	166,000	166,000	159,000
5205	Pioneer Manor	17,000	18,000	18,500	18,500	21,000
5205	License Bureau	-	50,000	57,000	57,000	62,000
5205	Marina	80,000	85,000	120,100	120,100	111,000
5205	Sports Center	-	-	-	-	3,920
5205	Economic development	87,100	-	-	-	19,600
5205	Pavement management	750,000	567,210	300,000	300,000	100,000
5210	Escrow	972	-	-	-	-
	Total transfers	1,433,072	1,236,210	1,048,600	1,048,600	1,067,520
Total		\$ 13,146,420	\$ 13,799,095	13,802,873	14,259,874	18,380,042

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

Annual Budget

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Department of Administration						
1010	Mayor and council	\$ 138,994	\$ 142,011	\$ 164,768	\$ 158,683	\$ 170,058
1020	Administration	391,934	403,396	451,873	543,133	628,350
1030	Finance	629,949	683,428	746,042	676,957	657,457
1040	Legal counselor	75,005	83,530	72,836	79,736	83,851
1050	City hall	309,442	331,789	258,507	256,153	266,910
1051	Technology	-	-	142,959	139,148	143,235
1060	Elections	79,609	81,871	80,405	79,405	81,062
1070	Planning	374,622	308,737	381,240	391,314	415,578
	Total general government	<u>1,999,555</u>	<u>2,034,762</u>	<u>2,298,629</u>	<u>2,324,528</u>	<u>2,446,500</u>
Department of Public Safety						
1100	Public safety facility	-	135,445	148,755	148,120	171,814
1110	Police	4,865,854	4,959,857	5,651,606	5,533,953	5,869,957
1210	Fire	1,174,663	1,371,181	1,521,176	1,522,993	1,687,157
1250	Ambulance	-	-	-	-	3,020,971
1114	Dispatch	213,953	222,648	251,800	251,800	254,300
1041	Prosecution	153,196	153,092	160,063	137,463	144,623
1118	Animal control	13,533	17,764	27,116	17,167	18,666
1220	Emergency preparedness	9,389	13,550	18,579	14,754	17,513
1080	Building and code enforcement	640,237	733,817	849,900	793,158	911,334
	Total public safety	<u>7,070,825</u>	<u>7,607,354</u>	<u>8,628,996</u>	<u>8,419,407</u>	<u>12,096,335</u>
Department of Public Works						
1300	Public works facility	213,381	230,888	262,181	269,099	296,710
1310	Engineering	599,336	715,089	790,413	778,503	871,609
1320	Garage	162,124	249,805	277,911	290,234	317,323
1410	Streets	544,020	554,018	621,634	635,613	704,406
1420	Snow and ice removal	184,819	258,888	287,458	305,708	310,135
1430	Street lighting and signals	202,681	215,282	244,823	264,395	253,757
1510	Parks	609,424	740,573	815,806	808,145	1,001,546
	Total public works	<u>2,515,785</u>	<u>2,964,543</u>	<u>3,300,227</u>	<u>3,351,697</u>	<u>3,755,486</u>
Non-Departmental						
1610	General services	-	-	147,792	-	-
	Lake Conservation District	42,660	36,007	22,450	22,450	13,175
	Northeast Youth and Family Services	50,916	52,443	57,000	57,000	60,000
	Senior bus	2,345	3,094	7,800	7,800	7,800
	Contingency	11,411	19,203	10,000	-	-
	Total non-departmental	<u>107,332</u>	<u>110,747</u>	<u>245,042</u>	<u>87,250</u>	<u>80,975</u>
	Total operational expenditures	<u>11,693,497</u>	<u>12,717,406</u>	<u>14,472,894</u>	<u>14,182,883</u>	<u>18,379,296</u>
Transfers Out						
	Equipment Acquisition	400,000	-	-	-	-
	Municipal Building	200,000	323,485	-	-	-
	Total transfers out	<u>600,000</u>	<u>323,485</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Total	<u>\$ 12,293,497</u>	<u>\$ 13,040,891</u>	<u>\$ 14,472,894</u>	<u>\$ 14,182,883</u>	<u>\$ 18,379,296</u>

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Department: Legislative 1010

Fund: General Fund 1000

Department Activities and Responsibilities:

The City Charter grants all City legislative powers 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 tax levies, 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:

This budget funds fifty percent of the City Clerk position.

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. The budget for the Other Supplies account includes 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 an evening event, while long-term employees receive service awards for their five-year employment milestones at an employee recognition luncheon. In 2023, the City moved funds previously budgeted in the Fire Department for their annual banquet to this department to create one event to recognize all employees. The 2024 Budget allocates an additional \$3,300 for strategic planning in the beginning of the year.

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

Department: Legislative 1010

Fund: General Fund 1000

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:

	2021 <u>Actual</u>	2022 <u>Actual</u>	2023 <u>Budget</u>	2024 <u>Budget</u>
Number of City Newsletters	2	2	2	2

City of White Bear Lake
General Government - Legislative

Annual Budget
Business Unit: 1010

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Personnel Services						
6105	Salaries - regular employees	\$ 82,615	\$ 79,179	\$ 85,397	\$ 84,507	\$ 86,079
6117	Overtime - regular employees	-	-	500	500	500
6122	PERA	2,665	2,269	2,910	2,843	2,961
6124	FICA/Medicare	6,178	5,899	6,571	6,503	6,623
6128	Insurance contribution	5,529	3,920	4,725	4,725	5,963
6138	Worker's compensation	650	780	1,158	1,158	1,283
6148	Other benefits	700	950	900	900	700
	Total personnel services	98,337	92,997	102,161	101,136	104,109
Supplies						
6250	Other supplies	1,829	7,787	14,450	14,400	17,800
6290	Uniforms	82	72	-	-	175
	Total supplies	1,911	7,859	14,450	14,400	17,975
Other Services and Charges						
6401	Professional services	-	-	-	25	25
6412	Cellular	360	165	-	-	-
6434	General liability insurance	2,092	3,347	3,347	3,347	3,749
6445	Postage	-	2	25	25	25
6450	Outside printing	3,407	3,987	4,100	3,300	3,300
6455	Legal notice publishing	1,966	1,419	2,000	2,000	2,000
6460	Subscription/memberships	29,543	31,327	32,800	32,800	33,940
6470	Training	729	30	4,425	550	3,225
6486	Travel	-	-	50	50	300
6492	Advertising	199	878	1,410	1,050	1,410
6560	Other contractual services	450	-	-	-	-
	Total other services and charges	38,746	41,155	48,157	43,147	47,974
Total		\$ 138,994	\$ 142,011	\$ 164,768	\$ 158,683	\$ 170,058

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Department: Administration 1020

Fund: General Fund 1000

Department Activities and Responsibilities:

The Administration Department provides general services to ensure implementation of all City Council policies and manages human resource operations. In accordance with the City's Charter and Codes, the City Manager oversees enforcement of the City Council's ordinances, 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 and 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.

Budget Summary:

This department budget includes the full-time salary and benefits for the City Manager and Assistant City Manager positions and 50% of the City Clerk position that is split with the Legislative department budget. In March 2023, the Human Resource Specialist position moved from the Finance department to this department to align the budgeted expenditures with the City's organizational chart.

The Revised 2023 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.

The 2024 Budget allocates funds in the Professional Services account to conduct an employee engagement survey and begin a subscription service to automate and streamline our Human Resource processes.

Goals:

1. Provide strong leadership to the City's administrative operations and encourage cooperative decision making among department head 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.

Department: Administration 1020

Fund: General Fund 1000

- Promote high levels of performance, innovation, and enthusiasm within the City's organization.

Measureable Workload Data:

	2021 <u>Actual</u>	2022 <u>Actual</u>	2023 <u>Budget</u>	2024 <u>Budget</u>
Number of resolutions prepared	219	202	200	200

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Personnel Services						
6105	Salaries - regular employees	\$ 312,364	\$ 313,602	\$ 343,710	\$ 404,910	\$ 447,018
6117	Overtime - regular employees	-	-	-	3,000	5,000
6122	PERA	23,427	23,520	25,778	30,593	33,901
6124	FICA/Medicare	23,242	24,217	26,294	31,205	34,579
6128	Insurance contribution	16,163	19,600	23,625	23,625	53,663
6138	Worker's compensation	2,150	2,580	5,791	5,791	11,543
6146	Severance	-	-	-	16,409	-
6148	Other benefits	2,510	4,750	4,500	4,500	6,300
	Total personnel services	<u>379,856</u>	<u>388,269</u>	<u>429,698</u>	<u>520,033</u>	<u>592,004</u>
Supplies						
6210	Office supplies	131	133	160	120	120
6220	Equipment supplies	-	53	100	-	100
6250	Other supplies	-	19	150	175	350
6290	Uniforms	32	64	-	40	-
	Total supplies	<u>163</u>	<u>269</u>	<u>410</u>	<u>335</u>	<u>570</u>
Other Services and Charges						
6401	Professional services	39	57	110	60	11,705
6402	Data processing	-	93	600	600	600
6411	Telephone	883	984	1,250	1,225	1,175
6412	Cellular	-	880	600	1,300	1,300
6434	General liability insurance	1,941	2,135	2,135	2,135	2,391
6445	Postage	271	305	400	400	400
6450	Outside printing	73	84	-	950	950
6460	Subscription/memberships	408	1,664	2,520	1,770	2,330
6470	Training	1,595	2,656	7,750	7,925	8,525
6485	Travel	6,314	6,000	6,000	6,000	6,000
6505	Equipment maintenance service	391	-	400	400	400
	Total other services and charges	<u>11,915</u>	<u>14,858</u>	<u>21,765</u>	<u>22,765</u>	<u>35,776</u>
Total		<u>\$ 391,934</u>	<u>\$ 403,396</u>	<u>\$ 451,873</u>	<u>\$ 543,133</u>	<u>\$ 628,350</u>

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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, accounts payable, accounts receivable, utility billing, special assessments, investments, debt management, and long-term capital planning. 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), a consortium of cities formed to provide cost-effective computer systems to local governments. LOGIS supplies the City with software for the financial reporting, payroll and utility billing systems.

Budget Summary:

The adopted 2023 Personnel Services budget included funding for the Human Resources Specialist position. The revised budget moves this position to the City Manager budget as of March 2023 to align the budgeted expenditures with the City's organizational chart.

The 2023 Revised Professional Services budget adds \$34,000 for contracted utility billing services from May-July while the Utility Billing Specialist position was vacant. The 2024 budget includes an allocation for an actuarial valuation required by the Governmental Accounting Standards Board's Statement No. 75 for Other Post-Employment Benefits (OPEB). The Statement No. 75 requires a biennial OPEB actuarial valuation.

Prior to 2021, the Contracted Services budget contained the charges to accept credit card and electronic payments for City services. Although a portion of these service fees relate to the operational duties of other City departments, the Finance Department manages the costs to simplify the monitoring and analysis process. These customer convenience features do increase the expenditures; therefore, consideration of a future fee structure adjustment would help cover the costs since using the systems improve our customer service and allows for greater employee efficiency.

Goals:

1. Continue transitioning recordkeeping to an electronic format to move towards a more paperless operation.
2. Encourage utility billing customers to opt for paperless billing options through Invoice Cloud.
3. Educate City staff on budget process and proper invoice coding to correlate to their budget.

Department: Finance 1030

Fund: General Fund 1000

Measureable Workload Data:

	<u>2021 Actual</u>	<u>2022 Actual</u>	<u>2023 Budget</u>	<u>2023 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 paperless utility billing customers	8%	12%	15%	18%

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Personnel Services						
6105	Salaries - regular employees	\$ 404,484	\$ 433,996	\$ 455,538	\$ 384,610	\$ 394,797
6117	Overtime - regular employees	11,007	14,153	5,000	3,950	-
6122	PERA	31,162	33,611	34,540	29,142	29,610
6124	FICA/Medicare	32,151	34,604	35,231	29,725	30,202
6128	Insurance contribution	41,675	47,040	47,250	47,250	47,700
6138	Worker's compensation	3,075	3,690	11,581	11,581	10,260
6146	Severance	-	-	16,409	-	-
6148	Other benefits	4,650	11,400	9,000	9,000	5,600
	Total personnel services	<u>528,204</u>	<u>578,494</u>	<u>614,549</u>	<u>515,258</u>	<u>518,169</u>
Supplies						
6210	Office supplies	1,256	859	1,595	1,470	1,500
6250	Other supplies	-	167	50	50	50
6290	Uniforms	4	-	50	50	50
6295	Small tools	-	226	350	200	600
	Total supplies	<u>1,260</u>	<u>1,252</u>	<u>2,045</u>	<u>1,770</u>	<u>2,200</u>
Other Services and Charges						
6401	Professional services	11,058	16,510	14,350	45,825	21,170
6402	Data processing	58,415	61,793	80,300	80,300	80,000
6411	Telephone	1,283	1,412	1,775	1,775	1,675
6412	Cellular	360	270	-	-	-
6434	General liability insurance	5,230	5,753	5,753	5,753	6,443
6445	Postage	3,312	3,361	3,200	3,200	3,400
6450	Outside printing	-	68	1,050	800	850
6455	Legal notices publications	2,774	2,781	5,425	6,415	6,500
6460	Subscription/memberships	717	1,167	1,135	1,310	1,350
6470	Training	2,511	1,889	3,360	1,886	2,860
6485	Travel	-	23	530	430	430
6505	Equipment maintenance service	2,076	1,310	2,500	1,520	1,520
6545	Credit card fees	11,801	5,546	7,500	8,215	8,215
6560	Other contractual services	948	1,799	2,570	2,500	2,675
	Total other services and charges	<u>100,485</u>	<u>103,682</u>	<u>129,448</u>	<u>159,929</u>	<u>137,088</u>
Total		<u>\$ 629,949</u>	<u>\$ 683,428</u>	<u>\$ 746,042</u>	<u>\$ 676,957</u>	<u>\$ 657,457</u>

Department: Legal Counselor 1040

Fund: General Fund 1000

Department Activities and Responsibilities:

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

Budget Summary:

The City Council selected the law firm of Kennedy & Graven Chartered to be the City’s new legal counselor in January 2019. Mr. Troy Gilchrist is the firm’s legal representative working closely with City staff and council on any legal matters.

In past years, pursuant to the City Charter, the attorney appointment extended for one year and expired each January. In May 2023, the Charter Commission approved an ordinance amendment to change the attorney appointment terms from one year to up to five years. This change will simplify contract management, may attract representation who only desire longer contracts and could include cost savings for multi-year agreements.

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.

Measurable Workload Data:

	2021	2022	2023	2024
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>
Hours of legal services	477	647	670	650

<u>Code</u>	<u>Item</u>	<u>2021 Actual</u>	<u>2022 Actual</u>	<u>2023 Adopted</u>	<u>2023 Revised</u>	<u>2024 Budget</u>
	Other Services and Charges					
6401	Professional services	\$ 66,549	\$ 81,694	\$ 71,000	\$ 77,900	\$ 81,795
6434	General liability insurance	1,669	1,836	1,836	1,836	2,056
6560	Contractual services	6,787	-	-	-	-
	Total other services and charges	<u>75,005</u>	<u>83,530</u>	<u>72,836</u>	<u>79,736</u>	<u>83,851</u>
	Total	<u>\$ 75,005</u>	<u>\$ 83,530</u>	<u>\$ 72,836</u>	<u>\$ 79,736</u>	<u>\$ 83,851</u>

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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 appears in this budget as all departments in City Hall benefit from the expertise and responsibilities of this position.

Budget Summary:

In previous years, this budget funded the personnel costs for the IT coordinator position; however, in the 2023 Budget, the City created a separate Technology department to fund the Information Technology coordinator position and the related technology expenditures.

The Building Maintenance Service account increases in 2023 to enhance the facility's security access system and install panic buttons for customer facing staff members. The 2024 Budget includes \$3,900 to clean the bear mural in the City Council chambers. The expenditure reduction in the Contracted Services account adjusts the cost of janitorial services to the vendor's quote.

Capital Outlay:

The Equipment Acquisition Fund in the Capital Project Funds section of the budget provides funding for website hosting support, software and publication of the City's municipal code.

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. 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 included in the Capital Improvement 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 number of community organization meetings held in the City Hall facility dropped dramatically in 2020 due to pandemic limitations, facility closures to non-employees, and departments using the meetings rooms as workspace to social distance employees working in the building. While more community groups are meeting in the facility again, the number of events are still lower as one conference room remains as a workspace for departments.

Goals:

1. Continue to provide convenient meeting space for civic organizations and maintain compliance with City Hall protocols.
2. Maintain appearance of City Hall in a manner that sets quality standards for the community.

Department: City Hall 1050

Fund: General Fund 1000

- 3. Evaluate maintenance practices and uses of City Hall and take necessary action to preserve the building and the equipment within it.
- 4. Make needed safety enhancements to continue to provide a safe and comfortable environment for employees and the public.

Measurable Workload Data:

	2021	2022	2023	2024
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>
Number of community organization meetings held in facility	98	157	205	215

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Personnel Services						
6105	Salaries - regular employees	\$ 149,285	\$ 139,955	\$ 59,936	\$ 59,341	\$ 62,478
6122	PERA	11,196	10,497	4,495	4,451	4,686
6124	FICA/Medicare	11,151	10,498	4,585	4,540	4,780
6128	Insurance contribution	8,517	15,680	9,450	9,450	11,925
6138	Worker's compensation	1,150	1,380	2,316	2,316	2,565
6148	Other benefits	650	3,800	1,800	1,800	1,400
	Total personnel services	<u>181,949</u>	<u>181,810</u>	<u>82,582</u>	<u>81,898</u>	<u>87,834</u>
Supplies						
6210	Office supplies	4,545	6,513	8,450	8,250	8,250
6220	Equipment supplies	854	394	1,000	900	1,050
6240	Building supplies	2,195	6,338	6,350	6,200	7,550
6250	Other supplies	1,988	1,497	3,000	2,300	2,800
6255	Landscaping supplies	507	424	500	750	750
6295	Small tools	64	331	300	550	500
	Total supplies	<u>10,153</u>	<u>15,497</u>	<u>19,600</u>	<u>18,950</u>	<u>20,900</u>
Other Services and Charges						
6401	Professional services	26	12,259	100	100	125
6402	Data processing	25,517	27,799	34,625	34,625	34,625
6411	Telephone	10,127	10,440	13,100	13,100	12,450
6412	Cellular	414	320	-	-	-
6422	Electric	13,553	15,253	15,000	18,135	18,335
6423	Natural gas	4,712	6,117	9,000	6,300	6,500
6434	General liability insurance	10,009	11,010	11,010	11,010	12,331
6445	Postage	(407)	4,046	3,500	3,500	3,500
6450	Outside printing	-	17	-	-	-
6460	Subscription/memberships	-	-	3,000	3,900	3,700
6470	Training	-	-	-	195	225
6485	Travel/mileage reimbursement	1,200	1,050	-	-	-
6505	Equipment maintenance service	4,713	4,086	6,330	4,830	4,830
6515	Building maintenance service	6,848	7,522	16,685	18,035	21,985
6525	Electrical Repair Services	360	598	-	-	-
6555	Equipment rental	6,599	6,281	6,625	6,625	6,970
6560	Other contractual services	33,669	27,684	37,350	34,950	32,600
	Total other services and charges	<u>117,340</u>	<u>134,482</u>	<u>156,325</u>	<u>155,305</u>	<u>158,176</u>
Total		<u>\$ 309,442</u>	<u>\$ 331,789</u>	<u>\$ 258,507</u>	<u>\$ 256,153</u>	<u>\$ 266,910</u>

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Department: Technology 1051

Fund: General Fund 1000

Department Activities and Responsibilities:

The Technology department manages the costs of the Information Technology (IT) Coordinator position and various technology services used by the City.

Budget Summary:

The total Personnel Services expenditures decreased in the 2023 Revised Budget due to turnover in the IT Coordinator Position at the end of 2022.

The Professional Services budget includes an allocation for assistance with software use expansion or reconfiguration of Laserfiche, a business process automation and document imaging software. The Revised 2023 Budget increases to support outsourced IT assistance through Local Government Information Systems (LOGIS) during the IT Coordinator position vacancy.

The Building Maintenance Service account adds funding in the 2023 Revised Budget for a two-year contract covering the building access system used at City facilities. The City will recognize a cost savings through this multi-year agreement for maintenance support and software upgrades.

In the Other Contractual Service Budget, the most significant allocations include the quarterly KnowBe4 security awareness training for City employees and Adobe licenses. The 2024 budget includes allocations for an IT ticketing software, 15 additional Adobe licenses, and a new inventory and deployment software.

Capital Outlay:

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

Goals:

1. Evaluate equipment maintenance practices for City Departments and take necessary action to preserve or replace the equipment.
2. Assist employees with IT issues to allow them to provide efficient, accurate, and meaningful data for program monitoring and decision-making.
3. Enable staff to make smart IT security decisions.

Department: Technology 1051

Fund: General Fund 1000

Measurable Workload Data:

	2021 <u>Actual</u>	2022 <u>Actual</u>	2023 <u>Budget</u>	2024 <u>Budget</u>
Number of laptops/desktop computers purchased	9	7	10	10
Number of required KnowBe4 trainings for staff	0	3	4	4

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Personnel Services						
6105	Salaries - regular employees	\$ -	\$ -	\$ 103,607	\$ 89,276	\$ 95,095
6122	PERA	-	-	7,770	6,696	7,132
6124	FICA/Medicare	-	-	7,926	6,830	7,275
6128	Insurance contribution	-	-	9,450	9,450	11,925
6138	Worker's compensation	-	-	2,316	2,316	2,565
6148	Other benefits	-	-	1,800	1,800	1,400
	Total personnel services	-	-	132,869	116,368	125,392
Supplies						
6210	Office supplies	-	-	100	-	-
6220	Equipment supplies	-	-	500	500	550
6240	Building supplies	-	-	-	-	500
6250	Other supplies	-	-	200	-	-
6290	Uniforms	-	-	-	50	-
6295	Small tools	-	-	200	-	200
	Total supplies	-	-	1,000	550	1,250
Other Services and Charges						
6401	Professional services	-	-	1,850	4,645	2,380
6412	Cellular	-	-	815	795	360
6434	General liability insurance	-	-	480	480	538
6450	Outside printing	-	-	-	100	-
6470	Training	-	-	500	15	500
6485	Travel/mileage reimbursement	-	-	1,200	1,200	1,200
6515	Building maintenance service	-	-	-	10,750	500
6560	Other contractual services	-	-	4,245	4,245	11,115
	Total other services and charges	-	-	9,090	22,230	16,593
Total		\$ -	\$ -	\$ 142,959	\$ 139,148	\$ 143,235

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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 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 the mayoral election at-large, while a representative from each of the five wards is elected to serve on the Council. Candidates file for Mayor or City Council positions with the City Clerk during the filing period in the election year.

Budget Summary:

The City began contracting election administration services through Ramsey County in 2017. The initial contract was for two 2-year election cycles that expired 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 this time, 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 2023 and 2024 annual contract costs of \$70,700 are reasonable and comparable to the staffing costs the City incurred when handling the election services in house. 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 2024 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.

Department: Elections & Voter Registration 1060

Fund: General Fund 1000

Measurable Workload Data:

	<u>2021 Actual</u>	<u>2022 Actual</u>	<u>2023 Budget</u>	<u>2024 Budget</u>
Persons Registered as of 7:00 A.M.				
Primary	n/a	15,761	n/a	16,000
General Election	16,460	15,985	17,600	16,500
Persons Registered on Election Day				
Primary	n/a	53	n/a	100
General Election	135	508	150	1,000
Total Number of Persons Voting				
Primary	n/a	3,018	n/a	4,000
General Election	5,137	11,596	5,500	15,000
Percent of Voter Turnout to Registered Voters				
Primary	n/a	19%	n/a	25%
General Election	31%	70%	31%	86%

City of White Bear Lake
 General Government - Elections

Annual Budget
 Business Unit: 1060

<u>Code</u>	<u>Item</u>	<u>2021 Actual</u>	<u>2022 Actual</u>	<u>2023 Adopted</u>	<u>2023 Revised</u>	<u>2024 Budget</u>
	Other Services and Charges					
6434	General liability insurance	436	480	480	480	537
6445	Postage	-	-	25	25	25
6455	Legal notices publications	-	-	500	500	500
6505	Equipment maintenance service	8,473	10,691	8,700	7,700	9,300
6560	Other contractual services	70,700	70,700	70,700	70,700	70,700
	Total other services and charges	<u>79,609</u>	<u>81,871</u>	<u>80,405</u>	<u>79,405</u>	<u>81,062</u>
	Total	<u>\$ 79,609</u>	<u>\$ 81,871</u>	<u>\$ 80,405</u>	<u>\$ 79,405</u>	<u>\$ 81,062</u>

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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, is consistent with adopted policy plans, and is compatible with the plans of affected and adjacent jurisdictions in the area.

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. Given this challenge, the current focus is on redevelopment of underutilized areas to attract new residents and businesses. Redevelopment efforts are vital because enhanced amenities 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. Activities to support redevelopment concentrate 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, promoting growth and property improvements in the County Road E Corridor, 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:

The rise in Personnel Services expenditures in the 2023 Revised Budget relates filling the vacancy in the Planning Technician position at a rate higher than budgeted, as well as a six-month review step increase for the Community Development Director.

The 2024 Budget for Subscriptions and Memberships funds American Planning Association (APA) dues for Planning Commission members to access website content.

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 comprehensive review and update of the city's zoning, subdivision and sign regulations.
3. Study the development and implementation of an electronic plan and permit review process.

Department: Planning and Zoning Department 1070

Fund: General Fund 1000

4. Initiate a Small Area Plan for the Arts, Culture and Education (ACE) District to identify preferred land use and long range infrastructure improvements.
5. Study alternate strategies to implement the policy and program recommendations of the 2020 Housing Task Force, as adopted and prioritized by the City Council.
6. Continue our partnerships with Gem Lake and Vadnais Heights to implement recommendations from the County Road E Corridor Action Plan with a near term emphasis on developing shared branding and marketing for the corridor.
7. Continue to work with the Engineering Department to complete and implement the Downtown Mobility Study.
8. Partner with the EDC, Chamber, Mainstreet and Explore White Bear to strategize and gain consensus on appropriate roles, potential partnerships and shared goals as it relates to the local economy and economic development.

Measurable Workload Data:

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

Year	Condi- tional Use Permits	Minor Sub- Divisions	Planned Unit Develop.	Plats	Zoning/ Text Amend.	Variances	Vacations	Concept Plan	Totals
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	14	0	1	1	1	19	0	*	36
2021	16	3	1	2	4	21	1	*	48
2022	12	3	3	3	2	18	1	*	42
2023 (to 8/31)	7	2	3	3	4	9	0	3	31

* Not previously recorded.

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Personnel Services						
6105	Salaries - regular employees	\$ 263,590	\$ 219,797	\$ 267,005	\$ 278,016	\$ 289,474
6122	PERA	19,769	16,485	20,025	20,851	21,711
6124	FICA/Medicare	19,843	16,669	20,426	21,268	22,145
6128	Insurance contribution	23,153	23,520	28,350	28,350	35,775
6138	Worker's compensation	2,000	2,400	6,949	6,949	7,695
6146	Severance	21,798	-	-	-	-
6148	Other benefits	3,000	5,700	5,400	5,400	4,200
	Total personnel services	<u>353,153</u>	<u>284,571</u>	<u>348,155</u>	<u>360,834</u>	<u>381,000</u>
Supplies						
6210	Office supplies	99	77	850	550	550
6220	Equipment supplies	-	29	100	100	100
6250	Other supplies	25	115	450	450	500
6280	Books/manuals	-	-	100	100	100
6290	Uniforms	-	77	50	70	150
6295	Small tools	-	226	100	100	100
	Total supplies	<u>124</u>	<u>524</u>	<u>1,650</u>	<u>1,370</u>	<u>1,500</u>
Other Services and Charges						
6401	Professional services	39	1,382	410	410	425
6402	Data processing	5,673	6,778	8,450	8,450	8,200
6411	Telephone	746	839	1,075	1,075	950
6412	Cellular	1,080	780	390	390	390
6434	General liability insurance	3,168	3,485	3,485	3,485	3,903
6445	Postage	1,787	1,232	2,400	2,400	2,400
6450	Outside printing	278	185	300	300	300
6455	Legal notices publications	2,058	1,870	2,500	2,500	2,500
6460	Subscription/memberships	792	1,216	1,625	1,675	2,635
6470	Training	270	2,410	5,200	3,025	5,975
6485	Travel allowance	2,400	2,000	2,600	2,600	2,600
6486	Mileage reimbursement	-	27	350	150	150
6492	Advertising	-	25	50	50	50
6505	Equipment maintenance service	3,054	1,413	2,500	2,500	2,500
6560	Other contractual services	-	-	100	100	100
	Total other services and charges	<u>21,345</u>	<u>23,642</u>	<u>31,435</u>	<u>29,110</u>	<u>33,078</u>
Total		<u>\$ 374,622</u>	<u>\$ 308,737</u>	<u>\$ 381,240</u>	<u>\$ 391,314</u>	<u>\$ 415,578</u>

Department: Public Safety Facility 1100

Fund: General Fund 1000

Departmental Activities and Responsibilities:

The Public Safety Facility department manages the costs of central supplies, utilities, and maintenance services for the Public Safety building, which houses the Police Department and the north Fire Station.

Budget Summary:

The City added a budget for the Public Safety Facility in 2022 to provide an efficient method for tracking costs related to maintaining the campus. Creation of the initial budget involved transferring estimated costs for central supplies, utilities, and maintenance services out of the Police and Fire Department budgets. The budget will fine-tune the estimated costs into actual amounts as the facility's renovation and expansion project winds down in 2024, and operations fall into a normal routine.

The 2023 Revised Electric budget increases based on actual activity during the first half of the year. The 2024 budget amounts for Electric and Natural Gas rise above the 2023 levels in preparation for additional costs related to the expanded Fire Department area and Police garage.

The Subscriptions and Memberships Budget funds dues to participate in an annual fence consortium between multiple local governments in the metro area of Minneapolis/St. Paul. The consortium provides the City with access to anti-scale fencing to surround City Hall and the Public Safety Facility in the event of civil unrest. The total cost to the City in the 2024 Budget is \$7,400, which is split evenly between the Public Safety Facility and City Hall budgets.

The Other Contractual Services Budget includes an allocation for janitorial cleaning services. The budget amount for these services increases in 2024 to cover cleaning duties for the new Fire Department area.

Capital Outlay:

The City's Capital Improvement Plan includes a detailed discussion of projects and purchases funded for this department through the Municipal Building Fund in the Summary Data section of the document.

Goals:

1. Maintain a facility that supports the Police Department and Fire Station 1 in their daily operations.

City of White Bear Lake
Public Safety - Public Safety Facility

Annual Budget
Business Unit: 1100

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Supplies						
6240	Building supplies	-	4,289	3,225	3,975	4,525
6255	Landscaping supplies	-	95	100	-	100
	Total supplies	-	4,384	3,325	3,975	4,625
Other Services and Charges						
6422	Electric	-	55,468	48,635	58,165	63,165
6423	Natural gas	-	14,404	20,750	18,000	22,000
6460	Subscription/memberships	-	-	3,000	3,900	3,700
6505	Equipment maintenance service	-	34	-	-	-
6515	Building maintenance service	-	10,933	15,800	10,410	13,425
6555	Equipment rental	-	3,114	3,120	1,645	3,240
6560	Other contractual services	-	47,108	54,125	52,025	61,659
	Total other services and charges	-	131,061	145,430	144,145	167,189
Total		\$ -	\$ 135,445	\$ 148,755	\$ 148,120	\$ 171,814

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, training, crisis calls response relative to use of force, de-escalation tactics, and police transparency. Accordingly, the department continues to emphasize its training in de-escalation tactics, mental health awareness, and topics related to implicit bias and racial equity to ensure compliance with the Minnesota Board of Peace Officer Standards and Training (POST) requirements.

The department's calls for service, which range from emergency 911 calls to officer-initiated activity such as a traffic stop or extra patrol, reflect the primary measure of productivity. The department anticipates responding to approximately 22,000 calls annually for service in 2023 and 2024. Currently, the department staffs 31 sworn officers, 3.5 full-time equivalent support staff and 5 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 August 2023, the City has received approximately \$29,700 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.

Department: Police 1110

Fund: General Fund 1000

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.

- 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. The VCET officer and team provides support to the national High Intensity Drug Trafficking Areas program. The City receives Federal grant funding for any time spent on this project.
- Two 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 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.
- Two officers work with the Ramsey County SWAT Tactical Team and one officer serves as a SWAT negotiator. 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.
- One officer participates 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 officer not only assists with mutual aid callouts, but they also provide in service training to department members.

Budget Summary:

The Police Department staffs 31 sworn officers including one Police Chief, two Captains, four Sergeants, and 24 Patrol Officers. Between July 2022 – July 2023, the Department experienced turnover of seven Patrol Officers, resulting in temporary position vacancies as the City worked to fill the open positions. In most instances, the open positions were filled with Patrol Officers hired at lower hourly rates than their more tenured predecessors. The 2023 Revised Salaries and Benefits were adjusted down to reflect these position vacancies and new hires. Overtime expenditures saw a corresponding increase in the 2023 Revised Budget as higher than average

Department: Police 1110

Fund: General Fund 1000

shift coverage was necessary due to the turnover.

The City staffs five part-time Community Service Officer (CSO) positions. Prior to 2022, the CSO positions were classified as temporary employees because they were not benefit earning. In 2022, the CSO position became benefit earning, however the 2023 Adopted Budget did not reflect this change. The 2023 Revised Budget moves approximately \$100,000 in salaries from Temporary Salaries to Regular Salaries as a result. The 2024 Budget anticipates full staffing levels for the year.

With the increased turnover in the Department, the 2023 Revised and 2024 budgets for Uniforms had to be increased for new issues. Similarly, the 2023 Revised and 2024 budgets for Professional Services saw an increase in allocations for pre-employment medical and psych evaluations.

Minnesota statutes require an independent biennial body worn camera audit to ensure compliance with applicable laws. The 2023 Revised Professional Services Budget includes a \$3,200 allocation for the audit.

The City recognizes the need to provide mental health support for its employees whose job responsibilities include traumatic high stress situations. The 2023 Budget expands the support provided in the Professional Services account with a change to a new service provider, while the 2024 Budget increases to fund annual one-on-one provider meetings for each covered employee.

Due to a critical incident response issue in early 2023, the 2023 Revised Budget begins appropriating funds annually for costs related to these situations. The hope is that these funds will not be used each year but recognizing that if an event occurs there are funds available.

In 2023, the Police Department applied for an Urban Areas Security Initiative grant and was selected to receive \$14,000 for the purchase of two unmanned aerial vehicles (UAVs), commonly known as drones. There is a matching contribution requirement of \$30,600, which includes a portion of costs for equipment, software, and necessary training. The \$30,600 matching contribution is budgeted for in the Equipment Acquisition Fund. In the Police Department Budget, funding was added to the Equipment Maintenance Service line item in the 2023 Revised and 2024 budgets for annual drone software licensing

The Police Department is a member of Metro-INET, which is a collaboration of 44 different member organizations who receive IT services. Metro-INET provides server and user support for the records management system that is used by the Department, which costs approximately \$18,000 annually. The Department also pays a \$10,000 license fee annually to Metro-INET for the program that runs in the squad laptops. In June 2023, the Department went live with a new records management system that is not supported by Metro-INET. This eliminates the \$18,000 expenditure for Metro-INET support in the 2024 Budget for Other Contractual Services. Ramsey County is now providing server support at no cost. However, the Department will continue to

Department: Police 1110

Fund: General Fund 1000

pay the \$10,000 license fee to Metro-INET for the program that runs in the squad laptops. The Equipment Acquisition Fund accounts for all costs related to the migration to the new system.

Capital Outlay:

A detailed discussion of the City's ten-year Capital Improvement Plan and purchases funded for this department through the Equipment Acquisition Fund and Municipal Building Fund are 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.
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, 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 new 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:

Department: Police 1110

Fund: General Fund 1000

	2021 <u>Actual</u>	2022 <u>Actual</u>	2023 <u>Budget</u>	2024 <u>Budget</u>
Number of police service calls	22,309	20,454	20,000	20,000
Number of Citizen Police Academy trainings held	0	0	0	5
Number of neighborhood watch groups maintained	55	55	55	55
Number of National Night Out gatherings	28	36	38	40
Number of community events held	21	9	15	25
Number of trainings presented in collaboration with the White Bear Lake School District	0	0	0	2
Number of enforcement events held in partnership with Ramsey County Traffic Safety Initiative	16	16	16	16

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Personnel Services						
6105	Salaries - regular employees	\$ 3,030,214	\$ 3,076,501	\$ 3,365,205	\$ 3,273,445	\$ 3,566,968
6117	Overtime - regular employees	163,171	203,376	170,000	257,300	182,000
6119	Salaries - temporary employees	68,864	11,517	111,989	1,698	1,785
6122	PERA	545,709	550,808	609,045	590,473	625,539
6124	FICA/Medicare	65,181	65,249	73,557	72,355	77,693
6128	Insurance contribution	328,903	365,612	433,822	433,822	493,075
6138	Worker's compensation	159,100	190,920	326,621	326,621	306,636
6146	Severance pay	14,723	6,288	23,799	23,799	19,500
6148	Other benefits	48,150	67,355	55,800	55,800	61,320
	Total personnel services	<u>4,424,015</u>	<u>4,537,626</u>	<u>5,169,838</u>	<u>5,035,313</u>	<u>5,334,516</u>
Supplies						
6210	Office supplies	1,353	1,590	3,000	3,000	3,000
6220	Equipment supplies	8,204	8,100	13,600	11,450	14,850
6221	Range supplies	20,693	15,030	13,800	14,138	13,750
6230	Vehicle supplies	16,980	27,567	19,900	19,900	20,900
6240	Building supplies	2,647	1,517	4,100	4,100	5,350
6248	Community engagement supplies	3,798	6,178	5,775	5,425	5,875
6250	Other supplies	9,126	6,522	9,215	7,575	8,125
6272	Motor fuels	80,526	96,098	108,500	90,500	108,500
6280	Books & periodicals	-	-	100	-	-
6290	Uniforms	44,498	45,969	39,150	48,420	48,150
6295	Small tools	177	455	1,200	950	950
	Total supplies	<u>188,002</u>	<u>209,026</u>	<u>218,340</u>	<u>205,458</u>	<u>229,450</u>
Other Services and Charges						
6401	Professional services	43,802	50,473	72,775	81,947	85,600
6402	Data processing	9,779	10,711	14,100	14,100	13,700
6408	Critical incident	-	-	-	9,400	9,400
6411	Telephone	8,984	8,848	10,680	10,680	10,185
6412	Cellular	9,643	10,731	12,375	11,170	11,170
6422	Electric	28,162	-	-	-	-
6423	Natural gas	5,602	-	-	-	-
6434	General liability insurance	31,475	34,623	34,623	34,623	38,777
6436	Vehicle liability insurance	10,500	10,815	10,815	10,815	11,139
6445	Postage	1,755	1,603	1,700	1,200	1,700
6450	Outside printing	1,446	2,302	2,890	2,058	2,375
6460	Subscription/memberships	2,783	2,445	3,745	2,397	2,860
6470	Training	25,638	24,430	27,890	26,125	33,310
6492	Advertising	-	-	200	-	-
6505	Equipment maintenance service	7,272	4,489	11,960	22,110	24,310
6510	Vehicle maintenance service	5,480	4,889	13,325	10,325	13,325
6515	Building maintenance service	5,450	374	900	900	900
6555	Equipment rental	2,751	236	1,200	500	1,000
6560	Other contractual service	53,315	46,236	44,250	54,832	46,240
	Total other services and charges	<u>253,837</u>	<u>213,205</u>	<u>263,428</u>	<u>293,181</u>	<u>305,991</u>
Total		<u>\$ 4,865,854</u>	<u>\$ 4,959,857</u>	<u>\$ 5,651,606</u>	<u>\$ 5,533,953</u>	<u>\$ 5,869,957</u>

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Department: Fire 1210

Fund: General Fund 1000

Department Activities and Responsibilities:

The Fire Department provides fire suppression, 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 130th 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 originally began shifting from the volunteer staffing structure in 2014 by adding four full-time medical responders to develop 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. Under this new model, all full-time and part-time staff were supervised by the Chief and Assistant Chief; leaving a gap in the onsite supervision of staff. In 2021, the City incorporated a Captain position into the Fire Department staffing structure to operate as a shift lead for each crew. These assignments did not add to the existing crew, but rather promoted three current full-time staff to the Captain positions. At the end of 2021, two new full-time positions were hired with two more positions hired in early 2023 as part of a three-year plan that ends in 2024 to build a third 24/7 full-time crew. The department continues to employ paid-on-call members 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 most typical full-time employees work in their 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.

Prior to 2022, the Budget for Fire Department Personnel Services was built with 20% of the associated staffing costs for Firefighter/Paramedic (F/PP) positions, with the remaining 80% assigned to the Ambulance Fund budget since a significant portion of the calls are for emergency medical issues. However, the Ambulance Fund could not financially survive on this allocation because Medicare's limited reimbursement amount, a high delinquency in self-pay accounts and the creation of high deductible insurance plans prevent the Fund from experiencing the full

Department: Fire 1210

Fund: General Fund 1000

benefit of any rate increases. In light of these issues, the City compared its service model and funding strategy with those of cities with similar staffing models and calls for service.

Comparison results indicated the City was conservative in the 20/80 allocation of FF/P salaries between the two funds as other cities either assign a higher percentage to the General Fund or combine the Fire and Ambulance Department budgets into one Special Revenue Fund and utilize a separate emergency response tax levy to help support the combined operations. Ambulance revenues can offset operating costs of the combined operations as a whole, however, they cannot support the ambulance service on its own. Given this information, the 2022 Budget moved from the 20/80 split for FF/P positions to a 25/75 split.

As staff began analyzing the impact of changing the salary allocation percentages between the two funds for the 2024 Budget, it became evident that while moving a higher percentage of the salary expenditures to the General Fund does reduce the negative fund balance amount in the Ambulance Fund; however, it does not eliminate the negative amount. This signified that the operations need additional resources to resolve the financial challenges. As a result, the 2024 Budget moves the Ambulance Fund from an Enterprise Fund to its own department within the General Fund to allow tax levy support to stabilize the revenues needed to maintain the services. The 2024 Budget will continue to use a 25/75 salary split.

Budget Summary:

A new union contract was approved in April 2023 for January 1, 2023 through December 31, 2024 for fulltime firefighter/paramedics and captains. The approved contract gave union employees a 3% cost of living increase as of January 1, 2023. On July 1, 2023, employees were placed on the new wage scale created during the Class and Compensation Study conducted by the City in 2022. A new education incentive also became effective for union employees on July 1, 2023. Employees with at least two years of education receive a 1.5% incentive, while employees with four years of education receive a 3.0% incentive. As mentioned above, the Department intends to add two new full-time firefighter positions in 2024.

The paid-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 transitioning the investment funds to the Minnesota Public Employee Retirement Association (PERA) as of January 2019. 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. As a result of this switch, the 2% fee the State of Minnesota applies to all property insurance policies to fund the retirement plans is now sent

Department: Fire 1210

Fund: General Fund 1000

directly to PERA for investment instead of the City. Despite PERA directly receiving the payment, the City records the amount as a revenue, as well as an offsetting expenditure to recognize the amount to PERA, which is included in the Fire Relief line item under Personnel Services.

The 2024 Budget for Vehicle Supplies funds tire replacement for the Tender 916 vehicle and acknowledges the current market costs of parts for vehicle repairs.

The City recognizes the importance of providing mental health support for its employees whose job responsibilities include traumatic high stress situations. The 2023 Budget in the Professional Services account expands for a change to a new service provider, while the 2024 Budget increases to fund for annual one-on-one provider meetings for each covered employee.

The Police Department and Fire Station 1 are located within the same facility. To improve methods of tracking costs related to the facility operations, the Public Safety Facility budget was created in 2022 to manage the costs of central supplies, utilities, and maintenance services for the campus.

The Equipment Maintenance Services budgets for 2023 and 2024 supports the anticipated costs for self-contained breathing apparatus (SCBA) flowing testing, SCBA compressor maintenance, fire hose testing and fire extinguisher annual service.

The increase in the Contracted Services account reflects the addition of funding for cleaning services for Fire Station 2.

Capital Outlay:

The Equipment Acquisition Fund, found in the Capital Projects section of the budget, details the capital equipment requests for the department. The 2023 Revised Budget allocates funding for the purchase of 800MHZ portable radios and the earmarking for the replacement of a fire truck in 2025. The 2024 Budget funds the purchase of 800MHZ portable radios, fire vehicle graphics for rebranding, squad laptops, and the replacement of a Ford Explorer squad.

The Municipal Building Fund, found in the Capital Projects section of the budget, reports the capital building expenditures for the department. The 2023 Revised Budget allocates for the removal of a diesel fuel tank and installation of an electrical subpanel for Fire Station 2. The 2024 Budget plans for epoxy enhancements on the Fire Station 2 apparatus bay floor.

Department: Fire 1210

Fund: General Fund 1000

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:

	2021 <u>Actual</u>	2022 <u>Actual</u>	2023 <u>Budget</u>	2024 <u>Budget</u>
Number of Fire and Rescue Calls	927	958	1,030	1,050
Public Education Events Held	54	67	70	70
Smoke Detectors, Carbon Monoxide Detectors, and Fire Extinguishers Given Out Free of Charge	170	10	10	10
Average Response Times	6:05	6:13	6:05	6:00

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Personnel Services						
6105	Salaries - regular employees	\$ 345,373	\$ 443,356	\$ 538,991	\$ 530,273	\$ 618,625
6117	Overtime - regular employees	35,484	50,664	57,191	68,854	76,665
6119	Salaries - temporary employees	55,517	59,847	73,502	66,134	79,352
6122	PERA	66,296	85,795	102,467	102,989	119,846
6124	FICA/Medicare	10,514	12,218	16,126	15,605	18,110
6126	Fire relief	276,820	289,125	289,125	289,125	289,125
6128	Insurance contribution	23,373	47,040	56,700	56,700	77,513
6132	Volunteer life insurance	2,880	2,880	2,880	2,880	2,880
6138	Worker's compensation	101,750	122,100	69,703	69,703	69,870
6148	Other benefits	9,250	11,400	9,900	9,900	9,100
	Total personnel services	<u>927,257</u>	<u>1,124,425</u>	<u>1,216,584</u>	<u>1,212,162</u>	<u>1,361,086</u>
Supplies						
6210	Office supplies	426	916	1,700	1,300	1,300
6220	Equipment supplies	11,946	13,158	6,900	6,900	7,000
6230	Vehicle supplies	16,654	13,826	8,500	8,500	15,750
6240	Building supplies	5,513	4,711	5,813	6,250	6,250
6248	Community engagement supplies	431	3,059	5,450	5,450	5,450
6250	Other supplies	4,954	2,137	2,675	2,675	2,675
6255	Landscape supplies	72	107	100	100	100
6272	Motor fuels	13,661	19,247	18,000	20,820	21,000
6274	Lubricants & additives	76	701	200	200	200
6280	Books & periodicals	2,521	548	800	800	800
6290	Uniforms	31,080	36,653	44,800	44,800	44,800
6295	Small tools	5,305	1,639	11,000	11,000	1,000
	Total supplies	<u>92,639</u>	<u>96,702</u>	<u>105,938</u>	<u>108,795</u>	<u>106,325</u>
Other Services and Charges						
6401	Professional services	20,072	28,989	61,450	59,700	65,350
6402	Data processing	9,533	10,888	9,850	9,850	9,650
6411	Telephone	3,191	3,371	4,150	4,150	4,000
6412	Cellular	5,319	5,814	6,690	5,580	5,580
6422	Electric	22,436	7,650	7,500	7,800	7,800
6423	Natural gas	6,373	5,614	8,400	6,500	7,000
6434	General liability insurance	9,561	10,517	10,517	10,517	11,779
6436	Vehicle liability insurance	2,200	2,266	2,266	2,266	2,334
6445	Postage	44	112	300	200	200
6450	Outside printing	-	92	900	900	900
6460	Subscription/memberships	3,839	5,466	7,535	5,520	6,005
6470	Training	26,297	21,483	24,650	27,250	28,250
6492	Advertising	713	755	-	-	-
6505	Equipment maintenance service	8,273	20,969	17,550	22,070	23,195
6510	Vehicle maintenance service	10,668	11,079	14,950	14,950	15,950
6515	Building maintenance service	7,972	8,956	10,123	18,303	15,698
6525	Electrical maintenance service	3,519	3,241	3,000	3,000	3,000
6555	Equipment rental	20	-	100	100	100
6560	Other contractual service	14,737	2,792	8,723	3,380	12,955
	Total other services and charges	<u>154,767</u>	<u>150,054</u>	<u>198,654</u>	<u>202,036</u>	<u>219,746</u>
Total		<u>\$ 1,174,663</u>	<u>\$ 1,371,181</u>	<u>\$ 1,521,176</u>	<u>\$ 1,522,993</u>	<u>\$ 1,687,157</u>

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Department: Ambulance 1250

Fund: General Fund 1000

Department Activities and Responsibilities:

The Ambulance Department accounts for 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 130th year of service to White Bear Lake area in 2018, the City has only provided 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 the City's emergency medical response and fire service.

The City began to shift from the volunteer staffing structure to a "combination staffing model" of full-time and on-call employees in 2014 when it added four full-time medical responder positions. Results from the strategic planning process supported the shift and 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. Under this model, the Chief and Assistant Chief supervise all full-time and part-time staff, leaving a gap in the shift supervision of staff. In 2021, the City incorporated a Captain position into the staffing structure to operate as a shift lead for each crew. These assignments did not add to the existing crew, but rather promoted three current full-time staff to the Captain positions. At the end of 2021, two new full-time positions were hired. Two new full-time positions were hired in 2023 with another two full-time positions requested in 2024 as part of a three-year plan to build a third 24/7 full-time crew. The department continues to employ paid-on-call members to provide additional 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.

Prior to 2022, the budget for Fire Department Personnel Services was built with 20% of the associated staffing costs for Firefighter/Paramedic (F/PP) positions, with the remaining 80% assigned to the Ambulance Fund budget since a significant portion of the calls are for emergency medical issues. However, the Ambulance Fund could not financially survive on this allocation because Medicare's limited reimbursement amount, a high delinquency in self-pay accounts and the creation of high deductible insurance plans prevented the Fund from experiencing the

Department: Ambulance 1250

Fund: General Fund 1000

benefits of any rate increases. In light of these issues, the City compared its service model and funding strategy with those of cities with similar staffing models and calls for service.

Comparison results indicated our salary allocation at the 20/80 percentages is conservative as other cities either assign a higher percentage to the General Fund or combine the Fire and Ambulance Department budgets into one Special Revenue Fund and utilize a separate emergency response tax levy to help support the combined operations. Ambulance revenues can offset operating costs of the combined operations as a whole, however, they cannot support the ambulance service on its own. In 2022, the allocation moved from the 20/80 split for FF/P positions to a 25/75 split.

As staff began analyzing the impact of changing the salary allocation percentages between the Ambulance Fund and the Fire Department in the General Fund for the 2024 Budget, it became evident a more in-depth discussion of revenues to support ambulance operations was required. Though moving a higher percentage of the salary expenditures to the General Fund does reduce the negative fund balance amount in the Ambulance Fund, it does not eliminate the negative amount, which signifies the operations need additional resources to resolve the financial challenges.

The City previously categorized its Ambulance Fund as an enterprise fund within its financial reporting structure. The purpose of an enterprise fund is to highlight the extent to which user fees and charges are sufficient to cover the entire cost of providing the good or service. When needing assistance in past years, the Ambulance Fund received financial support through transfers from either available resources in the Non-Bonded Fund, the Equipment Acquisition Fund to purchase equipment or ARPA funds. These three funding sources do not have the capacity to continue to provide future revenue support.

Therefore, the City made the decision to move the Ambulance Fund operations into its own department within the General Fund in the 2024 Budget to utilize tax levy support to stabilize the revenues needed to maintain the services.

The City Council establishes transportation rates to bill patients on a per run basis, which consistent with the metropolitan average rates. Third party denials for selected billings and client non-payments reduce the revenue collections for the department.

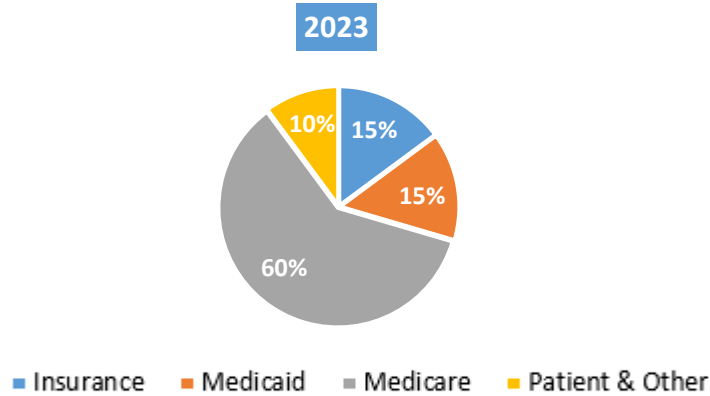
As previously mentioned, one significant challenge the department faces in revenue collection relates to federal laws limiting the fees ambulance service providers may collect for Medicare or Medicaid patient transportations. All providers must accept the allowable reimbursement amount set by law as payment in full for patients with these coverages, without the ability to bill patients for the difference between the allowable amount and the actual cost of the service.

Department: Ambulance 1250

Fund: General Fund 1000

Approximately 75% of the department’s collections are for patients who fall under this revenue collection restriction through government programs such as Medicare or Medicaid. These patient accounts significantly reduce the City’s ambulance billing revenues due to the federal law. Below is a graph depicting the City’s patient mix for January 1, 2023 – October 10, 2023.

White Bear Lake Patient Mix



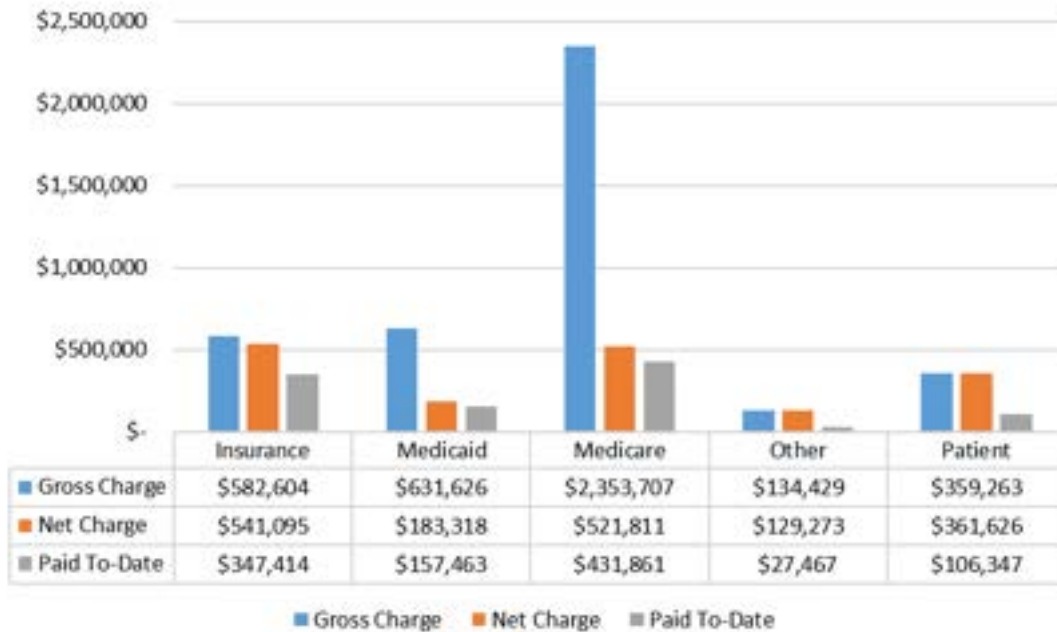
The graph below compares gross charges (the amounts originally charged by the City) to net charges (the amount the City is able to charge after taking into account adjustments due to third-party denials and the allowable reimbursement rate set by law for government insurance coverage), and the year-to date payments collected on each patient type.

The information shown is for January 1, 2023 – October 10, 2023. The graph illustrates how, on average, the City is only able to charge approximately 22% of total fees on Medicare claims and 29% on Medicaid claims. As noted in the graph above, Medicare and Medicaid make up 75% of the City’s patient mix.

Department: Ambulance 1250

Fund: General Fund 1000

Gross Charges, Net Charges, and Paid To-Date



The 2024 Budget for ambulance transportation revenues 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 operations demonstrates a need to adjust the rates 3.0% in the 2024 Budget to cover operational and capital expenditures of the Fund. A comparison of recent rates and the proposed rates are as follows:

Call Type	Rates Effective 1/1/2021	Rates Effective 1/1/2022	Rates Effective 1/1/2023	Rates Effective 1/1/2024
Basic Life Support	\$ 1,505.00	\$ 1,550.00	\$ 1,628.00	\$ 1,676.00
Advanced Life Support-1	1,980.00	2,040.00	2,143.00	2,208.00
Advanced Life Support-2	2,160.00	2,225.00	2,336.00	2,406.00
Treatment No Transport	505.00	520.00	546.00	563.00
Mileage per mile	32.00	33.00	35.00	36.00

Department: Ambulance 1250

Fund: General Fund 1000

Budget Summary:

The 2024 regular salaries and overtime budget allocations increase due to the addition of two full-time positions. The union contract settled in 2023 also includes an education incentive for F/P personnel effective July 1, 2023. Employees with at least two years of education receive a 1.50% incentive while employees with at least four years of education receive a 3.00% incentive.

The 2024 budget adds appropriations for ambulance billing collection services. In January 2023, the City updated the process for recording these fees for ease of comparison between the City's records to the contract ambulance billing records. Previously, these costs have been netted with revenue received, so there is no effect on the Department's bottom line.

The City budgets for the contract billing and collections services associated with the City's ambulance operations in the Professional Services account. In May 2021, the City switched to a new ambulance billing and collection service after working with the previous service provider for more than 20 years. The new service provider has an internally developed software and a substantial employee base that allows for quick processing of data related to claims. In the ambulance billing business, it is advantageous to get invoices out quickly and accurately to maximize payments from the insurance agencies. The new service provider fees are based on collections at 3% of the total revenue collected each month. The City has seen an increase in collections since the switch, which results in a correlating increase in fees paid to the service provider. The State of Minnesota's 2% provider tax also rises with the increase in collections. The Contracted Services account budget includes funding for a bank lockbox to collect electronic insurance and patient payments.

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.

Department: Ambulance 1250

Fund: General Fund 1000

Measurable Workload Data:

	2021 <u>Actual</u>	2022 <u>Actual</u>	2023 <u>Budget</u>	2024 <u>Budget</u>
Medical Response Calls	3,992	4,325	4,150	4,150
Average Response Times	6:05	6:13	6:10	6:00
Percentage of Patients that Utilize Medicare, Medicaid, and Other Government Plans	71%	73%	75%	75%
CPR Training Classes Held	11	10	10	10

City of White Bear Lake
Public Safety - Ambulance

Annual Budget
Business Unit: 1250

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Personnel Services						
6105	Salaries - regular employees	\$ -	\$ -	\$ -	\$ -	\$ 1,415,819
6117	Overtime - regular employees	-	-	-	-	229,995
6119	Salaries - temporary employees	-	-	-	-	238,056
6122	PERA Defined Benefit	-	-	-	-	288,089
6123	PERA Defined Contribution	-	-	-	-	3,564
6124	FICA/Medicare	-	-	-	-	44,033
6128	Insurance contribution	-	-	-	-	184,838
6138	Worker's compensation	-	-	-	-	172,752
6148	Other benefits	-	-	-	-	21,700
	Total personnel services	-	-	-	-	2,598,846
Supplies						
6210	Office supplies	-	-	-	-	50
6220	Equipment supplies	-	-	-	-	10,000
6230	Vehicle supplies	-	-	-	-	11,200
6250	Other supplies	-	-	-	-	73,000
6272	Motor fuels	-	-	-	-	45,000
6274	Lubricants	-	-	-	-	50
6280	Books & periodicals	-	-	-	-	600
6290	Uniforms	-	-	-	-	10,000
6295	Small tools	-	-	-	-	10,000
	Total supplies	-	-	-	-	159,900
Other Services and Charges						
6401	Professional services	-	-	-	-	166,225
6402	Data processing	-	-	-	-	14,200
6405	Minnesota Care 2% Tax	-	-	-	-	31,000
6412	Cellular	-	-	-	-	2,980
6434	General liability insurance	-	-	-	-	8,173
6436	Vehicle liability insurance	-	-	-	-	2,122
6450	Outside printing	-	-	-	-	100
6460	Subscription/memberships	-	-	-	-	325
6470	Training	-	-	-	-	11,000
6505	Equipment maintenance service	-	-	-	-	7,000
6510	Vehicle maintenance service	-	-	-	-	12,500
6560	Other contractual service	-	-	-	-	6,600
	Total other services and charges	-	-	-	-	262,225
Total		\$ -	\$ -	\$ -	\$ -	\$ 3,020,971

Department: Dispatch 1114

Fund: General Fund 1000

Department Activities and Responsibilities:

The City contracts with Ramsey County Emergency Communication Center for dispatching services. Prior to 2018, 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 transitioning to Ramsey County for dispatch 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.

Budget Summary:

The Joint Powers Agreements for dispatching services between Ramsey County and the member cities establishes a formula that allocates 60% 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. The rate increases in the 2024 Budget are based on an increase in the three-year rolling average of the City’s share of calls for service from 2020-2022.

Goals:

1. Continue to build a partnership with the Ramsey County Emergency Communications Center by having a representative on the CAD user group committee.
2. Provide resources to community members to access 911 emergency and non-emergency calls, internal calls and incidents generated by police, fire, and ambulance services, and calls from other public safety agencies served by the Ramsey County Emergency Services.

Measurable Workload Data:

	2021 <u>Actual</u>	2022 <u>Actual</u>	2023 <u>Budget</u>	2024 <u>Budget</u>
Total service calls	22,309	20,454	20,000	20,000
Gas Drive Off Investigations	19	5	5	5
CAD Quarterly User Group Committee Meetings Attended	4	4	4	4

<u>Code</u>	<u>Item</u>	<u>2021 Actual</u>	<u>2022 Actual</u>	<u>2023 Adopted</u>	<u>2023 Revised</u>	<u>2024 Budget</u>
	Other Services and Charges					
6413	Radio communications	\$ 2,881	\$ 2,881	\$ 3,000	\$ 3,000	\$ 3,000
6560	Other contractual service	211,072	219,767	248,800	248,800	251,300
	Total other services and charges	<u>213,953</u>	<u>222,648</u>	<u>251,800</u>	<u>251,800</u>	<u>254,300</u>
	Total	<u>\$ 213,953</u>	<u>\$ 222,648</u>	<u>\$ 251,800</u>	<u>\$ 251,800</u>	<u>\$ 254,300</u>

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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 GDO Law as the City's prosecutor, and Heather Monnens is the lead prosecutor for City. In previous years, pursuant to the City Charter, the appointment extended for a period of one year and expired each January. In May 2023, the Charter Commission approved an ordinance amendment to change the attorney appointment terms from one year to up to five years. This change will simplify contract management, may attract representation who only desire longer contracts and could include cost savings for multi-year agreements.

The prosecutor's office handles all petty misdemeanor, misdemeanor, and gross misdemeanor cases, which includes DWIs, domestic assault related offenses, thefts, 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 six Arraignment calendars per month, ten Pretrial calendars, two Court Trial calendars for contested traffic tickets, one Trial Management Conference, and various other appearances for contested evidentiary hearing, sentencing, competency hearings, and probation violations as needed. The City Prosecutor also handles two to three in-custody bail hearing calendars each month at the Ramsey County Law Enforcement Center (LEC) for suburban defendants that are arrested and in custody for domestic assault or gross misdemeanor DWI offenses. In addition, the City Prosecutor is required to be on-call for one week each month for trials.

The vast majority of the criminal cases settle for various reasons, with about 2-3 cases per year actually going to a full jury trial. Of the cases that settle, many resolve after contested evidentiary hearings to 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 and jury trials.

Budget Summary:

This budget includes funding for an administrative hearing officer who works at the Public Safety Facility 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>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023*</u>
Prosecutor	\$149,692	\$151,832	\$152,044	\$152,506	\$68,077

*Partial year (January - May)

City of White Bear Lake
Public Safety - Legal Prosecution

Annual Budget
Business Unit: 1041

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Personnel Services						
6119	Salaries - temporary employees	\$ 1,111	\$ 1,014	\$ 1,359	\$ 1,359	\$ 1,415
6124	FICA/Medicare	85	78	104	104	108
	Total personnel services	<u>1,196</u>	<u>1,092</u>	<u>1,463</u>	<u>1,463</u>	<u>1,523</u>
Other Services and Charges						
6401	Professional services	<u>152,000</u>	<u>152,000</u>	<u>158,600</u>	<u>136,000</u>	<u>143,100</u>
	Total other services and charges	<u>152,000</u>	<u>152,000</u>	<u>158,600</u>	<u>136,000</u>	<u>143,100</u>
	Total	<u><u>\$ 153,196</u></u>	<u><u>\$ 153,092</u></u>	<u><u>\$ 160,063</u></u>	<u><u>\$ 137,463</u></u>	<u><u>\$ 144,623</u></u>

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Department: Animal Control 1118

Fund: General Fund 1000

Department Activities and Responsibilities:

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

The City currently has a two part approach to animal control services. When lost animals are found, the department houses the animals at the station for the first 24 hours while attempting to locate the owner through social media posts. If the pet remains in custody after that time, the department moves the animal to a program under a boarding service contract. The contract services changed from the Saint Paul Animal Control and Impound office to the Animal Humane Society mid-year 2022.

This process reunites approximately 95% of the pets received with their families sooner than past practices and has reduced 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.

The Animal Humane Society closely follows the Police Department's Facebook page and many lost/found pet sites to assist the department in returning animals prior to their transportation to Impound. The organization 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 regularly reviews policies related to animal control, assesses the equipment needs and develops staff training to support the animal control function.

Budget Summary:

Activities undergo continuous monitoring to ensure the program maintains a cost effective structure that offers convenience and efficiency in the process.

The salaries allocated to this budget are for time spent on Animal Control calls by Community Service Officers (CSOs). Prior to 2022, the City considered CSO positions as temporary employees because they were not benefit earning. In 2022, the CSO position became benefit earning. The employee status change did not occur in the 2023 Adopted Budget; therefore, the 2023 Revised Budget moves the salaries from temporary employees to regular employees.

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 Woodbury Animal Humane Society are licensed and in compliance with the White Bear Lake Animal Ordinances.

Department: Animal Control 1118

Fund: General Fund 1000

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:

	2021 <u>Actual</u>	2022 <u>Actual</u>	2023 <u>Budget</u>	2024 <u>Budget</u>
Total number of animal control calls	391	354	380	360
Number of animals taken in at Saint Paul Animal Control/Animal Humane Society	13	22	20	15
Number of lost pets posted to White Bear Lake Police Facebook page	13	15	15	10

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Personnel Services						
6105	Salaries - regular employees	\$ -	\$ -	\$ -	\$ 10,306	\$ 10,956
6119	Salaries - temporary employees	10,199	10,170	16,297	-	-
6122	PERA			1,222	773	822
6124	FICA/Medicare	780	779	1,247	788	838
	Total personnel services	<u>10,979</u>	<u>10,949</u>	<u>18,766</u>	<u>11,867</u>	<u>12,616</u>
Supplies						
6250	Other supplies	-	806	1,050	650	1,050
	Total supplies	<u>-</u>	<u>806</u>	<u>1,050</u>	<u>650</u>	<u>1,050</u>
Other Services and Charges						
6402	Data processing	1,819	2,195	2,800	2,800	2,400
6470	Training	-	-	400	-	-
6565	Disposal fees	180	774	2,500	800	1,000
6570	Impound fees	555	3,040	1,600	1,050	1,600
	Total other services and charges	<u>2,554</u>	<u>6,009</u>	<u>7,300</u>	<u>4,650</u>	<u>5,000</u>
Total		<u>\$ 13,533</u>	<u>\$ 17,764</u>	<u>\$ 27,116</u>	<u>\$ 17,167</u>	<u>\$ 18,666</u>

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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 between 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 finances 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:

Overall expenditures in the 2023 Revised Budget are down from the 2023 Adopted Budget. With the renovation of the Public Safety Facility, the Police Department decided against hosting the 8-week CERT classes in the fall of 2023. They will resume the program in 2024 with the completion of the renovation.

Capital Outlay:

The Municipal Building Fund, found in the Capital Projects Fund section of the document, provides funding for the replacement of the emergency warning sirens. The City began replacing all five sirens in 2018, with the fifth unit planned for replacement in 2023.

Goals:

1. Test and monitor the emergency generator for efficiency on a monthly basis.
2. Annually review emergency response plans used by the department, 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.

Department: Emergency Preparedness 1220

Fund: General Fund 1000

4. Continue to build the partnership between the White Bear Lake Police and Fire Department and Ramsey County Emergency Management and Homeland Security (HSEM). The Departments have police and fire representation at the quarterly HSEM meetings.
5. Participate in planning sessions with the White Bear Lake School District and Century College to prepare for school emergencies. Participate in lockdown drills at the schools throughout the year.
6. Review and update the City's COOP (Continuity of Operations Plan) to prepare for emergency events.

Measurable Workload Data:

	2021 <u>Actual</u>	2022 <u>Actual</u>	2023 <u>Budget</u>	2024 <u>Budget</u>
Number of CERT Volunteer Hours	1,900	390	854	1,000
CERT Team Activations	2	0	0	2
Number of emergency generator tests during year	12	12	12	12
Number of quarterly HSEM meetings attended	4	4	4	4

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Supplies						
6220	Equipment supplies	\$ 5	\$ 276	\$ 400	\$ 200	\$ 400
6248	Community engagement supplies	969	2,418	2,750	2,100	2,750
6250	Other supplies	-	31	250	-	250
6290	Uniforms	2,225	1,805	2,300	1,200	2,300
6295	Small tools	-	-	500	-	250
	Total supplies	<u>3,199</u>	<u>4,530</u>	<u>6,200</u>	<u>3,500</u>	<u>5,950</u>
Other Services and Charges						
6422	Electric	4,084	4,614	4,400	4,330	4,500
6423	Natural gas	1,807	3,023	4,600	3,595	3,695
6434	General liability insurance	299	329	329	329	368
6450	Outside printing	-	-	50	-	-
6505	Equipment maintenance service	-	1,054	3,000	3,000	3,000
	Total other services and charges	<u>6,190</u>	<u>9,020</u>	<u>12,379</u>	<u>11,254</u>	<u>11,563</u>
Total		<u>\$ 9,389</u>	<u>\$ 13,550</u>	<u>\$ 18,579</u>	<u>\$ 14,754</u>	<u>\$ 17,513</u>

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 for structures within the City. 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.

Two employees in the department ensure property related issues remain in compliance with the Municipal Code:

- A Rental Housing Specialist oversees the licensing and maintenance concerns related to rental properties to confirm 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.
- A Code Enforcement Officer concentrates efforts 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:

In late 2022, the Building Department experienced turnover in three different positions. Due to the turnover and position vacancies, regular salaries are below the adopted budget for 2023. The Department anticipates filling all vacant positions by December 2023. The Department hired a temporary building inspector in late 2022 to complete approximately 1,800 final roof inspections after a significant summer storm in 2022. This additional assistance allows full-time personnel to focus on the building permit and plan review activities related to the White Bear Lake ISD #624 renovations and the Barnum II multi-family complex construction project at 3600 Hoffman Road.

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 2023 Adopted Budget for this account also included \$50,000 to implement an electronic plan review software. This allocation was moved to the 2024 Budget.

Department: Building and Code Enforcement 1080

Fund: General Fund 1000

Staff utilize computer tablets in the field to access their permit system database during 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 funding for these capabilities for the tablet devices.

The City offers property owners and contractors the ability to apply and receive certain permits through an online system within the Building Department's permitting software system. In general, the City passes credit card fees on to the purchaser when the payment is made; however, the permitting software does not have that capability. Therefore, the city records the credit card fees directly related to these activities to the Building Department to ensure the permit fees are set at a level to cover the costs.

Capital Outlay:

The Equipment Acquisition Fund, found in the Capital Projects Fund section of the documents, replaces a department vehicle in 2023.

Goals:

1. Consider the potential for 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:

	2021 Actual	2022 Actual	2023 Budget	2024 Budget
Total Inspections for All Permits	4,684	4,185	4,000	4,000
Total Number of Permits Issued	2,861	3,766	2,800	2,500
Total Number of Permits Completed	1,950	2,692	2,000	1,700
Number of Certificates of Occupancy Issued	20	21	25	20
Number of Rental Inspections Performed	368	307	50	250
Total Value of Construction (in millions)	\$137,576	\$140,812	\$125,000	\$39,000
Number of New Single Family Dwelling Permits	8	7	10	10
Number of Town Homes Permits	1	0	0	0
Number of Apartment Permits	0	0	1	0

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

Annual Budget
Business Unit: 1080

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Personnel Services						
6105	Salaries - regular employees	\$ 402,932	\$ 426,464	\$ 488,330	\$ 441,442	\$ 518,652
6117	Overtime - regular employees	-	4,052	-	-	-
6119	Salaries - temporary employees	-	1,970	-	10,000	-
6122	PERA	30,220	32,289	36,625	33,108	38,899
6124	FICA/Medicare	30,303	32,471	37,357	34,535	39,677
6128	Insurance contribution	42,557	47,040	56,700	56,700	71,550
6138	Worker's compensation	2,775	3,330	13,898	13,898	15,390
6146	Severance pay	-	6,806	-	-	-
6148	Other benefits	4,300	11,400	10,800	10,800	8,400
	Total personnel services	<u>513,087</u>	<u>565,822</u>	<u>643,710</u>	<u>600,483</u>	<u>692,568</u>
Supplies						
6210	Office supplies	544	64	1,000	650	1,000
6220	Equipment supplies	349	125	300	450	450
6230	Vehicle supplies	1,412	2,517	1,550	1,650	550
6250	Other supplies	-	63	100	100	100
6272	Motor fuels	4,311	6,027	7,000	5,720	7,000
6280	Books & periodicals	405	122	1,300	1,000	1,300
6290	Uniforms	63	76	200	310	1,850
6295	Small tools	123	1,436	2,000	2,000	2,000
	Total supplies	<u>7,207</u>	<u>10,430</u>	<u>13,450</u>	<u>11,880</u>	<u>14,250</u>
Other Services and Charges						
6401	Professional services	62,640	89,389	112,200	96,225	120,175
6402	Data processing	39,130	43,122	55,300	55,300	53,800
6411	Telephone	1,486	1,623	2,025	2,025	1,900
6412	Cellular	2,723	3,368	3,710	2,800	2,800
6434	General liability insurance	3,165	3,482	3,482	3,482	3,899
6436	Vehicle liability insurance	1,100	1,133	1,133	1,133	1,167
6445	Postage	357	191	1,000	600	1,000
6450	Outside printing	296	372	500	625	500
6460	Subscription/memberships	121	65	470	145	145
6470	Training	2,215	3,121	5,370	5,230	5,600
6505	Equipment maintenance service	401	858	1,150	1,430	1,430
6510	Vehicle maintenance service	189	19	600	600	900
6545	Credit card fees	5,884	10,477	5,500	10,900	10,900
6560	Other contractual service	236	345	300	300	300
	Total other services and charges	<u>119,943</u>	<u>157,565</u>	<u>192,740</u>	<u>180,795</u>	<u>204,516</u>
Total		<u>\$ 640,237</u>	<u>\$ 733,817</u>	<u>\$ 849,900</u>	<u>\$ 793,158</u>	<u>\$ 911,334</u>

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 salary and benefits and 50% of the Public Works Clerk's salary and benefits. The Water Distribution, Water Treatment and Sewer Fund budgets receive an allocation of the remaining salary and benefit costs for the two positions to account for the job duties attributable to their operations.

The current Public Works Facility was constructed in 2010. As the facility continues to age, equipment and building repairs are on the rise. The City's Facilities Foreman identified areas requiring preventative maintenance in 2024, including all garage doors, the building automation system, the entrance gate, and windows. All of these items are budgeted for in the Building Maintenance Service line item. That account's budget also includes an allocation for CO2 and NO2 annual sensor calibrations beginning in 2024.

Capital Outlay:

The Municipal Building Fund in the Capital Projects Funds allocates resources to repair a failing HVAC roof top unit, install a fence around the expansion site, and a replace a drinking fountain in 2023.

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

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Personnel Services						
6105	Salaries - regular employees	\$ 65,974	\$ 69,885	\$ 73,223	\$ 73,215	\$ 77,230
6117	Overtime - regular employees	1,337	1,079	750	750	750
6122	PERA	5,052	5,326	5,548	5,547	5,848
6124	FICA/Medicare	5,220	5,454	5,659	5,658	5,965
6128	Insurance contribution	6,781	7,056	8,505	8,505	10,733
6138	Worker's compensation	2,325	2,790	2,085	2,085	2,309
6148	Other benefits	780	1,710	1,620	1,620	1,260
	Total personnel services	<u>87,469</u>	<u>93,300</u>	<u>97,390</u>	<u>97,380</u>	<u>104,095</u>
Supplies						
6210	Office supplies	1,428	962	1,600	1,600	1,600
6220	Equipment supplies	5,628	5,623	5,700	6,100	6,700
6230	Vehicle supplies	1,123	2,336	1,900	2,425	2,300
6240	Building supplies	8,076	8,755	6,350	6,875	7,000
6250	Other supplies	2,954	2,771	3,500	3,500	3,500
6255	Landscaping supplies	-	90	100	250	500
6272	Motor fuels	2,344	2,738	6,025	5,750	5,750
6274	Lubricants & additives	976	881	1,000	1,000	1,000
6290	Uniforms	2,525	1,564	2,750	2,965	2,950
6295	Small tools	3,827	2,111	1,250	850	2,300
	Total supplies	<u>28,881</u>	<u>27,831</u>	<u>30,175</u>	<u>31,315</u>	<u>33,600</u>
Other Services and Charges						
6401	Professional services	85	97	275	275	275
6402	Data processing	3,405	4,526	5,200	5,200	5,000
6411	Telephone	3,334	3,444	4,050	4,050	3,950
6412	Cellular	632	1,068	840	840	840
6422	Electric	26,627	31,920	29,300	31,000	31,000
6423	Natural gas	13,658	23,818	34,830	33,465	33,465
6434	General liability insurance	4,000	4,400	4,400	4,400	4,928
6436	Vehicle liability insurance	200	206	206	206	212
6445	Postage	220	148	300	300	300
6450	Outside printing	90	858	600	600	600
6460	Subscription/memberships	253	841	1,200	1,200	1,200
6470	Training	130	163	800	468	650
6492	Advertising	-	192	400	200	400
6505	Equipment maintenance service	1,413	4,288	2,900	5,175	5,500
6510	Vehicle maintenance service	-	-	-	150	300
6515	Building maintenance service	19,578	12,582	23,540	26,800	42,540
6525	Electrical repair service	4,858	-	2,500	2,500	2,500
6555	Equipment rental	1,672	2,743	3,150	2,450	3,150
6560	Other contractual services	16,876	18,463	20,125	21,125	21,205
6565	Disposal Fees	-	-	-	-	1,000
	Total other services and charges	<u>97,031</u>	<u>109,757</u>	<u>134,616</u>	<u>140,404</u>	<u>159,015</u>
Total		\$ 213,381	\$ 230,888	\$ 262,181	\$ 269,099	\$ 296,710

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Department: Engineering 1310

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 projects require long-term planning, whether they be internal or those undertaken by various partners including Ramsey and Washington Counties, neighboring local government entities, the Metropolitan Council, or 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 closely with other governmental agencies, the staff oversees surface water management, provides engineering review and assistance for plans proposed by property owners and developers, and supervises any consultant engineering services provided to a project.

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

Budget Summary:

The Insurance Contribution allocation increase in 2024 is the result of an increase in the average cost of insurance per employee. This calculation aligns the budget estimate with the actual department expenditures in recent years.

The 2024 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.

The 2024 Equipment Supplies budget line item includes \$12,000 to replace a survey data collector. The existing collector has out of date software and cannot be updated.

The Pavement Management Fund in the Capital Project Funds accounts for the costs related to street and trail projects supervised by the Engineering Department.

Capital Outlay:

There are no capital purchases planned in the Equipment Acquisition Fund within the Capital Project Funds for 2023 or 2024.

Department: Engineering 1310

Fund: General Fund 1000

Goals:

1. Update the City's Capital Improvement Plan which provides the framework for future infrastructure needs.
2. Review the 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 and record plans for archival into the Laserfiche software.
5. Review building and development proposals to ensure the City's objectives, standards, and policies are met.
6. Update and expand the City's GIS with water, sewer, and roadway and other infrastructure data.
7. Successfully deliver the Public Safety Facility renovation project.
8. Successfully complete the Downtown Mobility and Parking Study which will guide future improvement to the area.

Measurable Workload Data:

	2021 <u>Actual</u>	2022 <u>Actual</u>	2023 <u>Budget</u>	2024 <u>Budget</u>
Miles of street and alley reconstruction completed	1.18	2.92	0.00	2.00
Miles of mill and overlay completed	1.41	0.06	0.00	2.00

City of White Bear Lake
Public Works - Engineering

Annual Budget
Business Unit: 1310

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Personnel Services						
6105	Salaries - regular employees	\$ 397,490	\$ 465,084	\$ 496,558	\$ 496,537	\$ 519,431
6117	Overtime - regular employees	3,969	2,508	11,000	5,000	11,000
6119	Salaries - temporary employees	13,648	13,256	24,334	20,785	24,695
6120	Overtime - temporary employees	351	969	-	-	-
6122	PERA	30,106	35,069	38,067	37,615	39,782
6124	FICA/Medicare	30,519	35,597	40,690	39,707	42,169
6128	Insurance contribution	51,046	55,860	47,250	47,250	59,625
6138	Worker's compensation	3,100	3,720	11,581	11,581	12,825
6146	Severance pay	-	4,366	-	-	23,500
6148	Other benefits	6,500	11,400	9,000	9,000	7,000
	Total personnel services	<u>536,729</u>	<u>627,829</u>	<u>678,480</u>	<u>667,475</u>	<u>740,027</u>
Supplies						
6210	Office supplies	208	1,001	2,000	2,000	2,000
6220	Equipment supplies	880	531	1,500	1,500	13,500
6230	Vehicle supplies	2,988	173	1,560	1,560	1,560
6250	Other supplies	-	19	200	100	100
6272	Motor fuels	1,721	2,181	2,100	1,925	2,200
6280	Books & periodicals	130	-	150	-	150
6290	Uniforms	31	165	500	500	500
6295	Small tools	85	692	1,000	1,000	2,000
	Total supplies	<u>6,043</u>	<u>4,762</u>	<u>9,010</u>	<u>8,585</u>	<u>22,010</u>
Other Services and Charges						
6401	Professional services	128	120	150	150	175
6402	Data processing	41,440	70,974	78,550	78,550	81,260
6411	Telephone	984	1,100	1,425	1,425	1,300
6412	Cellular	1,679	1,406	1,630	1,630	1,630
6434	General liability insurance	5,274	5,801	5,801	5,801	6,498
6436	Vehicle liability insurance	400	412	412	412	424
6445	Postage	1,452	1,127	2,400	1,845	2,400
6449	In-house printing	-	-	500	-	-
6450	Outside printing	39	174	400	400	400
6460	Subscription/memberships	538	800	705	785	1,035
6470	Training	1,800	3,383	5,000	4,200	7,100
6485	Travel allowance	2,400	2,400	2,850	2,850	2,850
6505	Equipment maintenance service	430	231	1,500	2,795	2,900
6510	Vehicle maintenance service	-	-	1,500	1,500	1,500
6560	Other contractual services	-	(5,430)	100	100	100
	Total other services and charges	<u>56,564</u>	<u>82,498</u>	<u>102,923</u>	<u>102,443</u>	<u>109,572</u>
Total		<u>\$ 599,336</u>	<u>\$ 715,089</u>	<u>\$ 790,413</u>	<u>\$ 778,503</u>	<u>\$ 871,609</u>

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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 City filled the vacant mechanic position at the beginning of 2021. After completing a comprehensive review of garage operations and out-sourced repair projects in recent years, the Public Works Departments chose to reorganize staff and utilize budget savings from the Parks Department to hire a second mechanic mid-year 2021. This opportunity reduced expenditures as the Garage Department could now complete more preventative maintenance work and repairs in-house rather than sending the projects to an outside vendor. Final staff changes occurred in 2022 with the promotion one mechanic position to that of Working Foreman. This restructuring gives the Working Foreman clear supervision responsibilities over the Central Garage Department.

The budget allocates resources to purchase general parts or services not associated with specific vehicles or equipment units. All City departments include budget appropriations 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.

The 2023 Revised and 2024 budgets for Equipment Supplies include a new allocation for hydraulic parts as the Public Works Department is using a new style when repairing the City's equipment.

The Lubricants and Additives Budget allocations for the Revised 2023 and 2024 budgets increases due to an unavoidable increase in material costs from suppliers.

The 2024 Budget for Training adds funding for the mechanics to attend sessions on specialty equipment like street sweepers and Sewer Department equipment.

Goals:

1. Begin assessing fleet lifecycle cost data to help keep a green fleet and reduce spending on poor fuel economy and inefficient equipment.
2. Promptly complete all vehicle maintenance requests to reduce down time for other departments.

Department: Central Garage 1320

Fund: General Fund 1000

3. Complete the majority of repair requests to reduce outsourcing costs and control quality of work.
4. Update stock inventory for more accurate and efficient spending.
5. Expand training on the diverse fleet of equipment needed to maintain the City's expectations.

Measurable Workload Data:

	2021 <u>Actual</u>	2022 <u>Actual</u>	2023 <u>Budget</u>	2024 <u>Budget</u>
Vehicle and equipment repair projects	238	290	340	300
Oil changes and preventive maintenance projects	216	155	150	200
Department of Transportation safety inspections	21	16	18	15

City of White Bear Lake
Public Works - Garage

Annual Budget
Business Unit: 1320

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Personnel Services						
6105	Salaries - regular employees	\$ 93,550	\$ 147,272	\$ 155,657	\$ 154,614	\$ 164,853
6117	Overtime - regular employees	2,735	1,128	2,750	2,750	2,900
6122	PERA	7,221	11,130	11,881	11,802	12,581
6124	FICA/Medicare	7,255	11,597	12,118	12,038	12,833
6128	Insurance contribution	8,396	15,680	18,900	18,900	23,850
6138	Worker's compensation	3,225	3,870	4,633	4,633	5,130
6148	Other benefits	845	3,800	3,600	3,600	2,800
	Total Personnel Services	<u>123,227</u>	<u>194,477</u>	<u>209,539</u>	<u>208,337</u>	<u>224,946</u>
Supplies						
6210	Office supplies	94	276	300	300	300
6220	Equipment supplies	9,098	11,422	10,000	13,500	16,000
6230	Vehicle supplies	3,164	3,542	5,600	6,475	4,775
6240	Building supplies	1,790	868	2,600	1,800	2,900
6250	Other supplies	1,140	1,483	1,650	1,650	2,150
6272	Motor fuels	-	-	-	1,100	1,100
6274	Lubricants & additives	6,164	9,237	10,000	15,000	20,000
6290	Uniforms	962	968	1,330	1,470	1,590
6295	Small tools	5,156	4,895	5,800	5,800	6,600
	Total Supplies	<u>27,568</u>	<u>32,691</u>	<u>37,280</u>	<u>47,095</u>	<u>55,415</u>
Other Services and Charges						
6401	Professional services	291	109	330	330	355
6434	General liability insurance	2,920	3,212	3,212	3,212	3,597
6445	Postage	-	-	50	150	150
6450	Outside printing	45	48	200	100	100
6470	Training	80	745	3,000	3,310	5,560
6505	Equipment maintenance service	1,404	1,542	5,500	5,900	5,400
6508	Shop maint. service					-
6555	Equipment rental	2,773	3,322	3,000	4,000	4,000
6560	Other contractual services	3,816	13,659	15,800	17,800	17,800
	Total Other Services and Charges	<u>11,329</u>	<u>22,637</u>	<u>31,092</u>	<u>34,802</u>	<u>36,962</u>
Total		<u>\$ 162,124</u>	<u>\$ 249,805</u>	<u>\$ 277,911</u>	<u>\$ 290,234</u>	<u>\$ 317,323</u>

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. 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 through regular inspections and minor routine maintenance. These activities minimize 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 20th – 25th 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 because 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 50th year in the street's life cycle.

Department: Streets 1410

Fund: General Fund 1000

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:

The Streets Department consists of one Working Foreman and three Maintenance II positions. Following the retirement of the former Working Foreman in late 2022 and an internal promotion within the Department, one of the three Maintenance II positions remained vacant until May 2023.

The 2024 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.

The budget amount for Signs and Stripping Materials increases in both the 2023 and 2024 Budgets due to a rise in the cost for paint stripping materials.

The 2023 Revised and 2024 budgets for Motor Fuels were increased to account for the unavoidable increase in the cost of diesel.

In 2023, the City's street sweeper and the transmission of one of the Department's dump trucks required approximately \$21,500 in unforeseen repairs, which are accounted for in the Equipment Maintenance Service line item of the 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 system services. 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 2023 Budget appropriation replaces a ¾ ton pickup truck and repairs an asphalt hot box truck. The 2024 Budget appropriation replaces two trucks and other miscellaneous equipment.

Department: Streets 1410

Fund: General Fund 1000

Goals:

1. Provide high level of maintenance to ensure safe, clean, and well-maintained streets for citizens at all times.
2. Utilize street sweeping activities to 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:

	2021 <u>Actual</u>	2022 <u>Actual</u>	2023 <u>Budget</u>	2024 <u>Budget</u>
Cubic Yards of Debris Swept	1,355	1,435	1,400	1,900
Miles of Streets Swept	620	469	700	700
Tons of Asphalt used for street patching	511	435	450	450
Man Hours Spent Tree Trimming	492	455	200	500

City of White Bear Lake
Public Works - Streets

Annual Budget
Business Unit: 1410, 1411

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Personnel Services						
6105	Salaries - regular employees	\$ 236,613	\$ 229,789	\$ 250,452	\$ 231,889	\$ 269,457
6117	Overtime - regular employees	2,181	3,326	3,390	3,390	3,500
6119	Salaries - temporary employees	14,932	12,198	15,265	15,798	16,827
6120	Overtime - temporary employees	-	-	600	600	600
6122	PERA	17,909	17,464	19,038	17,646	20,472
6124	FICA/Medicare	18,922	17,909	20,633	19,253	22,214
6128	Insurance contribution	35,329	37,240	42,000	42,000	47,700
6138	Worker's compensation	21,955	26,346	9,265	9,265	10,260
6146	Severance pay	-	-	-	-	22,600
6148	Other benefits	2,820	7,600	7,200	7,200	5,600
	Total personnel services	<u>350,661</u>	<u>351,872</u>	<u>367,842</u>	<u>347,041</u>	<u>419,230</u>
Supplies						
6210	Office supplies	-	5	100	100	100
6220	Equipment supplies	26,942	25,676	24,750	22,250	25,250
6230	Vehicle supplies	7,908	1,602	10,000	10,000	10,000
6250	Other supplies	21	61	750	750	750
6253	Street materials	26,489	26,267	27,000	27,000	30,500
6254	Signs & stripping materials	17,737	16,348	15,000	20,000	20,000
6272	Motor fuels	17,775	31,263	27,800	41,370	41,500
6274	Lubricants & additives	1,118	1,396	1,500	2,500	3,000
6290	Uniforms	2,852	1,830	3,750	3,380	3,320
6295	Small tools	996	655	1,000	1,000	1,000
	Total supplies	<u>101,838</u>	<u>105,103</u>	<u>111,650</u>	<u>128,350</u>	<u>135,420</u>
Other Services and Charges						
6401	Professional services	242	228	500	500	500
6402	Data processing	7,420	8,313	10,500	10,500	10,500
6411	Telephone	578	668	850	850	825
6412	Cellular	720	645	390	390	390
6434	General liability insurance	17,340	19,074	19,074	19,074	21,363
6436	Vehicle liability insurance	2,600	2,678	2,678	2,678	2,758
6450	Outside printing	-	36	150	150	150
6460	Subscription/memberships	-	-	150	150	150
6470	Training	755	60	1,850	1,200	2,545
6505	Equipment maintenance service	8,294	6,314	7,000	29,230	8,575
6510	Vehicle maintenance service	1,112	502	2,500	2,000	2,500
6540	Vandalism	436	-	500	500	500
6555	Equipment rental	72	990	2,000	2,000	3,000
6560	Other contractual services	51,952	57,535	94,000	91,000	96,000
	Total other services and charges	<u>91,521</u>	<u>97,043</u>	<u>142,142</u>	<u>160,222</u>	<u>149,756</u>
Total		<u>\$ 544,020</u>	<u>\$ 554,018</u>	<u>\$ 621,634</u>	<u>\$ 635,613</u>	<u>\$ 704,406</u>

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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, the City does not clear snow during Spring months if the forecast predicts sunshine and warmer temperatures after the snowfall which helps reduce unnecessary employee overtime hours and equipment usage.

Budget Summary:

Total snowfall for 2021, 2022, and 2023 according to the Minnesota Department of Natural Resources is shown in the table below:

Year	Snowfall January-April	Snowfall January-December
2021	18.2"	40.9"
2022	27.5"	60.7"
2023	57.1"	TBD

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.

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

Currently, the department applies salt to roads to prevent dangerous conditions. 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.

Department: Snow and Ice Removal 1420

Fund: General Fund 1000

The Other Contractual Services expenditure account maintains the budget for contracted snow removal services.

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 2023 Budget allocated amounts to rebuild a Wildcat snow blower, and the 2024 Budget allocated amounts to purchase a trackless sidewalk plow and a Bobcat.

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:

	2021 <u>Actual</u>	2022 <u>Actual</u>	2023 <u>Budget</u>	2024 <u>Budget</u>
Seasonal Snowfall in Inches	40.90	60.70	100.00	90.00
Snow plow events outside regular working hours	5	8	8	8
Road salt de-icing/anti-caking usage per ton	218	707	600	500
Snow plow sessions needing Cul-De-Sac plowing	3	9	11	7

City of White Bear Lake
Public Works - Snow Removal

Annual Budget
Business Unit: 1420

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Personnel Services						
6105	Salaries - regular employees	\$ 34,221	\$ 46,226	\$ 59,058	\$ 59,058	\$ 61,356
6117	Overtime - regular employees	23,395	22,210	25,000	25,000	25,000
6122	PERA	4,321	5,133	6,304	6,304	6,477
6124	FICA/Medicare	4,304	5,083	6,430	6,430	6,606
6128	Insurance contribution	8,435	9,310	10,500	10,500	11,925
6138	Worker's compensation	5,620	6,744	2,316	2,316	2,565
6148	Other benefits	1,000	1,900	1,800	1,800	1,400
	Total personnel services	<u>81,296</u>	<u>96,606</u>	<u>111,408</u>	<u>111,408</u>	<u>115,329</u>
Supplies						
6220	Equipment supplies	10,520	22,918	19,000	19,000	20,000
6230	Vehicle supplies	256	35	1,700	1,700	1,700
6250	Other supplies	52,290	64,805	76,500	76,050	83,000
6272	Motor fuels	16,679	29,272	27,000	30,600	31,700
6274	Lubricants & additives	-	2,037	1,000	1,000	1,000
6295	Small tools	184	140	300	300	300
	Total supplies	<u>79,929</u>	<u>119,207</u>	<u>125,500</u>	<u>128,650</u>	<u>137,700</u>
Other Services and Charges						
6434	General liability insurance	4,125	4,538	4,538	4,538	5,082
6436	Vehicle liability insurance	400	412	412	412	424
6470	Training	-	-	600	600	600
6505	Equipment maintenance service	271	-	6,000	3,000	6,000
6510	Vehicle maintenance service	198	-	3,000	3,000	3,000
6560	Other contractual services	18,600	38,125	36,000	54,100	42,000
	Total other services and charges	<u>23,594</u>	<u>43,075</u>	<u>50,550</u>	<u>65,650</u>	<u>57,106</u>
Total		<u>\$ 184,819</u>	<u>\$ 258,888</u>	<u>\$ 287,458</u>	<u>\$ 305,708</u>	<u>\$ 310,135</u>

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Department: Street Lighting and Signal Operation 1430

Fund: General Fund 1000

Department Activities and Responsibilities:

This department accounts for the electric usage and maintenance costs related to 529 city-owned decorative streetlights, electric usage charges for 952 Xcel Energy maintained cobra light poles, and shared costs for 24 signalized intersections in the City.

The City operates and maintains decorative streetlights for the downtown area, the Lake Avenue trail, the median of County Road 96, and will be adding the new South Shore Trail in 2023. 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 and redevelopment of downtown streets and the surrounding areas.

The department is considering future projects to retrofit the current lighting with light emitting diodes (LED) lights to reduce electric usage 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.

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 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.

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 2024. This work and painting of the poles will keep the structures in good condition and prevent issues that are more extensive. The Other Supplies budget also includes an allocation for new streetlights at intersection/cul-de-sac locations.

The Equipment Maintenance Services budget increases to pay for biannual inspections of the emergency opticom equipment at lighted intersections.

Department: Street Lighting and Signal Operation 1430

Fund: General Fund 1000

The Electrical Maintenance Services expenditure budget includes funds for the repair of existing light poles. The 2023 Revised Budget allocates additional funds for repairs that address low light issues brought to the City Council and for the addition of four cobra style heads on existing wood poles located Downtown.

As mentioned above in the Department Activities and Responsibilities section, Xcel Energy owns 952 of the streetlights within the City. The City has a contract with Xcel Energy to pay a monthly rate for electricity and maintenance on these lights. The costs related to this contract are included in the Other Contractual Services budget expenditures.

Goals:

1. Prioritize replacement of older light poles to maintain safe levels of street lighting.
2. Determine best method to implement 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:

	2021 <u>Actual</u>	2022 <u>Actual</u>	2023 <u>Budget</u>	2024 <u>Budget</u>
Number of repair calls for downtown streetlights	13	20	15	10
Number of decorative street light poles painted	9	0	0	0
Number of light poles or fixtures replaced	0	3	0	1

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

Annual Budget
Business Unit: 1430

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Personnel Services						
6105	Salaries - regular employees	\$ 8,023	\$ 8,285	\$ 8,534	\$ 8,534	\$ 8,790
6117	Overtime - regular employees	273	-	270	270	300
6122	PERA	623	641	660	660	682
6124	FICA/Medicare	634	654	673	674	695
6128	Insurance contribution	855	784	945	945	1,193
6138	Worker's compensation	475	570	232	232	257
6148	Other Benefits	-	190	180	180	140
	Total personnel services	<u>10,883</u>	<u>11,124</u>	<u>11,493</u>	<u>11,495</u>	<u>12,057</u>
Supplies						
6220	Equipment supplies	965	2,652	2,700	3,300	3,300
6250	Other supplies	10,576	15,506	28,000	28,300	32,300
	Total supplies	<u>11,541</u>	<u>18,158</u>	<u>30,700</u>	<u>31,600</u>	<u>35,600</u>
Other Services and Charges						
6422	Electric	14,161	15,828	15,400	15,400	16,200
6505	Equipment maintenance service	4,579	2,458	6,730	8,900	8,900
6525	Electric maintenance service	21,978	10,497	22,500	39,000	23,000
6560	Other contractual services	139,539	157,217	158,000	158,000	158,000
	Total other services and charges	<u>180,257</u>	<u>186,000</u>	<u>202,630</u>	<u>221,300</u>	<u>206,100</u>
Total		<u>\$ 202,681</u>	<u>\$ 215,282</u>	<u>\$ 244,823</u>	<u>\$ 264,395</u>	<u>\$ 253,757</u>

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 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 by maintaining the grounds of City facilities.

The Park Improvement Fund supports the facility capital improvements in the City's parks. While past and current improvements offer great amenities for City residents to enjoy, they require regular maintenance provided through department operations.

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:

As mentioned above, responsibilities of department employees continue to expand each year with the addition of amenities through the park improvement projects. The department utilizes a combination of full-time and temporary employees to complete the work.

Regular salaries rise in the 2024 Budget due to the addition of a new Building Maintenance position on July 1, 2024. The General Fund will receive transfers from the Economic Development, Sports Center and Water Funds to offset a percentage of the expenditures related to this position since their operations will benefit from the skills and expertise of this employee.

Temporary salaries are down in the 2023 Revised Budget as the City was only able to fill four of the six budgeted temporary positions. The 2024 Budget plans for six temporary positions again; however, the budgeted pay rate increased by two steps on the compensation schedule to draw more potential applicants.

The 2023 budget includes an allocation for severance costs incurred as full-time employees complete 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.

Department: Parks 1510

Fund: General Fund 1000

The Insurance Contribution allocation increase in 2024 is the result of the addition of the new Building Maintenance position combined with an increase in the average cost of insurance per employee.

In the 2023 Budget, the City began moving items considered operating expenditures previously budgeted for in the Park Improvement Fund to the Parks Department within the General Fund. The intent is to have the Park Improvement Fund only account for capital related expenditures. As a result, the Other Supplies budget line item now funds replacement of playground sand. Likewise, the annual budget allocation of \$4,500 for vegetation removal at the Matoska Park boat launch moved from the Park Improvement Fund to the Other Contractual Service Budget.

The 2023 Equipment Supplies Revised Budget adds additional funds for major repairs to two of the City's mowers.

The Landscaping Supplies budget for mulch increases from \$4,000 in 2023 to \$8,000 in 2024 due to the addition of the South Shore Trail and the renovated Public Safety Facility building.

The 2024 funding for Motor Fuels increases due to unavoidable diesel price increases.

Prior to 2023, the Pavement Management Fund recorded the revenues and expenditures related to diseased tree removals, with the primary cause being from the Emerald Ash Borer disease. The revenues are either in the form of a tax levy for trees on City owned property or from property owners who split the cost of tree removal with the City when the diseased tree is in the City boulevard abutting their property. The 2023 budget moved the revenues and expenditures to the General Fund revenues and Park Department expenditures as the budget for the Pavement Management Fund focused on activities related to streets, parking lots, sidewalks and trails.

In 2023, the tax levy and expenditures added to the General Fund for these activities was \$25,000. However, based on actual operations during the year, the expenditure amount increased in the 2023 Revised Budget, with a significant increase in 2024. The General Fund tax levy also increased in 2024 to cover the anticipated 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. A detailed explanation of capital projects planned for financing from each of these funds is available in the Capital Improvement Section of this document.

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:

	2021 <u>Actual</u>	2022 <u>Actual</u>	2023 <u>Budget</u>	2024 <u>Budget</u>
Hours Spent Mowing for the Season	641	1,006	600	975
Number of Park Reservations/Special Events	409	419	375	425
Number of Tree Inspections Performed	82	70	100	75
Man Hours Spent Tree Trimming	302	257	300	250
Number of Special Events Supported	171	232	100	210
Instances of Vandalism	9	9	19	10

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Personnel Services						
6105	Salaries - regular employees	\$ 292,676	\$ 321,138	\$ 334,152	\$ 328,539	\$ 389,909
6117	Overtime - regular employees	8,973	15,040	12,336	15,000	15,750
6119	Salaries - temporary employees	40,787	52,262	54,847	29,093	50,482
6122	PERA	22,622	24,965	25,987	25,765	30,424
6124	FICA/Medicare	25,115	27,955	30,702	28,506	34,895
6128	Insurance contribution	42,909	46,550	52,500	52,500	71,550
6138	Worker's compensation	22,525	27,030	11,581	11,581	15,390
6146	Severance pay	-	12,974	15,509	15,509	-
6148	Other benefits	3,865	9,500	9,000	9,000	8,400
	Total personnel services	<u>459,472</u>	<u>537,414</u>	<u>546,614</u>	<u>515,493</u>	<u>616,800</u>
Supplies						
6210	Office supplies	25	2	100	100	100
6220	Equipment supplies	13,802	22,568	15,150	26,700	23,600
6230	Vehicle supplies	4,969	12,152	7,900	7,900	7,900
6240	Building supplies	8,506	11,411	13,500	14,250	14,300
6250	Other supplies	5,443	5,110	28,750	28,750	20,600
6253	Street materials	613	2,779	600	2,800	2,800
6255	Landscaping supplies	15,460	20,006	23,700	25,150	28,950
6272	Motor fuels	15,872	28,604	21,000	28,435	28,835
6274	Lubricants & additives	219	896	660	660	660
6280	Books & periodicals	-	-	100	100	100
6290	Uniforms	4,667	3,133	5,165	4,615	4,665
6295	Small tools	3,370	2,767	4,750	4,750	5,850
	Total supplies	<u>72,946</u>	<u>109,428</u>	<u>121,375</u>	<u>144,210</u>	<u>138,360</u>
Other Services and Charges						
6401	Professional services	647	956	950	900	1,400
6402	Data processing	-	-	1,500	1,500	1,500
6411	Telephone	781	869	1,125	1,125	1,075
6412	Cellular	597	524	720	400	400
6422	Electric	19,373	16,720	25,000	19,520	19,520
6423	Natural gas	2,053	2,993	4,000	3,840	4,000
6434	General liability insurance	12,148	13,363	13,363	13,363	14,966
6436	Vehicle liability insurance	1,800	1,854	1,854	1,854	1,910
6450	Outside printing	-	309	400	400	400
6460	Subscription/memberships	2,908	2,741	3,685	3,985	3,685
6470	Training	1,975	1,770	5,350	3,050	5,330
6505	Equipment maintenance service	1,759	7,334	6,500	6,500	8,000
6510	Vehicle maintenance service	5,839	3,692	6,000	5,000	5,000
6515	Building maintenance service	1,357	554	4,050	4,050	4,050
6525	Electrical maintenance service	236	3,698	6,200	2,900	2,900
6540	Vandalism	5,186	4,888	5,000	5,000	5,000
6555	Equipment rental	1,788	2,087	4,000	4,000	4,000
6560	Other contractual services	18,559	29,379	58,120	71,055	163,250
	Total other services and charges	<u>77,006</u>	<u>93,731</u>	<u>147,817</u>	<u>148,442</u>	<u>246,386</u>
Total		<u>\$ 609,424</u>	<u>\$ 740,573</u>	<u>\$ 815,806</u>	<u>\$ 808,145</u>	<u>\$ 1,001,546</u>

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 City entered into an Energy Performance Contract with Trane Technologies in 2021 to implement energy efficiencies within the City facilities and operations. The Municipal Building Fund maintains the financial records to coordinate the funding and expenditures related to the contract.

The City Council approved Resolution 12888 at their November 23, 2021 meeting creating a loan with a 1.5% interest rate from the Non-Bonded Fund and the Economic Development Fund to assist the Municipal Building Fund in financing the cost of the contract. A portion of any energy savings in the General Fund will be transferred to the Municipal Building Fund to support repayment of the loans. The 2024 budget does not include a transfer due to no realized savings yet.

Department: General Services and Contingency 1610

Fund: General Fund 1000

The City Council did adopt Resolution 12889 which declares an official intent of the City to be reimbursed for certain expenditures from the proceeds of bonds issued by the City for these costs in the event the City Council determines liquidity of these funds a more immediate priority than waiting for repayment of the internal loan. The City must issue any bonds to receive reimbursement for these expenditures within 3 years of the resolution approval, November 23, 2024.

City of White Bear Lake
General Services and Contingency

Annual Budget
Business Unit: 1610

<u>Code</u>	<u>Item</u>	<u>2021 Actual</u>	<u>2022 Actual</u>	<u>2023 Adopted</u>	<u>2023 Revised</u>	<u>2024 Budget</u>
General Services						
6148	General	\$ -	\$ -	\$ 147,792	\$ -	\$ -
6560	WBL Conservation District	42,660	36,007	22,450	22,450	13,175
6560	Northeast Youth & Family Services	50,916	52,443	57,000	57,000	60,000
6560	Senior Bus	2,345	3,094	7,800	7,800	7,800
6560	Emergency appropriations	11,411	19,203	10,000	-	-
	Total contingency	<u>107,332</u>	<u>110,747</u>	<u>245,042</u>	<u>87,250</u>	<u>80,975</u>
Transfers to Other Funds						
7605	Equipment Acquisition	400,000	-	-	-	-
7605	Municipal Building	200,000	323,485	-	-	-
	Total transfers	<u>600,000</u>	<u>323,485</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total		<u>\$ 707,332</u>	<u>\$ 434,232</u>	<u>\$ 245,042</u>	<u>\$ 87,250</u>	<u>\$ 80,975</u>

City of White Bear Lake

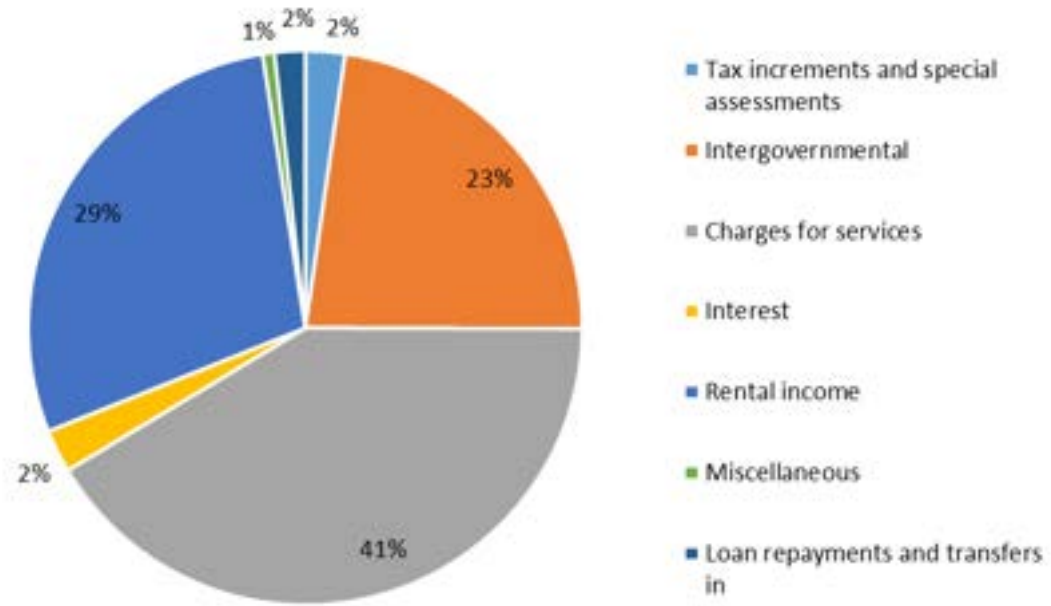
Annual Budget

Special Revenue Funds

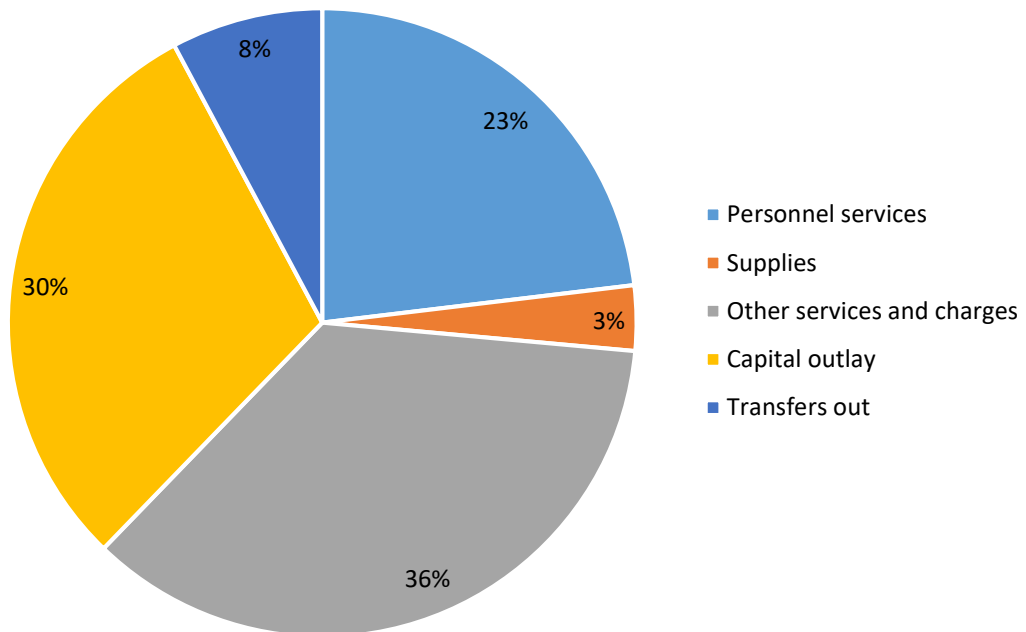
Item	2021 Actual	2022 Actual	2023 Budget	2023 Revised	2024 Budget
Revenues					
Tax increment	\$ 3,527	\$ 5,827	\$ -	\$ 2,490	\$ -
Special assessments	61,604	67,361	64,665	65,940	65,924
Intergovernmental	136,849	691,128	20,000	357,110	649,638
Charges for services	841,195	925,491	915,445	1,012,225	1,181,388
Rental income	875,544	758,480	762,366	780,152	817,249
Miscellaneous	56,101	33,129	18,400	16,577	19,520
Interest	(20,081)	(96,815)	-	66,850	71,800
Loan repayments	187,438	105,592	16,800	38,571	11,000
Transfers in	22,500	22,500	22,500	39,500	40,000
Total revenues	<u>2,164,677</u>	<u>2,512,693</u>	<u>1,820,176</u>	<u>2,379,414</u>	<u>2,856,519</u>
Expenditures					
Personnel services	668,555	745,023	788,606	779,290	845,102
Supplies	87,548	106,537	113,115	88,150	122,595
Other services and charges	854,790	803,047	1,134,833	1,024,654	1,309,950
Capital outlay	128,031	675,048	954,328	730,574	1,096,138
Transfers out	342,600	889,942	218,100	218,100	285,520
Total expenditures	<u>2,081,524</u>	<u>3,219,597</u>	<u>3,208,981</u>	<u>2,840,768</u>	<u>3,659,305</u>
Revenues over (under) expenditures	<u>83,153</u>	<u>(706,904)</u>	<u>(1,388,805)</u>	<u>(461,354)</u>	<u>(802,787)</u>
Reserve adjustment (to) from	<u>(15,000)</u>	<u>52,500</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, January 1	<u>4,000,899</u>	<u>4,069,052</u>	<u>3,655,126</u>	<u>3,414,648</u>	<u>2,953,294</u>
Fund balance, December 31	<u>\$ 4,069,052</u>	<u>\$ 3,414,648</u>	<u>\$ 2,266,321</u>	<u>\$ 2,953,294</u>	<u>\$ 2,150,507</u>
Reserves	<u>255,250</u>	<u>255,250</u>	<u>255,250</u>	<u>255,250</u>	<u>255,250</u>
Total fund balance and reserves, December 31	<u>\$ 4,324,302</u>	<u>\$ 3,669,898</u>	<u>\$ 2,521,571</u>	<u>\$ 3,208,544</u>	<u>\$ 2,405,757</u>

2024 Special Revenue Funds

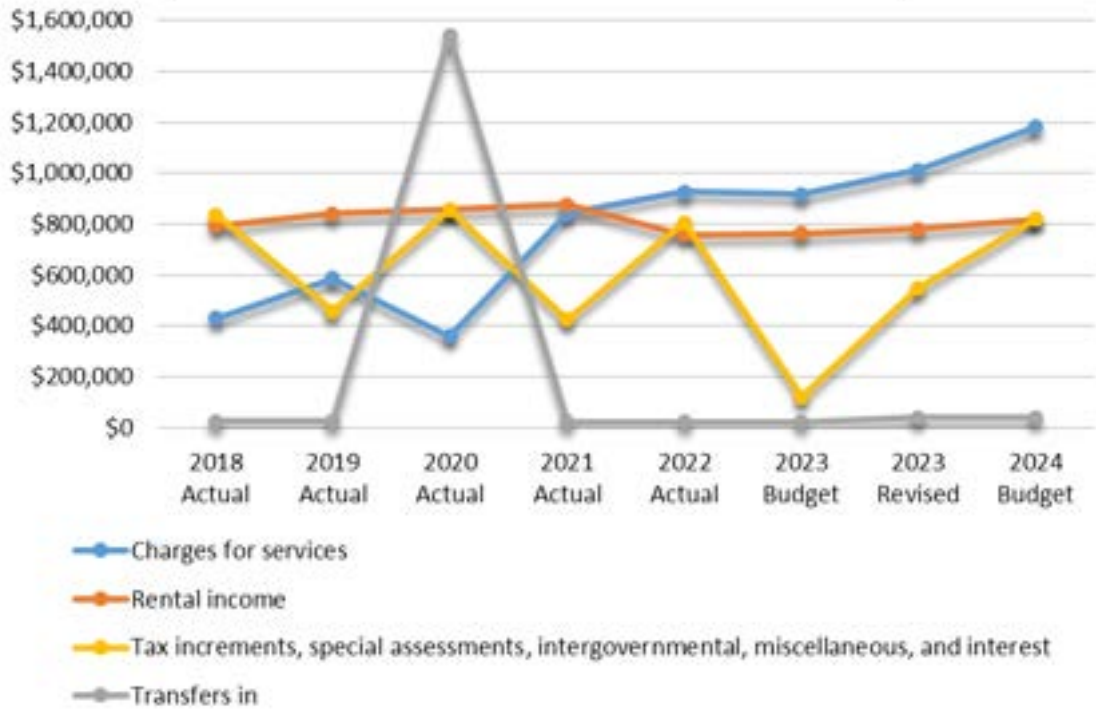
Total Revenues \$2,856,519



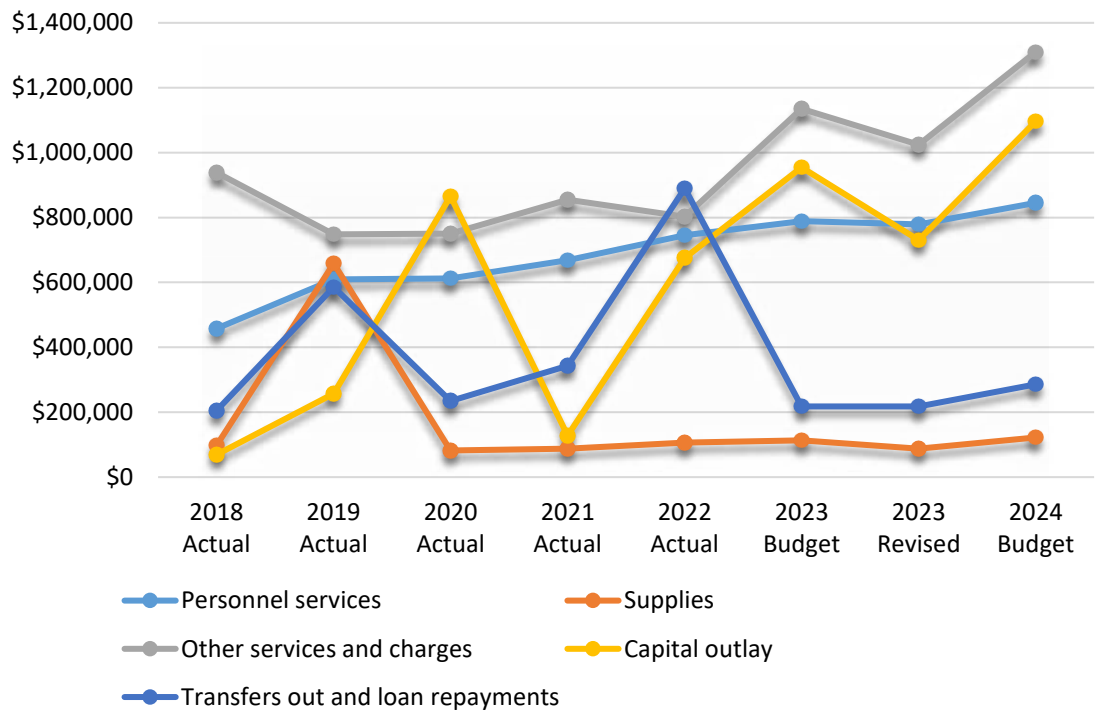
Total Expenditures \$3,659,305



Special Revenue Funds Revenue Trend Analysis



Special Revenue Funds Expenditure Trend Analysis



Fund: American Rescue Plan Aid Fund 2020

Department Activities and Responsibilities:

On March 11, 2021, President Biden signed the American Rescue Plan Act (ARPA) of 2021 into law. The economic relief package included \$130 billion for local governments. ARPA allocated monies to cities with populations under 50,000 according to population share, with the allocation not exceeding 75% of their most recent budget as of January 27, 2021. The State of Minnesota calculated the City's share of these funds to be \$2,827,678. The State of Minnesota distributed 50% of the total amount to the City in July 2021, with the remaining 50% distributed in June 2022. After the deadline passed for local governments to request ARPA funds from the State, a portion of the State's allocation of these funds remained un-requested. As allowed by the U.S. Treasury, the State redistributed these remaining funds amongst eligible local governments who requested the ARPA funds. As a result, the City received an additional \$89,662, with 50% distributed in November 2021 and 50% distributed in June 2022. The City must obligate the funds by December 31, 2024, and spend them by December 31, 2026.

Eligible expenditures of the ARPA funds must fall within the following categories:

- Support public health expenditures
- Address negative economic impacts caused by the public health emergency
- Replace lost public sector revenue
- Provide premium pay for essential works
- Invest in water, sewer, and broadband infrastructure

Though all five categories are important in consideration of assistance to the community as the City continues to navigate challenges related to the pandemic, replacement of lost public sector revenue offers the most flexibility toward using the funds to support government services. Originally, the U.S. Treasury created methodology to calculate lost revenue to ensure consistency of application between organizations; however, the Treasury Department's Final Rule released January 6, 2022 with an effective date of April 1, 2022, simplified requirements for spending funds under the replacement of lost public sector revenue category by establishing a \$10 million revenue loss standard allowance. This guidance allows any recipient the ability to spend up to \$10 million on items qualifying in that category.

The City created the American Rescue Plan Aid Fund to receive the funds and track expenditures. In the 2023 Revised and 2024 Proposed Budgets, the funds support some operations; however, application of ARPA funds primarily focuses on one-time expenditures or capital projects. The City Council used the following goals when allocating the funds:

1. Reduce need for future bond issuance for capital purchases;
2. Avoid application of one-time funding for operational costs that ultimately lead to greater burden on future levies;
3. Utilize ARPA funds to purchase capital equipment and support building projects originally planned as expenditures in the Equipment Acquisition and Municipal Building Funds to allow redirection of the Local Government Aid (LGA) revenues to the General Fund.

Fund: American Rescue Plan Aid Fund 2020

Budget Summary:

The 2023 Revised Budget assigns approximately \$14,000 in funding for replacement of the City Hall boardroom table and chairs that sustained water damage.

Portions of both the Public Works Facility backup generator and the Streets single axle dump truck projects, originally expected to occur in 2022, shift to the 2023 Revised Budget to align with the project completion dates.

The City originally allocated \$200,000 in 2023 to relocate the License Bureau from City Hall to the Normandy Center. However, a space assessment of the Normandy Center determined the allotted funds would not be sufficient to support the improvements and modifications required to relocate to the space. Therefore, redirection of the \$200,000 will now fund the City Hall window replacement project in 2024.

A large portion of the City Hall office expansion project moved from 2023 to 2024 to allow additional time to review options. The project allocation increases in 2024 with the addition of approximately \$112,700 of unspent funds remaining from completed projects.

The City intends to spend the ARPA funds as illustrated in the chart on the following page.

Fund: American Rescue Plan Aid Fund 2020

Planned ARPA Expenditures - 2024 Budget

	2021	2022	2023	2024	Total
Support Public Health Expenditures					
Assistance to Northeast Youth and Family Services	\$ -	\$ -	\$ -	\$ 10,000	\$ 10,000
	-	-	-	10,000	10,000
Negative Impacts Caused by the Public Health Emergency					
City Hall Boilers	-	235,792	-	-	235,792
	-	235,792	-	-	235,792
Revenue Loss Recapture					
Fire Department 800MHz Radios	-	3,308	-	-	3,308
Public Works Back-up Generator	-	37,930	55,030	-	92,960
Streets Single Axle Dump Truck	-	-	180,499	-	180,499
City Hall Office Expansion	-	3,647	10,216	238,811	252,674
City Hall Windows	-	-	-	200,000	200,000
City Hall Conference Room Furniture	-	-	14,244	-	14,244
City Hall Council Chambers Furniture	-	-	5,000	-	5,000
Police Squad Car Replacements	-	43,172	-	121,827	164,999
Police 800MHz Portable Radios	-	20,000	-	-	20,000
Police Squad Laptop Computers	-	18,035	-	-	18,035
Police Squad Cameras	-	-	15,000	-	15,000
Community Development Housing Study	-	-	18,000	-	18,000
City Manager Department - ARPA Funds Administration	25,000	25,000	-	-	50,000
Finance - ARPA Funds Administration	25,000	25,000	-	-	50,000
Fire Department - New Medic	-	24,000	24,000	24,000	72,000
Armory - Operating Expenditures	50,000	45,000	-	-	95,000
Sports Center - Operating Expenditures	75,000	50,000	-	-	125,000
Municipal Building - Energy Performance Contract	360,000	-	-	-	360,000
Ambulance - Operating Expenses	-	68,400	95,000	-	163,400
Ambulance - New Medics	-	157,600	144,000	80,000	381,600
License Bureau - Operating Expenses	50,000	25,000	-	-	75,000
	585,000	546,092	560,989	664,638	2,356,719
Investment in Water, Sewer, and Broadband					
Water Treatment Plant Security Fencing, Cameras, Alarm	-	172,658	7,698	-	180,356
Water Treatment Plant CO2 Monitoring Sensor	-	10,068	27	-	10,095
Water Well Rehab	-	25,430	-	-	25,430
Water Well #3 Door	-	9,286	-	-	9,286
	-	217,442	7,725	-	225,167
Unallocated	-	-	-	-	-
Total	\$ 585,000	\$ 999,326	\$ 568,714	\$ 674,638	\$ 2,827,678

City of White Bear Lake
American Rescue Plan Aid

Annual Budget
Fund Summary

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Revenues						
4604.1	Federal grants	\$ -	\$ 579,326	\$ -	\$ 305,714	\$ 570,638
4955	Interest	(2,679)	2,679	-	-	-
	Total revenues	<u>(2,679)</u>	<u>582,005</u>	<u>-</u>	<u>305,714</u>	<u>570,638</u>
Expenditures						
Other Services and Charges						
6401	Professional Services	-	-	10,000	18,000	10,000
	Total other services and charges	<u>-</u>	<u>-</u>	<u>10,000</u>	<u>18,000</u>	<u>10,000</u>
7160	Capital Outlay	-	579,326	476,828	287,714	560,638
	Total expenditures	<u>-</u>	<u>579,326</u>	<u>486,828</u>	<u>305,714</u>	<u>570,638</u>
	Revenues over (under) expenditures	<u>(2,679)</u>	<u>2,679</u>	<u>(486,828)</u>	<u>-</u>	<u>-</u>
	Fund balance January 1	<u>-</u>	<u>(2,679)</u>	<u>487,127</u>	<u>-</u>	<u>-</u>
	Fund balance December 31	<u>\$ (2,679)</u>	<u>\$ -</u>	<u>\$ 299</u>	<u>\$ -</u>	<u>\$ -</u>

Fund: Armory Fund 2030

Department Activities and Responsibilities:

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

When the Armory was decommissioned by the National Guard, the City purchased the property for \$1. As a condition of the sale to the City, a Preservation Easement was granted to the State of Minnesota ensuring that any future changes be reviewed and approved by the State Historic Preservation Office. In addition, 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 worthy 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 had three general types of users: local non-profit groups, private party rentals, and recreational activity rentals. The City did not expect the facility to be entirely fee-supported because part of the building's purpose was to provide a low cost venue for local groups to host events. Often times, many of the non-profit groups contributed money earned through their rental activities back to the community. To support this philosophy, the City allowed White Bear Lake non-profit organizations to utilize the space at no charge if the activity was for one day and did not conflict with private party reservations. Consequently, the user fees supporting operations stemmed primarily from private party and recreational activity rentals.

The Armory faced 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 was not available in the building. Therefore, the revenue producing events scheduled were for general family gatherings, with non-residents utilizing the space for events more than residents did. Council policies restricted rental to users who would not cause physical damage or abnormal deterioration to the building and required private security officers to be at the facility for any private events serving alcohol.

Though the City did not intend for the facility to be self-supporting, the business model for the Armory was not financially viable as the fund balance continued to decline as expenditures exceeded revenues each year. Since 2013, the Armory has served as the home to the White Bear Lake Area Historical Society. The Historical Society was approached by a generous community donor who proposed to make a significant donation and aid in a capital campaign to raise funds that would be used to obtain the Armory, create a museum, and operate the facility. The Historical Society offered a unique opportunity to maintain the Armory's primary function as a community facility and ensure its historic character is preserved.

In September 2022, the City Council approved a purchase agreement to sell the Armory building to the Historical Society. The sale took place in November 2022. The approved purchase agreement set a purchase price of \$1 for the Armory building "as-is". The purchase agreement also includes a "first right of refusal" clause. This would give the City the option to purchase the building back for the selling price should the Historical Society ever want to sell the building.

City of White Bear Lake
Armory

Annual Budget
Fund Summary

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Revenues						
4604	Federal operating grants	\$ 50,000	\$ 45,000	\$ -	\$ -	\$ -
4955	Investment income	(174)	-	-	-	-
4975	Rental income	22,232	21,347	-	-	-
4975	Lease - Lions	3,300	2,750	-	-	-
5010	Sale of property	-	1	-	-	-
5360	Refunds and reimbursements	900	9,364	-	-	-
	Total revenues	<u>76,258</u>	<u>78,462</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures						
Personnel Services						
6105	Salaries - regular employees	24,944	18,653	-	-	-
6117	Overtime - regular employees	103	8	-	-	-
6119	Salaries - temporary employees	250	459	-	-	-
6122	PERA	1,884	1,433	-	-	-
6124	FICA/Medicare	1,783	1,313	-	-	-
6128	Insurance contribution	3,325	2,572	-	-	-
6138	Worker's compensation	910	819	-	-	-
6148	Other benefits	560	499	-	-	-
	Total personnel services	<u>33,759</u>	<u>25,756</u>	<u>-</u>	<u>-</u>	<u>-</u>
Supplies						
6240	Building supplies	1,191	813	-	-	-
	Total supplies	<u>1,191</u>	<u>813</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Services and Charges						
6401	Professional services	609	669	-	-	-
6411	Telephone	701	593	-	-	-
6422	Electric	8,185	8,850	-	-	-
6423	Natural gas	5,674	5,767	-	-	-
6505	Repair/maintenance equipment	629	132	-	-	-
6515	Repair/maintenance building	16,515	3,968	-	-	-
6560	Contractual services	2,613	7,413	-	-	-
	Total other services and charges	<u>34,926</u>	<u>27,392</u>	<u>-</u>	<u>-</u>	<u>-</u>
7605	Transfers Out					
	Municipal Building Fund	10,000	48,692	-	-	-
	Total expenditures	<u>79,876</u>	<u>102,653</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Revenues over (under) expenditures	<u>(3,618)</u>	<u>(24,191)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Fund balance January 1	<u>27,809</u>	<u>24,191</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Fund balance December 31	<u>\$ 24,191</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</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 Total Maximum Daily Loads (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: Staff time to implement the Public Education and Outreach Program including coordination with VLAWMO and other agencies; printing and mailing costs related to storm water 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.

BMP 2: SWPPP annual public meeting notice in the local press and staff time to prepare and present on the previous year's SWPPP activities.

BMP 3: Staff time to educate all City staff and residents on IDDE, and document and coordinate IDDE reports from the public.

BMP 4: Staff time to review development projects for compliance with the City's erosion and sediment control standards; staff training. In 2024, staff plans to update the storm water standard.

BMP 5: Staff time to review development project for compliance with the City's permanent standards for storm water management and shore land overlay district ordinance; staff time for project inspections; staff time to design storm water management and cost for the construction of storm water treatment required as part of City street projects. In 2024, staff plans to update the storm water standard.

Fund: Surface Water Pollution Prevention 2040

BMP 6: Ongoing maintenance costs and electricity for the Orchard Lane storm water reuse system; contracts for maintenance of City owned raingardens, shoreline restorations, and upland restorations (including invasive species removal); miscellaneous storm sewer repairs; outfall maintenance; staff training; storm water operations & maintenance agreements.

BMP 7: City contribution for storm water treatment capital improvement projects, and pass through funding for the voluntary street reconstruction curb cut raingarden program. There were no curb cut raingardens installed as part of the 2022 street reconstruction project, and no street projects occurred in 2023. In partnership with Ramsey-Washington Metro Watershed District (RWMWD) and Ramsey County Conservation Division, Sandstrom Land Management was contracted to construct a raingarden at Lakewood Hills Park in 2023. RWMWD reimbursed the City 100% of the cost to construct this raingarden. Also included in the contract were one raingarden repair and one removal. The City paid the entire cost of the repair for a raingarden that was damaged due to water repair work, and the cost to remove a curb cut raingarden that was installed as part of the 2012 street reconstruction raingarden program. The City will offer the curb cut raingarden program again in 2024. The City partnered with VLAWMO in 2023 on a pilot spent lime project in Oak Knoll Pond to help reduce phosphorus in the pond. Work began in late August but was postponed due to the water treatment plant shutdown in September. The project will resume in October but may need to continue into 2024, weather depending.

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 City includes a Surface Water Management fee on quarterly utility bills to finance storm water system maintenance and activities required to be compliant with the MS4 permit requirements.

Residential and commercial customers began paying a flat quarterly fee in 2021. The rate structure created in 2021 treated residential and commercial properties equally and did not acknowledge the impact a commercial property's impervious surface has on the storm water system.

To fairly allocate surface water fees between different types of properties, the City's GIS Technician analyzed all non-residential properties and assigned them a Residential Equivalent Unit (REU) based on the property's square footage of impervious surface to use as a multiplier for the quarterly rate.

In 2024, residents will pay a flat quarterly fee of \$11.00. Commercial entities with an actual REU of 0-7 will pay a \$10.00 rate multiplied by their actual REU each quarter. Commercial entities with an actual REU of greater than 7 will be limited to the \$10.00 rate multiplied by 7. The City intends to increase the REU limit number each year to allow entities with higher REU values to gradually get to their actual quarterly charge over an extended time frame.

Fund: Surface Water Pollution Prevention 2040

The fund begins to budget for interest again in the 2023 Revised Budget. The interest amounts are extrapolated from actual interest earnings as of June 30, 2023.

During 2022, the City conducted a classification and compensation study. As a result of the study’s findings, the position supported by this fund was reclassified to a higher grade effective September 1, 2022.

The Other Contractual Services Budget allocates funding for routine maintenance and license fees.

A detailed discussion of the capital improvement projects in the 2023 Revised and 2024 budgets can be found in the Capital Improvement Plan in the Summary Data section of the document.

Goals:

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

Measurable Workload Data:

	<u>2021</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>	<u>2023</u> <u>Budget</u>	<u>2024</u> <u>Budget</u>
Number of educational materials/articles distributed	24	42	48	45
Number of water quality BMPs installed ⁽¹⁾	4	0	2	5
Number of BMP’s inspected ⁽²⁾	29	29	29	31
Number of BMP’s maintained ⁽³⁾	13	10	15	20
Phosphorus load reductions to Bald Eagle Lake (lbs/yr) ⁽⁴⁾	11.1	11.1	11.1	11.1
Phosphorus load reductions to Kohlman Lake (lbs/yr) ⁽⁴⁾	36.2	36.2	36.6	38
Number of areas restored with native vegetation	1	2	1	2

⁽¹⁾ Includes BMP’s installed as part of street reconstruction (Fund 4400)

Fund: Surface Water Pollution Prevention 2040

- (2) Includes BMP's inspections by sewer department staff (Fund 5050)
- (3) Includes BMP's maintained by sewer department staff (Fund 5050)
- (4) Cumulative reductions calculated for Bald Eagle Lake subwatershed, as reported in the MS4 permit. Starting with the 2022 reporting, MS4 permits will require phosphorus load reduction reporting for all impaired waterbodies. As per the MPCA, 2022 and 2023 reductions will be reported in 2024.

City of White Bear Lake
Surface Water Pollution Prevention

Annual Budget
Fund Summary

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Revenues						
Intergovernmental						
4682.1	Intergovernmental operating grants	\$ 29,956	\$ 500	\$ 20,000	\$ 26,396	\$ 49,000
4882	Infrastructure fee	177,874	225,435	254,031	254,032	437,428
4955	Interest	(4,235)	(23,498)	-	16,925	20,000
	Total revenues	<u>203,595</u>	<u>202,983</u>	<u>274,031</u>	<u>297,353</u>	<u>506,428</u>
Expenditures						
Personnel Services						
6105	Salaries - regular employees	77,465	90,611	103,920	103,920	109,575
6122	PERA	5,810	6,796	7,794	7,794	8,218
6124	FICA/Medicare	5,694	6,676	7,950	7,950	8,382
6128	Insurance contribution	9,500	9,800	10,500	10,500	11,925
6138	Worker's compensation	575	690	2,316	2,316	2,565
6148	Other benefits	1,600	1,900	1,800	1,800	1,400
	Total personnel services	<u>100,644</u>	<u>116,473</u>	<u>134,280</u>	<u>134,280</u>	<u>142,065</u>
Supplies						
6220	Equipment supplies	72	551	650	650	650
6250	Other supplies	593	486	1,100	1,100	1,100
6255	Landscaping supplies	-	786	1,000	1,000	1,000
6290	Uniforms	2	-	-	-	-
6295	Small tools	198	-	1,000	1,000	1,000
	Total supplies	<u>865</u>	<u>1,823</u>	<u>3,750</u>	<u>3,750</u>	<u>3,750</u>
Other Services and Charges						
6401	Professional services	2,508	2,514	2,515	2,520	2,520
6402	Data processing	1,500	1,500	1,500	1,500	1,500
6412	Cellular	420	114	450	-	-
6422	Electric	545	235	700	700	700
6445	Postage	-	-	100	100	100
6450	Outside printing	-	-	1,750	750	750
6455	Legal notices publications	89	113	110	112	115
6460	Subscription/memberships	2,800	3,423	3,300	4,850	5,025
6470	Training	315	971	2,225	2,225	2,225
6486	Travel	-	-	400	400	400
6505	Equipment repair service	1,530	1,235	1,600	6,000	2,000
6560	Other contractual services	23,201	24,210	64,700	29,133	75,950
	Total other services and charges	<u>32,908</u>	<u>34,315</u>	<u>79,350</u>	<u>48,290</u>	<u>91,285</u>
Capital Outlay						
7160	Other improvements	74,976	7,164	152,500	155,900	303,000
	Total expenditures	<u>209,393</u>	<u>159,775</u>	<u>369,880</u>	<u>342,220</u>	<u>540,100</u>
	Revenues over (under) expenditures	<u>(5,798)</u>	<u>43,208</u>	<u>(95,849)</u>	<u>(44,867)</u>	<u>(33,672)</u>
	Fund balance January 1	<u>846,285</u>	<u>840,487</u>	<u>829,386</u>	<u>883,695</u>	<u>838,828</u>
	Fund balance December 31	<u>\$ 840,487</u>	<u>\$ 883,695</u>	<u>\$ 733,537</u>	<u>\$ 838,828</u>	<u>\$ 805,156</u>

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.

The City began contracting management services with White Bear Boat Works to operate the marina in 2008 and has renewed the contract at each renewal date since that time. With the latest contract ending on December 31, 2020, the City extended the contract for the 2021-2023 boating seasons with extension options for 2024 and 2025.

Budget Summary:

The Marina Fund Budget remains stable as customers rented all available marina slips during the 2022 and 2023 seasons. The City anticipates this level of activity will continue for the upcoming season.

The 2023 Budget created a resident and non-resident fee structure to benefit local customers and align the City’s annual slip rental rates with those of the private slip providers in the area for non-resident customers. The 2024 budget continues the two-tier rate structure with a 3% increase for both rates, the resident rate changes to \$2,575 while the non-resident rate becomes \$2,885.

In previous years, the budget allocated funds for temporary staff time to provide Police Community Service Officers (CSOs) patrol of the area during high usage times. The 2023 Budget re-allocated the CSO temporary staff time to the Police Department to allow tracking of all Police salaries and benefits in one place.

The 2023 Revised Budget for Building Supplies finances replacement of the dock tag numbers after a dock reconfiguration project.

Marina operations support other Parks and Recreation activities within the City through a transfer to the Park Improvement Fund. Additionally, the fund makes a transfer to the General Fund for administrative support provided by General Fund employees.

Capital Outlay:

A detailed discussion of the City’s Capital Improvement Plan purchases for the Marina operations is included in the Summary Data section of this document.

Measurable Workload Data:

	2021 <u>Actual</u>	2022 <u>Actual</u>	2023 <u>Budget</u>	2024 <u>Budget</u>
Boat slips rented	160	160	160	160

City of White Bear Lake
Marina

Annual Budget
Fund Summary

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Revenues						
4975	Rental					
	Slips	\$ 384,000	\$ 400,000	\$ 432,000	\$ 431,400	\$ 444,145
4955	Interest	(2,022)	(12,126)	-	7,675	8,000
	Total revenues	<u>381,978</u>	<u>387,874</u>	<u>432,000</u>	<u>439,075</u>	<u>452,145</u>
Expenditures						
Personnel Services						
6105	Salaries - regular employees	10,113	23,832	-	-	-
6119	Salaries - temporary employees	10,167	-	-	-	-
6122	PERA	1,845	1,787	-	-	-
6124	FICA/Medicare	1,622	1,988	-	-	-
6128	Health Insurance	-	6,067	-	-	-
6138	Worker's compensation	-	190	-	-	-
	Total personnel services	<u>23,747</u>	<u>33,864</u>	<u>-</u>	<u>-</u>	<u>-</u>
Supplies						
6220	Equipment supplies	121	442	4,800	4,800	4,300
6240	Building supplies and parts	88	400	1,000	2,400	1,200
6250	Other supplies	245	245	550	700	700
6295	Small tools	-	175	500	500	250
	Total supplies	<u>454</u>	<u>1,262</u>	<u>6,850</u>	<u>8,400</u>	<u>6,450</u>
Other Services and Charges						
6401	Professional Services	84,950	85,010	75,850	75,850	75,850
6455	Legal notices publications	-	128	150	70	150
6460	Subscriptions and dues	250	1,325	13,510	13,375	13,375
6505	Equipment repair service	-	-	5,000	3,000	5,000
6555	Equipment rental	-	-	500	-	500
6560	Contractual services	1,671	1,699	3,000	1,900	3,000
	Total other services and charges	<u>86,871</u>	<u>88,162</u>	<u>98,010</u>	<u>94,195</u>	<u>97,875</u>
Capital Outlay						
7140	Equipment	-	6,000	-	-	-
7160	Other Improvements	-	-	180,000	134,400	65,000
	Total capital outlay	<u>-</u>	<u>6,000</u>	<u>180,000</u>	<u>134,400</u>	<u>65,000</u>
Transfers Out						
7605	General Fund	80,000	85,000	120,100	120,100	111,000
7605	Park Improvement Fund	-	-	-	-	55,000
7605	2018B Tax Abatement Debt Service	165,500	115,000	98,000	98,000	96,000
	Total transfers out	<u>245,500</u>	<u>200,000</u>	<u>218,100</u>	<u>218,100</u>	<u>262,000</u>
	Total expenditures	<u>356,572</u>	<u>329,288</u>	<u>502,960</u>	<u>455,095</u>	<u>431,325</u>
	Revenues over (under) expenditures	<u>25,406</u>	<u>58,586</u>	<u>(70,960)</u>	<u>(16,020)</u>	<u>20,820</u>
	Capital reserve adjustment (to) from	<u>(15,000)</u>	<u>52,500</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Fund balance January 1	<u>242,202</u>	<u>252,608</u>	<u>331,643</u>	<u>363,694</u>	<u>347,674</u>
	Fund balance December 31	<u>\$ 252,608</u>	<u>\$ 363,694</u>	<u>\$ 260,683</u>	<u>\$ 347,674</u>	<u>\$ 368,494</u>
Reserves:						
	Capital infrastructure reserves - docks	<u>\$ 52,500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</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 operation, 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 acknowledged 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, reallocation of a current debt levy obligation for the City and annual support from the Marina Fund, 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.

Even though the new refrigeration system and building improvements support the ability to add a second sheet of ice to the facility, the City has no plans to expand the facility at this time.

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 training, 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. The White Bear Lake Girls High School hockey program utilizes the facility for their practices and games during the season.

Effective August 11, 2021, the White Bear Hockey Association entered into a 10-year lease agreement with the City to remodel the space previously used for racquetball courts. The Hockey Association will use the space for dryland training. This agreement expands the partnership with White Bear Area Hockey Association and generates higher revenues than previously earned from the racquetball court rentals.

Fund: Sports Center Fund 5200

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 enjoy treats and open presents.

Budget Summary:

The City began providing LiveBarn services in 2021. LiveBarn is a website that allows anyone to watch live and on demand amateur sports for a monthly fee. LiveBarn installed cameras and other required equipment in the Sports Center at no cost. Anyone is able to create a LiveBarn membership to watch on-ice activities. The City receives a percentage of the revenues generated from these memberships. The 2023 Revised Budget and 2024 Budget includes \$60,000 each year for these commissions.

The 2024 Budget for Salaries and Benefits increased by approximately \$45,000 from the 2023 Revised Budget. The City conducted a classification and compensation study in 2022. Implementation of the new salary schedule began with all non-bargaining employees placed at the step they were closest to (without a reduction in pay) in their new pay grade as of September 1, 2022. The plan includes an annual cost of living adjustment as of January 1, 2023, and on July 1, 2023 all qualifying non-bargaining employees will receive an increase for longevity. All three of the Sports Center’s fulltime employees qualified for this longevity increase based on their years of service, which contributed to the increase in 2024 budgeted salaries. Several temporary employees also qualified for longevity steps.

The Professional Services budget allocates \$6,000 in 2024 to create a recognition wall for figure skaters and skate school as part of the White Bear Lake Hockey Association and Alumni recognition wall project. The 2024 Donations budget includes \$3,000 from parents of the program participants to support the project.

The Equipment Maintenance and Repair budget includes allocations for three sensor unit replacements in the refrigeration room in 2024.

The 2024 Budget adds a transfer to the General Fund to support the department’s share of the new Building Facility Maintenance position added to the Public Works Department. This position will offer maintenance support to streamline project and repair services between all city-owned facilities.

The Sports Center’s energy use has been greater than anticipated following the 2018 renovation project. Since the facility was never formally commissioned at the completion of the project, the City contracted with Trane Technologies to conduct an energy and operational audit to identify performance issues and evaluate energy efficiency in 2021. Trane identified significant opportunities for operational savings that require an upfront investment but demonstrate a clear return related to lighting, insulation, the building envelope, control upgrades, mechanical upgrades, the courts area roof and heating, ventilation and air conditioning.

Fund: Sports Center Fund 5200

The City Council approved a resolution to enter into an Energy Performance Contract with Trane to guarantee the pricing and subsequent operational savings at their October 12, 2021 meeting. The Energy Performance Contract includes improvement projects in more departments than the just the Sports Center; therefore, the City chose to have the Municipal Building Fund maintain the financial records to coordinate the funding and expenditures related to the contract.

The City Council approved Resolution 12888 at their November 23, 2021 meeting creating a loan with a 1.5% interest rate from the Non-Bonded Fund and the Economic Development Fund to assist the Municipal Building Fund in financing the cost of the contract. A portion of any energy savings in the Sports Center Fund will be transferred to the Municipal Building Fund to support repayment of the loans. No transfers are scheduled in the 2024 Budget because savings have not been recognized yet.

The City Council did adopt Resolution 12889 which declares an official intent of the City to be reimbursed for certain expenditures from the proceeds of bonds issued by the City for these costs in the event the City Council determines liquidity of these funds a more immediate priority than waiting for repayment of the internal loan. The City must issue any bonds to receive reimbursement for these expenditures within 3 years of the resolution approval, November 23, 2024.

Capital Outlay:

A detailed discussion of the City’s ten 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. Continue partnership with the White Bear Lake Hockey Association to maximize ice rentals in spring and summer.
2. Maximize advertising sales in the arena.
3. Supervise maintenance of solar array to maximize efficiency of its operation.

Measurable Workload Data:

	2021 <u>Actual</u>	2022 <u>Actual</u>	2023 <u>Budget</u>	2024 <u>Budget</u>
Ice time hours rented based on a 17-hour day (6 a.m. to 11 p.m.)	1,729	1,625	1,600	1,600

Fund: Sports Center Fund 5200

	<u>2021 Actual</u>	<u>2022 Actual</u>	<u>2023 Budget</u>	<u>2024 Budget</u>
Registrations for skating lessons and programs (does not include competition skaters)	1,366	930	1,200	1,300
Number of high school games	12	6	12	12
Energy consumption (in kWh)	883,176	883,600	870,100	850,000
Average monthly energy charge	\$8,491	\$10,079	\$9,900	\$9,500

City of White Bear Lake
Special Revenue - Sports Center Fund

Annual Budget
Fund Summary

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Revenues						
4604	Federal grants	\$ 60,000	\$ 65,000	\$ -	\$ -	\$ -
Charges for Services						
4888	Ice rental	297,785	292,290	300,229	311,400	311,400
4890	Skating school	196,784	194,130	206,962	208,580	206,580
4891	Skate camps	75,947	67,090	57,023	73,758	69,000
4892	Open skate	21,675	21,837	27,086	22,799	22,799
4893	LiveBarn Receipts	-	64,950	-	60,000	60,000
4894	Hockey games	14,724	7,694	11,700	18,926	13,000
4896	Court fees	1,944	-	-	-	-
4897	Skate sharpening	-	-	-	198	324
4955	Interest	(563)	(4,564)	-	3,825	4,200
4975	Rent	40,104	41,547	40,164	42,389	42,632
5310	Vending sales	391	154	300	748	400
5312	Sale of goods	3,536	3,187	2,250	3,795	3,700
5350	Miscellaneous	10,994	10,961	15,700	11,450	9,600
5360	Refunds and reimbursements	-	780	-	325	325
	Total charges for services	<u>663,321</u>	<u>700,056</u>	<u>661,414</u>	<u>758,193</u>	<u>743,960</u>
Other Revenue						
4990	Donations	<u>1,975</u>	<u>475</u>	<u>400</u>	<u>400</u>	<u>3,400</u>
	Total revenues	<u>725,296</u>	<u>765,531</u>	<u>661,814</u>	<u>758,593</u>	<u>747,360</u>
Expenditures						
	Operations	<u>620,098</u>	<u>702,546</u>	<u>801,072</u>	<u>804,076</u>	<u>876,611</u>
Transfers Out						
7605	General Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,920</u>
	Total Expenditures	<u>620,098</u>	<u>702,546</u>	<u>801,072</u>	<u>804,076</u>	<u>880,531</u>
	Revenues over (under) expenditures	<u>105,198</u>	<u>62,985</u>	<u>(139,258)</u>	<u>(45,483)</u>	<u>(133,171)</u>
	Fund balance January 1	<u>86,923</u>	<u>192,121</u>	<u>170,650</u>	<u>255,106</u>	<u>209,623</u>
	Fund balance December 31	<u>\$ 192,121</u>	<u>\$ 255,106</u>	<u>\$ 31,391</u>	<u>\$ 209,623</u>	<u>\$ 76,451</u>
Fund Balance Reconciliation to Financial Statements:						
	Budget fund balance December 31	\$ 192,121	\$ 255,106			
	Lease Receivable	-	254,285			
	Deferred inflows - leases	-	(244,095)			
	Financial statement fund balance December 31	<u>\$ 192,121</u>	<u>\$ 265,296</u>			

City of White Bear Lake
Special Revenue - Sports Center Fund

Annual Budget
Business Unit: 5200 - 5205

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Personnel Services						
6105	Salaries - regular employees	\$ 217,482	\$ 231,598	\$ 282,618	\$ 281,192	\$ 306,013
6117	Overtime - regular employees	4,978	3,407	8,000	8,000	8,000
6119	Salaries - temporary employees	66,599	73,669	82,172	80,465	90,225
6120	Overtime - temporary employees	122	-	-	-	-
6122	PERA	20,281	21,885	26,765	26,599	28,953
6124	FICA/Medicare	21,445	22,375	28,518	28,279	30,924
6128	Insurance contribution	32,083	42,213	47,985	47,985	54,497
6138	Worker's compensation	11,050	13,533	10,586	10,586	11,722
6148	Other benefits	4,000	8,184	8,226	8,226	6,398
	Total personnel services	<u>378,040</u>	<u>416,864</u>	<u>494,869</u>	<u>491,332</u>	<u>536,732</u>
Supplies						
6210	Office supplies	559	512	955	955	955
6220	Equipment supplies	981	2,334	1,850	1,575	1,875
6230	Vehicle supplies	620	558	975	650	1,075
6240	Building supplies	2,669	5,613	5,175	6,430	6,800
6250	Other supplies	16,806	16,147	15,860	18,805	18,660
6255	Landscaping supplies	-	78	200	200	200
6272	Motor fuels	3,847	4,560	4,500	4,500	4,500
6274	Lubricants and additives	29	-	50	50	50
6290	Uniforms	610	1,080	1,150	1,150	850
6295	Small tools	987	-	1,525	1,525	3,125
	Total supplies	<u>27,108</u>	<u>30,882</u>	<u>32,240</u>	<u>35,840</u>	<u>38,090</u>
Other Services and Charges						
6401	Professional services	2,610	2,035	5,300	4,600	10,800
6402	Data processing	10,772	11,966	14,850	14,850	14,950
6411	Telephone	2,651	2,678	3,075	3,150	3,000
6412	Cellular	720	630	400	400	400
6422	Electric	104,619	121,736	123,100	123,100	127,100
6423	Natural gas	20,426	33,411	42,000	37,000	42,000
6434	General liability insurance	15,529	17,082	17,082	17,082	19,132
6436	Vehicle liability insurance	200	206	206	206	212
6445	Postage	113	53	200	200	200
6450	Outside printing	1,166	1,408	1,350	1,415	1,550
6460	Subscription/memberships	5,612	7,675	6,260	7,225	7,295
6470	Training	243	832	1,400	1,400	2,500
6486	Mileage Reimbursement	-	139	50	50	100
6492	Advertising	-	96	1,325	600	1,325
6505	Equipment maintenance service	18,494	17,121	23,820	25,990	30,400
6510	Vehicle maintenance service	1,188	-	450	1,350	1,450
6515	Building maintenance service	20,195	25,267	20,285	22,085	21,200
6525	Electrical maintenance service	2,449	1,370	2,175	5,875	4,975
6545	Credit card fees	2,077	1,638	1,600	1,600	1,700
6555	Equipment rental	5,039	7,927	8,165	8,151	8,675
6560	Other contractual service	63	1,280	620	325	625
7570	Cost of goods sold	784	250	250	250	2,200
	Total other services and charges	<u>214,950</u>	<u>254,800</u>	<u>273,963</u>	<u>276,904</u>	<u>301,789</u>
Total		<u>\$ 620,098</u>	<u>\$ 702,546</u>	<u>\$ 801,072</u>	<u>\$ 804,076</u>	<u>\$ 876,611</u>

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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”. This fund manages the proceeds from the sale of the seized asset and the expenditures related to the City taking ownership of the property.

The City’s forfeiture activities focus on vehicle seizures related to DWI and Narcotic offenses. The following two bullet points summarize the laws related to each offense:

- In Minnesota, a DWI offender’s vehicle may be subject to forfeiture, if it is the 3rd (or more) DWI in the last 10 years. When the officer finds the driver is in violation of MN DWI laws and the aforementioned previous DWI offenses are applicable, the officer may serve the offender with a forfeiture notice about their vehicle. The officer then can immediately impound and hold the vehicle and the process begins. The offender then had 60 days to contest the forfeiture. During the 60 days, it is possible the DWI offender can petition to drive their vehicle during the process, if they agree to state mandated requirements. Ultimately, however, at the end of the DWI process, the department may still have the ability to get the vehicle back to continue the forfeiture process.
- In Minnesota, if officers find a narcotics crime suspect with over \$100 worth of narcotics and the officer can make a nexus, which suggests the suspect used the vehicle as a conveyance for drug trafficking, the vehicle may be subject to forfeiture.

Both of these forfeiture laws have tightened up significantly in the last few years. Leading our forfeitures to shrink year after year. 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 for 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 reflected in the budgeted revenue and contractual service expenditures, 2023 experienced lower than normal seizure activity. As mentioned above, the City utilizes additional revenues or excess fund balance to purchase allowable expenditures.

The 2024 Equipment Supplies budget adds \$8,000 in funding for officer equipment replacement.

Goals

1. To punish and deter criminal activity by depriving criminals of property used in or acquired during illegal activities.
2. Ensure the Program is administered professionally, lawfully, and in a manner consistent with sound public policy.

Fund: Forfeiture Fund 2060

3. To recover assets that will be used to support investigations and operations that further the law enforcement goals or missions.
4. Utilize recovered assets to provide training and education necessary to perform official law enforcement duties, such as Crisis Intervention Training, De-escalation, and Implicit Bias Training.

Measurable Workload Data:

	2021	2022	2023	2024
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>
Number of forfeiture incidents*	41	11	14	15
Net forfeiture proceeds*	\$25,746	\$814	\$5,900	\$7,000

*Actual data per Office of the State Auditor Asset Forfeiture reports, Budget column data are estimates.

City of White Bear Lake
Forfeiture Fund

Annual Budget
Fund Summary

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Revenues						
4955	Interest	\$ (428)	\$ (1,377)	\$ -	\$ 650	\$ 800
5350	Criminal case proceeds	6,682	487	3,000	1,552	2,000
5360	DUI case proceeds	27,855	3,497	10,000	4,385	5,000
	Total revenues	<u>34,109</u>	<u>2,607</u>	<u>13,000</u>	<u>6,587</u>	<u>7,800</u>
Expenditures						
Supplies						
6220	Equipment supplies	-	32,267	7,000	-	8,000
6230	Vehicle supplies and parts	104	-	500	-	-
6250	Other supplies	-	2,800	-	-	-
6295	Small tools	24,454	-	3,000	-	-
	Total supplies	<u>24,558</u>	<u>35,067</u>	<u>10,500</u>	<u>-</u>	<u>8,000</u>
Other Services and Charges						
6401	Professional services	44	8,384	200	200	400
6560	Contractual services	16,959	2,198	22,400	10,900	13,400
	Total other services and charges	<u>17,003</u>	<u>10,582</u>	<u>22,600</u>	<u>11,100</u>	<u>13,800</u>
	Total expenditures	<u>41,561</u>	<u>45,649</u>	<u>33,100</u>	<u>11,100</u>	<u>21,800</u>
	Revenues over (under) expenditures	<u>(7,452)</u>	<u>(43,042)</u>	<u>(20,100)</u>	<u>(4,514)</u>	<u>(14,000)</u>
	Fund balance January 1	<u>82,339</u>	<u>74,887</u>	<u>21,787</u>	<u>31,845</u>	<u>27,332</u>
	Fund balance December 31	<u>\$ 74,887</u>	<u>\$ 31,845</u>	<u>\$ 1,687</u>	<u>\$ 27,332</u>	<u>\$ 13,332</u>

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Fund: Economic Development Fund 4240

Department Activities and Responsibilities:

Economic development is vital to the City as its rich history and growth through the years leaves 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.

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, the old Public Works Building at 4200 Hoffman Road, the Depot building, a building on North Birch Lake Boulevard that is currently occupied by Northeast Youth & Family Services, and two residential homes (one on Bald Eagle Avenue and the other on 8th 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 8th Street residential rental locations. At this time, the City plans to manage all 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.

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 \$45,000 each year.
- The Birch Lake Improvement District levy provides funding to develop and implement activities that improve and protect the quality of Birch Lake. The annual assessment charges lakeshore property owners approximately \$22,000 each year.

Revolving Business Loans:

In 1989, the White Bear Lake Economic Development Corporation (WBLEDC) implemented a downtown revitalization program by creating 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 encourages private investment in improvements to the utility and exterior appearance of downtown businesses which might not otherwise occur. Business owners apply for front-end project financing at a 2% interest rate for

Fund: Economic Development Fund 4240

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.

Based on 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 success of the program is evident through the amount of investment it has supported in the community. Additionally, as a revolving fund, the interest paid generates additional funds for future use.

Internal Loan Obligations

- 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%. The loan’s future principal and interest obligation is as follows:

Year	Principal	Interest	Total	Rate
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	324,450	1,074,450	

Fund: Economic Development Fund 4240

- The City entered into an Energy Performance Contract with Trane Technologies in 2021 to implement energy efficiencies within the City facilities and operations. The Municipal Building Fund maintains the financial records to coordinate the funding and expenditures related to the contract.

The City Council approved Resolution 12888 at their November 23, 2021 meeting creating a 15-year internal loan with a 1.5% interest rate to assist in financing the cost of the contract. The \$855,000 internal loan to the Municipal Building Fund consists of \$213,750 contributed from the Non-Bonded Fund and \$641,250 contributed from the Economic Development Fund. The General Fund and the Sports Center Fund will transfer a portion of any energy savings to the Municipal Building Fund to support repayment of the loans. The solar array system passed all required tests and became active in July 2023. There are no transfers scheduled in the 2024 Budget because no savings have been recognized yet.

The City Council did adopt Resolution 12889 which declares an official intent of the City to be reimbursed for certain expenditures from the proceeds of bonds issued by the City for these costs in the event the City Council determines liquidity of these funds a more immediate priority than waiting for repayment of the internal loan. The City must issue any bonds to receive reimbursement for these expenditures within 3 years of the resolution approval, November 23, 2024.

Farmer's Market

The City sponsors a weekly Farmer's Market from late June through October each year in its Central Business District. 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.

Budget Summary:

This fund receives any excess tax increment financing proceeds allocated to the City to provide additional resources for development activities. There is no tax increment recorded in this fund, the HRA Tax Increment Fund accounts for the tax increment for each district.

Summertime in White Bear Lake brings colorful flowers throughout the downtown area. In 2023, the City created an annual community donation program to collect funds in support of the downtown flowerbeds, hanging baskets and sidewalk pots.

The majority of the rental revenues received in this fund relate to the Bellaire Center facility leases. During 2021, turnover in two rental spaces and an operational re-organization for a third tenant changed space needs within the facility. The City evaluated options and potential renters

Fund: Economic Development Fund 4240

for the available office space. Through this tenant turnover process, the leases for all spaces at the facility were standardized for consistent application among all properties. One of the two vacant spaces served as a temporary COVID-19 vaccination site for White Bear Area Schools from December 2021 through July 2022. On September 1, 2023, the White Bear Lake Area Food Shelf opened their second location to provide a store-like environment, occupying the entirety of one of vacant spaces plus a portion of the second vacant space.

The fund begins to budget for interest again in the 2023 Revised Budget. The interest amounts are extrapolated from actual interest earnings as of June 30, 2023.

The City collaborated with other local organizations in a 12-month self-driving shuttle research and demonstration project lead by the Minnesota Department of Transportation's (MnDOT) Connected and Automated Vehicle (CAV) Office. The pilot project named "Bear Tracks" officially launched on August 5, 2022. The shuttle is a low speed (10-12 mph), self-driving, electric, multi-passenger vehicle operating on a one and a half mile long route on a White Bear Lake residential street connecting a day program for adults with intellectual and developmental disabilities, affordable housing, and the community YMCA. The vehicle is equipped with an ADA compliant ramp and can carry up to ten seat-belted passengers at a time and up to one wheel chair passenger at a time. As a participating organization, the City is required to pay \$15,000 in project expenditures equally between 2022 and 2023.

The County Road E Corridor through the south part of White Bear Lake has potential for revitalization and serves as a catalyst for future development in the area. The City is partnering with Ramsey County and the cities of Vadnais Heights and Gem Lake to provide a series of workshops to create an action plan to include goals and action steps to attract private investment through development and infrastructure improvements. The Professional Services Budget contains resources for program. These expenditures are offset by matching funds received from the three participating entities.

The 2023 projects funded through the Professional Services Budget include a Downtown Mobility Study as part of a planning process for the future infrastructure reconstruction project. The account also supports work to update the zoning ordinances. Implementation of a housing policy originally planned in 2023 was moved to the 2024 Budget.

The Building Repair Services Budget increases in the 2023 Revised Budget and 2024 Budget. Unforeseen expenditures contributing to the increase in the 2023 Revised Budget include the removal of a chimney at the 2174 8th Street rental house, a sewer line repair at White Bear Bar, and removal of asbestos found during construction at Bellaire Center. Items of significance in the 2024 Budget include planned exterior foundation work and a rebuild of the dumpster enclosure at the building that is currently occupied by Northeast Youth & Family Services, painting of the decorative fencing at the Depot building, and HVAC, electrical, and gutter replacements at 4200 Hoffman Road.

Fund: Economic Development Fund 4240

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.

The 2024 Budget plans for a transfer to the General Fund to pay for a portion of the Facilities Technician position that will be hired on July 1, 2024. Funding for this position is split between the General Fund, Water Fund, Economic Development Fund, and the Sports Center Fund.

Capital Outlay:

The 2023 Budget includes funding for three entrance monuments as well as technology improvements at the Boatworks Commons facility. The 2024 Budget includes funding for one additional entrance monument and earmarks funds for monuments/beautification of the County Road E corridor project that is set to take place in 2028. The Capital Improvement Plan section in the Summary Data section of the document discusses these projects in greater detail.

City of White Bear Lake
Economic Development Fund

Annual Budget
Fund Summary

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Revenues						
4045	Excess TIF	\$ 3,527	\$ 5,827	\$ -	\$ 2,490	\$ -
4210	Special assessments - service district	59,802	65,754	64,665	65,924	65,924
4215	Special assessments prepaid to County	-	135	-	-	-
4230	Special assessments - penalty/interest	710	422	-	16	-
4220	Special assessments prepaid to City	1,092	1,050	-	-	-
4662.1	County grants	-	-	-	25,000	30,000
4818	Farmers Market	5,045	5,650	5,000	6,320	6,300
4955	Interest	(13,650)	(61,191)	-	41,600	43,000
4975	Rental income	469,312	337,133	330,366	348,752	373,104
4990	Donations	-	-	-	2,820	2,820
5010	Sale of goods and property	526	195	-	-	-
5322	Revolving Loan repayment	187,438	105,592	16,800	38,571	11,000
5360	Reimbursement	9,539	7,501	-	500	-
5350	Miscellaneous	279	2,663	-	600	-
	Total operating revenues	<u>723,620</u>	<u>470,731</u>	<u>416,831</u>	<u>532,593</u>	<u>532,148</u>
Transfers In						
5205	General Fund	-	-	-	-	-
5205	HRA - Boatworks Fund	22,500	22,500	22,500	22,500	22,500
5205	Pioneer Manor	-	-	-	17,000	17,500
	Total transfers in	<u>22,500</u>	<u>22,500</u>	<u>22,500</u>	<u>39,500</u>	<u>40,000</u>
	Total revenues	<u>746,120</u>	<u>493,231</u>	<u>439,331</u>	<u>572,093</u>	<u>572,148</u>
Expenditures						
Personnel Services						
6105	Salaries - regular employees	88,029	95,353	99,847	99,817	104,458
6117	Overtime - regular employees	598	390	1,500	500	500
6119	Salaries - temporary employees	15,618	25,496	24,102	19,836	25,241
6122	PERA	6,648	7,173	7,601	7,524	7,872
6124	FICA/Medicare	7,482	8,729	9,597	9,192	9,960
6128	Insurance contribution	10,925	11,270	12,075	12,075	13,714
6138	Worker's compensation	1,225	1,470	2,664	2,664	2,950
6148	Other benefits	1,840	2,185	2,070	2,070	1,610
	Total personnel services	<u>132,365</u>	<u>152,066</u>	<u>159,456</u>	<u>153,678</u>	<u>166,305</u>
Supplies						
6220	Equipment supplies	770	1,738	2,000	2,000	2,000
6240	Building supplies	2,135	5,357	8,700	7,300	9,500
6248	Community engagement	3,615	3,081	3,750	1,120	2,630
6250	Other supplies	17,360	13,417	31,600	15,100	34,600
6254	Signs and striping	-	78	-	-	-
6255	Landscaping materials	9,441	13,019	13,625	13,830	16,975
6295	Small tools	51	-	100	810	600
	Total supplies	<u>33,372</u>	<u>36,690</u>	<u>59,775</u>	<u>40,160</u>	<u>66,305</u>
Other Services and Charges						
6401	Professional services	142,467	103,445	246,815	189,773	297,200
6411	Telephone	-	1,071	1,350	1,230	1,350
6412	Cell phone	360	360	390	360	360
6421	Water and sewer	874	3,650	2,825	3,625	3,125
6422	Electric	20,413	25,122	29,000	25,221	25,605
6423	Natural gas	8,450	12,232	14,600	11,950	12,050
6434	Insurance	1,093	5,300	5,300	5,300	5,936
6445	Postage	324	40	100	50	50
6450	Outside printing	49	38	50	685	700
6455	Legal notices publications	396	-	600	600	600
6460	Subscription/memberships	735	1,495	1,725	1,325	1,775
6470	Training	8,155	1,605	11,400	4,650	12,000

City of White Bear Lake
Economic Development Fund

Annual Budget
Fund Summary

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
6486	Mileage reimbursement	-	19	200	100	100
6492	Advertising	3,775	1,034	3,500	3,500	3,500
6505	Equipment repair service	1,177	75	1,050	1,050	1,050
6515	Building repair service	39,271	24,900	33,310	60,504	112,985
6525	Electrical repair service	-	384	5,500	6,070	5,900
6535	Other repair service	168	-	-	-	-
6545	Credit card fees	11	9	-	-	-
6540	Vandalism	-	-	-	240	300
6555	Rental of equipment	3,135	3,182	2,750	3,750	2,950
6560	Contractual services	237,279	203,835	290,445	256,182	307,665
	Total other services and charges	<u>468,132</u>	<u>387,796</u>	<u>650,910</u>	<u>576,164</u>	<u>795,201</u>
	Capital Outlay					
7120	Building	-	-	-	-	75,000
7140	Machinery and equipment	-	-	15,000	15,000	-
7160	Other improvements	53,055	82,558	130,000	137,560	92,500
	Total capital outlay	<u>53,055</u>	<u>82,558</u>	<u>145,000</u>	<u>152,560</u>	<u>167,500</u>
	Total operating expenditures	<u>686,924</u>	<u>659,110</u>	<u>1,015,141</u>	<u>922,563</u>	<u>1,195,311</u>
	Transfers Out					
7605	General Fund	87,100	-	-	-	19,600
7605	Municipal Building	-	641,250	-	-	-
	Total transfers out	<u>87,100</u>	<u>641,250</u>	<u>-</u>	<u>-</u>	<u>19,600</u>
	Total expenditures	<u>774,024</u>	<u>1,300,360</u>	<u>1,015,141</u>	<u>922,563</u>	<u>1,214,911</u>
	Revenues over (under) expenditures	<u>(27,904)</u>	<u>(807,129)</u>	<u>(575,810)</u>	<u>(350,470)</u>	<u>(642,764)</u>
	Fund balance January 1	<u>2,715,341</u>	<u>2,687,437</u>	<u>1,814,533</u>	<u>1,880,308</u>	<u>1,529,838</u>
	Fund balance December 31	<u>\$ 2,687,437</u>	<u>\$ 1,880,308</u>	<u>\$ 1,238,723</u>	<u>\$ 1,529,838</u>	<u>\$ 887,074</u>
	Reserves:					
	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
	Balance, December 31	<u>\$ 255,250</u>	<u>\$ 255,250</u>	<u>\$ 255,250</u>	<u>\$ 255,250</u>	<u>\$ 255,250</u>
	Fund Balance Reconciliation to Financial Statements:					
	Budget fund balance December 31	\$ 2,942,687	\$ 2,135,558			
	Advances to other funds	750,000	1,391,250			
	Leases receivable	-	309,003			
	Loans receivable	208,473	106,038			
	Deferred inflows - leases	-	(331,600)			
	Financial statement fund balance December 31	<u>\$ 3,901,160</u>	<u>\$ 3,610,249</u>			

City of White Bear Lake
Economic Development Fund

Annual Budget
Fund Detail

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
4241-						
4242	General Economic Development					
	Revenue	\$ 93,135	\$ 53,175	\$ 95,765	\$ 184,997	\$ 188,824
	Expenditures	419,980	1,027,507	639,486	549,923	696,925
	Revenues over (under) expenditures	<u>\$ (326,845)</u>	<u>\$ (974,332)</u>	<u>\$ (543,721)</u>	<u>\$ (364,926)</u>	<u>\$ (508,101)</u>
4244	Economic Development Loans					
	Revenue	\$ 187,438	\$ 105,592	\$ 16,800	\$ 38,571	\$ 11,000
	Expenditures	52,500	-	60,000	20,000	60,000
	Revenues over (under) expenditures	<u>\$ 134,938</u>	<u>\$ 105,592</u>	<u>\$ (43,200)</u>	<u>\$ 18,571</u>	<u>\$ (49,000)</u>
4245	Flower Program					
	Revenue	\$ -	\$ -	\$ -	\$ 2,820	\$ 2,820
	Expenditures	15,186	19,040	23,925	25,335	29,300
	Revenues over (under) expenditures	<u>\$ (15,186)</u>	<u>\$ (19,040)</u>	<u>\$ (23,925)</u>	<u>\$ (22,515)</u>	<u>\$ (26,480)</u>
4247	Bellaire Center					
	Revenue	\$ 288,034	\$ 147,028	\$ 148,116	\$ 154,444	\$ 176,531
	Expenditures	162,303	101,555	114,810	125,824	160,666
	Revenues over (under) expenditures	<u>\$ 125,731</u>	<u>\$ 45,473</u>	<u>\$ 33,306</u>	<u>\$ 28,619</u>	<u>\$ 15,865</u>
4248	Boatworks Commons area					
	Revenue	\$ 3,700	\$ 5,920	\$ 3,000	\$ 5,000	\$ 5,000
	Expenditures	60,228	70,620	91,035	89,335	84,310
	Revenues over (under) expenditures	<u>\$ (56,528)</u>	<u>\$ (64,700)</u>	<u>\$ (88,035)</u>	<u>\$ (84,335)</u>	<u>\$ (79,310)</u>
4249	4th Street Development					
	Revenue	\$ 116,247	\$ 119,227	\$ 117,800	\$ 118,000	\$ 118,445
	Expenditures	40,539	43,440	44,625	49,025	53,245
	Revenues over (under) expenditures	<u>\$ 75,708</u>	<u>\$ 75,787</u>	<u>\$ 73,175</u>	<u>\$ 68,975</u>	<u>\$ 65,200</u>
4250	WBL Rental Houses					
	Revenue	\$ 33,878	\$ 38,901	\$ 34,000	\$ 38,873	\$ 40,140
	Expenditures	5,962	9,806	12,110	33,945	38,420
	Revenues over (under) expenditures	<u>\$ 27,916</u>	<u>\$ 29,095</u>	<u>\$ 21,890</u>	<u>\$ 4,928</u>	<u>\$ 1,720</u>
4251	4200 Hoffman Road					
	Revenue	\$ 23,688	\$ 23,388	\$ 21,300	\$ 23,388	\$ 23,388
	Expenditures	17,323	23,521	25,300	25,450	53,420
	Revenues over (under) expenditures	<u>\$ 6,365</u>	<u>\$ (133)</u>	<u>\$ (4,000)</u>	<u>\$ (2,062)</u>	<u>\$ (30,032)</u>
4252	Depot and Caboose					
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expenditures	4	4,868	1,300	1,175	16,875
	Net revenues over (under) expenditures	<u>\$ (4)</u>	<u>\$ (4,868)</u>	<u>\$ (1,300)</u>	<u>\$ (1,175)</u>	<u>\$ (16,875)</u>
4253	Counseling Center					
	Revenue	\$ -	\$ -	\$ 2,550	\$ 6,000	\$ 6,000
	Expenditures	-	-	2,550	2,550	21,750
	Net revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,450</u>	<u>\$ (15,750)</u>

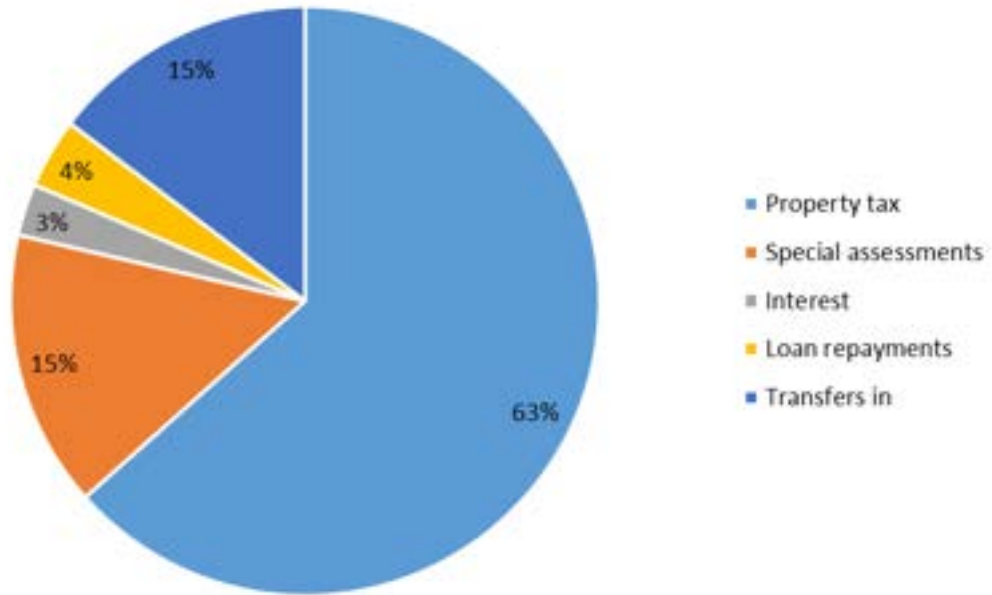
City of White Bear Lake
Debt Service Funds

Annual Budget

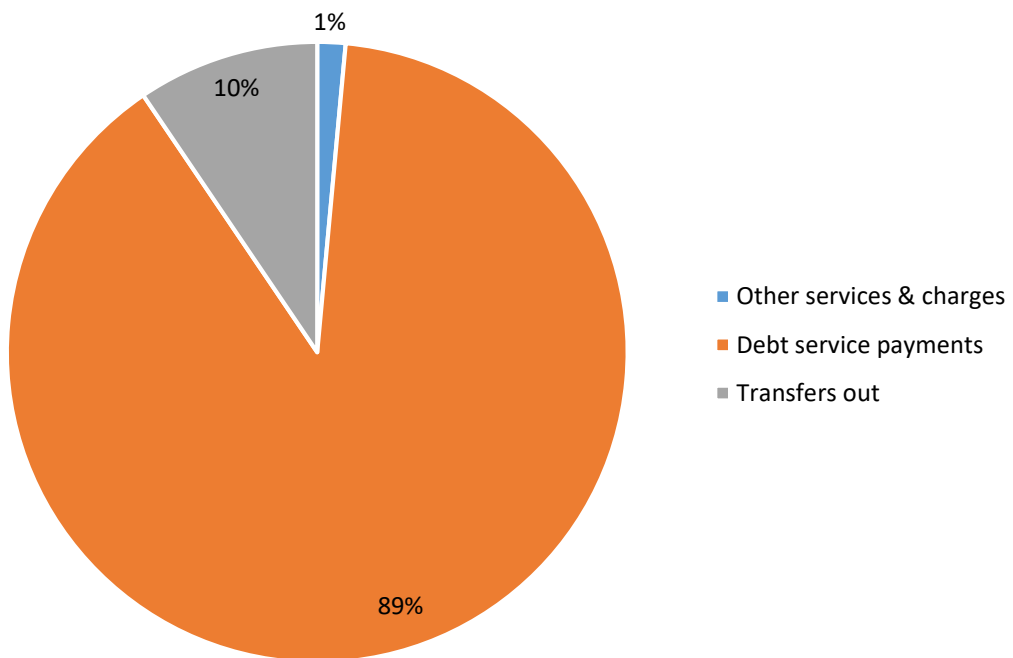
Item	2021 Actual	2022 Actual	2023 Budget	2023 Revised	2024 Budget
Revenues					
Property tax	\$ 679,120	\$ 835,435	\$ 1,722,000	\$ 1,724,000	\$ 2,273,000
Special assessments	1,072,755	1,007,846	587,617	675,473	544,960
Loan repayments	137,810	137,810	137,810	137,810	137,810
Bond sale	22,961	61,557	-	-	-
Miscellaneous	-	1,121	-	-	-
Interest	(7,575)	(53,252)	-	97,051	102,043
Transfers in	1,152,392	747,000	718,000	747,377	527,000
Total revenues	3,057,463	2,737,517	3,165,427	3,381,711	3,584,813
Expenditures					
Other services & charges	28,682	37,805	78,436	42,780	45,200
Debt service payments	1,417,999	1,683,110	2,122,669	2,125,239	2,745,637
Transfers out	504,000	545,750	323,000	371,045	292,000
Total expenditures	1,950,681	2,266,665	2,524,105	2,539,064	3,082,837
Revenues over (under) expenditures	1,106,782	470,852	641,322	842,647	501,976
Fund Balance, January 1	1,698,455	2,805,237	3,001,118	3,276,089	4,118,735
Fund Balance, December 31	\$ 2,805,237	\$ 3,276,089	\$ 3,642,440	\$ 4,118,735	\$ 4,620,711

2024 Debt Service Funds

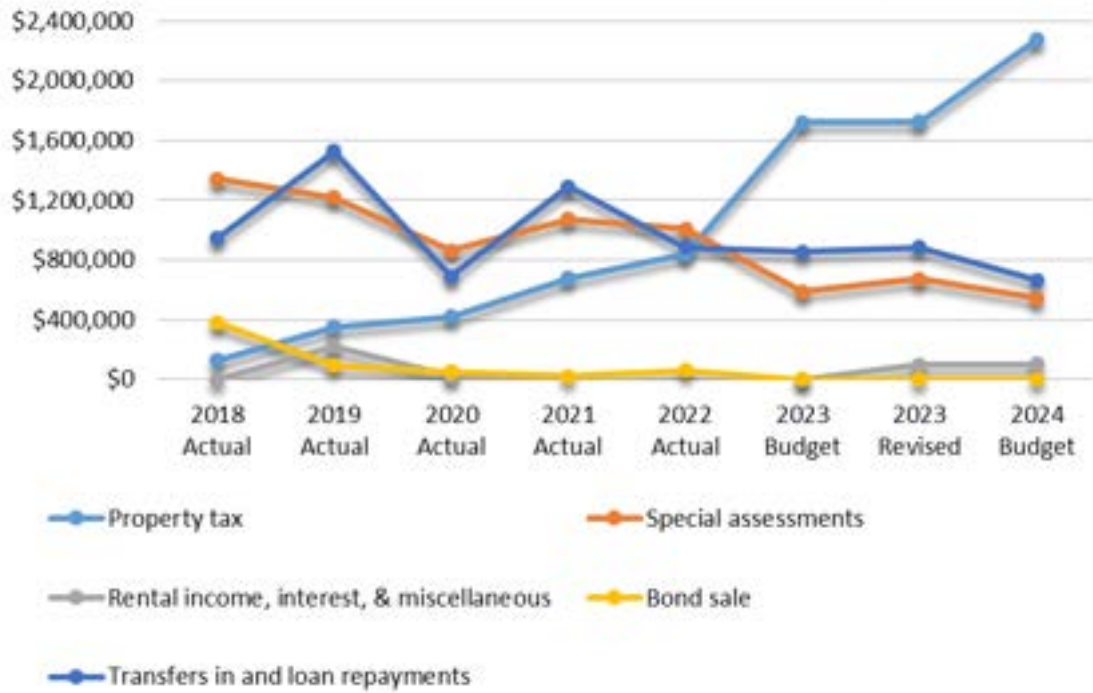
Total Revenues \$3,584,813



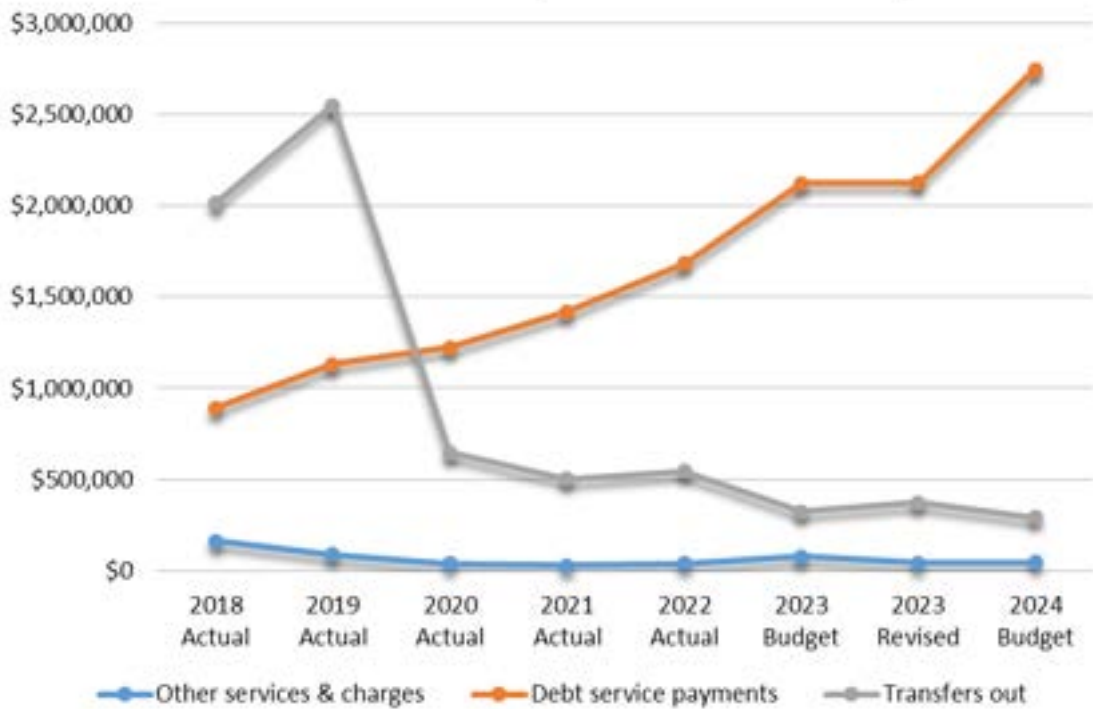
Total Expenditures \$3,082,837



Debt Service Funds Revenue Trend Analysis



Debt Service Funds Expenditure Trend Analysis



**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 to support construction activities 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 paid the bonds in full on February 1, 2023. As the City closes this fund, the 2023 Revised Budget transfers the remaining fund balance to the Pioneer Manor Fund since it supplied revenue to pay the debt service amount due each year.

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

Annual Budget
Fund Summary

<u>Code</u>	<u>Item</u>	<u>2021 Actual</u>	<u>2022 Actual</u>	<u>2023 Adopted</u>	<u>2023 Revised</u>	<u>2024 Budget</u>
Revenues						
4955	Interest	\$ -	\$ (861)	\$ -	\$ -	\$ -
Transfers In						
5205	Pioneer Manor Fund	160,000	160,000	160,000	160,000	-
Total revenues and transfers in		160,000	159,139	160,000	160,000	-
Expenditures						
Debt Service						
7410	Principal	170,000	170,000	170,000	170,000	-
7420	Interest	8,500	5,100	1,700	1,700	-
Total debt service		178,500	175,100	171,700	171,700	-
Other Services and Charges						
6401	Professional services	543	5,422	660	1,000	-
7430	Fiscal agent fees	500	500	550	-	-
Total other services and charges		1,043	5,922	1,210	1,000	-
Transfers Out						
7605	Pioneer Manor Fund	-	-	-	18,668	-
Total expenditures		179,543	181,022	172,910	191,368	-
Revenues over (under) expenditures		(19,543)	(21,883)	(12,910)	(31,368)	-
Fund Balance January 1		72,794	53,251	36,941	31,368	-
Fund Balance December 31		\$ 53,251	\$ 31,368	\$ 24,031	\$ -	\$ -

Fund: Non-Bonded Special Assessment Debt Service Fund 3070

Department Activities and Responsibilities:

This fund accounts for the special assessment payments received from property owners who were part of a street improvement project in a year when the City did not issue bonds to pay for the construction costs.

In 2010, the White Bear Area YMCA renovated and expanded their facility through 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. A tax levy and a transfer from the Marina Fund supported the repayment of the internal 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 November 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 2020 and 2021, this fund assisted the Marina Fund in repaying the final amounts due to the Insurance Fund for its portion of the internal loan.

As mentioned above, the City and the White Bear Lake Area 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 and a total principal amount of up to \$2 million dollars with applicable interest for 20 years to assist in paying debt service costs. Annual contributions for the loan began in 2019.

The fund begins to budget for interest again in the 2023 Revised Budget. The interest amounts are extrapolations from actual interest earnings as of June 30, 2023.

This fund holds the annual payments from the Hockey Association and transfers amounts to the debt service fund as needed to ensure compliance with arbitrage rules. The Association's annual principal and interest payments as of December 31, 2024 are as follows:

Fund: Non-Bonded Special Assessment Debt Service Fund 3070

Year	Principal	Interest	Total	Rate
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	<u>1,449,414</u>	<u>355,925</u>	<u>1,805,345</u>	

Two bond issues covered the total expenditures for the Sports Center renovation 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.

Historically low interest rates in 2012 prompted the City to issue \$2,555,000 of general obligation improvement bonds. The special assessment payments collected in the fund pay the annual debt service obligations. Future transfers from this fund to the 2012 Special Assessment Debt Service Fund to meet debt service obligations are as follows:

Year	Amount
2025	\$ 163,000
2026	155,000
2027	102,000
2028	70,000
Total	<u>490,000</u>

The City entered into an Energy Performance Contract with Trane Technologies in 2021 to implement energy efficiencies within the City facilities and operations. The Municipal Building Fund maintains the financial records to coordinate the funding and expenditures related to the contract.

The City Council approved Resolution 12888 at their November 23, 2021 meeting creating a 15-year internal loan with a 1.5% interest rate to assist in financing the cost of the contract. The

Fund: Non-Bonded Special Assessment Debt Service Fund 3070

\$855,000 internal loan to the Municipal Building Fund consists of \$213,750 contributed from the Non-Bonded Fund and \$641,250 contributed from the Economic Development Fund. A portion of any energy savings in the General and Sports Center Funds will be transferred to the Municipal Building Fund to support repayment of the loans. The solar array system passed all required tests and became active in July 2023. No transfers are scheduled in the 2024 Budget because savings have not been recognized yet.

The City Council did adopt Resolution 12889 which declares an official intent of the City to be reimbursed for certain expenditures from the proceeds of bonds issued by the City for these costs in the event the City Council determines liquidity of these funds a more immediate priority than waiting for repayment of the internal loan. The City must issue any bonds to receive reimbursement for these expenditures within 3 years of the resolution approval, November 23, 2024.

Budget Summary:

The 2023 and 2024 budgets transfer some of the White Bear Lake Area Hockey Association's money to the 2018A General Obligation Debt Service Fund for the Sports Center debt service payment. The transfer varies each year based on the amount needed in the debt service to pay the annual debt service costs while complying with arbitrage rules.

The transfer to the 2012 Special Assessment Debt Service Fund covers the annual debt service costs for the budget year.

In the 2023 Revised Budget, the Fund makes a transfer to the 2023A Debt Service Fund for a planned issuer equity contribution in accordance with the bond sale's closing memo.

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

Annual Budget
Fund Summary

<u>Code</u>	<u>Item</u>	<u>2021 Actual</u>	<u>2022 Actual</u>	<u>2023 Adopted</u>	<u>2023 Revised</u>	<u>2024 Budget</u>
Revenues						
4210	Special assessments current	\$ 521,380	\$ 474,053	\$ 308,500	\$ 427,000	\$ 325,000
4215	Special assess. prepaid to county	90,311	78,168	48,000	17,475	17,000
4220	Special assessments prepaid to city	18,050	1,071	-	7,186	-
4225	Special assessments delinquent	6,825	6,322	10,000	5,750	5,000
4230	Special assess. penalties and interest	2,826	4,519	2,500	950	950
4955	Interest	(3,222)	(15,130)	-	10,600	12,400
5350	Miscellaneous revenue	-	1,121	-	-	-
5360	WBLHA debt service contribution	137,810	137,810	137,810	137,810	137,810
	Total revenues	<u>773,980</u>	<u>687,934</u>	<u>506,810</u>	<u>606,771</u>	<u>498,160</u>
Expenditures						
Other Services and Charges						
6401	Professional services	6,260	6,105	7,175	6,500	6,500
6560	Other contracted services	12,746	9,071	51,301	16,610	16,675
	Total other services and charges	<u>19,006</u>	<u>15,176</u>	<u>58,476</u>	<u>23,110</u>	<u>23,175</u>
Transfers Out						
7605	2012 Special Assessment Debt Service Fund	200,000	192,000	178,000	178,000	172,000
7605	2018A G.O. Debt Service Fund	170,000	140,000	145,000	145,000	120,000
7605	2023A G.O. Capital Improvement Bonds	-	-	-	29,377	-
7605	Municipal Building Fund	-	213,750	-	-	-
7605	Insurance Fund	134,000	-	-	-	-
	Total transfers out	<u>504,000</u>	<u>545,750</u>	<u>323,000</u>	<u>352,377</u>	<u>292,000</u>
	Total expenditures	<u>523,006</u>	<u>560,926</u>	<u>381,476</u>	<u>375,487</u>	<u>315,175</u>
	Revenues over (under) expenditures	<u>250,974</u>	<u>127,008</u>	<u>125,334</u>	<u>231,284</u>	<u>182,985</u>
	Fund balance January 1	<u>502,976</u>	<u>753,950</u>	<u>803,310</u>	<u>880,958</u>	<u>1,112,242</u>
	Fund balance December 31	<u>\$ 753,950</u>	<u>\$ 880,958</u>	<u>\$ 928,644</u>	<u>\$ 1,112,242</u>	<u>\$ 1,295,227</u>
Fund Balance Reconciliation to Financial Statements:						
	Budget fund balance December 31	\$ 753,950	\$ 880,958	\$ 928,644	\$ 1,112,242	\$ 1,295,227
	Advances to other funds	-	213,750	213,750	213,750	213,750
	Financial statement fund balance December 31	<u>\$ 753,950</u>	<u>\$ 1,094,708</u>	<u>\$ 1,142,394</u>	<u>\$ 1,325,992</u>	<u>\$ 1,508,977</u>

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 improvements benefiting their properties provide revenues to retire these bonds.

The Non-Bonded Fund collects the special assessment payments and makes an annual transfer into this fund 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:

The fund begins to budget for interest again in the 2023 Revised Budget. The interest amounts are extrapolations from actual interest earnings as of June 30, 2023.

No tax levy is required to support this fund. The City's principal and interest obligation as of December 31, 2024, for the Special Assessment Bonds are as follows:

Year	Principal	Interest	Total	Rate
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	475,000	15,418	490,418	

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

Annual Budget
Fund Summary

<u>Code</u>	<u>Item</u>	<u>2021 Actual</u>	<u>2022 Actual</u>	<u>2023 Adopted</u>	<u>2023 Revised</u>	<u>2024 Budget</u>
Revenues						
4955	Interest	\$ -	\$ (833)	\$ -	\$ 300	\$ 400
5205	Transfers In Non-Bonded Fund	200,000	192,000	178,000	178,000	172,000
	Total revenues	200,000	191,167	178,000	178,300	172,400
Expenditures						
Debt Service						
7410	Principal	180,000	175,000	165,000	165,000	160,000
7420	Interest	17,660	15,310	12,806	12,806	10,208
	Total debt service	197,660	190,310	177,806	177,806	170,208
Other Services and Charges						
6401	Professional services	543	5,422	660	489	660
7430	Fiscal agent fees	500	1,050	500	-	550
	Total other services and charges	1,043	6,472	1,160	489	1,210
	Total expenditures	198,703	196,782	178,966	178,295	171,418
	Revenues over (under) expenditures	1,297	(5,615)	(966)	5	982
	Fund balance January 1	29,220	30,517	31,047	24,902	24,907
	Fund balance December 31	\$ 30,517	\$ 24,902	\$ 30,081	\$ 24,907	\$ 25,889

**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 funds for site cleanup, soil correction, utility improvements, and public facility improvements.

The Boatworks Commons 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.

Budget Summary:

The fund begins to budget for interest again in the 2023 Revised Budget. The interest amounts are extrapolations from actual interest earnings as of June 30, 2023.

The City’s principal obligation on the bond issue will total \$1,690,000 as of December 31, 2024. 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
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	1,690,000	304,917	1,994,917	

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

Annual Budget
Fund Summary

<u>Code</u>	<u>Item</u>	<u>2021 Actual</u>	<u>2022 Actual</u>	<u>2023 Adopted</u>	<u>2023 Revised</u>	<u>2024 Budget</u>
Revenues						
4955	Interest	\$ -	\$ (865)	\$ -	\$ 1,449	\$ 1,440
Transfers In						
5205	HRA Fund Boatworks Commons TIF	140,000	140,000	137,000	137,000	139,000
Total revenues		140,000	139,135	137,000	138,449	140,440
Expenditures						
Other Services and Charges						
6401	Professional services	2,543	-	660	660	660
7430	Fiscal agent fees	450	-	500	500	550
Total other services and charges		2,993	-	1,160	1,160	1,210
Debt Service						
7410	Principal	85,000	90,000	90,000	90,000	95,000
7420	Interest	50,937	49,184	45,612	45,612	42,837
Total debt service		135,937	139,184	135,612	135,612	137,837
Total expenditures		138,930	139,184	136,772	136,772	139,047
Revenues over (under) expenditures		1,070	(49)	228	1,677	1,393
Fund balance January 1		31,181	32,251	32,828	32,202	33,879
Fund balance December 31		\$ 32,251	\$ 32,202	\$ 33,056	\$ 33,879	\$ 35,272

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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 City issued \$5,850,000 General Obligation Bonds, Series 2018A pursuant to Minnesota Statutes, Sections 410.32 and 412.301 and Chapters 429 and 475 to finance the 2018 street reconstruction project and replacement of the Sports Center's refrigeration equipment system. 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 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. The Non-Bonded Special Assessment Fund receives the payments from the Hockey Association in order to be compliant with arbitrage requirements. The Non-Bonded Special Assessment Fund makes an annual transfer to this fund to provide revenues to support the debt service payment.

Two bond issues covered the total expenditures for the project. The Hockey Association's annual payments cover the bond issue payments related to 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, 2027, are subject for early redemption call at par at the option of the City.

Budget Summary:

The fund begins to budget for interest again in the 2023 Revised Budget. The interest amounts are extrapolations from actual interest earnings as of June 30, 2023.

The 2023 Revised Budget includes funding for 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, 2024, the City's principal obligation on the debt is \$4,660,000. 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
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	3,335,000	924,264	1,575,000	447,634	6,281,898	

City of White Bear Lake

2018A GO Bonds for Street Reconstruction and Sports Center Refrigeration Equipment (3082)

Annual Budget

Fund Summary

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Revenues						
4015	Regular levy street reconstruction	\$ 187,932	\$ 203,280	\$ 220,000	\$ 220,000	\$ 220,000
4025	Delinquent property taxes	79	10	-	-	-
4040	Fiscal disparities	25,460	11,676	-	-	-
	Total property taxes	<u>213,471</u>	<u>214,966</u>	<u>220,000</u>	<u>220,000</u>	<u>220,000</u>
4210	Special assessments current	45,710	39,800	39,000	37,100	35,800
4215	Special assessments prepaid to County	41,502	7,817	-	-	-
4220	Special assessments prepaid to City	5,407	-	-	-	-
4225	Special assessments delinquent	443	234	-	-	-
4230	Special assessments penalties & interest	73	80	-	-	-
4955	Interest	(817)	(5,957)	-	19,699	18,997
	Total operating and other revenues	<u>305,789</u>	<u>256,940</u>	<u>259,000</u>	<u>276,799</u>	<u>274,797</u>
Transfers In						
5205	Non-Bonded Debt Service Fund	<u>170,000</u>	<u>140,000</u>	<u>145,000</u>	<u>145,000</u>	<u>120,000</u>
	Total revenues	<u>475,789</u>	<u>396,940</u>	<u>404,000</u>	<u>421,799</u>	<u>394,797</u>
Expenditures						
Other Services and Charges						
6401	Professional services	543	422	660	3,660	660
7430	Fiscal agent fees	500	550	550	550	550
	Total other services and charges	<u>1,043</u>	<u>972</u>	<u>1,210</u>	<u>4,210</u>	<u>1,210</u>
Debt Service						
7410	Principal	235,000	235,000	245,000	245,000	250,000
7420	Interest	181,182	172,956	163,356	163,356	153,456
	Total debt service	<u>416,182</u>	<u>407,956</u>	<u>408,356</u>	<u>408,356</u>	<u>403,456</u>
	Total expenditures	<u>417,225</u>	<u>408,928</u>	<u>409,566</u>	<u>412,566</u>	<u>404,666</u>
	Revenues over (under) expenditures	<u>58,564</u>	<u>(11,988)</u>	<u>(5,566)</u>	<u>9,233</u>	<u>(9,869)</u>
	Fund Balance January 1	<u>393,217</u>	<u>451,781</u>	<u>449,090</u>	<u>439,793</u>	<u>449,026</u>
	Fund Balance December 31	<u>\$ 451,781</u>	<u>\$ 439,793</u>	<u>\$ 443,524</u>	<u>\$ 449,026</u>	<u>\$ 439,157</u>

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**Fund: 2018B General Obligation Tax Abatement Bonds Debt Service Fund 3083
Sports Center**

Department Activities and Responsibilities:

The City issued \$3,330,000 General Obligation Tax Abatement Bonds, Series 2018B on June 14, 2018, pursuant to Minnesota Statutes, Chapters 469 and 475 to finance the costs associated with renovation of the Ice Arena renovation project at the City's Sports 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 and annual payments for 20 years to assist in paying debt service principal costs up to \$2 million dollars and the associated interest at the City's bond interest rate for the issue. Two bond issues cover the total expenditures for the project.

The tax levy previously assigned to repay the YMCA/Sports Center debt and a transfer in from the Marina Fund provide revenues to pay the annual debt service payments for the bond issue.

The Hockey Association's annual contributions cover the 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, 2027, are subject for early redemption call at par at the option of the City.

Budget Summary:

The fund begins to budget for interest again in the 2023 Revised Budget. The interest amounts are extrapolations from actual interest earnings as of June 30, 2023.

The 2023 Budget includes funding for 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, 2024, the City's principal obligation on the debt is \$2,675,000. Future principal and interest obligations on this debt by expense category are as follows:

**Fund: 2018B General Obligation Tax Abatement Bonds Debt Service Fund 3083
Sports Center**

Year	Principal	Interest	Total	Rate
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%
Total	<u>2,675,000</u>	<u>709,807</u>	<u>3,384,807</u>	

City of White Bear Lake
2018B GO Tax Abatement Bonds for Sports Center Renovations (3083)

Annual Budget
Fund Summary

<u>Code</u>	<u>Item</u>	<u>2021 Actual</u>	<u>2022 Actual</u>	<u>2023 Adopted</u>	<u>2023 Revised</u>	<u>2024 Budget</u>
Revenues						
4015	Regular Levy YMCA/Sports Center	\$ 112,759	\$ 121,968	\$ 132,000	\$ 132,000	\$ 132,000
4025	Delinquent property tax	47	6	-	-	-
4040	Fiscal disparities	15,276	7,005	-	-	-
4955	Interest	(187)	(2,814)	-	10,500	10,400
	Total operating revenues	<u>127,895</u>	<u>126,165</u>	<u>132,000</u>	<u>142,500</u>	<u>142,400</u>
Transfers In						
5205	Marina Fund	<u>165,500</u>	<u>115,000</u>	<u>98,000</u>	<u>98,000</u>	<u>96,000</u>
	Total transfers in	<u>165,500</u>	<u>115,000</u>	<u>98,000</u>	<u>98,000</u>	<u>96,000</u>
	Total revenues	<u>293,395</u>	<u>241,165</u>	<u>230,000</u>	<u>240,500</u>	<u>238,400</u>
Expenditures						
Other Services and Charges						
6401	Professional services	543	421	3,660	3,660	660
7430	Fiscal agent fees	500	550	550	550	550
	Total other services and charges	<u>1,043</u>	<u>971</u>	<u>4,210</u>	<u>4,210</u>	<u>1,210</u>
Debt Service						
7410	Principal	125,000	130,000	135,000	135,000	140,000
7420	Interest	<u>99,374</u>	<u>95,550</u>	<u>91,575</u>	<u>91,575</u>	<u>87,450</u>
	Total debt service	<u>224,374</u>	<u>225,550</u>	<u>226,575</u>	<u>226,575</u>	<u>227,450</u>
	Total expenditures	<u>225,417</u>	<u>226,521</u>	<u>230,785</u>	<u>230,785</u>	<u>228,660</u>
	Revenues over (under) expenditures	<u>67,978</u>	<u>14,644</u>	<u>(785)</u>	<u>9,715</u>	<u>9,740</u>
	Fund balance January 1	<u>153,367</u>	<u>221,345</u>	<u>241,585</u>	<u>235,989</u>	<u>245,704</u>
	Fund balance December 31	<u>\$ 221,345</u>	<u>\$ 235,989</u>	<u>\$ 240,800</u>	<u>\$ 245,704</u>	<u>\$ 255,444</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 fund begins to budget for interest again in the 2023 Revised Budget. The interest amounts are extrapolations from actual interest earnings as of June 30, 2023.

The 2024 Budget includes funding for 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, 2024, the City's principal obligation on the debt is \$1,515,000. Future principal and interest obligations on this debt by expense category are as follows:

Year	Principal	Interest	Total	Rate
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	<u>1,515,000</u>	<u>344,050</u>	<u>1,859,050</u>	

City of White Bear Lake
2019A GO Street Reconstruction Bonds Debt Service Fund (3084)

Annual Budget
Fund Summary

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Revenues						
4015	General property tax levy	\$ 70,802	\$ 74,844	\$ 80,000	\$ 80,000	\$ 83,000
4025	Delinquent property tax	30	4	-	-	-
4040	Fiscal disparities	9,617	4,299	-	-	-
4210	Special assessments current	49,456	44,808	42,800	41,510	40,200
4215	Special assessments prepaid to County	17,507	11,397	-	-	-
4220	Special assessments prepaid to City	1,102	3,835	-	-	-
4225	Special assessments delinquent	416	328	-	-	-
4230	Special assessments penalties & interest	124	201	-	-	-
4955	Interest	(1,780)	(8,938)	-	18,203	16,181
	Total revenues	<u>147,274</u>	<u>130,778</u>	<u>122,800</u>	<u>139,713</u>	<u>139,381</u>
Expenditures						
Other Services and Charges						
6401	Professional services	543	4,173	660	660	3,160
7430	Fiscal agent fees	950	475	550	550	550
	Total other services and charges	<u>1,493</u>	<u>4,648</u>	<u>1,210</u>	<u>1,210</u>	<u>3,710</u>
Debt Service						
7410	Principal	100,000	100,000	105,000	105,000	105,000
7420	Interest	65,399	61,400	57,300	57,300	53,100
	Total debt service	<u>165,399</u>	<u>161,400</u>	<u>162,300</u>	<u>162,300</u>	<u>158,100</u>
	Total expenditures	<u>166,892</u>	<u>166,048</u>	<u>163,510</u>	<u>163,510</u>	<u>161,810</u>
	Revenues over (under) expenditures	<u>(19,618)</u>	<u>(35,270)</u>	<u>(40,710)</u>	<u>(23,797)</u>	<u>(22,429)</u>
	Fund balance January 1	<u>463,256</u>	<u>443,638</u>	<u>402,378</u>	<u>408,368</u>	<u>384,571</u>
	Fund balance December 31	<u>\$ 443,638</u>	<u>\$ 408,368</u>	<u>\$ 361,668</u>	<u>\$ 384,571</u>	<u>\$ 362,142</u>

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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:

The fund begins to budget for interest again in the 2023 Revised Budget. The interest amounts are extrapolations from actual interest earnings as of June 30, 2023.

The 2023 Budget includes funding for interim arbitrage work required for compliance with IRS regulations in the Professional Services account. Arbitrage analysis reports will occur on the second anniversary of the bond issue and then every five-year anniversary of the issuance until the bond is paid.

As of December 31, 2024, the City's principal obligation on the debt is \$3,075,000. 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
2025	\$ 145,000	\$ 47,275	\$ 120,000	\$ 21,750	\$ 334,025	3.000%
2026	145,000	42,925	125,000	18,075	331,000	3.000%
2027	145,000	38,575	130,000	14,250	327,825	3.000%
2028	150,000	34,150	135,000	10,275	329,425	3.000%
2029	150,000	29,650	135,000	6,225	320,875	3.000%
2030	150,000	25,150	140,000	2,100	317,250	3.000%
2031	155,000	21,350	-	-	176,350	2.000%
2032	100,000	18,800	-	-	118,800	2.000%
2033	105,000	16,750	-	-	121,750	2.000%
2034	105,000	14,650	-	-	119,650	2.000%
2035	105,000	12,550	-	-	117,550	2.000%
2036	110,000	10,400	-	-	120,400	2.000%
2037	90,000	8,400	-	-	98,400	2.000%
2038	90,000	6,600	-	-	96,600	2.000%
2039	95,000	4,750	-	-	99,750	2.000%
2040	95,000	2,850	-	-	97,850	2.000%
2041	95,000	950	-	-	95,950	2.000%
Total	2,030,000	335,775	785,000	72,675	3,223,450	

City of White Bear Lake
2020A GO Street Reconstruction and Equipment Certificates Bonds Debt Service Fund (3085)

Annual Budget
Fund Summary

<u>Code</u>	<u>Item</u>	<u>2021 Actual</u>	<u>2022 Actual</u>	<u>2023 Adopted</u>	<u>2023 Revised</u>	<u>2024 Budget</u>
Revenues						
4015	General property tax levy	\$ 226,393	\$ 239,316	\$ 258,000	\$ 258,000	\$ 258,000
4025	Delinquent property tax levy	-	12	-	-	-
4040	Fiscal disparities	30,725	13,745	-	-	-
4210	Special assessments current	60,976	51,389	35,400	43,500	42,900
4215	Special assess. prepaid to county	-	44,552	-	-	-
4220	Special assessments prepaid to city	40,724	-	-	-	-
4225	Special Assessments Delinquent	-	1,115	-	-	-
4230	Special Assessments Penalties and Interest	104	154	-	-	-
4955	Interest	(1,503)	(11,036)	-	27,700	25,500
	Total operating and other revenues	<u>357,419</u>	<u>339,247</u>	<u>293,400</u>	<u>329,200</u>	<u>326,400</u>
Transfers In						
5205	Construction Fund	<u>316,892</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Total revenues	<u>674,311</u>	<u>339,247</u>	<u>293,400</u>	<u>329,200</u>	<u>326,400</u>
Expenditures						
Other Services and Charges						
6401	Professional services	543	423	4,410	4,410	660
7430	Fiscal agent fees	475	950	550	550	550
	Total other services and charges	<u>1,018</u>	<u>1,373</u>	<u>4,960</u>	<u>4,960</u>	<u>1,210</u>
Debt Service						
7410	Principal	-	250,000	255,000	255,000	260,000
7420	Interest	99,947	92,200	84,625	84,625	76,900
	Total expenditures	<u>100,965</u>	<u>343,573</u>	<u>344,585</u>	<u>344,585</u>	<u>338,110</u>
	Revenues over (under) expenditures	<u>573,346</u>	<u>(4,326)</u>	<u>(51,185)</u>	<u>(15,385)</u>	<u>(11,710)</u>
	Fund balance January 1	<u>52,444</u>	<u>625,790</u>	<u>601,425</u>	<u>621,464</u>	<u>606,079</u>
	Fund balance December 31	<u>\$ 625,790</u>	<u>\$ 621,464</u>	<u>\$ 550,240</u>	<u>\$ 606,079</u>	<u>\$ 594,369</u>

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Fund: 2021A General Obligation Bonds Debt Service Fund 3086

Department Activities and Responsibilities:

On June 17, 2021, the City issued General Obligation Bonds, Series 2021A in an aggregate principal amount of \$4,280,000. The bond issuance consists of:

\$1,335,000 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.

\$480,000 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.

\$2,465,000 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:

The fund begins to budget for interest again in the 2023 Revised Budget. The interest amounts are extrapolations from actual interest earnings as of June 30, 2023.

The 2024 Budget includes funding for interim arbitrage work required for compliance with IRS regulations in the Professional Services account. Arbitrage analysis reports will occur on the second anniversary of the bond and then every five-year anniversary of the issuance until the bond is paid.

As of December 31, 2024, the City's principal obligation on the debt is \$1,095,000. Future principal and interest obligations on this debt by expense category are as follows:

Fund: 2021A General Obligation Bonds Debt Service Fund 3086

Year	GO Improve. Principal	GO Improve. Interest	GO Equipment Principal	GO Equipment Interest	Total	Rate
2025	\$ 120,000	\$ 19,600	\$ 50,000	\$ 7,100	\$ 196,700	2.000%
2026	120,000	17,200	50,000	6,100	193,300	2.000%
2027	125,000	14,750	55,000	5,050	199,800	2.000%
2028	125,000	12,250	55,000	3,950	196,200	2.000%
2029	125,000	9,750	55,000	2,850	192,600	2.000%
2030	130,000	7,200	55,000	1,750	193,950	2.000%
2031	130,000	4,600	60,000	600	195,200	2.000%
2032	130,000	2,325	-	-	132,325	1.500%
2033	90,000	675	-	-	90,675	1.500%
Total	1,095,000	88,350	380,000	27,400	1,590,750	

City of White Bear Lake

2021A GO Street Reconstruction and Equipment Certificates Bonds Debt Service Fund (3086)

Annual Budget

Fund Summary

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Revenues						
4015	General property tax levy	\$ -	\$ 150,612	\$ 161,000	\$ 161,000	\$ 158,000
4025	Delinquent property tax levy	-	7	-	-	-
4040	Fiscal disparities	-	8,651	-	-	-
4210	Special assessments current	-	30,287	22,100	24,155	21,465
4215	Special assessments prepaid to County	-	7,165	-	1,971	-
4220	Special assessments prepaid to City	169,819	-	-	-	-
4230	Special assessments penalties & interest	-	5	-	-	-
4955	Interest	(66)	(5,867)	-	2,850	3,350
5324	Bond issuance fees	22,961	-	-	-	-
	Total operating and other revenues	<u>192,714</u>	<u>190,860</u>	<u>183,100</u>	<u>189,976</u>	<u>182,815</u>
Expenditures						
Other Services and Charges						
6401	Professional services	-	424	660	489	4,410
7430	Fiscal agent fees	-	950	550	-	550
	Total other services and charges	<u>-</u>	<u>1,374</u>	<u>1,210</u>	<u>489</u>	<u>4,960</u>
Debt Service						
7410	Principal	-	-	170,000	170,000	170,000
7420	Interest	-	41,410	34,775	34,775	30,525
	Total debt service	<u>-</u>	<u>41,410</u>	<u>204,775</u>	<u>204,775</u>	<u>200,525</u>
	Total expenditures	<u>-</u>	<u>42,784</u>	<u>205,985</u>	<u>205,264</u>	<u>205,485</u>
	Revenues over (under) expenditures	<u>192,714</u>	<u>148,076</u>	<u>(22,885)</u>	<u>(15,288)</u>	<u>(22,670)</u>
	Fund balance January 1	<u>-</u>	<u>192,714</u>	<u>342,167</u>	<u>340,790</u>	<u>325,502</u>
	Fund balance December 31	<u>\$ 192,714</u>	<u>\$ 340,790</u>	<u>\$ 319,282</u>	<u>\$ 325,502</u>	<u>\$ 302,832</u>

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Fund: 2022A General Obligation Bonds Debt Service Fund 3087

Department Activities and Responsibilities:

On June 2, 2022, the City issued General Obligation Bonds, Series 2022A in an aggregate principal amount of \$3,010,000. The bond issuance consists of:

\$3,010,000 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.

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, 2032, are callable February 1, 2031 or any date thereafter.

Budget Summary:

The fund begins to budget for interest again in the 2023 Revised Budget. The interest amounts are extrapolations from actual interest earnings as of June 30, 2023.

The 2024 Budget includes funding for interim arbitrage work required for compliance with IRS regulations in the Professional Services account. Arbitrage analysis reports will occur on the second anniversary of the bond and then every five-year anniversary of the issuance until the bond is paid.

As of December 31, 2024, the City's principal obligation on the debt is \$2,835,000. Future principal and interest obligations on this debt by expense category are as follows:

Fund: 2022A General Obligation Bonds Debt Service Fund 3087

Year	Principal	Interest	Total	Rate
2025	\$ 180,000	\$ 84,772	\$ 264,772	3.000%
2026	180,000	79,372	259,372	3.000%
2027	185,000	73,897	258,897	3.000%
2028	190,000	68,272	258,272	3.000%
2029	195,000	62,497	257,497	3.000%
2030	195,000	56,647	251,647	3.000%
2031	200,000	50,722	250,722	3.000%
2032	205,000	44,648	249,648	3.000%
2033	205,000	38,396	243,396	3.100%
2034	210,000	31,963	241,963	3.100%
2035	215,000	25,268	240,268	3.200%
2036	220,000	18,308	238,308	3.200%
2037	225,000	11,132	236,132	3.250%
2038	230,000	3,738	233,738	3.250%
Total	<u>2,835,000</u>	<u>649,632</u>	<u>3,484,632</u>	

City of White Bear Lake
2022A GO Street Reconstruction Bonds Debt Service Fund (3087)

Annual Budget
Fund Summary

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Revenues						
4015	General property tax levy	\$ -	\$ -	\$ 202,000	\$ 202,000	\$ 204,000
4210	Special assessments current	-	-	79,317	63,930	56,645
4215	Special assess. prepaid to county	-	-	-	4,946	-
4220	Special assessments prepaid to city	-	200,546	-	-	-
4955	Interest	-	(951)	-	3,750	4,375
5324	Bond issuance fees	-	61,557	-	-	-
	Total revenues	<u>-</u>	<u>261,152</u>	<u>281,317</u>	<u>274,626</u>	<u>265,020</u>
Expenditures						
Other Services and Charges						
6401	Professional services	-	422	660	489	4,410
7430	Fiscal agent fees	-	475	550	-	550
	Total other services and charges	<u>-</u>	<u>897</u>	<u>1,210</u>	<u>489</u>	<u>4,960</u>
Debt Service						
7410	Principal	-	-	-	-	175,000
7420	Interest	-	-	107,920	107,920	90,097
	Total debt service	<u>-</u>	<u>-</u>	<u>107,920</u>	<u>107,920</u>	<u>265,097</u>
	Total expenditures	<u>-</u>	<u>897</u>	<u>109,130</u>	<u>108,409</u>	<u>270,057</u>
	Revenues over (under) expenditures	<u>-</u>	<u>260,255</u>	<u>172,187</u>	<u>166,217</u>	<u>(5,037)</u>
	Fund balance January 1	<u>-</u>	<u>-</u>	<u>60,347</u>	<u>260,255</u>	<u>426,472</u>
	Fund balance December 31	<u>\$ -</u>	<u>\$ 260,255</u>	<u>\$ 232,534</u>	<u>\$ 426,472</u>	<u>\$ 421,435</u>

Fund: 2022B General Obligation Bonds Debt Service Fund 3088

Department Activities and Responsibilities:

The City issued General Obligation Bonds, Series 2022B in an aggregate principal amount of \$6,990,000 on December 13, 2022. The bond issuance consists of:

\$6,990,000 for General Obligation Capital Improvement Bonds issued pursuant to Minnesota Statutes, Chapter 475 is the first of two issues to finance the costs associated with the Public Safety Facility renovation 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.

Budget Summary:

The fund begins to budget for interest again in the 2023 Revised Budget. The interest amounts are extrapolations from actual interest earnings as of June 30, 2023.

As of December 31, 2024, the City's principal obligation on the debt is \$6,990,000. Future principal and interest obligations on this debt by expense category are as follows:

Year	Principal	Interest	Total	Rate
2025	\$ 225,000	\$ 295,275	\$ 520,275	5.000%
2026	240,000	283,650	523,650	5.000%
2027	250,000	271,400	521,400	5.000%
2028	250,000	258,900	508,900	5.000%
2029	275,000	245,775	520,775	5.000%
2030	275,000	232,025	507,025	5.000%
2031	300,000	217,650	517,650	5.000%
2032	315,000	202,275	517,275	5.000%
2033	325,000	187,900	512,900	4.000%
2034	340,000	174,600	514,600	4.000%
2035	350,000	160,800	510,800	4.000%
2036	370,000	146,400	516,400	4.000%
2037	375,000	131,500	506,500	4.000%
2038	375,000	116,500	491,500	4.000%
2039	400,000	101,000	501,000	4.000%
2040	425,000	84,500	509,500	4.000%
2041	450,000	67,000	517,000	4.000%
2042	465,000	48,700	513,700	4.000%
2043	485,000	29,700	514,700	4.000%
2044	500,000	10,000	510,000	4.000%
Total	<u>6,990,000</u>	<u>3,265,550</u>	<u>10,255,550</u>	

City of White Bear Lake
2022B General Obligation Bonds Debt Service Fund (3088)

Annual Budget
Fund Summary

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Revenues						
4015	General property tax levy	\$ -	\$ -	\$ 365,000	\$ 365,000	\$ 553,000
4955	Interest	-	-	-	2,000	4,000
	Total operating and other revenues	-	-	365,000	367,000	557,000
	Total revenues	-	-	365,000	367,000	557,000
Expenditures						
Other Services and Charges						
6401	Professional services	-	-	660	489	660
7430	Fiscal agent fees	-	-	550	475	475
	Total other services and charges	-	-	1,210	964	1,135
Debt Service						
7420	Interest	-	-	188,000	190,570	300,900
	Total debt service	-	-	188,000	190,570	300,900
	Total expenditures	-	-	189,210	191,534	302,035
	Revenues over (under) expenditures	-	-	175,790	175,466	254,965
	Fund balance January 1	-	-	-	-	175,466
	Fund balance December 31	\$ -	\$ -	\$ 175,790	\$ 175,466	\$ 430,431

Fund: 2023A General Obligation Bonds Debt Service Fund 3089

Department Activities and Responsibilities:

The City issued General Obligation Bonds, Series 2023A in an aggregate principal amount of \$10,000,000 on March 23, 2023. The bond issuance consists of:

\$10,000,000 for General Obligation Capital Improvement Bonds issued pursuant to Minnesota Statutes, Chapter 475 are the second of two issues to finance the costs associated with the Public Safety Facility renovation 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.

Budget Summary:

The fund begins to budget for interest again in the 2023 Revised Budget. The interest amounts are extrapolations from actual interest earnings as of June 30, 2023.

As of December 31, 2024, the City's principal obligation on the debt is \$10,000,000. Future principal and interest obligations on this debt by expense category are as follows:

Year	Principal	Interest	Total	Rate
2025	\$ 175,000	\$ 397,795	\$ 572,795	5.000%
2026	225,000	387,795	612,795	5.000%
2027	275,000	375,295	650,295	5.000%
2028	325,000	360,295	685,295	5.000%
2029	410,000	341,920	751,920	5.000%
2030	435,000	320,795	755,795	5.000%
2031	455,000	300,820	755,820	4.000%
2032	470,000	282,320	752,320	4.000%
2033	490,000	263,120	753,120	4.000%
2034	510,000	245,160	755,160	3.200%
2035	525,000	228,338	753,338	3.300%
2036	545,000	210,274	755,274	3.450%
2037	565,000	190,703	755,703	3.600%
2038	585,000	169,710	754,710	3.700%
2039	605,000	147,544	752,544	3.750%
2040	630,000	123,600	753,600	4.000%
2041	655,000	97,900	752,900	4.000%
2042	680,000	71,200	751,200	4.000%
2043	705,000	43,500	748,500	4.000%
2044	735,000	14,700	749,700	4.000%
Total	<u>10,000,000</u>	<u>4,572,783</u>	<u>14,572,783</u>	

City of White Bear Lake
2023A GO CIP Bonds Debt Service Fund (3089)

Annual Budget
Fund Summary

<u>Code</u>	<u>Item</u>	<u>2021 Actual</u>	<u>2022 Actual</u>	<u>2023 Adopted</u>	<u>2023 Revised</u>	<u>2024 Budget</u>
Revenues						
4015	General property tax levy	\$ -	\$ -	\$ 304,000	\$ 304,000	\$ 665,000
4955	Interest	-	-	-	2,000	5,000
	Total operating and other revenues	-	-	304,000	306,000	670,000
Transfers In						
5205	Non-Bonded Fund	-	-	-	29,377	-
	Total revenues	-	-	304,000	335,377	670,000
Expenditures						
Other Services and Charges						
6401	Professional services	-	-	660	489	660
7430	Fiscal agent fees	-	-	550	-	550
	Total other services and charges	-	-	1,210	489	1,210
Debt Service						
7420	Interest	-	-	-	-	545,164
	Total debt service	-	-	-	-	545,164
	Total expenditures	-	-	1,210	489	546,374
	Revenues over (under) expenditures	-	-	302,790	334,888	123,626
	Fund balance January 1	-	-	-	-	334,888
	Fund balance December 31	\$ -	\$ -	\$ 302,790	\$ 334,888	\$ 458,514

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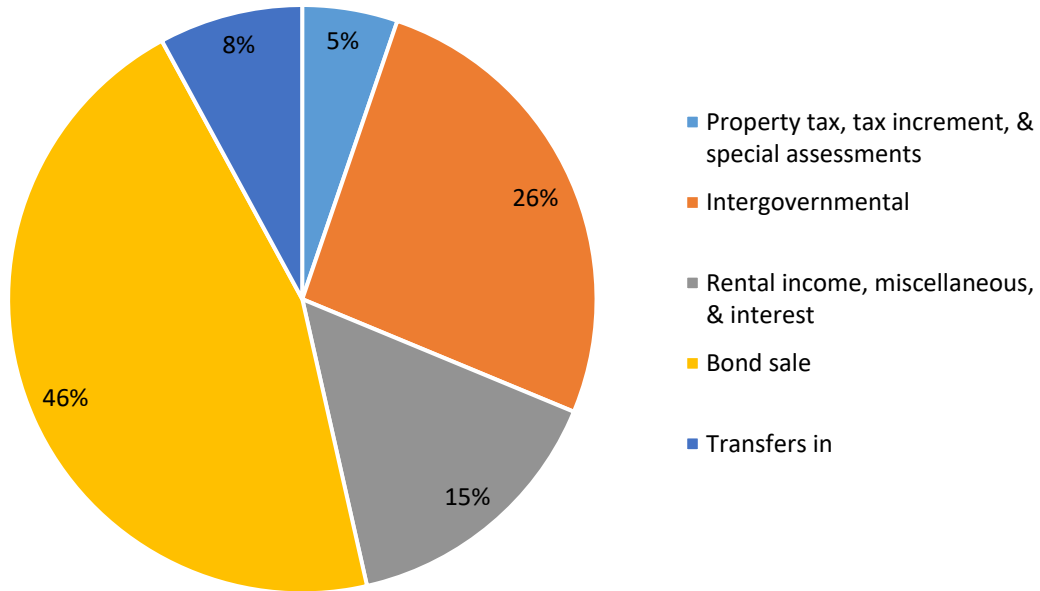
**City of White Bear Lake
Capital Project Funds**

Annual Budget

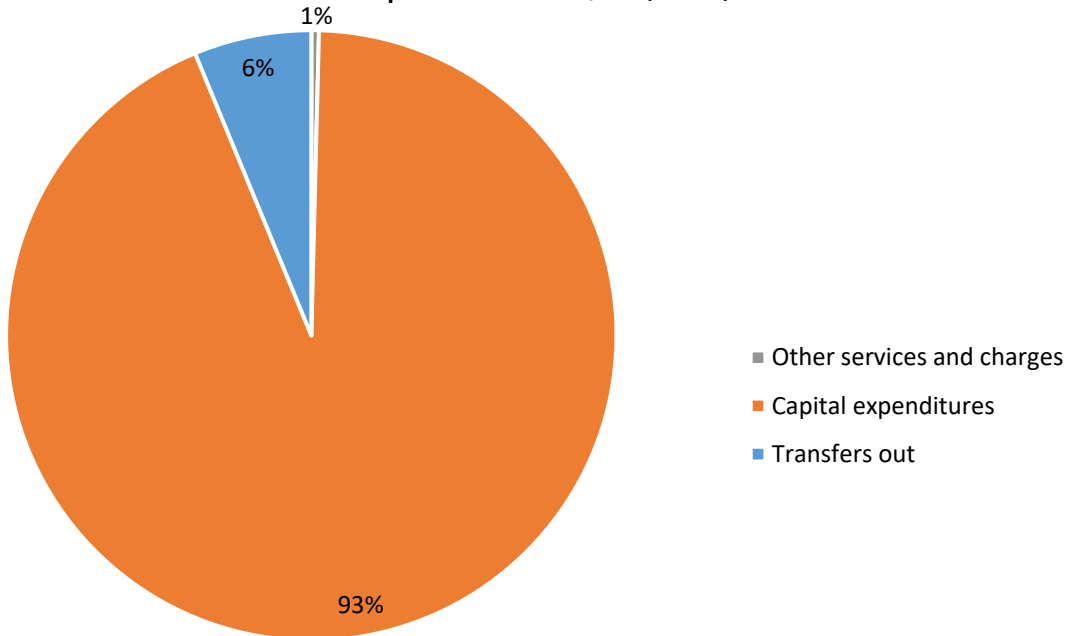
Item	2021 Actual	2022 Actual	2023 Budget	2023 Revised	2024 Budget
Revenues					
Property tax	\$ 25,000	\$ 25,000	\$ -	\$ -	\$ -
Tax increment	661,056	684,882	626,000	323,000	333,600
Special Assessment	101,050	149,821	75,000	27,755	126,175
Intergovernmental	1,168,531	1,026,001	721,200	781,834	2,281,744
Interest	(90,907)	(509,686)	109,244	902,184	583,200
Rental income	533,388	324,529	504,950	345,813	354,427
Miscellaneous	818,982	645,444	146,000	412,951	396,000
Bond sale	1,893,759	10,298,599	10,000,000	10,326,692	4,000,000
Transfers in	1,093,144	3,707,630	290,000	290,000	695,000
Total revenues	<u>6,204,003</u>	<u>16,352,220</u>	<u>12,472,394</u>	<u>13,410,228</u>	<u>8,770,146</u>
Expenditures					
Other services and charges	98,526	227,723	107,025	1,764,357	58,725
Capital expenditures	4,496,109	6,367,054	17,537,426	16,033,514	13,533,924
Transfers out	1,699,292	2,477,163	982,500	982,500	901,500
Total expenditures	<u>6,293,927</u>	<u>9,071,940</u>	<u>18,626,951</u>	<u>18,780,371</u>	<u>14,494,149</u>
Revenues over (under) expenditures	<u>(89,924)</u>	<u>7,280,280</u>	<u>(6,154,557)</u>	<u>(5,370,143)</u>	<u>(5,724,003)</u>
Reserve adjustment (to) from	5,488	42,210	-	-	-
Fund balance, January 1	<u>17,931,941</u>	<u>17,847,505</u>	<u>23,601,219</u>	<u>24,419,995</u>	<u>19,049,852</u>
Fund balance, December 31	<u>\$ 17,847,505</u>	<u>\$ 25,169,995</u>	<u>\$ 17,446,662</u>	<u>\$ 19,049,852</u>	<u>\$ 13,325,849</u>
Reserves	<u>42,210</u>	<u>42,210</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balance and reserves, December 31	<u>\$ 17,889,715</u>	<u>\$ 25,212,205</u>	<u>\$ 17,446,662</u>	<u>\$ 19,049,852</u>	<u>\$ 13,325,849</u>

2024 Capital Project Funds

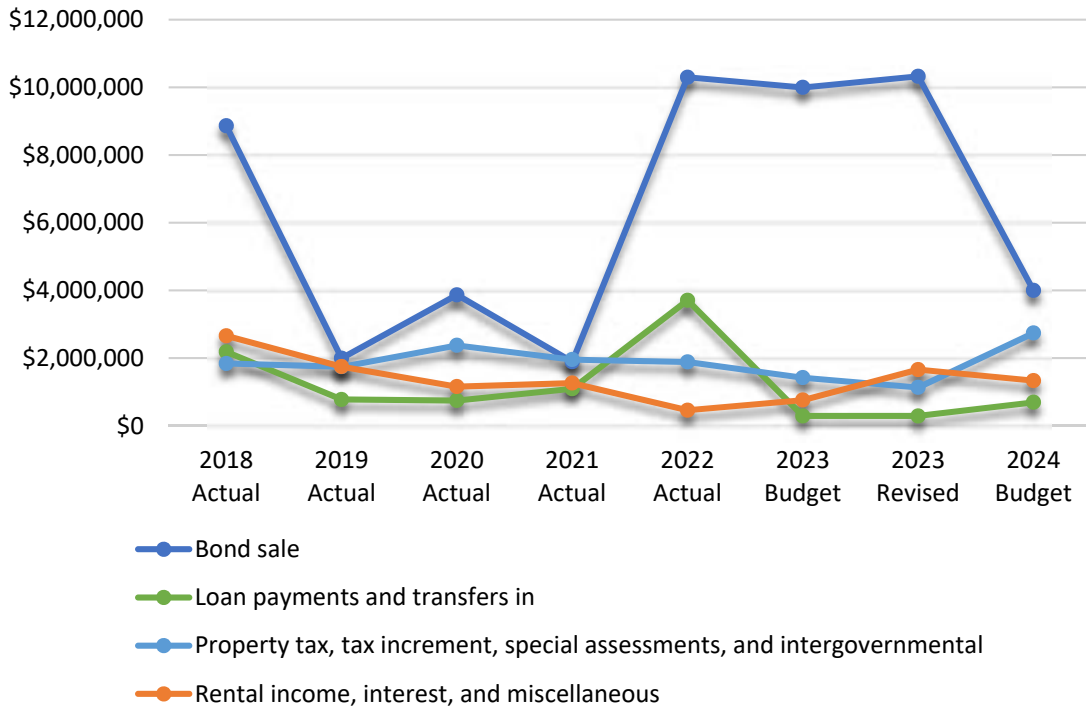
Total Revenues \$8,770,146



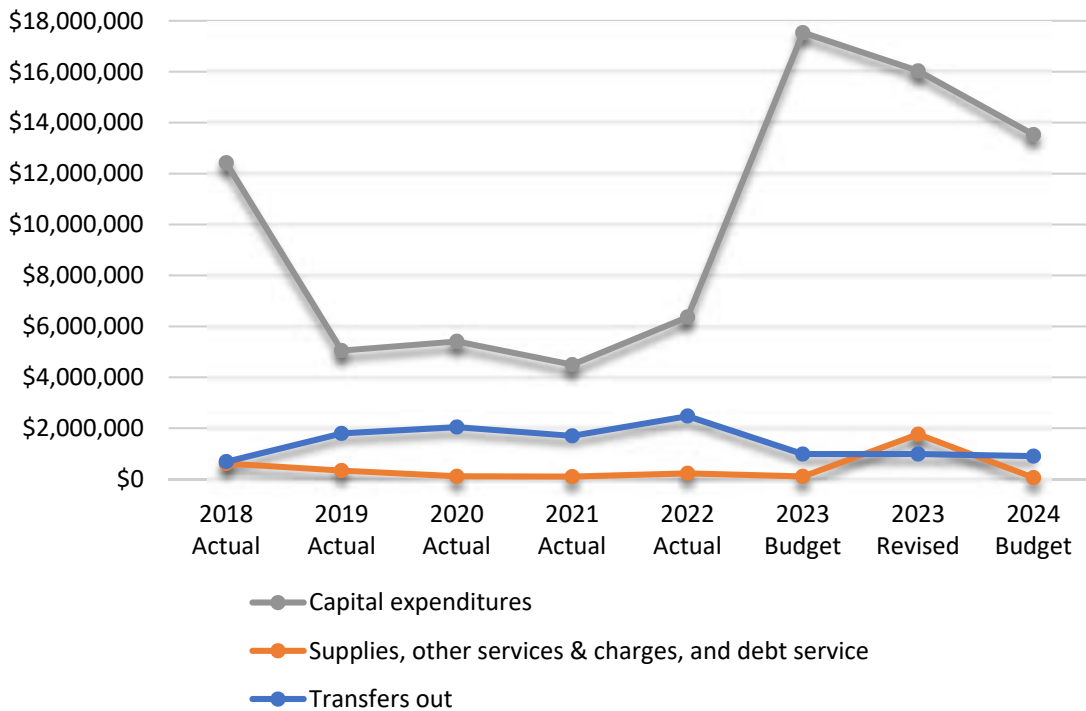
Total Expenditures \$14,494,149



Capital Project Funds Revenue Trend Analysis



Capital Project Funds Expenditure Trend Analysis



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.

Budget Summary:

In past years, this fund received revenues through an allocation of funding from either the City's tax levy, Local Government Aid (LGA) or General Fund surplus. The decision to remove the tax levy or LGA assistance occurred when the General Fund required revenues to support operations during difficult financial times. This left the fund relying on revenue from cell tower rents and the cable franchise fees as the primary revenues supporting operations. These sources are not at a level to support the capital needs of the city departments and though General Fund surplus amounts have been available in recent years, the City cannot rely on them for future years.

In 2023, the Minnesota Legislature approved a \$100 million annual increase to LGA and made updates to the formula factors for the LGA program. As a result, the LGA received by the City in 2024 will increase by approximately \$374,000. The 2024 Budget keeps LGA allocated to the General Fund at the same level as 2023 while the Equipment Acquisition Fund and Municipal Building Fund each receive an allocation of the additional funds to support operations.

The 2023 State Tax Omnibus Bill included \$300 million dollars in public safety aid, for distribution to every city, county, and Tribal nation in Minnesota by December 26, 2023. The City will receive a one-time payment of \$1,096,939, which is restricted to uses for recruitment, retention, and equipment costs for the Police and Fire Departments (i.e. an ambulance). In 2024, the Equipment Acquisition Fund will receive an allocation of \$645,000 of the public safety aid to fund the purchase of an ambulance, an SCBA fire compressor, police encrypted radios, a police administration vehicle, and fire thermal imagers. The funding will also be used for renovations to the Public Safety Facility gym.

The other key revenue sources in the fund are lease payments for cell tower sites on City properties and the franchise fee from the Ramsey Washington Cable Commission. A restructuring of the franchise fee distribution calculation and a reduction of the distributable amount lessens the amount Ramsey-Washington Cable will pay the City in 2023 and 2024 as customers choose options other than cable for television and internet service.

In lieu of issuing Equipment Certificate debt to purchase capital equipment in 2022 and 2023, the City applied a portion of the calculated revenue loss amount covered by the American Rescue Plan Aid (ARPA) of 2021 to acquire scheduled equipment purchases. The American Rescue Plan Aid Fund within the Special Revenue section of this document accounts for the revenues and expenditures associated with these transactions.

The fund begins to budget for interest again in the 2023 Revised Budget. The interest amounts are extrapolated from actual interest earnings as of June 30, 2023.

Fund: Equipment Acquisition Fund 4100

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 ten-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**

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Revenues						
4624	Local government aid	\$ -	\$ -	\$ -	\$ -	\$ 223,744
4624	Local government aid - Public Safety	-	-	-	-	645,000
4662	County aid	-	-	-	14,000	-
4682.2	Intergovernmental capital contribution	1,986	4,319	1,200	3,000	3,000
4955	Interest	(10,742)	(62,348)	-	40,000	40,000
4975	Rental income - cell towers	513,794	299,774	490,000	326,200	337,427
5010	Sale of equipment	113,217	102,661	20,000	20,000	20,000
5350	Miscellaneous	-	162	-	-	-
5360	Ramsey Washington Cable	163,096	145,190	125,000	125,000	125,000
5360	Refunds and reimbursements	2,529	71,274	-	26,120	-
5105	Bond proceeds	503,601	-	-	-	-
	Total operating revenues	<u>1,287,481</u>	<u>561,032</u>	<u>636,200</u>	<u>554,319</u>	<u>1,394,171</u>
Transfers In						
5205	General Fund	400,000	-	-	-	-
	Total transfers in	<u>400,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Total revenues	<u>1,687,481</u>	<u>561,032</u>	<u>636,200</u>	<u>554,319</u>	<u>1,394,171</u>
Expenditures						
	Capital	<u>1,529,458</u>	<u>771,487</u>	<u>1,389,950</u>	<u>964,884</u>	<u>2,005,000</u>
Transfers out						
	Ambulance Fund	-	17,000	233,000	233,000	-
	Total transfers out	<u>-</u>	<u>17,000</u>	<u>233,000</u>	<u>233,000</u>	<u>-</u>
	Total expenditures	<u>1,529,458</u>	<u>788,487</u>	<u>1,622,950</u>	<u>1,197,884</u>	<u>2,005,000</u>
	Revenues over (under) expenditures	<u>158,023</u>	<u>(227,455)</u>	<u>(986,750)</u>	<u>(643,565)</u>	<u>(610,829)</u>
	Fund balance January 1	<u>2,287,539</u>	<u>2,445,562</u>	<u>2,095,790</u>	<u>2,218,107</u>	<u>1,574,542</u>
	Fund balance December 31	<u>\$ 2,445,562</u>	<u>\$ 2,218,107</u>	<u>\$ 1,109,040</u>	<u>\$ 1,574,542</u>	<u>\$ 963,713</u>
Fund Balance Reconciliation to Financial Statements:						
	Budget fund balance December 31	\$ 2,445,562	\$ 2,218,107			
	Leases receivable	-	5,326,164			
	Deferred inflows - leases	-	(5,213,364)			
	Financial statement fund balance December 31	<u>\$ 2,445,562</u>	<u>\$ 2,330,907</u>			

**City of White Bear Lake
Equipment Acquisition Fund**

Annual Budget

Business Unit	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
4102	City Hall	\$ 19,007	\$ 8,400	\$ 101,700	\$ 81,700	\$ 102,250
4120	Technology	93,803	118,969	164,500	156,500	210,000
4104	Building	33,464	34,928	38,500	38,500	-
4106	Streets and Snow Removal	450,275	20,589	-	115,355	374,000
4105	Engineering	36,597	-	-	-	-
4107	Parks	102,740	192,985	75,000	91,000	150,000
4108	Police	248,055	103,066	321,250	184,119	505,000
4109	Fire	448,142	105,039	612,000	185,775	215,250
4110	Ambulance	-	-	-	-	346,000
4116	City Wide Improvements	24,653	36,026	20,000	30,000	20,000
4117	Communication Towers	40,668	25,861	25,000	25,000	25,000
4118	Public Works Facility	9,941	31,467	25,000	49,135	48,500
4119	Sports Center	22,113	94,157	7,000	7,800	9,000
	Total	\$ 1,529,458	\$ 771,487	\$ 1,389,950	\$ 964,884	\$ 2,005,000

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.

Budget Summary:

In past years, this fund received revenues through an allocation of funding from either the City's tax levy, Local Government Aid (LGA) or General Fund surplus. The decision to remove the tax levy or LGA assistance occurred when the General Fund required revenues to support operations during difficult financial times.

In 2023, the Minnesota Legislature approved a \$100 million annual increase to LGA and made updates to the formula factors for the LGA program. As a result, the LGA received by the City in 2024 will increase by approximately \$374,000. The 2024 Budget keeps LGA allocated to the General Fund at the same level as 2023 while the Equipment Acquisition Fund and Municipal Building Fund each receive an allocation of the additional funds to support operations.

The fund begins to budget for interest again in the 2023 Revised Budget. The interest amounts are extrapolations from actual interest earnings as of June 30, 2023.

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. As of 2023, the City will be assuming building maintenance responsibilities for the facility. In prior years, the City allocated rent paid by NYFS to this Fund to offset future facility improvements. In 2023, the rent paid by NYFS moved from this Fund to the Economic Development Fund to offset the new building maintenance expenditures.

In 2022 and 2023, the City issued bonds to fund a building expansion project at the Public Safety Facility. The 2023 Revised Budget and 2024 Budget each include allocations on the Refunds and Reimbursements line item for the refund of sales tax related to the Public Safety Facility expansion. In relation to the construction of public safety facilities, State law requires that sales tax must be imposed and collected and then the local government must submit a sales and use tax refund request to be reimbursed.

Since there is no dedicated revenue source set to support project activities in this fund, the 2024 transfer in from the Community Reinvestment Fund increases as part of a planned drawdown of the Community Reinvestment reserve balance per direction of the City Council.

The City entered into an Energy Performance Contract with Trane Technologies in 2021 to implement energy efficiencies within the City facilities and operations. The Municipal Building Fund will maintain the financial records to coordinate the funding and expenditures related to the contract.

Fund: Municipal Building Fund 4300

The City Council approved Resolution 12888 at their November 23, 2021 meeting creating a 15-year internal loan with a 1.5% interest rate to assist in financing the cost of the contract. The \$855,000 internal loan to the Municipal Building Fund consists of \$213,750 contributed from the Non-Bonded Fund and \$641,250 contributed from the Economic Development Fund. A portion of any energy savings in the General Fund and the Sports Center Fund will be transferred to the Municipal Building Fund to support repayment of the loans. The solar array system passed all required tests and became active in July 2023. No transfers are scheduled in the 2024 Budget because savings have not been recognized yet.

The City Council did adopt Resolution 12889 which declares an official intent of the City to be reimbursed for certain expenditures from the proceeds of bonds issued by the City for these costs in the event the City Council determines liquidity of these funds a more immediate priority than waiting for repayment of the internal loan. The City must issue any bonds to receive reimbursement for these expenditures within 3 years of the resolution approval, November 23, 2024.

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 ten-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

<u>Code</u>	<u>Item</u>	<u>2021 Actual</u>	<u>2022 Actual</u>	<u>2023 Adopted</u>	<u>2023 Revised</u>	<u>2024 Budget</u>
Revenues						
4604	Federal grants	\$ 338,171	\$ 21,829	\$ -	\$ -	\$ -
4624	Local government aid	131,318	100,000	-	-	150,000
4955	Interest	(5,917)	(45,948)	-	606,000	275,000
4975	Rental income - Counseling Center	6,000	6,500	3,450	-	-
4990	Donations	20,000	-	-	-	-
5105	Bond sale proceeds	-	7,330,310	10,000,000	10,326,692	-
5360	Refunds and reimbursements	-	-	-	105,450	200,000
	Total operating revenues	<u>489,572</u>	<u>7,412,691</u>	<u>10,003,450</u>	<u>11,038,142</u>	<u>625,000</u>
Transfers In						
5205	Armory Fund	10,000	48,692	-	-	-
5205	Economic Development Fund	-	641,250	-	-	-
5205	Non Bonded Fund	-	213,750	-	-	-
5205	Park Improvement Fund	231,000	-	-	-	-
5205	Community Reinvestment Fund	50,000	50,000	75,000	75,000	450,000
5205	Water Fund	13,244	-	-	-	-
5205	General Fund	<u>200,000</u>	<u>323,485</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Total transfers in	<u>504,244</u>	<u>1,277,177</u>	<u>75,000</u>	<u>75,000</u>	<u>450,000</u>
	Total revenues	<u>993,816</u>	<u>8,689,868</u>	<u>10,078,450</u>	<u>11,113,142</u>	<u>1,075,000</u>
Expenditures						
	Current	-	126,657	-	207,922	-
	Capital	<u>1,056,236</u>	<u>1,931,670</u>	<u>14,597,500</u>	<u>13,377,512</u>	<u>5,145,924</u>
	Total expenditures	<u>1,056,236</u>	<u>2,058,327</u>	<u>14,597,500</u>	<u>13,585,434</u>	<u>5,145,924</u>
	Revenues over (under) expenditures	<u>(62,420)</u>	<u>6,631,541</u>	<u>(4,519,050)</u>	<u>(2,472,293)</u>	<u>(4,070,924)</u>
	Fund Balance January 1	<u>917,283</u>	<u>854,863</u>	<u>6,899,592</u>	<u>7,486,404</u>	<u>5,014,112</u>
	Fund Balance December 31	<u>\$ 854,863</u>	<u>\$ 7,486,404</u>	<u>\$ 2,380,542</u>	<u>\$ 5,014,112</u>	<u>\$ 943,188</u>

City of White Bear Lake
Municipal Building Fund

Annual Budget

Business Unit	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
4304	City Hall	\$ 70,619	\$ 136,925	\$ 290,500	\$ 320,810	\$ 215,000
4306	Community Counseling Center	-	-	-	10,070	-
4308	Armory	2,650	-	-	-	-
4310	Public Safety Facility	430,026	545,182	14,112,500	13,010,825	4,838,024
4312	Fire Station 1	-	-	-	-	-
4314	Fire Station 2	41,815	162,895	27,500	31,500	18,000
4316	Public Works Facility	39,277	334	11,500	14,500	-
4320	Sports Center	120,777	15,784	45,500	55,500	39,900
4321	General City Wide Improvements	-	-	25,000	15,964	35,000
4322	Boatworks Commons	2,071	-	-	-	-
4323	Depot	10,830	31,556	85,000	92,900	-
4324	Energy Performance Contract	338,171	1,165,651	-	33,365	-
	Total	\$ 1,056,236	\$ 2,058,327	\$ 14,597,500	\$ 13,585,434	\$ 5,145,924

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 for one to two parks per year in order to make a more meaningful impact with available funds.

Budget Summary

During the years 2019-2022, the White Bear Lake Lions Club contributed \$486,874 to the City for the construction of an all abilities park at Lakewood Hills Park. The Lion's Club contributions cover a significant portion of the approximately \$540,000 total price tag for the project. Of the remaining costs, a vendor donated \$27,100 in site excavation services and the City paid approximately \$27,000 for the curb, sidewalk and playground footings in 2023.

Two historical items regarding the transactions for this project:

- The contributions made during 2019-2020 were held in an unearned revenue account until the amounts were recognized as revenue in 2021.
- To help reduce the fundraising needs for the project, the White Bear Lake Lions Club asked the City to apply for a grant through the playground equipment manufacturer in 2021. The City received an \$117,448 grant by purchasing the equipment during 2021. The payment was held in a prepaid expenditure account until the equipment was received in 2022, at that time the amount became an expenditure for the fund.

The fund begins to budget for interest again in the 2023 Revised Budget. The interest amounts are extrapolated from actual interest earnings as of June 30, 2023.

A new subdivision creates a need for parks, playgrounds, open space, and trail systems for public recreational purposes. The City receives park dedication fees from subdivision owners after final plat approval. The park dedication fees are based on the number of units in the subdivision, and the funds must be used for park and recreation purposes. The City received a large park dedication fee in January 2023 related to the development of a four story, 244-unit apartment building.

Fund: Park Improvement Fund 4010

Marina operations will support other Parks and Recreation activities within the City through a transfer to the Park Improvement Fund in 2024.

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 ten-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

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Revenues						
4350	Launch tag revenues	\$ 11,898	\$ 16,435	\$ 10,000	\$ 17,813	\$ 15,000
4955	Interest	(8,566)	(39,649)	-	30,000	30,000
4975	Rental income	1,696	1,820	1,500	1,800	2,000
4990	Donations	453,206	187,044	-	1,072	-
5045	Park dedication fees	2,356	3,600	1,000	121,256	1,000
5046	Tree dedication fees	42,330	7,950	-	13,810	-
5350	Miscellaneous revenue	29	-	-	-	-
	Total operating revenues	<u>502,949</u>	<u>177,200</u>	<u>12,500</u>	<u>185,751</u>	<u>48,000</u>
Transfers In						
5205	Marina Fund	-	-	-	-	55,000
5205	Community Reinvestment Fund	75,900	75,900	100,000	100,000	130,000
	Total transfers in	<u>75,900</u>	<u>75,900</u>	<u>100,000</u>	<u>100,000</u>	<u>130,000</u>
	Total revenues	<u>578,849</u>	<u>253,100</u>	<u>112,500</u>	<u>285,751</u>	<u>178,000</u>
Expenditures						
	Other services and charges	41,411	25,732	32,700	12,300	-
	Capital	309,677	432,482	407,776	713,918	351,800
		<u>351,088</u>	<u>458,214</u>	<u>440,476</u>	<u>726,218</u>	<u>351,800</u>
Transfers out						
7605	Municipal Building Fund	231,000	-	-	-	-
	Total expenditures	<u>582,088</u>	<u>458,214</u>	<u>440,476</u>	<u>726,218</u>	<u>351,800</u>
	Revenues over (under) expenditures	<u>(3,239)</u>	<u>(205,114)</u>	<u>(327,976)</u>	<u>(440,467)</u>	<u>(173,800)</u>
	Fund balance January 1	<u>1,612,275</u>	<u>1,609,036</u>	<u>1,129,121</u>	<u>1,403,922</u>	<u>963,455</u>
	Fund balance December 31	<u>\$ 1,609,036</u>	<u>\$ 1,403,922</u>	<u>\$ 801,145</u>	<u>\$ 963,455</u>	<u>\$ 789,655</u>

City of White Bear Lake
Park Improvement Fund

Annual Budget

Business Unit	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
4012	General park improvements	\$ 30,135	\$ 4,087	\$ 68,000	\$ 80,300	\$ 43,000
4015	Bossard Park	-	-	-	-	-
4021	Ebba Park	3,495	4,569	-	-	-
4024	Hidden Hollow Park	-	4,191	30,000	58,000	60,000
4030	Lakeview Park	-	-	-	-	3,000
4033	Lakewood Hills Park	-	252,476	142,176	351,116	223,000
4036	Lions Park	1,200	185,395	81,900	118,402	-
4039	Matoska Park	78	-	-	15,313	-
4045	Memorial Beach	122,948	5,639	-	-	-
4042	McCarty Park	-	-	-	-	-
4048	Podvin Park	-	-	20,000	10,000	18,100
4051	Railroad Park	1,144	-	19,000	19,000	-
4054	Ramaley Park	-	-	15,500	15,500	-
4057	Rotary Nature Preserve	-	-	10,000	10,000	3,000
4060	Spruce Park	-	-	3,200	3,200	-
4063	Stellmacher Park	-	-	7,000	-	-
4065	Varney Lake Trail	-	-	-	-	-
4066	Veteran's Memorial Park	-	-	12,000	12,000	-
4069	West Park and Memorial Beach	6,185	-	30,000	31,687	-
4072	Weyerhauser Park	11,764	-	-	-	-
4078	Yost Park	-	-	-	-	-
4079	Boatworks Park / Boardwalk	-	1,857	1,700	1,700	1,700
4081	Geist gazebo	174,139	-	-	-	-
	Total	\$ 351,088	\$ 458,214	\$ 440,476	\$ 726,218	\$ 351,800

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 grew 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 Pavement Management Fund, Park Improvement Fund and the Municipal Building Fund.

Budget Summary:

Through analysis of the current economic environment for investment interest rates, bond interest rates, and the City's Financial Management Plan, the 2023 and 2024 Budgets incorporate a planned drawdown of the reserve balance per direction of the City Council. To accomplish this strategy, the 2023 and 2024 Budgets record increased transfers out to offset street improvement costs budgeted in the Pavement Management Fund, park improvement costs budgeted in the Park Improvement Fund, and public facility capital needs budgeted in the Municipal Building Fund.

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

<u>Code</u>	<u>Item</u>	<u>2021 Actual</u>	<u>2022 Actual</u>	<u>2023 Adopted</u>	<u>2023 Revised</u>	<u>2024 Budget</u>
	Revenues					
4955	Interest	\$ (37,256)	\$ (194,503)	\$ 109,244	\$ 124,755	\$ 130,000
	Total revenues	<u>(37,256)</u>	<u>(194,503)</u>	<u>109,244</u>	<u>124,755</u>	<u>130,000</u>
	Transfers Out					
7605	Interim Construction Fund - Streets	113,000	113,000	115,000	115,000	115,000
7605	Park Improvement Fund - Parks	75,900	75,900	100,000	100,000	75,000
7605	Municipal Building Fund - Buildings	50,000	50,000	75,000	75,000	450,000
	Total transfers out	<u>238,900</u>	<u>238,900</u>	<u>290,000</u>	<u>290,000</u>	<u>640,000</u>
	Revenues over (under) expenditures	<u>(276,156)</u>	<u>(433,403)</u>	<u>(180,756)</u>	<u>(165,245)</u>	<u>(510,000)</u>
	Fund balance January 1	<u>7,702,264</u>	<u>7,426,108</u>	<u>7,300,001</u>	<u>6,992,705</u>	<u>6,827,460</u>
	Fund balance December 31	<u>\$ 7,426,108</u>	<u>\$ 6,992,705</u>	<u>\$ 7,119,245</u>	<u>\$ 6,827,460</u>	<u>\$ 6,317,460</u>

Fund: HRA Tax Increment Financing Pool Fund 4600

Department Activities and Responsibilities:

Historically, this fund accounted 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.

The HRA Fund maintained reporting and budgeting practices for each TIF district, with separate and distinct reporting entities within the one fund. The HRA Fund accounted for only tax increment revenues and expenditures, assigned all expenditures to specific TIF districts, and charged both principal and interest portions of debt service payments directly to the appropriate TIF district.

Budget Summary:

As a result of the TIF Management Plan creation process, Ehler's recommended the City close this fund and create a new fund for each individual TIF district. The fund balance accumulated through December 31, 2021 was allocated to each fund based on actual transactions and transferred during 2022. Each fund recorded its actual 2022 revenue and expenditure activities.

City of White Bear Lake
HRA Tax Increment Pool

Annual Budget
Fund Summary

<u>Code</u>	<u>Item</u>	<u>2021 Actual</u>	<u>2022 Actual</u>	<u>2023 Adopted</u>	<u>2023 Revised</u>	<u>2024 Budget</u>
Revenues						
4020	Tax increment	\$ 661,056	\$ -	\$ -	\$ -	\$ -
4955	Interest	(5,810)	-	-	-	-
5205	Refunds/reimbursements	-	750,000	-	-	-
	Total revenues	<u>655,246</u>	<u>750,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures						
Other Services and Charges						
6401	Professional services	5,963	-	-	-	-
6455	Legal notice publication	223	-	-	-	-
6550	Developer payments	48,714	-	-	-	-
6560	Contractual services	2,215	-	-	-	-
	Total other services and charges	<u>57,115</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transfers Out						
7605	Transfer out - 2016 G.O. TIF Bonds	162,500	-	-	-	-
7605	Transfer out - HRA Downtown Expansion	-	1,491,553	-	-	-
	Total transfers out	<u>162,500</u>	<u>1,491,553</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Total expenditures	<u>219,615</u>	<u>1,491,553</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Revenues over (under) expenditures	<u>435,631</u>	<u>(741,553)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Fund balance January 1	<u>1,055,922</u>	<u>1,491,553</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Fund balance December 31	<u>\$ 1,491,553</u>	<u>\$ 750,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance Reconciliation to Financial Statements:						
	Budget fund balance December 31	\$ 1,491,553	\$ 750,000			
	Advances to other funds	(750,000)	(750,000)			
	Financial statement fund balance December 31	<u>\$ 741,553</u>	<u>\$ -</u>			

Fund: HRA TIF Downtown Expansion Fund 4650

Department Activities and Responsibilities:

This fund accounts for the revenues and expenditures related to the City’s tax increment district for the Downtown Expansion project.

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.

This district is a redevelopment district located in Ramsey County. 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.

The district is a restricted district, which requires tax increment expenditures to stay within the district and are not available to contribute to the area-wide pool.

Important Dates for the district:

- TIF Plan Approval 4/13/1999
- Certification Request Date 6/11/1999
- Certification Date 10/15/1999
- First Receipt of Tax Increment 7/2000
- Required Decertification Date 12/31/2025

The City Council and the Housing and Redevelopment Authority (HRA) adopted a resolution decertifying this TIF District in December 2022 for taxes payable in 2023. This was an early decertification because all project costs were paid. The City returned the excess TIF funds collected in the amount of \$1,480,502 to Ramsey County so that the funds could be redistributed to the appropriate agencies.

City of White Bear Lake
HRA Downtown Expansion Parcel C - District 25

Annual Budget
Fund Summary

<u>Code</u>	<u>Item</u>	<u>2021 Actual</u>	<u>2022 Actual</u>	<u>2023 Adopted</u>	<u>2023 Revised</u>	<u>2024 Budget</u>
Revenues						
4020	Tax increment	\$ -	\$ 360,591	\$ 303,000	\$ -	\$ -
4955	Interest	-	(28,309)	-	-	-
	Total operating revenues	-	332,282	303,000	-	-
Transfers In						
5205	Transfer in - HRA Tax Increment	-	1,150,856	-	-	-
	Total revenues	-	1,483,138	303,000	-	-
Expenditures						
Other Services and Charges						
6401	Professional services	-	997	250	-	-
6560	Contractual services	-	631	6,000	1,481,510	-
	Total other services and charges	-	1,628	6,250	1,481,510	-
	Revenues over (under) expenditures	-	1,481,510	296,750	(1,481,510)	-
	Fund balance January 1	-	-	1,447,606	1,481,510	-
	Fund balance December 31	\$ -	\$ 1,481,510	\$ 1,744,356	\$ -	\$ -

Fund: HRA TIF Hoffman Place Fund 4651

Department Activities and Responsibilities:

This fund accounts for the revenues and expenditures related to the City's tax increment district for the Hoffman Place project.

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.

This district is a housing district located in Ramsey County. 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.

The district is a restricted district, which requires tax increment expenditures to stay within the district and are not available to contribute to the area-wide pool.

Important Dates for the district:

- TIF Plan Approval 4/14/2009
- Certification Request Date 5/21/2009
- Certification Date 7/7/2009
- First Receipt of Tax Increment 6/2012
- Required Decertification Date 12/31/2037

Budget Summary:

The district contains a contract for private development between the Housing and Redevelopment Authority in and for the City and WBL Hoffman Place, LLC dated June 1, 2009. The contract includes a Pay-As-You-Go Note to finance reimbursement of \$350,000 in land acquisition costs incurred by the Developer. The payment of principal and interest due on this note are payable on February 1 and August 1 each year with 90% of the Tax Increment received by the City from Ramsey County for the property in the six months preceding the note payment date.

City of White Bear Lake
HRA Hoffman Place - District 26

Annual Budget
Fund Summary

<u>Code</u>	<u>Item</u>	<u>2021 Actual</u>	<u>2022 Actual</u>	<u>2023 Adopted</u>	<u>2023 Revised</u>	<u>2024 Budget</u>
Revenues						
4020	Tax increment	\$ -	\$ 63,248	\$ 63,000	\$ 51,000	\$ 50,000
4955	Interest	-	(932)	-	730	1,000
	Total operating revenues	-	62,316	63,000	51,730	51,000
Transfers In						
5205	Transfer in - HRA Tax Increment	-	60,703	-	-	-
	Total revenues	-	123,019	63,000	51,730	51,000
Expenditures						
Other Services and Charges						
6401	Professional services	-	138	300	450	450
6550	Developer payments	-	55,542	56,000	51,325	45,000
6560	Contractual services	-	391	-	500	500
	Total other services and charges	-	56,071	56,300	52,275	45,950
	Total expenditures	-	56,071	56,300	52,275	45,950
	Revenues over (under) expenditures	-	66,948	6,700	(545)	5,050
	Fund balance January 1	-	-	64,861	66,948	66,403
	Fund balance December 31	\$ -	\$ 66,948	\$ 71,561	\$ 66,403	\$ 71,453

Fund: HRA TIF Boatworks Fund 4652

Department Activities and Responsibilities:

This fund accounts for the revenues and expenditures related to the City's tax increment district for the Boatworks Commons project.

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.

This district is a redevelopment district located in Ramsey County. 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.

The district is a restricted district, which requires tax increment expenditures to stay within the district and are not available to contribute to the area-wide pool.

Important Dates for the district:

- TIF Plan Approval 11/13/2012
- Certification Request Date 3/1/2013
- Certification Date 3/5/2013
- First Receipt of Tax Increment 7/2016
- Required Decertification Date 12/31/2041

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 annually transfers an amount to the debt service fund to support payment of the bond obligation.

Fund: HRA TIF Boatworks Fund 4652

Year	Principal	Interest	Total	Rate
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	<u>1,690,000</u>	<u>304,917</u>	<u>1,994,917</u>	

District Operating Loan

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 as part of the financing plan to complete financing approved on November 24, 2015, for the Boatworks Commons project.

Fund: HRA TIF Boatworks Fund 4652

Year	Principal	Interest	Total	Rate
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	324,450	1,074,450	

Budget Summary:

The Professional Services account budget includes funding for Ehler’s to create a Tax Increment Management Report that will summarize all aspects of the City’s Tax Increment Financing districts, review tax increments received, potential refinancing options for bond issue and internal loan, and development of a financial plan and completion of the Office of the State Auditor’s annual TIF reports.

City of White Bear Lake
HRA Boatworks - District 27

Annual Budget
Fund Summary

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Revenues						
4020	Tax increment	\$ -	\$ 261,043	\$ 260,000	\$ 272,000	\$ 283,600
4955	Interest	-	(6,192)	-	3,700	4,200
5360	Miscellaneous	-	419	-	-	-
	Total revenues	<u>-</u>	<u>255,270</u>	<u>260,000</u>	<u>275,700</u>	<u>287,800</u>
Transfers In						
5205	Transfer in - HRA Tax Increment	-	279,994	-	-	-
	Total revenues	<u>-</u>	<u>535,264</u>	<u>260,000</u>	<u>275,700</u>	<u>287,800</u>
Expenditures						
Other Services and Charges						
6401	Professional services	-	15,408	10,000	8,000	10,000
6434	General liability insurance	-	1,268	1,375	1,275	1,375
6455	Legal notice publication	-	342	400	275	400
6560	Contractual services	-	617	-	800	1,000
	Total other services and charges	<u>-</u>	<u>17,635</u>	<u>11,775</u>	<u>10,350</u>	<u>12,775</u>
Transfers Out						
7605	Transfer out - Economic Development	-	22,500	22,500	22,500	22,500
7605	Transfer out - 2016 G.O. TIF Bonds	-	140,000	137,000	137,000	139,000
	Total transfers out	<u>-</u>	<u>162,500</u>	<u>159,500</u>	<u>159,500</u>	<u>161,500</u>
	Total expenditures	<u>-</u>	<u>180,135</u>	<u>171,275</u>	<u>169,850</u>	<u>174,275</u>
	Revenues over (under) expenditures	<u>-</u>	<u>355,129</u>	<u>88,725</u>	<u>105,850</u>	<u>113,525</u>
	Fund balance January 1	<u>-</u>	<u>-</u>	<u>359,844</u>	<u>355,129</u>	<u>460,979</u>
	Fund balance December 31	<u>\$ -</u>	<u>\$ 355,129</u>	<u>\$ 448,569</u>	<u>\$ 460,979</u>	<u>\$ 574,504</u>
Fund Balance Reconciliation to Financial Statements:						
	Budget fund balance December 31	\$ -	\$ 355,129			
	Advances to other funds		(750,000)			
	Financial statement fund balance December 31	<u>\$ -</u>	<u>\$ (394,871)</u>			

Fund: Pavement Management Fund 4400

Department Activities and Responsibilities:

The Pavement Management 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. One of the major revenue components 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.

A Transportation Funds Forecast released by the State in December 2022 anticipates Highway User Tax Distribution (HUTD) Fund revenues increase by less than previously forecasted. The flattening (and in some cases decreasing) of these HUTD revenue sources caused a 4% decrease in the City's distribution for Municipal State Aid Streets in 2023.

The 2023 Budget moves the property tax levy funding management of the Emerald Ash Borer tree disease to the General Fund. The related expenditures move to the Parks Department within General Fund accounting structure.

Communities surrounding White Bear Lake are working together to create a continuous trail around the lake. With the completion of the South Shore Boulevard section in 2023, the remaining section within the White Bear Lake city limits in on the north side of the lake along Highway 96. The \$500,000 project slated for 2024 in the CIP has an equal amount of financial support through legislative appropriation. Once completed, the trail offers a noteworthy amenity for those living in the area.

The fund begins to budget for interest again in the 2023 Revised Budget. The interest amounts are extrapolations from actual interest earnings as of June 30, 2023.

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, due to reduced interest revenues from low interest rates, 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. The City's Financial Management Plan continues the policy to utilize annual bond issuance as financial support for projects in the coming years. No street improvement project occurred in 2023 to allow Engineering Department staff time to focus on the Public Safety Facility project.

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

Fund: Pavement Management Fund 4400

reimburse the City for the services, which the City includes in the contract payment. The 2024 Budget includes an estimate for driveway projects reimbursements in the Miscellaneous Revenue account. The Refunds and Reimbursement account holds payments for the sewer service televising requests. There is no estimate for sewer service televising for 2024.

The Construction Fund relies on a transfer from the Community Reinvestment Fund to reduce street improvement costs for residents. In the past, the Non-Bonded and License Bureau Funds also transferred resources in to the Construction Fund to further lower project costs assessed to property owners; however, these revenue sources ended, as each fund does not have the means to continue the provisions.

As the City continues to implement its pavement management plan, it will be important to review alternative funding sources and the special assessment process.

This Fund supports the Engineering Department operations through a transfer to the fund maintaining the activity. During years 2004-2018, the Engineering Fund, classified as an Internal Service Fund, received the assistance. Beginning in 2019, the General Fund began receiving the transfer as the Engineering activities transitioned to one of the Public Works functions within that fund. In 2022, the annual budget began the process of reducing the annual transfer to support operations. The 2024 budget contains the final transfer to eliminate the Engineering Department support.

The following page summarizes the total proposed expenditures by project. A detailed discussion of the City's ten-year Capital Improvement Plan and purchases or projects funded by this budget is in the Summary Data section of this document.

City of White Bear Lake
Pavement Management Fund

Annual Budget
Fund Summary

<u>Code</u>	<u>Item</u>	<u>2021 Actual</u>	<u>2022 Actual</u>	<u>2023 Adopted</u>	<u>2023 Revised</u>	<u>2024 Budget</u>
Revenues						
4015	General property tax levy	\$ 25,000	\$ 25,000	\$ -	\$ -	\$ -
4210	Special assessments	101,050	149,821	75,000	27,755	126,175
4604	Federal grants	-	79,723	-	-	-
4626	MSA maintenance	697,056	820,130	720,000	764,834	760,000
4646	State aid other	-	-	-	-	500,000
4955	Interest on investment	(22,616)	(131,805)	-	97,000	103,000
5010	Sale of goods and property	1,193	1,007	-	243	-
5105	Bond sale proceeds	1,390,158	2,968,289	-	-	4,000,000
5350	Miscellaneous revenue	2,014	113,189	-	-	50,000
5360	Refunds and reimbursements	19,012	12,948	-	-	-
	Total operating and other revenues	<u>2,212,867</u>	<u>4,038,302</u>	<u>795,000</u>	<u>889,832</u>	<u>5,539,175</u>
Transfers In						
5205	Community Reinvestment Fund	113,000	113,000	115,000	115,000	115,000
	Total transfers in	<u>113,000</u>	<u>113,000</u>	<u>115,000</u>	<u>115,000</u>	<u>115,000</u>
	Total revenues	<u>2,325,867</u>	<u>4,151,302</u>	<u>910,000</u>	<u>1,004,832</u>	<u>5,654,175</u>
Expenditures						
Other Services and Charges						
4402	Professional services	-	-	100,000	100,000	-
4402	Contracted services	82,427	15,752	26,200	21,200	21,200
	Total other services and charges	<u>82,427</u>	<u>15,752</u>	<u>126,200</u>	<u>121,200</u>	<u>21,200</u>
Capital Outlay						
4404	Seal coating and crack sealing	114,561	343,519	375,000	220,000	375,000
4405	Sidewalks and trails	25,544	16,887	300,000	50,000	400,000
4409	Miscellaneous concrete projects	10,825	11,160	65,000	65,000	65,000
4410	Miscellaneous street related projects	-	-	96,000	96,000	-
4411	Miscellaneous trail projects	-	192,263	50,000	425,000	920,000
4491	Ash Borer	30,488	22,284	-	-	-
	Mill and overlay projects	1,336,893	2,629,550	-	-	-
	Pavement rehabilitation projects	-	-	130,000	-	4,250,000
	Total capital outlay	<u>1,518,311</u>	<u>3,215,663</u>	<u>1,016,000</u>	<u>856,000</u>	<u>6,010,000</u>
Transfers out						
	General Fund	1,066,892	567,210	300,000	300,000	100,000
	Total transfers out	<u>1,066,892</u>	<u>567,210</u>	<u>300,000</u>	<u>300,000</u>	<u>100,000</u>
	Total expenditures	<u>2,667,630</u>	<u>3,798,625</u>	<u>1,442,200</u>	<u>1,277,200</u>	<u>6,131,200</u>
	Revenues over (under) expenditures	<u>(341,763)</u>	<u>352,677</u>	<u>(532,200)</u>	<u>(272,369)</u>	<u>(477,025)</u>
	Reserve adjustment (to) from	<u>5,488</u>	<u>42,210</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Fund balance January 1	<u>4,356,658</u>	<u>4,020,383</u>	<u>4,304,404</u>	<u>4,415,270</u>	<u>4,142,902</u>
	Fund balance December 31	<u>\$ 4,020,383</u>	<u>\$ 4,415,270</u>	<u>\$ 3,772,204</u>	<u>\$ 4,142,902</u>	<u>\$ 3,665,877</u>
Reserve for Emerald Ash Borer						
	Balance, January 1	\$ 47,698	\$ 42,210	\$ -	\$ -	\$ -
	Additions	-	-	-	-	-
	Usages	(5,488)	(42,210)	-	-	-
	Balance, December 31	<u>\$ 42,210</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of White Bear Lake

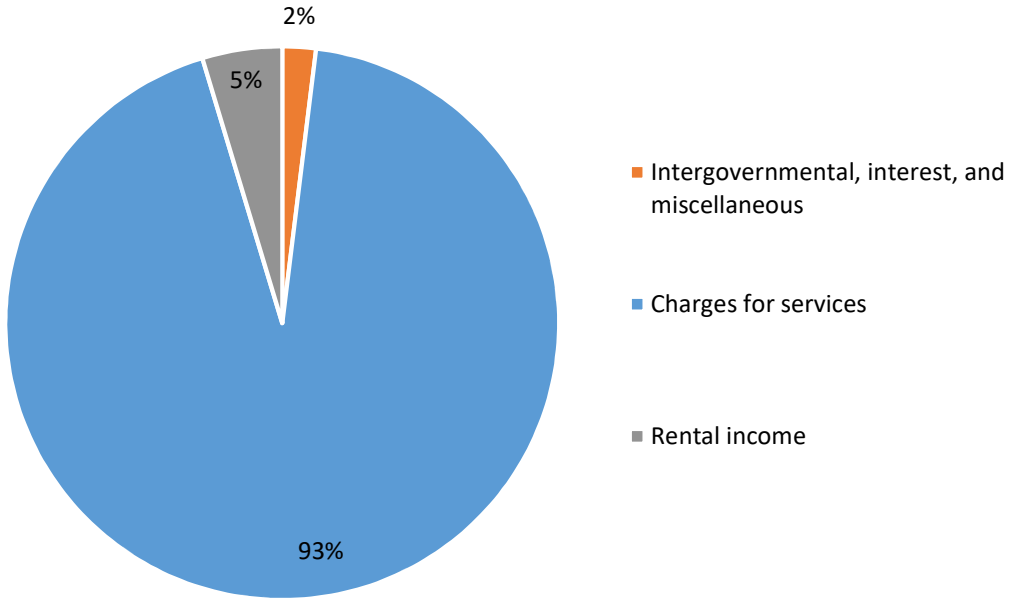
Annual Budget

Enterprise Funds

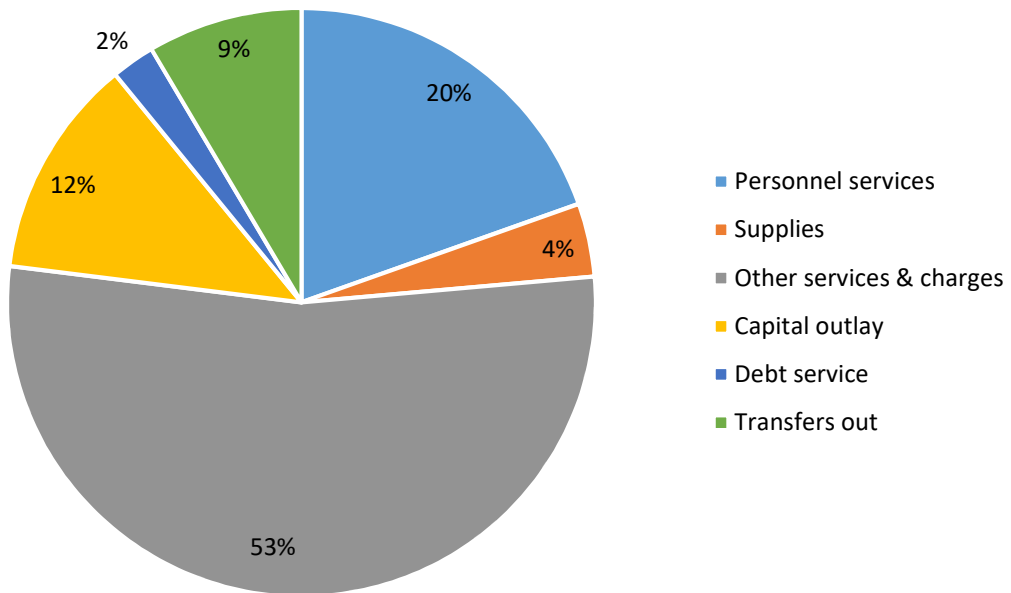
	2021 Actual	2022 Actual	2023 Budget	2023 Revised	2024 Budget
Revenues					
Intergovernmental	\$ 261,657	\$ 333,838	\$ 325,185	\$ 363,137	\$ 62,866
Charges for services	10,196,039	10,353,467	10,999,210	10,988,704	9,050,068
Rental income	409,554	428,746	446,000	435,000	451,800
Interest	(19,460)	(123,634)	-	111,844	101,200
Bond sale proceeds	2,554,276	-	-	-	-
Miscellaneous	132,549	126,826	43,500	38,866	24,950
Transfer in	-	17,000	233,000	251,668	-
Total revenues	<u>13,534,615</u>	<u>11,136,243</u>	<u>12,046,895</u>	<u>12,189,219</u>	<u>9,690,884</u>
Expenditures					
Personnel services	3,225,902	3,545,736	4,215,270	4,014,246	1,955,141
Supplies	420,971	446,443	525,475	564,608	403,060
Other services & charges	5,190,081	5,000,688	5,386,904	5,489,740	5,332,892
Capital outlay	2,429,997	567,853	1,022,500	1,956,374	1,211,000
Debt service	75,682	106,589	238,173	238,173	238,561
Transfers out	688,244	744,000	805,500	805,500	850,500
Total expenditures	<u>12,030,877</u>	<u>10,411,309</u>	<u>12,193,822</u>	<u>13,068,641</u>	<u>9,991,154</u>
Revenues over (under) expenditures	<u>1,503,738</u>	<u>724,934</u>	<u>(146,927)</u>	<u>(879,422)</u>	<u>(300,270)</u>
Reserve adjustment (to) from	<u>(204,130)</u>	<u>24,240</u>	<u>(549,463)</u>	<u>(395,363)</u>	<u>(150,000)</u>
Fund balance, January 1	<u>1,858,406</u>	<u>3,158,014</u>	<u>2,344,905</u>	<u>3,907,188</u>	<u>2,632,403</u>
Fund balance, December 31	<u>\$ 3,158,014</u>	<u>\$ 3,907,188</u>	<u>\$ 1,648,515</u>	<u>\$ 2,632,403</u>	<u>\$ 2,182,133</u>
Reserves	<u>960,982</u>	<u>936,742</u>	<u>1,486,205</u>	<u>1,332,105</u>	<u>1,482,105</u>
Total fund balance and reserves, December 31	<u>\$ 4,118,996</u>	<u>\$ 4,843,930</u>	<u>\$ 3,134,720</u>	<u>\$ 3,964,508</u>	<u>\$ 3,664,238</u>

2024 Enterprise Funds

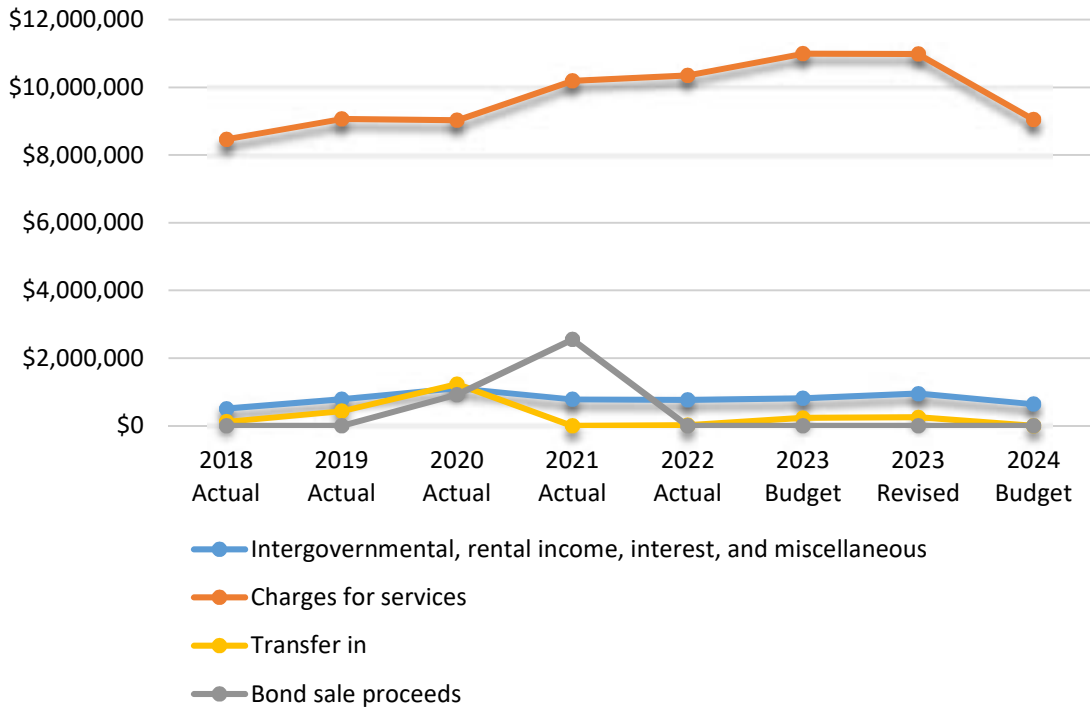
Total Revenues \$9,690,884



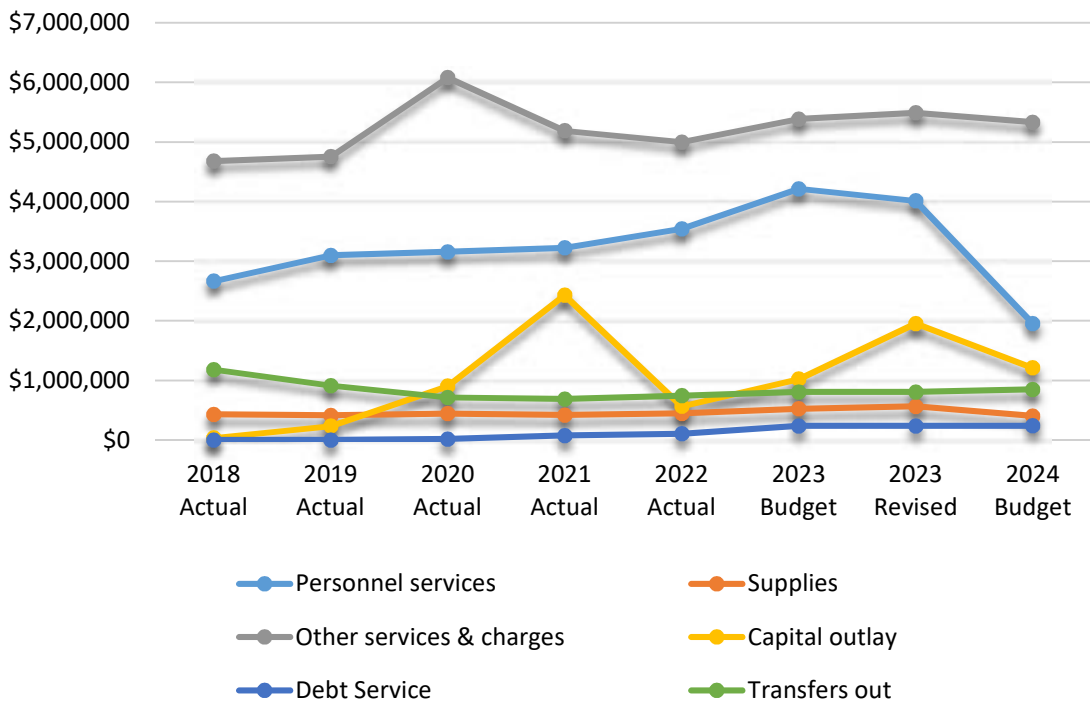
Total Expenses \$9,991,154



Enterprise Funds Revenue Trend Analysis



Enterprise Funds Expense Trend Analysis



Fund: Water Fund 5010

Department Activities and Responsibilities:

The Water Fund, which is a function of the Public Works Division, accounts for the operation and maintenance of all facilities necessary to produce, treat, store, and distribute water to residential and commercial properties in White Bear Lake. As part of the daily operations, this department also oversees the installation of all new water connections, final service reads, fire hydrant maintenance, and biannual fire hydrant flushing activities.

The City uses five deep wells, three storage reservoirs, and one treatment plant in the water production process. The production levels fluctuate each season as weather conditions influence customer usage during the non-winter 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 and submitted 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.

In the initial lawsuit, the Ramsey County District Judge ruled in favor of the White Bear Lake Restoration Association and declared certain remedies that adversely affected the City and its residents. The DNR and City successfully appealed a case to the Court of Appeals in 2019. In 2020, the Minnesota State Supreme Court reversed the decision of the Court of Appeals and the City began a Contested Case hearing to revise the proposed water permit amendments. The City terminated the lake level litigation fee at the end of 2020 after collecting revenues to cover legal expenditures paid to date. The Water Fund will pay any future litigation expenditures related to the case.

Budget Summary:

The City strives to create a balanced budget for the Water Fund operations. This complicated goal requires a thoughtful process that promotes water conservation to customers to encourage reduced pumping and production activities, while trying to receive sufficient revenues to support expenses. Rates must be set at an appropriate level to support both operations and infrastructure replacement costs. The City utilizes an in-house analytics software designed for government entities that provide water services. The software enables users to integrate revenue, operating and capital costs, and reserve information on one platform and visually

Fund: Water Fund 5010

display impacts of rate increases and potential expenditures over time. The software also provides opportunity to create scenario comparisons.

The 2024 Budget includes a 9% rate adjustment to maintain the financial stability of the Fund. The following charts presents past rates, current rates, proposed rates and a conversion between billing unit descriptions:

Residential			
Units Consumed	2022 Rates	2023 Rates	2024 Rates
0-6,000 gallons (0-8 units)	\$14.16 flat fee	\$14.56 flat fee	\$15.90 flat fee
Winter qtr >6,000 gallons (> 8 units)	1.77 / 750 gal	1.82 / 750 gal	1.99 / 750 gal
Non-winter qtr >6,000 gallons (>8 units)	2.14 / 750 gal	2.20 / 750 gal	2.40 / 750 gal

Commercial			
Units Consumed	2022 Rates	2023 Rates	2024 Rates
0-6,000 gallons (0-8 units)	\$13.67 flat fee	\$14.08 flat fee	\$15.34 flat fee
6,001-20,250 gallons (8-27 units)	1.71 / 750 gal	1.76 / 750 gal	1.92 / 750 gal
20251-56,250 gallons (27-75 units)	1.77 / 750 gal	1.82 / 750 gal	1.99 / 750 gal
>56,250 gallons (>75 units)	1.98 / 750 gal	2.04 / 750 gal	2.22 / 750 gal
Non-winter quarter over base	2.14 / 750 gal	2.20 / 750 gal	2.40 / 750 gal

Following the declaration of a state of emergency due to the COVID-19 pandemic in early 2020 and in anticipation of a possible financial hardship for many residents, the City Council approved a resolution suspending all late fees related to utility payments effective for services rendered after January 1, 2020. However, as the economy rebounded from pandemic shut downs, the City Council re-instated the 10% late fee to the original terms effective immediately for all utility services mailed after October 1, 2021.

The City determined a need to incorporate an infrastructure fee into the quarterly water billings to begin saving for future projects related to the aging infrastructure. In 2021, the City chose to begin the fee at the same dollar value as the terminated lake level litigation fee to avoid an increase to the property owners’ bills. These additional resources provide the operations with much needed funds with minimal effects on customers. The following charts presents past rates, current rates, and proposed rates:

Infrastructure Fee	2022	2023	2024
Property Type	Rates	Rates	Rates
Residential	\$6.00 / qtr	\$11.00 / qtr	\$13.75 / qtr
Commercial	21.00 / qtr	30.00 / qtr	37.50 / qtr

In 2014, the City began replacing non-working water meters with radio read meters; this change significantly reduces the time spent on obtaining accurate meter readings. In 2021, the City utilized \$2,465,000 in bond proceeds to fund replacement of residential and commercial water meters to convert the remaining meters to the radio read style.

Fund: Water Fund 5010

Historically, the City paid for replacement of residential water meters but billed commercial accounts for the water meters at the time of replacement. As part of the radio read meter project, the City instituted a quarterly meter replacement fee based on meter size for commercial customers in 2022. The change spreads the meter purchase and installation costs over the 15-year life of the meter to reduce the financial impact on commercial customers at the time of replacement. Commercial customers who installed the new radio read meters prior to the bond issuance were refunded via an account credit in 2021. The calculation refunds the property owner the difference between the cost they paid for the meter and installation and the total of the quarterly meter charges incurred from the time of purchase according to the new fee schedule. This ensures equal treatment of accounts receiving meters prior to this program and those receiving meters in 2022 and forward under the new infrastructure rate structure.

The quarterly meter charge for commercial customers is detailed below.

Commercial Meter Replacement Fee	2022 Rates	2023 Rates	2024 Rates
1" Meter	\$8.00 / qtr	\$8.00 / qtr	\$8.10 / qtr
1.5" Meter	18.00 / qtr	18.00 / qtr	18.20 / qtr
2" Meter	21.00 / qtr	21.00 / qtr	21.20 / qtr
3" Meter	55.00 / qtr	55.00 / qtr	55.55 / qtr
4" Meter	67.00 / qtr	67.00 / qtr	67.65 / qtr
6" Meter	110.00 / qtr	110.00 / qtr	111.10 / qtr
12" Meter	n/a	n/a	275.00 / qtr

The City provides water to the neighboring communities of Birchwood Village and Gem Lake through a cooperative contract agreement. Each community receives a total quarterly charge, which they bill to their property owners through their own system.

The City received a third water efficiency grant from the Metropolitan Council in May 2022 to support multi-family housing installation of EPA Water Sense-certified low-flow toilets during the calendar year 2022-2024. The grant covers 75% of program costs with the municipality providing the remaining 25% as a match. While there was participation in previous years when the grant was offered to residential customers, there has been no interest with multi-family housing. The City worked with the Metropolitan Council to change the grant back to residential housing during 2023.

The fund begins to budget for interest again in the 2023 Revised Budget. The interest amounts are extrapolated from actual interest earnings as of June 30, 2023.

The 2024 Budget for system connection revenues decreases significantly with the completion of the construction of a new apartment building.

Fund: Water Fund 5010

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, 2024, this fund’s principal obligation on the debt is \$755,000. Future principal and interest obligations on this debt by expense category are as follows:

Year	Principal	Interest	Total	Rate
2025	\$ 35,000	\$ 16,875	\$ 51,875	3.000%
2026	35,000	15,825	50,825	3.000%
2027	40,000	14,700	54,700	3.000%
2028	40,000	13,500	53,500	3.000%
2029	40,000	12,300	52,300	3.000%
2030	40,000	11,100	51,100	3.000%
2031	45,000	10,050	55,050	2.000%
2032	45,000	9,150	54,150	2.000%
2033	45,000	8,250	53,250	2.000%
2034	45,000	7,350	52,350	2.000%
2035	45,000	6,450	51,450	2.000%
2036	50,000	5,500	55,500	2.000%
2037	50,000	4,500	54,500	2.000%
2038	50,000	3,500	53,500	2.000%
2039	50,000	2,500	52,500	2.000%
2040	50,000	1,500	51,500	2.000%
2041	50,000	500	50,500	2.000%
Total	<u>755,000</u>	<u>143,550</u>	<u>898,550</u>	

On June 17, 2021, the City issued General Obligation Bonds, Series 2021A in an aggregate principal amount of \$4,280,000. Of that total, this fund accounts for payments related to the \$2,465,000 of General Obligation Utility Revenue Bonds issued pursuant to Minnesota Statutes, Chapters 444 and 475 to provide financing for the replacement of residential and commercial water meters and other water system improvements. The 2021A General Obligation Bonds Debt Service Fund in the Debt Service section of this budget accounts for the remainder of the bond issuance payments.

Though a project of this magnitude is expensive, upgrading all meters to a radio read system provides a savings in contracted meter reading services and ensures users have working meters to record their actual water consumption each quarter. As of June 2021, 1,478 of the City’s meters utilized radio read technology. The bond issuance provided funding to replace the approximately 6,200 remaining meters with radio read units.

Fund: Water Fund 5010

As of December 31, 2024, this fund’s principal obligation on the debt is \$2,180,000. Future principal and interest obligations on this debt by expense category are as follows:

Year	Principal	Interest	Total	Rate
2025	\$ 150,000	\$ 37,323	\$ 187,323	2.000%
2026	155,000	34,273	189,273	2.000%
2027	155,000	31,173	186,173	2.000%
2028	160,000	28,023	188,023	2.000%
2029	160,000	24,823	184,823	2.000%
2030	165,000	21,573	186,573	2.000%
2031	170,000	18,223	188,223	2.000%
2032	170,000	15,248	185,248	1.500%
2033	175,000	12,660	187,660	1.500%
2034	175,000	10,035	185,035	1.500%
2035	180,000	7,373	187,373	1.500%
2036	180,000	4,538	184,538	1.650%
2037	185,000	1,526	186,526	1.650%
Total	<u>2,180,000</u>	<u>246,786</u>	<u>2,426,786</u>	

Water Distribution:

The 2023 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.

The 2023 Revised Small Tools Budget allocates \$10,000 more than originally planned for the purchase large ¾” to 6” meters as a result of several large projects that have taken place during the year.

The Professional Services expenditure budget includes an appropriation in both the 2023 Revised and 2024 Budgets to cover legal expenses related to the Lake Level Litigation. The recent completion of the Wellhead Protection Plan Part B update reduces funding needs, which offsets the additional legal costs and reduces the total budget for the account.

The Water Conservation line item accounts for water efficiency grants to support resident installation of EPA Water Sense-certified low-flow toilets. The Metropolitan Council grant covers 75% of program costs and the municipality provides the remaining 25% as a match.

Fund: Water Fund 5010

The Other Maintenance Service 2023 Budget provides funding for main breaks and hydrant replacement and modification kits. The 2023 Budget begins adding \$25,000 for routine hydrant sandblasting and painting maintenance for existing hydrants. It is estimated that it will be a 10-12-year cycle to complete all hydrants in the City. The 2023 Revised Budget also includes an additional \$25,000 for three concrete repairs related to water main breaks on White Bear Avenue.

The transfer to the General Fund for administration charges increases in 2024 to \$188,000 with the addition of General Fund staff who have not been included in the calculation previously but who contribute a portion of their time to the Water Department operations. The transfer also supports the addition of a Communications Specialist as of July 1, 2024 as part of the General Fund Budget. The amount transferred to support this position will decrease in future years as all City departments begin to provide funding for the salary and benefit costs in 2025.

Water Treatment:

The allocation for regular employee overtime increases in the 2023 Revised Budget and 2024 Budget. Prior to 2023, regular salaries included the standby pay type; however, the new union contract approved in March 2023 reclassified standby pay to overtime pay.

In the 2023 Revised and 2024 budgets, the allocation for the purchase of lime increases from \$90,000 to \$120,000 to cover rising costs.

After a booster pump impeller failed prematurely, \$23,450 was added to the 2023 Revised Budget for Equipment Maintenance Service.

In 2024, the Building Maintenance Service account adds funding for preventative maintenance on the facility's fencing, entrance gate and boiler.

White Bear Lake contracts with the City of St. Paul to dispose of lime sludge at their lime sludge treatment facility. As of September 1, 2022, the cost to dispose of the lime sludge increased from \$430/truckload to \$677/truckload. The 2024 budget anticipates the rate to remain at that level throughout the year.

The 2024 budgeted administration charge transfer out to the General Fund increases to \$49,000 with the addition of General Fund staff who have not been included in the calculation previously but who contribute a portion of their time to the Water Department operations. The 2024 transfer out also helps to support the addition of a new Building Maintenance position as of July 1, 2024. This position is split equally between 11 different budgets.

Capital Outlay:

A detailed discussion of the capital improvement projects in the 2023 Revised and 2024 budgets can be found in the Capital Improvement Plan in the Summary Data section of the document.

Fund: Water Fund 5010

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:

	2020 <u>Actual</u>	2022 <u>Actual</u>	2023 <u>Budget</u>	2024 <u>Budget</u>
Number of Gallons (in Millions) Pumped and Treated	760	650	700	700
Meters converted to T10 Sensus radio read units	5,790	170	140	0
Flush water mains and exercise gate valves and hydrants annually to ensure reliable operations.	100%	100%	100%	100%

City of White Bear Lake
Enterprise - Water Fund

Annual Budget
Fund Summary

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Revenues						
4670	Met Council grant	\$ 15,747	\$ 4,616	\$ 23,000	\$ -	\$ -
4646	State grant	-	3,350	-	-	-
4882	Charges for services	1,862,792	1,730,218	1,702,100	1,702,100	1,933,000
4842	Miscellaneous public works charges	8,400	28,188	7,500	14,650	10,000
4886	Penalties	6,175	81,581	72,000	76,000	75,000
4889	Capital meter and infrastructure fees	194,443	277,917	468,126	468,156	574,495
4955	Interest	(8,626)	(42,537)	-	31,600	34,000
5010	Sale of goods and property	15,069	23,951	-	-	-
5025	System connection charges	198,990	32,830	154,100	178,890	6,700
5105	Bond sale proceeds	2,554,276	-	-	-	-
5350	Miscellaneous	13,340	(319)	7,500	2,200	2,200
	Total operating and other revenues	<u>4,860,606</u>	<u>2,139,795</u>	<u>2,434,326</u>	<u>2,473,596</u>	<u>2,635,395</u>
Expenditures						
	Operating - Distribution	972,163	826,237	956,285	977,879	955,570
	Operating - Treatment	656,425	665,164	673,100	714,187	725,152
	Capital equipment - Distribution	-	44,878	-	120,249	26,000
	Capital equipment - Treatment	295,186	21,646	165,000	31,225	406,000
	Capital infrastructure - Distribution	1,926,721	284,708	-	124,000	-
	Capital infrastructure - Treatment	-	-	175,000	605,000	46,000
	Total expenditures	<u>3,850,495</u>	<u>1,842,633</u>	<u>1,969,385</u>	<u>2,572,540</u>	<u>2,158,722</u>
Debt Service						
7410	Principal	-	35,000	175,000	175,000	180,000
7420	Interest	21,406	71,589	63,173	63,173	58,561
7450	Bond issuance fees	54,276	-	-	-	-
	Total debt service	<u>75,682</u>	<u>106,589</u>	<u>238,173</u>	<u>238,173</u>	<u>238,561</u>
Transfers Out						
7605	General Fund - Distribution	108,000	112,000	116,000	116,000	188,000
7605	General Fund - Treatment	20,000	21,000	22,000	22,000	49,000
7605	Municipal Building Fund	13,244	-	-	-	-
	Total transfers out	<u>141,244</u>	<u>133,000</u>	<u>138,000</u>	<u>138,000</u>	<u>237,000</u>
	Total expenditures	<u>4,067,421</u>	<u>2,082,222</u>	<u>2,345,558</u>	<u>2,948,713</u>	<u>2,634,283</u>
	Revenues over (under) expenditures	<u>793,185</u>	<u>57,573</u>	<u>88,768</u>	<u>(475,117)</u>	<u>1,112</u>
	Capital reserves adjustment (to) from	<u>(224,130)</u>	<u>124,240</u>	<u>(154,100)</u>	<u>-</u>	<u>-</u>
	Fund balance January 1	<u>537,188</u>	<u>1,106,243</u>	<u>311,668</u>	<u>1,288,056</u>	<u>812,939</u>
	Fund balance December 31	<u>\$ 1,106,243</u>	<u>\$ 1,288,056</u>	<u>\$ 246,336</u>	<u>\$ 812,939</u>	<u>\$ 814,051</u>
	Capital infrastructure reserves	<u>\$ 606,209</u>	<u>\$ 481,969</u>	<u>\$ 636,069</u>	<u>\$ 481,969</u>	<u>\$ 481,969</u>
Fund Balance Reconciliation to Financial Statements:						
	Budget fund balance December 31	\$ 1,712,452	\$ 1,770,025			
	Deferred outflows of pension resources	148,683	122,496			
	Net pension liability	(217,588)	(405,872)			
	Deferred inflows of pension resources	(213,085)	(6,977)			
	Net capital assets	3,562,374	4,080,234			
	Accounts receivable	1,148,415	1,477,309			
	Special assessments receivable	328,267	360,543			
	Bonds payable	(3,467,612)	(3,423,941)			
	Accrued interest	(33,083)	(27,032)			
	Financial statement fund balance December 31	<u>\$ 2,968,823</u>	<u>\$ 3,946,785</u>			

City of White Bear Lake
Enterprise - Water Distribution

Annual Budget
Business Unit: 5012

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Personnel Services						
6105	Salaries - regular employees	\$ 170,132	\$ 179,984	\$ 196,783	\$ 197,464	\$ 210,541
6117	Overtime - regular employees	15,306	12,646	14,500	14,500	14,500
6122	PERA	13,907	14,447	15,846	15,897	16,878
6124	FICA/Medicare	13,711	14,111	16,163	16,215	17,216
6128	Insurance contribution	24,225	24,990	26,775	26,775	30,409
6138	Worker's compensation	7,800	9,360	5,906	5,906	6,541
6146	Severance	-	-	12,033	12,033	-
6148	Other benefits	4,080	4,845	4,590	4,590	3,570
	Total personnel services	<u>249,161</u>	<u>260,383</u>	<u>292,596</u>	<u>293,380</u>	<u>299,655</u>
Supplies						
6210	Office supplies	-	-	100	100	100
6220	Equipment supplies	268	554	1,950	1,950	1,950
6230	Vehicle supplies	2,052	3,246	4,000	4,000	4,000
6240	Building supplies	-	-	750	750	750
6250	Other supplies	17,615	18,342	42,400	36,900	41,900
6255	Landscaping supplies	-	-	5,500	500	5,500
6272	Motor fuels	8,773	12,467	13,000	13,000	13,000
6274	Lubricants & additives	131	159	400	400	400
6280	Books & periodicals	-	-	-	-	-
6290	Uniforms	1,634	928	1,850	1,850	1,810
6295	Small tools	18,239	6,165	33,900	44,520	30,900
	Total supplies	<u>48,712</u>	<u>41,861</u>	<u>103,850</u>	<u>103,970</u>	<u>100,310</u>
Other Services and Charges						
6401	Professional services	127,691	83,070	74,100	65,400	50,425
6402	Data processing	32,555	42,826	43,825	43,825	44,125
6411	Telephone	928	1,025	1,300	1,300	1,200
6412	Cellular	751	901	800	1,175	1,175
6422	Electric	175,365	193,364	179,000	179,000	185,000
6423	Natural gas	9,098	13,925	19,500	15,400	19,500
6434	General liability insurance	21,217	23,339	23,339	23,339	26,139
6436	Vehicle liability insurance	1,500	1,545	1,545	1,545	1,591
6445	Postage	5,933	5,882	6,200	6,200	6,200
6450	Outside printing	200	617	2,900	2,900	2,900
6455	Legal notices and publications	346	107	500	-	-
6460	Subscription/memberships	661	25	750	750	750
6470	Training	2,155	516	2,200	2,200	2,200
6487	Water conservation	20,522	6,355	16,220	16,220	16,220
6492	Advertising	-	288	400	400	400
6505	Equipment maintenance service	5,616	5,165	5,575	7,275	7,275
6510	Vehicle maintenance service	-	-	2,000	2,000	2,000
6515	Building maintenance service	13,000	2,927	4,000	4,000	4,000
6525	Electrical repair service	4,649	-	5,500	5,500	5,500
6535	Other maintenance service	74,733	125,375	135,000	163,800	137,000
6545	Credit card fees	-	-	35	-	-
6555	Equipment rental	508	-	1,000	1,000	1,000
6560	Other contractual services	176,862	16,741	34,150	37,300	41,005
	Total other services and charges	<u>674,290</u>	<u>523,993</u>	<u>559,839</u>	<u>580,529</u>	<u>555,605</u>
	Total operating expenditures	<u>972,163</u>	<u>826,237</u>	<u>956,285</u>	<u>977,879</u>	<u>955,570</u>
Capital Outlay						
7140	Equipment	-	44,878	-	120,249	26,000
7220	Infrastructure	1,926,721	284,708	-	124,000	-
	Total capital outlay	<u>1,926,721</u>	<u>329,586</u>	<u>-</u>	<u>244,249</u>	<u>26,000</u>
Debt Service						
7410	Principal	-	35,000	175,000	175,000	180,000
7420	Interest	21,406	71,589	63,173	63,173	58,561
7450	Bond issuance fees	54,276	-	-	-	-
	Total debt service	<u>75,682</u>	<u>106,589</u>	<u>238,173</u>	<u>238,173</u>	<u>238,561</u>
Transfers						
7605	General Fund - administration charge	108,000	112,000	116,000	116,000	188,000
	Total transfers	<u>108,000</u>	<u>112,000</u>	<u>116,000</u>	<u>116,000</u>	<u>188,000</u>
Total		<u>\$ 3,082,566</u>	<u>\$ 1,374,412</u>	<u>\$ 1,310,458</u>	<u>\$ 1,576,301</u>	<u>\$ 1,408,131</u>

City of White Bear Lake
Enterprise - Water Treatment

Annual Budget
Business Unit: 5013

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Personnel Services						
6105	Salaries - regular employees	\$ 190,576	\$ 191,783	\$ 181,764	\$ 155,949	\$ 162,556
6117	Overtime - regular employees	8,303	7,045	10,000	35,065	41,587
6122	PERA	14,913	14,911	14,382	14,326	15,311
6124	FICA/Medicare	15,111	14,929	14,670	14,613	15,617
6128	Insurance contribution	20,425	21,070	22,575	22,575	25,639
6138	Worker's compensation	7,800	9,360	4,980	4,980	5,515
6148	Other benefits	3,440	4,085	3,870	3,870	3,010
	Total personnel services	<u>260,568</u>	<u>263,183</u>	<u>252,241</u>	<u>251,378</u>	<u>269,235</u>
Supplies						
6210	Office supplies	-	13	250	250	250
6220	Equipment supplies	9,217	9,995	10,500	13,500	15,500
6230	Vehicle supplies	339	554	2,000	2,000	2,000
6240	Building supplies	27,049	2,895	10,600	10,600	5,600
6250	Other supplies	364	452	1,750	1,750	1,750
6255	Landscaping supplies	-	409	500	500	2,000
6260	Chemicals	147,725	181,750	149,400	172,900	177,900
6272	Motor fuels	2,029	-	2,250	2,250	2,250
6274	Lubricants & additives	35	72	250	250	250
6280	Books & periodicals	-	-	-	-	-
6290	Uniforms	1,570	2,008	2,150	2,150	2,210
6295	Small tools	2,358	1,893	5,000	4,600	6,000
	Total supplies	<u>190,686</u>	<u>200,041</u>	<u>184,650</u>	<u>210,750</u>	<u>215,710</u>
Other Services and Charges						
6401	Professional services	94	106	275	275	275
6411	Telephone	2,096	2,251	2,720	2,720	2,495
6412	Cellular	1,231	960	1,300	800	800
6434	General liability insurance	23,866	26,252	26,252	26,252	29,402
6436	Vehicle liability insurance	3,983	4,102	4,102	4,102	4,225
6455	Legal notice publications	-	256	-	-	-
6460	Subscription/memberships	110	179	335	335	335
6470	Training	46	657	1,800	1,800	2,400
6487	Water conservation	-	-	-	-	-
6505	Equipment maintenance service	6,279	3,859	11,900	32,750	13,650
6510	Vehicle maintenance service	-	-	1,000	1,000	1,000
6515	Building maintenance service	5,206	14,133	4,100	4,100	7,700
6525	Electrical repair service	13,135	6,237	6,000	6,000	6,000
6535	Other maintenance service	-	3,654	-	-	-
6555	Equipment rental	820	1,212	1,025	1,025	1,025
6560	Other contractual services	44,105	5,093	15,100	15,100	15,100
6565	Disposal fees	104,200	132,989	160,300	155,800	155,800
	Total other services and charges	<u>205,171</u>	<u>201,940</u>	<u>236,209</u>	<u>252,059</u>	<u>240,207</u>
	Total operating expenditures	<u>656,425</u>	<u>665,164</u>	<u>673,100</u>	<u>714,187</u>	<u>725,152</u>
Capital Outlay						
7120	Building	39,000	10,185	-	31,225	145,000
7140	Equipment	256,186	11,461	165,000	-	261,000
7220	Improvements	-	-	175,000	605,000	46,000
	Total capital outlay	<u>295,186</u>	<u>21,646</u>	<u>340,000</u>	<u>636,225</u>	<u>452,000</u>
Transfers						
7605	General Fund - admin. Charge	20,000	21,000	22,000	22,000	49,000
7605	Municipal Building	13,244	-	-	-	-
	Total transfers	<u>33,244</u>	<u>21,000</u>	<u>22,000</u>	<u>22,000</u>	<u>49,000</u>
	Total	<u>\$ 984,855</u>	<u>\$ 707,810</u>	<u>\$ 1,035,100</u>	<u>\$ 1,372,412</u>	<u>\$ 1,226,152</u>

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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:

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 created a rate structure that provides revenues to cover current operating and capital expenditures.

The most significant expenditure in the Sewer Fund budget is Met Council’s wastewater service fee, which is roughly 57% of the total expenditures. To calculate the annual wastewater fee for 2024, the Met Council multiplies the City’s portion of the wastewater flow discharged into the regional system for the prior year (2022) by the regional wastewater charge for the coming year (2023). The City’s percentage of the flow into the regional system decreased for 2024, however it was offset by the increase in Met Council’s Municipal Waste Charge which resulted in a 4.62% increase to the City’s fee. While this annual expenditure increased, recent annual rate increases and long-term capital planning established a fund balance that supports operations, equipment and infrastructure expenditures. Given this information, an increase of only 1.00% is budgeted for 2024.

The chart below compares recent rates with the proposed rates for 2024.

Units Consumed	2022 Rate	2023 Rate	2024 Rate
0-6,000 gallons (0-8 units)	\$36.80 flat fee	\$36.80 flat fee	\$37.20 flat fee
>6,000 gallons (>8 units)	\$4.60 / 750 gal	\$4.60 / 750 gal	\$4.65 / 750 gal

Fund: Sewer Fund 5050

The fund begins to budget for interest again in the 2023 Revised Budget. The interest amounts are extrapolated from actual interest earnings as of June 30, 2023.

The allocation for regular employee overtime increases in the 2023 Revised Budget and 2024 Budget. Prior to 2023, regular salaries included the standby pay type; however, the new union contract approved in March 2023 reclassified standby pay to overtime pay.

The Building Maintenance Services account funds repairs at a lift station in the southeastern part of the City. This project is a collaboration with the City of Mahtomedi and Washington County. The 2023 Revised Budget adds an additional \$17,750 of funding for this project, bringing the total allotment to \$97,750.

The annual Municipal Waste Charge for disposal fees fluctuates each year based on the City's percentage of the total regional flow through the system. For the 2024 cost calculation, both the City's portion of the regional flow and the City's total flow through the system decreased. However, the Met Council's Municipal Waste Charge outweighed these decreases, thus increasing the City's Municipal Waste Charge by approximately \$93,000 for 2024. The Metropolitan Environmental Services division continues to prioritize planning for capital infrastructure purchases and begin building financial stability into their fund balance through the annual rate structure.

The transfer to the General Fund for administration charges increases in 2024 to \$188,000 with the addition of General Fund staff who have not been included in the calculation previously but who contribute a portion of their time to the Water Department operations. The transfer also supports the addition of a Communications Specialist as of July 1, 2024 as part of the General Fund Budget. The amount transferred to support this position will decrease in future years as all City departments begin to provide funding for the salary and benefit costs in 2025.

Capital Outlay:

A detailed discussion of the capital improvement projects in the 2023 Revised and 2024 budgets can be found in the Capital Improvement Plan in the Summary Data section of the document.

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.

Fund: Sewer Fund 5050

Measurable Workload Data:

	<u>2021 Actual</u>	<u>2022 Actual</u>	<u>2023 Budget</u>	<u>2024 Budget</u>
Miles of Sewer Lines Rodded and Jetted	24	14	14	20
Number of Public Line Sewer Backups	3	2	1	1
Number of Private Line Sewer Backups	38	35	20	20
Percent of Sewer Lift Station Monthly Alarm Checks	100%	100%	100%	100%

City of White Bear Lake
Enterprise - Sewer Fund

Annual Budget
Fund Summary

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Revenues						
4210	Special assessments	\$ 1,803	\$ 1,735	\$ -	\$ 1,665	\$ -
4882	Charges for services	3,429,962	3,580,299	3,512,600	3,512,600	3,614,000
4955	Interest	(5,613)	(47,395)	-	47,555	50,000
5025	System connection charges	197,650	34,170	154,100	176,210	6,700
5316	Sewer availability charge retainer	7,430	1,267	-	5,815	-
5360	Refunds and reimbursements	4,663	7,862	-	-	-
	Total operating and other revenues	<u>3,635,895</u>	<u>3,577,938</u>	<u>3,666,700</u>	<u>3,743,845</u>	<u>3,670,700</u>
	Total revenues	<u>3,635,895</u>	<u>3,577,938</u>	<u>3,666,700</u>	<u>3,743,845</u>	<u>3,670,700</u>
Expenditures						
	Operating	584,419	595,827	790,117	792,409	747,641
	Disposal	2,177,792	2,059,668	1,998,720	1,998,720	2,091,005
	Capital Equipment	75,961	19,350	155,000	162,000	182,500
	Capital Infrastructure	120,274	169,591	197,500	506,300	387,500
	Total expenditures	<u>2,958,446</u>	<u>2,844,436</u>	<u>3,141,337</u>	<u>3,459,429</u>	<u>3,408,646</u>
	Transfers Out					
7605	General Fund	120,000	124,000	130,000	130,000	233,000
	Total transfers out	<u>120,000</u>	<u>124,000</u>	<u>130,000</u>	<u>130,000</u>	<u>233,000</u>
	Total expenditures	<u>3,078,446</u>	<u>2,968,436</u>	<u>3,271,337</u>	<u>3,589,429</u>	<u>3,641,646</u>
	Revenues over (under) expenditures	<u>557,449</u>	<u>609,502</u>	<u>395,363</u>	<u>154,415</u>	<u>29,054</u>
	Capital reserves adjustment (to) from	<u>20,000</u>	<u>(100,000)</u>	<u>(395,363)</u>	<u>(395,363)</u>	<u>(150,000)</u>
	Fund balance January 1	<u>485,609</u>	<u>1,063,058</u>	<u>1,219,613</u>	<u>1,572,560</u>	<u>1,331,612</u>
	Fund balance December 31	<u>\$ 1,063,058</u>	<u>\$ 1,572,560</u>	<u>\$ 1,219,613</u>	<u>\$ 1,331,612</u>	<u>\$ 1,210,667</u>
	Capital Infrastructure Reserves	<u>\$ 354,773</u>	<u>\$ 454,773</u>	<u>\$ 850,136</u>	<u>\$ 850,136</u>	<u>\$ 1,000,136</u>
Fund Balance Reconciliation to Financial Statements:						
	Budget fund balance December 31	\$ 1,417,831	\$ 2,027,333			
	Deferred outflows of pension resources	114,500	95,146			
	Net pension liability	(167,561)	(315,249)			
	Deferred inflows of pension resources	(164,095)	(5,419)			
	Net capital assets	1,475,526	1,462,469			
	Accounts receivable	340,980	333,080			
	Unearned revenue	(13,280)	(13,280)			
	Financial statement fund balance December 31	<u>\$ 3,003,901</u>	<u>\$ 3,584,080</u>			

City of White Bear Lake
Enterprise - Sewer

Annual Budget
Business Unit: 5052

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Personnel Services						
6105	Salaries - regular employees	\$ 291,294	\$ 299,315	\$ 332,493	\$ 321,117	\$ 343,180
6117	Overtime - regular employees	4,631	4,730	8,200	15,376	21,536
6119	Salaries - temporary employees	4,316	-	7,634	-	8,414
6122	PERA	22,194	22,803	25,552	25,237	27,354
6124	FICA/Medicare	23,122	23,082	26,647	25,742	28,544
6128	Insurance contributions	41,800	41,160	46,200	46,200	52,470
6138	Worker's compensation	26,160	31,392	10,192	10,192	11,286
6148	Other benefits	7,040	7,980	7,920	7,920	6,160
	Total personnel services	<u>420,557</u>	<u>430,462</u>	<u>464,837</u>	<u>451,784</u>	<u>498,944</u>
Supplies						
6210	Office supplies	-	-	100	100	100
6220	Equipment supplies	9,286	13,375	16,200	13,200	16,200
6230	Vehicle supplies	2,959	1,934	4,000	4,000	4,000
6240	Building supplies	215	490	2,200	2,200	2,200
6250	Other supplies	3,307	2,846	3,400	3,300	3,300
6260	Chemicals	1,395	2,114	2,500	2,500	2,500
6272	Motor fuels	8,525	12,632	12,900	12,900	12,900
6274	Lubricants & additives	272	279	600	600	600
6290	Uniforms	2,824	1,881	3,400	3,395	3,520
6295	Small tools	6,727	6,463	4,000	4,000	4,900
	Total supplies	<u>35,510</u>	<u>42,014</u>	<u>49,300</u>	<u>46,195</u>	<u>50,220</u>
Other Services and Charges						
6401	Professional services	15,963	12,189	13,900	15,200	18,800
6402	Data processing	32,555	39,509	43,825	43,825	44,125
6411	Telephone	771	862	1,125	1,125	1,050
6412	Cellular	1,232	1,849	2,035	2,035	2,135
6422	Electric	10,058	10,192	14,000	12,700	12,700
6423	Natural gas	622	558	1,700	1,000	1,000
6434	General liability insurance	30,500	33,550	33,550	33,550	37,576
6436	Vehicle liability insurance	1,500	1,545	1,545	1,545	1,591
6445	Postage	5,862	5,882	5,300	5,300	5,500
6450	Outside printing	200	228	350	350	350
6460	Subscription/memberships	425	450	500	500	500
6470	Training	931	1,110	2,300	2,300	2,400
6505	Equipment maintenance service	15,430	5,138	15,150	18,950	17,950
6510	Vehicle maintenance service	275	85	4,000	4,000	4,000
6515	Building maintenance service	8,040	4,967	101,400	116,750	13,500
6525	Electrical repair service	933	-	2,000	2,000	2,000
6535	Other maintenance service	783	1,915	17,000	17,000	17,000
6555	Equipment rental	-	-	800	800	800
6560	Other contractual service	2,272	3,322	15,500	15,500	15,500
6565	Disposal charges	2,177,792	2,059,668	1,998,720	1,998,720	2,091,005
	Total other services and charges	<u>2,306,144</u>	<u>2,183,019</u>	<u>2,274,700</u>	<u>2,293,150</u>	<u>2,289,482</u>
Capital Outlay						
7140	Equipment	75,961	19,350	155,000	162,000	182,500
7220	Infrastructure	120,274	169,591	197,500	506,300	387,500
	Total capital outlay	<u>196,235</u>	<u>188,941</u>	<u>352,500</u>	<u>668,300</u>	<u>570,000</u>
Transfers						
7605	General Fund - administration charge	120,000	124,000	130,000	130,000	233,000
	Total transfers	<u>120,000</u>	<u>124,000</u>	<u>130,000</u>	<u>130,000</u>	<u>233,000</u>
	Total	<u>\$ 3,078,446</u>	<u>\$ 2,968,436</u>	<u>\$ 3,271,337</u>	<u>\$ 3,589,429</u>	<u>\$ 3,641,646</u>

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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 charges 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 had only increased 2% by the beginning of 2019. Republic absorbed the losses for the short term, but needed 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, 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 current contract.

The new contract with Republic also changed the cost allocation of refuse and recycling services. Previously, the recycling base collection fee was 20-25% of the total collection fee, depending on the service level. The new contract split the fees 50/50, which lowered the county and state refuse taxes calculated for residential bills. 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.

Fund: Environmental Recycling and Waste Disposal Fund 5100

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. Ramsey and Washington counties jointly own and operate the R&E Center, which processes trash to recover resources instead of disposing in landfills. By processing waste, thousands of tons of metal are recycled each year, and waste is turned into a fuel Xcel Energy uses to generate renewable energy for thousands of homes per year. Processing waste at the R&E Center not only reduces greenhouse gas emissions by avoiding landfills, but the R&E Center also adds jobs and value to the East Metro economy.

The center receives revenue through a tipping fee on all deliveries of waste to its location. The tipping fee is a per ton charge which pays the cost 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.

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 in the City’s costs to tip trash at the required center.

<u>Year</u>	<u>Cost per ton</u>	<u>County Rebate</u>	<u>Net</u>		<u>% Change</u>
			<u>Disposal Cost</u>		
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%
2022	87.00	-	87.00		3.57%
2023	103.00	-	103.00		18.39%
2024	121.00	-	121.00		17.48%

Fund: Environmental Recycling and Waste Disposal Fund 5100

The 2024 tipping fee increase covers increased Recycling & Energy Center operating expenses including labor, transportation of materials, insurance, as well as capital investments being made at the R&E Center. The planned capital investments support recovery of additional recyclables from the trash, as well as the separation of food scraps collected as part of a new pickup program to promote composting that is in the development stage.

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 policy of the City's Environmental Advisory Commission.

The City's contract with Eureka contains a revenue sharing formula where the City receives all revenues from sales minus the processing costs. This formula benefits the City when the recycling markets are strong; however, market downturns severely impact the City ability to receive revenues through the agreement. As an example, during 2019 the markets weakened significantly, requiring the City to pay Eureka to process the materials instead of receiving sales revenue. Eureka's solid commitment to the local market helped maintain some sales though the revenues remained less than the cost of processing. In response, the City's 2020 Budget incorporated a \$0.75 per household monthly recycling surcharge to cover these unanticipated costs. The monthly surcharge increased to a \$1.00 per household in 2021 as the weak markets continued. In March 2021, the recycling markets stabilized and sales revenue began exceeding the processing costs once again; therefore, the City eliminated this extra processing fee in 2022. Towards the end of 2022, the recycling markets weakened again and the markets remain low through 2023; therefore, the 2024 Budget incorporates a \$0.50 per household monthly recycling surcharge to cover these costs.

Recyclers are struggling with China's shunning of the US 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 through either a recycling center or providing curbside pickup. Collected recyclable materials cannot be sent to landfills or incinerators without state permission. By 2030, 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

Fund: Environmental Recycling and Waste Disposal Fund 5100

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 container sizes 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 property owners 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. Approximately eighty-eight percent (88%) of the refuse fund expenditures are directly associated with collection, disposal, and recycling processing, with the remaining thirteen percent (12%) associated with administrative and billing costs.

The 2024 Budget contains a rate increase that incorporates the 2024 vendor per unit collection/hauling contract fee and an 17% increase to the tipping fee portion to cover the expenditure increase from the Recycling & Energy Center.

Monthly Fee	2022 Rate	2023 Rate	2024 Rate
30 gallon senior	\$ 12.78	\$ 13.28	\$ 13.80
30 gallon	13.00	13.54	14.11
60 gallon	18.61	20.16	21.85
90 gallon	25.08	27.79	30.79
Recycling processing fee	-----	-----	0.50

The City provides a local clean-up day the first Saturday in May and October each year at the Public Works facility to give residents a convenient opportunity to 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.

Capital Outlay:

A detailed discussion of the capital improvement projects in the 2023 Revised and 2024 budgets can be found in the Capital Improvement Plan in the Summary Data section of the document.

Goals:

1. Continue to advertise ways to improve the efficiency of single sort recycling and reduce residual disposal within the recycling.
2. Investigate options to incorporate multi-unit housing into organized recycling collection.

Fund: Environmental Recycling and Waste Disposal Fund 5100

Measurable Workload Data:

	2021 <u>Actual</u>	2022 <u>Actual</u>	2023 <u>Budget</u>	2024 <u>Budget</u>
Number of collection accounts	7,524	7,514	7,521	7,530
Tons of Residential Garbage Collected	6,084	5,950	6,000	6,000
Tons of Residential Recycling Collected	1,670	1,515	1,500	1,750

City of White Bear Lake
Enterprise - Environmental Recycling and Waste Disposal

Annual Budget
Fund Summary

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Revenues						
Charges for Services						
4882	Disposal charges	\$ 1,091,528	\$ 1,118,360	\$ 1,218,904	\$ 1,218,904	\$ 1,354,425
4884	Renewable waste charges	511,588	520,760	518,880	518,880	532,670
4887	Recycling processing fee	92,791	-	-	-	45,450
	Total charges for service	<u>1,695,907</u>	<u>1,639,120</u>	<u>1,737,784</u>	<u>1,737,784</u>	<u>1,932,545</u>
Other Revenue						
4660	County aid - SCORE grant	62,388	74,872	63,185	62,880	62,866
4955	Interest	(1,352)	(11,131)	-	8,190	12,000
5010	Sales recyclables	71,756	69,153	12,000	620	-
5350	Miscellaneous	107	229	-	-	-
5350	Clean up	16,740	16,920	18,000	18,000	18,000
	Total other revenues	<u>149,639</u>	<u>150,043</u>	<u>93,185</u>	<u>89,690</u>	<u>92,866</u>
	Total revenues	<u>1,845,546</u>	<u>1,789,163</u>	<u>1,830,969</u>	<u>1,827,474</u>	<u>2,025,411</u>
Expenditures						
	Operational	194,733	203,453	230,137	268,020	270,824
	Disposal	1,503,829	1,527,899	1,645,000	1,645,000	1,783,505
	Capital	-	-	-	-	14,000
	Total expenditures	<u>1,698,562</u>	<u>1,731,352</u>	<u>1,875,137</u>	<u>1,913,020</u>	<u>2,068,329</u>
	Revenues over (under) expenditures	<u>146,984</u>	<u>57,811</u>	<u>(44,168)</u>	<u>(85,546)</u>	<u>(42,918)</u>
	Fund balance January 1	<u>61,815</u>	<u>208,799</u>	<u>254,391</u>	<u>266,610</u>	<u>181,064</u>
	Fund balance December 31	<u>\$ 208,799</u>	<u>\$ 266,610</u>	<u>\$ 210,223</u>	<u>\$ 181,064</u>	<u>\$ 138,146</u>
Fund Balance Reconciliation to Financial Statements:						
	Budget fund balance December 31	208,799	266,610			
	Deferred outflows of pension resources	1,187	1,210			
	Net pension liability	(1,734)	(4,007)			
	Deferred inflows of pension resources	(1,701)	(69)			
	Accounts receivable	142,559	146,600			
	Financial statement fund balance December 31	<u>349,110</u>	<u>410,344</u>			

City of White Bear Lake
Enterprise - Environmental Recycling and Waste Disposal

Annual Budget
Business Unit: 5100

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Expenditures						
Personnel Services						
6117	Overtime - regular employees	\$ 3,074	\$ 3,863	\$ 4,716	\$ 5,700	\$ 5,985
6122	PERA	230	290	354	428	449
6124	FICA/Medicare	229	288	361	436	458
	Total personnel services	<u>3,533</u>	<u>4,441</u>	<u>5,431</u>	<u>6,564</u>	<u>6,892</u>
Supplies						
6250	Other supplies	<u>1,003</u>	<u>1,537</u>	<u>1,700</u>	<u>1,700</u>	<u>2,000</u>
	Total supplies	<u>1,003</u>	<u>1,537</u>	<u>1,700</u>	<u>1,700</u>	<u>2,000</u>
Other Services and Charges						
6401	Professional services	11,885	9,481	11,100	12,900	13,100
6402	Data processing	30,111	35,009	43,825	43,825	44,125
6434	General liability insurance	3,983	4,381	4,381	4,381	4,907
6445	Postage	5,862	5,953	5,500	6,000	6,300
6450	Outside printing	6,918	7,680	8,200	7,950	8,500
6492	Advertising	1,255	-	1,300	-	1,300
6555	Rental of equipment	143	146	200	200	200
6560	Other contractual services	20,040	20,825	29,500	65,500	62,500
6565	Disposal fees	1,503,829	1,527,899	1,645,000	1,645,000	1,783,505
	Total other services and charges	<u>1,584,026</u>	<u>1,611,374</u>	<u>1,749,006</u>	<u>1,785,756</u>	<u>1,924,437</u>
Capital						
7140	Equipment	-	-	-	-	14,000
Transfer						
7605	General fund - administration charge	<u>110,000</u>	<u>114,000</u>	<u>119,000</u>	<u>119,000</u>	<u>121,000</u>
Total		<u>\$ 1,698,562</u>	<u>\$ 1,731,352</u>	<u>\$ 1,875,137</u>	<u>\$ 1,913,020</u>	<u>\$ 2,068,329</u>

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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 130th year of service to White Bear Lake area in 2018, the City has only provided 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 the City's emergency medical response and fire service.

The City began to shift from the volunteer staffing structure to a "combination staffing model" of full-time and on-call employees in 2014 when it added four full-time medical responder positions. Results from the strategic planning process supported the shift and 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. Under this model, the Chief and Assistant Chief supervise all full-time and part-time staff, leaving a gap in the shift supervision of staff. In 2021, the City incorporated a Captain position into the staffing structure to operate as a shift lead for each crew. These assignments did not add to the existing crew, but rather promoted three current full-time staff to the Captain positions. At the end of 2021, two new full-time positions were hired. Two new full-time positions were also hired in 2023 with another two full-time positions requested in 2024 as part of a three-year plan to build a third 24/7 full-time crew. The department continues to employ paid-on-call members to provide additional 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.

Prior to 2022, the budget for Fire Department Personnel Services was built with 20% of the associated staffing costs for Firefighter/Paramedic (F/PP) positions, with the remaining 80% assigned to the Ambulance Fund budget since a significant portion of the calls are for emergency medical issues. However, the Ambulance Fund could not financially survive on this allocation due to Medicare's limited reimbursement rate; a high delinquency in self-pay accounts and the creation of high deductible insurance plans prevent the Fund from experiencing the full benefit of any rate increases. In light of these issues, the City compared its service model and funding strategy with those of cities with similar staffing models and calls for service.

Fund: Ambulance Fund 5250

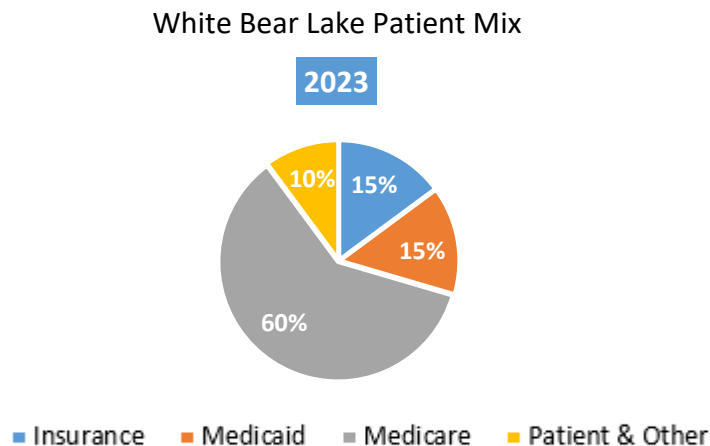
Comparison results indicated the City was conservative in the 20/80 allocation of FF/P salaries between the two funds as other cities either assign a higher percentage to the General Fund or combine the Fire and Ambulance Department budgets into one Special Revenue Fund and utilize a separate emergency response tax levy to help support the combined operations. Ambulance revenues offset operating costs of the combined operations as a whole; however, they cannot support the ambulance service on its own. In 2022, the allocation moved from the 20/80 split for FF/P positions to a 25/75 split.

As staff began analyzing the impact of changing the salary allocation percentages between the Ambulance Fund and the Fire Department in the General Fund, it became evident a more in-depth discussion of revenues to support ambulance operations was required. Though moving a higher percentage of the salary expenditures to the General Fund does reduce the negative fund balance amount in the Ambulance Fund, it does not eliminate the negative amount, which signifies the operations need additional resources to resolve the financial challenges.

As the City evaluates the operations, an important revenue aspect is the service rates billed to patients on a per run basis established by the City Council. The current rates 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 or Medicaid patient transportations. All providers must accept the allowable reimbursement amount set by law as payment in full for patients with these coverages, without the ability to bill patients for the difference between the allowable amount and the actual cost of the service.

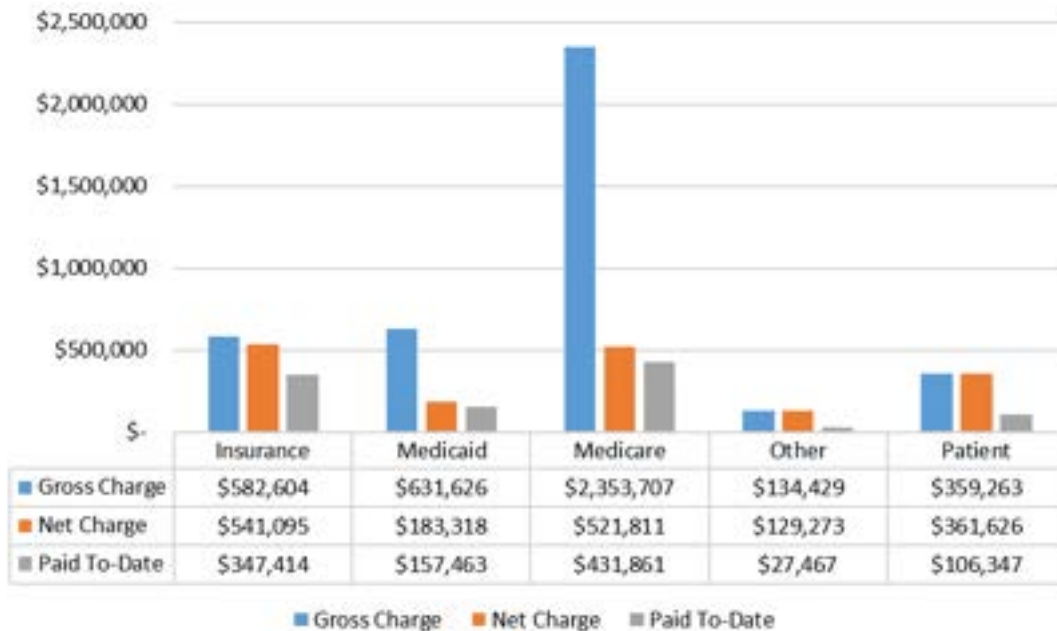
Approximately 75% of the department’s collections are for patients who fall under this revenue collection restriction through government programs such as Medicare or Medicaid. Below is a graph depicting the City’s patient mix for January 1, 2023 – October 10, 2023.



Fund: Ambulance Fund 5250

The graph below compares gross charges (the amounts originally charged by the City) to net charges (the amount the City is able to charge after taking into account adjustments due to third-party denials and the allowable reimbursement rate set by law for government insurance coverage), and the year-to date payments collected on each patient type. The information shown is for January 1, 2023 – October 10, 2023. The graph illustrates how, on average, the City is only able to charge approximately 22% of total fees on Medicare claims and 29% on Medicaid claims. As noted in the graph above, Medicare and Medicaid make up 75% of the City’s patient mix.

Gross Charges, Net Charges, and Paid To-Date



A comparison of recent rates are as follows:

Call Type	Rates Effective 1/1/2021	Rates Effective 1/1/2022	Rates Effective 1/1/2023
Basic Life Support	\$ 1,505.00	\$ 1,550.00	\$ 1,628.00
Advanced Life Support-1	1,980.00	2,040.00	2,143.00
Advanced Life Support-2	2,160.00	2,225.00	2,336.00
Treatment No Transport	505.00	520.00	546.00
Mileage per mile	32.00	33.00	35.00

Budget Summary:

The 2023 Budget allocates \$239,000 in American Rescue Plan Aid to support operating expenses and to fund the hiring of two new medics as part of the three-year process of building a third 24/7 full-time crew.

Fund: Ambulance Fund 5250

The Equipment Acquisition Fund transfers funding in to support the purchase of an ambulance to replace a 2012 unit in the 2023 Adopted Budget since the operations cannot support the purchase.

As mentioned above in the Department Activities and Responsibilities section, the 2023 Budget is built with 75% of the FF/P personnel costs assigned to this Fund and the remaining 25% assigned to the Fire Department.

The Equipment Supplies line item includes \$14,000 in funding for the purchase of rescue swimmer equipment, suits, fins, and masks in 2023.

The City budgets for the contract billing and collections services associated with the City's ambulance operations in the Professional Services account. In May 2021, the City switched to a new ambulance billing and collection service after working with the previous service provider for more than 20 years. The new service provider has an internally developed software and a substantial employee base that allows for quick processing of data related to claims. In the ambulance billing business, it is advantageous to get invoices out quickly and accurately to maximize payments from the insurance agencies. The new service provider fees are based on collections at 3% of the total revenue collected each month. The City has seen an increase in collections since the switch, which results in a correlating increase in fees paid to the service provider.

The 2023 Revised Budget for Professional Services also adds \$20,000 for ambulance billing collection services. In January 2023, the City updated the process for recording these fees for ease of comparison between the City's records to the contract ambulance billing records. Previously, these costs reduced the revenue received, so there is no effect on the Department's bottom line.

The State of Minnesota's 2% provider tax also rises with the increase in collections. The Contracted Services account budget includes funding for a bank lockbox to collect electronic insurance and patient payments.

The transfer to the General Fund supports the Ambulance Fund's share of dispatch services and administrative services.

The City currently categorizes its Ambulance Fund as an enterprise fund within its financial reporting structure. The purpose of an enterprise fund is to highlight the extent to which user fees and charges are sufficient to cover the entire cost of providing the good or service. When needing assistance in past years, the Ambulance Fund received financial support through transfers from either available resources in the Non-Bonded Fund, the Equipment Acquisition Fund to purchase equipment or ARPA funds. These three funding sources do not have the capacity to continue to provide future revenue support.

Fund: Ambulance Fund 5250

Given this information, the City made the decision to move the Ambulance Fund operations into its own department within the General Fund in the 2024 Budget to provide tax levy support to stabilize the revenues needed to maintain the services. Therefore, the 2024 Budget includes one final transfer out to close the Ambulance Fund.

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.

Measurable Workload Data:

	2021 <u>Actual</u>	2022 <u>Actual</u>	2023 <u>Budget</u>	2024 <u>Budget</u>
Medical Response Calls	3,992	4,325	4,150	*
Average Response Times	6:05	6:13	6:10	*
Percentage of Patients that Utilize Medicare, Medicaid, and Other Government Plans	71%	73%	75%	*
CPR Training Classes Held	11	10	10	*

*Data not shown in this budget because the activities move to the General Fund in 2024.

City of White Bear Lake
Enterprise - Ambulance

Annual Budget
Fund Summary

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Revenues						
Charges for services						
4882	Ambulance charges	\$ 1,912,993	\$ 2,209,505	\$ 2,300,000	\$ 2,300,000	\$ -
	Total charges for services	<u>1,912,993</u>	<u>2,209,505</u>	<u>2,300,000</u>	<u>2,300,000</u>	<u>-</u>
Other revenue						
4604	Intergovernmental - Federal Grant	133,522	226,000	239,000	239,000	-
4624	Intergovernmental - State PS LGA	-	-	-	-	-
4955	Interest	(1,237)	(9,147)	-	20,000	-
5010	Sale of property	-	2,768	-	7,500	-
5350	Miscellaneous revenue	-	(104)	-	-	-
	Total other revenue	<u>132,285</u>	<u>219,517</u>	<u>239,000</u>	<u>266,500</u>	<u>-</u>
Transfers in						
General Fund						
	Equipment Acquisition Fund	-	17,000	233,000	233,000	-
	Total transfers in	<u>-</u>	<u>17,000</u>	<u>233,000</u>	<u>233,000</u>	<u>-</u>
	Total revenues	<u>2,045,278</u>	<u>2,446,022</u>	<u>2,772,000</u>	<u>2,799,500</u>	<u>-</u>
Expenditures						
	Operations	2,049,837	2,319,627	2,777,797	2,791,008	159,000
	Capital	-	16,999	293,000	296,000	-
	Total expenditures	<u>2,049,837</u>	<u>2,336,626</u>	<u>3,070,797</u>	<u>3,087,008</u>	<u>159,000</u>
	Revenues over (under) expenditures	<u>(4,559)</u>	<u>109,396</u>	<u>(298,797)</u>	<u>(287,508)</u>	<u>(159,000)</u>
	Fund balance January 1	<u>341,671</u>	<u>337,112</u>	<u>342,368</u>	<u>446,508</u>	<u>159,000</u>
	Fund balance December 31	<u>\$ 337,112</u>	<u>\$ 446,508</u>	<u>\$ 43,571</u>	<u>\$ 159,000</u>	<u>\$ -</u>
Fund Balance Reconciliation to Financial Statements:						
	Budget fund balance December 31	337,112	446,508			
	Deferred outflows of pension resources	1,491,474	1,488,105			
	Net pension liability	(666,931)	(694,742)			
	Deferred inflows of pension resources	(1,621,324)	(1,592,136)			
	Net capital assets	315,980	209,395			
	Accounts receivable	817,309	774,444			
	Recognize part of A/R	(120,000)	(120,000)			
	Financial statement fund balance					
	December 31	<u>553,620</u>	<u>511,574</u>			

City of White Bear Lake
Enterprise - Ambulance

Annual Budget
Business Unit: 5252

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Personnel Services						
6105	Salaries - regular employees	\$ 882,880	\$ 981,896	\$ 1,201,150	\$ 1,171,871	\$ -
6117	Overtime - regular employees	141,936	151,570	171,574	206,563	-
6119	Salaries - temporary employees	194,380	168,382	220,506	198,403	-
6122	PERA Defined Benefit	176,929	196,220	239,915	240,926	-
6123	PERA Defined Contribution	1,990	545	3,564	3,564	-
6124	FICA/Medicare	31,397	30,895	38,631	37,023	-
6128	Insurance contribution	61,740	117,600	147,000	147,000	-
6138	Worker's compensation	117,100	140,520	169,405	169,405	-
6148	Other benefits	10,000	22,800	24,300	24,300	-
	Total personnel services	<u>1,618,352</u>	<u>1,810,428</u>	<u>2,216,045</u>	<u>2,199,055</u>	<u>-</u>
Supplies						
6210	Office supplies	37	30	50	50	-
6220	Equipment supplies	411	1,646	17,000	17,000	-
6230	Vehicle supplies	12,359	10,319	6,000	11,000	-
6250	Other supplies	56,504	66,349	66,000	73,451	-
6272	Motor fuels	31,747	45,048	43,000	45,000	-
6274	Lubricants	-	-	-	50	-
6280	Books & periodicals	-	-	600	600	-
6290	Uniforms	5,598	8,458	10,000	10,000	-
6295	Small tools	20,185	9,362	10,000	10,000	-
	Total supplies	<u>126,841</u>	<u>141,212</u>	<u>152,650</u>	<u>167,151</u>	<u>-</u>
Other Services and Charges						
6401	Professional services	119,887	143,289	147,500	163,640	-
6402	Data processing	10,228	11,292	14,300	14,300	-
6405	Minnesota Care 2% Tax	14,032	36,324	31,000	31,000	-
6412	Cellular	4,180	3,801	5,020	2,980	-
6434	General liability insurance	6,634	7,297	7,297	7,297	-
6436	Vehicle liability insurance	2,000	2,060	2,060	2,060	-
6450	Outside printing	-	46	100	100	-
6460	Subscription/memberships	-	-	325	325	-
6470	Training	1,590	1,712	11,000	11,000	-
6505	Equipment maintenance service	1,969	4,759	7,000	7,000	-
6510	Vehicle maintenance service	1,781	6,066	12,500	12,500	-
6560	Other contractual service	2,343	6,341	5,000	6,600	-
	Total other services and charges	<u>164,644</u>	<u>222,987</u>	<u>243,102</u>	<u>258,802</u>	<u>-</u>
Capital Outlay						
	Equipment	-	16,999	293,000	296,000	-
	Total capital outlay	<u>-</u>	<u>16,999</u>	<u>293,000</u>	<u>296,000</u>	<u>-</u>
Transfers						
	General Fund	<u>140,000</u>	<u>145,000</u>	<u>166,000</u>	<u>166,000</u>	<u>159,000</u>
Total		<u>\$ 2,049,837</u>	<u>\$ 2,336,626</u>	<u>\$ 3,070,797</u>	<u>\$ 3,087,008</u>	<u>\$ 159,000</u>

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 activities and contracts with Walker Methodist Consulting to manage the day-to-day operations. The one-year contract began in January 2018 and renews for 3-year periods if not cancelled 90 days in advance. Staff and residents remain satisfied with this contract due to Walker Methodist’s experience in managing senior facilities and their strong customer service.

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 expired in 2023, which allows the fund the financial ability to focus on elevator replacement and maintenance/upgrades to the building’s general interior spaces.

Budget Summary:

The 2024 Budget plans a 3.25% rate increase effective in April to maintain operations. This provides additional means to sustain the Fund in anticipation of higher natural gas prices and unforeseen building maintenance issues but recognizes the limited monthly budget of the senior citizen residents. The following schedule provides the rental rates from 2022 through the proposed 2024 fee adjustment. The facility’s caretaker occupies one two-bedroom unit.

Type of Unit	Rates Effective 4/1/2022	Rates Effective 4/1/2023	Rates Effective 4/1/2024	Number of Units
1 bedroom	\$ 760.00	\$ 798.00	\$ 825.00	23
1 bedroom + den	810.00	850.00	875.00	3
2 bedroom	890.00	935.00	965.00	6
2 bedroom deluxe	940.00	987.00	1,020.00	10
Garage	62.00	65.00	67.00	20

In 2023, Pioneer Manor experienced turnover in several units that were occupied by longer term residents, which required higher than average turnover maintenance. Turnover maintenance may include replacement of flooring, carpet cleaning, painting, refinishing of countertops and bathtubs, replacement of appliances, and plumbing maintenance. The 2024 Budget estimates apartment turnover expenditure to remain at the 2023 level.

The transfers to the General Fund and Economic Development Fund support administrative services provided to the operations.

Fund: Pioneer Manor Fund 5300

Capital Outlay:

A detailed discussion of the capital improvement projects in the 2023 Revised and 2024 budgets can be found in the Capital Improvement Plan in the Summary Data section of the document.

Goals:

1. Provide a quality senior facility for residents at affordable rental rates.
2. Continue providing social activities through management programming efforts with a special focus on events and programming that encourage social connection and mental and physical wellbeing.
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. Invest in capital improvement projects as outlined in the current 10-year Capital Improvement Plan
5. Conduct an annual survey to ascertain resident satisfaction with the facility and property management.

Measurable Workload Data:

	2021 <u>Actual</u>	2022 <u>Actual</u>	2023 <u>Budget</u>	2024 <u>Budget</u>
Number of unit-day vacancies per year	120	72	378	100
Scheduled resident events	183	641	643	650
Number of persons on waiting list at end of year	49	40	43	50
Number of move outs during the year	5	3	5	3

City of White Bear Lake
Enterprise - Pioneer Manor Fund

Annual Budget
Fund Summary

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Revenues						
4955	Interest	\$ (1,597)	\$ (8,717)	\$ -	\$ 2,900	\$ 3,000
4975	Rents	409,554	428,746	446,000	435,000	451,800
4990	Donations	55	-	-	-	-
5350	Miscellaneous	2,326	4,384	5,500	4,500	4,500
5360	Refunds and reimbursements	216	684	-	81	-
	Total operating revenues	<u>410,554</u>	<u>425,097</u>	<u>451,500</u>	<u>442,481</u>	<u>459,300</u>
Transfers in						
5205	Economic Development Fund	-	-	-	18,668	-
	Total revenues	<u>410,554</u>	<u>425,097</u>	<u>451,500</u>	<u>461,149</u>	<u>459,300</u>
Expenditures						
	Operating	208,937	227,258	294,652	298,817	301,540
	Capital equipment	-	855	-	-	-
	Capital infrastructure	11,855	9,826	37,000	111,600	149,000
	Total expenditures	<u>220,792</u>	<u>237,939</u>	<u>331,652</u>	<u>410,417</u>	<u>450,540</u>
Transfers out						
7605	General Fund	17,000	18,000	18,500	18,500	21,000
7605	Economic Development Fund	-	-	17,000	17,000	17,500
7605	Debt Service Fund	160,000	160,000	160,000	160,000	-
	Total transfers out	<u>177,000</u>	<u>178,000</u>	<u>195,500</u>	<u>195,500</u>	<u>38,500</u>
	Total expenditures and transfers out	<u>397,792</u>	<u>415,939</u>	<u>527,152</u>	<u>605,917</u>	<u>489,040</u>
	Revenue over (under) expenditures	<u>12,762</u>	<u>9,158</u>	<u>(75,652)</u>	<u>(144,769)</u>	<u>(29,740)</u>
	Fund balance January 1	<u>214,895</u>	<u>227,657</u>	<u>130,813</u>	<u>236,815</u>	<u>92,047</u>
	Fund balance December 31	<u>\$ 227,657</u>	<u>\$ 236,815</u>	<u>\$ 55,161</u>	<u>\$ 92,047</u>	<u>\$ 62,307</u>
Fund Balance Reconciliation to Financial Statements:						
	Budget fund balance December 31	227,657	236,815			
	Net capital assets	1,659,985	1,569,137			
	Financial statement fund balance December 31	<u>1,887,642</u>	<u>1,805,952</u>			

City of White Bear Lake
Enterprise - Pioneer Manor

Annual Budget
Business Unit: 5300

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Supplies						
6210	Office supplies	\$ 748	\$ 736	\$ 1,000	\$ 900	\$ 1,500
6240	Building supplies	8,098	8,607	21,400	20,200	22,250
6255	Equipment supplies	144	332	600	600	600
6295	Small tools	3,492	347	500	500	500
	Total supplies	<u>12,482</u>	<u>10,022</u>	<u>23,500</u>	<u>22,200</u>	<u>24,850</u>
Other Services and Charges						
6401	Professional services	46,428	58,238	67,300	65,700	59,300
6411	Telephone	2,149	2,220	2,400	2,200	2,400
6421	Water/sewer	6,868	7,587	8,000	8,000	9,000
6422	Electric	15,488	16,170	17,025	17,025	17,900
6423	Natural gas	9,326	16,051	23,500	20,000	23,500
6434	General liability insurance	3,320	3,652	3,652	3,652	4,090
6445	Postage	195	184	250	250	300
6487	Programs	1,079	1,890	3,000	3,000	3,000
6505	Equipment maintenance service	387	183	1,000	1,000	1,000
6515	Building maintenance service	50,586	52,117	72,800	73,780	76,000
6517	Apartment turnover maintenance	23,102	16,231	27,000	37,000	32,000
6560	Other contractual services	37,527	42,713	45,225	45,010	48,200
	Total other services and charges	<u>196,455</u>	<u>217,236</u>	<u>271,152</u>	<u>276,617</u>	<u>276,690</u>
Capital Outlay						
7120	Capital infrastructure - building	11,855	9,826	35,000	109,600	149,000
7140	Equipment	-	855	-	-	-
7160	Other improvements	-	-	2,000	2,000	-
	Total capital outlay	<u>11,855</u>	<u>10,681</u>	<u>37,000</u>	<u>111,600</u>	<u>149,000</u>
Transfer						
7605	General Fund	17,000	18,000	18,500	18,500	21,000
7605	Economic Development Fund	-	-	17,000	17,000	17,500
7605	Debt Service Fund	160,000	160,000	160,000	160,000	-
	Total transfer	<u>177,000</u>	<u>178,000</u>	<u>195,500</u>	<u>195,500</u>	<u>38,500</u>
Total		<u>\$ 397,792</u>	<u>\$ 415,939</u>	<u>\$ 527,152</u>	<u>\$ 605,917</u>	<u>\$ 489,040</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. Even though the License Bureau is a city department, as an agent of the State of Minnesota, the State sets many of the parameters for operations such as transaction fees, operating software, required supporting documentation for transactions, and reporting obligations.

Department Activities and Responsibilities:

The State launched a new secure web-based software, Minnesota Licensing and Registration System (MNLARS) in 2017 to replace its 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 system improvements after the initial implementation of the vehicle registration and ownership records, significant process issues remained. During the 2019 legislative session, the State Legislature voted 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 launched the new "MNDrive" system in November 2020, with full implementation as well as the decommissioning of MNLARS completed in the fall of 2021.

Through the implementation of both MNLARS and MNDrive, 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 MNDrive to provide real-time data for the Department of Public Safety and system users. This shift in responsibilities drastically affected the department's operations. Since State Statutes set the transaction filing fee rates, 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 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

Fund: License Bureau Fund 5350

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 was the State's lack of increase in transaction filing fees paid to Deputy Registrars for driver's license applications.

A 2021 analysis of the Department's revenues and expenses highlighted the fact that the per transaction filing fee paid to the Deputy Registrars for driver's license transactions did not cover the City's cost of processing the transaction. The department did not experience this issue prior to the Real or Enhanced ID regulations because multiple Standard ID transactions could be completed each hour producing revenues exceeding expenditures. This was no longer the case for the following two factors:

- The increased duties transferred to the Deputy Registrar offices through the implementation of their web-based record software (initially MNLARS, now MNDrive)
- Additional documentation review for applicants of the Enhanced ID and Real ID extended transaction time

The Minnesota Legislature enacted several new laws during the 2023 session that are vital to the ongoing operations of the City's License Bureau. The following laws are significant to our department:

- A total of \$6 million in immediate one-time direct compensation allocated among all Deputy Registrar offices (regardless of their full/limited driver's license status). The amount distributed to each Deputy Registrar office is proportional to the number of transactions each office completed between July 1, 2022 and June 30, 2023. Based on this formula, the City received \$61,257 in July 2023.
- Fees increased for driver's license, motor vehicle tab and motor vehicle title transactions effective October 1, 2023.
- New surcharge transaction fee added for a Motor Vehicle tab and title transaction (which the Deputy Registrars will retain) will become effective on January 1, 2024
- Full service offices will also expand service offerings to provide accident reports with a \$10.00 filing fee, effective January 1, 2024.

Fund: License Bureau Fund 5350

The following table depicts the current fee structure after the most recent law changes:

<u>Transaction Type</u>	Fees		Fees	
	<u>1/1/2014</u>	<u>8/1/2019</u>	<u>10/1/2023</u>	<u>1/1/2024</u>
Drivers Licenses New Applications	\$ 8.00	\$ 8.00	\$ 16.00	\$ 16.00
Drivers Licenses Renewals	8.00	8.00	11.00	11.00
Motor Vehicle Title Changes	10.00	11.00	12.00	12.00
Motor Vehicle Tab Renewals	6.00	7.00	8.00	8.00
Motor Vehicle Surcharge	-	-	-	1.00
Accident Reports	-	-	-	10.00

During the 2023 legislative session, the DVS was directed to study and report to the legislature by January 1, 2025 on Deputy Registrar operations and make recommendations regarding financial support (including filing fee rates) and general efficiencies.

Budget Summary:

The increase to Deputy Registrar revenue in the 2023 Revised and 2024 budgets is twofold. First, effective October 1, 2023, fees for driver’s licenses and motor vehicle tabs and titles increase as noted in the previous section. Second, a license bureau in a neighboring community closed in May 2023, which resulted in an uptick of displaced customers at the City.

The total budget allocation for Personnel Services in the 2023 Revised Budget decreased almost 17% from the originally budgeted amount. Two vacant full-time positions in early January 2023 changed to three new part-time positions. Two of the positions were filled in July 2023 and the third position was filled in September 2023.

The 2024 Building Supplies Budget allocates \$5,000 for sound enhancements to improve staff member and customer communications through the safety glass panels installed on the customer service counters.

Postage expenditures return to the lower pre-COVID pandemic levels with the return to in-person services.

Passport services have been paused since the COVID-19 pandemic while staff worked to find suitable office space for these operations. The 2023 Budget originally assumed passport services would reconvene in January 2023. However, after further consideration, it was determined that the City would not move forward with reconvening operations due to the lack of suitable office space plus the current lack of capacity to supervise the operations.

Goals:

1. Enhance relationship with local automobile by maintaining current relationships and acquiring more dealership customers.

Fund: License Bureau Fund 5350

2. Provide services to increase revenue by maintaining and increasing walk-in services including but not limited to advertising License Bureau services via social media and other avenues.
3. Lobby State of Minnesota/Legislators for increased filing fees for Department of Natural Resources (DNR) transactions.
4. The REAL ID deadline is now May 7th, 2025. Maintain and/or adjust staff levels to accommodate possible influx of customers in 2024 preparing for deadline.

Measurable Workload Data:

	2021	2022	2023	2024
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>
Transactions processed, Counter	58,960	59,788	60,700	61,000
Transactions processed, Dealer	24,254	20,370	26,900	27,000
Drivers licenses processed	8,990	18,787	21,200	21,500
License Bureau transactions processed per hour	5.66	4.80	5.29	5.00

City of White Bear Lake
Enterprise - License Bureau

Annual Budget
Fund Summary

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Revenues						
4604	Federal aid	\$ 50,000	\$ 25,000	\$ -	\$ -	\$ -
4646	State aid	-	-	-	61,257	-
4811	Deputy registrar	686,910	737,904	780,000	820,649	897,628
4812	Passports	-	-	72,300	-	-
4814	Passport photos	14	-	22,050	-	-
4816	Passport renewal photos	-	-	16,550	-	-
4955	Interest	(1,035)	(4,707)	-	1,600	2,200
5010	Sale of goods	76	20	-	-	-
5350	Miscellaneous	771	240	500	150	250
5360	Refunds and reimbursements	-	(229)	-	-	-
	Total revenues	<u>736,736</u>	<u>758,228</u>	<u>891,400</u>	<u>883,656</u>	<u>900,078</u>
Expenditures						
	Operating - License Bureau	738,530	826,267	953,943	867,553	936,856
	Operating - Passport Office	289	467	92,899	-	-
	Total expenditures	<u>738,819</u>	<u>826,734</u>	<u>1,046,842</u>	<u>867,553</u>	<u>936,856</u>
Transfers Out						
	General Fund	-	50,000	57,000	57,000	62,000
	Total transfers out	<u>-</u>	<u>50,000</u>	<u>57,000</u>	<u>57,000</u>	<u>62,000</u>
	Total expenditures	<u>738,819</u>	<u>876,734</u>	<u>1,103,842</u>	<u>924,553</u>	<u>998,856</u>
	Revenues over (under) expenditures	<u>(2,083)</u>	<u>(118,506)</u>	<u>(212,442)</u>	<u>(40,897)</u>	<u>(98,778)</u>
	Fund balance January 1	<u>217,228</u>	<u>215,145</u>	<u>86,052</u>	<u>96,639</u>	<u>55,742</u>
	Fund balance December 31	<u>\$ 215,145</u>	<u>\$ 96,639</u>	<u>\$ (126,390)</u>	<u>\$ 55,742</u>	<u>\$ (43,036)</u>
Fund Balance Reconciliation to Financial Statements:						
	Budget fund balance December 31	\$ 215,145	\$ 96,639			
	Deferred outflows of pension resources	187,319	172,429			
	Net pension liability	(274,130)	(571,316)			
	Deferred inflows of pension resources	(268,456)	(9,821)			
	Financial statement fund balance December 31	<u>\$ (140,122)</u>	<u>\$ (312,069)</u>			

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Personnel Services						
6105	Salaries - regular employees	\$ 481,761	\$ 535,986	\$ 633,898	\$ 575,308	\$ 607,161
6117	Overtime - regular employees	2,361	730	3,000	3,000	3,000
6119	Salaries - temporary employees	-	14,282	14,781	-	-
6122	PERA Defined Benefit	36,309	41,325	48,876	43,373	45,762
6124	FICA/Medicare	35,510	40,606	49,853	44,241	46,677
6128	Insurance contribution	88,160	115,640	105,000	105,000	134,200
6138	Worker's compensation	5,000	5,850	23,163	23,163	28,215
6146	Severance	9,782	-	-	-	-
6148	Other benefits	14,848	22,420	18,000	18,000	15,400
	Total Personnel Services	<u>673,731</u>	<u>776,839</u>	<u>896,572</u>	<u>812,084</u>	<u>880,415</u>
Supplies						
6210	Office supplies	3,013	1,979	3,595	3,410	3,670
6220	Equipment supplies	102	267	350	350	350
6240	Building supplies	401	116	200	5,200	200
6250	Other supplies	1,697	9	180	150	150
6290	Uniforms	28	60	60	212	50
6295	Small tools	496	7,225	4,070	3,320	5,550
	Total Supplies	<u>5,737</u>	<u>9,656</u>	<u>8,455</u>	<u>12,642</u>	<u>9,970</u>
Other Services and Charges						
6401	Professional services	20,708	2,482	2,750	525	2,850
6402	Data processing	10,209	11,292	14,300	14,300	14,200
6411	Telephone	3,340	3,537	4,250	4,526	4,050
6422	Electric	1,506	1,695	1,700	2,020	2,020
6423	Natural gas	524	680	1,125	700	1,125
6434	General liability insurance	7,233	7,956	7,956	7,956	8,911
6445	Postage	5,797	2,674	4,500	2,200	2,200
6450	Outside printing	84	67	100	100	100
6460	Subscription/memberships	1,100	770	1,100	770	1,100
6470	Training	42	681	570	365	300
6486	Mileage Reimbursement	-	20	75	75	75
6492	Advertising	250	1,490	2,340	1,890	1,890
6505	Equipment maintenance service	6,886	6,084	7,700	6,900	7,100
6515	Building maintenance service	-	-	-	-	-
6560	Other contractual services	1,383	344	450	500	550
	Total Other Services and Charges	<u>59,062</u>	<u>39,772</u>	<u>48,916</u>	<u>42,827</u>	<u>46,471</u>
Transfers						
7605	General Fund	-	50,000	57,000	57,000	62,000
	Total Transfers	<u>-</u>	<u>50,000</u>	<u>57,000</u>	<u>57,000</u>	<u>62,000</u>
Total		<u>\$ 738,530</u>	<u>\$ 876,267</u>	<u>\$ 1,010,943</u>	<u>\$ 924,553</u>	<u>\$ 998,856</u>

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Personnel Services						
6105	Salaries - regular employees	\$ -	\$ -	\$ 57,963	\$ -	\$ -
6117	Overtime - regular employees	-	-	700	-	-
6119	Salaries - temporary employees	-	-	5,000	-	-
6122	PERA defined benefit	-	-	4,400	-	-
6124	FICA/Medicare	-	-	4,870	-	-
6128	Insurance contribution	-	-	10,500	-	-
6138	Worker's compensation	-	-	2,316	-	-
6148	Other benefits	-	-	1,800	-	-
	Total personnel services	-	-	87,549	-	-
Supplies						
6210	Office supplies	-	-	735	-	-
6220	Equipment supplies	-	-	75	-	-
6250	Other supplies	-	100	60	-	-
6290	Uniforms	-	-	100	-	-
6295	Small tools	-	-	400	-	-
	Total supplies	-	100	1,370	-	-
Other Services and Charges						
6401	Professional services	-	-	20	-	-
6411	Telephone	289	367	450	-	-
6445	Postage	-	-	1,925	-	-
6450	Outside printing	-	-	75	-	-
6460	Subscription/memberships	-	-	140	-	-
6492	Advertising	-	-	500	-	-
6505	Equipment maintenance service	-	-	120	-	-
6560	Other contractual services	-	-	750	-	-
	Total other services and charges	289	367	3,980	-	-
Total		\$ 289	\$ 467	\$ 92,899	\$ -	\$ -

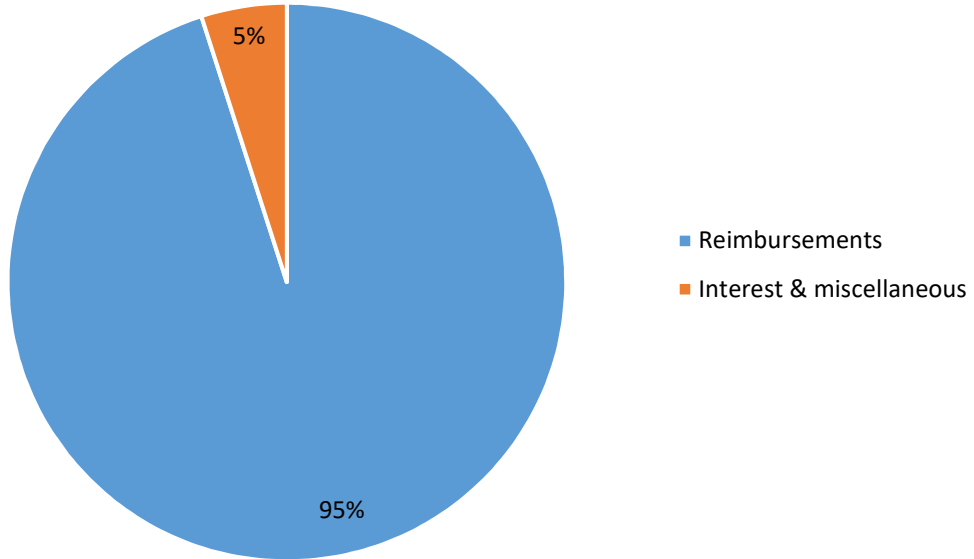
City of White Bear Lake
Internal Service Funds

Annual Budget

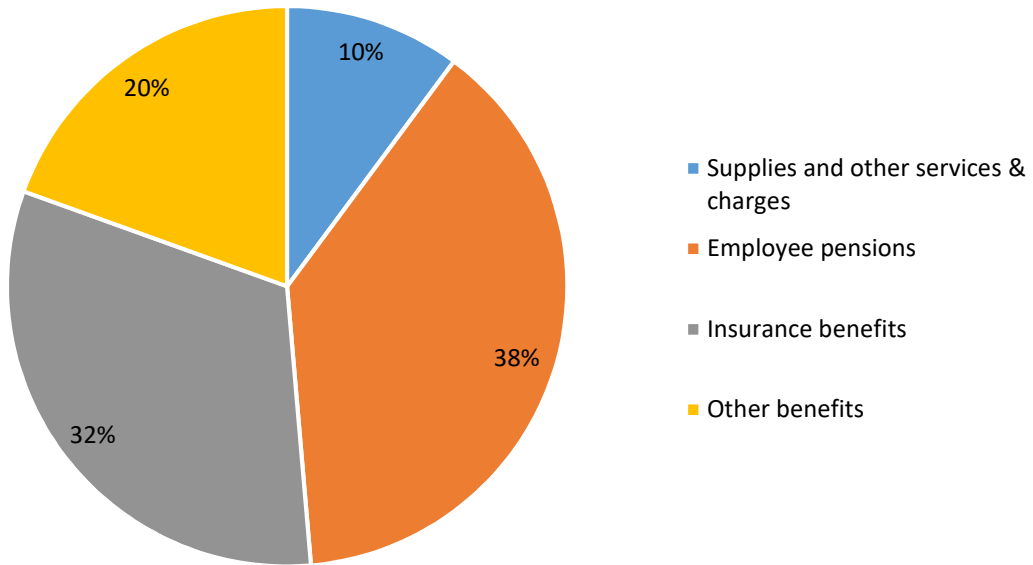
	<u>2021</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>	<u>2023</u> <u>Budget</u>	<u>2023</u> <u>Revised</u>	<u>2024</u> <u>Budget</u>
Revenues					
Reimbursements	\$ 3,401,594	\$ 3,982,976	\$ 4,358,708	\$ 4,358,708	\$ 4,658,534
Miscellaneous	284,780	41,346	1,078	40,414	4,303
Interest	(23,630)	(129,788)	-	242,000	238,500
Loan repayments	126,000	-	-	-	-
Transfers in	134,000	-	-	-	-
Total revenues	<u>3,922,744</u>	<u>3,894,534</u>	<u>4,359,786</u>	<u>4,641,122</u>	<u>4,901,337</u>
Expenditures					
Supplies	-	-	1,750	1,750	1,750
Other services & charges	425,248	415,929	484,075	462,050	481,000
Employee pensions	1,575,074	1,666,464	1,777,700	1,776,100	1,829,500
Insurance benefits	1,126,822	1,241,153	1,407,000	1,382,400	1,514,500
Other benefits	615,698	857,639	911,700	756,800	926,600
Total expenditures	<u>3,742,842</u>	<u>4,181,185</u>	<u>4,582,225</u>	<u>4,379,100</u>	<u>4,753,350</u>
Revenues over (under) expenditures	<u>179,902</u>	<u>(286,651)</u>	<u>(222,439)</u>	<u>262,022</u>	<u>147,987</u>
Fund balance, January 1	<u>3,732,652</u>	<u>3,912,554</u>	<u>3,665,344</u>	<u>3,625,903</u>	<u>3,887,925</u>
Fund balance, December 31	<u>\$ 3,912,554</u>	<u>\$ 3,625,903</u>	<u>\$ 3,442,905</u>	<u>\$ 3,887,925</u>	<u>\$ 4,035,912</u>

2024 Internal Service Funds

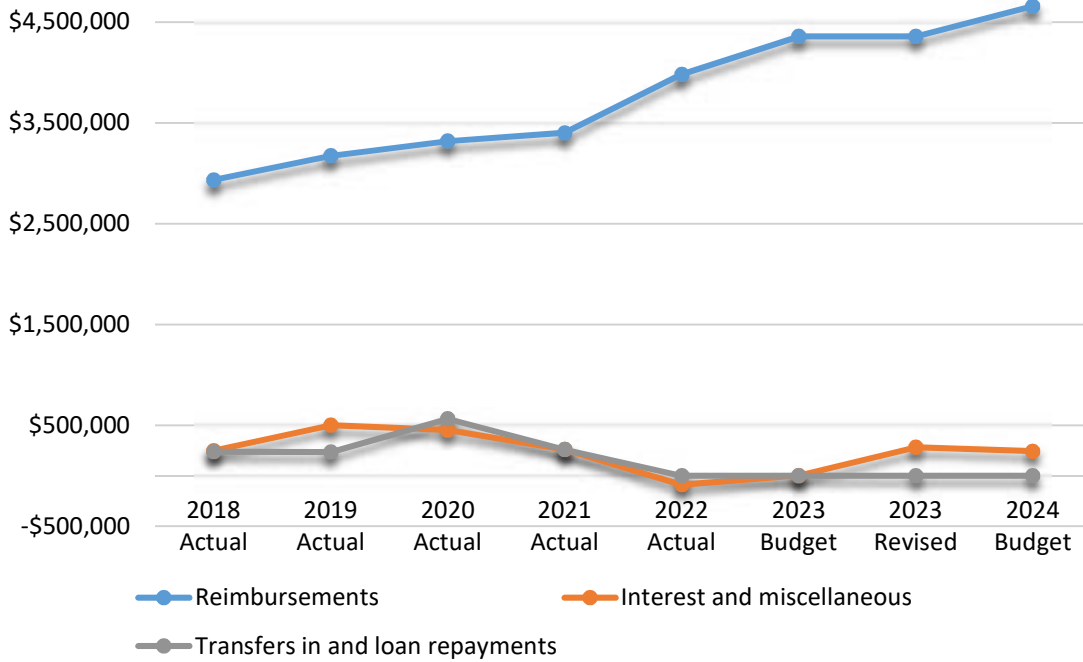
Total Revenues \$4,901,337



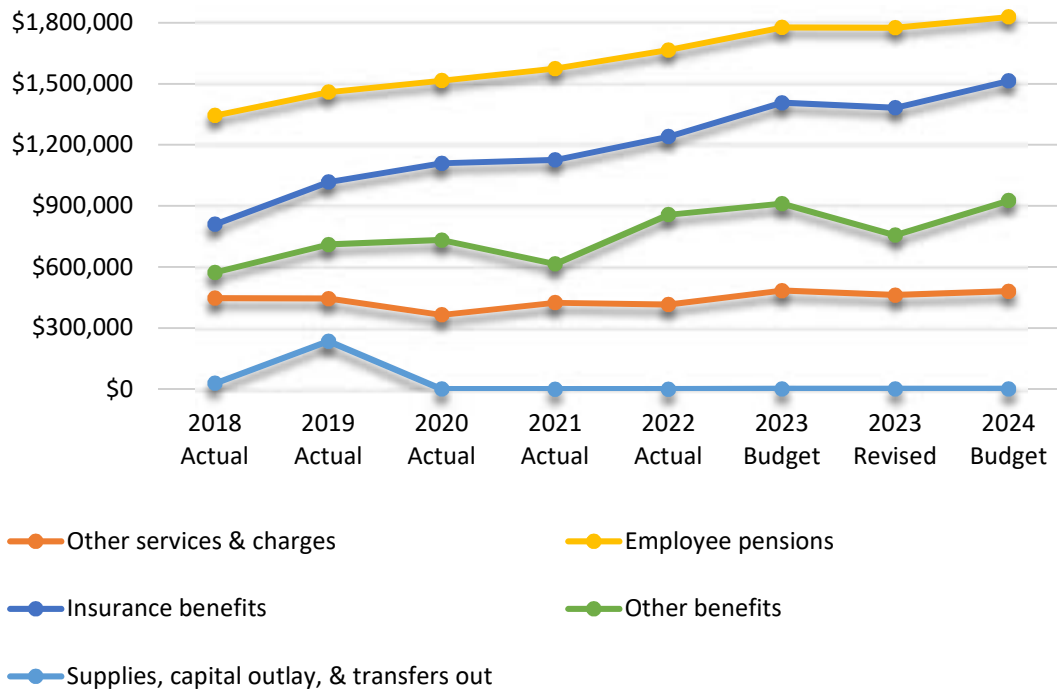
Total Expenses \$4,753,350



Internal Service Funds Revenue Trend Analysis



Internal Service Funds Expense 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. 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.

If the League of Minnesota Cities Insurance Trust's fund balance reaches a level where it's more than sufficient to pay claims and plan for contingencies, the Trust is able to return funds to the members. The Board of Trustees undertakes this evaluation every year based on losses experienced by members, actuarial projections, investment results, legislative and coverage changes, reinsurance costs, and the Trust's long-term strategic direction.

Members should not include dividend returns in their yearly budget projections, since the amount will fluctuate from year to year based on the factors described above. The amount of a given year's dividend return has no bearing on the amount returned the following year.

- Each member's share is proportionate to the difference between the member's total premiums and total losses as of May 31 for the past 20 years.
- Individual losses are capped at the lesser of \$200,000 or 200% of the member's annual premium for the year of the loss.

Budget Summary:

The 2024 budget increases the reimbursement amounts from other departments by 12% to support estimated annual expenditures for the year.

The fund begins to budget for interest again in the 2023 Revised Budget. The interest amounts are extrapolated from actual interest earnings as of June 30, 2023.

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.

City of White Bear Lake
Insurance Fund

Annual Budget
Fund Summary

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Revenues						
4819	Department reimbursements					
	General Fund	\$ 134,052	\$ 147,161	\$ 147,639	\$ 147,639	\$ 163,576
	Economic Development Fund	-	5,300	5,300	5,300	5,936
	Water Fund	50,565	55,238	55,237	55,237	61,357
	Sewer Fund	32,000	35,095	35,095	35,095	39,167
	Refuse Fund	3,983	4,381	4,381	4,381	4,907
	Sports Center Fund	15,729	17,288	17,288	17,288	19,344
	Ambulance Fund	8,634	9,357	9,357	9,357	10,295
	Pioneer Manor	3,320	3,652	3,652	3,652	4,090
	License Bureau	7,233	7,957	7,957	7,957	8,911
	Total reimbursements	<u>255,516</u>	<u>285,429</u>	<u>285,906</u>	<u>285,906</u>	<u>317,584</u>
	Other Revenue					
4955	Interest	(13,745)	(80,170)	-	135,000	128,000
5322	Loan principal repayment	126,000	-	-	-	-
5360	Refunds and reimbursements	84,646	40,300	-	16,675	-
	Total other revenue	<u>196,901</u>	<u>(39,870)</u>	<u>-</u>	<u>151,675</u>	<u>128,000</u>
	Transfers In					
5205	Non-Bonded Fund	134,000	-	-	-	-
	Total transfers in	<u>134,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Total revenues	<u>586,417</u>	<u>245,559</u>	<u>285,906</u>	<u>437,581</u>	<u>445,584</u>
Expenditures						
	Supplies					
6220	Equipment supplies and parts	-	-	1,500	1,500	1,500
6240	Building supplies and parts	-	-	150	150	150
6250	Other supplies and parts	-	-	100	100	100
	Total supplies	<u>-</u>	<u>-</u>	<u>1,750</u>	<u>1,750</u>	<u>1,750</u>
	Other Services and Charges					
6401	Professional services	6,250	6,500	7,000	6,750	7,000
6434	General liability insurance	244,242	209,548	264,000	236,000	262,900
6436	Auto liability	23,908	24,601	27,000	25,000	26,000
6460	Subscriptions and dues	-	-	500	500	500
6470	Training and subsistance	8,219	8,384	10,000	9,200	10,000
6510	Vehicle repair service	8,906	-	-	-	-
6540	Vandalism	2,850	-	-	-	-
6560	Contractual services	87,283	107,192	136,000	136,000	136,000
	Total other services and charges	<u>381,658</u>	<u>356,225</u>	<u>444,500</u>	<u>413,450</u>	<u>442,400</u>
	Total expenditures	<u>381,658</u>	<u>356,225</u>	<u>446,250</u>	<u>415,200</u>	<u>444,150</u>
	Revenues over (under) expenditures	<u>204,759</u>	<u>(110,666)</u>	<u>(160,344)</u>	<u>22,381</u>	<u>1,434</u>
	Fund balance January 1	<u>2,903,010</u>	<u>3,107,769</u>	<u>3,000,492</u>	<u>2,997,103</u>	<u>3,019,484</u>
	Fund balance December 31	<u>\$ 3,107,769</u>	<u>\$ 2,997,103</u>	<u>\$ 2,840,148</u>	<u>\$ 3,019,484</u>	<u>\$ 3,020,918</u>
Fund Balance Reconciliation to Financial Statements:						
	Budget fund balance December 31	3,107,769	2,997,103			
	Advances to other funds	-	-			
	Financial statement fund balance December 31	<u>3,107,769</u>	<u>2,997,103</u>			

Fund: Employment Expense Fund 6200

The Employment Expense Fund centralizes the 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. 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’s Employee Health Insurance Committee (the Committee), comprised of representatives from each bargaining and non-bargaining employee group, reviews the annual premium and coverage proposals and provides feedback and recommendations regarding the insurance plans offered to employees. The City is required to compare insurance coverages and rates through a Request for Proposals (RFP) competitive bid process every five years or when the Committee feels it is prudent. This bid process is managed by CBIZ, the City’s benefits administrator. Between the required RFP years, if the insurance provider presents what is considered to be a reasonable proposal, an RFP is not pursued.

For 2023, the Committee opted to have CBIZ request proposals from multiple carriers for health insurance. Medica, the City’s previous health insurance provider responded with a 15% increase to premiums, while Health Partners offered an overall reduction of 8.3%. Since the plans proposed by Health Partners were comparable to what the City was receiving from Medica, the Committee unanimously recommended switching to Health Partners. The plan proposed by HealthPartners guarantees that the 2024 premiums will increase by no more than 15%;

Fund: Employment Expense Fund 6200

therefore, the 2024 Budget conservatively plans for a premium increase at that level.

Within the health insurance package there are two coverage options available to employees, one with an open network of providers and one with a limited network of providers at a lower monthly premium rate. Both network options include deductible or Health Savings Account (HSA) plans. The monthly premiums for each coverage and the City's contribution amount vary by employee based on the level of insurance selected, the employee's bargaining group and participation in the non-smoking incentive program.

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. The City Council approved the current contribution amount paid to employees who opt out of the City's health insurance coverage in 2010. There is no change in the amount for the 2024 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 under one insurance coverage option without the ability to opt out of coverage. The current RFP did not include this scenario; however, this structure will be an important discussion in future years.

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. There is no change for life insurance coverages in the proposed budget as the City Council approved the renewal of a three-year rate guarantee for the coverage through 2024. The rates for all other individual or family supplemental insurances also remain the same for 2024.

Other Insurance:

At the request of the Committee, the City began offering a new voluntary benefit vision insurance plan in 2023 to compliment the short-term and long-term disability and dental coverages already available to employees. The rates for both disability insurance coverages and vision remain unchanged for 2024 through previously approved multi-year terms, while the dental insurance premiums increase just over 4% in 2024.

Workers' Compensation:

The City maintains an active Employee Safety Committee and training program to reduce accidents, decrease workers' compensation injuries, and lower annual workers' compensation

Fund: Employment Expense Fund 6200

insurance premiums. For many years, the City participated in the Retrospective Worker's Compensation Rated Premium Option offered by the League of Minnesota Cities as a means to reduce costs if workers' compensation claims were minimal. Though the City recognized a savings in many years, a few years with significant claims required the City to pay a substantial share of those claims. As a result, the City opted out of the Retrospective Rated Premium Program during the annual renewal process for the coverage beginning on February 1, 2017. At that time the City changed to a \$5,000 deductible premium program to stabilize premium expenditures for future years.

In an effort to reduce insurance premium costs while trying to maintain sufficient coverage, staff reviewed the 4-year Premium Assessment report prepared by the League of Minnesota Cities as part of the renewal process for 2021 coverage. This tool calculates the City's best overall premium option based on an average of the four year actual claims data. The analysis indicted a coverage level with a \$10,000 deductible premium program maximized savings for the City. Moving forward, staff will review this assessment report annually as part of the renewal process to ensure purchase of optimal coverage.

Claims from the Retrospective Rating Program automatically close after 16 years. Each September the League of Minnesota Cities Insurance Trust analyzes the retrospective claims for the City and either refunds excess reserves or requests reimbursement for additional claim expenditures within the recent year. The City will experience the close out process from the Retrospective Rating Program through 2032 when the final claims insured under the program from 2016 reach the maximum limit unless the City chooses to pay extra to close out an old retro-rated year early.

Post-traumatic stress disorder (PTSD) claims costs in law enforcement continue to result in increasing workers' compensation rates, and the League of Minnesota Cities Insurance Trust remains committed to addressing that trend.

Budget Summary:

The fund begins to budget for interest again in the 2023 Revised Budget. The interest amounts are extrapolated from actual interest earnings as of June 30, 2023.

Workers' compensation premiums are set during the annual renewal process based on full staffing levels for the year. An annual audit at the end of the policy calculates Workers' Compensation costs on the actual payroll expenditures for the coverage year. Revenues in the 2023 Revised Budget include a premium refund after the 2022 annual audit.

The 2023 Revised Budget includes additional funding for legal costs related to employment claims in the Professional Services account.

The 2024 Budget bases employee related expenditures on a full complement of positions

Fund: Employment Expense Fund 6200

throughout the entire year. Health insurance costs rise in 2023 as eight open positions within City Departments are conservatively estimated assuming the new employees will choose family insurance coverage with higher City contribution amounts. The actual expenditures could be much less if the new employees choose single or the deferred compensation coverage options. Calculations of 2024 Workers' Compensation rates include an experience modification rate of 1.00, which is an average of the actual modification rates for coverage years between 2020 and 2023. The actual costs for 2024 could be less if the experience modification rate is lower than the estimated amount.

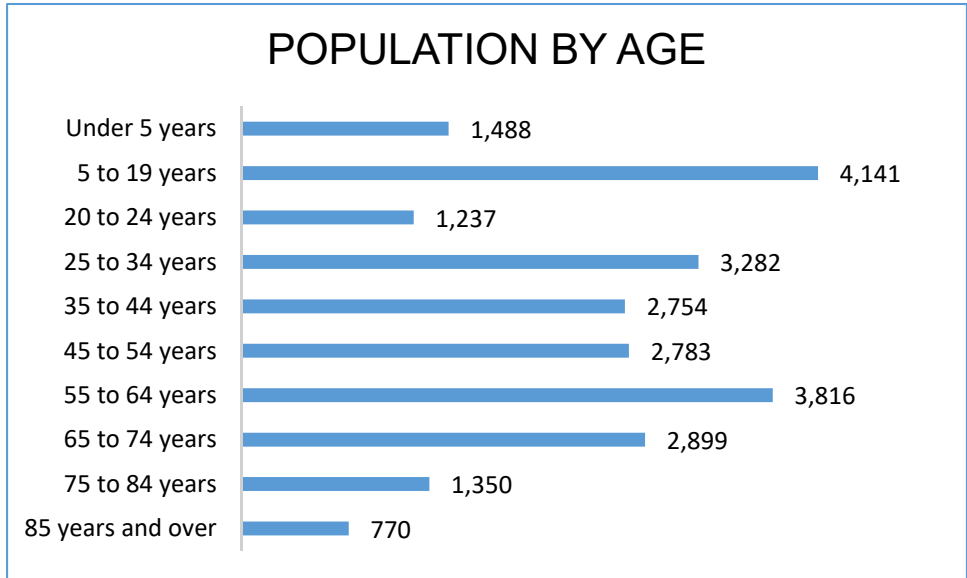
City of White Bear Lake
Employment Expense Fund

Annual Budget
Fund Summary

Code	Item	2021 Actual	2022 Actual	2023 Adopted	2023 Revised	2024 Budget
Revenues						
4819	Department reimbursements					
	General Fund	\$ 2,170,812	\$ 2,523,020	\$ 2,814,962	\$ 2,814,962	\$ 3,654,249
	Marina Fund	3,467	10,032	-	-	-
	Armory Fund	8,462	6,637	5,100	5,100	5,253
	Surface Water	23,179	25,862	27,153	27,153	28,794
	Economic Development Fund	28,120	30,827	32,741	32,741	34,674
	Water Fund	125,411	132,107	140,964	140,964	136,665
	Sewer Fund	120,316	126,417	115,543	115,543	122,646
	Refuse Fund	460	578	701	701	722
	Sports Center Fund	88,858	108,191	109,328	109,328	121,656
	Ambulance Fund	397,166	508,035	573,330	573,330	-
	License Bureau	179,827	225,841	252,980	252,980	236,291
	Total reimbursements	<u>3,146,078</u>	<u>3,697,547</u>	<u>4,072,802</u>	<u>4,072,802</u>	<u>4,340,950</u>
	Other revenue					
4809	Charges for services	1,123	1,033	1,078	1,078	4,303
4955	Interest	(9,885)	(49,618)	-	107,000	110,500
5350	Miscellaneous revenue	35	13	-	-	-
5360	Refunds and reimbursements	198,976	-	-	22,661	-
	Total other revenue	<u>190,249</u>	<u>(48,572)</u>	<u>1,078</u>	<u>130,739</u>	<u>114,803</u>
	Total revenue	<u>3,336,327</u>	<u>3,648,975</u>	<u>4,073,880</u>	<u>4,203,541</u>	<u>4,455,753</u>
Expenditures						
	Employee pensions					
6122	PERA - defined benefit	1,122,329	1,181,394	1,240,000	1,240,000	1,277,000
6123	PERA - defined contribution	2,079	544	2,100	500	500
6124	FICA	450,666	484,526	535,600	535,600	552,000
	Total employee pensions	<u>1,575,074</u>	<u>1,666,464</u>	<u>1,777,700</u>	<u>1,776,100</u>	<u>1,829,500</u>
	Health Insurance benefits					
6130	Health insurance	935,457	1,041,586	1,189,000	1,190,400	1,322,500
6131	Health savings account contribution	70,831	70,017	78,000	54,000	54,000
6136	ICMA contributions	120,534	129,550	140,000	138,000	138,000
	Total health insurance benefits	<u>1,126,822</u>	<u>1,241,153</u>	<u>1,407,000</u>	<u>1,382,400</u>	<u>1,514,500</u>
	Other employee benefits					
6132	Life insurance	9,012	9,300	12,000	12,000	15,000
6134	Dental insurance	3,848	915	500	500	500
6135	Vision insurance	-	-	-	100	100
6138	Worker's compensation	586,142	632,678	722,000	547,000	717,000
6144	Unemployment	(6,181)	-	20,000	15,000	20,000
6146	Severance pay	22,877	214,746	157,200	182,200	174,000
	Total other employee benefits	<u>615,698</u>	<u>857,639</u>	<u>911,700</u>	<u>756,800</u>	<u>926,600</u>
	Other services					
6401	Professional services	40,193	54,680	25,000	35,000	25,000
6455	Legal notices publications	-	43	300	150	150
6560	Contractual services	3,397	4,981	14,275	13,450	13,450
	Total other services	<u>43,590</u>	<u>59,704</u>	<u>39,575</u>	<u>48,600</u>	<u>38,600</u>
	Total expenditures	<u>3,361,184</u>	<u>3,824,960</u>	<u>4,135,975</u>	<u>3,963,900</u>	<u>4,309,200</u>
	Revenues over (under) expenditures	<u>(24,857)</u>	<u>(175,985)</u>	<u>(62,095)</u>	<u>239,641</u>	<u>146,553</u>
	Fund balance January 1	<u>829,642</u>	<u>804,785</u>	<u>664,852</u>	<u>628,800</u>	<u>868,441</u>
	Fund balance December 31	<u>\$ 804,785</u>	<u>\$ 628,800</u>	<u>\$ 602,757</u>	<u>\$ 868,441</u>	<u>\$ 1,014,994</u>
Fund Balance Reconciliation to Financial Statements:						
	Budget fund balance December 31	\$ 804,785	\$ 628,800			
	Deferred outflows of OPEB resources	928,561	836,191			
	Net OPEB liability	(2,086,348)	(1,889,972)			
	Deferred inflows of OPEB resources	(20,516)	(333,493)			
	Financial statement fund balance December 31	<u>\$ (373,518)</u>	<u>\$ (758,474)</u>			



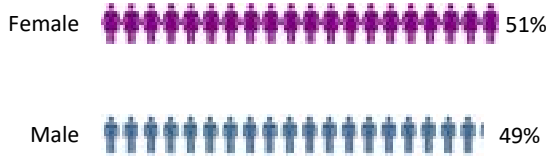
2021 POPULATION INFORMATION



*2021 is an estimate from the United States Census Bureau.

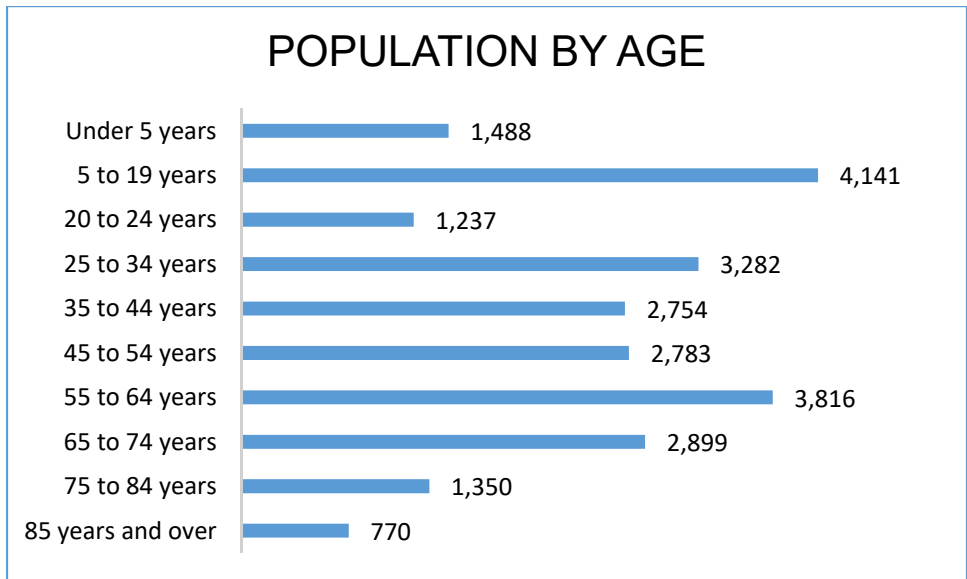
Population by Gender

Median Age



42

years

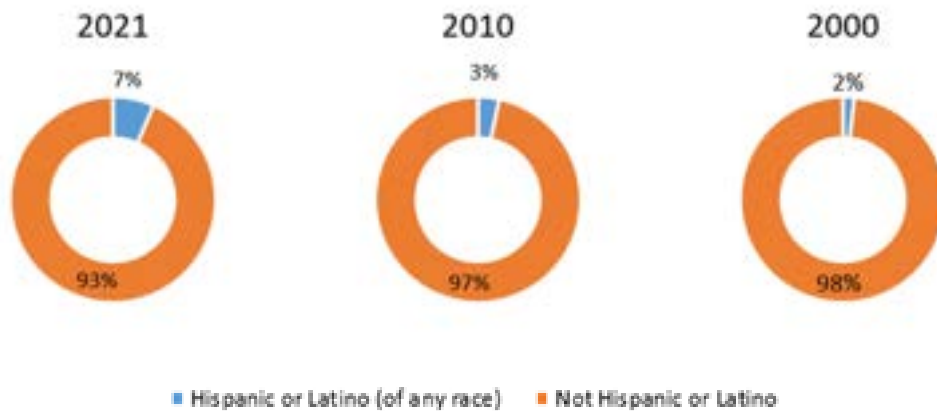




2021 POPULATION INFORMATION (CONTINUED)

POPULATION BY RACE

Race	2021	2010	2000
White	21,628	21,433	23,183
Black or African American	595	589	262
American Indian and Alaska Native	34	97	89
Asian	839	842	374
Other race	433	231	98
Two or more races	991	605	319

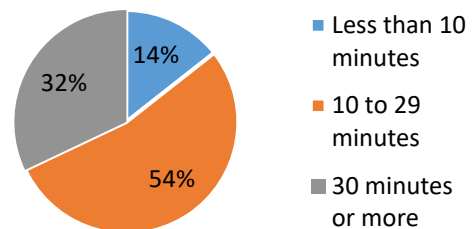


2021 OCCUPATION INFORMATION

Civilian employed population 16 years of age and over:

12,758

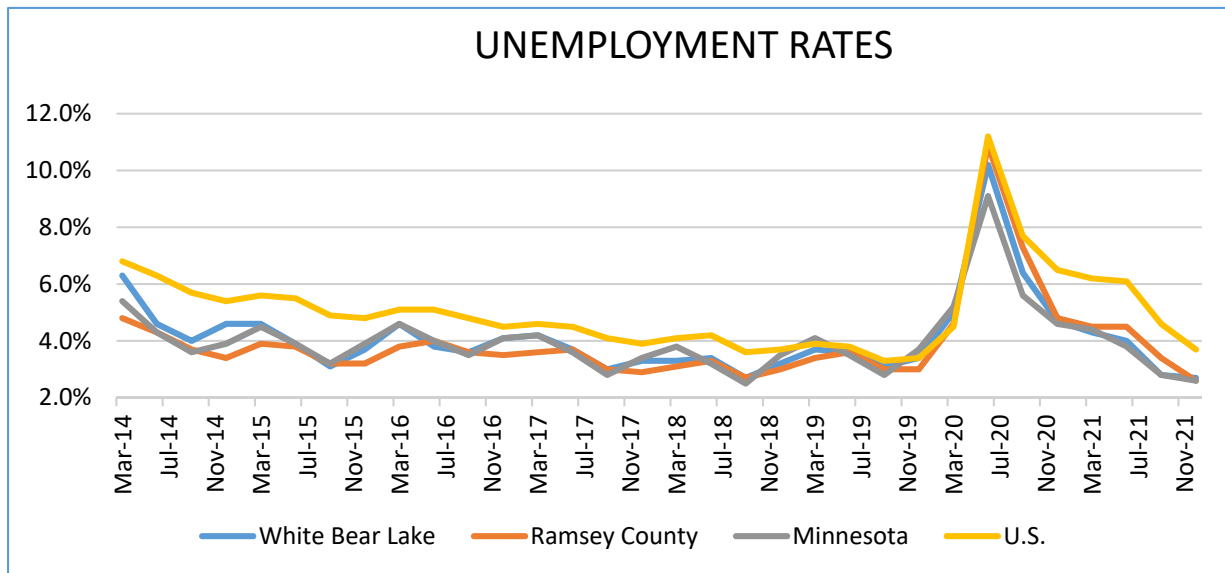
Travel Time to Work





2021 OCCUPATION INFORMATION (CONTINUED)

Industry:	Number of civilians employed
Construction	998
Manufacturing	1,613
Wholesale trade	283
Retail trade	1,221
Transportation and warehousing, and utilities	614
Information	197
Finance and insurance, and real estate and rental and leasing	900
Professional, scientific, and management, and administrative and waste management services	1,184
Educational services, and health care and social assistance	3,455
Arts, entertainment, and recreation, and accommodation and food services	1,122
Other services, except public administration	741
Public administration	408



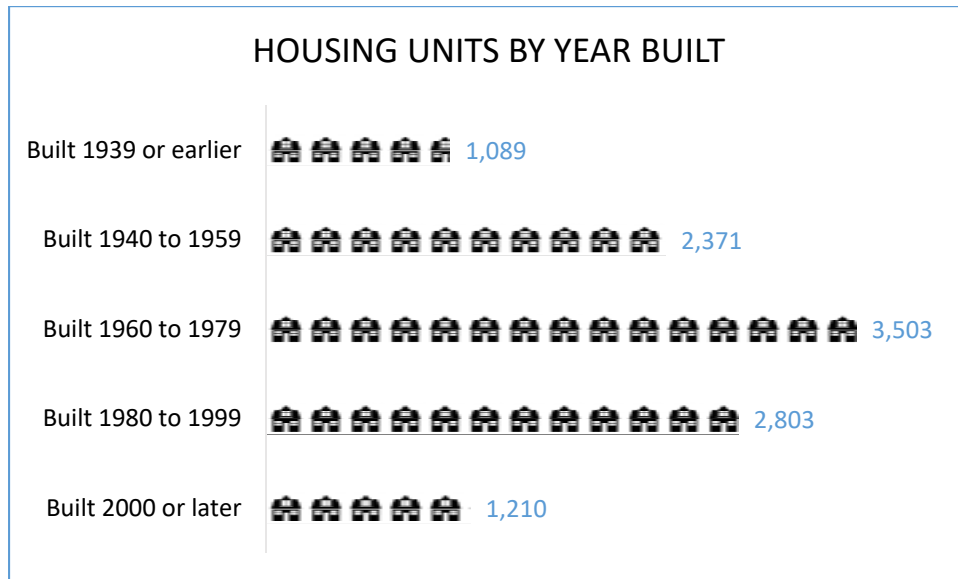
2021 HOUSING CHARACTERISTICS

Total housing units:

10,976

Average household size:

2.27

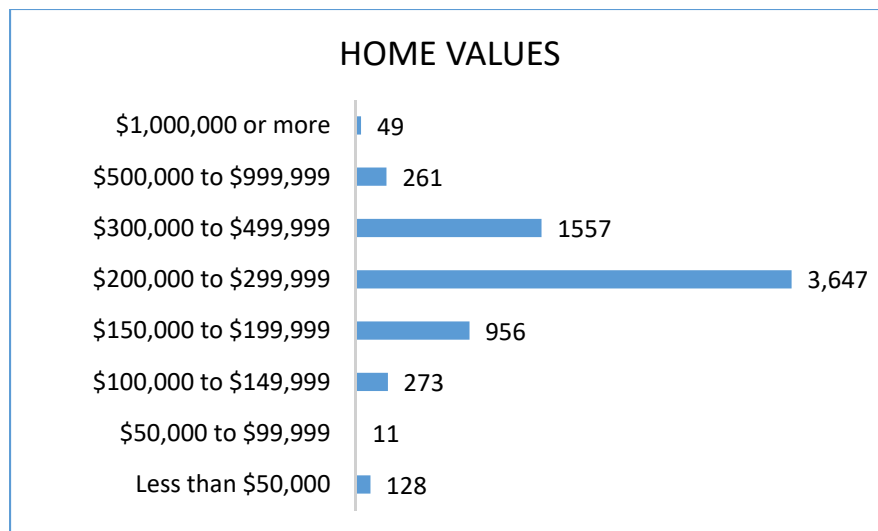


Median Home Value:

\$256,100

Median Monthly Mortgage Cost:

\$1,659



Occupied housing units: **10,4**

Vacant housing units: **498**

Owner-occupied units: **6,882**

Renter-occupied units: **3,596**

Housing units with a mortgage: **4,244**

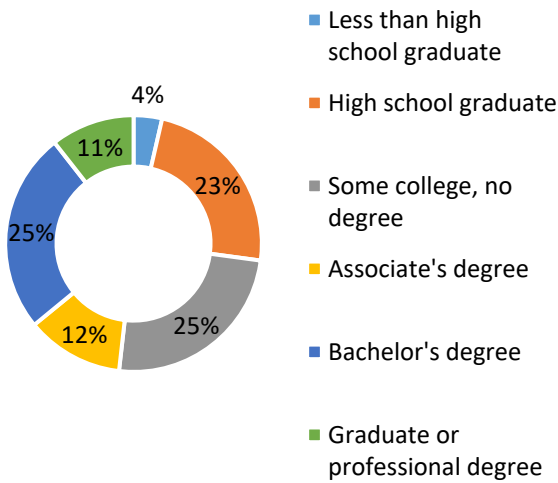
Housing units without a mortgage: **2,638**



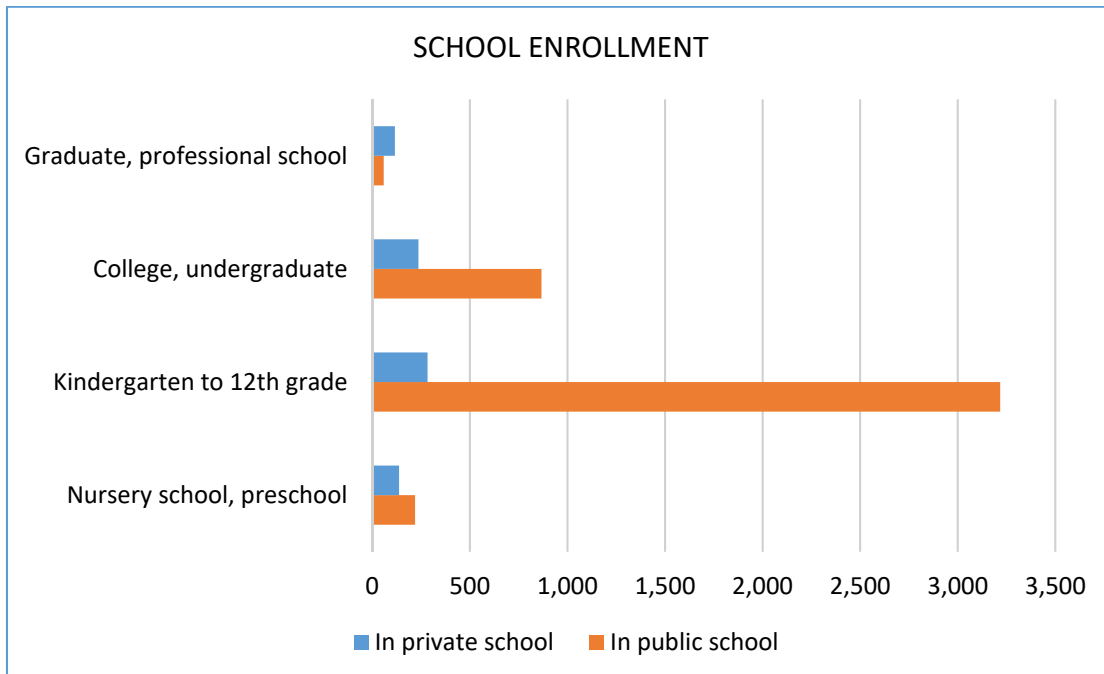
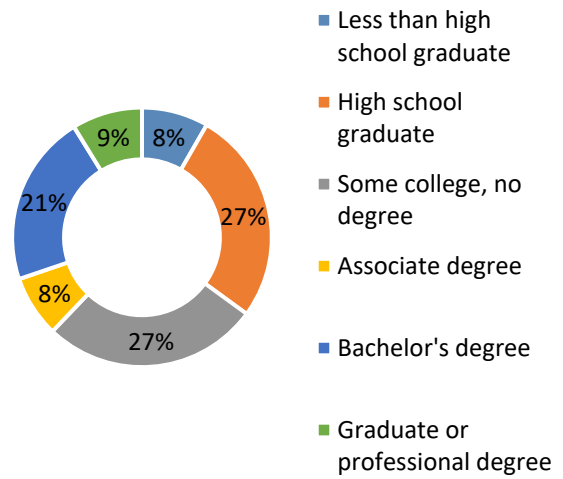
2021 EDUCATIONAL ATTAINMENT

96.4% of residents over 25 are high school graduates or higher.

2021 - POPULATION 25 YEARS AND OVER



2000 - POPULATION 25 YEARS AND OVER



Fiscal Year	Governmental Activities				Business-Type Activities		Percentage of			
	Special Assessment Bonds	Tax Increment Financing Bonds	Capital Improvement Bonds	Tax Abatement Bonds	Revenue Bonds	Total Primary Government	Personal Income	Percentage of Personal Income	Population	Per Capita
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
2020	12,825,993	2,560,000	-	3,210,784	919,389	19,516,166	1,601,568,384	1.22%	24,883	784.32
2021	14,195,585	2,305,000	-	3,085,480	3,467,613	23,053,678	1,634,215,908	1.41%	25,067	919.68
2022	16,428,554	2,045,000	7,329,747	2,955,175	3,423,941	32,182,417	1,824,877,600	1.76%	25,067	1,283.86

City of White Bear Lake**Annual Budget****Legal Debt Margin**

2023

Estimated taxable market value

\$ 3,794,513,900

Debt limit - 3% of market value

113,835,417

Total bonded debt

\$ 40,931,442

Less:

Tax increment bonds

\$ 1,785,000

Special assessment bonds

15,451,145

Revenue bonds

3,240,26920,476,414

Total debt applicable

20,455,028

Legal debt margin

\$ 93,380,389

City of White Bear Lake

Annual Budget

Principal Property Taxpayers

Taxpayer	2022			2013		
	Tax Capacity Value	Rank	Percentage of Total City Tax Capacity Value	Tax Capacity Value	Rank	Percentage of Total City Tax Capacity Value
White Bear Woods Apartments	\$ 627,000	1	1.75%	\$ 350,138	2	1.56%
Tundra Companies	416,168	2	1.16%	174,912	6	0.78%
White Bear Marketplace	342,328	3	0.95%			
Trane Corporation	278,178	4	0.78%	240,850	3	1.07%
White Bear Polar Chevrolet/Mazda	266,036	5	0.74%			
The Waters of White Bear Lake	331,470	6	0.92%			
White Bear Shopping Center	228,632	7	0.64%	211,702	5	0.94%
Xcel Energy	220,374	8	0.61%	401,762	1	1.79%
Harbor Crossing	282,689	9	0.79%			
US Storage Centers	213,590	10	0.60%			
Sam's Club				217,250	4	0.97%
Taylor Corporation				166,802	7	0.74%
Festival Foods				144,660	8	0.64%
K Mart Corporation				137,224	9	0.61%
Life Time Fitness				134,250	10	0.60%
Total	<u>\$ 3,206,465</u>		<u>8.94%</u>	<u>\$ 2,179,550</u>		<u>9.71%</u>
Total Tax Capacity of City	<u>\$ 35,885,404</u>			<u>\$ 22,439,789</u>		

Source: Ramsey and Washington Counties

City of White Bear Lake**Annual Budget****Larger Employers**

2023

Employer	Type of Business/Product	Estimated Number of Employees
ISD No. 624 (White Bear Lake Area Schools)	Elementary and secondary education	1,550
Century College	Post-secondary education	600
Trane Corporation	HVAC distributor	360
Cerenity Care Center of White Bear Lake	Nursing home and senior living facilities	300
Life Time Fitness	Health club	200
Sam's Club	Discount retail store	140
City of White Bear Lake	Municipal and government services	194
Saputo Dairy	Dairy products	150
International Paper	Corrugated box plant	140
Taymark Corporation	Marketing supplies	100

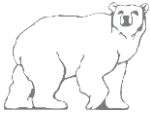
Source: Data Axle Reference Solutions, written and telephone survey, and the Minnesota Department of Employment and Economic Development.

City of White Bear Lake
Capital Asset Statistics by Function

Annual Budget

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Public Safety										
Police										
Stations	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Patrol vehicles	18.00	18.00	17.00	19.00	19.00	20.00	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	5.00	5.00	5.00
Rescue boats with motors	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.00	1.00
Public Works										
Streets										
Miles (1)	114.81	114.81	114.81	114.81	114.81	114.81	114.81	114.81	114.71	114.77
Street lights	515.00	515.00	515.00	515.00	515.00	523.00	529.00	529.00	529.00	525.00
Parks and recreation										
Public docks	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00
Outdoor ice rinks	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Playgrounds	11.00	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	5.00	5.00	5.00	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	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	126.95	127.08	127.08	127.10	127.30
Fire hydrants	907.00	907.00	907.00	907.00	907.00	908.00	909.00	913.00	913.00	916.00
Sewer										
Miles of storm sewers	50.02	50.02	50.61	50.61	50.61	50.97	51.21	51.32	51.39	51.39
Miles of sanitary sewers	120.36	120.36	120.36	120.36	120.36	120.36	120.36	120.36	120.36	120.50

(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.

ARPA: American Rescue Plan Act

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.

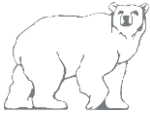
Audit: An objective examination and evaluation of the financial statements of an organization to make sure the financial records are a fair and accurate representation of the transactions they claim to represent.

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.

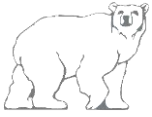
Conditional/Special Use Permit: Those uses which may be appropriate or desirable in a zoning district, but require special approval because they may create problems such as excessive height or bulk, traffic congestions, strain on essential facilities and services, etc.

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.

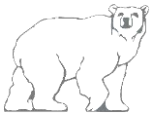
Fines & Forfeits: A sum of money imposed or surrendered as a penalty.

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.

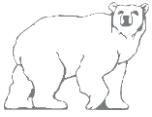
Grant: A contribution of assets (usually cash) by one governmental unit or other organization to another. Typically, these contributions are made to local governments from the state and federal governments. Grants are usually made for specified purposes.

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.

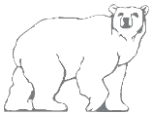
Market Value Credit Aid: A state government obligation to pay a certain portion of residential property tax. Homes valued at \$76,000 or less receives a \$304 state credit. The credit decreases \$9 for \$10,000 increase in market valuation. The credit is eliminated on homes valued at more than \$413,000.

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

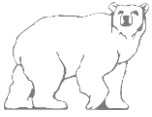
Performance Indicators: A quantitative or qualitative measurement of activity.

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.

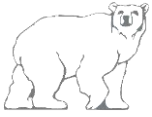
Tax Capacity Rate: The property tax rate which is based on the taxes levied as a proportion of the property value. A tax rate of 18.751% produces \$18.75 of taxes on each \$100 of tax capacity that a property is valued at.

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