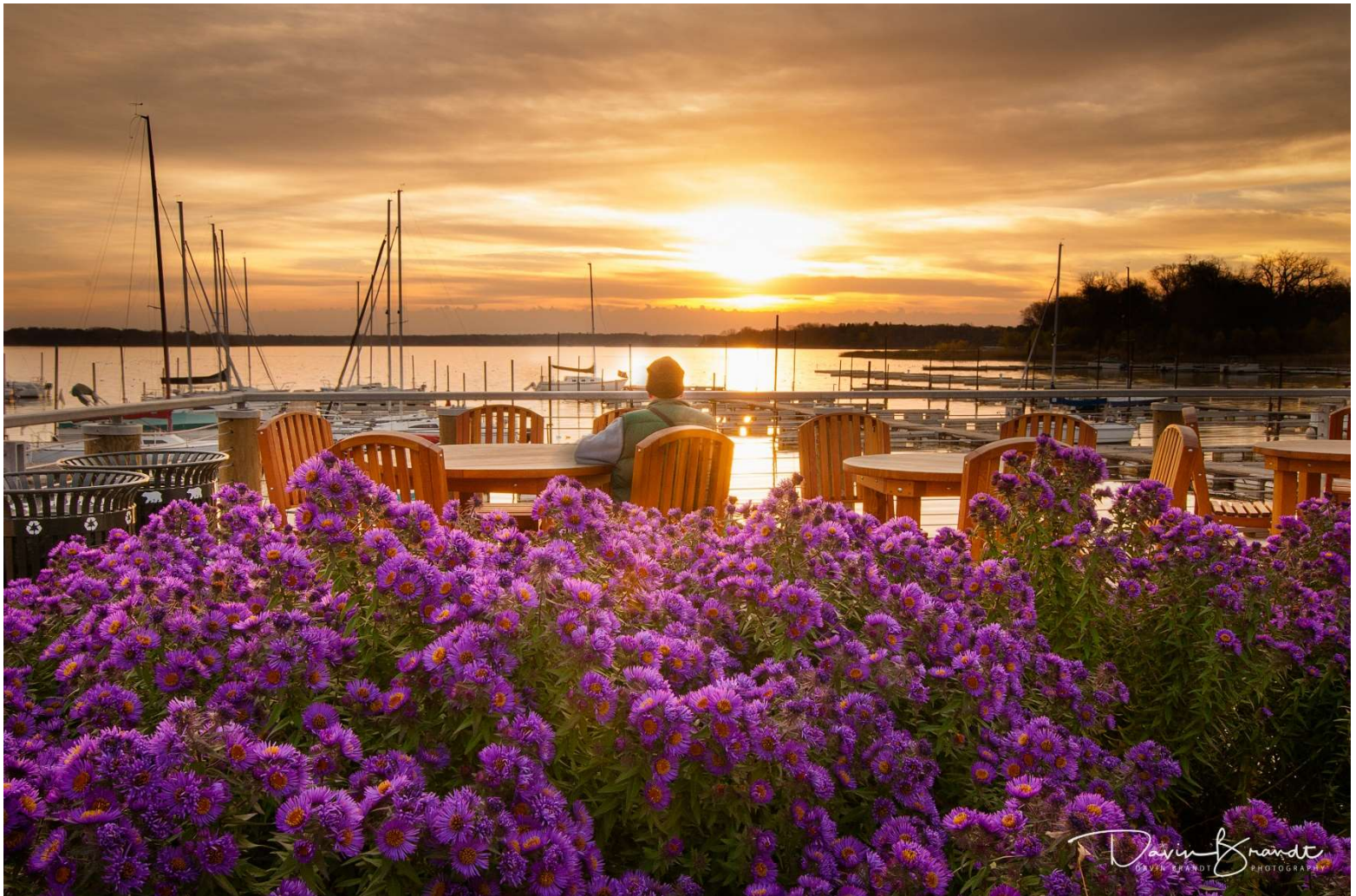


# 2020

## City of White Bear Lake, Minnesota Annual Budget



David Brandt  
DAVID BRANDT PHOTOGRAPHY



**Adopted By:**

Mayor  
Jo Emerson

Councilpersons

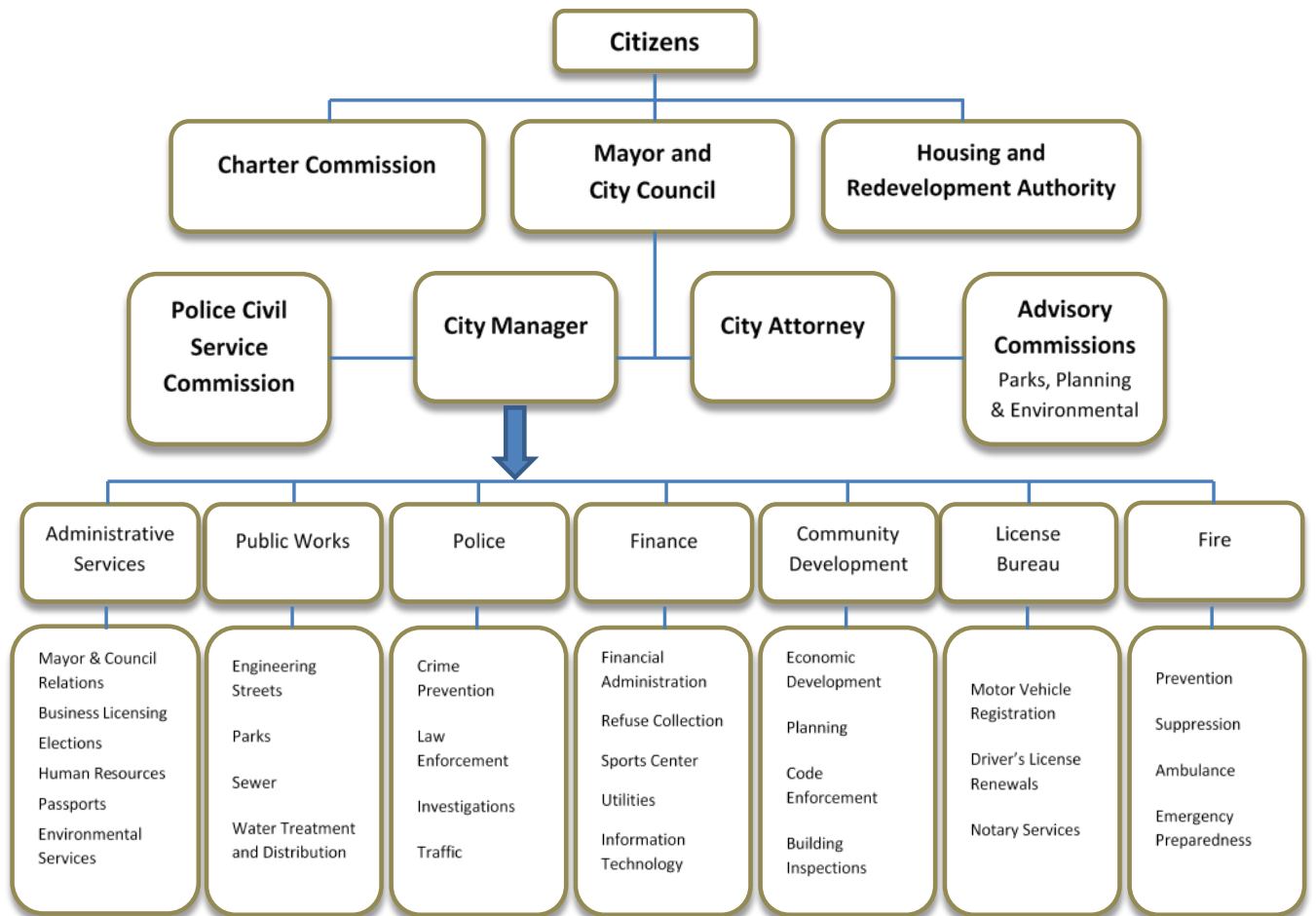
Bill Walsh – Ward 1  
Doug Biehn – Ward 2  
Dan Jones – Ward 3  
Kevin Edberg – Ward 4  
Steven Engstran – Ward 5

**Presented By:**

Management Team  
Ellen Hiniker, City Manager  
Rick Juba, Assistant City Manager  
Kara Coustry, City Clerk  
Paul Kauppi, City Engineer  
Kerri Kindsvater, Finance Director  
Anne Kane, Community Development Director  
Julie Swanson, Police Chief  
Greg Peterson, Fire Chief  
Dan Pawlenty, Public Works Superintendent  
Mark Meyer, Parks and Facilities Superintendent

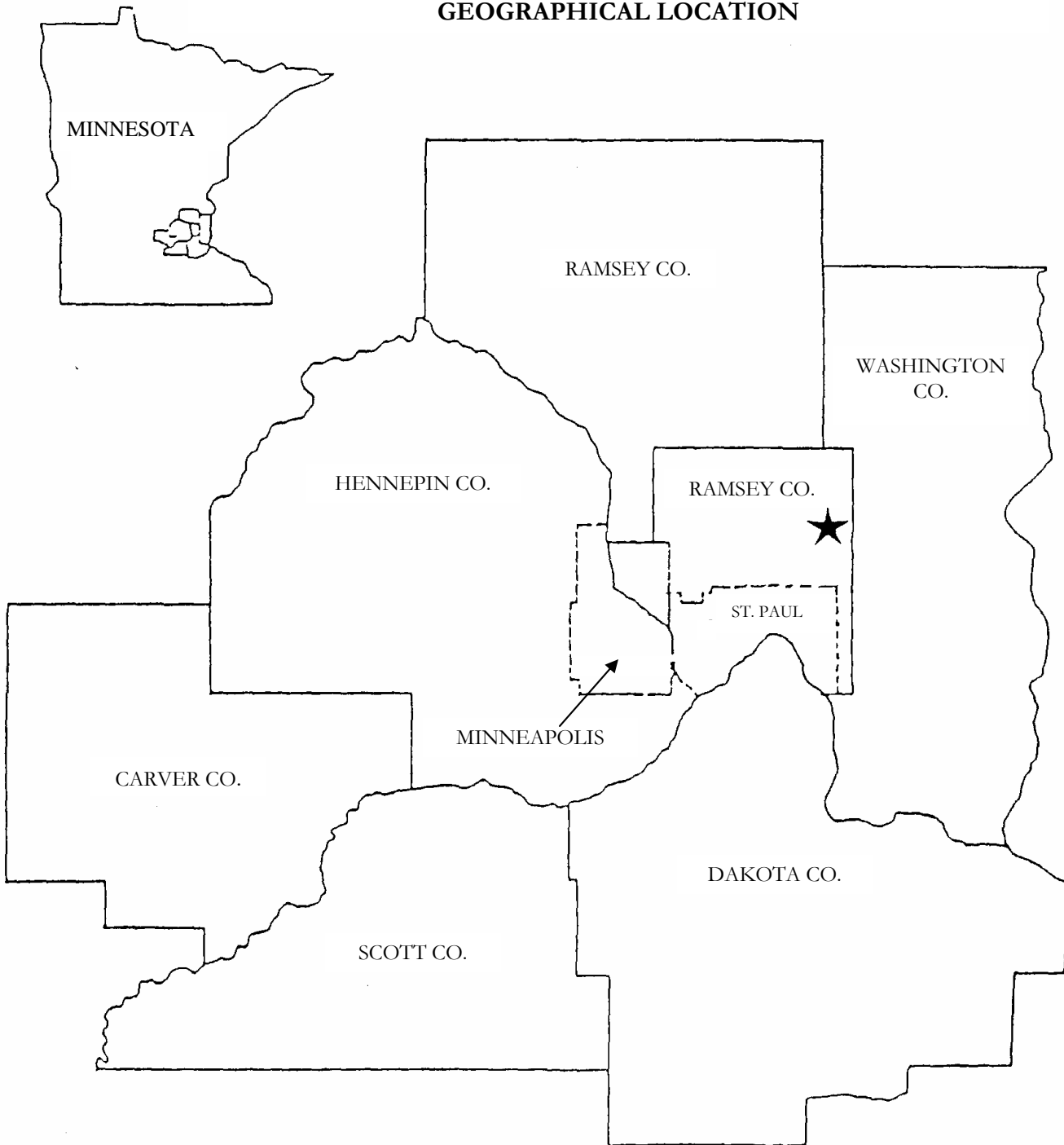
**Cover:**

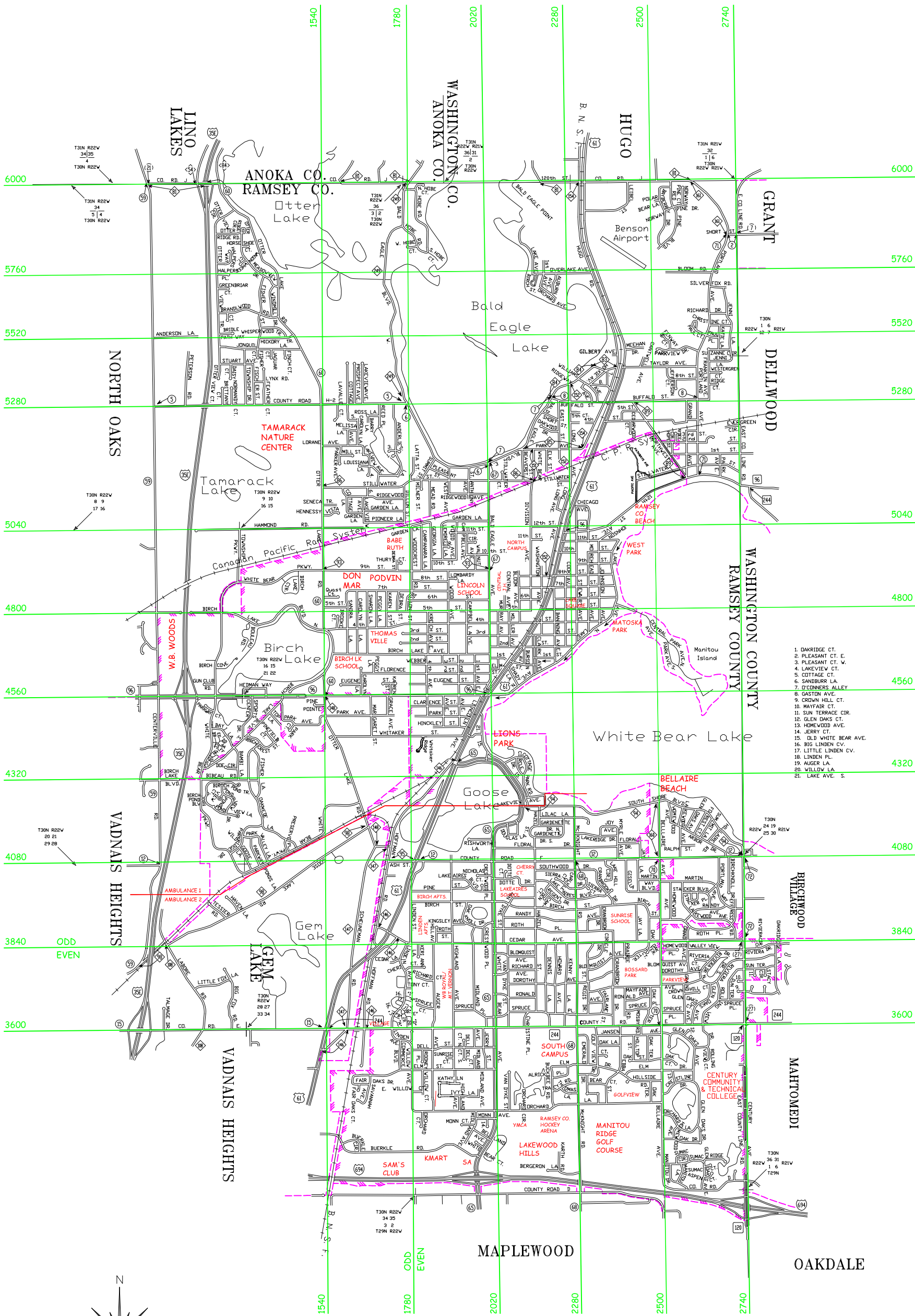
Photo courtesy of Davin Brandt  
*Purple Flowers at the Boatworks*



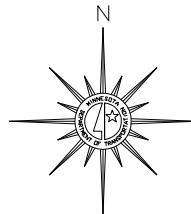
# CITY OF WHITE BEAR LAKE

## GEOGRAPHICAL LOCATION





1. DAKRIDGE CT.
2. PLEASANT CT. E.
3. PLEASANT CT. W.
4. LAKEVIEW CT.
5. COTTAGE CT.
6. SANDBURG LA.
7. O'CONNERS ALLEY
8. GASTON AVE.
9. CROWN HILL CT.
10. MAYFAIR CT.
11. SUN TERRACE CIR.
12. GLEN DAKS CT.
13. HOMEWOOD AVE.
14. JERRY CT.
15. OLD WHITE BEAR AVE.
16. BIG LINEN CV.
17. LITTLE LINEN CV.
18. LINDEN PL.
19. AUGER LA.
20. WILLOW LA.
21. LAKE AVE. S.

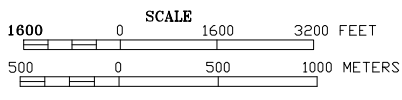


**LEGEND**

- INTERSTATE TRUNK HIGHWAY.....
- U.S. TRUNK HIGHWAY.....
- STATE TRUNK HIGHWAY.....
- COUNTY STATE AID HIGHWAY.....
- COUNTY ROAD.....
- CORPORATE LIMITS.....
- PUBLIC ROAD .....
- PRIVATE ROAD .....

MUNICIPALITY OF  
**WHITE BEAR LAKE**

PREPARED BY THE  
MINNESOTA DEPARTMENT OF TRANSPORTATION  
PROGRAM SUPPORT GROUP  
IN COOPERATION WITH  
U.S. DEPARTMENT OF TRANSPORTATION  
FEDERAL HIGHWAY ADMINISTRATION



2000 U.S. CENSUS - POP. 25,325  
WHITE BEAR LAKE (RAMSEY & WASHINGTON COUNTIES)

2005

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

### *Historical Beginnings*

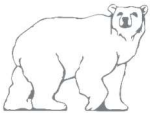
The earliest inhabitants of the White Bear Lake area were the Dakota and Ojibwa Indians who used it for their migratory hunting and harvesting grounds. The United States government designated the area as Dakota land in an 1825 treaty, but later purchased all Dakota Territory east of the Mississippi to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

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

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

### *Legend of White Bear Lake*

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



**Introductory Section**

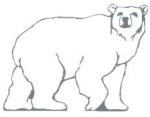
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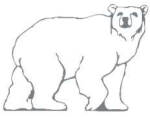
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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

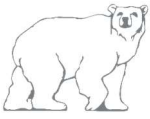
**City of White Bear Lake  
Minnesota**

For the Fiscal Year Beginning

**January 1, 2019**

*Christopher P. Morill*

Executive Director

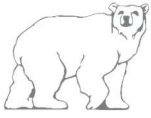


# City of White Bear Lake, Minnesota 2020 Budget Highlights

- The 2020 Annual Budget focuses on priorities set forth by residents, the Mayor, and City Council. The budget development adheres to the City's fiscal policies and disciplines. Standard and Poor's assigned its AA+ rating to the 2019 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 2020 Budget recommends General Fund expenditures of \$11,934,398. The General Fund expenditures are allocated to the major divisions as follows:

<u>Division</u>	<u>2020 Expenditures</u>
General Government	\$1,993,326
Public Safety	6,951,182
Public Works	2,849,670
General Services/Contingency	115,220
Transfers	<u>25,000</u>
Total	<u>\$11,934,398</u>

- The tax levy for 2020 is \$6,908,000 and represents a \$563,000 increase above the 2019 tax levy.
- General Fund expenditures increased in the 2020 budget. 83% of the increase was attributable to personnel related costs, including salary adjustments, health insurance, and workers' compensation. The remaining 17% resulted from increases in materials and supplies and other services.
- Residential taxable property valuation increased an average of 9.3% overall, compared to the 6.2% in 2018.
- Residential property taxes will increase due to the property's new tax capacity valuation and the City's tax rate. The tax rate experiences a minimal change from 2018 since the rate calculation now distributes the tax levy across a broader valuation base.
- The following example demonstrates the impact of a change in a residential property's valuation. If the value of a house remained the same from 2018 to 2019, the annual taxes for City services increases \$7.18 between the two years. If the same house recognizes an increase in its value of the 9.3% average from 2018 to 2019, the annual taxes for City services increases \$52.60 between the two years. The change in property valuation drives a significant portion of a property's tax increase.
- The median value home changed from \$222,500 in 2018 to \$243,100 in 2019.
- The City share of the property tax on a median value home in 2020 will be \$467.10, compared to \$491.97 in 2005; this represents a decrease of approximately \$25 over a fifteen-year period.
- The budget provides funding for initiatives to address environmental concerns regarding lake level and surface water run-off. Funding for projects involving the retention and infiltration of surface water allows pollutants to be contained or absorbed before the water reenters lakes and streams.
- The City is expected to maintain the lowest per capita tax levy statewide for communities with a population between 16,000 and 37,000.
- The budget recommends modifications to the Enterprise Fund fee structures for Water, Sewer, Environmental Waste Removal, Ambulance, and Pioneer Manor to reestablish or maintain the individual fund's financial integrity.



November 7, 2019

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

Mayor and City Council:

Pursuant to the City's Home Rule Charter, submitted herewith are the revised 2019 and adopted 2020 annual budgets. This combined document contains information to provide the citizens of White Bear Lake, their elected officials, City staff and other interested parties, with a description of municipal services and investments for the coming year as well as the cost and means of paying for these services. In addition to serving as a work plan, the budget document incorporates departmental goals and measureable workload data. The budget assigns objective measures in these categories, which assist residents in determining whether the City is achieving its overall mission while providing a reasonable return on their tax investment. This budget addresses short term (1 year) and longer-term (2-5 years) financing issues. These issues include, but are not limited to, sustainable municipal service levels (i.e. is the City meeting reasonable public expectations and can it maintain that service level with available resources), current economic factors affecting the City, environmental protection, the City's organizational structure, long-range planning, the City's financial policies, capital improvement planning, and the impact of the tax levy on White Bear Lake citizens.

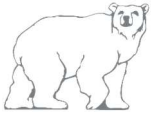
### **A YEAR IN REVIEW – and LOOKING AHEAD**

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

The Council and Staff held several productive work sessions in 2019 to explore important and challenging topics, such as strategic planning, refinement of the 10-year financial management plan, capital improvement planning, economic development and an analysis of public facilities. There will be continued discussion on these and other topics during work sessions in 2020, with time that will be specifically dedicated, but not limited to the housing study, the Police garage and Fire apparatus bay master plan, County Road E corridor planning, 2021 downtown improvements, the high school expansion project, a utility rate study and further refinement of the long-range financial management plan.

#### **Infrastructure:**

The City undertook some significant street projects in 2019 including reconstruction of several neighborhood alleys and streets between Hwy 61 and Lake Avenue, south of 7<sup>th</sup> Street, and Garden Lane. The 2019 projects reconstructed a total of 1.6 miles of streets and related utilities, along with 0.33 miles of alleyways.



In addition to the full-reconstruction projects, the city resurfaced 2.0 miles streets in three separate areas. A southern section on Aspen Court, Glen Oaks Avenue, Sumac Ride and Sumac Court; a northeastern section on Campbell Avenue, Debra Lane, Eleventh Street, Lemire Lane, Tenth Street, Thury Court, Walnut Street and Wood Avenue; and a northern section on Chicago Avenue, Morehead Avenue and Stewart Avenue.

More than 4 miles of streets were seal coated and over 8 miles of streets received crack sealing to prevent water from accelerating the pavements' deterioration. These pavement maintenance projects are critical to the preservation of the substantial investment made in reconstructing streets and must be timely to be most effective.

It is anticipated that the street reconstruction program, which began in 1988, will require an additional 5-6 years before completion. Meanwhile, the mill & overlay program will continue for the near future; therefore, both programs will be taking place concurrently for the next several years. In the absence of significant interest revenues that have historically financed the majority of associated construction costs, the City will be required to bond for future pavement management projects. This will subsequently impact the overall tax levy each year that borrowing is needed. The City Council has had considerable discussion regarding infrastructure funding, and will continue to discuss its options in 2020 in review of its 5-year Capital Improvement Program.

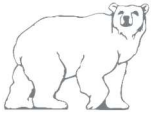
Residents continue to voice increasing interest in improved pedestrian and bicycle facilities. The City is working with White Bear Township and Ramsey County to examine options for a preferred trail design along South Shore Boulevard. While the need for considerable planning and public engagement remains, a multi-jurisdictional commitment toward development of the South Shore segment of the Lake Links Trail has been firmly established.

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

**Facilities:**

Proposed energy improvements related to electrical lighting for all facilities is at a total cost of \$174,000 for 2019 and 2020. These improvements should result in a significant reduction of operational energy costs with an anticipated 4-6 year payoff. The City is working with Trane Companies to evaluate opportunities for additional energy efficiency improvements that would then be incorporated as its own energy efficiency section in the Capital Improvement Plan.

The City contracted with Wold Architects in October of this year to prepare a site master plan for a Police vehicle garage and a new Fire apparatus bay. The master plan will be completed spring 2020, followed by Council discussion of financing options and timing of construction.



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

Community Development staff completed the 2040 Comprehensive Plan this year, which involved a number of community engagement opportunities. In 2020, the City will continue to engage in challenging but critical conversations with its residents and businesses regarding its vision for redevelopment and growth. Additional tools and strategies for meaningful engagement are being reviewed to ensure that the invitation to participate is available and welcoming to all residents and property owners. In addition to reviewing the findings and recommendations of a city-wide housing study currently underway, the City hopes to engage in a comprehensive County Road E corridor study in 2020, which would be funded through Ramsey County grant funds.

Staff has also been working in partnership with the City's Economic Development Corporation to connect with business owners and neighboring residents along the County Road E corridor to identify revitalization strategies. Particular attention has been given to the Bellaire Avenue/County Road E intersection where three out of the four corners had been occupied by vacant gas stations. Two of the stations have recently been sold, but specific uses remain uncertain.

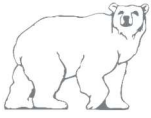
Participation in Ramsey County's planning process for the future Bus Rapid Transit corridor will continue through 2020. It will be critical that the City remain engaged in the station area planning discussions to represent local interests and vision.

During the next several years, the City will continue to direct energies to ensure that the Downtown commercial core remains vibrant and relevant as "walkable urban places" become a preferred setting. The City will continue to provide support, infrastructure, and public services that facilitate an economically viable community, which serves the diverse needs of many generations. In advance of the 2021 downtown project, a comprehensive mobility study will be considered the first part of 2020.

### **Technology:**

The City continues to invest in technology to better serve our residents and enhance internal productivity. The demand for public access to digital data and a general migration toward a paperless environment has led to the implementation of an electronic document management system (EDMS) through the purchase of Laserfische. EDMS is a collection of technologies that work together to provide a comprehensive solution for managing the creation, capture, indexing, storage, retrieval, and disposition of records and information. The City made significant progress in its efforts to electronically index all official records maintained by the City Clerk and to integrate Accounts Payable records. Work toward indexing historical engineering, building and planning department records has also continued.

In 2017, LOGIS began upgrading the City's Geographic Information System (GIS) backbone, which will allow for greater efficiency in the Engineering and Public Works Departments with infrastructure base maps and record drawings. Mobile technology was deployed in 2019 to



provide access to this information in the field where it is needed most. Mapping tools will be greatly improved for zoning, land use, and housing, and will be integrated with the LOGIS building permit system. The position formerly held by an Assistant City Engineer will be redefined in 2020 to support construction of the GIS backbone. In the future, there will be opportunities to integrate GIS into the Police and Fire Departments, and expand geographic capabilities over a wide range of City operations.

### **Public Safety:**

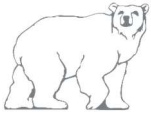
Public Safety is under increasing pressure to adapt to an evolving society that requires more than ever from our law enforcement officers and EMS providers. Tragic events of 2016 and 2017 significantly shifted law enforcement's paradigm and officers are under ever-increasing public scrutiny. The White Bear Lake community continues to reinforce its strong support for our officers and the tremendous service they provide; however, as is true in all communities, we recognize that one incident has the potential to compromise that well-earned trust. Emphasis on use of force training, community mental health awareness and officer wellness remains critical. Deployed in 2018, Body cameras help to maintain a culture of transparency.

The City Council supported a significant shift in the delivery model for fire and ambulance services through the approval of 12 full-time firefighter/paramedic positions in 2018. Initial analysis after completing a full year under this new model demonstrates operational efficiencies and success in meeting the demands of increasing calls for service. Staff will be conducting a comprehensive evaluation of financial and service outcomes during the first quarter of 2020 for Council review.

In 2018, the Police Department received a federally financed grant for a dedicated officer to patrol the City for traffic infractions and drunk driving offenses. The grant covers the salary for up to two years; therefore, the grant funding will end in October 2020. Through this grant, the sworn officer count increased to 30 at the end of 2018. The 2020 Budget allocates funds to add an additional police officer position to assist in shift coverage during busy times. The City also anticipates funding another position in 2021 to replace grant funding that will expire end in 2020. The two additional FTE officer positions will be used for power shift coverages.

### **LOOKING FURTHER AHEAD**

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



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

Infrastructure maintenance continues to be a high priority and cannot be sacrificed to finance current expenditures. The City continues to monitor operational expenditures to achieve cost savings without negatively impacting service levels. While the 2020 budget provides for service and efficiency improvements, it calls for limited cost increases in order to achieve the City's service policies and goals.

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

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

#### **Past**

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

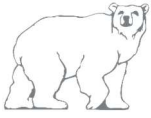
#### **Present**

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

S&P Global Ratings supported this financial plan and logical process in 2019 when they affirmed the City's long-term debt rating of AA+ during the debt issuance process. Their report identifies the following key variables supporting their decision:

- Strong management, with good financial policies and practices
- Strong budgetary performance, with operating surpluses in the General Fund and at the total governmental fund level
- Very strong budgetary flexibility
- Very strong financial liquidity
- Adequate debt and contingent liability
- Strong institutional framework score





### **Future**

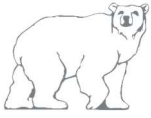
The City's financial future for 2020 and beyond is poised for a renaissance based upon the solid framework noted by S&P Global Ratings. It is expected that through justifiable revenue broadening including property tax adjustments, fund balances/reserves will continue to be replenished as operational expenditures are funded by current revenue sources. It is anticipated that infrastructure requirements will be funded by on-going revenue sources (including appropriate tax levies) or appropriate debt issuances.

### **WHAT GUIDES BUDGET DECISIONS**

Budget development is based upon meeting residential requirements and expectations within realistic financial parameters. A significant guide for the budget is the City's long-range Capital Improvement Plan (CIP). Over the past decade, the Mayor and City Council have been responsible with expense and capital expenditure decisions that would not burden future Councils to increase tax levies disproportionately, while at the same time addressing necessary capital improvements. The updated 2019 CIP has been incorporated into the 2020 planning cycle for Council review.

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

- 1) A commitment to continue high quality services while maintaining operational costs within logical parameters.
- 2) Maintaining a competitive tax rate that is realistic in providing adequate resources to meet citizen's service expectations.
- 3) Application of a fiscal policy that defines the standards for the City's budget and financial management decisions.
- 4) A comprehensive review of the condition of capital equipment to ensure that the most cost-effective replacement schedule is incorporated into the budget process.
- 5) A team approach that encourages interdepartmental planning to meet immediate and long-term operational, infrastructure and facility needs as well as creativity and innovation.
- 6) A lean financial management philosophy that supports the implementation of Council policies and recognizes the need to be responsive to changing community conditions while constantly seeking the least costly means of providing services.
- 7) An organization that is agile and able to respond quickly to changing conditions.



### **TAX LEVY**

In accordance with the City Charter and State Statute, the City Council will discuss adopting the 2020 budget and the 2019 tax levy collectible in 2020 on December 10, 2019. This budget includes property tax supporting the General Fund, 2018A Debt Service Fund, 2018B Debt Service Fund, 2019A Debt Service Fund and the Construction Fund, as well as all other operating or capital funds presented as Special Revenue, Debt Service, Capital Project, Enterprise or Internal Service Funds.

Staff prepared the budget based upon a \$6,908,000 tax levy, which will fund general operations and debt obligations.

The following funds utilize general property taxes:

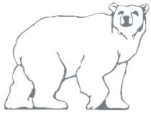
- General Fund for general government operations and services.
- 2018A General Obligation Debt Service Fund for debt service related street improvements.
- 2018B General Obligation Tax Abatement Debt Service Fund for debt service on the Sport Center renovation / YMCA loan.
- 2019A General Obligation Debt Service Fund for debt service related street improvements.
- Construction Fund for addressing the Emerald Ash Borer tree disease.

### **BUDGET FORMAT**

As in past years, the 2020 Budget is presented in great detail. To assist in understanding, the budget document presents two years of historical activity and revisions to the 2019 budget based on current revenue and expenditure estimates, as well as revenue estimates and proposed expectations for the coming year. The budget document is intended to provide information that will assist the reader in determining whether proposed expenditures will allow the City to meet service needs and expectations and the City Council's determination of the reasonableness of proposed expenditure and service levels.

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

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



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

### **MEASUREABLE WORKLOAD**

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

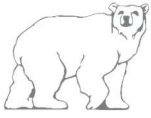
The City has maintained departmental goal development and measureable work load data for the last twenty years. The 2020 budget generally reports 2017 and 2018 measureable workload results, 2019 workload criteria, and establishes 2020 goals. The budgets of each department detail the measurable workload data related to operations. This provides the City Council and residents a "snapshot" of how the departments are providing their recurring service levels. It is within this framework that the City reports the efficiency and effectiveness of its service delivery.

### **PURCHASING PROCEDURES**

The City Council delegates purchasing authority to staff members under the City Charter and State law upon the budget adoption. State Statutes authorizes City's to enter into contracts that are less than \$175,000 without conducting a formal bidding process. It has been the City practice to have City Council authorization for purchases that are less than \$175,000. Purchases over \$175,000 may only be approved by the City Council and require competitive bids. Purchases over \$5,000 and in many cases below are made only after multiple quotations are received and the lowest responsible price is selected. While capital equipment purchases are budgeted, these items are brought for formal Council approval before the acquisition is completed.

### **ACKNOWLEDGEMENTS**

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



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

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In addition to the management team, special recognition is given to Assistant Finance Director, Jessica Saari, for the many hours spent developing, modifying, and incorporating readability improvements to the document. The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of White Bear Lake for its annual budget for the fiscal year beginning January 1, 2019.

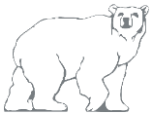
This was the 18th consecutive year the City has received this award, which is a reflection of the excellent work of those involved.

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

Respectfully submitted,

A handwritten signature in cursive script that reads "Ellen Hiniker". The signature is written in black ink and is positioned above the printed name.

Ellen Hiniker  
City Manager



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

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

## Budget Process

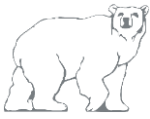
Section 5.03 through 5.09 of the White Bear Lake City Charter sets forth the requirements that the City Manager must prepare and submit an annual budget to the City Council. The City Council conducts two public meetings before adopting the budget. The first is a budget study session and the second is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

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

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

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

- The City Manager reviews preliminary fund summaries, including projected revenue and expenditures, before submitting the information to the City Council.
- Department supervisors, Finance Department representatives and the City Manager meet to discuss departmental operations, goals, and the department requests relate to the City's overall goals and objectives. The City Manager adjusts department funding requests as necessary to meet the City's overall financial and strategic goals.



- Prior to September 30th, the City Manager submits to the City Council a preliminary operating budget for the fiscal year commencing January 1 of the following year. The preliminary operating budget includes the proposed expenditures and revenue sources necessary to finance the funds that require a property tax levy.
- The City Council conducts a public hearing on the budget, before adopting the budget. The meeting is scheduled for November 26, 2019.
- Prior to December 30th, the budget is legally enacted at a City Council meeting and the tax levy is submitted to the County Auditor. The meeting is scheduled for December 10, 2019.
- Any subsequent revision to the budget that results in an increase to total budgeted expenditures of any department for governmental type funds must be approved by the City Council.

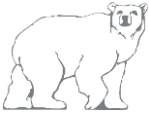
Budget Calendar

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

June 7	Budget documents and current year activity reports distributed to departments.
June 9 – June 28	Departments prepare budget requests and submit to Finance Director for review.
June 29 – July 31	Departments discuss budget requests with Finance Director and City Manager.
September 4	Finance Director and City Manager complete a preliminary budget.
September 10	City Council adopts preliminary tax levy and establishes the Truth in Taxation hearing date.
September 13	Finance Director certifies the preliminary levy and hearing date to Ramsey County.
September 16 – November 6	Finance Director and City Manager prepare budget document for City.
November 7	City Council receives proposed budget document.
November 26	City Council holds its Truth in Taxation hearing.
December 10	City Council adopts the tax levy collectible in 2020, the Revised 2019 Budget and the 2020 Budget.
December 27	Finance Director submits the 2019 tax levy collectible in 2020 to State and County agencies.

Basis of Budget

The City presents its budget projections for all funds on the modified accrual basis. The budget document provides information related to the expenditure of resources and collection of revenues over a two-year period. All fund balances are presented on the modified accrual basis, which recognizes revenues in the period in which they become measurable and available. “Measurable” means the amount of transaction can be determined and “available” means collectible within the current period or soon enough thereafter to pay current liabilities. Expenditures are recognized when a transaction is expected to draw upon current spending resources, rather than future resources, except for principal and interest on debt service which are recognized when due. The budgets for Proprietary Funds are in the modified accrual basis rather than accrual basis to inform the City Council and readers of resources available to meet operating expenditures and future capital or infrastructure needs. Budgeted fund balances represent the Fund’s January 1 cash position less current liabilities. Any debt service payments reported in these funds represent the actual principal and interest payments due in the appropriate fiscal year because they represent actual cash outflows and must be funded by tax levies, service fee collections or some other revenue source.



# City of White Bear Lake, Minnesota Summary Information

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

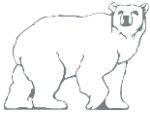
**Governmental Funds** – Governmental Funds account for the City activities that receive a significant portion of their funding from property taxes, state aids, and various grants. The Governmental Funds budgeted for by the City are the General Fund, Special Revenue Funds, Debt Service Funds, and Capital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

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

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

<u>Funds</u>	<u>Type</u>	<u>Number</u>
General	Governmental	1000
Special Revenue Funds		
Armory	Governmental	2030
Surface Water Pollution Prevention	Governmental	2040
Marina Operations	Governmental	2050
Sport Center	Governmental	5200
Forfeiture	Governmental	2060
Economic Development	Governmental	4240
Debt Service Funds		
Municipal Building	Governmental	3020
Non-Bonded Special Assessment	Governmental	3070
2012 Special Assessment	Governmental	3071
2003 Refunding Tax Increment (PM)	Governmental	3040
2016 Tax Increment Boatworks Commons	Governmental	3081
2018A General Obligation Debt Service	Governmental	3082
2018B General Obligation Tax Abatement	Governmental	3083
2019A General Obligation Debt Service	Governmental	3084
Capital Project Funds		
Equipment Acquisition	Governmental	4100
Municipal Building	Governmental	4300
Park Improvement	Governmental	4010
Water Improvement	Governmental	4220
Sewer Improvement	Governmental	4200
Construction	Governmental	4400
Community Reinvestment	Governmental	4770
HRA Tax Increment	Governmental	4600
Enterprise Funds		
Water	Proprietary	5010
Sewer	Proprietary	5050
Environmental Recycling & Waste Disposal	Proprietary	5100
Ambulance	Proprietary	5250
Pioneer Manor	Proprietary	5300
License Bureau	Proprietary	5350
Internal Service Funds		
Insurance	Proprietary	6000
Employment Expense	Proprietary	6200

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



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

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

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

Revenues are estimated based on the following:

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

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

#### Budget Amendments

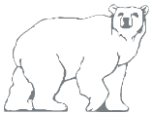
After the budget resolution has been adopted, the City Council, under Section 5.09 of the City Charter, shall have no power to increase the amounts fixed in the budget resolution, by insertion of new items or otherwise, beyond the estimated revenues, unless actual receipts exceed the estimates and then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

#### Financial Management Guidelines

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

1. Utilize one-time revenue sources to fund capital improvements instead of operating expenditures.





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

#### Debt Management

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

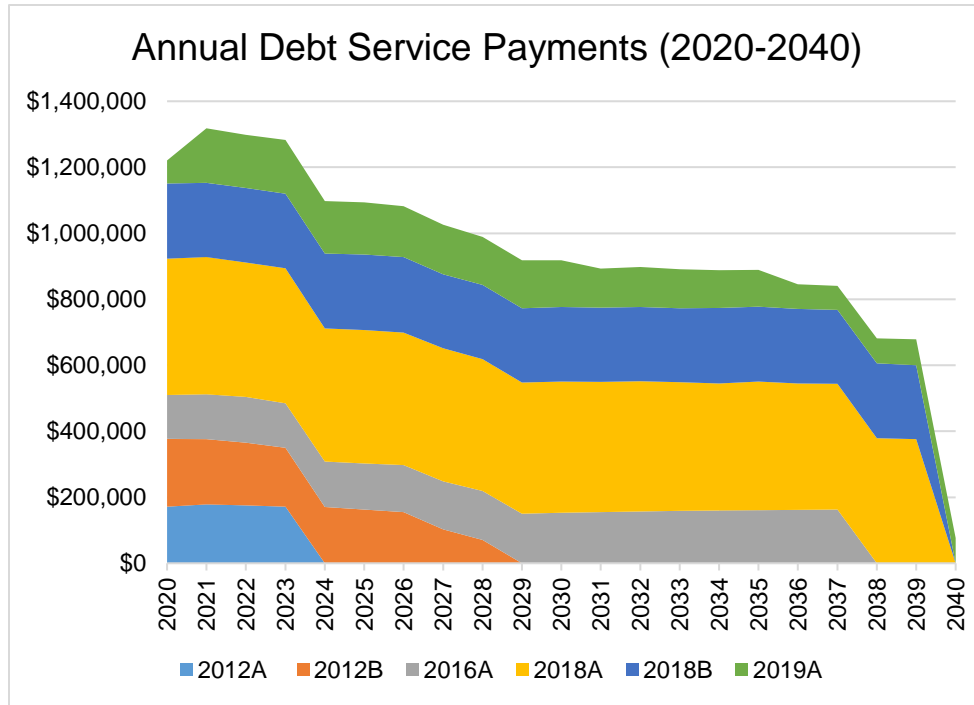
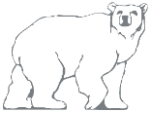
Periodically, the Non-Bonded Debt Fund supports other funds through a transfer to offer short-term financial stability. In recent years, the Water and Sewer Funds received this type of transfer. Though not set up as an internal loan, both departments reimbursed the Non-Bonded Debt Fund for its contribution. As the Ambulance Fund transitions to a cost share split with the Fire Department and a new combination-staffing model, the Non-Bonded Debt Service Fund offers support to the 2019 Revised and 2020 Budgets.

When the City finances capital projects through a bond issue, it will pay back the bonds within a period not to exceed the expected useful life of the project. The City will attempt to limit the long-term obligation on any project to no more than 20 years. The City will not incur long-term debt to support current operations. The City issued bonds in 2019 for pay for the annual street reconstruction projects. The City anticipates issuing debt obligations in 2020 to purchase a ladder truck for the Fire Department, a dump truck for the Street Department, contracted services to paint the water tower, and the annual street improvement project.

As required by Minnesota State Statutes Section 475.53 the City's total legal debt margin will not exceed three percent of the market value of taxable property. The City projects its legal debt margin to be \$84,519,879 as of December 31, 2019. The City has \$3,330,000 outstanding debt that applies to the City's legal debt margin as of December 31, 2019. Calculation of the legal debt margin is presented in the appendix section. This debt management philosophy provides the City with optimal borrowing capacity as it addresses future infrastructure improvements.

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

The following graph illustrates the City's debt service principal and interest payments for all outstanding debt as of December 31, 2019.



Reserve Policies

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

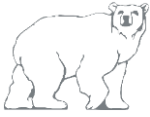
The total of the cash flow reserve and the undesignated fund balance reserve should equal approximately 50 % of the current year property taxes and intergovernmental revenues and 35% to 50% of the following year’s expenditures per Minnesota State Auditor recommendations. The combination of the City’s cash flow reserve and undesignated fund balance represents 52.36% of the property taxes and intergovernmental revenues and 35.55% of the proposed General Fund 2020 expenditures, which both comply with the State Auditor guidelines.

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

Fund Balance Policies

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

- **Non-spendable** – includes amounts that are not in spendable forms such as inventory, pre-paid items, long-term receivables, and amounts required to be maintained legally or contractually.
- **Restricted** – includes amounts restricted for a specific purpose by externally enforceable agreements such as bond covenants.
- **Committed** – includes amounts restricted for a specific purpose by the City Council.



- **Assigned** – includes amounts constrained for a specific purpose by the City Council or City Manager.
- **Unassigned** – is the residual classification for funds not included in any other category.

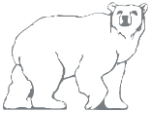
Fund balances that are committed or assigned are presented as fund balances reserved for specific purposes throughout the budget. Capital project fund balances are committed for the fund's overall defined purpose of the individual fund. Committed governmental fund balances are presented as a separate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

#### Investment Policies

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

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

1. **Statement of Priority**  
The primary objective of the investment activities is the preservation of capital and the protection of investment principal. Liquidity and yield are important, but secondary to capital preservation.
2. **Liquidity Priority**  
Investments shall be made so as to provide sufficient liquidity to meet the funding needs of the City as determined by the Finance Department cash flow projections.
3. **Bidding**  
All investments will be competitively bid from approved financial institutions. Selection of the investment instrument will be based upon the projected cash flow needs and strategic placement of the city's core funds.
4. **Diversification**  
This strategy will stagger maturities which will avoid undue concentration of assets in specific maturity sector while providing stability of income and reasonable liquidity.
5. **Distribution**  
Funds budgeted to receive interest will be allocated amounts equal to 1/12 of the fund's projected interest earnings. The City will distribute excess interest earnings based on an average cash balance per fund for the year.
6. **Reporting**  
The monthly investment report will include the current portfolio status, which at a minimum will report the investment type, financial institution involved in the transaction, the investment yield, purchase and maturity date, and the principal amount invested.

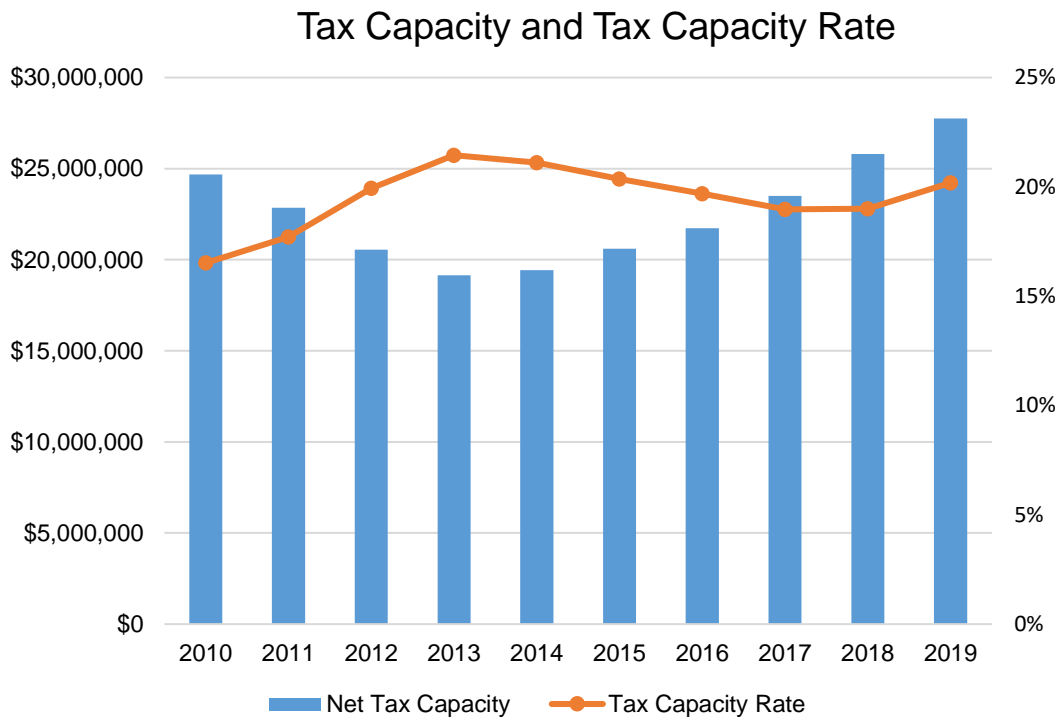


# City of White Bear Lake, Minnesota Summary of Revenue Sources and Assumptions for all Funds

General Property Taxes – The General Fund and Construction Fund receive general property tax revenue per the 2019 Revised and 2020 Budget document. The General Fund utilizes property taxes to support governmental operations and services and the Construction Fund utilizes the property taxes to address Emerald Ash Borer (EAB) issues in public trees.

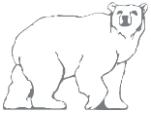
The net tax capacity of a city is the total value of taxable properties within the jurisdiction calculated by the County Assessor's Office adjusted by valuations in tax increment properties and the contribution to the Fiscal Disparity program. The tax capacity rate divides the City's annual property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

The 2020 tax capacity rate is 20.505%, which is only .362 higher than in 2019. Even though the tax levy increases \$563,000 in 2020, the impact on the tax capacity rate is minimal since the property values used in the net tax capacity calculation increases \$1,879,234. The graph below demonstrates the relationship between the City's tax capacity rate and the tax capacity of the past 10 years. As you can see by the information, as the net tax capacity value decreases, the tax capacity rate increases because there is less total value to spread the levy over for the year.



The overall economy reports favorable expansion in real estate value. As this trend continues, property owners will experience a lower tax capacity rate because of the broader property value base. Economy predictions anticipate the real estate expansion to continue throughout calendar year 2020.

Per Ramsey County Assessor's Report for 2019, residential home sale prices and market values continue to increase in the trend of historic low supply of homes for sale in a high demand market. The City's median value home increased an average of 9.3% from 2018 to 2019. The growth in the market value of apartment complexes within the City is 1.8%, which is significantly lower than the 6.9% countywide average. Many of the City's apartment older, well-kept units that offer housing options but have not seen the market value increase as much as the newer facilities in other areas of the County. In contrast, the growth in the market value of Commercial/Industrial properties within the City is 8.66%, which exceeds the 4.66% countywide average.



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

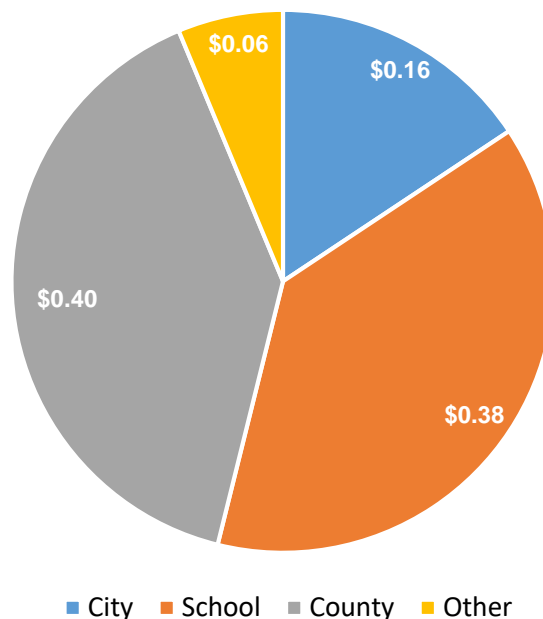
The valuation trends influence the City's residential property in two significant ways as follows:

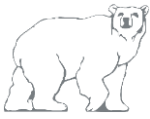
1. The Homestead Market Valuation Exclusion will continue to decline in 2020 as the residential property values increase. For every \$10,000 in valuation increase above \$76,000, the taxable market value increases \$9. The median market housing valuation increased from \$222,500 to \$243,100, or 9.3% in 2019.
2. A slight "shifting" of the property tax liability to residential property from commercial/industrial property will occur for property tax collections in 2020, as residential property valuation increases at a higher rate than commercial property values. However, commercial property continues to be responsible for a larger portion of the property tax burden since the taxable valuation percentage applied to market values of commercial/industrial properties is higher than the percentage for residential properties. Commercial/industrial properties have 2.0% applied to their market value over \$15,000, while residential properties apply 1.0% to the first \$500,000 of market value and 1.25% to any value over the \$500,000 limit. The vast majority of residential properties have a market value less than \$500,000 and use the 1.0% in calculating the taxable value.
3. In general, property taxes for apartment complexes in White Bear Lake will increase at a lower rate since the average increase is 1.8%; however, newer facilities may experience a higher rate based on their specific circumstances.

For a comparison, the tax burden for residential properties in 2020 are very close to the property tax burden in 2007. This occurs as property values recover from valuation losses during the recession, an increase in the net tax capacity values and a change in the City's annual levy.

Several governmental entities assess taxes to properties. For every property tax dollar paid, \$0.16 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?





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

Trend: General property tax collections have ranged from 92.10% to 101.45% of budget revenue between 2009 and 2018. The 2020 budget anticipates a 97.79% collection rate.

Tax Increment Collections - Taxes collected on the incremental growth in designated redevelopment areas creates this revenue stream. The revenue provides funding for debt service payments for redevelopment projects and redevelopment construction projects. The 2020 Budget bases tax increment revenue estimates on prior years' historical information and expected taxable valuation changes to individual tax increment districts. These changes have resulted in projected overall tax increment revenue remaining unchanged.

Trend: Tax increment revenue has fluctuated between \$450,000 to \$825,000 between 2005 and 2018. The budget estimates tax increment revenue \$429,000 for 2019 and 2020. Tax Increment District 25 should remain stable for the district's duration, which the City anticipates decertification of the district in 2025. The receipts for Tax Increment District 27, also known as Boatworks Commons, began in 2017. The City expects tax increment for the district to be approximately \$160,000 each year of the district's life. Currently, there are three active tax increment districts with no plans to add any new districts in 2020.

Special Assessments - Revenue collected to pay for improvements benefiting certain properties. The 2020 budget uses actual collection rates in prior years to build the budget projections.

Trend: The City has levied between \$772,000 and \$1,650,000 annually in special assessments since 2005. Collections have ranged from 102.78% to 94.38% during this period. The 2020 budget anticipates special assessment collections to be approximately \$852,000.

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

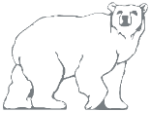
Revenue Trends: History shows the electric consumption rising each year as the fee collected by the City increase approximately 3.0% each year. The actual utilization supporting the 2019 franchise fee payment exceeded the customary level as the City received a 2019 payment 7.0% higher than the 2018 payment. The 2020 Budget anticipates the consumption activity to return to normal levels producing a franchise fee of 3.0% above the 2019 level.

The 2020 fine revenue anticipates collections to match historical levels for county ticket fines relating to our jurisdiction, city administrative tickets, and the city share of state administrative tickets.

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

Revenue Trends: The budget expects license fees to provide a reasonable portion of costs related to enforcement. The 2020 liquor license fee anticipates renewal of all business operations currently in place.

In regards to non-business license revenues, the City is close to full development, which means all permit fees collected relate to redevelopment opportunities. In 2019, the redevelopment of several land parcels will become home to a large market-rate apartment complex with completion in 2020. There are multiple options for other redevelopment sites for housing or retail businesses. A potential large-scale project relates to the White Bear Lake Area School District's \$326 million bond referendum on the November 2019 ballot to fund a multi-year improvement plan for additions and renovations to current buildings.



## City of White Bear Lake, Minnesota

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

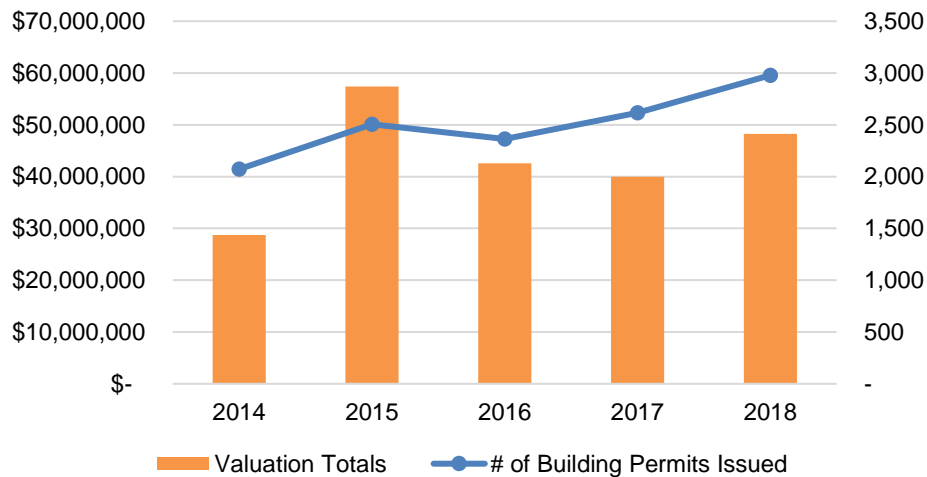
The plan is both complex and comprehensive as it touches each of their buildings in some way. If passed, the referendum would increase building permit activity.

Currently, the Metropolitan Council is in the planning stages of a multi-year transit project that includes access to the White Bear Lake area. This plan interests developers looking to invest in housing and retail opportunities along the transit line and adjacent to stations.

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

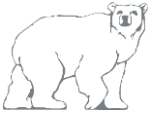
The graph below compares total building permit valuation to the number of building permits issued from 2014-2018. Valuation totals spiked in 2015 due to significant commercial redevelopment activity at White Bear Marketplace, the Waters Living Apartment, and Towers Crossings Senior Living. 2018 saw a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

### Building Permit History



Intergovernmental – The State of Minnesota provides the City with a variety of shared revenue streams. Many of these revenues relate to General Fund operations and the City records these revenues in that fund. Of the funding sources in this category, the primary support received is the state Local Government Aid (LGA). The state created the LGA program to stabilize the local property taxes and ensure that quality basic city services are available in all Minnesota cities, regardless of the population size or property tax base. Since the LGA is an important part of the City’s budget, consistent funding helps in planning for current and future years. At one time in the history of LGA, the state cut this funding, which forced cities to increase property taxes or eliminate services to balance their budgets. The State of Minnesota has not indicated any potential changes to the funding amount or distribution formula.

For many years, the City budgeted a significant portion of the LGA revenues to the General Fund to reduce the taxes for property owners. The 2019 Budget incorporated a philosophical change in allocating the funding source since the State aid has the potential to be uncertain or difficult to rely on in challenging economic times. Instead of supporting only the General Fund, the budget allocates the LGA funding between the General Fund, the Equipment Acquisition Fund and the Municipal Building Fund. The General Fund Budget balances after this re-allocation by keeping the annual tax levy amounts previously included in those two funds. Through this change, if the State lowers the aid amount, the City will reduce capital purchase activities accordingly. This plan decreases the General Fund’s reliance on the funding. The 2020 Budget continues the philosophical plan integrated into the 2019 Budget.



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

The Surface Water Pollution Prevention Fund also receives an allocation of the annual LGA payment. Revenue Trend: At this point, the City expects LGA funding to remain consistent for current and future years.

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 \$710,000 or 65% its 2020 allotment to the Interim Construction Fund to assist in financing a portion of the 2019-year's street reconstruction program.

A 2% surcharge in automotive and property insurance coverages fund the State Police Aid, which helps to finance pension obligations for police officers. Police Aid increases from previous year levels based on the actual funding received in 2019.

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

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

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

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

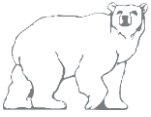
Revenue Trends: The City began providing police service to the City of Gem Lake in 2018. The calculation of how the Public Safety contracts with other communities distribute the cost of operations and capital purchases depend on the service. Police costs distribute based on population, fire costs distribute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

The City bases inspection service charges on building activity within the two communities. Construction activity estimates the receipt of inspection service charges from Mahtomedi of \$140,000 in both 2019 and 2020.

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

Interest Earnings – The budget allocates interest earnings to funds based on budgeted interest earnings. The City will distribute investment earnings exceeding budgetary appropriations to each fund based on an average cash balance in the fund for the year.



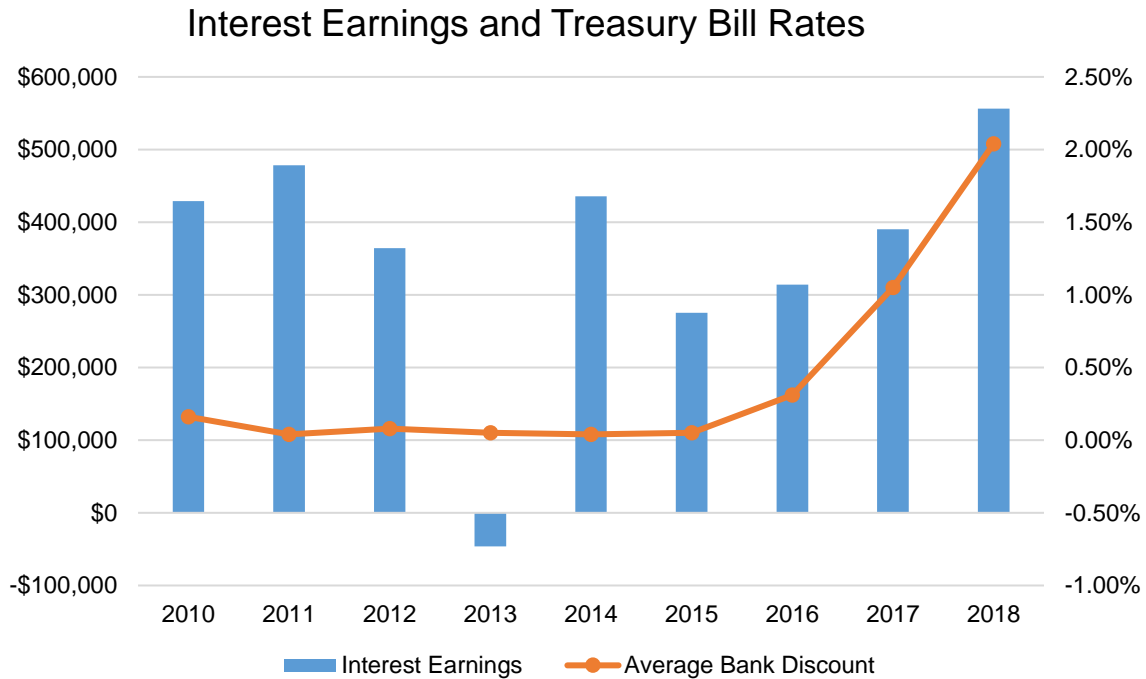


## City of White Bear Lake, Minnesota

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

The City's interest revenue depends on available rates when making the investments and on available cash balances. The City anticipates earning an investment (interest) rate that is 65-80 basis points greater than the annualized 90-day Treasury bill rate.

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



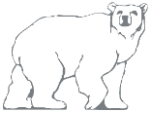
The continuance of the strong economy that provided low inflationary pressure and historically low unemployment in recent years is uncertain as economic metrics send mixed signals in the end of 2019. The current market contains an inverted yield curve where short-term rates are higher than long-term rates. In the past, this condition typically occurred before a recession; however, the lead-time before the recession varies and there are occasions when the recession does not manifest. Experts are cautiously optimistic the market will stabilize through international changes and actions by the Federal Reserve to prevent a recession. Current projects indicate the Federal Reserve will lower the federal funds rate .25% at their upcoming meeting.

With the state of the market in mind, the City conservatively estimated total interest earnings for 2019 and 2020 at approximately \$315,000 for both years.

Trend: Interest earnings will remain stable for 2020, though the investment market and economy for future years could fluctuate depending on international developments and Federal Reserve policies.

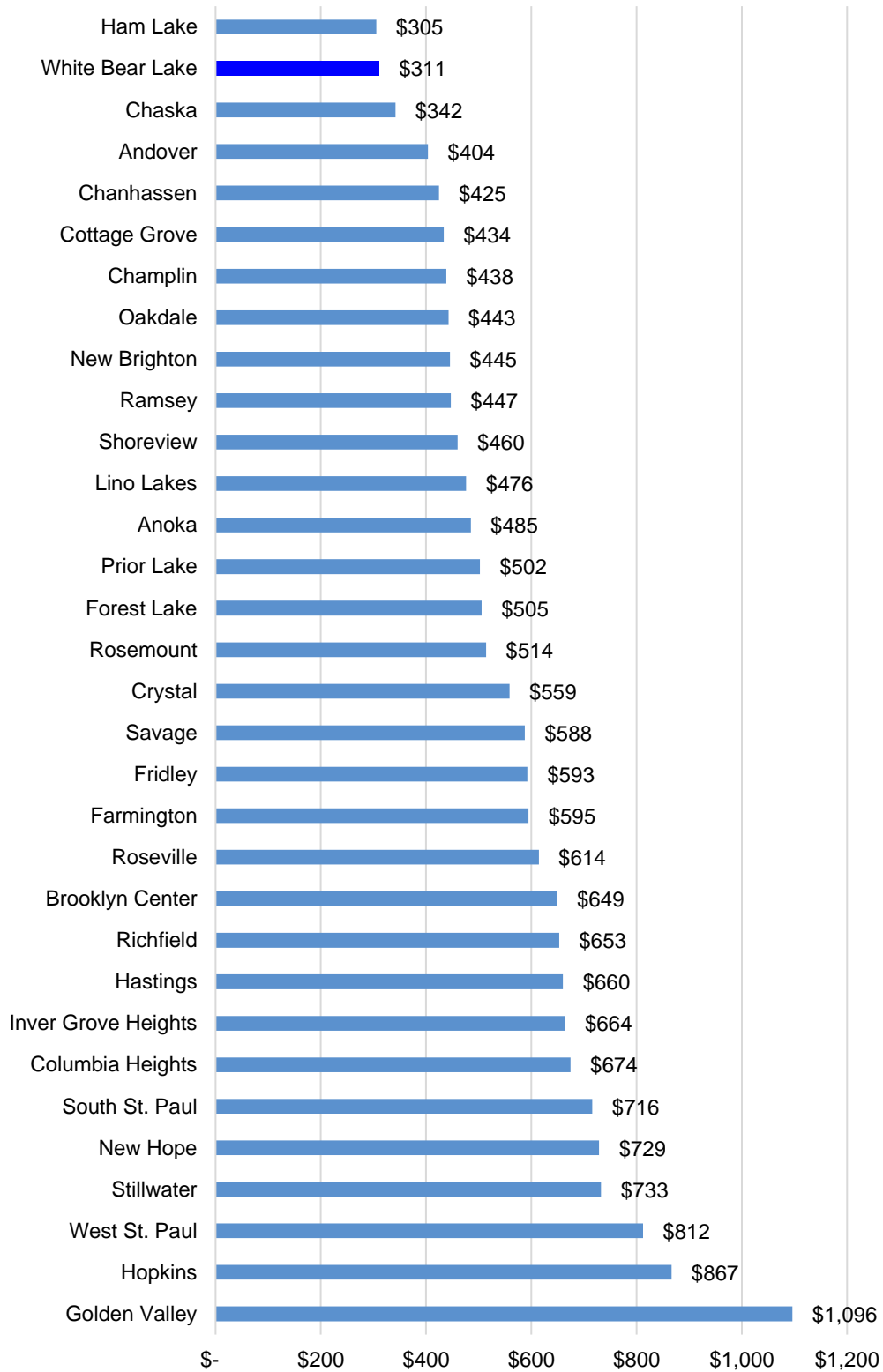
Other Revenues – This includes miscellaneous sources of revenue, which do not fit into any other categories. In the enterprise funds, they include the non-operating revenues of forfeited discounts, sale of scrap and surplus.

Trend: These revenue sources are expected to maintain constant over the next several years



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

## 2019 Tax Levy and Local Government Aid per Capita for Metro Cities with a Population Between 16,000 - 37,000



**City of White Bear Lake  
Tax Levy**

**Annual Budget**

Tax Levy Year	Total	General Levy	Debt Service			Emerald Ash Borer
			Municipal Facilities	YMCA/Sports Center	Street Construction	
2010	\$ 4,666,000	\$ 4,468,000	\$ 66,000	\$ 132,000	\$ -	\$ -
2011	4,666,000	4,468,000	66,000	132,000	-	-
2012	4,755,000	4,557,000	66,000	132,000	-	-
2013	4,755,000	4,557,000	-	198,000	-	-
2014	4,845,000	4,779,000	-	66,000	-	-
2015	4,927,000	4,795,000	-	132,000	-	-
2016	5,173,000	5,041,000	-	132,000	-	-
2017	5,625,000	5,493,000	-	132,000	-	-
2018	6,345,000	5,993,000	-	132,000	220,000	-
2019	6,908,000	6,450,000	-	132,000	301,000	25,000

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

**Annual Budget**

Item	Property Value for Taxes Collectable in 2017	Property Value for Taxes Collectable in 2018	Property Value for Taxes Collectable in 2019	Property Value for Taxes Collectable in 2020
<b>Market Value</b>	\$ 2,363,681,100	\$ 2,558,489,600	\$ 2,739,232,500	\$ 2,928,329,300
<b>Taxable Property Value</b>				
Real estate	\$ 26,067,338	\$ 28,577,080	\$ 30,809,390	\$ 32,965,900
Personal property	593,786	622,593	659,373	652,466
Total property value	<u>26,661,124</u>	<u>29,199,673</u>	<u>31,468,763</u>	<u>33,618,366</u>
Tax increment project valuations	<u>(420,167)</u>	<u>(475,519)</u>	<u>(515,812)</u>	<u>(529,704)</u>
Subtotal - City	26,240,957	28,724,154	30,952,951	33,088,662
Fiscal disparity contribution	<u>(2,730,705)</u>	<u>(2,916,271)</u>	<u>(3,206,991)</u>	<u>(3,463,468)</u>
Net Tax Capacity Value	23,510,252	25,807,883	27,745,960	29,625,194
Fiscal disparity contribution	<u>3,623,055</u>	<u>3,725,181</u>	<u>3,966,912</u>	<u>4,137,050</u>
Total Tax Capacity	<u>\$ 27,133,307</u>	<u>\$ 29,533,064</u>	<u>\$ 31,712,872</u>	<u>\$ 33,762,244</u>
<b>Tax Capacity Rate</b>				
Levy	\$ 5,173,000	\$ 5,625,000	\$ 6,345,000	\$ 6,908,000
Fiscal disparity	<u>(713,386)</u>	<u>(706,621)</u>	<u>(756,030)</u>	<u>(833,341)</u>
Net Levy	<u>4,459,614</u>	<u>4,918,379</u>	<u>5,588,970</u>	<u>6,074,659</u>
Divide by net tax capacity	<u>23,510,252</u>	<u>25,807,883</u>	<u>27,745,960</u>	<u>29,625,194</u>
Tax Capacity Rate	<u>18.969%</u>	<u>19.058%</u>	<u>20.143%</u>	<u>20.505%</u>

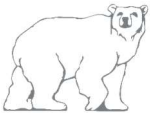
**City of White Bear Lake**

**Annual Budget**

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

Tax Levy Year	Total	City	School District	County	Other
2008	83.56	16.52	15.42	44.02	7.59
2008*	0.21	-	0.21	-	-
2009	88.88	15.30	19.40	46.55	7.64
2009*	0.17	-	0.17	-	-
2010	96.23	16.52	21.72	50.07	7.92
2010*	0.19	-	0.19	-	-
2011	103.26	17.71	22.52	54.68	8.36
2011*	0.24	-	0.24	-	-
2012	117.31	19.94	26.10	61.32	9.96
2012*	0.25	-	0.25	-	-
2013	125.34	21.45	28.56	65.14	10.19
2013*	0.26	-	0.26	-	-
2014	123.22	21.10	28.56	63.74	9.83
2014*	0.27	-	0.27	-	-
2015	115.13	20.37	26.66	58.92	9.18
2015*	0.24	-	0.24	-	-
2016	113.86	19.69	26.24	58.89	9.05
2016*	0.24	-	0.24	-	-
2017	106.85	18.97	23.48	55.85	8.56
2017*	0.23	-	0.23	-	-
2018	104.60	19.06	23.63	53.69	8.22
2018*	0.22	-	0.22	-	-
2019	107.06	20.14	26.03	52.65	8.23
2019*	0.23	-	0.23	-	-
2020	107.68	20.51	26.79	52.16	8.22
2020*	0.22	-	0.22	-	-

\* Additional voter approved levy. Voter approved referendums are levied against market value rather than tax capacity value of the taxing authority. The voters in School District 624 approved a referendum on November 5, 2019. The effect of that referendum has not been included in this calculations.



# City of White Bear Lake, Minnesota

## How to Calculate Your Residential Property Taxes Payable

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

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

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

The chart below demonstrates how the estimated market value is used to calculate property taxes payable in 2020 for a residential homestead.

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

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

**City of White Bear Lake  
2020 Budget Summary**

**Annual Budget  
All Funds**

Item	2017 Actual	2018 Actual	2019 Adopted	2019 Revised	2020 Budget
<b>Revenues</b>					
General property taxes	\$ 5,103,715	\$ 5,579,394	\$ 6,224,000	\$ 6,224,000	\$ 6,775,068
Tax increment	485,211	523,062	449,000	471,100	449,000
Special assessments	1,268,891	1,405,265	1,237,200	989,927	877,200
Licenses and permits	687,808	775,165	750,400	747,150	758,300
Franchise fees & fines	390,525	386,926	410,000	421,154	418,000
Intergovernmental	3,386,338	4,206,916	3,426,297	3,613,780	3,444,201
Charges for services	8,700,920	9,458,073	10,415,300	10,249,000	10,786,440
Interest on investments	155,731	266,126	65,000	85,000	85,000
Rental income	1,724,203	1,775,553	1,782,500	1,799,640	1,667,800
Loan repayments	465,044	470,770	467,500	357,500	72,500
Bond sale	-	9,247,580	2,130,000	2,289,334	4,725,000
Reimbursements	2,775,296	2,935,521	3,357,230	3,357,230	3,460,938
Miscellaneous	1,427,459	2,420,537	901,000	1,308,418	1,307,990
Total operating revenues	<u>26,571,141</u>	<u>39,450,888</u>	<u>31,615,427</u>	<u>31,913,233</u>	<u>34,827,437</u>
Transfers in	<u>4,691,434</u>	<u>3,653,466</u>	<u>3,925,000</u>	<u>3,795,476</u>	<u>2,785,900</u>
Total revenues	<u>31,262,575</u>	<u>43,104,354</u>	<u>35,540,427</u>	<u>35,708,709</u>	<u>37,613,337</u>
<b>Expenditures</b>					
Personnel services	12,893,301	13,583,338	15,273,688	15,514,777	16,721,225
Materials and supplies	968,475	1,474,549	1,189,630	1,213,136	1,212,971
Other services and charges	8,354,159	9,880,021	8,433,358	8,713,409	8,981,179
Capital outlay	5,389,475	11,269,057	5,848,100	7,066,463	9,557,750
Debt service	793,051	826,828	1,155,051	1,132,551	1,221,055
Total expenditures	<u>28,398,461</u>	<u>37,033,793</u>	<u>31,899,827</u>	<u>33,640,336</u>	<u>37,694,180</u>
Transfers out	<u>3,392,285</u>	<u>3,718,467</u>	<u>4,312,500</u>	<u>4,037,976</u>	<u>2,569,500</u>
Total expenditures and transfers out	<u>31,790,746</u>	<u>40,752,260</u>	<u>36,212,327</u>	<u>37,678,312</u>	<u>40,263,680</u>
Reserves	<u>(479,098)</u>	<u>480,975</u>	<u>(318,000)</u>	<u>(676,125)</u>	<u>123,500</u>
Total expenditures and reserves	<u>31,311,648</u>	<u>41,233,235</u>	<u>35,894,327</u>	<u>37,002,187</u>	<u>40,387,180</u>
Revenues over (under) expenditures and reserves	(49,073)	1,871,119	(353,900)	(1,293,478)	(2,773,843)
Fund balance January 1	<u>15,542,333</u>	<u>15,493,260</u>	<u>15,206,410</u>	<u>17,364,379</u>	<u>16,070,901</u>
Fund balance December 31	<u>\$ 15,493,260</u>	<u>\$ 17,364,379</u>	<u>\$ 14,852,510</u>	<u>\$ 16,070,901</u>	<u>\$ 13,297,057</u>

**City of White Bear Lake  
2020 Budget Summary**

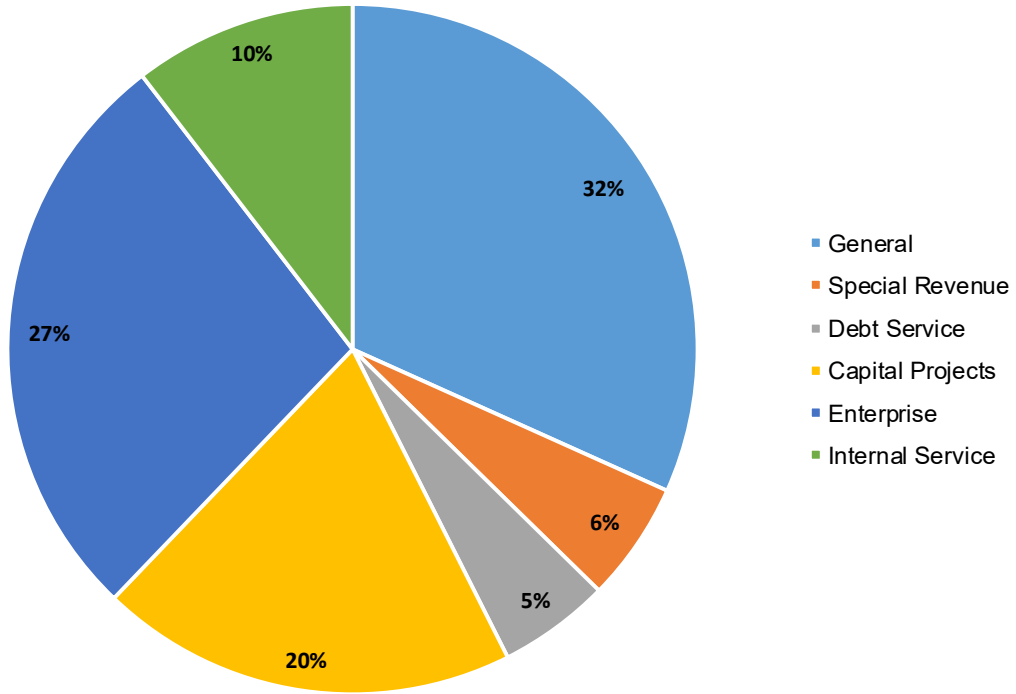
**Annual Budget  
By Fund Type**

<b>Fund Description</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Budget</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Revenue</b>					
General	\$ 9,624,801	\$ 10,283,893	\$ 11,707,997	\$ 11,680,321	\$ 11,935,215
Special Revenue	3,395,774	2,082,327	1,669,850	1,739,527	2,108,690
Debt Service	2,028,353	2,794,077	2,673,000	2,934,105	1,968,810
Capital Projects	3,895,033	15,425,909	5,938,000	5,112,012	7,367,300
Enterprise	9,042,856	9,096,592	9,767,000	10,261,574	10,302,954
Internal Service	3,275,758	3,421,556	3,784,580	3,981,170	3,930,368
Total revenue	<u>31,262,575</u>	<u>43,104,354</u>	<u>35,540,427</u>	<u>35,708,709</u>	<u>37,613,337</u>
<b>Expenditures</b>					
General	9,463,543	10,115,006	11,348,004	11,219,812	11,934,398
Special Revenue	2,260,888	1,768,792	1,752,014	2,721,538	2,156,505
Debt Service	2,109,421	3,071,605	2,377,936	2,216,635	1,951,405
Capital Projects	5,735,015	13,595,676	7,469,050	7,868,348	9,733,060
Enterprise	8,683,457	8,995,592	9,621,823	9,710,880	10,575,887
Internal Service	3,538,422	3,205,589	3,643,500	3,941,100	3,912,425
Total expenditures	<u>31,790,746</u>	<u>40,752,260</u>	<u>36,212,327</u>	<u>37,678,312</u>	<u>40,263,680</u>
Reserves	<u>(479,098)</u>	<u>480,975</u>	<u>(318,000)</u>	<u>(676,125)</u>	<u>123,500</u>
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Fund balance December 31	<u>\$ 15,493,260</u>	<u>\$ 17,364,379</u>	<u>\$ 14,852,510</u>	<u>\$ 16,070,901</u>	<u>\$ 13,297,057</u>

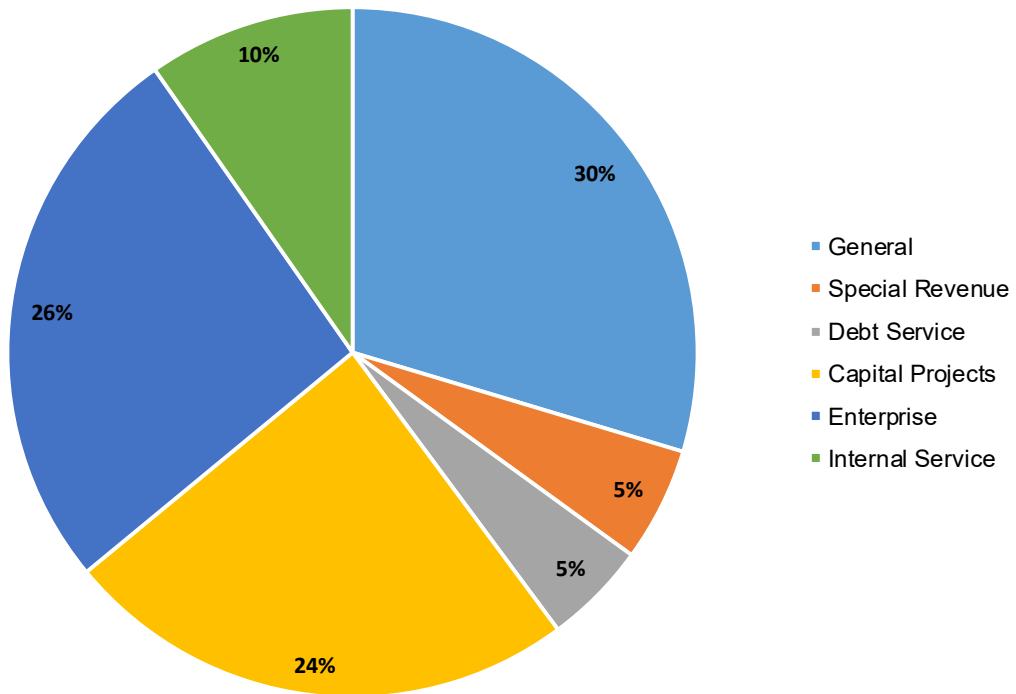


# 2020 Budget by Fund Type

Total Revenues \$37,613,337



Total Expenditures \$40,263,680



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

**Annual Budget  
Full-Time Equivalent Positions**

	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>General Fund</b>					
General Government					
Legislative	6.50	6.50	6.50	6.50	6.50
Administration	2.30	2.50	2.50	2.50	2.50
Finance	5.00	5.00	5.00	5.00	5.00
City Hall	1.40	2.00	2.00	2.00	2.00
Elections (1)	0.20	-	-	-	-
Planning	4.00	3.00	3.00	3.00	3.00
Total General Government	19.40	19.00	19.00	19.00	19.00
Public Safety					
Police	32.00	32.40	33.00	34.65	35.65
Fire (2)	58.00	56.75	59.10	9.10	10.20
Dispatch (3)	5.50	2.75	1.75	-	-
Building & Code	6.00	6.00	6.00	6.00	6.00
Total Public Safety	101.50	97.90	99.85	49.75	51.85
Public Works					
Engineering (4)	6.00	6.00	6.00	5.00	6.00
Public Works Facility	-	0.90	0.90	0.90	0.90
Streets	4.20	4.00	4.00	4.00	4.00
Parks	6.40	6.00	6.00	6.00	6.00
Central Garage	1.30	1.00	1.00	1.00	1.00
Total Public Works	17.90	17.90	17.90	16.90	17.90
Total General Fund	138.80	134.80	136.75	85.65	88.75
<b>Special Revenue Funds</b>					
Armory	0.35	0.35	0.35	0.35	0.35
Surface Water	0.50	0.50	0.50	0.50	0.50
Sports Center	3.50	4.15	4.15	4.15	4.15
Economic Development	0.50	1.50	1.50	1.50	1.50
Total Special Revenue Funds	4.85	6.50	6.50	6.50	6.50
<b>Enterprise Funds</b>					
Water Distribution	2.55	2.55	2.55	2.55	2.55
Water Treatment	2.15	2.15	2.15	2.15	2.15
Sewer	4.40	4.40	4.40	4.40	4.40
Ambulance (2)	24.25	24.25	24.80	31.90	35.80
Licensing	11.10	11.30	11.30	11.40	12.80
Total Enterprise Funds	44.45	44.65	45.20	52.40	57.70
Total	188.10	185.95	188.45	144.55	152.95
Total Full Time Equivalents	110.10	114.45	116.95	113.55	116.95
Firefighters (Volunteer/Paid-on-call)	55.00	55.00	55.00	5.00	6.00
Ambulance support (Paid-on-call)	17.00	10.50	10.50	20.00	24.00
Mayor & Council	6.00	6.00	6.00	6.00	6.00
Total	188.10	185.95	188.45	144.55	152.95

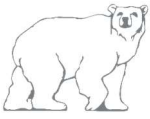
All positions are presented as full-time equivalent except for Mayor & Council which are part time and Firefighters (paid-on-call), and ambulance paid-on-call support who are considered volunteers.

(1) As of 2018, election services are outsourced to Ramsey County.

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

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

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

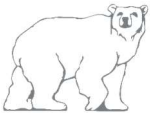


The 2019-2022 Strategic Plan is one of many strategic documents that were used as a guide in the preparation of the City’s annual budget. The Strategic Plan serves as a road map to prioritize the initiatives, resources, goals, and department operations and projects. The major themes (or strategic priorities)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

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

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

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



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

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

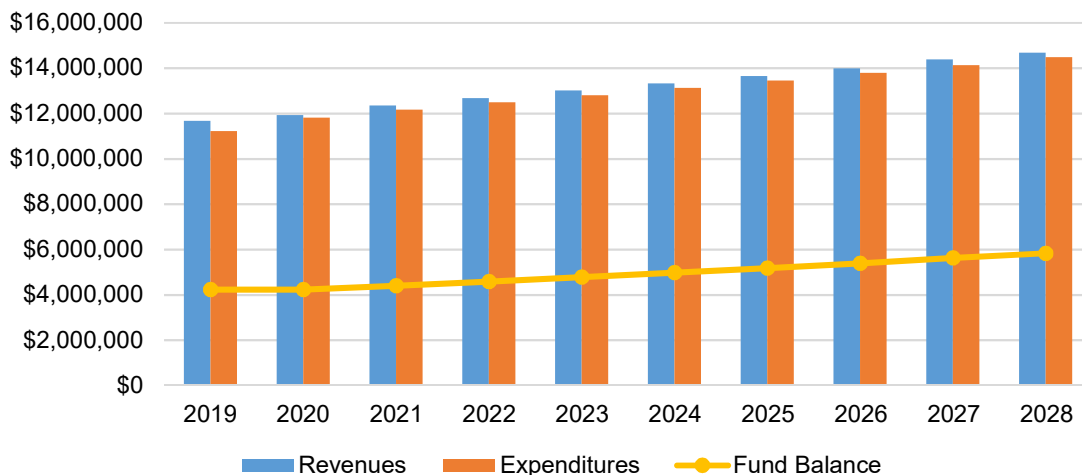
Items impacting the long-term financial management plan include:

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

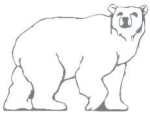
The plan also reflects that the population will continue to remain stable over the next 10 years as the City is a primarily built-out community with few undeveloped sites left.

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

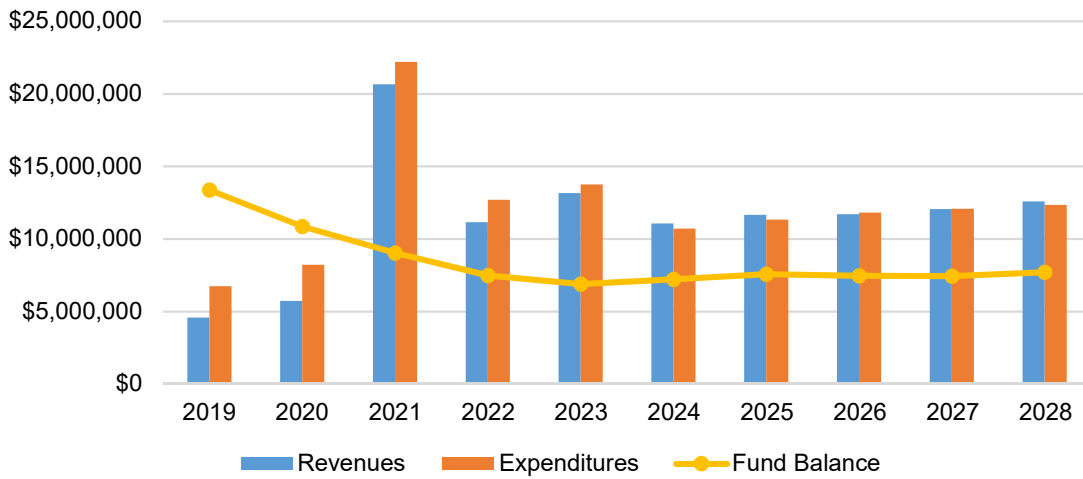
## General Fund



The capital project funds in the financial management plan are the Equipment Acquisition, Municipal Building, Park Improvement, Community Reinvestment, and Interim Construction Funds. For each of these funds, annual operating expenditures are projected to increase by 2.5% per year, capital expenditures are projected to increase by 4.0%, interest earnings are projected to increase by 1.5%, and all other non-property tax revenues are projected to increase by 2.0%. The large spike in 2021 occurs within the Municipal Building Fund, which expects approximately \$10,000,000 for an expansion to the Public Safety Facility. The City intends to bond for this project.

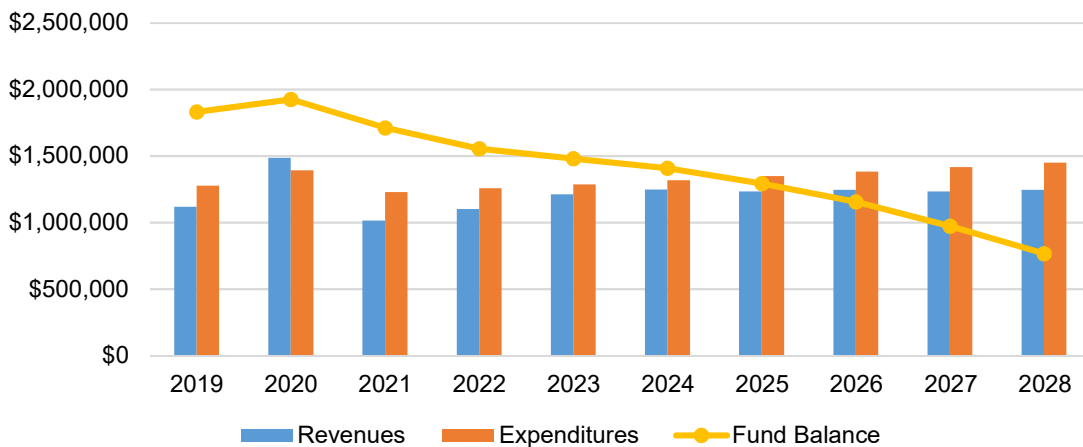


### Capital Project Funds

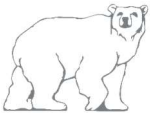


The special revenue funds included in the financial management plan are the Sports Center and Economic Development Funds. For both of these funds, capital expenditures are projected to increase by 4.0% each year, operating expenditures are projected to increase by 2.0%, interest earnings are projected to increase by 1.5%, and all other non-property tax revenues are projected to increase by 2.0%. The City currently does not levy property taxes for the Sports Center Fund, but beginning in 2022, the financial management plan projects that the City will begin levying. Similarly, the City currently does not levy property taxes in the Economic Development Fund, but is projected to do so beginning in 2023. The fund balance begins to decrease in 2021 due to a planned increase economic development spending.

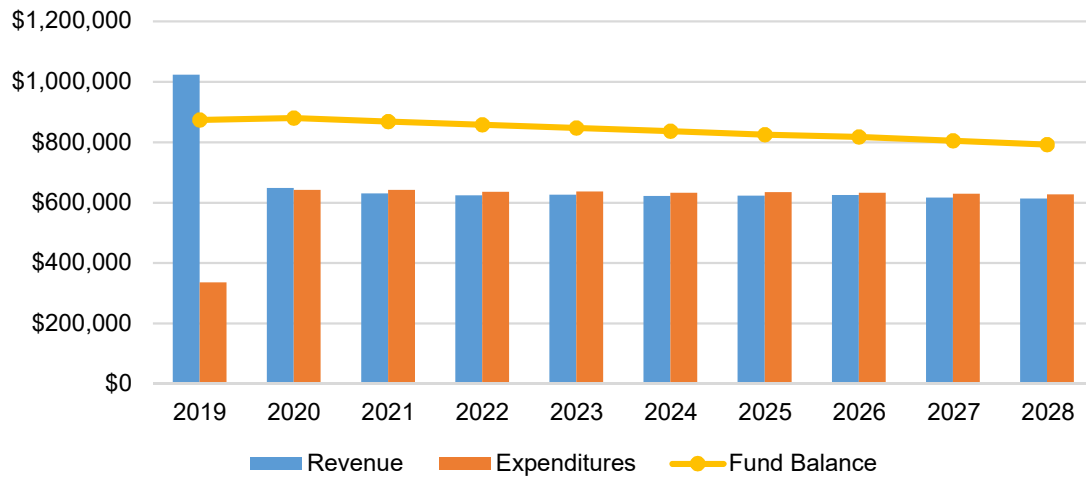
### Special Revenue Funds

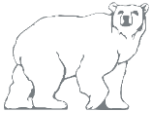


The debt service funds included in the financial management plan are the 2018A GO Bond and 2018B GO Tax Abatement Bond Funds. The fund balance goal in both funds is 105% of the next year's debt payment. Revenues projected include annual contributions from the White Bear Lake Hockey Association according to the financial agreement entered into with the City to pay a portion of bond costs, special assessments, and property taxes.



### Debt Service Funds





# City of White Bear Lake, Minnesota

## 2020 Annual Budget – Capital Improvement Plan

The City's Capital Improvement Plan (CIP) allows for the prioritization of projects that maximize public investment and avoid duplication, waste, and conflict while meeting safe standards and public expectations. By looking at future needs, the City is better able to find funding sources to fill the gaps and to coordinate projects with other jurisdictions. The capital investments vary in type and value, but each is important to the department making the purchase. The 2019-2020 approved capital purchases are incorporated into the budget for all departments.

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

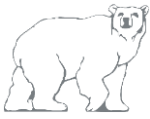
Departments evaluate the need for CIP projects and submit their proposed requests in February of each year. In late-February, the City Manager and Finance Director discuss the proposed requests with each department and prepare a draft CIP. In early-March, the City Council holds a CIP workshop, followed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

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

Many of the capital improvement items contained in the budget will produce operational savings; however, some of the items will require on-going operational costs. These operational savings or on-going costs cannot be expertly quantified until the following budget year. The operating budget impacts are expected to remain relatively unchanged, as the overwhelming majority of all capital replacements are funded by pre-established capital funding sources. The City does not anticipate any non-routine capital expenditures and expects that all capital purchases will be made on a regular schedule depending upon the item's useful life at the time replacement is anticipated. Capital expenditures will not occur if the item's useful life exceeds its estimated replacement life.

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

2019-2020 total per the Capital Improvement Plan	\$ 16,588,313
Total CIP in budget document:	
Ambulance Fund	257,200
Economic Development Fund	1,012,000
Equipment Acquisition Fund	3,395,025
Interim Construction Fund	7,886,600
Marina Fund	40,000
Municipal Building Fund	903,238
Park Improvement Fund	665,700
Pioneer Manor Fund	51,050
Sewer Fund	567,800
Sewer Improvement Fund	274,200
Water Fund	6,000
Water Improvement Fund	1,529,500
	1,529,500
Total	\$ 16,588,313



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

The department set aside \$235,200 in 2019 for the purchase of a new ambulance to replace the 2015 Road Rescue E450. In addition, there are plans in 2022 to replace the 2010 Ford E450. The department typically uses four ambulances in its operations, with two ambulances stored at each fire station. The department primarily functions with three units, using the fourth oldest unit when there are four simultaneous calls for service, or if one of the main units is out of service for maintenance.

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

The City budgeted \$865,000 in 2019 for the purchase of 3 acres of land adjacent to the Public Works department for additional space at their facility to accommodate growing storage needs. Once acquired, the City platted re-zoned the property. A neighboring business agreed to purchase half of the three acres at a 50/50 cost share with the City for the property and subsequent expenses in late 2019.

The City owns Bellaire Center, which is home to a rental property with two retailers, a dance center, and a Montessori school. The CIP includes \$87,000 of funds set aside in 2019 for parking lot repairs, lighting improvements, and a roof safety railing.

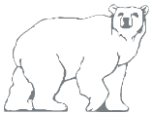
The Plan earmarked \$100,000 in funds over 2020 and 2021 to construct city entrance monuments at two key areas in the southern section of the City.

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

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

- **Building (4104)** – The Building department has budgeted \$67,000 over the next three years for vehicle replacement. The vehicles to be replaced include two 2006 Ford F150s and one 2007 Ford F150.
- **City Hall (4102)** – Routine computer and office equipment replacements are budgeted at a total of \$260,000 over the next five years. Computer licensing expenditures are budgeted at \$75,000 over the same time period. In 2020, the City intends to update City Hall security by installing key card access and a new security system for \$25,000. The City has also budgeted \$25,000 in 2020 for a legal review and update to the City's existing codes.
- **Engineering (4105)** – The Engineering department budgeted \$30,000, \$40,000, and \$30,000 in 2020, 2021, and 2022, respectively, for the replacement of vehicles. An additional \$5,000 is budgeted in 2020 to replace failing data collector equipment.
- **Fire (4109)** – The replacement of three fire engines are the most significant requests in the Fire CIP for a total of \$2,340,000 over the five years shown. Approximately \$133,000 was also budgeted over the same time period for miscellaneous fire equipment including hoses, hose racks, 800MHZ radios, gas monitors, and exercise equipment.
- **Parks (4107)** – The majority of CIP requests for the Parks department occur in 2019. This includes the replacement of two aging pick-up trucks at \$30,500 each, and the purchase of an 11-foot mower for \$65,000.
- **Police (4108)** – The Police department includes \$690,500 over the life of the CIP for police squad car replacements. Currently, the Police department replaces three cars per year, but it is their goal to begin replacing four cars per year by 2023. The remainder of the Police department CIP includes the replacement of computers and office equipment budgeted at \$210,000 for 2019-2023, body cameras at \$30,000 per year for a total of \$150,000, and other miscellaneous equipment including 800MHZ portable radios and squad laptop computers.
- **Sports Center (4119)** – The Sports Center CIP includes \$150,000 budgeted for the replacement of a Zamboni in 2022. This would replace the current Zamboni, a 2002 Olympia Ice Resurfer.





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

- **Streets (4106)** – The Streets department has budgeted for the replacement of several large vehicles and equipment over the next five years, including three dump trucks, a John Deere Loader, and a trackless sidewalk plow. The department has also set aside funds for the replacement of other smaller vehicles and equipment including two ¾-ton pick-up trucks, a paver unit, a Wildcat snow blower, and several plows.

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

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

- **General Expenditures** - The City maintains decorative streetlights for the downtown area, along Lake Avenue, and in the median of County Road 96. The CIP has allocated \$105,000 over 2020 and 2021 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 2021 for decorative light pole painting. The CIP also sets aside \$50,000 per year for general repairs and maintenance.
- **Emerald Ash Borer** – The Emerald Ash Borer is an invasive beetle that is one of the most destructive and costly forest insects in urban forest history. Proper treatment and prevention can protect healthy ash trees. The Emerald Ash Borer program budgets \$131,000 over the life of the CIP for Emerald Ash Borer prevention and treatment of the City's ash trees.
- **Crack Sealing and Sealing Coating** – Crack sealing prevents moisture from infiltrating the pavement, which weakens the structural subsurface layers of the road and causes pavement deterioration. In correlation with sealcoating, this work prolongs the life of a pavement that is structurally sound but beginning to age and show some surface distress. The City's plan provides for crack sealing and seal coating of a street every five to seven years. Approximately \$435,000 has been budgeted for crack sealing over the life of the CIP. The plan allocates approximately \$1,030,000 for seal coating between the years of 2019-2023.
- **Street Reconstruction Projects:**
  - **Mill and Overlay Improvements** – The Mill and Overlay Rehabilitation Program removes the top 2 inches of asphalt off the existing damaged road surface and then applies a new layer of asphalt, creating a smooth, even driving surface, which extends the overall life of the road. The City's plan provides for a mill and overlay process in the 20<sup>th</sup> – 25<sup>th</sup> year of the street's life cycle. Mill and overlay improves the condition of the City's streets, and is less expensive than street reconstruction. Miles of streets rehabilitated each year varies – as of 2018, 15% of streets have been completed city-wide since 2011. In 2019-2023, \$6,138,000 has been earmarked for the Rehabilitation Program.
  - **Street Reconstruction** – The Street Reconstruction Program involves completely removing and replacing the roadway pavement and base layers. Street reconstruction projects also include repairs to underground utility infrastructure. These projects are more extensive and expensive than the other repair stages and typically include new concrete curb and gutter. The City's plan provides for reconstructing streets at roughly the 50<sup>th</sup> year in the street's life cycle. The city reconstructs approximately 2-3 miles of streets each year, prioritizing the streets selected for reconstruction based on a rating system (pavement condition, drainage problems, etc.), area, and special projects and/or requests of property owners. Over 77 miles, or 91%, of streets have been reconstructed through 2018. Approximately \$18,330,000 in reconstruction is planned in 2019-2023 through the Reconstruction Program.

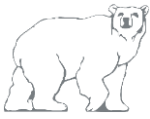
### **Marina Fund (Business Unit 2052)**

The Marina Fund has \$40,000 budgeted in 2020 for dock spud pole replacements and \$50,000 budgeted in 2021 for the replacement of an aging boat.

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

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

- **Armory (4308)** – The White Bear Armory, constructed in 1922-23, currently operates as a multi-purpose rental facility for local non-profit groups, private parties and recreational activities. As the building ages, maintenance costs continue to rise. The CIP supports the purchase of front and rear metal doors for \$25,000 in 2019 and gym ceiling repairs for \$10,000 in 2020.



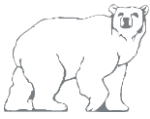
## City of White Bear Lake, Minnesota 2020 Annual Budget – Capital Improvement Plan Discussion

- **Boatworks Commons (4322)** – Boatworks Commons is a redevelopment area featuring a multi-family apartment building, public parking ramp, a multi-tenant retail building with a lakefront restaurant, public art, restrooms, and a public boardwalk. The plan includes a 2020 appropriation of \$10,000 to light the art sculpture in the outdoor common area, \$5,000 is budgeted in 2021 to seal the community room wood floors, and another \$15,000 is budgeted in 2022 for parking ramp painting.
- **Community Counseling Center (4306)** – The City rents the former Counseling Center facility to a non-profit organization that provides mental health and social services to residents in the surrounding area. The rent proceeds fund building improvements and major maintenance projects. The plan allocates \$15,000 for facility lighting improvements.
- **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:
  - \$60,000 in 2019 to change Heating, Ventilation, and Air Conditioning (HVAC) thermostats to electronic thermostats
  - \$51,000 in 2020 for License Bureau layout change in order to improve efficiency and add more space for customer lines
  - \$175,000 in 2021 for window replacements
  - \$120,000 in 2021 for exhaust fans and wells
  - \$100,000 in 2022 for air handler replacement
- **Depot (4323)** – The Depot, originally built in 1935 and rehabilitated in the 1980s, offers office space for the White Bear Area Chamber of Commerce and features a display of railroad history by the White Bear Lake Area Historical Society. Its use remains the same today. In 2020, \$20,000 was set aside in the CIP to perform maintenance on the aging building, and an additional \$30,000 was set aside in 2021 to replace the paver block walkway.
- **Fire Station 1 (4312)** – Fire Station 1 was built in 1959. In the CIP, the Fire department has budgeted \$63,000 in 2021 for a garage exhaust system and an HVAC unit. In 2022, \$35,000 was budgeted for a CoRayVac infrared heater.
- **Fire Station 2 (4314)** – Fire Station 2, built in 1972, receives needed remodeling of the first level living quarters and kitchen, budgeted at \$51,000 in 2019 and \$10,000 in 2020, respectively. Additionally, \$40,000 is budgeted for a garage exhaust system in 2020 and \$35,000 for a dumpster enclosure in 2021.
- **Public Safety Facility (4310)** – The Public Safety Facility, built in 1996, houses the Police Station and main Fire Department offices. One of the improvements the Police and Fire Departments hope to implement is the construction of a public safety garage for police and additional fire equipment. The City owns the two properties directly across from the station and are currently utilizing one for surface parking. \$10,000,000 has been budgeted for the construction of a public safety facility in 2021.
- **Public Works Facility (4316)** – The current Public Works Facility was constructed in 2010. The 2019-2023 CIP includes \$144,000 for LED lighting, \$225,000 for a facility backup generator, and \$85,000 for a canopy for the fuel island.
- **Sports Center (4320)** – The Sports Center underwent a facility renovation during 2018. The CIP includes a budget of \$15,000 for commissioning of the newly reconstructed building in 2019.

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

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

- **Lions Park (4036)** – Improvements for Lions Park in the CIP include \$85,000 for a shelter replacement and \$122,000 for a restroom replacement, both of which were budgeted for in 2021.
- **Lakewood Hills (4033)** – Over the life of the CIP, \$209,300 is budgeted to put towards general maintenance, including fixture replacements and trail maintenance. \$60,000 is budgeted in 2020 for pavement for the softball complex. Residents have expressed a desire for a “fitness trail”, an outdoor route with exercise stations that provide a variety of strength building exercises that can be done in between walking or jogging along the trail. The CIP includes \$30,000 for the exercise



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

stations in 2023.

- **Matoska Park (4039)** – The Matoska Park CIP budgets a total of \$50,300 for general maintenance, including picnic table and bench replacements. It has also budgeted \$30,000 for exercise stations in 2023.
- **Memorial Beach (4045)** – \$240,000 is budgeted in the CIP in 2021 for the addition of a retaining wall and pavilions at Memorial Beach.
- **General Parks (4012)** – The General Parks CIP accounts for general expenditures for all parks from 2019-2023 including Arbor Day plantings of \$41,000, playground equipment at \$72,000, tree trimming at \$50,000, and bench restoration at \$32,200.
- **Veteran's Memorial Park (4066)** - \$72,500 is budgeted over the life of the CIP for general maintenance, including paver and lighting replacements.
- **West Park (4069)** – The CIP includes \$115,000 for a picnic shelter upgrade.

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

Pioneer Manor is a City-owned senior living facility. The CIP has allocated \$76,050 in funds to Pioneer Manor for general maintenance expenditures including carpeting replacements, painting, and window replacements.

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

The CIP includes funding of \$450,000 for the replacement of a vactor/jetter truck, which is the vehicle used to clean sewers, in 2019. Additional smaller items consist of upgrades to GraniteNet software system used with the televising camera to perform sewer line inspections and helps staff make informed decisions on the condition of the pipes, and sewer inspection cameras.

### **Sewer Improvement Fund (Business Units 4202 & 4204)**

The Sewer Improvement Fund CIP provides funding for sanitary sewer lining projects, which install a fiberglass liner to the pipe to add strength and integrity, has been allocated \$615,000 in funds from 2019-2023. The plan also allocates funds to repair several sewer lift stations, which pump wastewater or sewage from a lower to higher elevation, at a total of \$45,800.

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

The Water Fund CIP supports the replacement of a tandem axle tanker truck in 2021 for \$215,000 and the replacement of a truck utility body in 2020 for \$30,000.

### **Water Improvement Fund (Business Units 4222 & 4224)**

The Water Improvement Fund CIP provides funding for system-wide expansion and improvements to the City's water production and distribution network. The significant projects included in the CIP are detailed below:

- **Pump Improvements (4224)** – Well rehabilitations occur every five years for the City's four wells on a rotating schedule. \$137,000 in rehabs are budgeted in the CIP over the next five years.
- **Equipment Improvements (4222)** – \$1,300,000 in funds have been earmarked in 2020 for the 1MG water tower exterior painting.
- **Building Improvements (4222):**
  - One of the goals of the Water Department is to convert all meters over to Neptune units to improve meter reading efficiency. As of August 2019, 1,566 of the City's 8,202 water meters are Neptune units. Once all meters are converted, the Water Department plans on a 15-year replacement cycle. The CIP allocates \$3,025,000 in funds for meter replacement.
  - \$200,000 has been set aside in 2021 for the purchase of a backup generator for the water treatment plant.
  - \$365,000 is budgeted for the rehabilitation and painting of the filter room over the five years presented in the CIP.
  - \$100,000 is budgeted in 2021 for fencing and automatic gates for the water treatment plant.

City of White Bear Lake

Annual Budget  
Capital Improvement Plan

Business Unit	Funding Source	2019	2020	2021	2022	2023
<b>Ambulance Fund</b>						
5252	Replace VIN 8884	\$ 235,200	\$ -	\$ -	\$ -	\$ -
5252	Replace VIN 5651	-	-	-	275,000	-
5252	Rescue equipment and technology	-	22,000	-	-	-
	Total Ambulance Fund	235,200	22,000	-	275,000	-
<b>Economic Development Fund</b>						
4242	City south entrance monuments	-	50,000	50,000	-	-
4247	Normandy Center SW parking lot	-	55,000	-	-	-
4248	Boatworks Monument Lighting	-	10,000	-	-	-
4247	Normandy Center roof safety railing	-	10,000	-	-	-
4247	Normandy Center - parking lot light	-	10,000	-	-	-
4247	Normandy Center - north panel	-	12,000	-	-	-
4242	Public works land for storage	865,000	-	-	-	-
	Total Economic Development Fund	865,000	147,000	50,000	-	-
<b>Equipment Acquisition Fund</b>						
4104	Building - vehicle replacement	22,000	22,500	22,500	-	-
4116	Cell tower sites	-	-	-	25,000	-
4102	City hall - technology	100,200	198,100	78,100	83,100	83,100
4105	Engineering - vehicles and survey equipment	-	35,000	40,000	30,000	-
4109	Fire - engine replacement	540,000	1,200,000	-	600,000	-
4109	Fire - equipment	50,275	42,250	18,000	18,000	-
4107	Parks - vehicles and equipment	149,900	2,600	4,000	-	-
4108	Police - vehicles and equipment	292,200	297,000	273,500	267,000	277,500
4118	Public Works - mechanic equipment and technology	22,300	5,000	152,500	2,500	2,500
4119	Sports Center - technology and equipment	3,500	33,500	-	-	-
4119	Sports Center - zamboni	-	-	-	150,000	-
4106	Streets - large vehicle and equipment replacement	-	225,000	230,000	-	595,000
4106	Streets - small vehicle and equipment replacement	71,700	82,000	65,500	90,000	40,000
	Total Equipment Acquisition Fund	1,252,075	2,142,950	884,100	1,265,600	998,100
<b>Interim Construction Fund</b>						
4402	General Expenditures	50,000	50,000	180,000	50,000	50,000
4491	Emerald ash borer	31,000	25,000	25,000	25,000	25,000
4404	Seal coating and crack sealing	135,100	300,000	280,000	375,000	375,000
	Miscellaneous concrete	65,000	63,000	64,500	66,000	67,500
	Sanitary Sewer	-	165,000	110,000	-	-
	Street reconstruction projects	3,437,500	3,565,000	5,895,000	5,555,000	6,165,000
	Total Interim Construction Fund	3,718,600	4,168,000	6,554,500	6,071,000	6,682,500
<b>Marina Fund</b>						
2052	Spud pole extensions	-	40,000	-	-	-
2052	Boat	-	-	50,000	-	-
	Total Marina Fund	-	40,000	50,000	-	-

City of White Bear Lake

Annual Budget  
Capital Improvement Plan

Business Unit	Funding Source	2019	2020	2021	2022	2023
<b>Municipal Building Fund</b>						
4308	Armory	27,500	10,000	-	-	-
4322	Boatworks Commons	-	-	5,000	15,000	-
4306	Community Counseling Center	-	-	15,000	-	-
4304	City Hall	140,500	102,000	307,500	100,000	-
4323	Depot	-	20,000	30,000	-	-
4312	Fire Station 1	-	5,000	63,000	35,000	-
4314	Fire Station 2	55,000	74,000	35,000	-	-
4310	Public Safety Facility	63,525	79,500	10,025,000	43,000	18,000
4316	Public Works Facility	92,000	94,000	302,500	85,000	-
4320	Sports Center	6,500	130,000	-	-	-
4321	City-wide	3,713	-	-	-	-
	Total Municipal Building Fund	388,738	514,500	10,783,000	278,000	18,000
<b>Park Improvement Fund</b>						
4015	Bassard Park	1,000	-	-	-	-
4079	Boatworks Park	-	2,700	2,700	2,700	27,700
4012	Downtown	-	4,500	15,500	-	-
4021	Ebba Park	-	-	3,000	4,300	-
4012	Goose Lake	-	-	-	10,000	-
4024	Hidden Hollow Park	3,000	-	2,000	32,000	-
4036	Lions Park	2,500	-	-	207,000	-
4033	Lakewood Hills	100,300	75,000	-	12,500	111,500
4039	Matoska Park	25,800	-	-	-	54,500
4045	Memorial Beach	-	-	240,000	-	-
4012	General parks	41,200	43,000	43,000	43,000	25,000
4048	Podvin Park	1,600	40,000	-	-	6,200
4051	Railroad Park	16,000	20,000	-	-	12,000
4054	Ramaley Park	-	-	-	-	30,800
4057	Rotary Nature Preserve	3,800	-	-	-	30,300
4060	Spruce Park	-	-	-	-	9,600
4063	Stellmacher Park	3,700	-	-	-	-
4065	Varney Lake	800	800	800	-	800
4066	Veteran's Memorial Park	22,000	40,000	-	-	10,500
4069	West Park	11,000	145,000	-	-	9,700
4072	Weyerhauser Park	30,500	20,000	-	-	-
4078	Yost Park	11,500	-	-	-	-
	Total Park Improvement Fund	274,700	391,000	307,000	311,500	328,600
<b>Pioneer Manor Fund</b>						
5302	Paint outside trim	1,000	-	-	-	-
5302	Main floor hallway carpeting	10,050	-	-	-	-
5302	Common area light fixtures	-	4,000	-	-	-
5302	Second floor carpeting	-	11,000	-	-	-
5302	Paint entry way	-	-	6,000	-	-
5302	New foyer furniture and décor	-	-	4,000	-	-
5302	Paint additional common areas	-	-	-	10,000	-
5302	New furniture and décor	-	-	-	5,000	-
5302	Window replacement	-	25,000	-	-	-
	Total Pioneer Manor Fund	11,050	40,000	10,000	15,000	-
<b>Sewer Fund</b>						
5052	Replace Vector/Jetter (35-05)	-	450,000	-	-	-
5052	QZ3 video inspection system	-	20,000	-	-	-
5052	Granite software GIS mapping module	-	35,000	-	-	-
5052	Metal detector	800	-	-	-	-
5052	Truck arrowboard	1,000	-	-	-	-
5052	Granite software upgrade	-	16,000	-	-	-
5052	Inspection camera	-	45,000	-	-	-
	Total Sewer Fund	1,800	566,000	-	-	-

City of White Bear Lake

Annual Budget  
Capital Improvement Plan

Business Unit	Funding Source	2019	2020	2021	2022	2023
<b>Sewer Improvement Fund</b>						
4204	Sanitary sewer lining projects	115,000	125,000	125,000	125,000	125,000
4202	Lift station 1 - pump 1 and 2	-	-	-	3,500	-
4202	Lift station 7 - pump 1 and 2	-	-	-	-	2,500
4202	Lift station 14 - pump 1 impeller	-	-	2,400	-	-
4202	Lift station 15 - pump 1 and 2	-	3,000	-	-	-
4202	Lift station 16 - pump 1 and 2	-	-	3,200	-	-
4202	Lift station 20 - pump 2	-	1,200	-	-	-
4202	Whitaker lift station gate valve	-	30,000	-	-	-
	Total Sewer Improvement Fund	<u>115,000</u>	<u>159,200</u>	<u>130,600</u>	<u>128,500</u>	<u>127,500</u>
<b>Water Fund</b>						
5012	Replaced tandem axle tanker (28-04)	-	-	215,000	-	-
5012	Replace utility body for truck (73-10)	-	-	-	30,000	-
5013	Water treatment plant mower	-	6,000	-	-	-
	Total Water Fund	<u>-</u>	<u>6,000</u>	<u>215,000</u>	<u>30,000</u>	<u>-</u>
<b>Water Improvement Fund</b>						
4224	Pump improvements	27,000	60,000	35,000	-	36,500
4222	Equipment improvements	50,000	1,250,000	5,000	2,500	-
4222	Building Improvements	102,500	40,000	1,650,000	1,100,000	1,000,000
	Total Water Improvement Fund	<u>179,500</u>	<u>1,350,000</u>	<u>1,690,000</u>	<u>1,102,500</u>	<u>1,036,500</u>
	Total	<u>\$ 7,041,663</u>	<u>\$ 9,546,650</u>	<u>\$ 20,674,200</u>	<u>\$ 9,477,100</u>	<u>\$ 9,191,200</u>

**RESOLUTION NO. 12493**

**RESOLUTION APPROVING THE 2019 TAX LEVY  
COLLECTIBLE IN 2020**

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, 2019; and

WHEREAS, detail for the revised 2019 and 2020 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 2019, collectible in 2020, upon the taxable property in said City of White Bear Lake for the following purposes:

General Fund	\$6,450,000
Municipal Building – YMCA/Sport Center	
Debt Service	132,000
Street Construction 2018 Debt Service	220,000
Street Construction 2019 Debt Service	81,000
Interim Construction Fund – Emerald Ash Borer	<u>25,000</u>
Gross Levy	6,908,000
Less: Fiscal Disparity	<u>(833,341)</u>
Net Levy	<u>\$6,074,659</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 2020 on all outstanding bond issues, and the deferred annual tax levies previously certified to the County Auditor are hereby canceled, and replaced by the above debt service tax levy; and

**RESOLUTION NO. 12493**

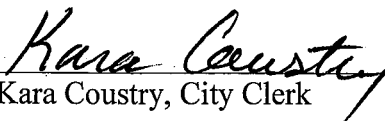
BE IT FURTHER RESOLVED, that the City Clerk is hereby authorized and directed to transmit a certified copy of this resolution to the County Auditor's of Ramsey and Washington Counties, Minnesota, as required by law.

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

Ayes	Biehn, Edberg, Engstran, Jones, Walsh
Nays:	None
Passed:	December 10, 2019

  
Jo Emerson, Mayor

ATTEST:

  
Kara Coustry, City Clerk



**RESOLUTION NO. 12494**

**RESOLUTION ADOPTING THE 2020 BUDGET AND REVISING THE 2019 BUDGET  
AS ADOPTED BY RESOLUTION NO. 12130**

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.12130 adopted the 2020 operating budget; and

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

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of White Bear Lake, Minnesota, that the 2020 operating budget shall be adopted and the 2019 operating budget shall be revised as follows:

<b>Revenue:</b>	<u>2019 Revised</u>	<u>2020 Budget</u>
<u>General Fund</u>		
General Property Tax	\$ 5,855,000	\$ 6,325,068
Franchise Fees and Fines	421,154	418,000
Licenses and Permits	747,150	758,300
Intergovernmental	2,230,987	2,225,297
Charges for Services	626,300	723,400
Miscellaneous	159,730	160,150
Transfers In	1,640,000	1,325,000
Total General Fund	<u>11,680,321</u>	<u>11,935,215</u>
 <u>Special Revenue Funds</u>		
Armory	73,468	73,700
Surface Water Pollution Prevention	119,900	90,400
Marina Operations	388,000	405,000
Sports Center	523,450	538,290
Forfeiture	40,000	40,000
Economic Development	594,709	961,300
Total Special Revenue Funds	<u>1,739,527</u>	<u>2,108,690</u>
 <u>Debt Service Funds</u>		
Municipal Building	284,000	-
Non-Bonded Special Assessment	873,500	715,000
2012 Special Assessment	225,000	205,000
2012 Refunding Tax Increment (PM)	160,000	160,000
2016 Tax Increment (BWC)	135,000	140,000
2018 Construction / Refrigeration	828,563	407,810
2018 Sport Center	195,000	240,000
2019 Street Reconstruction	233,042	101,000
Total Debt Service Funds	<u>2,934,105</u>	<u>1,968,810</u>

**RESOLUTION NO. 12494**

<u>Capital Project Funds</u>		
Equipment Acquisition	944,226	2,295,400
Municipal Building	160,613	176,000
Park Improvement	86,220	115,900
Water Improvement	25,000	1,325,000
Sewer Improvement	17,000	17,000
Construction	3,249,953	3,009,000
HRA Tax Increment	629,000	429,000
Total Capital Project Funds	<u>5,112,012</u>	<u>7,367,300</u>
 <u>Enterprise Funds</u>		
Water Utility	1,614,500	1,693,500
Sewer Utility	3,267,000	3,410,000
Environmental Recycling & Disposal Waste	1,462,869	1,679,254
Ambulance	2,368,534	2,171,000
Pioneer Manor	398,200	402,800
License Bureau	1,150,471	946,400
Total Enterprise Funds	<u>10,261,574</u>	<u>10,302,954</u>
 <u>Internal Service Funds</u>		
Insurance	733,377	723,000
Employee Expense	3,247,793	3,207,368
Total Internal Service Funds	<u>3,981,170</u>	<u>3,930,368</u>
 Revenue Subtotal	 <u>35,708,709</u>	 <u>37,613,337</u>
 Community Reinvestment	 <u>135,000</u>	 <u>114,825</u>
 <b>Total Revenue</b>	 <b><u>\$ 35,843,709</u></b>	 <b><u>\$ 37,728,162</u></b>
 <b>Appropriations/Reserves:</b>	 <u>2019 Revised</u>	 <u>2020 Budget</u>
<u>General Fund</u>		
Legislative	\$ 150,288	\$ 154,567
Administration	379,862	392,701
Finance	619,154	625,238
Legal	58,034	65,869
City Hall	316,802	324,368
Elections	59,911	59,911
Planning	338,164	370,673
Public Safety		
Police	4,563,096	4,915,734
Fire	930,321	997,125
Dispatch	203,000	213,000
Legal Prosecution	149,070	153,763
Animal Control	21,027	22,418
Emergency Preparedness	15,714	16,864
Building and Code Enforcement	585,674	632,278

**RESOLUTION NO. 12494**

<b>Appropriations/Reserves continued:</b>	<u>2019 Revised</u>	<u>2020 Budget</u>
Public Works		
Engineering	644,744	752,775
Facility	194,272	197,471
Garage	141,496	146,807
Streets	560,234	555,241
Snow and Ice Removal	245,609	252,470
Street Lighting	191,101	191,403
Parks	726,917	753,505
Non-Departmental		
General Services	14,220	14,220
Senior Bus	7,500	7,500
Lake Conservation District	36,600	34,000
Northeast Youth and Family Services	42,000	44,000
Contingency	-	15,500
Transfers	25,000	25,000
Reserves	425,000	150,000
Total General Fund	<u>11,644,812</u>	<u>12,084,398</u>
<u>Special Revenue Funds</u>		
Armory	79,282	82,053
Surface Water Pollution Prevention	144,071	250,356
Marina Operations	359,935	429,760
Sports Center	615,701	603,691
Forfeiture	61,650	40,650
Economic Development	660,899	787,496
Total Special Revenue Funds	<u>1,921,538</u>	<u>2,194,005</u>
<u>Debt Service Funds</u>		
Municipal Building	285,000	-
Non-Bonded Special Assessment	1,025,276	727,000
2012 Special Assessment	207,153	205,302
2012 Refunding Tax Increment (PM)	175,500	172,300
2016 Tax Increment (BWC)	131,188	133,913
2018 Construction / Refrigeration	216,952	413,581
2018 Sports Center	119,208	228,625
2019 Street Reconstruction	56,358	70,684
Total Debt Service Funds	<u>2,216,635</u>	<u>1,951,405</u>
<u>Capital Project Funds</u>		
Equipment Acquisition	1,140,075	2,152,950
Municipal Building	388,738	520,500
Park Improvement	274,700	391,000
Water Improvement	179,500	1,350,000
Sewer Improvement	115,000	159,200
Construction	4,827,475	4,918,000
HRA Tax Increment	639,535	247,410
Total Capital Project Funds	<u>7,565,023</u>	<u>9,739,060</u>

**RESOLUTION NO. 12494**

Enterprise Funds

Water Utility	1,612,730	1,594,039
Sewer Utility	2,926,651	3,550,139
Environmental Recycling & Disposal Waste	1,503,102	1,702,255
Ambulance	2,238,603	2,235,162
Pioneer Manor	409,320	399,620
License Bureau	1,025,474	1,024,672
<b>Total Enterprise Funds</b>	<u>9,715,880</u>	<u>10,505,887</u>

Internal Service Funds

Insurance	726,200	488,700
Employee Expense	3,214,900	3,423,725
<b>Total Internal Service Funds</b>	<u>3,941,100</u>	<u>3,912,425</u>

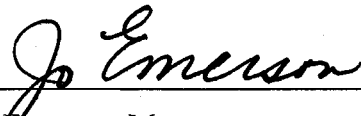
Appropriations/Reserves Subtotal	<u>37,004,987</u>	<u>40,387,180</u>
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Community Reinvestment	<u>135,000</u>	<u>238,900</u>
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<b>Total Appropriations/Reserves</b>	<u><u>\$ 37,139,987</u></u>	<u><u>\$ 40,626,080</u></u>
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The foregoing resolution, offered by Councilmember **Biehn**, and seconded by Councilmember **Jones**, was declared carried on the following vote:

Ayes: Biehn, Edberg, Engstran, Jones, Walsh  
 Nays: None  
 Passed: December 10, 2019

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

ATTEST:

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

**RESOLUTION NO. 12495**

**RESOLUTION COMMITTING FUND BALANCES FOR SPECIFIC PURPOSE**

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

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

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

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

Fund	Purpose	Amount	
		2019	2020
<b>General</b>	Cash Flow	\$3,860,000	\$4,010,000
<b>Special Revenue</b>			
Armory	Community Utilization	47,053	68,701
Surface Water Pollution Prevention	Storm Water Run Off Control	781,839	621,883
Marina Operations	Community Utilization	195,059	170,299
Sports Center	Community Utilization	136,011	70,610
Forfeiture	Public Safety	39,964	39,314
Economic Development	Economic Improvement	1,695,737	1,869,541
<b>Debt Service</b>			
Municipal Building Department	Municipal Facility	199,034	199,034
Non-Bonded Debt	Special Assessment Fin.	234,315	222,315
Special Assessment - 2012	Construction	29,831	29,529
Tax Increment – 2012	Pioneer Manor	84,086	71,786
Tax Increment – 2016	Boatworks Common	28,637	34,724
G.O. Construction - 2018	Street & S.C. Refrig.	732,335	726,564
G.O. Sport Center – 2018	Facility Renovation	142,000	153,375
G.O. Street Reconstruction - 2019	Street Reconstruction	176,684	207,000
<b>Capital Project</b>			
Municipal Building	Facility Construction	839,881	501,381
Equipment Acquisition	City Equipment Purchases	860,383	1,002,833
Park Improvement	Park Construction	1,266,749	991,649
Water Improvement	Water Construction	211,057	186,057
Sewer Improvement	Sewer Construction	404,623	262,423
Construction	Street Construction	3,557,720	1,648,720
Community Reinvestment	Construction Financing	7,655,000	7,530,925
HRA	Tax Increment Financing	565,908	747,498


**RESOLUTION NO. 12495**

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

Ayes: Biehn, Edberg, Engstran, Jones, Walsh  
Nays: None  
Passed: December 10, 2019

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

ATTEST:

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

**RESOLUTION NO. 12496**

**RESOLUTION AUTHORIZING CITY CONTRIBUTIONS TOWARDS VOLUNTEER  
AND EMPLOYEE RECOGNITION PRESENTED IN THE  
2019 AND 2020 BUDGET**

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

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

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

WHEREAS, reimbursements fund the Insurance Fund appropriation.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of White Bear Lake that the expenditure budgets for 2019 and 2020 specifically authorizes the following appropriations, which recognize volunteer and employee achievements.

<u>General Fund</u>	<u>2019</u>	<u>2020</u>
Legislative		
Employee Appreciation Lunch	\$ 1,000	\$ 1,000
Service Awards (attached)	1,500	2,500
Civic Promotion (plaques/mugs)	900	1,200
Volunteer Recognition Dinner	1,700	1,700
Police		
Service Awards	100	100
TRIAD Events and Recognition	550	550
DARE	5,900	4,000
Crime Prevention	225	225
Volunteer Shirts/Award	200	200
CPA Shirts and Supplies	1,350	1,650
Emergency Preparedness		
Reserve Recognition	2,665	2,865
Fire		
Service Awards	500	500
Annual Banquet (current and retired)	3,000	7,000
Explorer Recognition	250	250
Pioneer Manor		
Social Activities	1,800	2,400
Insurance		
Safety Awards	25	500

**RESOLUTION NO. 12496**

**RESOLUTION AUTHORIZING CITY CONTRIBUTIONS TOWARDS VOLUNTEER  
AND EMPLOYEE RECOGNITION PRESENTED IN THE  
2019 AND 2020 BUDGET**

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

Ayes:           Biehn, Edberg, Engstran, Jones, Walsh  
Nays:           None  
Passed:        December 10, 2019

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

ATTEST:

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



# Employee Recognition Program

## **Service Recognition Program**

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

## **Eligibility**

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

## **Procedure**

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

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

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

RESOLUTION NO. 12497

RESOLUTION AUTHORIZING AND ACKNOWLEDGING CITY CONTRIBUTIONS AND INVOLVEMENT IN PROMOTING BUSINESS AND CULTURAL ACTIVITIES IN WHITE BEAR LAKE IN THE 2019 AND 2020 BUDGET

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

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

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


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

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of White Bear Lake that the expenditure budgets for 2019 and 2020 specifically authorize the following appropriations for which the City receives services of value exceeding the cost.

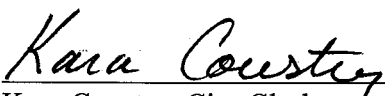
General Fund	2019	2020
Legislative		
Chamber of Commerce	\$ 560	\$ 560
Community Groups	200	400
Economic Development		
Marketfest	7,000	7,000
Historical Society	14,733	14,733

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

Ayes: Biehn, Edberg, Engstran, Jones, Walsh  
Nays: None  
Passed: December 10, 2019

  
Jo Emerson, Mayor

ATTEST:

  
Kara Coustry, City Clerk

**Fund: General Fund 1000**

**Department Activities and Responsibilities:**

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

**Budget Summary:**

The General Fund receives revenue from seven major funding sources. The following paragraphs describes each source type in detail with reflection of current trends.

Revenues - Property Taxes

Taxes apply to all general taxable property within the City's boundaries. The City determines the property tax levy needed to support general operations after reviewing the other revenue sources and department expenditures required to provide City services at the level directed by the City Council.

**Revenue Trend:** 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 \$6,908,000, of which \$6,475,000 or 94% supports General Fund operations. The City Council's philosophy has been to maintain a steady revenue stream, which eliminates wide fluctuations and provides residents with transparency in understanding tax levy increases.

Revenues - Franchise Fees & Fines

A 1.5% fee imposed on total electricity consumption within the City's boundaries generate the franchise fee revenue. The City receives fine revenues through two sources. One source is a portion of the revenue the State receives for violation tickets issued within our jurisdiction. The second source is the issuance of City administrative tickets issued by the Police Department. The administrative ticket process allows officials to impose a stern warning and consequence on individuals without issuing a Ramsey County ticket, which carries a higher fine for the offense.

**Revenue Trend:** Annual electrical consumption continues to grow in our community, even though residents strive to conserve energy in their daily lives. The City typically budgets for a 3.00% increase in this revenue source to account for growth, but the amount received often exceeds that estimate. This scenario held true in 2019 as franchise fee revenues increased 7.00% above the amount received in 2018. The City cannot depend on this level of change each year; therefore, the 2020 Budget anticipates a more conservative growth trend. The City could consider modifying the franchise fee agreement to apply a higher rate to the consumption total or impose a flat fee for residential and commercial locations. Any franchise fee changes would provide additional revenue, which would allow a reduction in the General Fund's reliance on property taxes for revenue.

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

Revenues - Business Licenses

The City requires businesses operating in liquor sales, cigarette sales, entertainment operations, gambling activities and residential rental activities to receive a license from the City before the business operations can commence.

**Revenue Trend:** Ideally, the license fee should cover the administrative costs associated with monitoring the business activities. Since this was not the case for many of the fees, the City increased some of the business licenses in 2017, replacing fees that had been in place since 2004. An annual review of the rates allows staff to review the current fee structure and recommend increases to ensure the fees provide the revenue needed for this function.

**Fund: General Fund 1000**

Revenues - Non-Business Licenses

The City requires businesses and residents planning construction activities on their properties to obtain a permit through an approval process before beginning the project to confirm the plans conform to State codes and City ordinances. Project values drive the calculation of some permit fees, while other permits have a flat fee.

**Revenue Trend:** As with Business Licenses, the Non-Business Permit fees did not change between 2004 and 2017. 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. The fee structure is reviewed annually to maintain 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 White Bear Lake Area School District has a \$326 million bond referendum on the November 2019 ballot 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. If passed, the referendum would increase building permit activity.

The City issues two types of non-business permits that do not relate to construction activity. First, residents pay an animal permit fee when they 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 the revenues it receives from Federal, State and Local agencies that support general government operations in the General Fund. Of the funding sources in this category, the primary support received is the state Local Government Aid (LGA). The state created the LGA program to stabilize the local property taxes and ensure that quality basic city services are available in all Minnesota cities, regardless of population or property tax base. Since LGA is an important part of the City's budget, consistent funding helps in planning for current and future years. The State of Minnesota has not indicated any potential changes to the funding amount or distribution formula.

For many years, the City budgeted a significant portion of LGA revenues to the General Fund to reduce reliance on property tax revenues. The 2019 Budget incorporated a philosophical change in how LGA is allocated to reduce uncertainty in the General Fund, especially in times of economic downturn. Instead of supporting only the General Fund, LGA now also helps to support the Equipment Acquisition Fund and the Municipal Building Fund. The General Fund Budget was balanced by through re-allocation of levy revenues previously dedicated to these two capital funds, toward the General Fund. This plan decreases the General Fund's direct reliance on LGA.

**Revenue Trend:** At this point, the City expects LGA funding to remain consistent in the near-term; however, reallocation of a portion of these funds into the capital funds will mitigate the impact on operations in the event of an aid reduction.

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

The State's Police and Fire Relief Aid funding comes from a 2% surcharge applied to both automotive and property insurance coverages and is designed to help finance pension obligations for police officers and paid on-call firefighters. 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.

In contrast, the State distributes Fire Aid based on the property liability insurance premiums imposed on properties within the Department's service district. The Fire Aid also increased, in part due to higher amounts

**Fund: General Fund 1000**

collected through the surcharge on property insurances.

**Revenue Trend:** The City expects the Police Aid funding level to remain consistent through the next several years. In 2018, the Fire Relief Association Board and City Council both approved a transition of the Association’s retirement fund management from the Association’s Board to the Minnesota Public Employees Retirement Association (PERA). PERA will only handle investment activities and accounting duties related the retirement funds; the Board and City Council will retain oversight of fund balances and increases in pension payments. The City will continue to receive the annual Fire Aid payment; however, instead of payment to the City, the funds will go directly to PERA for deposit to the Fire Relief Association’s account.

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

**Revenue Trend:** The City will continue its partnership with the School District to fund the School Resource Officer program in the schools.

The Police Department utilizes grant programs through the State of Minnesota and Ramsey County to fund safety initiatives for the community.

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

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

Revenues - Charges for Service

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

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

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

Revenues - Miscellaneous Income and Transfers

Interest earnings and rental income are the significant revenue items in the Miscellaneous Income

**Fund: General Fund 1000**

category. Donations and reimbursement funds are also included in this area when received.

**Revenue Trend:** The City's ability to generate interest earnings directly corresponds to the Federal Reserve's discount rate. The City's interest earnings dropped significantly when the Federal Reserve held the discount rate at extremely low levels between 2009 and 2016. The Federal Reserve began gradually increasing the discount rate in 2017. This increase will provide slightly higher interest earnings for the City. The Budgets for 2019 and 2020 conservatively estimate interest earnings due to the uncertainty of future adjustments to the discount rate by the Federal Reserve.

The Water, Sewer, Refuse, and Ambulance Funds contribute to the General Fund through internal transfers to cover administrative costs associated with each of the funds. The Ambulance Fund transfer also includes a reimbursement to the General Fund for a portion of the dispatch costs, the monthly Health Savings Account contribution for ambulance personnel, and the monthly life insurance costs for ambulance personnel.

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

Expenditures

The budget presents General Fund departmental expenditures with a detailed description of department activities and responsibilities, goals and measurable workload data. The City implemented performance indicators in 1999 to assess department operations and help in the budgeting process. In the 2019 Budget, the budget process changed performance measurements to measurable workload data to assist departments in tracking their activities and improve their budgeting work. This budget reports actual data for 2017 and 2018 and estimated results for 2019 and 2020.

**Reserve:**

The General Fund's major revenue sources are property taxes and local government aid, which are received in July and December each year. Police State Aid, which partially funds police officers' pension costs, become available in October. The gap between receiving these revenue sources and paying the City's operating expenses is bridged by the General Fund cash flow reserve. The reserve fund is \$4,010,000 as of December 31, 2020, to maintain a balance of approximately one-half of these revenue sources as follows:

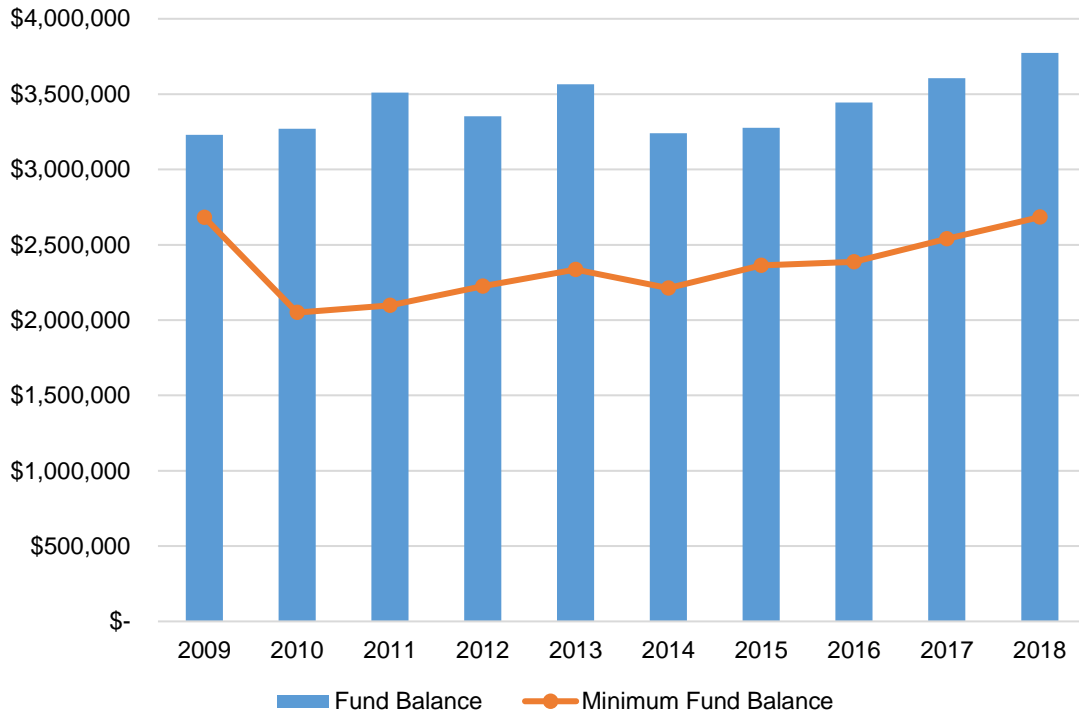
Property Tax	\$6,350,068
Local Government Aid	1,202,297
Police Aid	<u>249,000</u>
Total	<u>7,801,365</u>
Reserves at 50%	<u>3,900,682</u>
Budgeted reserve	<u>4,010,000</u>

As stated above, it has been the City's practice to maintain a steady revenue stream, which eliminates wide fluctuations and provides residents with rational explanations for tax levy and service charge increases. The 2020 tax levy maintains this philosophy.

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

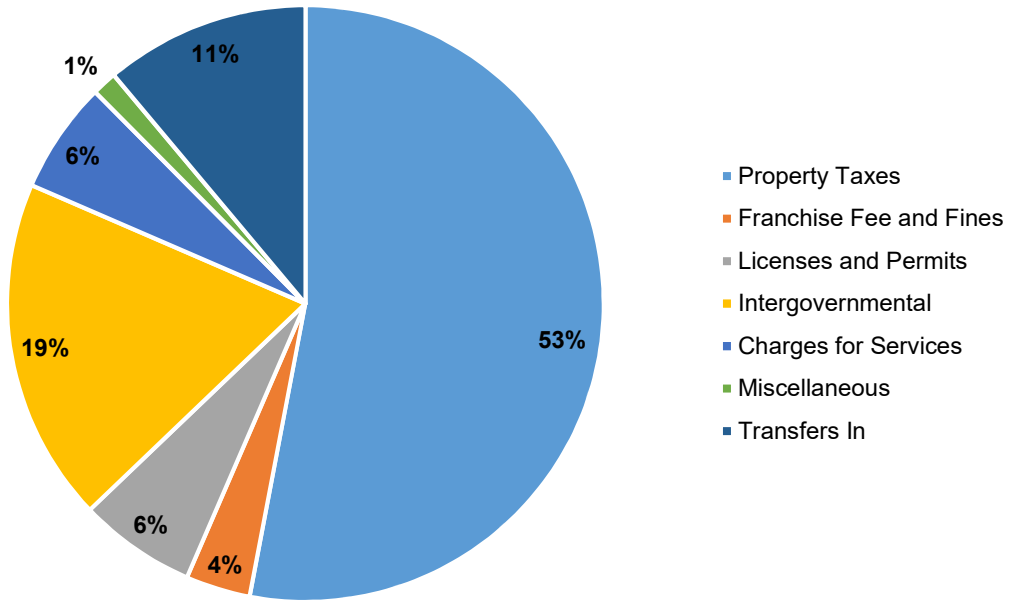
Fund: General Fund 1000

### Total Fund Balance History

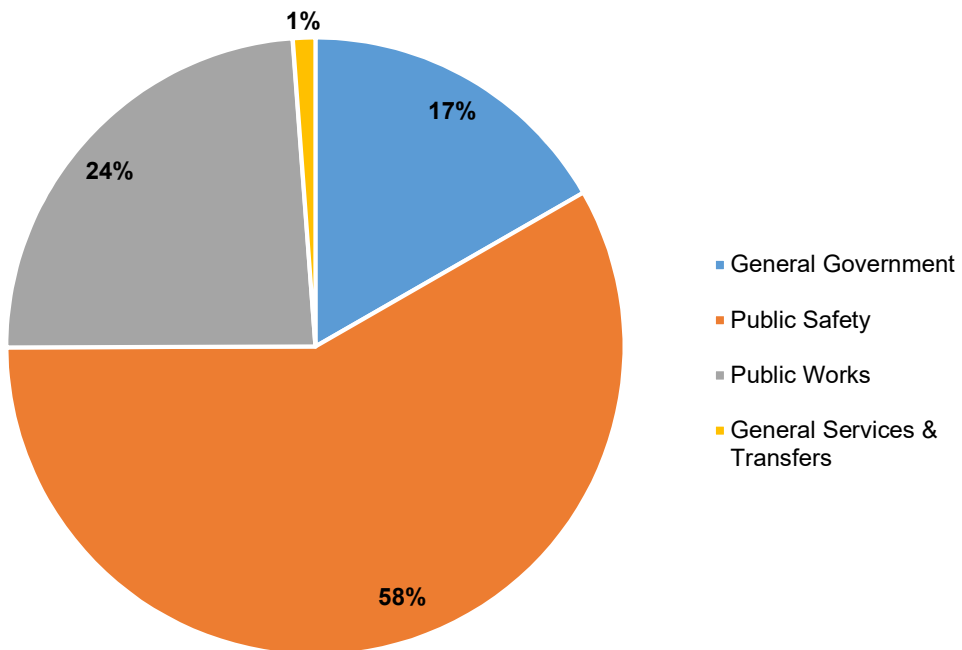


# 2020 General Fund Budget

Total Revenues \$11,935,215



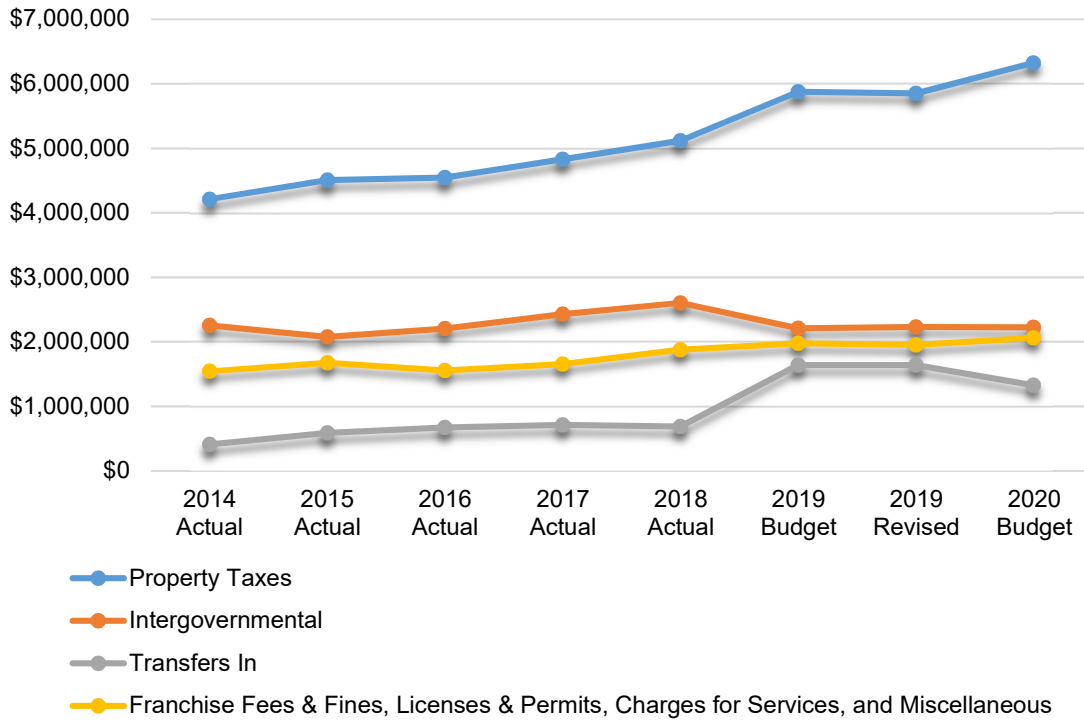
Total Expenditures \$11,934,398



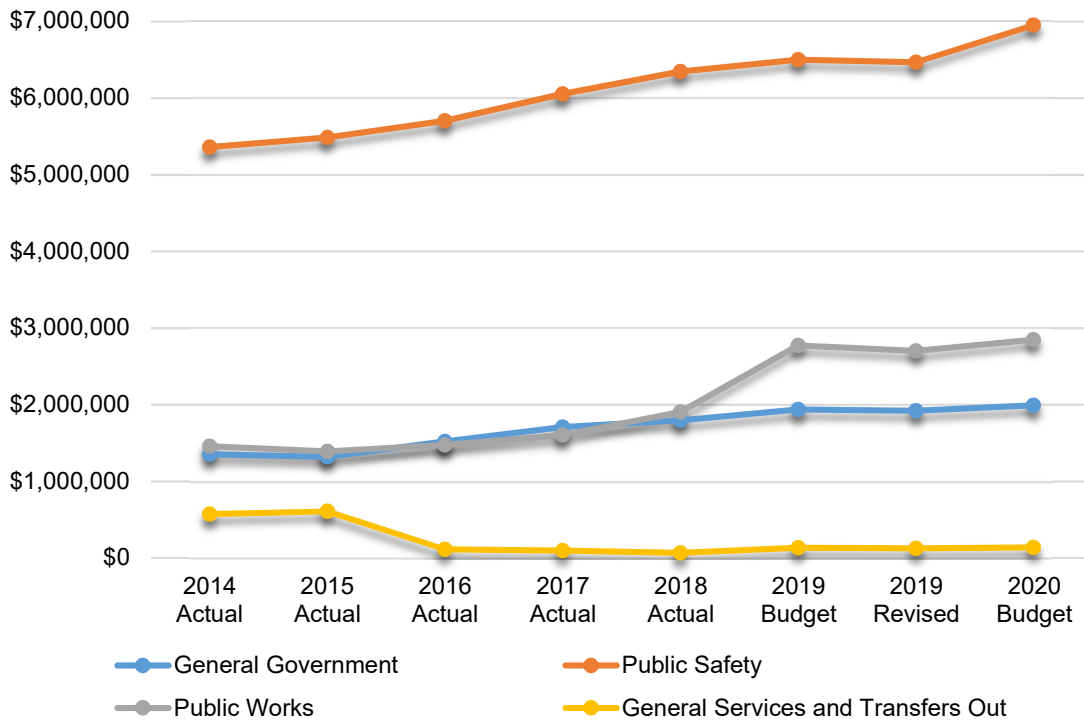


# General Fund Trend Analysis

## General Fund Revenue



## General Fund Expenditures



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

**Annual Budget**

<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Revenue</b>					
Property taxes	\$ 4,828,315	\$ 5,116,594	\$ 5,880,000	\$ 5,855,000	\$ 6,325,068
Franchise fees and fines	390,525	386,926	410,000	421,154	418,000
Licenses and permits	687,808	775,165	750,400	747,150	758,300
Intergovernmental	2,431,199	2,604,171	2,211,297	2,230,987	2,225,297
Charges for services	489,299	562,967	630,300	626,300	723,400
Miscellaneous	87,655	151,150	186,000	159,730	160,150
Total Operating Revenue	<u>8,914,801</u>	<u>9,596,973</u>	<u>10,067,997</u>	<u>10,040,321</u>	<u>10,610,215</u>
Transfers In	710,000	686,920	1,640,000	1,640,000	1,325,000
Total Revenue	<u>9,624,801</u>	<u>10,283,893</u>	<u>11,707,997</u>	<u>11,680,321</u>	<u>11,935,215</u>
<b>Expenditures</b>					
General government	1,706,984	1,795,399	1,937,435	1,922,215	1,993,326
Public safety	6,053,454	6,346,758	6,502,124	6,467,903	6,951,182
Public works	1,604,299	1,904,524	2,774,225	2,704,374	2,849,671
General service and contingency	73,806	43,325	109,220	100,320	115,220
Total operating expenditures	<u>9,438,543</u>	<u>10,090,006</u>	<u>11,323,004</u>	<u>11,194,812</u>	<u>11,909,398</u>
Transfers out	25,000	25,000	25,000	25,000	25,000
Total expenditures	<u>9,463,543</u>	<u>10,115,006</u>	<u>11,348,004</u>	<u>11,219,812</u>	<u>11,934,398</u>
Revenues over (under) expenditures	<u>161,258</u>	<u>168,887</u>	<u>359,993</u>	<u>460,509</u>	<u>817</u>
Reserve adjustment (to) from	<u>(105,000)</u>	<u>(85,000)</u>	<u>(230,000)</u>	<u>(425,000)</u>	<u>(150,000)</u>
Fund balance January 1	<u>198,521</u>	<u>254,779</u>	<u>179,470</u>	<u>338,666</u>	<u>374,175</u>
Fund balance December 31	<u>\$ 254,779</u>	<u>\$ 338,666</u>	<u>\$ 309,463</u>	<u>\$ 374,175</u>	<u>\$ 224,992</u>
Reserve for operations	<u>3,350,000</u>	<u>3,435,000</u>	<u>3,665,000</u>	<u>3,860,000</u>	<u>4,010,000</u>
Total fund balance and reserve for operations	<u>\$ 3,604,779</u>	<u>\$ 3,773,666</u>	<u>\$ 3,974,463</u>	<u>\$ 4,234,175</u>	<u>\$ 4,234,992</u>

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

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

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>General Property Taxes</b>						
4015	Current	\$ 4,102,145	\$ 4,381,973	\$ 5,088,970	\$ 5,063,970	\$ 5,456,727
4040	Fiscal disparities	698,900	695,791	756,030	756,030	833,341
	Total current ad valorem taxes	<u>4,801,045</u>	<u>5,077,764</u>	<u>5,845,000</u>	<u>5,820,000</u>	<u>6,290,068</u>
4025	Delinquent	24,185	37,245	30,000	30,000	30,000
4030	Penalties and interest	3,085	1,585	5,000	5,000	5,000
	Total general property tax	<u>4,828,315</u>	<u>5,116,594</u>	<u>5,880,000</u>	<u>5,855,000</u>	<u>6,325,068</u>
<b>Franchise Fee</b>						
5095	Franchise fee - utilities	<u>301,463</u>	<u>308,569</u>	<u>315,000</u>	<u>330,154</u>	<u>325,000</u>
<b>Licenses and Permits - Business</b>						
4305	Liquor, intoxicating	85,510	84,731	87,000	87,000	87,000
4307	Liquor, nonintoxicating	3,525	3,837	6,000	3,000	3,000
4309	Cigarette	3,750	4,050	5,000	3,450	3,500
4311	Entertainment	1,245	745	1,400	800	800
4315	Rental housing fee	16,383	20,629	19,000	17,000	19,000
4317	General contractor	9,533	12,296	12,500	12,500	12,500
4319	Solicitor	2,450	1,950	2,500	1,600	2,000
4321	Service station	5,925	5,925	6,500	5,000	5,000
4323	Other	5,380	5,033	5,000	5,000	5,000
4325	Gambling permits	2,325	2,675	2,500	2,700	2,500
	Total business licenses and permits	<u>136,026</u>	<u>141,871</u>	<u>147,400</u>	<u>138,050</u>	<u>140,300</u>
<b>Non-Business</b>						
4345	Animal	4,430	2,244	3,000	4,600	3,000
4350	Launch	9,000	10,000	10,000	10,000	10,000
4405	Building	321,897	379,508	365,000	365,000	380,000
4406	Building plan reviews	88,979	98,147	90,000	90,000	95,000
4415	Electrical	36,589	37,389	40,000	40,000	30,000
4420	Heating and air conditioning	44,412	56,133	45,000	45,000	45,000
4425	Plumbing	29,705	32,472	35,000	35,000	35,000
4430	Water and sewer	3,175	4,170	3,000	3,000	3,000
4435	Sign	9,595	7,251	8,000	5,000	7,000
4437	Driveway	4,000	5,980	4,000	4,000	4,000
4439	Right of way				7,500	6,000
	Total non-business licenses and permits	<u>551,782</u>	<u>633,294</u>	<u>603,000</u>	<u>609,100</u>	<u>618,000</u>
	Total licenses and permits	<u>687,808</u>	<u>775,165</u>	<u>750,400</u>	<u>747,150</u>	<u>758,300</u>
<b>Fines</b>						
4510	County	75,573	64,159	80,000	80,000	80,000
4520	Administrative - City fines	749	1,158	1,000	1,000	1,000
4522	Administrative - City share of State fines	12,740	13,040	14,000	10,000	12,000
	Total Fines	<u>89,062</u>	<u>78,357</u>	<u>95,000</u>	<u>91,000</u>	<u>93,000</u>
<b>Intergovernmental</b>						
4604	Federal grants	122,194	92,358	180,000	177,300	172,000
4624	State local government aid	1,456,765	1,500,002	1,202,297	1,202,297	1,202,297
4626	State aid street maintenance	126,000	290,000	375,000	375,000	375,000
4630	State police relief aid	249,820	250,128	249,000	266,390	265,000
4632	State fire relief aid	232,194	241,116	-	-	-
4636	State 911 distribution	33,850	11,283	-	-	-
4644	State police POST board	8,901	26,796	9,000	25,000	25,000
4646	State aid - other	25,616	14,192	-	-	-
4662	County aid - other	32,859	31,296	45,000	34,000	31,000
4666	Local aid - school district resource officers	143,000	147,000	151,000	151,000	155,000
	Total intergovernmental	<u>2,431,199</u>	<u>2,604,171</u>	<u>2,211,297</u>	<u>2,230,987</u>	<u>2,225,297</u>

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

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

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Charges for Services</b>						
4807	Customer service taxable	476	531	500	500	500
4809	Customer service non-taxable	31,678	21,109	30,000	30,050	30,000
4819	Charges to other departments	-	50	-	-	-
4832	Fire services	308,511	328,733	385,000	385,000	465,100
4834	Police services	-	63,800	68,000	63,000	80,500
4835	False alarm services	3,875	450	1,000	1,350	1,000
4836	Public safety services	7,669	7,562	4,000	4,000	4,000
4842	Public works services	2,155	10,740	1,800	1,800	1,800
4845	Building inspection services	134,857	129,779	140,000	140,000	140,000
4846	Fire inspection services	-	200	-	600	500
4875	Miscellaneous services	78	13	-	-	-
	<b>Total charges for services</b>	<b>489,299</b>	<b>562,967</b>	<b>630,300</b>	<b>626,300</b>	<b>723,400</b>
<b>Miscellaneous Revenues</b>						
4955	Interest	-	90,000	115,000	115,000	115,000
4975	Rental income	71,613	45,485	65,000	37,315	35,650
4990	Donations	2,767	2,311	2,000	2,000	2,000
5010	Sale of property	5,549	2,384	1,000	1,000	1,000
5318	Gambling regulatory tax	-	-	-	3,000	3,000
5350	Miscellaneous revenues	-	1,292	-	1,065	-
5360	Refunds and reimbursements	7,726	9,678	3,000	350	3,500
	<b>Total miscellaneous revenues</b>	<b>87,655</b>	<b>151,150</b>	<b>186,000</b>	<b>159,730</b>	<b>160,150</b>
<b>Transfers for Administrative Charges</b>						
5205	Water distribution	99,300	102,280	101,000	101,000	101,000
5205	Water treatment	18,000	18,540	19,000	19,000	19,000
5205	Sewer	103,300	106,400	110,000	110,000	110,000
5205	Refuse	105,900	109,000	110,000	110,000	110,000
5205	Ambulance	282,800	254,000	140,000	140,000	140,000
5205	License Bureau	30,700	31,700	-	-	-
5205	HRA Redevelopment - District 25	70,000	25,000	25,000	25,000	25,000
5205	Marina	-	40,000	70,000	70,000	70,000
5205	Interim Construction	-	-	1,065,000	1,065,000	750,000
	<b>Total transfers</b>	<b>710,000</b>	<b>686,920</b>	<b>1,640,000</b>	<b>1,640,000</b>	<b>1,325,000</b>
<b>Total</b>		<b>\$ 9,624,801</b>	<b>\$ 10,283,893</b>	<b>\$ 11,707,997</b>	<b>\$ 11,680,321</b>	<b>\$ 11,935,215</b>

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

**Annual Budget**

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
	<b>Legislative</b>					
1010	Mayor and council	\$ 144,574	\$ 141,081	\$ 148,525	\$ 150,288	\$ 154,567
	<b>Department of Administration</b>					
1020	City manager	323,578	354,744	369,887	379,862	392,701
1030	Finance	543,036	593,664	613,365	619,154	625,238
1040	Legal counselor	62,450	51,298	72,169	58,034	65,869
1050	City hall	227,354	256,708	316,082	316,802	324,368
1060	Elections	34,976	95,568	58,771	59,911	59,911
1070	Planning	371,016	302,336	358,636	338,164	370,673
	Total general government	1,706,984	1,795,399	1,937,435	1,922,215	1,993,326
	<b>Department of Public Safety</b>					
1110	Police	3,844,389	4,147,844	4,471,589	4,563,096	4,915,734
1210	Fire	983,033	924,955	902,595	930,321	997,125
1114	Dispatch	539,772	504,173	326,943	203,000	213,000
1041	Prosecution	148,879	153,731	148,970	149,070	153,763
1118	Animal control	14,789	14,834	23,405	21,027	22,418
1220	Emergency preparedness	11,505	11,364	14,149	15,714	16,864
1080	Building and code enforcement	511,087	589,857	614,473	585,674	632,278
	Total public safety	6,053,454	6,346,758	6,502,124	6,467,903	6,951,182
	<b>Department of Public Works</b>					
1300	Public works facility	-	163,120	185,833	194,272	197,471
1310	Engineering	-	-	754,244	644,744	752,775
1320	Garage	136,021	114,156	145,469	141,496	146,807
1410	Streets	545,166	561,560	531,026	560,234	555,241
1420	Snow and ice removal	107,389	234,401	233,928	245,609	252,470
1430	Street lighting and signals	170,161	186,306	191,100	191,101	191,403
1510	Parks	645,562	644,981	732,625	726,917	753,505
	Total public works	1,604,299	1,904,524	2,774,225	2,704,374	2,849,671
	<b>Non-Departmental</b>					
1610	General services	-	-	14,220	14,220	14,220
	Lake Conservation District	34,777	-	30,000	36,600	34,000
	Northeast Youth and Family Services	39,029	39,575	42,000	42,000	44,000
	Senior bus	-	3,750	7,500	7,500	7,500
	Contingency	-	-	15,500	-	15,500
	Total non-departmental	73,806	43,325	109,220	100,320	115,220
	Total operational expenditures	9,438,543	10,090,006	11,323,004	11,194,812	11,909,398
	<b>Transfers Out</b>					
	Armory	25,000	25,000	25,000	25,000	25,000
	<b>Total</b>	<b>\$ 9,463,543</b>	<b>\$ 10,115,006</b>	<b>\$ 11,348,004</b>	<b>\$ 11,219,812</b>	<b>\$ 11,934,398</b>

**Department: Legislative 1010**

**Fund: General Fund 1000**

**Department Activities and Responsibilities:**

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

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

**Budget Summary:**

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

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

The city is fortunate to have active and engaged community members promoting the vibrant life available in the area through city amenities, active civic groups, a strong school district and thriving businesses. Community pride continued to soar this year as the city received Minnesota Monthly magazine's "2019 Best MN Town" designation. The magazine honored the city through an extensive article celebrating the area's opportunities and attractions. The Advertising expenditure account increases in the 2019 Revised Budget for an advertisement in the magazine issue that highlighted White Bear Lake.

The budgets continue to support training through allocations for both internal Council work sessions and external conferences sponsored by government agencies and the League of Minnesota Cities.

**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:**

	2017 <u>Actual</u>	2018 <u>Actual</u>	2019 <u>Budget</u>	2020 <u>Budget</u>
Number of City Newsletters	2	2	2	2

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

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

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Personnel Services</b>						
6105	Salaries - regular employees	\$ 77,341	\$ 78,293	\$ 78,974	\$ 80,800	\$ 82,029
6117	Overtime - regular employees	-	172	500	500	500
6122	PERA	2,268	2,353	2,422	2,565	2,657
6124	FICA/Medicare	5,769	5,839	6,080	6,219	6,313
6128	Insurance contribution	4,545	4,775	5,015	5,015	5,266
6138	Worker's compensation	665	715	715	715	715
6148	Other benefits	540	700	700	700	700
	Total personnel services	<u>91,128</u>	<u>92,847</u>	<u>94,406</u>	<u>96,514</u>	<u>98,180</u>
<b>Supplies</b>						
6210	Office supplies	19	-	-	-	-
6250	Other supplies	2,300	4,926	5,900	5,900	7,200
6290	Uniforms	1,334	-	300	300	300
	Total supplies	<u>3,653</u>	<u>4,926</u>	<u>6,200</u>	<u>6,200</u>	<u>7,500</u>
<b>Other Services and Charges</b>						
6401	Professional services	4,281	-	-	-	-
6434	General liability insurance	2,092	2,092	2,092	2,092	2,092
6445	Postage	-	-	100	100	100
6449	In-house printing	-	-	600	100	100
6450	Outside printing	2,080	2,830	3,500	3,500	3,500
6455	Legal notice publishing	1,969	1,042	2,500	2,500	2,500
6460	Subscription/memberships	30,649	31,087	32,202	32,202	33,310
6470	Training	7,211	5,407	4,925	4,925	4,925
6486	Travel	-	-	50	50	50
6492	Advertising	1,511	850	1,050	1,705	1,410
6560	Other contractual services	-	-	900	400	900
	Total other services and charges	<u>49,793</u>	<u>43,308</u>	<u>47,919</u>	<u>47,574</u>	<u>48,887</u>
<b>Total</b>		<b><u>\$ 144,574</u></b>	<b><u>\$ 141,081</u></b>	<b><u>\$ 148,525</u></b>	<b><u>\$ 150,288</u></b>	<b><u>\$ 154,567</u></b>

**Department: Administration 1020**

**Fund: General Fund 1000**

**Department Activities and Responsibilities:**

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

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

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

**Budget Summary:**

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

This budget continues to fund training opportunities for employees through participation at national or local conferences and leadership development groups.

**Goals:**

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

**Measureable Workload Data:**

	<u>2017 Actual</u>	<u>2018 Actual</u>	<u>2019 Budget</u>	<u>2020 Budget</u>
Number of resolutions prepared	205	174	200	200



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

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

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Personnel Services</b>						
6105	Salaries - regular employees	\$ 248,186	\$ 275,503	\$ 284,973	\$ 293,635	\$ 304,340
6122	PERA	18,609	20,718	21,373	22,023	22,825
6124	FICA/Medicare	18,518	20,428	21,800	22,463	23,282
6128	Insurance contribution	11,535	13,955	14,660	14,660	15,393
6138	Worker's compensation	1,700	1,820	2,100	2,100	2,100
6148	Other benefits	2,000	540	2,510	2,510	2,510
	<b>Total personnel services</b>	<b>300,548</b>	<b>332,964</b>	<b>347,416</b>	<b>357,391</b>	<b>370,450</b>
<b>Supplies</b>						
6210	Office supplies	142	95	500	500	500
6220	Equipment supplies	-	-	100	100	100
6248	Community engagement supplies	-	-	-	-	-
6250	Other supplies	420	31	250	250	250
6280	Books & periodicals	-	-	150	150	150
6290	Uniforms	37	-	-	-	-
	<b>Total supplies</b>	<b>599</b>	<b>126</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>
<b>Other Services and Charges</b>						
6401	Professional services	54	57	110	110	110
6411	Telephone	1,147	702	760	760	790
6412	Cellular	72	344	350	350	350
6434	General liability insurance	1,941	1,941	1,941	1,941	1,941
6445	Postage	303	454	400	400	400
6449	In-house printing	-	-	300	300	300
6450	Outside printing	105	147	200	200	200
6460	Subscription/memberships	2,243	2,006	2,550	2,550	2,300
6470	Training	10,480	9,611	8,300	8,300	8,300
6485	Building maintenance service	6,086	6,200	6,360	6,360	6,360
6505	Equipment maintenance service	-	192	200	200	200
	<b>Total other services and charges</b>	<b>22,431</b>	<b>21,654</b>	<b>21,471</b>	<b>21,471</b>	<b>21,251</b>
<b>Total</b>		<b>\$ 323,578</b>	<b>\$ 354,744</b>	<b>\$ 369,887</b>	<b>\$ 379,862</b>	<b>\$ 392,701</b>

**Department: Finance 1030**

**Fund: General Fund 1000**

**Department Activities and Responsibilities:**

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

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

**Budget Summary:**

Professional Services expenditures provide funding for staff to work with Ehlers, Inc. to prepare a long-term financial plan for the City. Development of spreadsheets estimating revenues and expenditures for the next 5-10 years began in 2018. Staff continues to work closely with Ehlers' representatives to integrate the Capital Improvement Plan information into the financing model. Assistance from Ehlers' will decrease as staff assumes responsibility of annual spreadsheet maintenance and coordinating it with the Capital Improvement Plan and annual budget.

The Professional Services account also 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 2018 annual financial statement included the work done in the beginning of 2019. The statement requires a biennial OPEB actuarial valuation going forward.

Increased usage of digital technology for the budget and annual financial reports for staff and the public reduces the cost of outside printing services to produce hard copy books.

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

**Goals:**

1. Review options to improve the City's web-store associated with the website.
2. Educate City staff on budget process and proper invoice coding to correlate to their budget.
3. Increase utilization of the GL Inquiry software in general finance and payroll operations.

**Measureable Workload Data:**

	2017 <u>Actual</u>	2018 <u>Actual</u>	2019 <u>Budget</u>	2020 <u>Budget</u>
Standard & Poor's Debt Credit Rating	AA	AA+	AA+	AA+
Number of data input errors	137	183	100	100
GFOA awards received for work	2	2	2	2

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

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

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Personnel Services</b>						
6105	Salaries - regular employees	\$ 362,803	\$ 384,265	\$ 395,020	\$ 386,967	\$ 396,032
6117	Overtime - regular employees	1,460	3,202	2,000	4,700	5,000
6122	PERA	27,613	29,431	29,630	29,375	30,077
6124	FICA/Medicare	28,130	29,796	30,220	29,962	30,679
6128	Insurance contribution	34,264	35,980	37,800	37,800	39,690
6138	Worker's compensation	7,865	8,415	8,415	8,415	8,415
6148	Other benefits	3,600	1,000	4,650	4,650	4,650
	Total personnel services	<u>465,735</u>	<u>492,089</u>	<u>507,735</u>	<u>501,869</u>	<u>514,543</u>
<b>Supplies</b>						
6210	Office supplies	1,236	562	2,000	1,500	1,500
6250	Other supplies	-	-	50	100	50
6290	Uniforms	7	-	50	50	50
6295	Small tools	60	1,328	350	350	350
	Total supplies	<u>1,303</u>	<u>1,890</u>	<u>2,450</u>	<u>2,000</u>	<u>1,950</u>
<b>Other Services and Charges</b>						
6401	Professional services	2,855	20,100	15,935	28,200	16,035
6402	Data processing	47,595	48,279	51,500	51,500	55,110
6411	Telephone	1,571	1,016	1,100	1,100	1,150
6434	General liability insurance	5,230	5,230	5,230	5,230	5,230
6445	Postage	3,154	3,411	3,200	3,200	3,200
6449	In-house printing	-	-	500	200	500
6450	Outside printing	1,394	1,588	2,800	2,625	1,850
6455	Legal notices publications	2,340	2,313	2,700	2,775	2,700
6460	Subscription/memberships	1,468	650	1,725	1,705	1,250
6470	Mileage reimbursement	1,542	3,562	5,730	3,985	5,935
6485	Building maintenance service	1,330	1,355	350	500	500
6505	Equipment maintenance service	1,838	1,543	2,400	2,400	2,400
6560	Other contractual services	5,681	10,638	10,010	11,865	12,885
	Total other services and charges	<u>75,998</u>	<u>99,685</u>	<u>103,180</u>	<u>115,285</u>	<u>108,745</u>
<b>Total</b>		<b><u>\$ 543,036</u></b>	<b><u>\$ 593,664</u></b>	<b><u>\$ 613,365</u></b>	<b><u>\$ 619,154</u></b>	<b><u>\$ 625,238</u></b>

**Department: Legal Counselor 1040**

**Fund: General Fund 1000**

**Department Activities and Responsibilities:**

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

**Budget Summary:**

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

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

**Measurable Workload Data:**

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

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019*</u>
Counselor fees	\$72,888	\$92,810	\$95,935	\$63,744	\$33,683

\*Partial year (January – June)

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

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

<u>Code</u>	<u>Item</u>	<u>2017 Actual</u>	<u>2018 Actual</u>	<u>2019 Adopted</u>	<u>2019 Revised</u>	<u>2020 Budget</u>
	<b>Other Services and Charges</b>					
6401	Professional services	\$ 60,781	\$ 49,629	\$ 70,500	\$ 56,365	\$ 64,200
6434	General liability insurance	1,669	1,669	1,669	1,669	1,669
	Total other services and charges	<u>62,450</u>	<u>51,298</u>	<u>72,169</u>	<u>58,034</u>	<u>65,869</u>
	<b>Total</b>	<b><u>\$ 62,450</u></b>	<b><u>\$ 51,298</u></b>	<b><u>\$ 72,169</u></b>	<b><u>\$ 58,034</u></b>	<b><u>\$ 65,869</u></b>

**Department: City Hall 1050**

**Fund: General Fund 1000**

**Department Activities and Responsibilities:**

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

**Budget Summary:**

When adding the IT Coordinator position in 2016, the budget allocated the position's salary and benefits between the City Hall, Police and Fire departments based on a preliminary workload assessment. A review of completed projects during the past two years reveals that all General Fund departments benefit from the services; therefore, the 2019 Budget allocates all costs associated with the position to the City Hall budget to represent a fair cost allocation between departments. This change has no impact of the General Fund budget as the departments formerly used in the allocation were all in the General Fund.

The 2020 Budget includes additional funds for the maintaining the facility's windows. Changes in the Contract Services account relate to specific cleaning projects by the janitorial staff outside of routine cleaning to maintain the building and snow removal costs for the facility.

**Capital Outlay:**

As the City Hall building continues to age, the demand for maintenance and system replacements remain a high priority to preserve the building and campus area. Each year the budgets reflect projects for the work plan; however, before the anticipated repairs take place, a review of the projects re-prioritizes the needs based on updated assessments. Therefore, items included in the budget can change depending on the current needs. The Municipal Building Fund in the Capital Project Funds section of the document maintains the budget for building improvement projects planned for the City Hall complex.

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

**Goals:**

1. 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.
3. Evaluate maintenance practices and uses of City Hall and take necessary action to preserve the building and the equipment within it.
4. Make safety enhancements necessary to continue to provide a safe and comfortable environment for employees and the public.

**Measurable Workload Data:**

	2017	2018	2019	2020
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>
Number of community organization meetings held in facility	323	385	400	400

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

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

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Personnel Services</b>						
6105	Salaries - regular employees	\$ 78,457	\$ 105,873	\$ 139,808	\$ 139,708	\$ 144,801
6122	PERA	5,884	7,942	10,486	10,478	10,860
6124	FICA/Medicare	6,225	8,513	10,695	10,688	11,077
6128	Insurance contribution	7,000	7,350	7,725	7,725	8,111
6138	Worker's compensation	1,030	1,105	1,105	1,105	1,105
6148	Other benefits	500	140	650	650	650
	Total personnel services	<u>99,096</u>	<u>130,923</u>	<u>170,469</u>	<u>170,354</u>	<u>176,605</u>
<b>Supplies</b>						
6210	Office supplies	7,536	7,258	8,200	8,200	8,200
6220	Equipment supplies	509	740	950	950	950
6240	Building supplies	4,067	3,792	7,000	6,670	7,000
6250	Other supplies	2,775	3,015	3,500	2,700	3,500
6255	Landscaping supplies	-	-	500	500	500
6290	Uniforms	15	-	-	-	-
6295	Small tools	(15)	(72)	300	300	300
	Total supplies	<u>14,887</u>	<u>14,733</u>	<u>20,450</u>	<u>19,320</u>	<u>20,450</u>
<b>Other Services and Charges</b>						
6401	Professional services	18	19	100	100	100
6402	Data processing	18,724	21,574	22,500	22,500	24,075
6411	Telephone	9,105	7,088	9,575	9,575	9,835
6412	Cellular	132	119	175	120	120
6422	Electric	13,504	15,862	15,000	15,000	15,000
6423	Natural gas	3,002	4,742	3,500	6,510	3,500
6434	General liability insurance	10,009	10,009	10,009	10,009	10,009
6436	Equipment liability insurance	304	304	304	304	304
6445	Postage	4,660	(2,718)	3,500	3,500	3,500
6450	Outside printing	132	49	150	150	150
6470	Training	-	-	-	25	-
6485	Travel/mileage reimbursement	1,200	1,200	1,200	1,200	1,200
6505	Equipment maintenance service	5,705	5,168	6,730	6,730	6,730
6515	Building maintenance service	13,102	11,022	10,100	9,805	10,820
6555	Equipment rental	5,171	5,008	5,200	5,400	5,400
6560	Other contractual services	28,603	31,606	37,120	36,200	36,570
	Total other services and charges	<u>113,371</u>	<u>111,052</u>	<u>125,163</u>	<u>127,128</u>	<u>127,313</u>
<b>Total</b>		<b><u>\$ 227,354</u></b>	<b><u>\$ 256,708</u></b>	<b><u>\$ 316,082</u></b>	<b><u>\$ 316,802</u></b>	<b><u>\$ 324,368</u></b>

**Department: Elections & Voter Registration 1060**

**Fund: General Fund 1000**

**Department Activities and Responsibilities:**

In accordance with State law and provisions within the City Charter, the City is responsible to enroll residents for the County's permanent list of registered voters and coordinate elections. The City lies in both Ramsey and Washington Counties, which requires coordination with both agencies in the election administration process.

National, state and county primary elections take place during even-numbered years with the primary elections in August and the general elections in November. The City of White Bear Lake Municipal elections take place during odd-numbered years. City Council elections are non-partisan with representatives from each of the five wards elected to serve on the Council and the Mayor elected at-large. Candidates file for Mayor or City Council positions with the City Clerk during the filing period in the election year.

**Budget Summary:**

The City began contracting with Ramsey County for election administration services in 2017. The driving forces in this decision were 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. The contract with Ramsey County also relieves city staff of the increasing challenges with election oversight. Ramsey County improved their services by establishing centralized early voting centers for county residents. These centers create an efficient and streamlined voting process.

The 2019 and 2020 contract cost of \$50,500 is reasonable and comparable to the staffing costs for the City when it handled the election services in house. Election administration generally costs the same for a mid-term election and a general election because the same number of precincts need to be open and operated by the same number of election judges no matter what type of election is taking place.

Ramsey County and all municipalities and school districts within the County purchased new voting equipment through a joint powers agreement in 2016. Collectively, all parties pay to maintain that equipment on an annual basis. The cost to do so will rise each year as the equipment ages. The 2020 Budget includes allocation for this in the Equipment Maintenance Service line item.

**Goals:**

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

**Measurable Workload Data:**

	2017 <u>Actual</u>	2018 <u>Actual</u>	2019 <u>Budget</u>	2020 <u>Budget</u>
Total Number of Ballots Cast				
Primary	0	4,251	0	5,000
General Election	3,003	12,147	3,000	14,000
Percent of Voter Turnout to Registered Voters:				
Primary	0%	28%	0%	30%
General Election	20%	79%	12%	80%
Number of Absentee Ballots Issued				
Primary	0	631	0	700
General Election	238	3,477	36	3,700



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

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

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Personnel Services</b>						
6105	Salaries - regular employees	\$ 13,056	\$ -	\$ -	\$ -	\$ -
6122	PERA	984	-	-	-	-
6124	FICA/Medicare	1,004	-	-	-	-
6128	Insurance contribution	1,750	-	-	-	-
6138	Worker's compensation	260	-	-	-	-
	<b>Total personnel services</b>	<u>17,054</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Other Services and Charges</b>						
6401	Professional services	11,000	-	-	-	-
6434	General liability insurance	363	436	436	436	436
6445	Postage	3	-	-	-	-
6455	Legal notices publications	64	-	500	500	500
6505	Equipment maintenance service	6,492	8,132	7,335	8,475	8,475
6560	Other contractual services	-	87,000	50,500	50,500	50,500
	<b>Total other services and charges</b>	<u>17,922</u>	<u>95,568</u>	<u>58,771</u>	<u>59,911</u>	<u>59,911</u>
<b>Total</b>		<u><b>\$ 34,976</b></u>	<u><b>\$ 95,568</b></u>	<u><b>\$ 58,771</b></u>	<u><b>\$ 59,911</b></u>	<u><b>\$ 59,911</b></u>

**Department: Planning and Zoning Department 1070**

**Fund: General Fund 1000**

**Activities and Responsibilities:**

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

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

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

**Budget Summary:**

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

In recent years, the department hired an intern to assist with preparing the City's 2040 Comprehensive Plan document. The 2020 Budget continues funding for an intern position to assist with the County Road E Corridor smart growth visioning process. The projects includes a heavy emphasis on urban design and visual graphics.

The Training expenditure budget funds employee development through seminars and attendance to the annual conferences for the Minnesota chapter and National chapter of the American Planning Association (APA).

**Goals:**

1. Implement the 2040 Comprehensive Plan, which analyzes existing systems and identifies future needs and opportunities for redevelopment within the community.
2. Create a plan for the County Road E Corridor and report on the need for and feasibility of coordinated redevelopment of commercial and public property at the County Road E and Bellaire Avenue intersection.
3. Continue Station Area Planning activities along the planned Rush Line bus rapid transit corridor between St. Paul and Downtown White Bear Lake.
4. Initiate recurrent business retention and expansion visitation program in conjunction with the White Bear Area Chamber of Commerce.
5. Serve as a liaison and provide technical support to the White Bear Lake Economic Development Corporation.
6. Explore opportunities to promote housing rehabilitation through collaboration with homeowners and local contractors.

Department: Planning and Zoning Department 1070

Fund: General Fund 1000

Measurable Workload Data:

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

Year	Conditional Use Permits	Minor Sub- Divisions	Planned Unit Develop.	Plats	Zoning/ Text Amend.	Variances	Vacations	Totals
2013	10	2	*	3	3	17	2	37
2014	8	1	*	1	8	26	1	45
2015	5	4	*	4	7	23	1	44
2016	15	1	*	1	7	21	0	45
2017	9	1	*	2	4	23	0	39
2018	9	3	0	0	0	18	0	30
2019 (to 8/31)	8	1	3	2	5	9	0	28

\* Not previously recorded.

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

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

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Personnel Services</b>						
6105	Salaries - regular employees	\$ 264,559	\$ 216,212	\$ 243,892	\$ 245,967	\$ 257,033
6117	Overtime - regular employees	1,351	139	-	-	-
6119	Salaries - temporary employees	14,014	6,645	16,380	-	16,380
6122	PERA	19,943	16,226	19,520	18,448	20,506
6124	FICA/Medicare	21,569	16,882	19,911	18,816	20,916
6128	Insurance contribution	20,980	20,030	21,000	21,000	22,050
6138	Worker's compensation	3,085	3,300	3,300	3,300	3,300
6148	Other benefits	2,400	650	3,000	3,000	3,000
	Total personnel services	<u>347,901</u>	<u>280,084</u>	<u>327,003</u>	<u>310,531</u>	<u>343,185</u>
<b>Supplies</b>						
6210	Office supplies	860	84	1,600	1,000	1,100
6220	Equipment supplies	8	30	150	150	150
6250	Other supplies	164	500	300	300	500
6280	Books/manuals	46	-	75	75	75
6290	Uniforms	144	81	50	50	50
6295	Small tools	212	-	250	250	250
	Total supplies	<u>1,434</u>	<u>695</u>	<u>2,425</u>	<u>1,825</u>	<u>2,125</u>
<b>Other Services and Charges</b>						
6401	Professional services	54	939	1,000	1,000	755
6402	Data processing	3,964	4,164	5,000	5,000	5,350
6411	Telephone	1,025	596	645	645	670
6412	Cellular	390	555	720	720	720
6434	General liability insurance	3,168	3,168	3,168	3,168	3,168
6445	Postage	1,518	1,775	2,250	2,250	2,250
6449	In-house printing	-	-	700	100	100
6450	Outside printing	352	126	1,500	1,500	750
6455	Legal notices publications	1,936	1,225	1,750	1,500	1,750
6460	Subscription/memberships	799	1,074	1,500	1,500	1,500
6470	Training	4,299	1,561	4,000	1,450	3,600
6485	Travel allowance	2,400	2,400	2,400	2,400	2,400
6486	Mileage reimbursement	-	-	175	175	300
6492	Advertising	25	-	100	100	100
6505	Equipment maintenance service	1,717	1,984	1,800	1,800	1,800
6560	Other contractual services	34	1,990	2,500	2,500	150
	Total other services and charges	<u>21,681</u>	<u>21,557</u>	<u>29,208</u>	<u>25,808</u>	<u>25,363</u>
<b>Total</b>		<b><u>\$ 371,016</u></b>	<b><u>\$ 302,336</u></b>	<b><u>\$ 358,636</u></b>	<b><u>\$ 338,164</u></b>	<b><u>\$ 370,673</u></b>

**Department:** Police 1110

**Fund:** General Fund 1000

**Department Activities and Responsibilities:**

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

Policing has experienced significant changes over the past decade, especially in the areas of officer recruitment and training, police response to crisis calls relative to use of force and de-escalation tactics, and police transparency. To help communities and law enforcement agencies across the country strengthen trust and collaboration, while continuing to reduce crime, the Department of Justice and President of the United States convened a task force to address the policing needs of communities. The goal of the President's Task Force on 21st Century Policing is to identify best practices and offering recommendations on how policing practices can promote effective crime reduction while building public trust. The department continually reviews their procedures to ensure compliance with task force suggestions and objectives.

Many consider the uniformed patrol division the backbone of policing as they are the most visible members of the department and command the largest share of departmental resources. It is essential to develop a staffing structure that provides an adequate number of officers to respond to calls for service and support other department responsibilities.

Traditionally, the primary goal of police operations was crime reduction; therefore, departments needed more officers as crime activities increased. In contrast, numerous communities rely on a per-capita approach to staffing, which links the size of a community to the number of officers. Although it this methodology is easy to comprehend and apply, it is also inefficient and unreliable. The International City/County Management Association (ICMA) conducted research on various police staffing models. The ICMA is a strong advocate for making staffing decisions based on actual workload, as it relies on actual levels of demand for police services and matches that demand with the supply of police resources. The result is a comprehensive assessment of workload through both calls for service and other sustained commitments placed in the department such as investigations, directed patrols, and community engagement. Determining the ideal staffing level for a department is challenging, as daily call loads are unpredictable and vary due to a number of factors to include time of year, day of the week, weather, and community events.

The department's calls for service reflect the primary measure of productivity. These calls range from emergency 911 calls to officer self-initiated filed activity such as a traffic stop or extra patrol. The department anticipates responding to approximately 30,000 calls for service in 2019. Currently, the department staff consists of 30 sworn officers, 3.5 full-time equivalent support staff and 6 Community Service Officers. Within the 30 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 significant rise in calls for service in recent years strains the available employee resources.

The City recognizes the need to increase the patrol officer staffing levels to meet growing needs. In 2018, the department received a federally financed grant from the National Highway Traffic Safety Administration (NHTSA) for a dedicated Driving While Intoxicated (DWI) officer to patrol the City of traffic infractions and drunk driving offenses. The NHTSA uses impaired driving funds to finance the grant. Though this officer cannot respond to calls for service, the position reduces work in this area for other officers on duty. The grant covers the salary for up to two years; therefore, the grant funding will end in October 2020. Through this grant, the sworn officer count increased to 30 at the end of 2018. The 2020 Budget allocates funds to add an additional police officer position to assist in shift coverage during busy times. The City also anticipates adding another position in 2021, which replaces funding for the position covered by the grant position that will end in 2020.

**Department:** Police 1110

**Fund:** General Fund 1000

Community relationships are important to the White Bear Lake Police Department and staff is committed to building strong connections with the public.

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

Officers may work extra hours during their off-duty times to assist with driver safety programs subsidized by State grants, or to provide police coverage at special events. The City receives reimbursement from the outside agencies and organizations to cover the overtime costs associated with these efforts. As of September 2019, the City has received approximately \$11,395 in overtime reimbursements.

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

Currently, one officer is a member of the Ramsey County Violent Crime Enforcement Team with responsibilities generally involving narcotic cases. The City continues to receive State grant funding to support participation with this project for 2019 and 2020.

Three officers participate on the Ramsey County Crime Scene Investigator Team. This team operates on-call, which means the officers receive overtime pay for any large crime scene calls received during non-working hours. Funding to cover overtime costs associated with these responsibilities is not available from other agencies. While there is a cost to the City, management feels there is a benefit to participate 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 are working with the Ramsey County SWAT Tactical Team and three officers serve as SWAT negotiators. This opportunity is similar to the Crime Scene Investigator team, as it is an on-call position with no additional funding from outside agencies; yet there is a great advantage to employing an officer with these skills to respond to calls.

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

#### **Budget Summary:**

As described above, the department receives grant funding to cover the salary of a dedicated DWI enforcement officer through October 2020. In addition to DWI enforcement, the Department has spent significant time enforcing crosswalk, stop sign, distracted driving, speed violations and seatbelt laws. The department anticipates adding a new patrol officer position in the 2020 Budget. Employee expenditures for the support staff position originally included in the 2019 Budget for Dispatch moved to the Police Department in the 2019 Revised Budget to align employee costs to the business function of the position responsibilities.

The department created a Community Engagement account to track the costs of these activities in the 2019 Revised Budget. The budget allocations fund a Citizen's Police Academy, National Night Out

**Department:** Police 1110

**Fund:** General Fund 1000

events, a children's Bike Rodeo to teach bike safety, a children's Safety Camp for general safety lessons, as well as other opportunities to connect with community members.

The Professional Services budget includes funding for the use of Thomson Reuters' CLEAR software. The CLEAR program meets the unique needs of police investigations by streamlining police inquiries through bringing relevant content into a single working environment. CLEAR offers an efficient database for locating cell phone numbers and current addresses for vehicle owners, victims and other police related contacts.

In January 2018, the Minnesota POST Board approved new learning objectives for police training in crisis intervention and mental illness crises, conflict management and mediation, and recognizing and valuing community diversity and cultural differences, to include implicit bias, as required by Minn. Stat. 626.8469. The department's mandatory training for officers includes these topics in 2019 and 2020. The Minnesota POST Board increased their annual contribution to the City for each officer to offset the additional training expenditures.

### **Capital Outlay:**

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

### **Goals:**

1. 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.
2. Continue to engage the business community by meeting with the owners and employees throughout the year. This will include hosting one police department sponsored business meeting with the area business community to address emerging issues and trends facing business members. The Department will also remain active with the White Bear Lake Downtown Mainstreet members.
3. 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.
4. Host one community event each month to continue to build relationships in the community. These events include Donuts with the Cops, Cones with the Cops, Marketfest Public Safety Night, Personal Safety for College Bound Girls, Coffee with a Cop, Safety Camp, and Senior Citizen Scam and Fraud Awareness.
5. Continue partnership with Ramsey County Traffic Safety Initiative to implement safety enforcement and education programs to improve driver behaviors and reduce deaths and serious injuries that occur on the roadways. These enforcement events focus on distracted driving, speed, cross walk, stop sign violations and DWI.
6. Host one Community Emergency Response Team (CERT) Academy to train additional members. The Department will also host two CERT training events for current team members; one event in the spring and one event in the fall.
7. The White Bear Lake Police Department will train officers for success to face 21st Century crime and police interaction in our community, social services needs and critical circumstances in ways that are culturally competent and responsive to our community.

**Department:** Police 1110

**Fund:** General Fund 1000

**Measurable Workload Data:**

	2017 <u>Actual</u>	2018 <u>Actual</u>	2019 <u>Budget</u>	2020 <u>Budget</u>
Number of police service calls	28,986	26,538	26,000	26,000
Number of Citizen Police Academy trainings held	1	1	1	1
Number of neighborhood watch groups maintained	60	60	60	60
Number of formal public complaints against officers	0	0	0	0
Number of National Night Out gatherings	51	58	57	60
Number of community events held	5	12	24	24
Number of trainings presented in collaboration with the White Bear Lake School District	1	2	2	2
Number of enforcement events held in partnership with Ramsey County Traffic Safety Initiative	24	26	30	30



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

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

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Personnel Services</b>						
6105	Salaries - regular employees	\$ 2,439,862	\$ 2,641,871	\$ 2,810,676	\$ 2,854,977	\$ 3,090,311
6117	Overtime - regular employees	168,788	179,949	165,000	183,000	170,000
6119	Salaries - temporary employees	51,796	55,747	84,293	82,190	92,821
6122	PERA	414,702	436,793	493,254	498,669	558,941
6124	FICA/Medicare	45,039	54,360	60,085	63,059	67,573
6128	Insurance contribution	222,405	237,425	275,800	283,925	313,241
6138	Worker's compensation	103,425	111,565	138,255	139,505	143,105
6146	Severance pay				1,200	10,205
6148	Other benefits	31,625	9,250	46,850	46,850	48,150
	<b>Total personnel services</b>	<b>3,477,642</b>	<b>3,726,960</b>	<b>4,074,213</b>	<b>4,153,375</b>	<b>4,494,348</b>
<b>Supplies</b>						
6210	Office supplies	2,890	2,668	6,000	3,000	3,000
6220	Equipment supplies	5,871	5,950	4,950	4,950	5,500
6221	Range supplies	12,059	11,745	10,795	11,660	12,425
6230	Vehicle supplies	14,614	13,765	11,900	11,900	13,200
6240	Building supplies	5,639	9,586	6,600	6,600	7,000
6248	Community engagement supplies	9,230	9,865	3,100	8,050	5,550
6250	Other supplies	10,434	13,846	4,775	10,900	9,065
6272	Motor fuels	67,235	83,161	83,200	83,200	83,300
6280	Books & periodicals	-	-	385	385	385
6290	Uniforms	32,664	44,776	36,350	36,350	37,550
6295	Small tools	1,707	1,767	2,700	2,100	2,100
	<b>Total supplies</b>	<b>162,343</b>	<b>197,129</b>	<b>170,755</b>	<b>179,095</b>	<b>179,075</b>
<b>Other Services and Charges</b>						
6401	Professional services	4,532	10,632	9,930	11,490	12,850
6402	Data processing	7,328	8,028	8,600	8,600	9,225
6411	Telephone	7,373	6,594	4,760	5,930	6,380
6412	Cellular	8,967	9,042	10,750	10,750	10,750
6413	Radio Communications	-	1,440	-	-	-
6422	Electric	18,828	19,489	20,000	20,000	20,000
6423	Natural gas	3,684	4,121	3,600	4,000	4,000
6434	General liability insurance	29,287	29,287	31,475	31,475	31,475
6436	Vehicle liability insurance	7,826	7,826	7,826	7,826	7,826
6445	Postage	1,107	1,694	2,000	2,000	2,000
6450	Outside printing	1,610	2,125	1,900	2,650	2,700
6460	Subscription/memberships	1,400	1,609	2,200	2,325	2,625
6470	Training	27,873	25,051	27,040	27,040	29,540
6492	Advertising	40	-	1,000	1,000	1,000
6505	Equipment maintenance service	5,893	7,433	5,740	5,740	5,940
6510	Vehicle maintenance service	13,503	21,602	20,700	20,700	21,200
6515	Building maintenance service	7,956	6,928	6,000	6,000	7,900
6555	Equipment rental	2,392	2,392	2,500	2,500	2,500
6560	Other contractual service	54,805	58,462	60,600	60,600	64,400
	<b>Total other services and charges</b>	<b>204,404</b>	<b>223,755</b>	<b>226,621</b>	<b>230,626</b>	<b>242,311</b>
<b>Total</b>		<b>\$ 3,844,389</b>	<b>\$ 4,147,844</b>	<b>\$ 4,471,589</b>	<b>\$ 4,563,096</b>	<b>\$ 4,915,734</b>

**Department: Fire 1210**

**Fund: General Fund 1000**

**Department Activities and Responsibilities:**

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

In 2018, the Department celebrated its 130<sup>th</sup> year of fire service to White Bear Lake area. The past few years have marked significant change in the organization in an effort to meet ever-increasing customer needs. With the appointment of a new Fire Chief in September 2017, the department began a comprehensive strategic planning process to help assess current operations and identify potential improvements to address the changing landscape of fire service and emergency medical response.

In 2014, the City added four full-time medical responders to begin developing a "combination staffing model" of full-time and on-call employees. Results of the recent strategic planning process indicated the need for additional full-time staff to meet the high call volume. While hiring four new full-time positions during 2018, the department combined the firefighter and paramedic positions to allow staff to respond to either a fire or an ambulance call while on duty. The 2019 Budget included funding for four more firefighter/paramedics, which brought the full-time complement up to 12 Full Time Equivalents (FTEs) for most of the year. This staffing level provides for 24 hours coverage seven days a week, with one team at each station. As explained in the beginning of the paragraph, the department continues to employ paid-on-call members to fill in for a third crew to help with duties.

The 2019 and 2020 Budgets include 20% of the associated staffing costs, with the remaining 80% assigned to the Ambulance Fund budget since a significant portion of the calls are for emergency medical issues. Both budgets include funding for paid on-call staff to respond to calls for service when full-time staff need assistance.

**Budget Summary:**

The firefighter/paramedic employees worked with the Minnesota Bureau of Mediation Services file a petition and vote to have the International Association of Fire Fighters, Washington, District of Columbia, be the exclusive representative for all employees with their job description. The vote passed unanimously and the employees began forming their union. The master labor agreement with the bargaining unit is effective from January 5, 2019 through December 31, 2020. The 2019 Revised Budget and the 2020 Budget incorporate the negotiated payroll and benefit terms.

The 2019 Revised Budget for Overtime expenditures exceeds the original budget amount due to an employee on military deployment leave for most of the year and another out on extended medical leave. To be conservative, the 2020 Budget anticipates overtime pay for similar instances. The department plans to reduce the amount in the budget revision process if the estimate exceeds actual pay.

The change in the Temporary Employee Salary line item from 2019 to 2020 adjusts the original budget estimates to an amount based on actual activity for the year. Though there is an increase between the two years, the overall amount spent on temporary salaries is lower in 2020 than in 2016 and 2017. The department expected this result with the implementation of the expanded roster of full time staff.

The on-call Fire Department members belong to a Relief Association managed by a group of elected leaders who represent the current membership. The primary function of the Relief Association is to handle the investments related to the membership's retirement fund. The State of Minnesota applies a 2% fee to

**Department: Fire 1210**

**Fund: General Fund 1000**

all property insurance policies to fund an annual State aid payment to the City for contribution to the retirement investment account. To simplify accounting duties relating to the Association's retirement funds, increase investment returns and, decrease operating costs, the Relief Association Board and the City Council both approved transition to the management services offered by the Minnesota Public Employee Retirement Association (PERA). The Board 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. Beginning in 2019, the State will submit the annual aid payment to PERA for investing instead of the City to fund the contribution.

The addition of full-time staff stabilizes expenditures for outfitting and training members for duty. In the past, the department experienced a high turnover rate with the temporary employees as they left for full-time employment opportunities with other agencies or they could not meet the required time commitment.

During 2019, the department hosted Fridays with Firefighters throughout the summer welcoming residents to the station to learn more about their equipment and department operations. The program's success prompted the department to add funds to a new budget line item called Community Engagement Supplies to support programs like this to build community relationships.

The Professional Services budget increases in 2020 to implement Lexipol services that improve operational excellence through policy maintenance and employee policy training.

The 2020 Budget for the Equipment Maintenance Service account includes funding for hose testing to meet National Fire Protection Association (NFPA) and the International Organization for Standards (ISO) standards and additional funds for annual ladder testing.

#### **Capital Outlay:**

The Equipment Acquisition Fund, found in the Capital Projects section of the budget, details the capital equipment requests for the department. The budget plans for two significant replacements with a fire pumper truck replaced in 2019 and the ladder truck in 2020. Smaller cost budget requests replace equipment used in fire responses.

The Municipal Building Fund, found in the Capital Projects section of the budget, reports the capital building expenditures for the department. The renovations to Fire Station 2, built in the early 1970s, continued with first floor projects in 2019. The department plans to complete these projects in 2020 as well as remodeling the kitchen facility, installing a garage exhaust system, and repairing the driveways.

#### **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.

**Department: Fire 1210**

**Fund: General Fund 1000**

**Measurable Workload Data:**

	2017 <u>Actual</u>	2018 <u>Actual</u>	2019 <u>Budget</u>	2020 <u>Budget</u>
Number of Fire and Rescue Calls*	516	863	984	984
Number of Staged Responses*	207	0	0	0
Public Education Events Held	23	42	55	55
Smoke Detectors, Carbon Monoxide Detectors, and Fire Extinguishers Given Out Free of Charge	No data	53	50	55
Average Response Times	10.00	7.90	6.70	6.50

\*The Department changed the staged response function in 2018, which moves more calls to the fire and rescue call category.

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

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

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Personnel Services</b>						
6105	Salaries - regular employees	\$ 164,861	\$ 110,577	\$ 309,085	\$ 300,893	\$ 341,838
6117	Overtime - regular employees	23	23	8,000	38,499	41,119
6119	Salaries - temporary employees	139,771	136,655	68,026	68,025	114,875
6122	PERA	4,989	15,319	52,760	56,543	66,683
6124	FICA/Medicare	30,762	22,080	10,449	10,771	15,010
6126	Fire relief	232,194	241,116	-	-	-
6128	Insurance contribution	19,230	20,195	21,200	21,200	22,260
6131	Health savings account contribution	46,359	48,783	50,400	50,400	-
6132	Volunteer life insurance	5,835	11,655	2,880	2,880	2,880
6138	Worker's compensation	73,500	80,470	103,650	103,650	103,650
6148	Other benefits	6,490	-	9,250	9,250	9,250
	<b>Total personnel services</b>	<b>724,014</b>	<b>686,873</b>	<b>635,700</b>	<b>662,111</b>	<b>717,565</b>
<b>Supplies</b>						
6210	Office supplies	498	986	2,000	2,000	2,000
6220	Equipment supplies	2,493	3,731	4,000	4,000	4,000
6230	Vehicle supplies	3,441	2,300	3,500	3,500	3,500
6240	Building supplies	2,535	3,458	2,125	5,240	4,825
6248	Community engagement supplies	-	-	-	-	600
6250	Other supplies	27,915	3,223	4,350	4,350	4,350
6255	Landscape supplies	-	-	-	200	200
6272	Motor fuels	11,584	12,604	14,000	13,350	14,000
6280	Books & periodicals	240	136	6,095	6,095	6,095
6290	Uniforms	43,291	51,047	38,800	38,800	38,800
6295	Small tools	6,417	1,045	3,300	3,300	3,300
	<b>Total supplies</b>	<b>98,414</b>	<b>78,530</b>	<b>78,170</b>	<b>80,835</b>	<b>81,670</b>
<b>Other Services and Charges</b>						
6401	Professional services	26,755	18,576	24,100	24,660	29,450
6402	Data processing	5,135	5,394	6,000	6,000	6,425
6411	Telephone	3,936	3,070	3,535	3,535	3,620
6412	Cellular	447	4,103	5,160	5,160	5,160
6421	Water and sewer	56	320	-	-	-
6422	Electric	18,915	19,749	20,500	20,500	20,500
6423	Natural gas	5,247	6,191	8,400	8,400	8,400
6434	General liability insurance	9,561	9,561	9,561	9,561	9,561
6436	Vehicle liability insurance	13,039	13,039	13,039	13,039	13,039
6445	Postage	226	106	600	600	600
6449	In-house printing	34	-	250	250	250
6450	Outside printing	494	455	900	900	900
6460	Subscription/memberships	2,893	2,113	2,105	3,985	3,985
6470	Training	21,719	23,475	29,800	29,800	26,800
6492	Advertising	-	-	2,000	2,000	2,000
6505	Equipment maintenance service	9,281	9,328	12,500	16,925	16,925
6510	Vehicle maintenance service	15,365	14,672	14,950	14,950	14,950
6515	Building maintenance service	17,034	13,835	20,150	15,150	20,150
6555	Equipment rental	54	-	100	100	100
6560	Other contractual service	10,414	15,565	15,075	11,860	15,075
	<b>Total other services and charges</b>	<b>160,605</b>	<b>159,552</b>	<b>188,725</b>	<b>187,375</b>	<b>197,890</b>
	<b>Total</b>	<b>\$ 983,033</b>	<b>\$ 924,955</b>	<b>\$ 902,595</b>	<b>\$ 930,321</b>	<b>\$ 997,125</b>

**Department: Dispatch 1114**

**Fund: General Fund 1000**

**Department Activities and Responsibilities:**

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

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

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

**Budget Summary:**

The budget for this department becomes very simple with the new operations structure. The 2019 Budget included the salary and benefit expenditures for two customer service employees. The City chose not to fill a vacancy in one of the positions in 2019. Expenditures for the remaining position move to the Police Department budget in the Revised 2019 Budget to align the employee costs to the business function of the position responsibilities.

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

**Goals:**

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

**Measurable Workload Data:**

	2017 <u>Actual</u>	2018 <u>Actual</u>	2019 <u>Budget</u>	2020 <u>Budget</u>
Total service calls	28,986	26,538	27,000	27,000
Gas Drive Off Investigations	61	241	100	100
CAD Quarterly User Group Committee Meetings Attended	n/a	2	4	4

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

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

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Personal Services</b>						
6105	Salaries - regular employees	\$ 330,741	\$ 245,932	\$ 96,843	\$ -	\$ -
6117	Overtime - regular employees	30,925	11,234	-	-	-
6119	Salaries - temporary employees	37,259	7,515	-	-	-
6120	Overtime - temporary employees	-	291	-	-	-
6122	PERA	31,752	16,887	7,300	-	-
6124	FICA/Medicare	29,205	14,613	7,400	-	-
6128	Insurance contribution	39,505	41,480	13,000	-	-
6138	Worker's compensation	5,985	6,405	2,000	-	-
6148	Other benefits	4,220	1,105	400	-	-
	<b>Total personnel services</b>	<b>509,592</b>	<b>345,462</b>	<b>126,943</b>	<b>-</b>	<b>-</b>
<b>Supplies</b>						
6210	Office supplies	100	15	-	-	-
6220	Equipment supplies	49	75	-	-	-
6240	Building supplies	5	-	-	-	-
6250	Other supplies	-	284	-	-	-
6290	Uniforms	2,225	496	-	-	-
	<b>Total supplies</b>	<b>2,379</b>	<b>870</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other Services and Charges</b>						
6401	Professional services	1,668	390	-	-	-
6402	Data processing	2,531	1,070	-	-	-
6411	Telephone	3,215	1,188	-	-	-
6412	Cellular	420	420	-	-	-
6413	Radio communications	2,878	1,440	-	3,000	3,000
6422	Electric	4,707	4,869	-	-	-
6423	Natural gas	921	1,030	-	-	-
6434	General liability insurance	2,188	2,188	-	-	-
6470	Training	54	3,290	-	-	-
6505	Equipment maintenance service	2,344	3,782	-	-	-
6560	Other contractual service	6,875	138,174	200,000	200,000	210,000
	<b>Total other services and charges</b>	<b>27,801</b>	<b>157,841</b>	<b>200,000</b>	<b>203,000</b>	<b>213,000</b>
<b>Total</b>		<b>\$ 539,772</b>	<b>\$ 504,173</b>	<b>\$ 326,943</b>	<b>\$ 203,000</b>	<b>\$ 213,000</b>

**Department: Legal Prosecution 1041**

**Fund: General Fund 1000**

**Department Activities and Responsibilities:**

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

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

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

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

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

**Budget Summary:**

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

The change to a new comprehensive pricing structure for the prosecutor fees in 2017 stabilized the Professional Services expenditures each year.



**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>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019*</u>
Prosecutor	\$136,520	\$142,965	\$142,875	\$154,584	\$100,159

\*Partial year (January - August)

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

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

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Personnel Services</b>						
6119	Salaries - temporary employees	\$ 420	\$ 600	\$ 900	\$ 900	\$ 1,080
6124	FICA/Medicare	32	46	70	70	83
	Total personnel services	<u>452</u>	<u>646</u>	<u>970</u>	<u>970</u>	<u>1,163</u>
<b>Other Services and Charges</b>						
6401	Professional services	<u>148,427</u>	<u>153,085</u>	<u>148,000</u>	<u>148,100</u>	<u>152,600</u>
	Total other services and charges	<u>148,427</u>	<u>153,085</u>	<u>148,000</u>	<u>148,100</u>	<u>152,600</u>
	<b>Total</b>	<b><u>\$ 148,879</u></b>	<b><u>\$ 153,731</u></b>	<b><u>\$ 148,970</u></b>	<b><u>\$ 149,070</u></b>	<b><u>\$ 153,763</u></b>

**Department: Animal Control 1118**

**Fund: General Fund 1000**

**Department Activities and Responsibilities:**

The Animal Control Department records costs to provide response to animal related service calls, animal patrol, boarding, and any other special services related to animal control. In March 2018, the City's boarding provider stopped providing this service. What seemed like a difficult challenge at the time actually opened the door to an efficient and lower cost creative solution.

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

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

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

**Budget Summary:**

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

**Goals:**

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

**Measurable Workload Data:**

	2017 <u>Actual</u>	2018 <u>Actual</u>	2019 <u>Budget</u>	2020 <u>Budget</u>
Total number of animal control calls	446	476	470	470
Number of animals taken in at Saint Paul Animal Control	n/a	11	20	18
Number of lost pets posted to White Bear Lake Police Facebook page	n/a	17	20	20

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

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

<u>Code</u>	<u>Item</u>	<u>2017 Actual</u>	<u>2018 Actual</u>	<u>2019 Adopted</u>	<u>2019 Revised</u>	<u>2020 Budget</u>
<b>Personnel Services</b>						
6119	Salaries - temporary employees	\$ 10,195	\$ 8,864	\$ 14,542	\$ 13,216	\$ 13,612
6124	FICA/Medicare	780	678	1,113	1,011	1,041
	Total personnel services	<u>10,975</u>	<u>9,542</u>	<u>15,655</u>	<u>14,227</u>	<u>14,653</u>
<b>Supplies</b>						
6250	Other supplies	-	914	750	750	1,050
	Total supplies	<u>-</u>	<u>914</u>	<u>750</u>	<u>750</u>	<u>1,050</u>
<b>Other Services and Charges</b>						
6402	Data processing	1,433	1,505	1,600	1,600	1,715
6470	Training	-	-	600	600	700
6565	Disposal fees	1,615	920	2,400	2,400	2,700
6570	Impound fees	766	1,953	2,400	1,450	1,600
	Total other services and charges	<u>3,814</u>	<u>4,378</u>	<u>7,000</u>	<u>6,050</u>	<u>6,715</u>
<b>Total</b>		<u><b>\$ 14,789</b></u>	<u><b>\$ 14,834</b></u>	<u><b>\$ 23,405</b></u>	<u><b>\$ 21,027</b></u>	<u><b>\$ 22,418</b></u>

**Department: Emergency Preparedness 1220**

**Fund: General Fund 1000**

**Department Activities and Responsibilities:**

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

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

**Budget Summary:**

The annual budgets fund operations to remain consistent with previous years' activities.

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

**Capital Outlay:**

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

**Goals:**

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

**Department: Emergency Preparedness 1220**

**Fund: General Fund 1000**

**Measurable Workload Data:**

	2017 <u>Actual</u>	2018 <u>Actual</u>	2019 <u>Budget</u>	2020 <u>Budget</u>
Number of CERT Volunteer Hours	1,700	1,850	1,900	1900
CERT Team Activations	0	2	2	2
Number of emergency generator tests during year	12	12	12	12
Number of quarterly HSEM meetings attended	4	4	4	4

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

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

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Personal Services</b>						
6119	Salaries - temporary employees	\$ 1,950	\$ 1,980	\$ -	\$ -	\$ -
6124	FICA/Medicare	150	156	-	-	-
	Total personnel services	<u>2,100</u>	<u>2,136</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Supplies</b>						
6220	Equipment supplies	10	-	300	300	400
6248	Community engagement supplies	836	2,223	1,800	2,665	2,865
6250	Other supplies	60	-	700	700	800
6272	Motor fuels	-	-	-	-	-
6290	Uniforms	1,118	1,091	2,000	2,000	2,300
6295	Small tools	-	-	750	750	900
	Total supplies	<u>2,024</u>	<u>3,314</u>	<u>5,550</u>	<u>6,415</u>	<u>7,265</u>
<b>Other Services and Charges</b>						
6422	Electric	3,454	3,634	3,500	3,800	3,800
6423	Natural gas	1,490	1,771	1,600	2,000	2,300
6434	General liability insurance	299	299	299	299	299
6445	Postage	-	-	100	100	100
6450	Outside printing	-	-	50	50	50
6460	Subscription/memberships	314	-	50	50	50
6470	Training	-	-	-	-	-
6505	Equipment maintenance service	1,824	210	3,000	3,000	3,000
	Total other services and charges	<u>7,381</u>	<u>5,914</u>	<u>8,599</u>	<u>9,299</u>	<u>9,599</u>
<b>Total</b>		<b><u>\$ 11,505</u></b>	<b><u>\$ 11,364</u></b>	<b><u>\$ 14,149</u></b>	<b><u>\$ 15,714</u></b>	<b><u>\$ 16,864</u></b>

**Department: Building and Code Enforcement 1080**

**Fund: General Fund 1000**

**Departmental Activities and Responsibilities:**

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

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

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

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

**Budget Summary:**

Vacancies in the building inspector and code enforcement positions during 2019 allow a reduction in the salary and benefit accounts. The 2020 Budget includes funding for a full staff complement during the year.

The department vehicle fleet is older, with replacement vehicles scheduled in the City's Capital Improvement Plan for the next few years. The increase in the 2019 Budget for Vehicle Supplies account covers repairs to the department's two oldest vehicles that are awaiting replacement.

The 2020 Budget for Small Tools allocates resources to purchase metal detectors to find property lines at inspection sites and a new camera to documenting inspection information with pictures.

The Department continues to seek new ways to improve efficiencies in performing their work. Two staff began using electronic tablets to access their permit system database during field inspections. In addition to 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 budget for Cellular service expenditures rise in 2020 with the addition of two hot spot capabilities for two new devices.

Training expenditures include a course to certify the Building Official in Stormwater Pollution Prevention Plans and provide code enforcement training to the newest employee.

**Capital Outlay:**

The Equipment Acquisition Fund, found in the Capital Projects Fund section of the documents, anticipates the department replacing a vehicle in 2019 and 2020.

**Goals:**

1. Continue to expand the building permit tracking software system to offer customers an easy way to access permit history online.



**Department: Building and Code Enforcement 1080**

**Fund: General Fund 1000**

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.

**Measurable Workload Data:**

The following Performance Measurements contain only the City of White Bear Lake data.

	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Total Inspections for All Permits	3,871	5,399	4,500	5,000
Total Number of Permits Issued	2,617	2,978	2,000	2,300
Total Number of Permits Completed	1,834	2,415	1,500	1,700
Number of Certificates of Occupancy Issued	33	53	40	30
Number of Rental Inspections Performed	276	358	270	240
Total Permit Fees Collected	\$451,615	\$524,189	\$485,000	\$490,000
Total Plan Review Fees Collected	\$89,001	\$96,667	\$90,000	\$95,000
Total Rental Fees Collected	\$10,204	\$14,094	\$17,000	\$19,000
Total Value of Construction (in millions)	\$39,985	\$48,245	\$39,000	\$39,000
Number of New Single Family Dwelling Permits	11	12	10	10
Number of Town Homes Permits	0	0	0	0
Number of Apartment Permits	0	0	0	0

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

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

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Personnel Services</b>						
6105	Salaries - regular employees	\$ 347,208	\$ 395,104	\$ 409,596	\$ 386,280	\$ 420,122
6117	Overtime - regular employees	69	37	-	-	-
6122	PERA	26,046	29,635	30,720	28,971	31,509
6124	FICA/Medicare	25,591	28,992	31,334	29,550	32,139
6128	Insurance contribution	34,960	36,710	38,600	38,600	40,530
6138	Worker's compensation	5,135	5,500	5,500	5,500	5,500
6148	Other benefits	3,405	925	4,300	4,300	4,300
	Total personnel services	<u>442,414</u>	<u>496,903</u>	<u>520,050</u>	<u>493,201</u>	<u>534,100</u>
<b>Supplies</b>						
6210	Office supplies	1,046	925	1,000	750	1,000
6220	Equipment supplies	177	245	200	200	200
6230	Vehicle supplies	1,663	1,549	1,500	2,250	1,500
6250	Other supplies	95	130	100	100	100
6272	Motor fuels	4,502	7,750	5,200	5,200	5,200
6280	Books & periodicals	385	257	1,300	1,300	1,300
6290	Uniforms	494	5	200	200	200
6295	Small tools	263	330	2,700	1,200	2,000
	Total supplies	<u>8,625</u>	<u>11,191</u>	<u>12,200</u>	<u>11,200</u>	<u>11,500</u>
<b>Other Services and Charges</b>						
6401	Professional services	15,011	33,276	30,100	30,100	30,100
6402	Data processing	30,522	32,391	34,500	34,500	36,915
6411	Telephone	1,691	1,238	1,320	1,320	1,360
6412	Cellular	1,795	1,932	2,490	2,490	3,510
6434	General liability insurance	3,165	3,165	3,165	3,165	3,165
6436	Vehicle liability insurance	1,663	1,663	1,663	1,663	1,663
6445	Postage	822	822	1,400	1,000	1,400
6449	In-house printing	-	-	300	100	300
6450	Outside printing	383	229	400	515	400
6460	Subscription/memberships	80	80	360	360	410
6470	Training	3,622	4,486	4,260	4,260	5,190
6505	Equipment maintenance service	685	437	1,500	1,035	1,500
6510	Vehicle maintenance service	437	143	600	600	600
6545	Credit card fees	17	1	25	25	25
6560	Other contractual service	155	1,900	140	140	140
	Total other services and charges	<u>60,048</u>	<u>81,763</u>	<u>82,223</u>	<u>81,273</u>	<u>86,678</u>
<b>Total</b>		<b><u>\$ 511,087</u></b>	<b><u>\$ 589,857</u></b>	<b><u>\$ 614,473</u></b>	<b><u>\$ 585,674</u></b>	<b><u>\$ 632,278</u></b>

**Department: Public Works Facility 1300**

**Fund: General Fund 1000**

**Departmental Activities and Responsibilities:**

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

In the past, a monthly journal entry allocated expenditures for this department to the Streets, Parks, Garage, Water Distribution, Water Treatment, and Sewer Departments. This process allowed departments to fund their share of the expenditure burden; however, it did not provide a simple process of reviewing annual operating costs. To improve cost management measures, the 2018 Revised Budget created the Public Works Facility department within the General Fund.

In addition to general building operating expenditures, the budget funds the salaries and benefits for the Public Works Superintendent and Public Works Clerk that were previously part of the Streets, Parks and Garage departments. There was no budget impact to make this change since the three departments were also part of the General Fund. The Water Distribution, Water Treatment and Sewer Fund budgets receive a percentage of the salary and benefits for the positions to account for the job duties attributable to their operations.

**Budget Summary:**

The line item budgets for each account remain in transition as staff determines appropriate coding for invoices in this new structure. The budget projections will stabilize once there are a few years of actual expenditure activity for the department.

The department began paying for a portion of the general liability and vehicle liability insurance costs related to this activity in 2019. Previously, the other departments mentioned above absorbed these costs.

The Adopted 2019 Budget for Contracted Services based the cost for a cleaning company to maintain the building on an estimate of what it cost a minimum wage part-time employee to provide the service. The Revised 2019 and 2020 Budgets increase the allocation to cover the actual cost of an outside organization providing the service.

**Capital Outlay:**

The Equipment Acquisition Fund in the Capital Projects Funds purchased a floor scrubber for the department in 2019. There are no capital requests for 2020.

The Municipal Building Fund in the Capital Projects Funds contains allocations for energy efficiency projects such as upgrades to the Heating Ventilation and Cooling system, overhead fans for the large equipment area, conversion to LED lighting, and service door replacements. The plan also includes an upgrade to the gas pump mechanical equipment.

**Goals:**

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

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

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

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Personnel Services</b>						
6105	Salaries - regular employees	\$ -	\$ 64,223	\$ 65,635	\$ 65,674	\$ 68,058
6117	Overtime - regular employees	-	-	-	750	750
6119	Salaries - temporary employees	-	3,456	-	-	-
6122	PERA	-	4,095	4,923	4,982	5,161
6124	FICA/Medicare	-	4,503	5,025	5,081	5,264
6128	Insurance contribution	-	5,865	6,150	6,150	6,458
6138	Worker's compensation	-	2,120	2,120	2,120	2,120
6148	Other benefits	-	780	780	780	780
	Total personnel services	-	85,042	84,633	85,537	88,591
<b>Supplies</b>						
6210	Office supplies	-	1,557	1,200	1,200	1,200
6220	Equipment supplies	-	375	800	800	1,200
6230	Vehicle supplies	-	-	500	500	500
6240	Building supplies	-	5,443	6,200	6,200	6,200
6250	Other supplies	-	985	1,100	1,225	1,550
6255	Landscaping supplies	-	-	-	50	50
6272	Motor fuels	-	103	100	100	100
6274	Lubricants & additives	-	-	1,000	1,000	1,000
6290	Uniforms	-	749	1,200	3,145	2,150
6295	Small tools	-	1,009	900	900	900
	Total supplies	-	10,221	13,000	15,120	14,850
<b>Other Services and Charges</b>						
6401	Professional services	-	84	800	800	800
6402	Data processing	-	1,371	3,000	3,000	3,210
6411	Telephone	-	7,220	6,500	3,610	3,360
6412	Cellular	-	357	1,400	700	700
6413	Radio communications	-	69	-	-	-
6422	Electric	-	22,770	25,000	25,000	25,000
6423	Natural gas	-	11,030	12,000	12,000	12,000
6434	General liability insurance	-	-	4,000	4,000	4,000
6436	Vehicle liability insurance	-	-	1,000	1,000	1,000
6445	Postage	-	286	400	400	400
6450	Outside printing	-	-	0	555	600
6460	Subscription/memberships	-	90	500	500	500
6470	Training	-	245	800	800	800
6492	Advertising	-	-	-	375	400
6505	Equipment maintenance service	-	410	1,000	1,285	1,285
6515	Building maintenance service	-	13,975	22,500	22,500	22,500
6525	Electrical repair service	-	-	500	500	500
6555	Equipment rental	-	1,740	2,500	2,500	2,500
6560	Other contractual services	-	8,210	6,300	14,090	14,475
	Total other services and charges	-	67,857	88,200	93,615	94,030
<b>Total</b>		<b>\$ -</b>	<b>\$ 163,120</b>	<b>\$ 185,833</b>	<b>\$ 194,272</b>	<b>\$ 197,471</b>

**Department: Engineering 1300**

**Fund: General Fund 1000**

**Department Activities and Responsibilities:**

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

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

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

**Budget Summary:**

Change was a key theme in the Engineering Department's budget cycle for 2019 as the department moved from an Internal Service Fund to a component of the General Fund. The philosophical changes recognizes that though it would be beneficial to compare the department operations to an outside consulting firm to assess effective performance, the two environments have variations of responsibilities that make the evaluation difficult. The improvement projects will continue to support their respective engineering costs through a transfer to reimburse the General Fund for the expenditures.

The City welcomed a new City Engineer/Director of Public Works in the end of 2018 after the previous employee retired after 30 years with the City. A concurrent opening in the Assistant City Engineer position has the new supervisor reviewing employee responsibilities and projects to determine the most efficient operating structure for the department. The assistant position remains open at the end of 2019 as considerations in to whether an Assistant Engineer or a Geographic Information Systems (GIS) specialist would be most valuable to the department. The 2020 Budget includes funding for a position once the staffing evaluation is complete.

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

**Capital Outlay:**

The Equipment Acquisition Fund in the Capital Project Funds includes appropriations to replace a vehicle and the data collector software in 2020.

**Goals:**

1. Update the City's Capital Improvement Plan which provides the framework for future infrastructure needs.
2. Design and administer the City's annual street reconstruction and maintenance projects.
3. Prepare and scan paper project files for archival into the Laserfiche software.
4. Review building and development proposals to ensure the City's objectives, standards, and policies are met.
5. Update and expand the City's GIS with water, sewer, and roadway infrastructure data.

**Department: Engineering 1300**

**Fund: General Fund 1000**

**Measurable Workload Data:**

	2017 <u>Actual</u>	2018 <u>Actual</u>	2019 <u>Budget</u>	2020 <u>Budget</u>
Miles of street and alley reconstruction completed	0.20	2.54	2.00	2.00
Miles of mill and overlay completed	4.50	0.73	2.10	2.00

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

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

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Personnel Services</b>						
6105	Salaries - regular employees	\$ -	\$ -	\$ 508,956	\$ 409,479	\$ 500,657
6117	Overtime - regular employees	-	-	11,000	14,500	15,000
6119	Salaries - temporary employees	-	-	15,000	20,475	18,076
6122	PERA	-	-	38,997	31,798	38,674
6124	FICA/Medicare	-	-	40,924	33,725	40,831
6128	Insurance contribution	-	-	46,300	46,300	48,615
6138	Worker's compensation	-	-	7,000	7,000	7,000
6148	Other benefits	-	-	6,500	6,500	6,500
	Total personnel services	-	-	674,677	569,777	675,353
<b>Supplies</b>						
6210	Office supplies	-	-	2,000	2,000	2,000
6220	Equipment supplies	-	-	900	900	900
6230	Vehicle supplies	-	-	1,500	1,500	1,500
6250	Other supplies	-	-	200	1,000	200
6272	Motor fuels	-	-	2,000	2,000	2,000
6280	Books & periodicals	-	-	100	100	100
6290	Uniforms	-	-	250	250	250
6295	Small tools	-	-	1,500	1,500	1,500
	Total supplies	-	-	8,450	9,250	8,450
<b>Other Services and Charges</b>						
6401	Professional services	-	-	600	600	600
6402	Data processing	-	-	38,700	38,700	40,800
6411	Telephone	-	-	845	845	880
6412	Cellular	-	-	2,800	1,900	1,900
6434	General liability insurance	-	-	5,274	5,274	5,274
6436	Vehicle liability insurance	-	-	1,073	1,073	1,073
6445	Postage	-	-	2,400	2,400	2,400
6449	In-house printing	-	-	2,500	500	500
6450	Outside printing	-	-	400	400	400
6460	Subscription/memberships	-	-	475	475	895
6470	Training	-	-	7,800	7,800	8,500
6485	Travel allowance	-	-	5,650	3,150	2,650
6505	Equipment maintenance service	-	-	1,500	1,500	2,000
6510	Vehicle maintenance service	-	-	1,000	1,000	1,000
6560	Other contractual services	-	-	100	100	100
	Total other services and charges	-	-	71,117	65,717	68,972
<b>Total</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ 754,244</b>	<b>\$ 644,744</b>	<b>\$ 752,775</b>

**Department: Central Garage 1320**

**Fund: General Fund 1000**

**Departmental Activities and Responsibilities:**

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

**Budget Activity:**

Creation of the Public Works Facility department in 2018 removes the salary and benefit costs associated with the Public Works Superintendent and Secretary out of this budget. The Personal Services section presented includes costs for only the Mechanic working in the department.

Determining the costs of supplies and other services for this department remains a work in process since management reclassified it from an Internal Service Fund to the General Fund in 2017. The budget allocates resources to purchase general parts or services not associated with specific vehicles or equipment units. All City departments now include budget allocations for parts or service related to units in their control, as those expenditures charge directly to the department. General Fund departments with assets serviced in the garage do not pay mechanic labor fees related to the repairs because the departments are in the same fund, a portion of the Enterprise Fund transfer to the General Fund is reimbursement for labor charges relating to their fleet since they are in separate funds.

The 2020 Budget for Contracted Services contains new funding for the Identifix software, which gives the mechanic code reading ability for equipment during repair work. Access to these systems allows the mechanic to perform more maintenance issues internally and reduces outside labor fees.

**Capital Outlay:**

The Equipment Acquisition Fund in the Capital Project Funds includes funding for equipment scanning technology and a hydraulic hose crimper in 2019 and a significant repair to the garage ramp hoists in 2020.

**Goals:**

1. Continue to utilize the vehicle maintenance system to provide historical data for equipment evaluations.
2. Complete all City vehicle maintenance requests promptly to reduce down time for the operating departments.
3. Coordinate vehicle and equipment preventive maintenance work with all departments.

**Measurable Workload Data:**

	2017 <u>Actual</u>	2018 <u>Actual</u>	2019 <u>Budget</u>	2020 <u>Budget</u>
Vehicle and equipment repair projects	169	148	150	150
Oil changes and preventive maintenance projects	176	149	160	160
Department of Transportation safety inspections	15	18	15	15



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

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

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Personnel Services</b>						
6105	Salaries - regular employees	\$ 77,736	\$ 62,614	\$ 63,555	\$ 66,096	\$ 68,120
6117	Overtime - regular employees	-	-	500	500	500
6122	PERA	5,830	5,418	4,804	4,995	5,147
6124	FICA/Medicare	5,720	5,152	4,900	5,095	5,249
6128	Insurance contribution	9,090	9,545	7,615	7,615	7,996
6138	Worker's compensation	4,760	5,095	3,880	3,880	3,880
6148	Other benefits	875	240	845	845	845
	Total Personnel Services	<u>104,011</u>	<u>88,064</u>	<u>86,099</u>	<u>89,026</u>	<u>91,737</u>
<b>Supplies</b>						
6210	Office supplies	49	-	100	100	100
6220	Equipment supplies	8,188	5,918	18,000	13,350	13,850
6230	Vehicle supplies	2,603	3,615	8,000	5,000	5,500
6240	Building supplies	1,033	430	1,000	1,000	1,000
6250	Other supplies	399	220	1,000	1,000	1,000
6274	Lubricants & additives	774	2,440	4,000	4,000	4,000
6290	Uniforms	386	336	500	500	500
6295	Small tools	1,325	1,620	3,200	3,200	3,200
	Total Supplies	<u>14,757</u>	<u>14,579</u>	<u>35,800</u>	<u>28,150</u>	<u>29,150</u>
<b>Other Services and Charges</b>						
6401	Professional services	56	51	200	200	200
6422	Electric	6,327	2,194	6,500	6,500	6,500
6423	Natural gas	2,677	977	2,200	2,200	2,200
6434	General liability insurance	2,920	2,920	2,920	2,920	2,920
6445	Postage	16	-	50	50	50
6450	Outside printing	-	-	100	100	200
6460	Subscription/memberships	1,523	1,500	100	100	100
6470	Training	342	324	1,000	1,000	1,000
6505	Equipment maintenance service	-	382	5,500	5,500	5,500
6515	Building maintenance service	1,068	-	-	-	-
6555	Equipment rental	1,491	2,416	2,500	2,500	2,500
6560	Other contractual services	833	749	2,500	3,250	4,750
	Total Other Services and Charges	<u>17,253</u>	<u>11,513</u>	<u>23,570</u>	<u>24,320</u>	<u>25,920</u>
<b>Total</b>		<b><u>\$ 136,021</u></b>	<b><u>\$ 114,156</u></b>	<b><u>\$ 145,469</u></b>	<b><u>\$ 141,496</u></b>	<b><u>\$ 146,807</u></b>

**Department: Streets 1410**

**Fund: General Fund 1000**

**Department Activities and Responsibilities:**

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

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

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

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

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

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

**Budget Activity:**

The budget for Equipment Supplies rises in 2019 and 2020 due to costs to repair and maintain large heavy-duty equipment used in daily operations. These expenditures should decrease as the city replaces the older units through the capital improvement plans in coming years.

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

The Signs and Stripping Materials budget estimate expands in 2020 as the department continues to improve signage for roadways, pedestrians and bikes traveling throughout the City.

**Department: Streets 1410**

**Fund: General Fund 1000**

In 2014, the City collaborated with the Minnesota Department of Transportation to resurface Highway 61 and upgrade the median, as it is the main thoroughfare through much of the City and a focal point for residents and visitors. The Contracted Services budget allocates funding for contractors to provide mowing, plant maintenance, weeding, and irrigation systems. Staff is working to level out the annual maintenance 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 2019 Budget supports the purchase of new loader tires and replacement of smaller equipment used in operations, while the 2020 Budget appropriations replace the sign truck, a dump truck, and a paver unit.

**Goals:**

1. Emphasize maintenance and improved appearance of public right-of-ways within the City.
2. Increase frequency of street sweeping to effectively reduce pollutants from entering City's surface water bodies and support the City's Storm Water Pollution Prevention Program.
3. Conduct tree trimming to improve visibility on city streets and sidewalks.

**Measurable Workload Data:**

	2017 <u>Actual</u>	2018 <u>Actual</u>	2019 <u>Budget</u>	2020 <u>Budget</u>
Tons of Debris Swept	1,949	1,340	1,900	1,900
Miles of Streets Swept	657	420	550	650
Tons of Asphalt used for street patching	480	265	280	400
Man Hours Spent Tree Trimming	501	1,263	1,000	1,000

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

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

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Personnel Services</b>						
6105	Salaries - regular employees	\$ 233,214	\$ 221,269	\$ 206,092	\$ 233,095	\$ 215,868
6117	Overtime - regular employees	700	1,358	3,090	3,090	3,183
6119	Salaries - temporary employees	9,236	11,925	15,350	15,340	15,800
6120	Overtime - temporary employees	-	-	600	600	600
6122	PERA	17,544	16,675	15,689	17,714	16,429
6124	FICA/Medicare	18,177	17,171	17,223	19,288	18,012
6128	Insurance contribution	29,365	30,835	32,045	32,045	33,647
6138	Worker's compensation	18,900	20,225	19,890	19,890	19,890
6148	Other benefits	2,400	650	2,820	2,820	2,820
	<b>Total personnel services</b>	<b>329,536</b>	<b>320,108</b>	<b>312,799</b>	<b>343,882</b>	<b>326,249</b>
<b>Supplies</b>						
6210	Office supplies	147	-	250	250	250
6220	Equipment supplies	16,178	13,253	10,000	15,425	15,525
6230	Vehicle supplies	2,637	5,423	5,000	7,500	5,500
6240	Building supplies	1,374	-	-	-	-
6250	Other supplies	573	482	3,000	3,000	3,100
6253	Street materials	23,585	15,102	24,000	24,000	26,450
6254	Signs & stripping materials	13,896	11,317	10,000	10,000	15,000
6272	Motor fuels	11,749	21,383	19,400	19,400	19,400
6274	Lubricants & additives	760	4,539	-	-	-
6290	Uniforms	2,250	2,149	2,000	2,000	2,020
6295	Small tools	1,477	781	2,100	2,100	2,100
	<b>Total supplies</b>	<b>74,626</b>	<b>74,429</b>	<b>75,750</b>	<b>83,675</b>	<b>89,345</b>
<b>Other Services and Charges</b>						
6401	Professional services	28,207	29,271	500	500	500
6402	Data processing	4,538	4,766	5,000	5,000	7,000
6411	Telephone	1,251	462	500	500	520
6412	Cellular	581	526	600	600	600
6422	Electric	1,582	548	800	800	800
6423	Natural gas	669	244	800	800	800
6434	General liability insurance	17,340	17,340	17,340	17,340	17,340
6436	Vehicle liability insurance	3,532	3,532	3,532	3,532	3,532
6445	Postage	47	-	100	100	100
6450	Outside printing	-	-	150	200	150
6460	Subscription/memberships	218	150	-	150	150
6470	Training	1,270	485	2,800	2,800	2,800
6505	Equipment maintenance service	7,300	4,410	6,855	15,855	6,855
6510	Vehicle maintenance service	4,226	4,041	5,000	5,000	5,000
6515	Building maintenance service	3,205	-	-	-	-
6555	Equipment rental	621	268	500	500	500
6560	Other contractual services	66,417	100,980	98,000	79,000	93,000
	<b>Total other services and charges</b>	<b>141,004</b>	<b>167,023</b>	<b>142,477</b>	<b>132,677</b>	<b>139,647</b>
<b>Total</b>		<b>\$ 545,166</b>	<b>\$ 561,560</b>	<b>\$ 531,026</b>	<b>\$ 560,234</b>	<b>\$ 555,241</b>

**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 department estimates accumulation of 54 inches of snow during the season when creating this budget. Within this annual snowfall total, the calculations anticipate the area receiving four snowstorms producing over 6 inches of snow. Storms of this magnitude significantly increase snow removal costs for public areas. The accumulation and timing of snowfalls cause significant fluctuations in the actual expenditures for employee overtime pay and contracted snow removal services. The department attempts to minimize overtime costs by adjusting employees' schedules when removal work will occur at times outside of regular working hours. In addition to this practice, during Spring months each year the City does not clear snow if the forecast predicts sunshine and warmer temperatures after the snowfall which helps reduce unnecessary employee overtime hours and equipment usage.

**Budget Summary:**

Per the Minnesota Department of Natural Resources, the area received 66.1 inches of snow in the first four months of 2019. Many significant snowstorms during this time occurred out of regular work hours causing an inverse change in both the budgets for the Regular Salaries and Overtime line items. The 2019 Revised Budget adjusts appropriations for equipment repairs due to excessive use and additional contracted services to assist in hauling snow out of the public areas.

The City anticipates higher salt prices in 2020 due to high river levels after the 2019 snow thaw prevented the shipment of salt arriving to the area by river barge. Suppliers will pass the higher cost of other transportation methods on to consumers.

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

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

**Department: Snow and Ice Removal 1420**

**Fund: General Fund 1000**

**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 2019 Budget allocated amounts to purchase plows, ice spreaders and a large push plow to move snow received in the downtown area. The 2020 Budget anticipates the acquisition of sidewalk blower attachments for the two trackless units.

**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 plow-able areas efficiently and effectively after snow events.

**Measurable Workload Data:**

	2017 <u>Actual</u>	2018 <u>Actual</u>	2019 <u>Budget</u>	2020 <u>Budget</u>
Seasonal Snowfall in Inches	19.75	83.00	90.00	90.00
Snow plow events outside regular working hours	1	8	8	8
Road salt de-icing/anti-caking usage per ton	484	567	650	600
Annual road salt cost	\$14,714	\$36,972	\$62,700	\$70,326
Snow plow sessions needing Cul-De-Sac plowing	6	21	21	20

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

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

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Personnel Services</b>						
6105	Salaries - regular employees	\$ 8,866	\$ 23,062	\$ 52,840	\$ 21,000	\$ 54,178
6117	Overtime - regular employees	5,273	33,276	20,000	26,000	25,000
6122	PERA	1,060	4,225	5,500	3,525	5,938
6124	FICA/Medicare	1,048	4,113	5,600	3,596	6,057
6128	Insurance contribution	6,940	7,290	7,650	7,650	8,033
6138	Worker's compensation	5,250	5,620	5,620	5,620	5,620
6148	Other benefits	720	200	1,000	1,000	1,000
	Total personnel services	<u>29,157</u>	<u>77,786</u>	<u>98,210</u>	<u>68,391</u>	<u>105,826</u>
<b>Supplies</b>						
6220	Equipment supplies	4,683	15,386	10,000	10,000	11,700
6230	Vehicle supplies	216	2,101	1,700	1,700	1,700
6250	Other supplies	24,894	39,530	65,000	65,400	73,126
6272	Motor fuels	19,473	20,832	20,000	20,000	20,000
6274	Lubricants & additives	-	1,025	1,000	1,000	1,000
6295	Small tools	-	150	300	300	300
	Total supplies	<u>49,266</u>	<u>79,024</u>	<u>98,000</u>	<u>98,400</u>	<u>107,826</u>
<b>Other Services and Charges</b>						
6401	Professional services	8,897	9,200	-	-	-
6434	General liability insurance	4,125	4,125	4,125	4,125	4,125
6436	Vehicle liability insurance	843	843	843	843	843
6450	Outside printing	-	-	250	250	250
6470	Training	-	-	600	600	600
6505	Equipment maintenance service	1,657	7,365	2,900	9,000	4,000
6510	Vehicle maintenance service	-	7,400	3,000	3,000	3,000
6560	Other contractual services	13,444	48,658	26,000	61,000	26,000
	Total other services and charges	<u>28,966</u>	<u>77,591</u>	<u>37,718</u>	<u>78,818</u>	<u>38,818</u>
<b>Total</b>		<b><u>\$ 107,389</u></b>	<b><u>\$ 234,401</u></b>	<b><u>\$ 233,928</u></b>	<b><u>\$ 245,609</u></b>	<b><u>\$ 252,470</u></b>

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

**Fund: General Fund 1000**

**Department Activities and Responsibilities:**

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

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

The City operates and maintains decorative streetlights for the downtown area, along Lake Avenue and in the median of County Road 96. Currently, the downtown lighting system consists of two different light units, one is an aging wooden carriage style light and the other is a newer acorn style light. The top sections of both styles are subject to damage from the sun and weather, which allows water to get in and corrode the hardware. In 2017, the department began budgeting for maintenance to these lighting units to ensure timely repairs meet safety and visibility needs. Replacement of the carriage style lights will occur with the reconstruction of downtown streets and redevelopment. LED light sources are not included in the budget; however, the department is considering future projects to retrofit the current lighting with smart modules or LED lights to reduce electric usages and maintenance costs for the city-owned systems. Changes to this technology would begin in small areas to allow staff to monitor the effectiveness and savings. This department also contains the costs to support the seasonal holiday lighting in the downtown area. LED lighting replaces any worn out strands for great efficiency.

**Budget Summary:**

The Other Supplies expenditure budget allocates funds for the replacement of broken decorative streetlight ballasts and globes. This work and painting of the poles will keep the structures in good condition and prevent issues that are more extensive. The 2019 Budget eliminates the Professional Service charge for engineering services now that the Engineering Fund is a component of the General Fund operations.

**Goals:**

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

**Measurable Workload Data:**

	2017 <u>Actual</u>	2018 <u>Actual</u>	2019 <u>Budget</u>	2020 <u>Budget</u>
Number of repair calls for downtown streetlights	7	13	25	15
Number of decorative street light poles painted	10	0	0	0
Number of light poles or fixtures replaced	4	7	4	4



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

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

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Personnel Services</b>						
6105	Salaries - regular employees	\$ 7,155	\$ 7,380	\$ 7,600	\$ 7,600	\$ 7,828
6117	Overtime - regular employees	-	98	-	-	-
6122	PERA	537	583	570	570	587
6124	FICA/Medicare	547	559	580	581	599
6128	Insurance contribution	700	735	775	775	814
6138	Worker's compensation	445	475	475	475	475
	Total personnel services	<u>9,384</u>	<u>9,830</u>	<u>10,000</u>	<u>10,001</u>	<u>10,303</u>
<b>Supplies</b>						
6220	Equipment supplies	1,405	1,811	2,100	2,100	2,100
6250	Other supplies	4,468	5,340	11,000	11,000	11,000
	Total supplies	<u>5,873</u>	<u>7,151</u>	<u>13,100</u>	<u>13,100</u>	<u>13,100</u>
<b>Other Services and Charges</b>						
6401	Professional services	9,497	10,000	-	-	-
6422	Electric	12,007	12,636	13,000	13,000	13,000
6505	Equipment maintenance service	-	-	7,000	7,000	7,000
6525	Electric maintenance service	(762)	11,205	10,000	10,000	10,000
6560	Other contractual services	134,162	135,484	138,000	138,000	138,000
	Total other services and charges	<u>154,904</u>	<u>169,325</u>	<u>168,000</u>	<u>168,000</u>	<u>168,000</u>
<b>Total</b>		<b><u>\$ 170,161</u></b>	<b><u>\$ 186,306</u></b>	<b><u>\$ 191,100</u></b>	<b><u>\$ 191,101</u></b>	<b><u>\$ 191,403</u></b>

**Department: Parks 1510**

**Fund: General Fund 1000**

**Department Activities and Responsibilities:**

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

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

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

**Budget Summary:**

Responsibilities performed by department employees each year continue to through the added amenities in park improvement projects. The department utilizes a combination of full-time and temporary employees to meet the assigned tasks. During 2018, staffing changes prompted a workload distribution analysis, which recognized the importance for more centralized facility management within the Public Works department and the City as a whole. To fill the open positions and address the oversight need, the funding for a full-time Maintenance II position transformed to a new capacity by creating a Parks and Facilities Superintendent position. The Superintendent role provides a high level of leadership to the Parks Department and coordinates the maintenance between all city facilities to improve efficiency in service.

Routine maintenance activities are the driving force behind the increases in the supply expenditures in 2020. The Equipment Supplies line item contains additional monies to replace aging sprinkler system controllers, heads, and parts and the Building Supplies account adjusts to the actual expenditure level needed to clean the park facilities and maintain the hardware and fixtures within the buildings.

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

Uniform costs reflect a change in the union contract. The 2019 Budget for Professional Services expenditures decreases as the Engineering Fund became a component of the General Fund operations and did not allocate costs to other General Fund departments.

The 2019 Budget for Contracted Services supports a program to address the Emerald Ash Borer (EAB) invasive species in street boulevard trees as well as the routine treatment or removal of diseased vegetation, swimmer's itch treatment, and Ecoli testing at local beaches. The Emerald Ash Borer funding begins the program but do not cover all costs. The Interim Construction Fund adds an additional \$35,000 to meet the annual costs to cover 1/3 of the street boulevard trees in the City. Future budgets will maintain the funding to complete work on the street boulevard trees. The costs included here only relate to treatment of the disease and do not address any removal or replacement tree costs. Since there are fewer ash trees in City parks, the EAB treatment covers all trees every three years at the cost of \$16,000, with the next

**Department: Parks 1510**

**Fund: General Fund 1000**

treatment needed in 2021. These treatment plans open the conversation of implementing an urban tree management program to ensure our community will enjoy the benefits of trees through proper techniques and maintenance practices.

**Capital Outlay:**

The Park Improvement Fund in the Capital Project Fund section of this budget allocates resources for individual park renovation and improvement projects. The Equipment Acquisition Fund, also in the Capital Project Fund section, provides funding for the equipment needs of the department. The main items included in the equipment requests for 2019 are a large mower for park maintenance and the replacement of two aging pickup trucks. The 2020 Budget replaces two small size mowers.

**Goals:**

1. Continue the park patrol program for public safety and reduce vandalism in our parks.
2. Promote public awareness of park facility availability.
3. Improve methods used to care for turf, trees and shrubs on public property.

**Measurable Workload Data:**

	2017 <u>Actual</u>	2018 <u>Actual</u>	2019 <u>Budget</u>	2020 <u>Budget</u>
Hours Spent Mowing for the Season	1,646	900	750	1,000
Number of Park Reservations	311	342	350	350
Number of Tree Inspections Performed	54	63	65	65
Man Hours Spent Tree Trimming	235	299	300	300
Number of Special Events Supported	70	52	70	70
Instances of Vandalism	26	11	10	8

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

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

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Personnel Services</b>						
6105	Salaries - regular employees	\$ 304,196	\$ 311,591	\$ 362,687	\$ 376,308	\$ 386,553
6117	Overtime - regular employees	6,880	3,160	10,000	10,000	10,000
6119	Salaries - temporary employees	53,774	46,977	39,745	39,601	40,781
6122	PERA	23,737	23,606	27,955	28,973	29,741
6124	FICA/Medicare	27,103	26,940	31,555	32,582	33,456
6128	Insurance contribution	37,760	39,650	38,290	38,920	40,866
6138	Worker's compensation	18,900	20,225	19,655	19,655	19,655
6148	Other benefits	3,300	910	3,865	3,865	3,865
	Total personnel services	<u>475,650</u>	<u>473,059</u>	<u>533,752</u>	<u>549,904</u>	<u>564,916</u>
<b>Supplies</b>						
6210	Office supplies	194	-	375	375	375
6220	Equipment supplies	12,499	10,381	9,000	9,000	12,300
6230	Vehicle supplies	2,922	4,018	3,500	3,500	3,500
6240	Building supplies	12,062	9,212	11,500	12,500	13,530
6250	Other supplies	4,672	3,817	7,000	6,850	7,500
6255	Landscaping supplies	9,315	18,512	15,400	15,400	19,540
6272	Motor fuels	7,690	20,236	16,600	16,600	16,600
6274	Lubricants & additives	564	3,087	660	660	660
6280	Books & periodicals	-	-	100	100	100
6290	Uniforms	3,674	4,481	3,500	4,750	5,100
6295	Small tools	1,869	6,833	5,000	5,000	5,000
	Total supplies	<u>55,461</u>	<u>80,577</u>	<u>72,635</u>	<u>74,735</u>	<u>84,205</u>
<b>Other Services and Charges</b>						
6401	Professional services	26,309	27,531	350	600	600
6411	Telephone	1,558	624	650	675	700
6412	Cellular	282	2,068	2,000	2,765	2,845
6422	Electric	29,017	21,547	29,000	29,000	29,000
6423	Natural gas	3,987	2,858	4,000	4,000	4,000
6434	General liability insurance	12,148	12,148	12,148	12,148	12,148
6436	Vehicle liability insurance	2,690	2,690	2,690	2,690	2,690
6450	Outside printing	179	84	400	400	400
6460	Subscription/memberships	163	85	500	500	500
6470	Training	1,698	3,695	2,500	2,500	2,500
6492	Advertising	199	125	-	-	-
6505	Equipment maintenance service	5,315	1,665	8,500	8,500	8,500
6510	Vehicle maintenance service	6,276	125	7,000	7,000	8,000
6515	Building maintenance service	7,798	2,154	4,500	4,500	4,500
6525	Electrical maintenance service	375	432	1,500	1,500	1,500
6540	Vandalism	4,584	3,298	5,000	5,000	5,000
6555	Equipment rental	1,492	1,295	3,000	3,000	3,000
6560	Other contractual services	10,381	8,921	42,500	17,500	18,500
	Total other services and charges	<u>114,451</u>	<u>91,345</u>	<u>126,238</u>	<u>102,278</u>	<u>104,383</u>
<b>Total</b>		<b><u>\$ 645,562</u></b>	<b><u>\$ 644,981</u></b>	<b><u>\$ 732,625</u></b>	<b><u>\$ 726,917</u></b>	<b><u>\$ 753,504</u></b>

**Department: General Services and Contingency 1610**

**Fund: General Fund 1000**

**Department Activities and Responsibilities:**

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

**Budget Summary:**

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

The State of Minnesota created the White Bear Lake Conservation District (WBLCD) in 1971 to care for the body of water known as White Bear Lake. As a bordering municipality to the lake, the city works closely with the WBLCD. The City budgets the required annual fees for the White Bear Lake Conservation District in this category. The District currently emphasizes management of problems caused by the spread of Eurasian Water Milfoil within White Bear Lake. In 2014, the invasive species zebra mussel appeared in White Bear Lake. It is unknown if any additional funding to address the invasive species will be required.

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

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

**Transfers:**

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

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

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

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>General Services</b>						
6148	General	\$ -	\$ -	\$ 14,220	\$ 14,220	\$ 14,220
6560	Lake Conservation District	34,777	-	30,000	36,600	34,000
6560	Northeast Youth & Family Services	39,029	39,575	42,000	42,000	44,000
6560	Senior Bus	-	3,750	7,500	7,500	7,500
6560	Emergency appropriations	-	-	15,500	-	15,500
	Total contingency	<u>73,806</u>	<u>43,325</u>	<u>109,220</u>	<u>100,320</u>	<u>115,220</u>
<b>Transfers to Other Funds</b>						
7605	Armory operations	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>
	Total transfers	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>
	<b>Total</b>	<b><u>\$ 98,806</u></b>	<b><u>\$ 68,325</u></b>	<b><u>\$ 134,220</u></b>	<b><u>\$ 125,320</u></b>	<b><u>\$ 140,220</u></b>

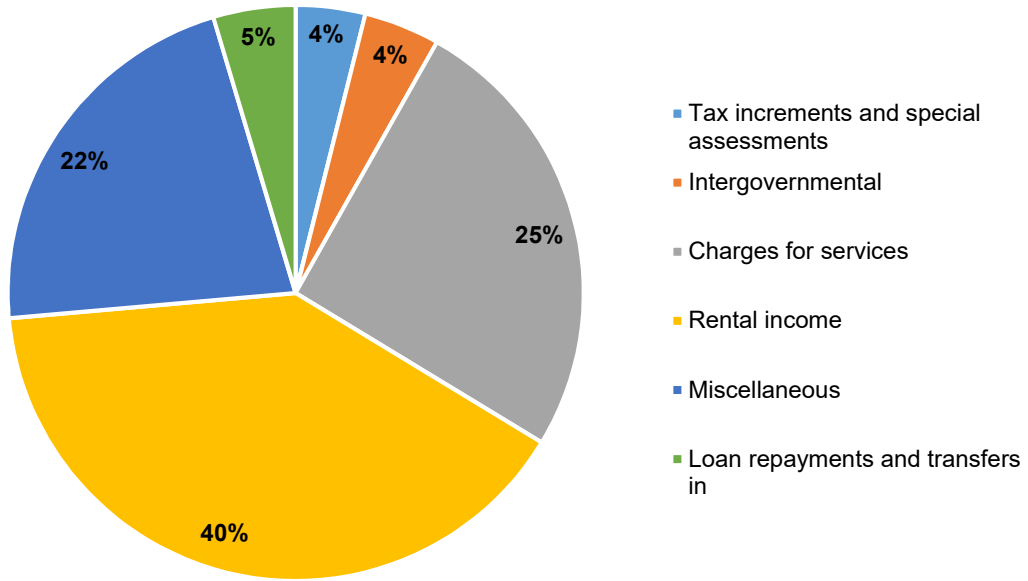
**City of White Bear Lake  
Special Revenue Funds**

**Annual Budget**

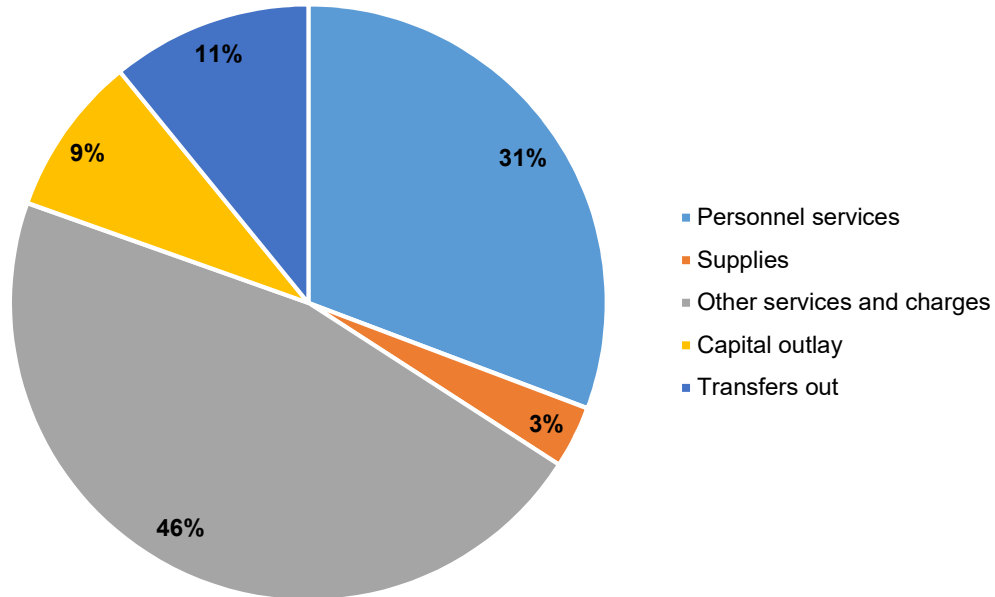
Item	2017 Actual	2018 Actual	2019 Budget	2019 Revised	2020 Budget
<b>Revenues</b>					
Tax increment	\$ 40,596	\$ 32,587	\$ 20,000	\$ 42,100	\$ 20,000
Special assessments	59,388	63,450	62,200	62,900	62,200
Intergovernmental	87,059	526,716	90,000	112,400	90,000
Charges for services	499,419	428,949	513,000	523,300	538,290
Rental income	782,515	792,317	810,500	821,100	841,500
Miscellaneous	187,604	137,538	76,650	80,227	459,200
Loan repayments	65,044	75,770	72,500	72,500	72,500
Transfers in	1,674,149	25,000	25,000	25,000	25,000
Total revenues	<u>3,395,774</u>	<u>2,082,327</u>	<u>1,669,850</u>	<u>1,739,527</u>	<u>2,108,690</u>
<b>Expenditures</b>					
Personnel services	475,319	457,876	602,991	642,981	663,209
Supplies	56,188	97,850	76,160	96,491	72,765
Other services and charges	973,243	938,835	797,863	882,066	998,531
Capital outlay	591,138	69,231	40,000	865,000	187,000
Loan repayments	155,000	155,000	155,000	155,000	-
Transfers out	10,000	50,000	80,000	80,000	235,000
Total expenditures	<u>2,260,888</u>	<u>1,768,792</u>	<u>1,752,014</u>	<u>2,721,538</u>	<u>2,156,505</u>
Reserves	<u>(289,515)</u>	<u>835,975</u>	<u>(10,000)</u>	<u>(800,000)</u>	<u>37,500</u>
Total expenditures and reserves	<u>1,971,373</u>	<u>2,604,767</u>	<u>1,742,014</u>	<u>1,921,538</u>	<u>2,194,005</u>
Revenues over (under) expenditures and reserves	<u>1,424,401</u>	<u>(522,440)</u>	<u>(72,164)</u>	<u>(182,011)</u>	<u>(85,315)</u>
Fund balance, January 1	<u>2,175,713</u>	<u>3,600,114</u>	<u>3,106,348</u>	<u>3,077,674</u>	<u>2,895,663</u>
Fund balance, December 31	<u>\$ 3,600,114</u>	<u>\$ 3,077,674</u>	<u>\$ 3,034,184</u>	<u>\$ 2,895,663</u>	<u>\$ 2,810,348</u>

# 2020 Special Revenue Funds

Total Revenues \$2,108,690

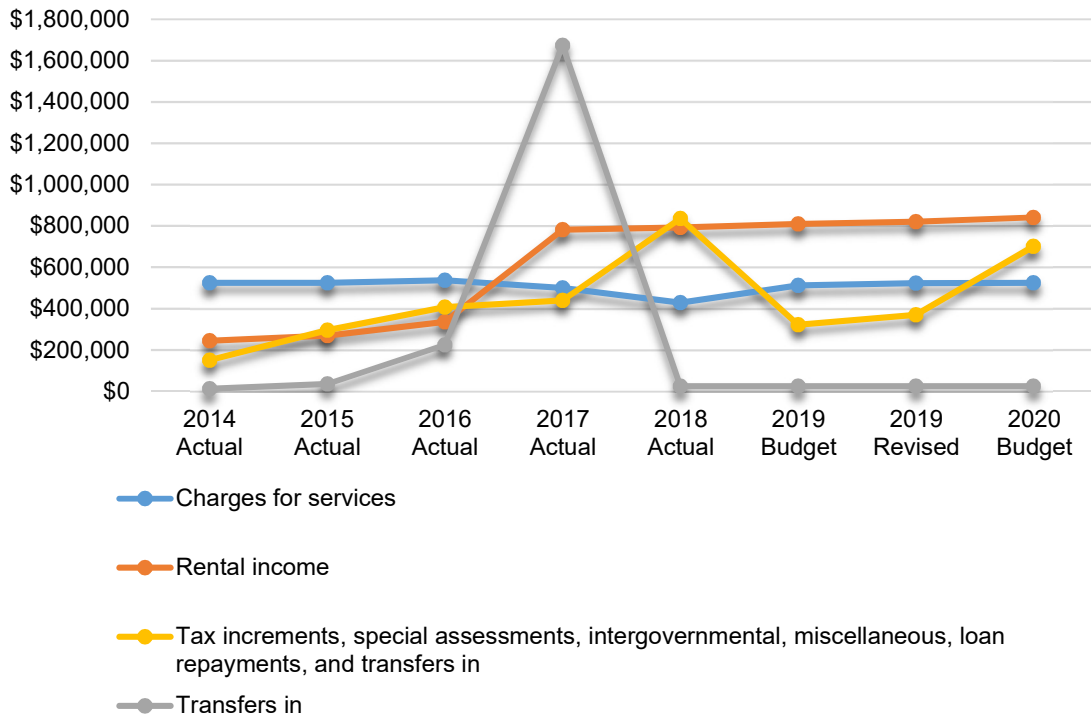


Total Expenditures \$2,156,505

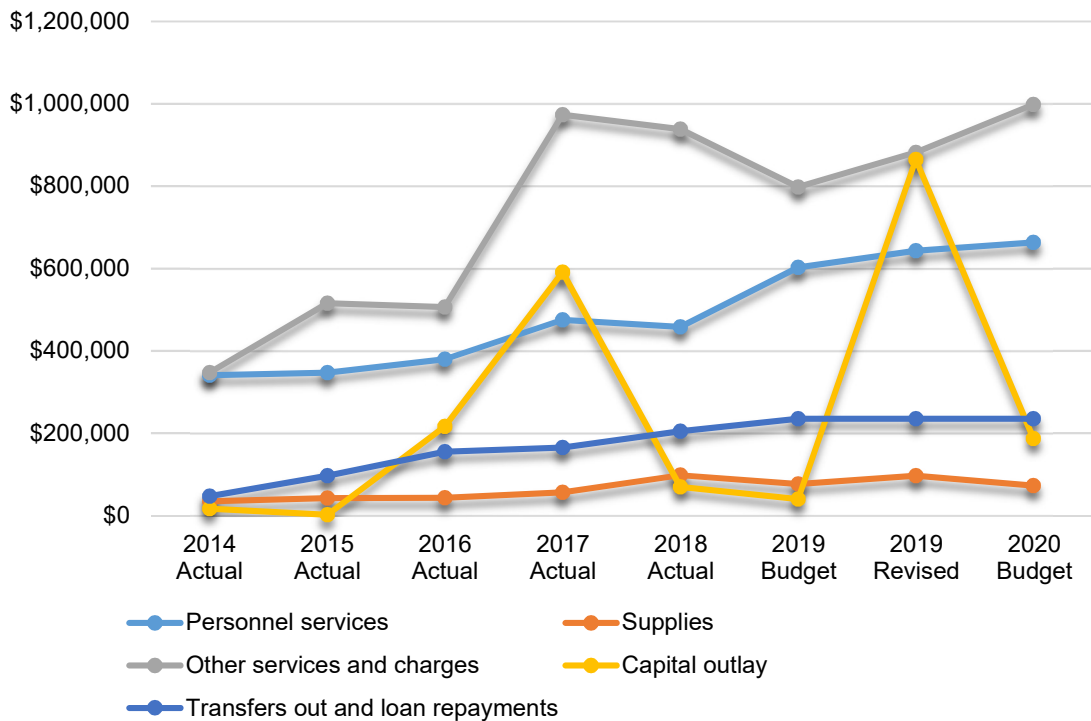




## Special Revenue Funds Revenue Trend Analysis



## Special Revenue Fund Expenditure Trend Analysis



**Fund: Armory Fund 2030**

**Department Activities and Responsibilities:**

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

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

The Armory's main gymnasium has three general types of users: local non-profit groups, private party rentals and recreational activity rentals. The City does not expect the facility to be entirely fee-supported because part of the building's purpose is to provide a low cost venue for local groups to host events. Often times, many of the non-profit groups contribute money earned through their rental activities back to the community. To support this philosophy, the City allows White Bear Lake non-profit organizations to utilize the space at no charge if the activity is for one day and does not conflict with private party reservations. Consequently, the user fees supporting operations stem primarily from private party and recreational activity rentals. In creating the budget, the City anticipates recovering approximately 60% of its operating costs through user fees.

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

The facility's current rental rates have been in effective since August 2016 and are as follows:

	Resident	Non-Resident
Private Party Daily Rates		
Full Day Rental	\$ 550	\$ 750
Kitchen Rental	100	150
Private Party Hourly Rates		
Monday - Thursday	80	80
Friday - Saturday	100	120
Athletic Events Hourly Rates		
	25	25

In 2020, staff will investigate alternative uses of the Armory building and compare them with the current uses to determine the use of space that ensures the operations meet a public benefit and provide resources to support the facility.

**Budget Summary:**

The building operations and budget remains relatively consistent with previous years. The 2019 Revised Budget for the Building Maintenance Services account includes funding for the Heating Ventilation and Air Conditioning system, the condenser fan motor and the heat pump control. An annual transfer from this fund to the Municipal Building Fund supports future capital improvements.

**Capital Outlay:**

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

**Fund: Armory Fund 2030**

**Goals:**

1. Continue to monitor user groups to ensure compliance with established facility use protocol.
2. Promote the facility to encourage revenue producing rental opportunities.
3. Monitor the number of weekends the facility is booked for non-profit events to ensure the facility is not turning away revenue-producing customers.

**Measurable Workload Data:**

	<u>2017 Actual</u>	<u>2018 Actual</u>	<u>2019 Budget</u>	<u>2020 Budget</u>
Private Parties Rentals				
Resident	13	6	6	6
Non-Resident	10	18	14	15
Non-Profit Group Rentals				
Resident	8	4	10	10
Non-Resident	4	6	6	6
Community Group Rentals				
Resident	5	6	10	10
Non-Resident	2	2	2	4
WBL School District	127	124	125	125
Sporting Group Rentals				
Resident	231	131	135	140
Non-Resident	<u>92</u>	<u>141</u>	<u>115</u>	<u>120</u>
Total	<u>492</u>	<u>438</u>	<u>423</u>	<u>436</u>
Overall Use Analysis				
Resident	257	147	161	166
Non-Resident	108	167	137	145
WBL School District	<u>127</u>	<u>124</u>	<u>125</u>	<u>125</u>
Total	<u>492</u>	<u>438</u>	<u>423</u>	<u>436</u>

**City of White Bear Lake  
Armory**

**Annual Budget  
Fund Summary**

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Revenues</b>						
4975	Rental income	\$ 27,728	\$ 29,478	\$ 35,000	\$ 36,000	\$ 36,000
4975	Lease - armory bus garage	4,250	4,250	4,250	4,250	4,250
4975	Lease - Lions	3,300	3,300	3,300	3,300	3,300
5010	Sale of property	-	-	-	618	-
5360	Refunds and reimbursements	1,404	3,531	2,000	4,300	5,150
5205	Transfers	25,000	25,000	25,000	25,000	25,000
	<b>Total revenues</b>	<b>61,682</b>	<b>65,559</b>	<b>69,550</b>	<b>73,468</b>	<b>73,700</b>
<b>Expenditures</b>						
<b>Personnel Services</b>						
6105	Salaries - regular employees	20,830	21,721	22,832	22,801	23,592
6117	Overtime - regular employees	-	6	-	1,000	1,000
6119	Salaries - temporary employees	5,265	5,208	5,875	5,875	6,051
6122	PERA	1,820	1,941	2,153	2,226	2,298
6124	FICA/Medicare	1,930	1,956	2,196	2,270	2,344
6128	Insurance contribution	2,105	2,210	2,350	2,350	2,468
6138	Worker's compensation	215	230	300	300	300
6148	Other benefits	50	-	-	-	-
	<b>Total personnel services</b>	<b>32,215</b>	<b>33,272</b>	<b>35,706</b>	<b>36,822</b>	<b>38,053</b>
<b>Supplies</b>						
6210	Office supplies	-	-	150	75	150
6240	Building supplies	2,198	1,238	2,175	2,175	2,175
6250	Other supplies	699	42	300	300	300
6295	Small tools	484	-	2,600	800	800
	<b>Total supplies</b>	<b>3,381</b>	<b>1,280</b>	<b>5,225</b>	<b>3,350</b>	<b>3,425</b>
<b>Other Services and Charges</b>						
6401	Professional services	369	369	425	500	500
6411	Telephone	887	997	1,100	1,100	1,100
6422	Electric	6,847	7,863	7,500	7,500	7,500
6423	Natural gas	5,240	5,235	6,000	6,000	7,000
6492	Advertising	380	-	500	250	500
6505	Repair/maintenance equipment	1,278	-	800	800	800
6515	Repair/maintenance building	5,116	8,090	4,050	6,810	7,025
6535	Repair/maintenance other	-	-	200	200	200
6555	Equipment rental	-	-	250	250	250
6560	Contractual services	4,785	5,229	5,700	5,700	5,700
	<b>Total other services and charges</b>	<b>24,902</b>	<b>27,783</b>	<b>26,525</b>	<b>29,110</b>	<b>30,575</b>
7605	Transfers					
	Municipal Building Fund	10,000	10,000	10,000	10,000	10,000
	<b>Total expenditures</b>	<b>70,498</b>	<b>72,335</b>	<b>77,456</b>	<b>79,282</b>	<b>82,053</b>
	Revenues over (under) expenditures	(8,816)	(6,776)	(7,906)	(5,814)	(8,353)
	Fund balance January 1	68,459	59,643	51,149	52,867	47,053
	<b>Fund balance December 31</b>	<b>\$ 59,643</b>	<b>\$ 52,867</b>	<b>\$ 43,243</b>	<b>\$ 47,053</b>	<b>\$ 38,701</b>

**Fund: Surface Water Pollution Prevention 2040**

**Department Activities and Responsibilities:**

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

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

The Surface Water Pollution Prevention Fund fully or partially supports the activities of the following four BMP's in the MS4 program: BMP 1 Public Education and Outreach, BMP 2 Public Participation and Involvement, BMP 6 Pollution Prevention/Good Housekeeping, and BMP 7 Impaired Waters and TMDLs.

As part of fiscal planning, the City must recognize the long-term financial needs of these activities and their potential impact on property taxes. Currently, the fund's main source of income is a small portion of the State's Local Government Aid (LGA) allocation.

**Budget Summary:**

This budget includes funding to support the following MS4 activities:

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

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

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

BMP 7: City contribution for stormwater treatment capital improvement projects (as per the VLAWMO Joint Powers Agreement); pass through funding for the street reconstruction curb cut raingarden program (as part of the 2019 street reconstruction project, the City provided a curb cut for five residential properties and paid Shoreline Landscapes for the cost to install the raingardens. The City received a reimbursement from Rice Creek Watershed District (RCWD) as a cost share partnership for expenditures related to the contract with Shoreline Landscaping. Property owners paid the City for the share of expenditures not covered by the RCWD reimbursement).

The budget also provides funding to update the City's 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.

The fund supports .50 FTE staff position who is responsible to develop, manage, and ensure the long-term viability of the City's MS4 program.

**Fund: Surface Water Pollution Prevention 2040**

**Goals:**

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

**Measurable Workload Data:**

	<u>2017 Actual</u>	<u>2018 Actual</u>	<u>2019 Budget</u>	<u>2020 Budget</u>
Number of educational materials/articles distributed	22	29	30	30
Number of water quality BMPs installed	0	15	15	15
Number of BMP's inspected	72	27	30	30
Number of BMP's maintained	13	12	15	20
Phosphorus load reductions to impaired waters (lbs)	0	9.5	10	10
Number of areas restored with native vegetation	0	1	2	2

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

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

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Revenues</b>						
Intergovernmental						
4624	Local government aid	\$ 86,940	\$ 87,297	\$ 90,000	\$ 90,000	\$ 90,000
4682.1	Rice Creek Watershed District	-	16,248	-	22,400	-
5360	Refunds & reimbursements	-	-	-	7,500	400
	<b>Total revenues</b>	<u>86,940</u>	<u>103,545</u>	<u>90,000</u>	<u>119,900</u>	<u>90,400</u>
<b>Expenditures</b>						
Personnel Services						
6105	Salaries - regular employees	26,345	28,373	34,494	33,700	37,461
6117	Overtime - regular employees	-	480	500	5,000	500
6119	Salaries - temporary employees	-	-	5,000	959	6,076
6122	PERA	1,976	2,164	2,625	2,903	2,847
6124	FICA/Medicare	1,905	2,085	3,060	3,034	3,369
6128	Insurance contribution	4,110	4,320	4,550	4,550	4,778
6138	Worker's compensation	685	740	750	750	750
6148	Other benefits	285	400	400	400	400
	<b>Total personnel services</b>	<u>35,306</u>	<u>38,562</u>	<u>51,379</u>	<u>51,296</u>	<u>56,181</u>
Supplies						
6220	Equipment supplies	-	-	500	700	750
6250	Other supplies	4,359	547	7,800	3,700	1,500
6255	Landscaping supplies	325	680	17,000	1,000	1,000
6290	Uniforms	30	-	100	100	100
6295	Small tools	-	-	4,000	-	1,000
	<b>Total supplies</b>	<u>4,714</u>	<u>1,227</u>	<u>29,400</u>	<u>5,500</u>	<u>4,350</u>
Other Services and Charges						
6401	Professional services	5,381	6,467	3,000	3,100	13,000
6402	Data processing	1,500	1,500	2,000	1,500	1,500
6412	Cellular	420	420	450	850	850
6422	Electric	181	138	300	300	300
6445	Postage	-	-	200	200	200
6450	Outside printing	47	83	300	1,600	2,000
6455	Equipment maintenance service	80	-	100	100	100
6460	Subscription/memberships	1,465	1,488	1,500	3,300	3,500
6470	Training	532	578	2,050	2,050	2,375
6486	Travel	-	-	-	400	400
6535	Other maintenance	-	-	-	-	8,000
6560	Other contractual services	19,955	100,702	39,000	73,875	157,600
	<b>Total other services and charges</b>	<u>29,561</u>	<u>111,376</u>	<u>48,900</u>	<u>87,275</u>	<u>189,825</u>
	<b>Total expenditures</b>	<u>69,581</u>	<u>151,165</u>	<u>129,679</u>	<u>144,071</u>	<u>250,356</u>
	Revenues over (under) expenditures	<u>17,359</u>	<u>(47,620)</u>	<u>(39,679)</u>	<u>(24,171)</u>	<u>(159,956)</u>
	Fund balance January 1	<u>836,271</u>	<u>853,630</u>	<u>775,419</u>	<u>806,010</u>	<u>781,839</u>
	Fund balance December 31	<u>\$ 853,630</u>	<u>\$ 806,010</u>	<u>\$ 735,740</u>	<u>\$ 781,839</u>	<u>\$ 621,883</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.

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

During 2018, the City Council entered a partnership with the White Bear Lake Area Hockey Association to renovate the ice arena at the city-owned Sports Center. The City Council redirected the \$132,000 tax levy and the marina revenues from this internal loan repayment plan to the debt service associated with the renovation project. The 2020 Budget transfers the marina revenues supporting the debt service and internal loan repayment directly to the appropriate funds instead of the Municipal Debt Service Fund to improve transparency.

The City completed installation of a new dock system at the marina in 2017. The 2018 Budget begins a reserve account to save for the next dock replacement.

**Budget Summary:**

The Marina Fund Budget continues to improve with lake water at its highest level in years and the installation of the new dock system. Customers rented all available marina slips during the 2017 through 2019 seasons and it appears this activity will continue in future years. To align the City's annual slip rental rates with those of the private slip providers in the area, the 2020 Budget increases the rental fee to \$2,400, which is 4.3% above the 2019 rate of \$2,295.

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

As the City, lakeshore property owners and residents celebrate the lake's return to a normal water level, the high water did create a few challenges with the new dock system. First, the Equipment Repair Service account increases in the 2019 Revised Budget to repair the handicap dock access that could not adjust to the new water level. Second, the spud poles supporting the main walkways and "fingers" between boats use technology that rests on the lake bottom instead of securing into the lakebed. With the lake level higher than anticipated the spud pole bases lifted off the bottom and shifted during storms or high winds. The 2020 Budget for Capital supports the purchase of spud pole extensions to secure the dock into the lakebed and prevent the shifting.

The City contracts with White Bear Boat Works to operate the marina.

**Measurable Workload Data:**

	2017 <u>Actual</u>	2018 <u>Actual</u>	2019 <u>Budget</u>	2020 <u>Budget</u>
Boat slips rented	160	160	160	160



**City of White Bear Lake  
Marina**

**Annual Budget  
Fund Summary**

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Revenues</b>						
4975	Rental					
	Slips	\$ 367,200	\$ 367,200	\$ 367,000	\$ 367,000	\$ 384,000
	Storage	16,000	16,800	16,000	16,000	16,000
	Property	5,408	5,438	5,000	5,000	5,000
	Total revenues	<u>388,608</u>	<u>389,438</u>	<u>388,000</u>	<u>388,000</u>	<u>405,000</u>
<b>Expenditures</b>						
<b>Personnel Services</b>						
6119	Salaries - temporary employees	-	7,954	10,000	24,180	24,905
6124	FICA/Medicare	-	609	765	1,850	1,905
	Total personnel services	<u>-</u>	<u>8,563</u>	<u>10,765</u>	<u>26,030</u>	<u>26,810</u>
<b>Supplies</b>						
6220	Equipment supplies	1,162	6,854	5,000	5,000	5,000
6240	Building supplies and parts	-	11	-	1,000	1,000
6250	Other supplies	-	78	500	500	500
	Total supplies	<u>1,162</u>	<u>6,943</u>	<u>5,500</u>	<u>6,500</u>	<u>6,500</u>
<b>Other Services and Charges</b>						
6401	Professional Services	81,100	73,200	81,250	81,250	81,250
6455	Legal notices publications	-	-	-	105	125
6460	Subscriptions and dues	-	-	-	50	75
6505	Equipment repair service	1,191	8,530	5,000	13,500	5,000
6555	Equipment rental	-	-	500	500	500
6560	Contractual services	2,050	3,291	7,000	7,000	7,000
	Total other services and charges	<u>84,341</u>	<u>85,021</u>	<u>93,750</u>	<u>102,405</u>	<u>93,950</u>
7160	Capital					
	Total capital	<u>495,024</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>40,000</u>
<b>Transfers</b>						
7605	General Fund	-	40,000	70,000	70,000	70,000
7605	Municipal Buidling Debt Service	155,000	155,000	155,000	155,000	
7605	2018B Tax Abatement Debt Service					111,000
7605	Insurance Fund					44,000
	Total transfers	<u>155,000</u>	<u>195,000</u>	<u>225,000</u>	<u>225,000</u>	<u>225,000</u>
	Total expeditures	<u>735,527</u>	<u>295,527</u>	<u>335,015</u>	<u>359,935</u>	<u>392,260</u>
	Reserves	<u>(250,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>37,500</u>
	Total expenditures and reserves	<u>485,527</u>	<u>295,527</u>	<u>335,015</u>	<u>359,935</u>	<u>429,760</u>
	Revenues over (under) expenditures	<u>(96,919)</u>	<u>93,911</u>	<u>52,985</u>	<u>28,065</u>	<u>(24,760)</u>
	Fund balance January 1	<u>170,002</u>	<u>73,083</u>	<u>152,633</u>	<u>166,994</u>	<u>195,059</u>
	Fund balance December 31	<u>\$ 73,083</u>	<u>\$ 166,994</u>	<u>\$ 205,618</u>	<u>\$ 195,059</u>	<u>\$ 170,299</u>
<b>Reserves:</b>						
	Dock replacement	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 37,500</u>

**Fund: Sports Center Fund 5200**

**Department Activities and Responsibilities:**

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

After years of operations, the original Sports Center facility developed significant issues involving the refrigerant system and building insulation. City staff and City Council contemplated the future of the facility in many discussions, while trying to determine the best means to finance the large-scale renovation project. During this process, the White Bear Lake Hockey Association recognized the importance of the facility to their organization and the community as a whole and pledged \$2,500,000 to the project to ensure financial support for the renovation. Through this financing agreement with the Hockey Association and a new debt levy for the City, sufficient resources were available and the City Council approved construction work that began in May 2018. The City did not incur new debt levies related to the new issue through a reallocation of current obligations.

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 improvement the outer appearance of the building. Construction ended in September 2018 allowing the City, Hockey Association and community to celebrate the grand re-opening of the facility in time to kick off the winter skating season.

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

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

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

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

**Budget Summary:**

The 2020 Budget incorporates a \$10 per hour increase in ice rental rates.

The Sports Center experiences its first full year of operations in their renovated during 2019. Staffing levels remain consistent with activities prior to the renovation project. The 2018 expenditure levels are lower in these accounts as the City recorded staff time associated with project specific responsibilities to the renovation project accounts within the Municipal Building Fund.

The 2019 Revised Budget for Small Tools includes the purchase of a skate sharper. This one-time expense eliminates annual payments to an outside vendor to sharpen rental skates.

The Ice Skating Institute ISI requires each participant in the City's Skate School program to pay an annual participant fee of \$15. Previously, staff monitored skater registrations to ensure every student paid the

**Fund: Sports Center Fund 5200**

amount once a year. To simplify record keeping, the City incorporated the annual fee into the Skate School's registration rate structure so these revenues can offset the ISI expenditure in the Subscription/Memberships account budget.

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

**Capital Outlay:**

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

**Goals:**

1. Complete energy usage analysis of major HVAC equipment, refrigeration system, and building envelop to determine where possible energy savings may be available.
2. Analyze current and potential options to maximize use of the racquetball courts in the facility.

**Measurable Workload Data:**

	2017 <u>Actual</u>	2018 <u>Actual</u>	2019 <u>Budget</u>	2020 <u>Budget</u>
Ice time hours rented based on a 17-hour day (6 a.m. to 11 p.m.)	1,397	889	1,500	1,397
Registrations for skating lessons and programs (does not include competition skaters)	1,365	1,224	1,350	1,365
Number of high school games	0	5	8	8
Energy consumption (in kWh)	1,059,758	722,932*	1,190,000	1,025,000
Average monthly energy charge	\$8,318	\$5,841*	\$9,000	\$7,500

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

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

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

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Revenues</b>						
Charges for Services						
4888	Ice rental	\$ 261,233	\$ 162,954	\$ 265,000	\$ 263,000	\$ 278,990
4890	Skating school	144,341	166,810	150,000	150,000	150,000
4891	Skate camps	36,339	52,765	50,000	48,700	48,700
4892	Open skate	24,608	12,763	16,000	17,000	16,000
4894	Hockey games	-	6,479	5,000	9,600	9,600
4896	Court fees	12,286	16,399	12,000	12,000	12,000
4975	Rent	4,546	7,375	3,500	15,500	15,500
5310	Vending sales	2,125	352	2,000	2,000	2,000
5312	Sale of goods	4,382	1,886	2,500	2,500	2,500
5350	Miscellaneous	9,559	1,101	7,000	3,000	3,000
5360	Refunds and reimbursements	-	65	-	-	-
	Total charges for services	<u>499,419</u>	<u>428,949</u>	<u>513,000</u>	<u>523,300</u>	<u>538,290</u>
Other Revenue						
4990	Donations	146	-	-	150	-
	Total revenues	<u>499,565</u>	<u>428,949</u>	<u>513,000</u>	<u>523,450</u>	<u>538,290</u>
<b>Expenditures</b>						
	Operations	<u>564,379</u>	<u>441,327</u>	<u>574,369</u>	<u>615,701</u>	<u>603,691</u>
	Revenues over (under) expenditures	<u>(64,814)</u>	<u>(12,378)</u>	<u>(61,369)</u>	<u>(92,251)</u>	<u>(65,401)</u>
	Fund balance January 1	<u>305,454</u>	<u>240,640</u>	<u>249,017</u>	<u>228,262</u>	<u>136,011</u>
	Fund balance December 31	<u>\$ 240,640</u>	<u>\$ 228,262</u>	<u>\$ 187,648</u>	<u>\$ 136,011</u>	<u>\$ 70,610</u>

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

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

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Personnel Services</b>						
6105	Salaries - regular employees	\$ 194,050	\$ 134,294	\$ 209,756	\$ 210,215	\$ 217,654
6117	Overtime - regular employees	3,435	8,861	2,000	9,000	6,000
6119	Salaries - temporary employees	68,200	53,521	67,000	72,250	72,250
6122	PERA	18,350	13,423	20,910	20,604	20,937
6124	FICA/Medicare	20,243	14,615	31,325	22,297	22,637
6128	Insurance contribution	26,360	19,680	29,100	29,100	30,555
6138	Worker's compensation	7,225	5,515	7,730	7,730	7,730
6148	Other benefits	10,350	2,900	4,000	4,000	4,000
	Total personnel services	<u>348,213</u>	<u>252,809</u>	<u>371,821</u>	<u>375,196</u>	<u>381,763</u>
<b>Supplies</b>						
6210	Office supplies	468	680	1,585	970	970
6220	Equipment supplies	1,175	845	1,050	680	1,050
6230	Vehicle supplies	907	430	1,300	1,260	1,260
6240	Building supplies	3,596	5,878	3,350	3,350	3,750
6250	Other supplies	15,081	15,673	15,750	13,750	15,750
6255	Landscaping supplies	167	-	-	350	50
6272	Motor fuels	2,599	1,741	2,300	2,300	2,300
6290	Uniforms	1,332	1,522	1,100	1,820	1,200
6295	Small tools	252	1,525	600	3,576	800
	Total supplies	<u>25,577</u>	<u>28,294</u>	<u>27,035</u>	<u>28,056</u>	<u>27,130</u>
<b>Other Services and Charges</b>						
6401	Professional services	2,900	1,577	5,150	4,231	5,200
6402	Data processing	8,426	8,790	9,500	9,500	10,165
6411	Telephone	2,359	2,830	2,120	2,225	2,255
6412	Cellular	390	360	360	400	400
6422	Electric	99,955	65,025	90,000	96,550	90,660
6423	Natural gas	16,249	15,386	18,000	23,000	18,000
6434	General liability insurance	15,529	15,529	15,529	15,529	15,529
6436	Vehicle liability insurance	929	929	929	929	929
6445	Postage	118	96	250	250	250
6450	Outside printing	1,195	1,257	2,000	1,360	1,500
6460	Subscription/memberships	1,611	2,172	1,575	7,307	7,610
6470	Training	830	1,050	2,150	1,890	2,300
6486	Mileage Reimbursement	43	48	50	50	50
6492	Advertising	702	927	1,250	1,250	1,350
6505	Equipment maintenance service	7,670	3,643	5,750	19,676	18,825
6510	Vehicle maintenance service	95	1,334	2,000	2,000	2,000
6515	Building maintenance service	12,881	2,052	2,000	9,349	2,000
6525	Electrical maintenance service	2,905	150	1,000	1,000	1,000
6535	Other maintenance service	-	1,875	500	500	500
6555	Equipment rental	12,316	10,666	10,300	9,981	9,550
6560	Other contractual service	942	22,635	1,100	2,050	1,275
7570	Cost of goods sold	2,544	1,893	4,000	3,422	3,450
	Total other services and charges	<u>190,589</u>	<u>160,224</u>	<u>175,513</u>	<u>212,449</u>	<u>194,798</u>
<b>Total</b>		<b>\$ 564,379</b>	<b>\$ 441,327</b>	<b>\$ 574,369</b>	<b>\$ 615,701</b>	<b>\$ 603,691</b>

**Fund: Forfeiture Fund 2060**

**Department Activities and Responsibilities:**

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

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

**Budget Summary**

The revenues and expenditures in this fund fluctuate based on the seizure activity. As mentioned above, the City utilizes additional revenues or excess Fund Balance to purchase allowable expenditures. The 2019 Budget allocates resources for police officer workstations, which moved from the Capital Outlay Equipment account to the Building Supplies account in the Revised Budget. After further review of planned projects in the Capital Outlay account, the department decided to eliminate the remaining project. Future capital acquisitions will be budgeted and purchased through either the Equipment Acquisition Fund or the Municipal Building Fund unless there are excess funds to use in this department.

Addressing mental health issues in the community continues to be a high priority within the Police Department. The department recently began a collaboration with other Ramsey County suburban police departments to develop a proactive solution that encourages and supports mental health and wellness within their communities. The plan requires participating communities to contribute funding for a shared mental health coordinator through Northeast Youth and Family Services to connect people in crisis with the care they need to reduce mental health crisis related arrests and calls for service. The initial agreement contains a two-year trial period beginning mid-2019 to assess the program. The City of White Bear Lake’s portion is included in Professional Services account of this budget for 2019 and 2020.

**Goals**

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

**Measurable Workload Data:**

	2017 <u>Actual</u>	2018 <u>Actual</u>	2019 <u>Budget</u>	2020 <u>Budget</u>
Number of forfeiture incidents report to the State	46	54	55	55
Net forfeiture proceeds	\$15,347	\$48,154	\$50,000	\$50,000

**City of White Bear Lake  
Forfeiture Fund**

**Annual Budget  
Fund Summary**

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Revenues</b>						
4646	State forfeiture	\$ 111	\$ -	\$ -	\$ -	\$ -
4662	Ramsey County forfeiture	8	2,171	-	-	-
5350	Criminal case proceeds	1,121	5,550	1,000	10,000	10,000
5360	DUI case proceeds	36,843	65,693	60,000	30,000	30,000
	Total revenues	<u>38,083</u>	<u>73,414</u>	<u>61,000</u>	<u>40,000</u>	<u>40,000</u>
<b>Expenditures</b>						
<b>Supplies</b>						
6220	Equipment supplies	-	20	200	200	200
6230	Vehicle supplies and parts	394	187	500	500	500
6240	Building supplies and parts	-	35,015	-	16,000	-
6250	Other supplies	-	2,185	300	300	300
6295	Small tools	5,114	9,055	6,000	6,000	-
	Total supplies	<u>5,508</u>	<u>46,462</u>	<u>7,000</u>	<u>23,000</u>	<u>1,000</u>
<b>Other Services and Charges</b>						
6401	Professional services	7,705	1,584	24,000	20,850	21,850
6560	Contractual services	27,857	23,341	17,800	17,800	17,800
	Total other services and charges	<u>35,562</u>	<u>24,925</u>	<u>41,800</u>	<u>38,650</u>	<u>39,650</u>
<b>Capital Outlay</b>						
7140	Equipment	21,749	69,231	40,000	-	-
	Total capital outlay	<u>21,749</u>	<u>69,231</u>	<u>40,000</u>	<u>-</u>	<u>-</u>
	Total expenditures	<u>62,819</u>	<u>140,618</u>	<u>88,800</u>	<u>61,650</u>	<u>40,650</u>
	Total expenditures and reserves	<u>(24,736)</u>	<u>(67,204)</u>	<u>(27,800)</u>	<u>(21,650)</u>	<u>(650)</u>
	Fund balance January 1	<u>153,554</u>	<u>128,818</u>	<u>56,518</u>	<u>61,614</u>	<u>39,964</u>
	Fund balance December 31	<u>\$ 128,818</u>	<u>\$ 61,614</u>	<u>\$ 28,718</u>	<u>\$ 39,964</u>	<u>\$ 39,314</u>

**Fund: Economic Development Fund 4240**

**Department Activities and Responsibilities:**

Economic development is vital to the City of White Bear Lake as its rich history and growth through the years now presents very limited availability of vacant land within the City boundaries. The community relies on redevelopment to expand housing options and business opportunities to draw people to the area, increase property values and reduce the tax burden to each landowner as a larger number of properties pay taxes each year.

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

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

City Owned Rental Properties

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

Special Service Districts

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

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

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

Revolving Business Loans:

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

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

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



**Fund: Economic Development Fund 4240**

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

In spring of 2019, the Community Development Department co-hosted an open house with a recent RLGP user to show case a property renovation that utilized the funding. The goal of the open house was to build awareness amount local property owners of the availability of this economic development tool. The event generated multiple inquiries into the program including both Downtown and County Road E property owners. While there have not yet been additional applicants for the revolving loan, an application for a building façade grant on a County Road E Corridor property is currently in process.

Internal Loan Obligation

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

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

Year	Principal	Interest	Total	Rate
2021	\$ -	\$ 22,500	\$ 22,500	3.000%
2022	-	22,500	22,500	3.000%
2023	-	22,500	22,500	3.000%
2024	-	22,500	22,500	3.000%
2025	-	22,500	22,500	3.000%
2026	-	22,500	22,500	3.000%
2027	-	22,500	22,500	3.000%
2028	-	22,500	22,500	3.000%
2029	-	22,500	22,500	3.000%
2030	-	22,500	22,500	3.000%
2031	-	22,500	22,500	3.000%
2032	10,000	22,350	32,350	3.000%
2033	10,000	22,050	32,050	3.000%
2034	10,000	21,750	31,750	3.000%
2035	10,000	21,450	31,450	3.000%
2036	10,000	21,150	31,150	3.000%
2037	10,000	20,850	30,850	3.000%
2038	190,000	17,850	207,850	3.000%
2039	200,000	12,000	212,000	3.000%
2040	200,000	6,000	206,000	3.000%
2041	100,000	1,500	101,500	3.000%
<b>Total</b>	<b>750,000</b>	<b>414,450</b>	<b>1,164,450</b>	

**Fund: Economic Development Fund 4240**

Farmer's Market

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

Flower program

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

**Budget Summary:**

The budget format changes this year to a uniform layout similar to all other Funds, instead of the summarized structure formerly used. Though there appears to be significant changes in some accounts as staff builds the data in the new format, the operations remain consistent with previous years.

In 2017, the City Council provided funding for a new Housing and Economic Development Coordinator. The position was originally included in the Planning Department budget; however, after further consideration, the position moves to this fund in 2018 to record corresponding revenues and expenditures for economic activities together. The position joins a half time position allocation already included in the budget for promoting environmental business initiatives and long-term resiliency planning and activity.

The City Council approved a Request for Proposal process for a Comprehensive Housing Needs Assessment in May 2019. City Council and staff are seeking data and strategies of how to meet the housing needs in our community, especially as it relates to work force and affordable housing. Study results should articulate current stock, our advantages in the housing market, capacity of our existing housing stock to add and sustain more residents and information on new alternative opportunities. Though this is the City's first time through the process, many communities go through this analysis regularly to assist their long range planning.

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

**Capital Outlay:**

The City purchased the land adjacent to the current Public Works site during 2019. The property is larger than needed for the Public Works expansion; therefore, the neighboring business will buy the northern half of the acquired property either at the end of 2019 or in the beginning of 2020. The 2020 Budget includes appropriations for a city entrance monument at a southern boundary and improvements to the parking lot and lighting at Bellaire Center. The Capital Improvement Plan section in the Summary Data section of the document discuss these projects in detail.

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

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

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Revenues</b>						
4975	Rental income	\$ 366,179	\$ 373,401	\$ 387,500	\$ 397,100	\$ 400,500
4045	Excess TIF	40,596	32,587	20,000	42,100	20,000
4210	Special assessments - service district	54,071	58,539	58,000	58,000	58,000
4225	Special assessments - delinquent	-	-	-	800	-
4230	Special assessments - penalty/interest	787	321	200	100	200
4220	Special assessments - prepay city	4,530	4,590	4,000	4,000	4,000
4646.1	Ramsey County Boatworks Grant	-	25,000	-	-	-
4670	Met Council Boatworks Grant	-	396,000	-	-	-
4818	Farmers Market	5,480	5,520	5,000	5,040	5,000
5010	Land sale	-	-	-	-	400,000
5322	Revoling Loan repayment	35,044	53,270	50,000	50,000	50,000
5322	Boatworks loan repayment	30,000	22,500	22,500	22,500	22,500
5360	Reimbursement	132,802	2,972	-	-	-
5350	Miscellaneous	2,258	46,722	1,100	15,069	1,100
5205	HRA Development Fund contribution	1,649,149	-	-	-	-
	<b>Total revenues</b>	<b>2,320,896</b>	<b>1,021,422</b>	<b>548,300</b>	<b>594,709</b>	<b>961,300</b>
<b>Expenditures</b>						
<b>Personnel Services</b>						
6105	Salaries - regular employees	27,215	79,331	103,585	102,230	107,016
6117	Overtime - regular employees	404	1,631	-	1,500	1,500
6119	Salaries - temporary employees	21,108	16,924	-	18,720	19,282
6122	PERA	2,167	6,113	7,770	7,780	8,139
6124	FICA/Medicare	3,611	7,316	7,925	9,367	9,776
6128	Insurance contribution	4,110	12,330	13,000	13,000	13,650
6138	Worker's compensation	685	740	740	740	740
6148	Other benefits	285	285	300	300	300
	<b>Total personnel services</b>	<b>59,585</b>	<b>124,670</b>	<b>133,320</b>	<b>153,637</b>	<b>160,403</b>
<b>Supplies</b>						
6220	Equipment supplies	1,931	1,407	100	750	750
6240	Building supplies	1,217	2,948	-	4,985	4,410
6248	Community engagement	-	-	-	275	275
6250	Other supplies	7,650	2,256	1,400	13,500	14,150
6255	Landscaping materials	5,048	6,724	500	10,550	10,575
6295	Small tools	-	309	-	25	200
	<b>Total supplies</b>	<b>15,846</b>	<b>13,644</b>	<b>2,000</b>	<b>30,085</b>	<b>30,360</b>
<b>Other Services and Charges</b>						
6401	Professional services	74,810	65,330	95,000	124,300	95,400
6411	Telephone	165	-	-	-	-
6421	Water and sewer	1,027	1,275	-	1,850	1,600
6422	Electric	6,736	7,480	500	7,700	7,650
6423	Natural gas	2,159	2,526	200	3,150	3,000
6445	Postage	-	-	100	100	100
6450	Outside printing	34	168	500	500	500
6460	Subscription/memberships	150	131	300	300	600
6470	Training	37	125	2,200	2,800	2,800
6486	Mileage reimbursement	226	140	100	400	400
6492	Advertising	1,251	1,251	2,000	2,000	2,000
6505	Equipment repair service	767	196	-	-	-
6515	Building repair service	15,334	44,143	2,500	23,800	83,350
6525	Electrical repair service	-	342	-	-	-
6555	Rental of equipment	2,316	2,542	3,000	3,000	3,000
6560	Contractual services	503,276	403,857	304,975	242,277	249,333
	<b>Total other services and charges</b>	<b>608,288</b>	<b>529,506</b>	<b>411,375</b>	<b>412,177</b>	<b>449,733</b>

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

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

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
	Capital Outlay					
7110	Land	-	-	-	865,000	-
7120	Building	26,365	-	-	-	10,000
7160	Other improvements	48,000	-	-	-	137,000
	Total capital outlay	<u>74,365</u>	<u>-</u>	<u>-</u>	<u>865,000</u>	<u>147,000</u>
	Total expenditures	<u>758,084</u>	<u>667,820</u>	<u>546,695</u>	<u>1,460,899</u>	<u>787,496</u>
	Reserve additions (usages)	<u>(39,515)</u>	<u>835,975</u>	<u>(10,000)</u>	<u>(800,000)</u>	<u>-</u>
	Total expenditures and reserves	<u>718,569</u>	<u>1,503,795</u>	<u>536,695</u>	<u>660,899</u>	<u>787,496</u>
	Revenues over (under) expenditures and reserves	<u>1,602,327</u>	<u>(482,373)</u>	<u>11,605</u>	<u>(66,190)</u>	<u>173,804</u>
	Fund balance January 1	<u>641,973</u>	<u>2,244,300</u>	<u>1,821,612</u>	<u>1,761,927</u>	<u>1,695,737</u>
	Fund balance December 31	<u>\$ 2,244,300</u>	<u>\$ 1,761,927</u>	<u>\$ 1,833,217</u>	<u>\$ 1,695,737</u>	<u>\$ 1,869,541</u>
	<b>Reserves</b>					
	Revolving loans	\$ 174,620	\$ 232,960	\$ 134,620	\$ 232,960	\$ 232,960
	Special Service District - Downtown	22,284	22,284	22,284	22,284	22,284
	Special Service District - Birch Lake	6	6	6	6	6
	Property Acquisition		800,000	800,000		
	MCES SAC Credits	22,365		22,365		
	Balance, December 31	<u>\$ 219,275</u>	<u>\$ 1,055,250</u>	<u>\$ 979,275</u>	<u>\$ 255,250</u>	<u>\$ 255,250</u>

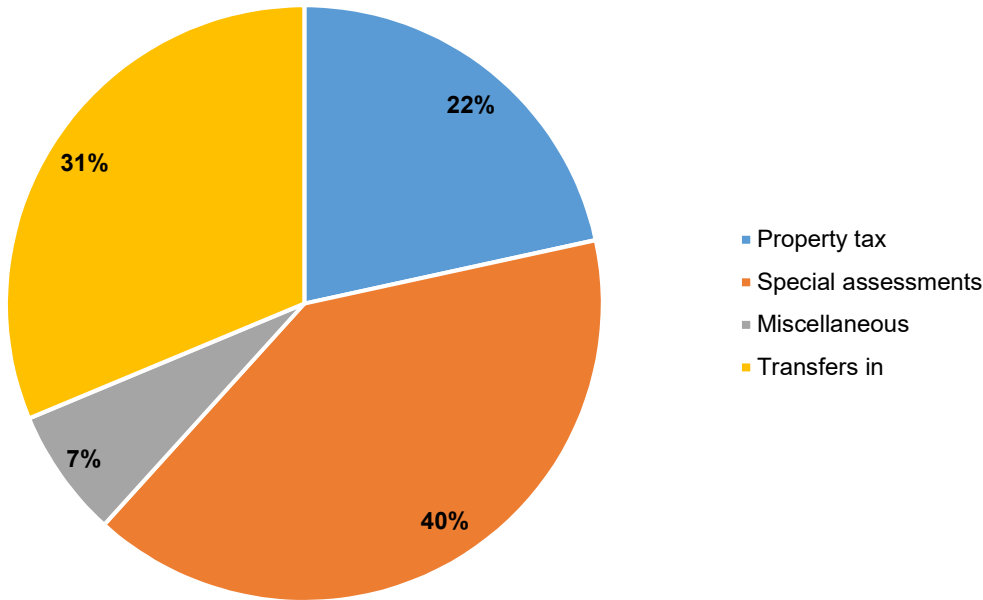
**City of White Bear Lake  
Debt Service Funds**

**Annual Budget**

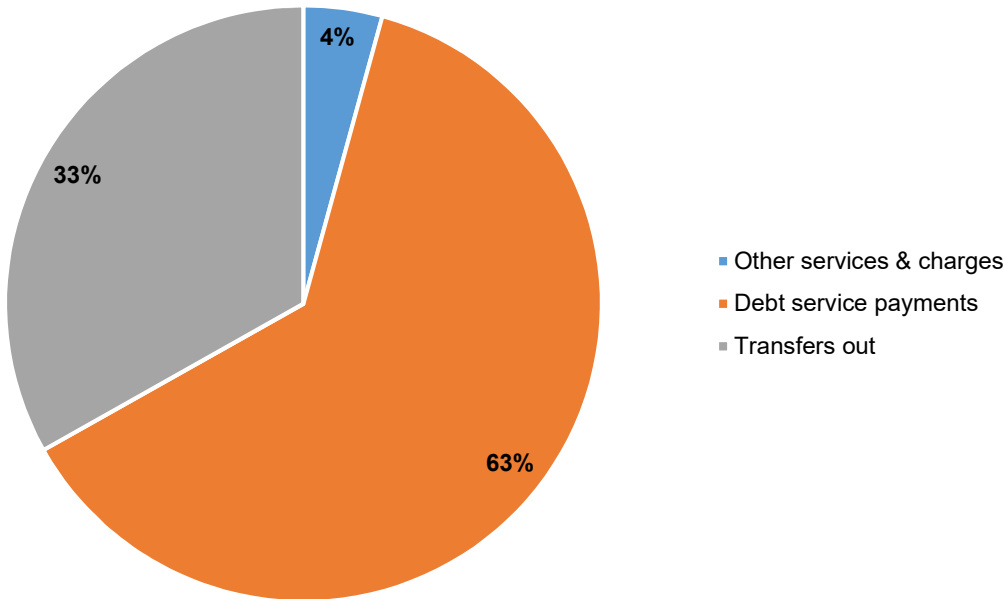
Item	2017 Actual	2018 Actual	2019 Budget	2019 Revised	2020 Budget
<b>Revenues</b>					
Property tax	\$ 129,100	\$ 129,000	\$ 344,000	\$ 344,000	\$ 425,000
Special assessments	1,209,503	1,341,815	1,175,000	902,027	790,000
Rental income	155,000	155,000	155,000	155,000	-
Loan repayments	39,750	47,500	50,000	50,000	-
Bond sale	-	380,762	-	92,492	-
Miscellaneous	-	-	84,000	137,810	137,810
Transfers in	495,000	740,000	865,000	1,252,776	616,000
Total revenues	2,028,353	2,794,077	2,673,000	2,934,105	1,968,810
<b>Expenditures</b>					
Other services & charges	74,085	228,230	82,885	138,808	83,350
Debt service payments	793,051	826,828	1,155,051	1,132,551	1,221,055
Transfers out	1,242,285	2,016,547	1,140,000	945,276	647,000
Total expenditures	2,109,421	3,071,605	2,377,936	2,216,635	1,951,405
Revenues over (under) expenditures	(81,068)	(277,528)	295,064	717,470	17,405
Fund Balance, January 1	1,268,048	1,186,980	712,819	909,452	1,626,922
Fund Balance, December 31	\$ 1,186,980	\$ 909,452	\$ 1,007,883	\$ 1,626,922	\$ 1,644,327

# 2020 Debt Service Funds

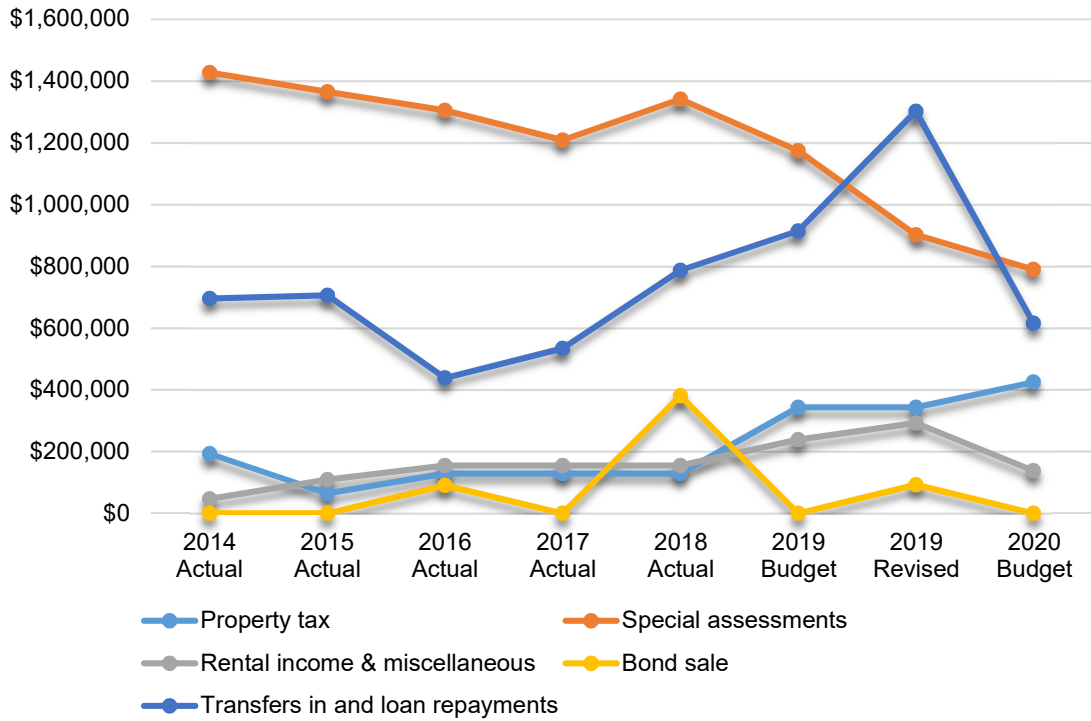
Total Revenues \$1,968,810



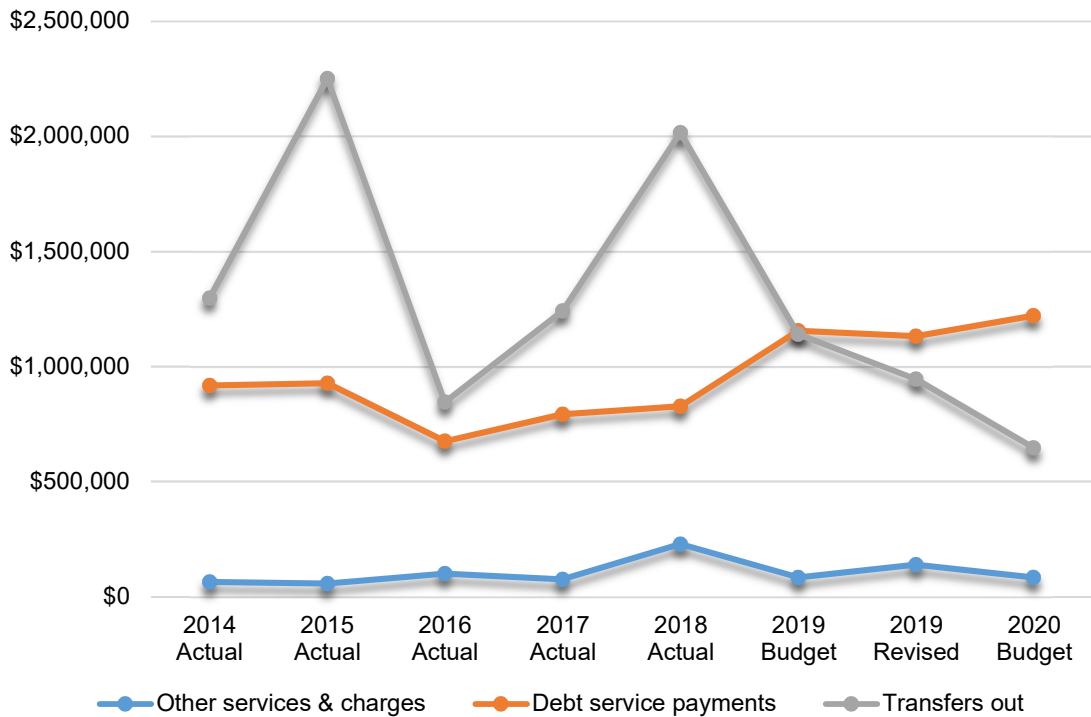
Total Expenditures \$1,951,405



### Debt Service Funds Revenue Trend Analysis



### Debt Service Funds Expenditure Trend Analysis



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

**Department Activities and Responsibilities:**

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

**Budget Summary:**

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

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

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

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

This fund will maintain no activity and hold the fund balance until further review.



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

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

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Revenues</b>						
	General property tax					
4015	Regular levy YMCA/Sports Center	\$ 129,100	\$ 129,000	\$ 129,000	\$ 129,000	\$ -
<b>Transfers In</b>						
5205	Marina Fund	155,000	155,000	155,000	155,000	-
	Total revenues	284,100	284,000	284,000	284,000	-
<b>Expenditures</b>						
Debt Service						
YMCA/Sports Center internal loan						
7410	Principal	195,000	210,000	215,000	215,000	-
7420	Interest	85,000	75,000	70,000	70,000	-
	Total expenditures	280,000	285,000	285,000	285,000	-
	Revenues over (under) expenditures	4,100	(1,000)	(1,000)	(1,000)	-
	Fund balance January 1	196,934	201,034	200,034	200,034	199,034
	Fund balance December 31	\$ 201,034	\$ 200,034	\$ 199,034	\$ 199,034	\$ 199,034

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

**Department Activities and Responsibilities:**

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

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

**Budget Summary:**

The City does not expect any general tax levy will be required to retire these bond debt obligations. At the end of 2020, the City's principal obligation on the bond issue will total \$510,000. Bonds maturing on or after February 1, 2020 are subject to early redemption at par at the option of the City. Future principal and interest obligations on this debt are as follows:

Year	Principal	Interest	Total	Rate
2021	\$ 170,000	\$ 8,500	\$ 178,500	2.000%
2022	170,000	5,100	175,100	2.000%
2023	170,000	1,700	171,700	2.000%
Total	510,000	15,300	525,300	

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

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

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Revenues</b>						
	Transfers In					
5205	Pioneer Manor Fund	\$ 160,000	\$ 160,000	\$ 160,000	\$ 160,000	\$ 160,000
<b>Expenditures</b>						
	Debt Service					
7410	Principal	155,000	155,000	160,000	160,000	160,000
7420	Interest	21,250	18,150	15,000	15,000	11,800
	Total debt service	176,250	173,150	175,000	175,000	171,800
	Other Services and Charges					
7430	Fiscal agent fees	6,250	500	450	500	500
	Total expenditures	182,500	173,650	175,450	175,500	172,300
	Revenues Over (Under) Expenditures	(22,500)	(13,650)	(15,450)	(15,500)	(12,300)
	Fund Balance January 1	135,736	113,236	99,636	99,586	84,086
	Fund Balance December 31	\$ 113,236	\$ 99,586	\$ 84,186	\$ 84,086	\$ 71,786

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

**Department Activities and Responsibilities:**

This fund accounts for construction costs paid through property owner special assessments in situations where the City does not issue debt for the construction project. The special assessment payments received by the fund each year supports annual transfers to the Interim Construction Fund to pay for a portion of the projects completed during the year.

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

In 2018, the City Council entered into a partnership with the White Bear Lake Area Hockey Association to renovate the ice arena at the city-owned Sports Center. The City Council redirected the tax levy and marina revenues originally assigned to repay the internal loan for the YMCA to the debt service issued for the renovation. The 2020 Budget reflects the change in funding by rescinding the loan repayment schedule to this fund originally established in Resolution No. 10604 and consider the \$1,000,000 contributed to the YMCA project a one-time expenditure. In the 2020 and 2021 Budgets, this fund will assist the Marina Fund in repaying the Insurance Fund its portion of the internal loan.

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

Year	Amount
2021	\$ 198,000
2022	190,000
2023	178,000
2024	170,000
2025	163,000
2026	155,000
2027	102,000
2028	70,000
Total	<u>1,226,000</u>

**Budget Summary:**

The Fund transferred \$125,000 to the Water Fund to provide additional resources to cover significant costs associated unexpected water main issues and breaks during the year. The increase in customer water rates in 2019 helps the Water Fund repay the Non-Bonded Fund back during the year. The Fund offers similar support to the Ambulance Fund in the 2019 Revised and 2020 Budgets to allow an analysis of ambulance operations to determine an appropriate fee structure and cost sharing percentage with the Fire Department.

The Revised 2019 Budget transfers money to the 2018A General Obligation Debt Service Fund for the special assessments received by this fund in 2018 that were applicable to the debt issue. The City will record special assessment payments attributable to the debt issue received in 2019 and future years directly into the debt service fund.

As noted above, the 2020 Budget includes a transfer to the Insurance Fund for the annual internal loan payment.

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

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

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Revenues</b>						
4210	Special assessments current	\$ 712,137	\$ 695,553	\$ 810,000	\$ 600,000	\$ 600,000
4215	Special assessments prepaid to county	183,595	88,322	100,000	83,000	100,000
4220	Special assessments prepaid to city	266,840	537,896	250,000	500	-
4225	Special assessments delinquent	33,260	13,164	10,000	10,000	10,000
4230	Special assessments penalties and interest	13,671	6,880	5,000	5,000	5,000
5323	Internal loan repayment for YMCA	39,750	47,500	50,000	50,000	-
	<b>Total revenues</b>	<u>1,249,253</u>	<u>1,389,315</u>	<u>1,225,000</u>	<u>748,500</u>	<u>715,000</u>
<b>Transfers In</b>						
5205	Sewer Fund	-	200,000	-	-	-
5205	Water Fund	-	-	125,000	125,000	-
	<b>Total transfers in</b>	<u>-</u>	<u>200,000</u>	<u>125,000</u>	<u>125,000</u>	<u>-</u>
	<b>Total revenues and transfers in</b>	<u>1,249,253</u>	<u>1,589,315</u>	<u>1,350,000</u>	<u>873,500</u>	<u>715,000</u>
<b>Expenditures</b>						
<b>Other Services and Charges</b>						
6401	Professional services	12,895	-	30,000	30,000	30,000
6535	Other repairs	42,244	-	30,000	30,000	30,000
6560	Other contracted services	5,096	33,000	20,000	20,000	20,000
	<b>Total other services and charges</b>	<u>60,235</u>	<u>33,000</u>	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>
<b>Transfers Out</b>						
7605	2012 Special Assessment Debt Service Fund	220,000	225,000	225,000	225,000	205,000
7605	2018A G.O. Debt Service Fund	-	-	-	412,776	-
7605	Equipment Acquisition Fund	-	400,000	-	-	-
7605	Interim Construction Fund	522,285	1,266,547	915,000	107,500	-
7605	Water Fund	300,000	125,000	-	-	-
7605	Sewer Fund	200,000	-	-	-	-
7605	Ambulance Fund	-	-	-	200,000	200,000
7605	Insurance Fund	-	-	-	-	242,000
	<b>Total transfers out</b>	<u>1,242,285</u>	<u>2,016,547</u>	<u>1,140,000</u>	<u>945,276</u>	<u>647,000</u>
	<b>Total expenditures and transfers out</b>	<u>1,302,520</u>	<u>2,049,547</u>	<u>1,220,000</u>	<u>1,025,276</u>	<u>727,000</u>
	<b>Revenues over (under) expenditures</b>	<u>(53,267)</u>	<u>(460,232)</u>	<u>130,000</u>	<u>(151,776)</u>	<u>(12,000)</u>
	<b>Fund balance January 1</b>	<u>899,590</u>	<u>846,323</u>	<u>184,500</u>	<u>386,091</u>	<u>234,315</u>
	<b>Fund balance December 31</b>	<u>\$ 846,323</u>	<u>\$ 386,091</u>	<u>\$ 314,500</u>	<u>\$ 234,315</u>	<u>\$ 222,315</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 improvement benefiting their properties provide revenues to retire these bonds.

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

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

**Budget Summary:**

No tax levy is required to support this fund. The City's principal and interest obligation as of December 31, 2020, for the Special Assessment Bonds are as follows:

Year	Principal	Interest	Total	Rate
2021	\$ 180,000	\$ 17,660	\$ 197,660	1.250%
2022	175,000	15,310	190,310	1.400%
2023	165,000	12,806	177,806	1.550%
2024	160,000	10,208	170,208	1.650%
2025	155,000	7,531	162,531	1.750%
2026	150,000	4,787	154,787	1.850%
2027	100,000	2,400	102,400	2.000%
2028	70,000	700	70,700	2.000%
Total	<u>1,155,000</u>	<u>71,402</u>	<u>1,226,402</u>	

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

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

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Revenues</b>						
	Transfers In					
5205	Non-Bonded Fund	\$ 220,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 205,000
<b>Expenditures</b>						
Debt Service						
7410	Principal	200,000	195,000	185,000	185,000	185,000
7420	Interest	24,745	23,265	21,653	21,653	19,802
	Total debt service	<u>224,745</u>	<u>218,265</u>	<u>206,653</u>	<u>206,653</u>	<u>204,802</u>
Other Services and Charges						
7430	Fiscal agent fees	7,150	450	450	500	500
	Total expenditures	<u>231,895</u>	<u>218,715</u>	<u>207,103</u>	<u>207,153</u>	<u>205,302</u>
	Revenues over (under) expenditures	<u>(11,895)</u>	<u>6,285</u>	<u>17,897</u>	<u>17,847</u>	<u>(302)</u>
	Fund balance January 1	<u>17,594</u>	<u>5,699</u>	<u>11,984</u>	<u>11,984</u>	<u>29,831</u>
	Fund balance December 31	<u>\$ 5,699</u>	<u>\$ 11,984</u>	<u>\$ 29,881</u>	<u>\$ 29,831</u>	<u>\$ 29,529</u>

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

**Department Activities and Responsibilities:**

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

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

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

**Budget Summary:**

Bond Obligation

The City's principal obligation on the bond issue will total \$2,050,000 as of December 31, 2020. 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
2021	\$ 85,000	\$ 50,938	\$ 135,938	3.000%
2022	90,000	48,313	138,313	3.000%
2023	90,000	45,612	135,612	3.000%
2024	95,000	42,837	137,837	3.000%
2025	100,000	39,912	139,912	3.000%
2026	105,000	37,363	142,363	2.000%
2027	110,000	35,212	145,212	2.000%
2028	115,000	32,962	147,962	2.000%
2029	120,000	30,552	150,552	2.100%
2030	125,000	27,917	152,917	2.200%
2031	130,000	25,047	155,047	2.300%
2032	135,000	21,932	156,932	2.400%
2033	140,000	18,563	158,563	2.500%
2034	145,000	15,000	160,000	2.500%
2035	150,000	11,125	161,125	2.750%
2036	155,000	6,932	161,932	2.750%
2037	160,000	2,400	162,400	3.000%
<b>Total</b>	<b>2,050,000</b>	<b>492,617</b>	<b>2,542,617</b>	



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

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

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Revenues</b>						
Transfers In						
5205	HRA Fund Boatworks Commons TIF	\$ 115,000	\$ 155,000	\$ 160,000	\$ 135,000	\$ 140,000
<b>Expenditures</b>						
Interfund Loan						
7420	Interest	30,000	22,500	22,500	-	-
	Total debt service	30,000	22,500	22,500	-	-
Debt Service						
7410	Principal	-	70,000	75,000	75,000	80,000
7420	Interest	82,056	57,913	55,738	55,738	53,413
	Total debt service	82,056	127,913	130,738	130,738	133,413
Other Services and Charges						
7430	Fiscal agent fees	450	450	500	450	500
	Total other services and charges	450	450	500	450	500
	Total expenditures	112,506	150,863	153,738	131,188	133,913
	Revenues over (under) expenditures	2,494	4,137	6,262	3,812	6,087
	Fund balance January 1	18,194	20,688	29,775	24,825	28,637
	Fund balance December 31	\$ 20,688	\$ 24,825	\$ 36,037	\$ 28,637	\$ 34,724

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

**Department Activities and Responsibilities:**

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

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

The City and the White Bear Lake Hockey Association partnered in the project to renovate the Sports Center Facility. The City Council adopted Resolution No. 12138 in December 2017 to approve a financial agreement with the Association. The City agreed to issue debt to cover the entire project, while the Association agreed to pay an initial contribution at the completion of the renovation for construction costs and annual payments for 20 years to assist in paying debt service costs up to \$2 million dollars. Two bond issues covered the total expenditures for the project. The Hockey Association's annual payments will cover the bond issue payments for the refrigeration equipment accounted for in this fund. The tax levy previously assigned to repay the YMCA/Sports Center debt supports the annual debt service payments for the second bond issue accounted for in the 2018B General Obligation Tax Abatement Bonds Debt Service Fund.

Bonds maturing on or after February 1, 2025, are subject for early redemption call at par at the option of the City.

**Budget Summary:**

As mentioned above, the White Bear Lake Hockey Association signed a financial agreement with the City on December 11, 2017, which states it agrees to contribute money to the City for the cost of the project. The Association paid \$500,000 in 2018 for initial project costs. The Association will pay an additional \$2,000,000 principal and interest at the bond issue rate to the City consistent with the debt service schedule established for the bonds issued for the project. Annual contributions for the loan begin in 2019. The Association does have the option to prepay the loan without penalties.

Fund:

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

Year	Principal	Interest	Total	Rate
2019	\$ 137,718	\$ 92	\$ 137,810	3.270%
2020	76,913	60,897	137,810	3.270%
2021	79,428	58,382	137,810	3.270%
2022	82,025	55,784	137,809	3.270%
2023	84,708	53,102	137,810	3.270%
2024	87,477	50,332	137,809	3.270%
2025	90,338	47,472	137,810	3.270%
2026	93,292	44,517	137,809	3.270%
2027	96,343	41,467	137,810	3.270%
2028	99,493	38,316	137,809	3.270%
2029	102,747	35,063	137,810	3.270%
2030	106,106	31,703	137,809	3.270%
2031	109,576	28,234	137,810	3.270%
2032	113,159	24,650	137,809	3.270%
2033	116,859	20,950	137,809	3.270%
2034	120,681	17,129	137,810	3.270%
2035	124,627	13,183	137,810	3.270%
2036	128,702	9,107	137,809	3.270%
2037	132,911	4,899	137,810	3.270%
2038	16,897	552	17,449	3.270%
Total	2,000,000	635,831	2,635,831	

As of December 31, 2020, the City's principal obligation on the debt is \$5,625,000. 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	GO	SC	SC	Total	Rate
	Improve. Principal	Improve. Interest	Equipment Principal	Equipment Interest		
2021	\$ 165,000	\$ 123,475	\$ 70,000	\$ 57,706	\$ 416,181	3.000%
2022	165,000	117,700	70,000	55,256	407,956	4.000%
2023	170,000	111,000	75,000	52,356	408,356	4.000%
2024	175,000	104,100	75,000	49,356	403,456	4.000%
2025	180,000	97,900	80,000	46,656	404,556	3.000%
2026	185,000	92,425	80,000	44,256	401,681	3.000%
2027	190,000	86,800	85,000	41,781	403,581	3.000%
2028	190,000	81,100	90,000	39,156	400,256	3.000%
2029	195,000	75,325	90,000	36,456	396,781	3.000%
2030	200,000	69,400	95,000	33,681	398,081	3.000%
2031	205,000	63,325	95,000	30,831	394,156	3.000%
2032	210,000	56,969	100,000	27,844	394,813	3.125%
2033	215,000	50,328	100,000	24,719	390,047	3.125%
2034	215,000	43,475	105,000	21,450	384,925	3.250%
2035	225,000	36,325	110,000	17,956	389,281	3.250%
2036	230,000	28,787	110,000	14,312	383,099	3.375%
2037	235,000	20,941	115,000	10,516	381,457	3.375%
2038	240,000	12,776	120,000	6,476	379,252	3.500%
2039	245,000	4,288	125,000	2,188	376,476	3.500%
Total	3,835,000	1,276,439	1,790,000	612,952	7,514,391	

The 2019 Budget includes a transfer in from the Non-Bonded Fund for the 2018 prepaid special assessments related to this debt issue and the annual special assessments collected from property owners who received improvements through the street reconstruction project. This fund will continue to collect these annual special assessment payments to assist in paying off the debt in current and future years.

**City of White Bear Lake**  
**2018A GO Bonds for Street Reconstruction and Sports Center Refrigeration Equipment (3082)**

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

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Revenues</b>						
4015	Regular Levy street reconstruction	\$ -	\$ -	\$ 215,000	\$ 215,000	\$ 215,000
4210	Special Assessments Current	-	-	-	31,450	55,000
4215	Special Assessments Prepaid to County	-	-	-	29,000	-
4220	Special Assessments Prepaid to City	-	-	-	2,527	-
5105	Bond sale proceeds	-	65,950	-	-	-
5324	Bond issuance fees	-	181,911	-	-	-
5360	Refunds and reimbursement	-	-	84,000	137,810	137,810
	<b>Total revenue</b>	<u>-</u>	<u>247,861</u>	<u>299,000</u>	<u>415,787</u>	<u>407,810</u>
<b>Transfers In</b>						
5205	Non-Bonded Debt Service Fund	-	-	-	412,776	-
	<b>Total revenues and transfers in</b>	<u>-</u>	<u>247,861</u>	<u>299,000</u>	<u>828,563</u>	<u>407,810</u>
<b>Expenditures</b>						
Other Services and Charges						
6401	Professional services	-	126,287	-	-	-
7430	Fiscal agent fees	-	850	848	500	500
	<b>Total other services and charges</b>	<u>-</u>	<u>127,137</u>	<u>848</u>	<u>500</u>	<u>500</u>
Debt Service						
7410	Principal	-	-	-	-	225,000
7420	Interest	-	-	216,452	216,452	188,081
	<b>Total debt service</b>	<u>-</u>	<u>-</u>	<u>216,452</u>	<u>216,452</u>	<u>413,081</u>
	<b>Total expenditures</b>	<u>-</u>	<u>127,137</u>	<u>217,300</u>	<u>216,952</u>	<u>413,581</u>
	<b>Revenues Over (Under) Expenditures</b>	<u>-</u>	<u>120,724</u>	<u>81,700</u>	<u>611,611</u>	<u>(5,771)</u>
	<b>Fund Balance January 1</b>	<u>-</u>	<u>-</u>	<u>120,700</u>	<u>120,724</u>	<u>732,335</u>
	<b>Fund Balance December 31</b>	<u>\$ -</u>	<u>\$ 120,724</u>	<u>\$ 202,400</u>	<u>\$ 732,335</u>	<u>\$ 726,564</u>

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

**Department Activities and Responsibilities:**

The \$3,330,000 General Obligation Tax Abatement Bonds, Series 2018B issued on June 14, 2018, pursuant to Minnesota Statutes, Chapters 429 and 475 financed the costs associated with renovation to the City's Sport Center facility. The bonds are a general obligation of the City for which the City pledges its full faith, credit and taxing powers for the repayment.

The City and the White Bear Lake Hockey Association partnered in the project to renovate the Sports Center Facility. The City Council adopted Resolution No. 12138 in December 2017 to approve a financial agreement with the Association. The City agreed to issue debt to cover the entire project, while the Association agreed to pay an initial contribution at the completion of the renovation for construction costs and annual payments for 20 years to assist in paying debt service costs up to \$2 million dollars. Two bond issues covered the total expenditures for the project. The tax levy previously assigned to repay the YMCA/Sports Center debt supports the annual debt service payments for the bond issue accounted for in this fund. The Hockey Association's annual payments will cover the other bond issue payments for the refrigeration equipment accounted for in the 2018A General Obligation Bond Debt Service Fund for Street Reconstruction and Sports Center Refrigeration Equipment.

Bonds maturing on or after February 1, 2025, are subject for early redemption call at par at the option of the City.

**Budget Summary:**

As of December 31, 2020, the City's principal obligation on the debt is \$3,205,000. Future principal and interest obligations on this debt by expense category are as follows:

Year	Principal	Interest	Total	Rate
2021	\$ 125,000	\$ 99,375	\$ 224,375	3.000%
2022	130,000	95,550	225,550	3.000%
2023	135,000	91,575	226,575	3.000%
2024	140,000	87,450	227,450	3.000%
2025	145,000	83,175	228,175	3.000%
2026	150,000	78,750	228,750	3.000%
2027	150,000	74,250	224,250	3.000%
2028	155,000	69,675	224,675	3.000%
2029	160,000	64,950	224,950	3.000%
2030	165,000	60,075	225,075	3.000%
2031	170,000	55,050	225,050	3.000%
2032	175,000	49,766	224,766	3.125%
2033	180,000	44,219	224,219	3.125%
2034	190,000	38,319	228,319	3.250%
2035	195,000	32,063	227,063	3.250%
2036	200,000	25,519	225,519	3.375%
2037	205,000	18,684	223,684	3.375%
2038	215,000	11,462	226,462	3.500%
2039	220,000	3,850	223,850	3.500%
<b>Total</b>	<b>3,205,000</b>	<b>1,083,757</b>	<b>4,288,757</b>	

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

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

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Revenues</b>						
4015	Regular Levy YMCA/Sports Center	\$ -	\$ -	\$ -	\$ -	\$ 129,000
5105	Bond sale proceeds	-	60,300	-	-	-
5324	Bond issuance fees	-	72,601	-	-	-
	<b>Total revenues</b>	<u>-</u>	<u>132,901</u>	<u>-</u>	<u>-</u>	<u>129,000</u>
<b>Transfers In</b>						
5205	Marina Fund	-	-	-	-	111,000
5205	Insurance Fund	-	-	195,000	195,000	-
	<b>Total transfers in</b>	<u>-</u>	<u>-</u>	<u>195,000</u>	<u>195,000</u>	<u>111,000</u>
	<b>Total revenues and transfers in</b>	<u>-</u>	<u>132,901</u>	<u>195,000</u>	<u>195,000</u>	<u>240,000</u>
<b>Expenditures</b>						
<b>Other Services and Charges</b>						
7430	Fiscal agent fees	-	850	637	500	500
7440	Discount on bonds sold	-	65,843	-	-	-
	<b>Total other services and charges</b>	<u>-</u>	<u>66,693</u>	<u>637</u>	<u>500</u>	<u>500</u>
<b>Debt Service</b>						
7410	Principal	-	-	-	-	125,000
7420	Interest	-	-	118,708	118,708	103,125
	<b>Total debt service</b>	<u>-</u>	<u>-</u>	<u>118,708</u>	<u>118,708</u>	<u>228,125</u>
	<b>Total expenditures</b>	<u>-</u>	<u>66,693</u>	<u>119,345</u>	<u>119,208</u>	<u>228,625</u>
	<b>Revenues over (under) expenditures</b>	<u>-</u>	<u>66,208</u>	<u>75,655</u>	<u>75,792</u>	<u>11,375</u>
	<b>Fund balance January 1</b>	<u>-</u>	<u>-</u>	<u>66,190</u>	<u>66,208</u>	<u>142,000</u>
	<b>Fund balance December 31</b>	<u>\$ -</u>	<u>\$ 66,208</u>	<u>\$ 141,845</u>	<u>\$ 142,000</u>	<u>\$ 153,375</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:**

As of December 31, 2020, the City's principal obligation on the debt is \$1,925,000. Future principal and interest obligations on this debt by expense category are as follows:

Year	Principal	Interest	Total	Rate
2021	\$ 100,000	\$ 65,400	\$ 165,400	4.000%
2022	100,000	61,400	161,400	4.000%
2023	105,000	57,300	162,300	4.000%
2024	105,000	53,100	158,100	4.000%
2025	110,000	48,800	158,800	4.000%
2026	110,000	44,400	154,400	4.000%
2027	110,000	40,000	150,000	4.000%
2028	110,000	35,600	145,600	4.000%
2029	115,000	31,100	146,100	4.000%
2030	115,000	27,075	142,075	3.000%
2031	95,000	23,925	118,925	3.000%
2032	100,000	21,000	121,000	3.000%
2033	100,000	18,000	118,000	3.000%
2034	100,000	15,000	115,000	3.000%
2035	100,000	12,000	112,000	3.000%
2036	65,000	9,525	74,525	3.000%
2037	65,000	7,575	72,575	3.000%
2038	70,000	5,550	75,550	3.000%
2039	75,000	3,375	78,375	3.000%
2040	75,000	1,125	76,125	3.000%
Total	1,925,000	581,250	2,506,250	



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

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

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Revenues</b>						
4015	General property tax levy	\$ -	\$ -	\$ -	\$ -	\$ 81,000
4210	Special assessments current	-	-	-	-	20,000
4220	Special assessments prepaid to City	-	-	-	140,550	-
5324	Bond issuance fees	-	-	-	92,492	-
	<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>233,042</u>	<u>101,000</u>
<b>Expenditures</b>						
Other Services and Charges						
7430	Fiscal agent fees	-	-	-	-	850
7440	Discount on bonds sold	-	-	-	56,358	-
	<b>Total other services and charges</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>56,358</u>	<u>850</u>
Debt Service						
7420	Interest	-	-	-	-	69,834
	<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>56,358</u>	<u>70,684</u>
	<b>Revenues over (under) expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>176,684</u>	<u>30,316</u>
	<b>Fund balance January 1</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>176,684</u>
	<b>Fund balance December 31</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 176,684</u>	<u>\$ 207,000</u>

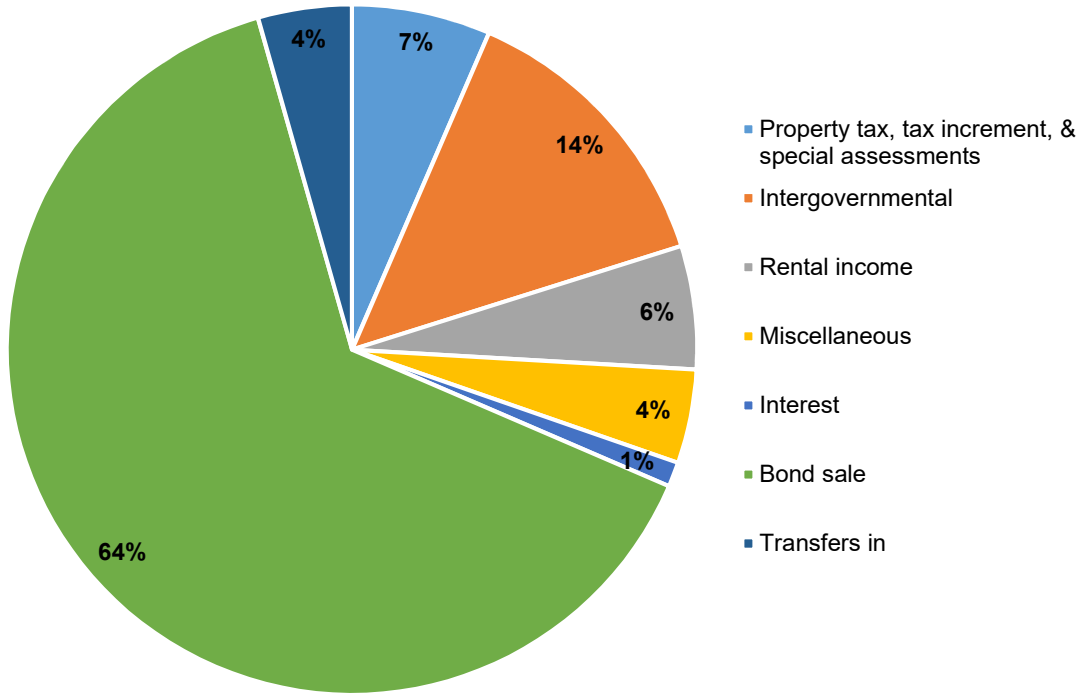
**City of White Bear Lake  
Capital Project Funds**

**Annual Budget**

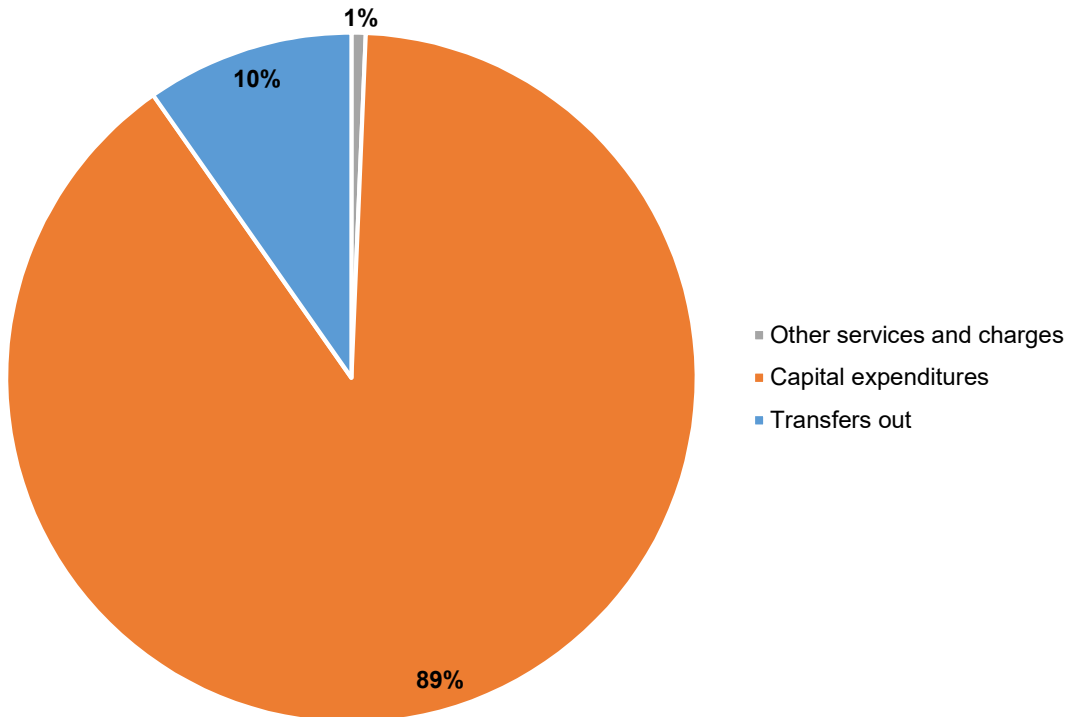
Item	2017 Actual	2018 Actual	2019 Budget	2019 Revised	2020 Budget
<b>Revenues</b>					
Property tax	\$ 146,300	\$ 333,800	\$ -	\$ 25,000	\$ 25,000
Tax increment	444,615	490,475	429,000	429,000	429,000
Special Assessment	-	-	-	25,000	25,000
Intergovernmental	790,363	1,015,338	1,065,000	1,004,885	1,005,000
Interest	155,731	266,126	65,000	85,000	85,000
Rental income	407,115	441,399	426,000	427,840	426,000
Miscellaneous	773,124	1,825,407	318,000	475,945	323,400
Loan repayments	145,500	110,000	110,000	-	-
Bond sale	-	8,866,818	2,130,000	2,196,842	4,725,000
Transfers in	1,032,285	2,076,546	1,395,000	442,500	323,900
Total revenues	<u>3,895,033</u>	<u>15,425,909</u>	<u>5,938,000</u>	<u>5,112,012</u>	<u>7,367,300</u>
<b>Expenditures</b>					
Supplies	1,848	440	-	-	-
Other services and charges	617,521	611,640	154,700	259,235	64,410
Capital expenditures	4,610,646	12,422,859	5,711,850	5,926,413	8,721,150
Transfers Out	505,000	560,737	1,602,500	1,682,700	947,500
Total Expenditures	<u>5,735,015</u>	<u>13,595,676</u>	<u>7,469,050</u>	<u>7,868,348</u>	<u>9,733,060</u>
Reserves	<u>(194,583)</u>	<u>(400,000)</u>	<u>(543,000)</u>	<u>(306,125)</u>	<u>6,000</u>
Total Expenditures and Reserves	<u>5,540,432</u>	<u>13,195,676</u>	<u>6,926,050</u>	<u>7,562,223</u>	<u>9,739,060</u>
Revenues over (under) expenditures and reserves	<u>(1,645,399)</u>	<u>2,230,233</u>	<u>(988,050)</u>	<u>(2,450,211)</u>	<u>(2,371,760)</u>
Fund Balance, January 1	<u>8,765,406</u>	<u>7,120,007</u>	<u>7,656,872</u>	<u>9,350,240</u>	<u>6,900,029</u>
Fund Balance, December 31	<u>\$ 7,120,007</u>	<u>\$ 9,350,240</u>	<u>\$ 6,668,822</u>	<u>\$ 6,900,029</u>	<u>\$ 4,528,269</u>

# 2020 Capital Project Funds

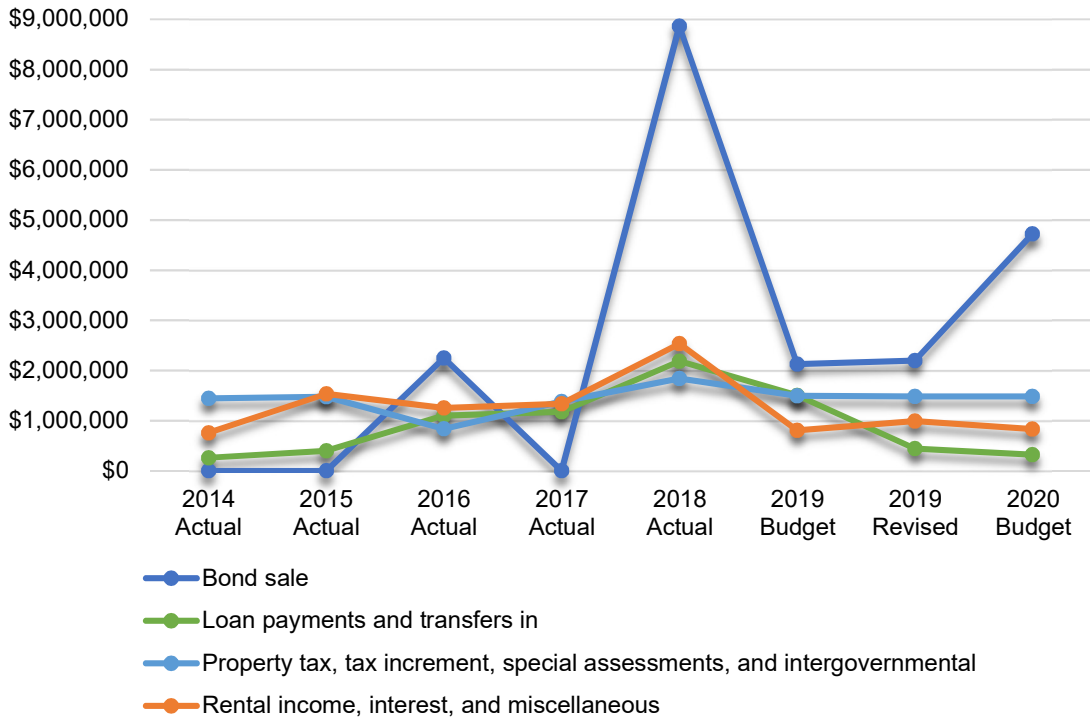
Total Revenues \$7,367,300



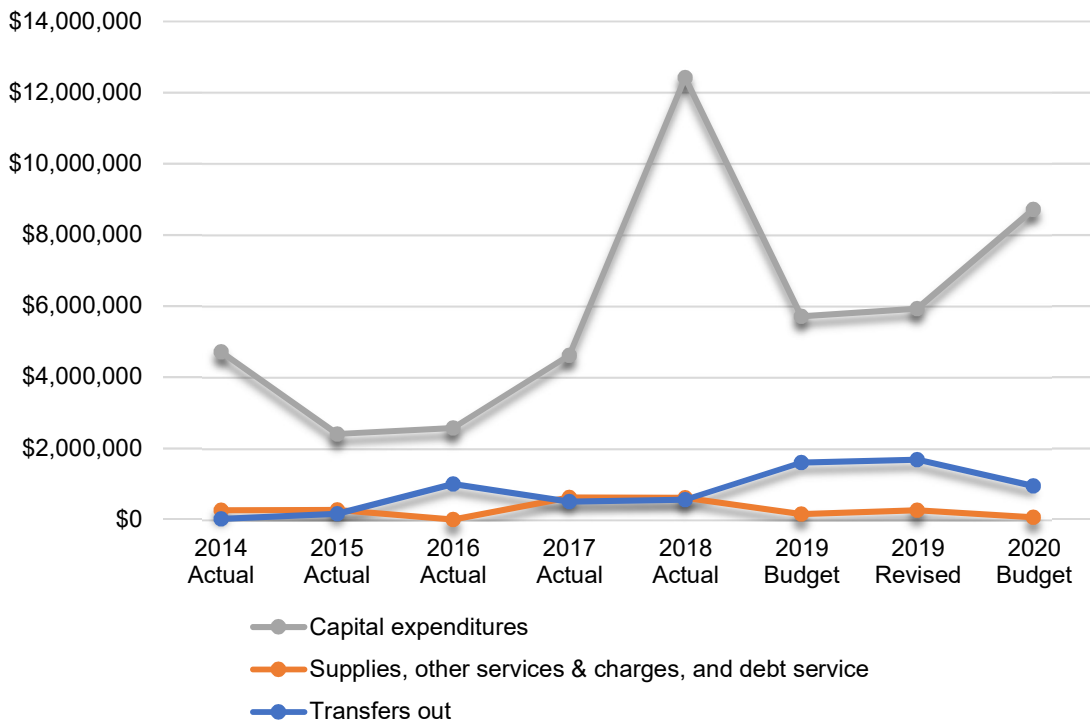
Total Expenditures \$9,733,060



## 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.

Previously, the Fund received a portion of the annual tax levy to support operations; however, in 2019 a philosophical change replaces the tax levy allocation with a portion of the annual State's Local Government Aid. The State aid payment can be uncertain, making it difficult to rely on for General Fund operations. By recognizing this revenue source in the budget, the City may modify expenditures if the State reduces or eliminates the aid.

The City designates special revenue from lease payments for cell tower sites on city properties and the franchise fee from Ramsey Washington Cable to provide additional revenue to this Fund. These special revenue streams represent 73% of the fund's operating revenue.

**Budget Summary:**

Ramsey Washington Cable contributed funds to upgrade the cablecasting equipment used in the City Council chambers. The 2019 Budget also includes a \$40,000 transfer from the Insurance Fund to purchase a new police squad hit in an accident.

The city plans to issue equipment bonds in 2020 to purchase a new ladder truck for the Fire Department and a dump truck for the Street Department.

The following page summarizes the total proposed expenditures by department. Even though the budget allocates resources for these expenditures, each item included in the total will undergo a detailed analysis and review before final approval authorizes the purchase. Funding for capital replacements could move to future years' budgets based on unanticipated maintenance issues or budget reductions during the year.

A detailed discussion of the City's five year Capital Improvement Plan and purchases or projects funded by this budget is in the Summary Data section of the document.

The City reserves funds for significant capital expenditures, which require multiple-year funding in order to maintain a stable revenue stream. The 2019 Budget includes allocations for Public Works equipment, Police equipment and technology purchases.

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

**Annual Budget  
Fund Summary**

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Revenues</b>						
4015	General property tax levy	\$ 48,500	\$ 190,000	\$ -	\$ -	\$ -
4624	Local government aid	-	-	195,000	195,000	195,000
4955	Interest	19,830	28,896	15,000	15,000	15,000
4975	Rental income - cell towers	391,440	424,222	410,000	410,000	410,000
4990	Donations	-	72,188	-	3,200	-
5010	Sale of equipment	39,384	76,402	20,000	20,000	20,400
5360	Ramsey Washington Cable	195,044	231,079	215,000	243,730	230,000
5360	Ramsey Washington Cable - equipment	-	-	-	17,296	-
5105	Bond proceeds	-	-	-	-	1,425,000
	<b>Total revenues</b>	<u>694,198</u>	<u>1,022,787</u>	<u>855,000</u>	<u>904,226</u>	<u>2,295,400</u>
<b>Transfers In</b>						
5205	Non-Bonded Debt Service Fund	-	400,000	-	-	-
5205	Insurance Fund	-	-	-	40,000	-
	<b>Total transfers in</b>	<u>-</u>	<u>400,000</u>	<u>-</u>	<u>40,000</u>	<u>-</u>
	<b>Total revenues and transfers in</b>	<u>694,198</u>	<u>1,422,787</u>	<u>855,000</u>	<u>944,226</u>	<u>2,295,400</u>
<b>Expenditures</b>						
	Capital	<u>1,057,379</u>	<u>1,132,311</u>	<u>984,750</u>	<u>1,252,075</u>	<u>2,142,950</u>
<b>Transfers (Out)</b>						
	Water Fund	-	30,137	-	-	-
	Sewer Fund	-	-	-	-	10,000
	Ambulance Fund	-	240,600	250,000	235,200	-
	<b>Total transfers (out)</b>	<u>-</u>	<u>270,737</u>	<u>250,000</u>	<u>235,200</u>	<u>10,000</u>
<b>Reserve for Replacement</b>						
	Reserve additions (usages)	<u>(255,000)</u>	<u>(500,000)</u>	<u>(350,000)</u>	<u>(350,000)</u>	<u>-</u>
	<b>Total expenditures, transfers and reserves</b>	<u>802,379</u>	<u>903,048</u>	<u>884,750</u>	<u>1,137,275</u>	<u>2,152,950</u>
	<b>Revenues over (under) expenditures</b>	<u>(108,181)</u>	<u>519,739</u>	<u>(29,750)</u>	<u>(193,049)</u>	<u>142,450</u>
	<b>Fund balance January 1</b>	<u>246,874</u>	<u>138,693</u>	<u>326,058</u>	<u>658,432</u>	<u>465,383</u>
	<b>Fund balance December 31</b>	<u>\$ 138,693</u>	<u>\$ 658,432</u>	<u>\$ 296,308</u>	<u>\$ 465,383</u>	<u>\$ 607,833</u>
<b>Reserve</b>						
	Technology	180,000	250,000	150,000	250,000	250,000
	Public safety - communications	180,000	-	-	-	-
	Fiber optics	80,000	-	-	-	-
	Police equipment	150,000	95,000	95,000	55,000	55,000
	Fire equipment	455,000	200,000	-	-	-
	Public works equipment	200,000	200,000	150,000	90,000	90,000
	<b>Balance, December 31</b>	<u>\$ 1,245,000</u>	<u>\$ 745,000</u>	<u>\$ 395,000</u>	<u>\$ 395,000</u>	<u>\$ 395,000</u>

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

**Annual Budget**

<b>Business Unit</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
4102	City Hall	\$ 91,408	\$ 140,504	\$ 75,800	\$ 100,200	\$ 198,100
4104	Building	16,960	2,281	20,000	22,000	22,500
4106	Streets and Snow Removal	39,070	316,038	107,200	71,700	307,000
4105	Engineering	-	6,545	7,500	-	35,000
4107	Parks	155,914	16,010	148,900	149,900	2,600
4108	Police	189,898	318,386	263,200	292,200	297,000
4109	Fire	484,312	246,610	334,650	590,275	1,242,250
4111	Dispatch	13,822	67,533	-	-	-
4118	Public Works Facility	-	2,894	27,500	22,300	5,000
4119	Sports Center	-	-	-	3,500	33,500
4116	City Wide Improvements	65,995	15,510	-	-	-
	Transfers out	-	270,737	250,000	235,200	10,000
	<b>Total</b>	<b>\$ 1,057,379</b>	<b>\$ 1,403,048</b>	<b>\$ 1,234,750</b>	<b>\$ 1,487,275</b>	<b>\$ 2,152,950</b>

**Fund:                   Municipal Building Fund 4300**

**Department Activities and Responsibilities:**

The Municipal Building Fund accounts for the sources and uses associated with development or renovation of City facilities. Previously, the Fund received a portion of the annual tax levy to support operations; however, in 2019 a philosophical change replaces the tax levy allocation with a portion of the annual State's Local Government Aid. The State aid payment can be uncertain, making it difficult to rely on for General Fund operations. By recognizing the revenue in this budget, the City may modify expenditures if the State reduces or eliminates the aid.

The City's Community Counseling Center merged with Northeast Youth and Family Services (NYFS) in 2012. The merger allows NYFS to rent the counseling center facility if the center's purpose assists community mental health needs of the greater White Bear area. Counseling Center funds are set aside as a reserve for future building improvements. The rent paid by NYFS increases the building reserve balance each year.

**Budget Summary:**

The Refunds and Reimbursement revenue account recognizes support from the White Bear Lake Area Historical Society (WBLAHS) for the installation of a new Heating, Ventilation, and Air Conditioning (HVAC) unit. The joint project with the White Bear Lake Area Historical Society (WBLAHS) combines City funds with a grant the WBLAHS received through the MN Arts and Cultural Heritage Fund administered through the Minnesota Historical Society.

The following page summarizes the total proposed expenditures by department. Even though the budget allocates resources for these expenditures, each item included in the total will undergo a detailed analysis and review before final approval authorizes the purchase. Funding for capital replacements could move to future years' budgets based on unanticipated maintenance issues or budget reductions during the year.

A detailed discussion of the City's five year Capital Improvement Plan and purchases or projects funded by this budget is in the Summary Data section of the document.



**City of White Bear Lake  
Municipal Building Fund**

**Annual Budget  
Fund Summary**

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Revenues</b>						
4015	General property tax levy	\$ 97,800	\$ 143,800	\$ -	\$ -	\$ -
4624	Local government aid	-	-	100,000	100,000	100,000
4662	Ramsey County - Counseling Center	-	32,845	-	-	-
4664	MN Historical Society - Armory	9,500	-	-	-	-
4955	Interest	12,175	33,303	10,000	10,000	10,000
4975	Rental income - Counseling Center	6,000	6,000	6,000	6,000	6,000
4990	Donations	5,312	-	-	-	-
4990	Donations - WBL Area Hockey Association	91,894	500,000	-	-	-
5015	Bond sale proceeds	-	5,000,174	-	-	-
5360	Refunds and reimbursements	3,418	52,683	-	34,613	-
	<b>Total revenues</b>	<u>226,099</u>	<u>5,768,805</u>	<u>116,000</u>	<u>150,613</u>	<u>116,000</u>
<b>Transfers In</b>						
5205	Armory Fund	10,000	10,000	10,000	10,000	10,000
5205	Community Reinvestment Fund	-	-	-	-	50,000
	<b>Total transfers in</b>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>60,000</u>
	<b>Total revenues and transfers in</b>	<u>236,099</u>	<u>5,778,805</u>	<u>126,000</u>	<u>160,613</u>	<u>176,000</u>
<b>Expenditures</b>						
	<b>Capital</b>	<u>391,505</u>	<u>5,645,035</u>	<u>443,000</u>	<u>388,738</u>	<u>514,500</u>
<b>Reserve for Replacement</b>						
	Reserve additions (usages)	<u>60,417</u>	<u>-</u>	<u>7,000</u>	<u>-</u>	<u>6,000</u>
	<b>Total expenditures and reserves</b>	<u>451,922</u>	<u>5,645,035</u>	<u>450,000</u>	<u>388,738</u>	<u>520,500</u>
	Revenues over (under) expenditures	<u>(215,823)</u>	<u>133,770</u>	<u>(324,000)</u>	<u>(228,125)</u>	<u>(344,500)</u>
	Fund Balance January 1	<u>1,082,642</u>	<u>866,819</u>	<u>592,319</u>	<u>1,000,589</u>	<u>772,464</u>
	Fund Balance December 31	<u>\$ 866,819</u>	<u>\$ 1,000,589</u>	<u>\$ 268,319</u>	<u>\$ 772,464</u>	<u>\$ 427,964</u>
<b>Reserve</b>						
	Balance, Jan 1, Counseling Center	\$ 60,417	\$ 60,417	\$ 67,417	\$ 67,417	\$ 67,417
	Additions	-	-	-	-	6,000
	Usages	-	-	-	-	-
	Balance, December 31	<u>\$ 60,417</u>	<u>\$ 60,417</u>	<u>\$ 67,417</u>	<u>\$ 67,417</u>	<u>\$ 73,417</u>

**City of White Bear Lake  
Municipal Building Fund**

**Annual Budget**

<b>Business Unit</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
4304	City Hall	\$ 116,801	\$ 21,513	\$ 154,200	\$ 140,500	\$ 102,000
4306	Community Counseling Center	4,761	32,845	-	-	-
4308	Armory	5,599	122,358	27,500	27,500	10,000
4310	Public Safety Facility	67,420	126,370	102,300	63,525	79,500
4312	Fire Station 1	18,985	-	-	-	5,000
4314	Fire Station 2	-	131,391	55,000	55,000	74,000
4316	Public Works Facility	2,000	20,728	54,000	92,000	94,000
4320	Sports Center	160,207	5,189,830	-	6,500	130,000
4321	General City Wide Improvements	15,732	-	50,000	3,713	-
4323	Depot	-	-	-	-	20,000
<b>Total</b>		<b>\$ 391,505</b>	<b>\$ 5,645,035</b>	<b>\$ 443,000</b>	<b>\$ 388,738</b>	<b>\$ 514,500</b>

**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 ideas to the Parks Advisory Commission. The improvement project process begins with commission meetings to develop detailed plans the City Council will review for final approval. Both the Park Advisory Commission and the City Council approve any major park renovations before construction commences. For the past several years, the commission recommendations typically focus improvements on two parks per year in order to make a more meaningful impact with available funds.

The White Bear Lake Lions Club donated \$25,000 toward the construction of an all abilities park at one of the City's existing park locations. With the receipt of the donation, the Parks Commission will now begin exploring the total cost and best method to add the all abilities structures to current park equipment. The City is holding the donation as a deposit payable until it approves the plans and begins the project.

**Budget Summary**

The following page summarizes the total proposed expenditures by park location. Even though the budget allocates resources for these expenditures, each item included in the total will undergo a detailed analysis and review before final approval authorizes the purchase. Funding for capital replacements could move to future years' budgets based on unanticipated maintenance or budget reductions during the year.

A detailed discussion of the City's five year Capital Improvement Plan and purchases or projects funded by this budget is in the Summary Data section of the document.

The Fund reserves resources for renovations to the Geist Gazebo at Matoska Park and playground equipment throughout the park system.

**City of White Bear Lake  
Park Improvement Fund**

**Annual Budget  
Fund Summary**

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Revenues</b>						
4350	Launch tag revenues	\$ 8,474	\$ 9,976	\$ 10,000	\$ 11,840	\$ 10,000
4955	Interest	22,830	43,554	-	15,000	15,000
4975	Rental income	1,201	1,201	-	-	-
4990	Donations	16,340	84,726	-	16,500	-
5045	Park dedication fees	23,025	16,550	20,000	10,000	15,000
5046	Tree dedication fees	9,119	1,020	-	2,880	-
5318	Gambling contributions	56,451	-	-	-	-
5322	Internal loan principal repayment	25,000	-	-	-	-
5323	Internal loan interest repayment	500	-	-	-	-
5360	Refunds and reimbursements	828	1,012	-	-	-
	Total charges for service and other revenue	<u>163,768</u>	<u>158,039</u>	<u>30,000</u>	<u>56,220</u>	<u>40,000</u>
<b>Transfers In</b>						
5205	Community Reinvestment Fund	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>	<u>75,900</u>
	Total revenues	<u>193,768</u>	<u>188,039</u>	<u>60,000</u>	<u>86,220</u>	<u>115,900</u>
<b>Expenditures</b>						
	Other services and charges	189,924	413,655	-	2,200	4,500
	Capital	<u>14,590</u>	<u>138,231</u>	<u>276,100</u>	<u>272,500</u>	<u>386,500</u>
	Total expenditures	<u>204,514</u>	<u>551,886</u>	<u>276,100</u>	<u>274,700</u>	<u>391,000</u>
<b>Reserve for Replacement</b>						
	Reserve additions (usages)	<u>-</u>	<u>100,000</u>	<u>(200,000)</u>	<u>-</u>	<u>-</u>
	Total expenditures and reserves	<u>204,514</u>	<u>651,886</u>	<u>76,100</u>	<u>274,700</u>	<u>391,000</u>
	Revenues over (under) expenditures	<u>(10,746)</u>	<u>(463,847)</u>	<u>(16,100)</u>	<u>(188,480)</u>	<u>(275,100)</u>
	Fund balance January 1	<u>1,629,822</u>	<u>1,619,076</u>	<u>1,099,776</u>	<u>1,155,229</u>	<u>966,749</u>
	Fund balance December 31	<u>\$ 1,619,076</u>	<u>\$ 1,155,229</u>	<u>\$ 1,083,676</u>	<u>\$ 966,749</u>	<u>\$ 691,649</u>
<b>Reserve</b>						
	Balance, Jan 1, playground equip.	\$ 400,000	\$ 350,000	\$ 150,000	\$ 150,000	\$ 150,000
	Balance, Jan 1, Gazebo renovation	-	150,000	150,000	150,000	150,000
	Additions	-	-	-	-	-
	Usages	-	-	-	-	-
	Balance, December 31	<u>\$ 400,000</u>	<u>\$ 500,000</u>	<u>\$ 300,000</u>	<u>\$ 300,000</u>	<u>\$ 300,000</u>

**City of White Bear Lake  
Park Improvement Fund**

**Annual Budget**

<b>Business Unit</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
4012	General park improvements	\$ 43,200	\$ 52,000	\$ -	\$ 2,200	\$ 4,500
4012	Trail repairs and maintenance	-	125,121	-	-	-
4012	Miscellaneous projects	22,670	15,631	39,000	39,000	43,000
4015	Bossard Park	-	-	1,000	1,000	-
4024	Hidden Hollow Park	-	800	3,000	3,000	-
4027	Marina	895	-	-	-	-
4030	Lakeview Park	2,500	4,525	-	-	-
4033	Lakewood Hills Park	21,003	82,107	81,000	100,300	75,000
4036	Lions Park	1,100	790	9,000	2,500	-
4039	Matoska Park	37,202	23,245	20,000	25,800	-
4045	Memorial Beach	-	6,140	-	-	-
4042	McCarty Park	-	21,840	-	-	-
4048	Podvin Park	495	48,791	38,000	1,600	40,000
4051	Railroad Park	678	84,985	20,000	16,000	20,000
4054	Ramaley Park	6,010	3,365	-	-	-
4057	Rotary Nature Preserve	3,736	-	3,800	3,800	-
4060	Spruce Park	-	3,476	-	-	-
4063	Stellmacher Park	-	20,343	5,000	3,700	-
4065	Varney Lake Trail	-	-	800	800	800
4066	Veteran's Memorial Park	44,987	50,816	10,000	22,000	40,000
4069	West Park and Memorial Beach	16,688	5,198	10,000	11,000	145,000
4072	Weyerhauser Park	-	-	24,000	30,500	20,000
4078	Yost Park	3,350	-	11,500	11,500	-
4079	Boatworks Park / Boardwalk	-	-	-	-	2,700
4081	Geist gazebo	-	2,713	-	-	-
	<b>Total</b>	<b>\$ 204,514</b>	<b>\$ 551,886</b>	<b>\$ 276,100</b>	<b>\$ 274,700</b>	<b>\$ 391,000</b>

**Fund: Water Improvement Fund 4220**

**Department Activities and Responsibilities**

This fund accounts for resources to provide system-wide expansion and improvements to the City's water production and distribution network that may or may not provide direct benefit or be assessable to private property. These improvements include water main replacements, treatment plant equipment upgrades, and major water infrastructure renovations to facilities such as wells or reservoirs.

Water availability charges levied against buildings connecting to the water system are the primary source of revenue for the fund.

**Budget Summary**

The 2020 Budget anticipates the issuance of bonds to cover the cost for painting and maintenance of the 1 Million Gallon water tower.

The following page summarizes the total proposed expenditures by type, general improvements or sewer relining projects. Even though the budget allocates resources for these expenditures, each item included in the total will undergo a detailed analysis and review before final approval authorizes the purchase. Funding for capital replacements could move to future years' budgets based on unanticipated maintenance or budget reductions during the year.

A detailed discussion of the City's five year Capital Improvement Plan and purchases or projects funded by this budget is in the Summary Data section of the document.

**City of White Bear Lake  
Water Improvement Fund**

**Annual Budget  
Fund Summary**

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Revenues</b>						
4955	Interest	\$ 7,400	\$ 8,962	\$ -	\$ 5,000	\$ 5,000
5025	Connection charges	25,350	23,562	20,000	20,000	20,000
5105	Bond sale proceeds	-	-	130,000	-	1,300,000
5360	Refund - Township Whitaker Lift Stat.	-	8,000	-	-	-
	<b>Total revenues</b>	<u>32,750</u>	<u>40,524</u>	<u>150,000</u>	<u>25,000</u>	<u>1,325,000</u>
<b>Expenditures</b>						
7220	Building Improvements (4222)	114,156	217,523	145,000	102,500	40,000
7220	Equipment Improvements (4222)	8,967	4,874	-	50,000	1,250,000
7220	Pump Improvements (4224)	5,195	44,869	58,000	27,000	60,000
	<b>Total expenditures</b>	<u>128,318</u>	<u>267,266</u>	<u>203,000</u>	<u>179,500</u>	<u>1,350,000</u>
	Revenues over (under) expenditures	<u>(95,568)</u>	<u>(226,742)</u>	<u>(53,000)</u>	<u>(154,500)</u>	<u>(25,000)</u>
	Fund balance January 1	<u>687,867</u>	<u>592,299</u>	<u>285,799</u>	<u>365,557</u>	<u>211,057</u>
	Fund balance December 31	<u>\$ 592,299</u>	<u>\$ 365,557</u>	<u>\$ 232,799</u>	<u>\$ 211,057</u>	<u>\$ 186,057</u>

**Fund: Sewer Improvement Fund 4200**

### **Department Activities and Responsibilities**

This fund provides for system-wide expansion and improvements to the City's sanitary sewer network, which may or may not provide direct benefit or be assessable to private property. These improvements include sanitary sewer main upgrades, lift station expansions, and sewer flow metering.

Sewer availability charges levied against buildings connecting to the sewer system are the primary source of revenue for the fund.

The City began its sanitary sewer main lining program in 1994. The program improves existing sewer mains by installing a fiberglass liner to add strength and integrity to the pipe. The liner prevents tree roots from penetrating through the pipe and causing sewer back-ups to connected services. This process provides a cost effective solution to maintain and extend the useful life of the pipes without significant excavation. The City focuses on areas with damaged and compromised sewer mains when planning the lining projects.

Similarly, the City began a sanitary sewer manhole-lining program in 2017. This program improves existing sewer manholes by installing a composite liner that adds strength and integrity to the manhole. As with the sewer main lining program, this process provides a cost effective alternative to full reconstruction of the area. The City monitors manhole conditions to determine the damaged and compromised structures needing this repair.

### **Budget Summary**

The following page summarizes the total proposed expenditures by type, general improvements or sewer relining projects. Even though the budget allocates resources for these expenditures, each item included in the total will undergo a detailed analysis and review before final approval authorizes the purchase. Funding for capital replacements could move to future years' budgets based on unanticipated maintenance or budget reductions during the year.

A detailed discussion of the City's five year Capital Improvement Plan and purchases or projects funded by this budget is in the Summary Data section of the document.



**City of White Bear Lake  
Sewer Improvement Fund**

**Annual Budget  
Fund Summary**

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Revenues</b>						
4955	Interest	\$ 7,925	\$ 12,024	\$ -	\$ -	\$ -
5025	Connection charges	27,950	5,200	15,000	10,000	10,000
5360	Refund - Township Whitaker Lift Stat.	7,146	12,137	7,000	7,000	7,000
	Total revenues	<u>43,021</u>	<u>29,361</u>	<u>22,000</u>	<u>17,000</u>	<u>17,000</u>
<b>Expenditures</b>						
7220	General Improvements (4202)	47,898	78,881	-	-	34,200
7220	Sewer Relining Projects (4204)	94,271	110,997	115,000	115,000	125,000
	Total expenditures	<u>142,169</u>	<u>189,878</u>	<u>115,000</u>	<u>115,000</u>	<u>159,200</u>
	Revenues over (under) expenditures	<u>(99,148)</u>	<u>(160,517)</u>	<u>(93,000)</u>	<u>(98,000)</u>	<u>(142,200)</u>
	Fund balance January 1	<u>762,288</u>	<u>663,140</u>	<u>445,640</u>	<u>502,623</u>	<u>404,623</u>
	Fund balance December 31	<u>\$ 663,140</u>	<u>\$ 502,623</u>	<u>\$ 352,640</u>	<u>\$ 404,623</u>	<u>\$ 262,423</u>

**Fund: Community Reinvestment Fund 4770**

**Department Activities and Responsibilities:**

During 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 with the intent of building a significant fund balance to use as an endowment to assist in reducing the cost of street improvements assessed to homeowners and securing a perpetual source of park improvement funding. The endowment has grown substantially through the years through settlements, interest earned on special assessments and debt service savings gained through special assessment debt restructuring.

**Budget Summary:**

Through analysis of the current economic environment for interest rates and bond rates, and the City's Capital Improvement Plan, the 2020 Budget incorporates a planned drawdown of the reserve balance per direction of the City Council. To accomplish this strategy, the 2020 Budget records a reduced amount of interest to the fund while increasing the allocations to offset street improvement costs budgeted in the Interim Construction Fund and park improvement costs budgeted in the Park Improvement Fund. In addition to funding those two activities, the 2020 Budget begins a transfer to the Municipal Building Fund to support facility capital needs.

The analysis will continue each year to monitor the Fund Balance and determine the appropriate interest revenues and transfers out to support the street, park, and municipal building improvements.

**City of White Bear Lake  
Community Reinvestment Fund**

**Annual Budget  
Fund Summary**

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Revenues</b>						
4955	Interest	\$ 125,000	\$ 125,000	\$ 135,000	\$ 135,000	\$ 114,825
	Total revenues	<u>125,000</u>	<u>125,000</u>	<u>135,000</u>	<u>135,000</u>	<u>114,825</u>
<b>Transfers (Out)</b>						
7605	Interim Construction Fund - Streets	95,000	95,000	105,000	105,000	113,000
7605	Park Improvement Fund - Parks	30,000	30,000	30,000	30,000	75,900
7605	Municipal Building Fund - Buildings	-	-	-	-	50,000
	Total transfers (out)	<u>125,000</u>	<u>125,000</u>	<u>135,000</u>	<u>135,000</u>	<u>238,900</u>
	Revenues over (under) expenditures	-	-	-	-	(124,075)
	Fund balance January 1	<u>7,655,000</u>	<u>7,655,000</u>	<u>7,655,000</u>	<u>7,655,000</u>	<u>7,655,000</u>
	Fund balance December 31	<u><u>\$ 7,655,000</u></u>	<u><u>\$ 7,655,000</u></u>	<u><u>\$ 7,655,000</u></u>	<u><u>\$ 7,655,000</u></u>	<u><u>\$ 7,530,925</u></u>
<b>Reserve</b>						
	Street Improvements	\$ 5,980,000	\$ 5,980,000	\$ 5,980,000	\$ 5,980,000	\$ 5,931,240
	Park Improvements	<u>1,675,000</u>	<u>1,675,000</u>	<u>1,675,000</u>	<u>1,675,000</u>	<u>1,599,685</u>
	Balance, December 31	<u><u>\$ 7,655,000</u></u>	<u><u>\$ 7,655,000</u></u>	<u><u>\$ 7,655,000</u></u>	<u><u>\$ 7,655,000</u></u>	<u><u>\$ 7,530,925</u></u>

**Fund: HRA Tax Increment Financing Pool Fund 4600**

**Department Activities and Responsibilities:**

This fund accounts for the revenues and expenditures related to the City's tax increment districts. Tax Increment Financing (TIF) is a statutory tool used by local governments to assist in paying for qualifying improvements through the increased property taxes generated from the new development, redevelopment or housing that would not have otherwise occurred "but for" the use of TIF. Tax increment is the difference between the existing taxes on a parcel before development or redevelopment occurs and the increased property taxes created by the new development.

After approving a TIF plan, the City must request certification of the district by the county auditor, who then certifies the district's original values. Requests for certification made on or before June 30 each year will have their original values based on the previous assessment year, and requests after June 30 will have their values based on the current assessment year information.

The four most commonly used types of tax increment districts available to a city are housing, economic development, redevelopment and soils districts.

Housing districts provide affordable, safe, and sanitary housing options for low and moderate-income occupants. Housing may be either rental or occupant owned and based on income limits defined by the Internal Revenue Code.

Economic development districts promote economic development through the establishment of increased tax base and job creation. Eligible development is generally restricted to manufacturing, industrial, and warehouse type development.

Redevelopment districts promote the redevelopment of blighted properties and most often involves acquiring parcels of land, which contain blighted structures, removing the structures and conveying the site to a redeveloper.

Soils districts help pay the remedial expenses associated with the cleanup of polluted soils in order to encourage development. In the past, cities could also create soils districts to improve soils not polluted but were deficient for building purposes due to other characteristics, i.e. organic content. Today, however, the soil must have a hazardous substance, pollution or contaminants to establish a soils district.

In 1982, statute amendments loosened restrictions to allow cities to "pool" tax increment districts, which groups several districts together into a master project area and allows tax increment from one district's development to fund improvements anywhere in the much broader "project" area, including expenses in other districts in the project area. The policy changes do not allow the increment revenue to fund improvements or activities other than those allowed for the specific district type from which they were derived. For example, the restrictions placed on tax increments from a "soils" district require those funds to be spent on soil mitigation within the master project area even if they are pooled.

The City pooled HRA districts 1 through 11, which allows the funds in each of the districts to share their resources within an expanded project area. HRA districts 12 through 27 are restricted districts, which require tax increment expenditures to stay within the district and are not available to contribute to the area-wide pool.

The HRA Fund has maintained reporting and budgeting practices, which recognizes and coordinates the following activities into separate and distinct reporting entities. The HRA Fund accounts for only tax increment revenues and expenditures, assigns all expenditures to specific TIF districts, and charges both principal and interest portions of debt service payments directly to the appropriate TIF district.

**Fund: HRA Tax Increment Financing Pool Fund 4600**

Debt Service

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

The Boatworks Commons Tax Increment District 27 provides the funding source for payment of the bond obligation.

Year	Principal	Interest	Total	Rate
2021	\$ 85,000	\$ 50,938	\$ 135,938	3.000%
2022	90,000	48,313	138,313	3.000%
2023	90,000	45,612	135,612	3.000%
2024	95,000	42,837	137,837	3.000%
2025	100,000	39,912	139,912	3.000%
2026	105,000	37,363	142,363	2.000%
2027	110,000	35,212	145,212	2.000%
2028	115,000	32,962	147,962	2.000%
2029	120,000	30,552	150,552	2.100%
2030	125,000	27,917	152,917	2.200%
2031	130,000	25,047	155,047	2.300%
2032	135,000	21,932	156,932	2.400%
2033	140,000	18,563	158,563	2.500%
2034	145,000	15,000	160,000	2.500%
2035	150,000	11,125	161,125	2.750%
2036	155,000	6,932	161,932	2.750%
2037	160,000	2,400	162,400	3.000%
Total	2,050,000	492,617	2,542,617	

District Operating Loans

A number of the tax increment districts have resources available to share with other tax increment districts through an internal loan to provide funding until the receiving district generates sufficient revenue to repay the loan.

District No. 25 – Project C:

In 2005, District 25 incurred street, lighting and landscaping costs associated with the annual street reconstruction project. Since the District did not have enough funds to cover the costs, the White Bear Lake Housing and Redevelopment Authority approved a loan to the District since the estimated tax increment collections over the District's life exceeded the loan amount needed to pay the expenditures. The original loan schedule planned for a sixteen-year repayment plan; however, tax increment revenues exceeded expectations, which allowed repayment of the remaining balance in 2019. The loan repayments did not include interest because the loans are within the same fund.

District No. 27 – Boatworks Common:

On November 12, 2012, the City Council created Tax Increment Financing (TIF) District No. 27 (Boatworks Commons) within the Development Project Area No. 1. The Boatworks Common TIF District assisted in financing extensive public improvements planned both onsite and within the adjacent Lake Avenue right-of-way. The City Council adopted resolution # 11770 on March 8, 2016 establishing a \$750,000 internal

**Fund: HRA Tax Increment Financing Pool Fund 4600**

loan with a 3.00% interest rate from the Economic Development Fund to complete Boatworks Commons financing on November 24, 2015.

Year	Principal	Interest	Total	Rate
2021	\$ -	\$ 22,500	\$ 22,500	3.000%
2022	-	22,500	22,500	3.000%
2023	-	22,500	22,500	3.000%
2024	-	22,500	22,500	3.000%
2025	-	22,500	22,500	3.000%
2026	-	22,500	22,500	3.000%
2027	-	22,500	22,500	3.000%
2028	-	22,500	22,500	3.000%
2029	-	22,500	22,500	3.000%
2030	-	22,500	22,500	3.000%
2031	-	22,500	22,500	3.000%
2032	10,000	22,350	32,350	3.000%
2033	10,000	22,050	32,050	3.000%
2034	10,000	21,750	31,750	3.000%
2035	10,000	21,450	31,450	3.000%
2036	10,000	21,150	31,150	3.000%
2037	10,000	20,850	30,850	3.000%
2038	190,000	17,850	207,850	3.000%
2039	200,000	12,000	212,000	3.000%
2040	200,000	6,000	206,000	3.000%
2041	100,000	1,500	101,500	3.000%
<b>Total</b>	<b>750,000</b>	<b>414,450</b>	<b>1,164,450</b>	

**Budget Summary:**

An annual transfer to the General Fund serves as reimbursement for the portion of staff time related to the planning and administrative duties for redevelopment projects financed in this Fund. The fund also supports transfers out to pay the annual debt service and internal loan payments for District 27 – Boatworks Commons.

The year-end fund balance is comprised of activity in the following tax increment districts:

District	Business Unit	Name	Type	Fund Balance 12/31/2019	Fund Balance 12/31/2020
25	4640	Project C	Redevelopment	\$ 427,911	\$ 627,661
26	4641	Hoffman Place	Housing	42,347	36,847
27	4645	Boatworks Commons	Redevelopment	95,650	82,990
<b>Total</b>				<b>565,908</b>	<b>747,498</b>

**City of White Bear Lake**  
**HRA Tax Increment Pool**

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

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Revenues</b>						
4020	Tax increment	\$ 444,615	\$ 490,475	\$ 429,000	\$ 429,000	\$ 429,000
5325	Loan repayments	120,000	110,000	110,000	200,000	-
5205	Refunds/reimbursements	200,000	-	-	-	-
5360	Miscellaneous	6,927	-	-	-	-
	<b>Total revenues</b>	<u>771,542</u>	<u>600,475</u>	<u>539,000</u>	<u>629,000</u>	<u>429,000</u>
<b>Expenditures</b>						
<b>Supplies</b>						
6240	Building supplies and parts	1,428	-	-	-	-
6250	Other supplies and parts	420	440	-	-	-
	<b>Total supplies</b>	<u>1,848</u>	<u>440</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Other Services and Charges</b>						
6401	Professional services	48,039	-	-	7,660	7,660
6434	General liability insurance	-	2,426	-	1,210	1,250
6455	Legal notice publication	-	-	-	265	300
6550	Developer payments	57,351	38,592	38,500	40,200	43,000
6560	Contractual services	207,392	156,967	114,500	206,000	6,000
6590	Administration charges	-	-	1,700	1,700	1,700
7560	Refunds and reimbursements	114,815	-	-	-	-
	<b>Total other services and charges</b>	<u>427,597</u>	<u>197,985</u>	<u>154,700</u>	<u>257,035</u>	<u>59,910</u>
<b>Capital Outlay</b>						
7160	Construction	2,350	-	-	-	-
<b>Transfers</b>						
7604	Loan payment	320,000	110,000	110,000	200,000	-
7605	Transfers out	185,000	180,000	177,500	182,500	187,500
	<b>Total transfers</b>	<u>505,000</u>	<u>290,000</u>	<u>287,500</u>	<u>382,500</u>	<u>187,500</u>
	<b>Total expenditures</b>	<u>936,795</u>	<u>488,425</u>	<u>442,200</u>	<u>639,535</u>	<u>247,410</u>
	<b>Revenues over (under) expenditures</b>	<u>(165,253)</u>	<u>112,050</u>	<u>96,800</u>	<u>(10,535)</u>	<u>181,590</u>
	<b>Fund balance January 1</b>	<u>629,646</u>	<u>464,393</u>	<u>529,193</u>	<u>576,443</u>	<u>565,908</u>
	<b>Fund balance December 31</b>	<u>\$ 464,393</u>	<u>\$ 576,443</u>	<u>\$ 625,993</u>	<u>\$ 565,908</u>	<u>\$ 747,498</u>

City of White Bear Lake  
HRA Tax Increment Pool

Annual Budget  
Fund Detail

Code	Item	2017 Actual	2018 Actual	2019 Adopted	2019 Revised	2020 Budget
<b>4609</b>	<b>Michael Development</b>					
	Revenue	\$ 445	\$ -	\$ -	\$ -	\$ -
	Expenditures	-	-	-	-	-
	Revenues over (under) expenditures	<u>\$ 445</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>4610</b>	<b>Homecraft</b>					
	Revenue	\$ 367	\$ -	\$ -	\$ -	\$ -
	Expenditures	-	-	-	-	-
	Revenues over (under) expenditures	<u>\$ 367</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>4611</b>	<b>McGowan</b>					
	Revenue	\$ 367	\$ -	\$ -	\$ -	\$ -
	Expenditures	-	-	-	-	-
	Revenues over (under) expenditures	<u>\$ 367</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>4612</b>	<b>North Star Bank</b>					
	Revenue	\$ 5,748	\$ -	\$ -	\$ -	\$ -
	Expenditures	-	-	-	-	-
	Revenues over (under) expenditures	<u>\$ 5,748</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>4620</b>	<b>CPA Parkway</b>					
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expenditures	105,000	-	-	-	-
	Revenues over (under) expenditures	<u>\$ (105,000)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>4638</b>	<b>Wall Proposal Parcel A - District 11</b>					
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expenditures	66,510	-	-	-	-
	Revenues over (under) expenditures	<u>\$ (66,510)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>4639</b>	<b>Commonwealth Parcel B - District 10</b>					
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expenditures	41,378	-	-	-	-
	Revenues over (under) expenditures	<u>\$ (41,378)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>4630</b>	<b>Smith - Birch Cove</b>					
	Revenue	\$ 120,000	\$ 110,000	\$ 110,000	\$ 200,000	\$ -
	Expenditures	95,000	155,000	110,000	200,000	-
	Revenues over (under) expenditures	<u>\$ 25,000</u>	<u>\$ (45,000)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>4640</b>	<b>Downtown Expansion Parcel C - District 26</b>					
	Revenue	\$ 238,723	\$ 267,138	\$ 220,000	\$ 220,000	\$ 232,000
	Expenditures	422,386	138,214	139,500	232,210	32,250
	Revenues over (under) expenditures	<u>\$ (183,663)</u>	<u>\$ 128,924</u>	<u>\$ 80,500</u>	<u>\$ (12,210)</u>	<u>\$ 199,750</u>
<b>4644</b>	<b>Hoffman Place - District 26</b>					
	Revenue	\$ 42,953	\$ 42,806	\$ 43,000	\$ 43,000	\$ 38,000
	Expenditures	38,131	39,049	39,000	40,700	43,500
	Revenues over (under) expenditures	<u>\$ 4,822</u>	<u>\$ 3,757</u>	<u>\$ 4,000</u>	<u>\$ 2,300</u>	<u>\$ (5,500)</u>
<b>4645</b>	<b>Boatworks - District 27</b>					
	Revenue	\$ 362,939	\$ 180,531	\$ 166,000	\$ 166,000	\$ 159,000
	Expenditures	168,390	156,162	153,700	166,625	171,660
	Revenues over (under) expenditures	<u>\$ 194,549</u>	<u>\$ 24,369</u>	<u>\$ 12,300</u>	<u>\$ (625)</u>	<u>\$ (12,660)</u>
	<b>Totals</b>					
	Total revenues	\$ 771,542	\$ 600,475	\$ 539,000	\$ 629,000	\$ 429,000
	Total expenditures	936,795	488,425	442,200	639,535	247,410
	Revenues over (under) expenditures	<u>\$ (165,253)</u>	<u>\$ 112,050</u>	<u>\$ 96,800</u>	<u>\$ (10,535)</u>	<u>\$ 181,590</u>



**Fund: Interim Construction Fund 4400**

**Department Activities and Responsibilities:**

The Interim Construction Fund handles the revenues and expenditures for City projects relating to street rehabilitation, sidewalks, trails, and traffic signals.

**Budget Summary:**

Multiple revenue sources come together in this fund to provide support for the project expenditures. A major revenue is financial assistance offered 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.

In years when the interest earnings were very high, the City paid a large portion of the street reconstruction expenditures with the interest revenues and did not need additional financing. However, in the years since the economic slow-down in the mid 2000's, the low interest rates have significantly affected the City's available resources. To address the reduced interest revenues, declining fund balances, and decreasing support from the License Bureau Fund, the City began issuing bonds in 2018 cover expenditures for the street improvement project. This funding arrangement continued in 2019 with a smaller scale construction project and lower costs. The financial management plan continues the 2019 model with smaller construction project areas and annual bond issuance.

Within each street reconstruction project, an agreement between the city and the contractors allows residential property owners to re-surface their driveway or televise their sewer line at a reduced rate using the contractors' services while onsite for the project. Property owners reimburse the city for the services, which the city includes in the contract payment. The 2020 Budget estimates the reimbursement amount since these items are unknown until the project work begins the next year.

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

The Construction Fund also relies on transfers from other City funds to strengthen the construction program budget. In previous years, the Non-Bonded Fund supported construction activities through a transfer of special assessments accumulated from property owners in annual project areas not tied to a specific debt service issue. This practice ends in the Revised 2019 Budget as special assessments collected from property owners pay the related debt service issue. The Community Reinvestment Fund transfer shares annual interest earnings on the Fund's endowment to offset street improvement costs for residents. The City allocates excess revenues from the License Bureau Fund to this budget since the customer activity for the department relates to streets and transportation.

The City plans to conduct a rate study analyze revenues and expenditures for the Water Fund, Sewer Fund and the Surface Water Pollution Prevention Fund. The goal is to create a rate structure that supports the operating, capital and infrastructure needs for each department. Once implemented, each of the three funds will transfer resources to this budget to support the improvements related to their services in the annual reconstruction projects.

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

Beginning in 2019, this Fund transfers resources to the General Fund as reimbursement for services provided by the Engineering Department.

**City of White Bear Lake**  
**Interim Construction Fund**

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

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Revenues</b>						
4015	General property tax levy	\$ -	\$ -	\$ -	\$ 25,000	\$ 25,000
4210	Special assessments	-	-	-	25,000	25,000
4626	MSA maintenance	790,363	764,358	770,000	709,885	710,000
4670	Met Council grant	-	218,135	-	-	-
4955	Interest on investment	85,571	139,387	40,000	40,000	40,000
4990	Donations	-	8	-	-	-
5010	Sale of goods and property	260	1,186	-	726	-
5105	Bond sale proceeds	-	3,866,644	2,000,000	1,996,842	2,000,000
5350	Miscellaneous revenue	13,719	68,015	-	69,000	-
5360	Refunds and reimbursements	41,457	671,639	21,000	21,000	21,000
	<b>Total revenues</b>	<u>931,370</u>	<u>5,729,372</u>	<u>2,831,000</u>	<u>2,887,453</u>	<u>2,821,000</u>
<b>Transfers In</b>						
5205	Non-Bonded Debt Fund	522,285	1,266,546	900,000	107,500	-
5205	Community Reinvestment Fund	95,000	95,000	105,000	105,000	113,000
5205	License Bureau Fund	375,000	200,000	150,000	150,000	75,000
5205	Surface Water Pollution Prevention	-	75,000	-	-	-
5205	Sewer	-	-	200,000	-	-
	<b>Total transfers in</b>	<u>992,285</u>	<u>1,636,546</u>	<u>1,355,000</u>	<u>362,500</u>	<u>188,000</u>
	<b>Total revenues and transfers in</b>	<u>1,923,655</u>	<u>7,365,918</u>	<u>4,186,000</u>	<u>3,249,953</u>	<u>3,009,000</u>
<b>Expenditures</b>						
Construction projects						
4402	General expenditures	65,305	18,271	65,000	50,000	50,000
4404	Seal coating and crack sealing	456,927	281,403	340,000	135,100	300,000
4405	Sidewalks	15,185	49,583	-	-	-
4491	Ash Borer	-	25,125	35,000	31,000	25,000
	Street reconstruction projects	119,893	4,415,322	2,825,000	2,700,000	1,790,000
	Mill and overlay projects	2,217,025	260,434	425,000	737,500	1,500,000
	Sanitary Sewer projects	-	-	-	-	165,000
	Miscellaneous concrete projects	-	-	-	65,000	63,000
	Miscellaneous street related projects	-	-	-	-	275,000
	<b>Total construction projects</b>	<u>2,874,335</u>	<u>5,050,138</u>	<u>3,690,000</u>	<u>3,718,600</u>	<u>4,168,000</u>
	<b>Transfers out</b>	<u>-</u>	<u>-</u>	<u>1,065,000</u>	<u>1,065,000</u>	<u>750,000</u>
	<b>Total expenditures and transfers</b>	<u>2,874,335</u>	<u>5,050,138</u>	<u>4,755,000</u>	<u>4,783,600</u>	<u>4,918,000</u>
	<b>Revenues over (under) expenditures</b>	<u>(950,680)</u>	<u>2,315,780</u>	<u>(569,000)</u>	<u>(1,533,647)</u>	<u>(1,909,000)</u>
	<b>Reserve adjustment to (from)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(43,875)</u>	<u>-</u>
	<b>Fund balance January 1</b>	<u>3,726,267</u>	<u>2,775,587</u>	<u>4,378,087</u>	<u>5,091,367</u>	<u>3,513,845</u>
	<b>Fund balance December 31</b>	<u>\$ 2,775,587</u>	<u>\$ 5,091,367</u>	<u>\$ 3,809,087</u>	<u>\$ 3,513,845</u>	<u>\$ 1,604,845</u>
<b>Reserve for Emerald Ash Borer</b>						
	Balance, January 1	\$ -	\$ -	\$ -	\$ -	\$ 43,875
	Additions	-	-	-	43,875	-
	Usages	-	-	-	-	-
	<b>Balance, December 31</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 43,875</u>	<u>\$ 43,875</u>

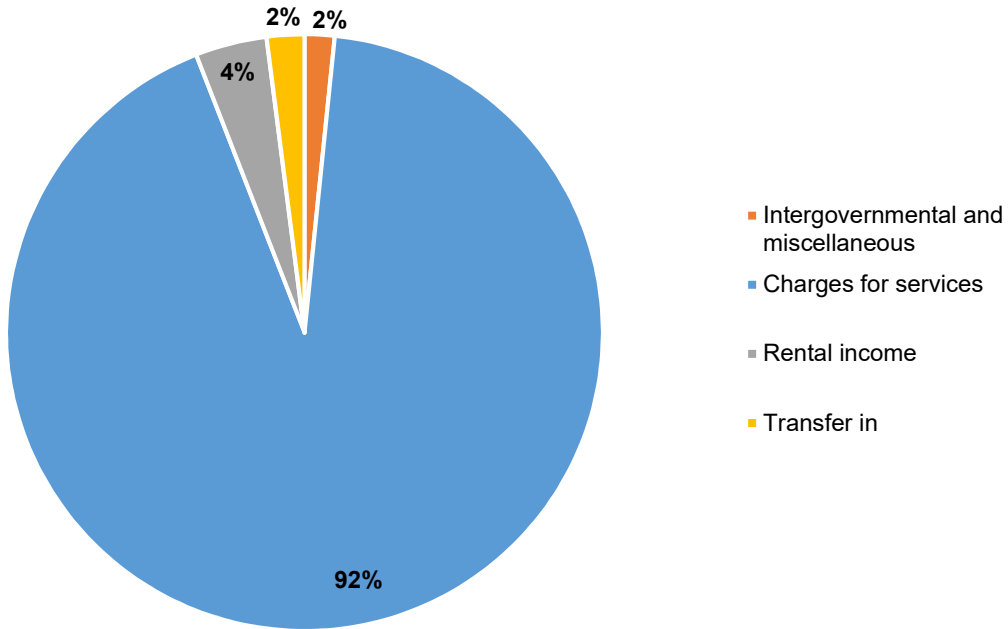
**City of White Bear Lake  
Enterprise Funds**

**Annual Budget**

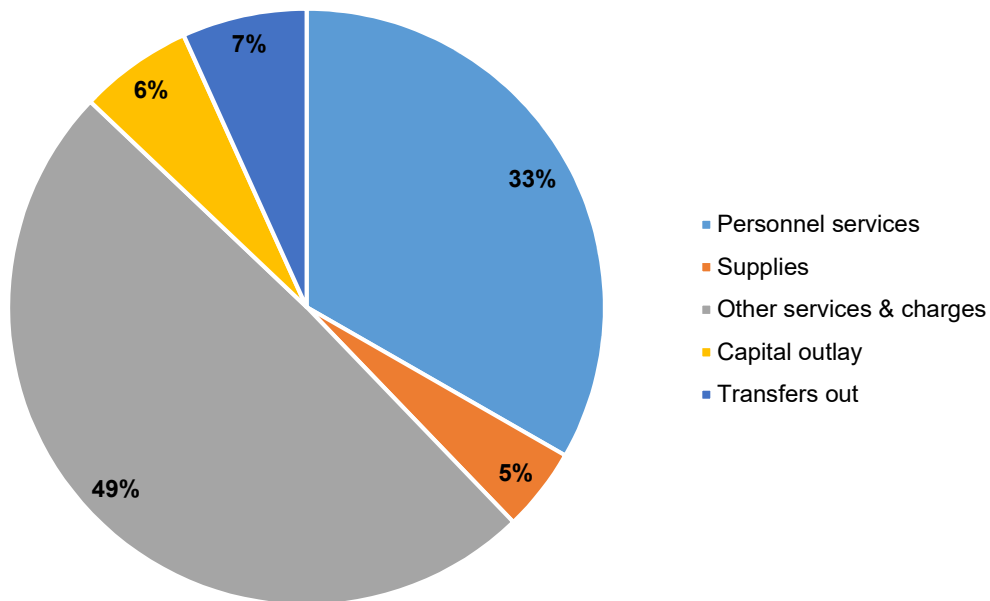
	<u>2017 Actual</u>	<u>2018 Actual</u>	<u>2019 Budget</u>	<u>2019 Revised</u>	<u>2020 Budget</u>
<b>Revenues</b>					
Intergovernmental	\$ 77,717	\$ 60,691	\$ 60,000	\$ 265,508	\$ 123,904
Charges for services	7,712,202	8,466,157	9,272,000	9,099,400	9,524,750
Rental income	379,573	386,837	391,000	395,700	400,300
Miscellaneous	93,364	57,907	44,000	65,766	44,000
Transfer in	780,000	125,000	-	435,200	210,000
Total revenues	<u>9,042,856</u>	<u>9,096,592</u>	<u>9,767,000</u>	<u>10,261,574</u>	<u>10,302,954</u>
<b>Expenditures</b>					
Personnel services	2,332,268	2,667,427	3,125,747	3,193,114	3,520,531
Supplies	410,556	429,891	494,785	483,475	477,595
Other services & charges	4,577,942	4,679,481	4,790,041	4,844,241	5,213,161
Capital outlay	187,691	36,873	96,250	275,050	649,600
Transfers out	1,175,000	1,181,920	1,115,000	915,000	715,000
Total expenditures	<u>8,683,457</u>	<u>8,995,592</u>	<u>9,621,823</u>	<u>9,710,880</u>	<u>10,575,887</u>
Reserves	<u>(100,000)</u>	<u>(40,000)</u>	<u>5,000</u>	<u>5,000</u>	<u>(70,000)</u>
Total expenditures and reserves	<u>8,583,457</u>	<u>8,955,592</u>	<u>9,626,823</u>	<u>9,715,880</u>	<u>10,505,887</u>
Revenues over (under) expenditures and reserves	<u>459,399</u>	<u>141,000</u>	<u>140,177</u>	<u>545,694</u>	<u>(202,933)</u>
Fund balance, January 1	<u>13,750</u>	<u>473,149</u>	<u>518,757</u>	<u>614,149</u>	<u>1,159,843</u>
Fund balance, December 31	<u>\$ 473,149</u>	<u>\$ 614,149</u>	<u>\$ 658,934</u>	<u>\$ 1,159,843</u>	<u>\$ 956,910</u>

# 2020 Enterprise Funds

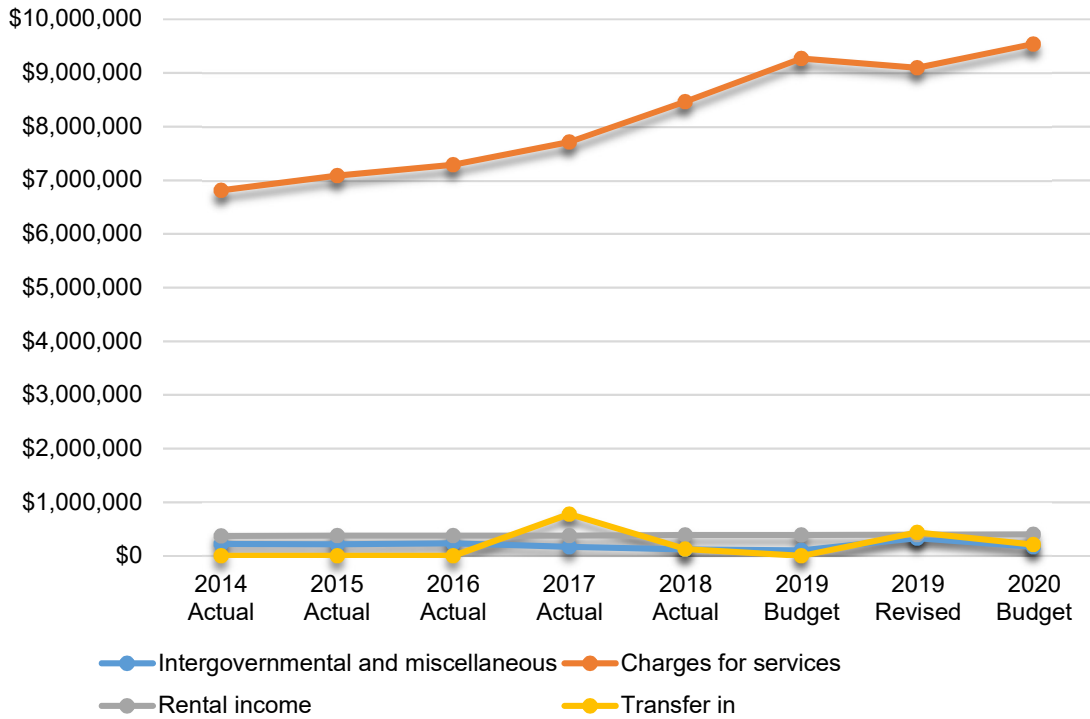
Total Revenues \$10,319,179



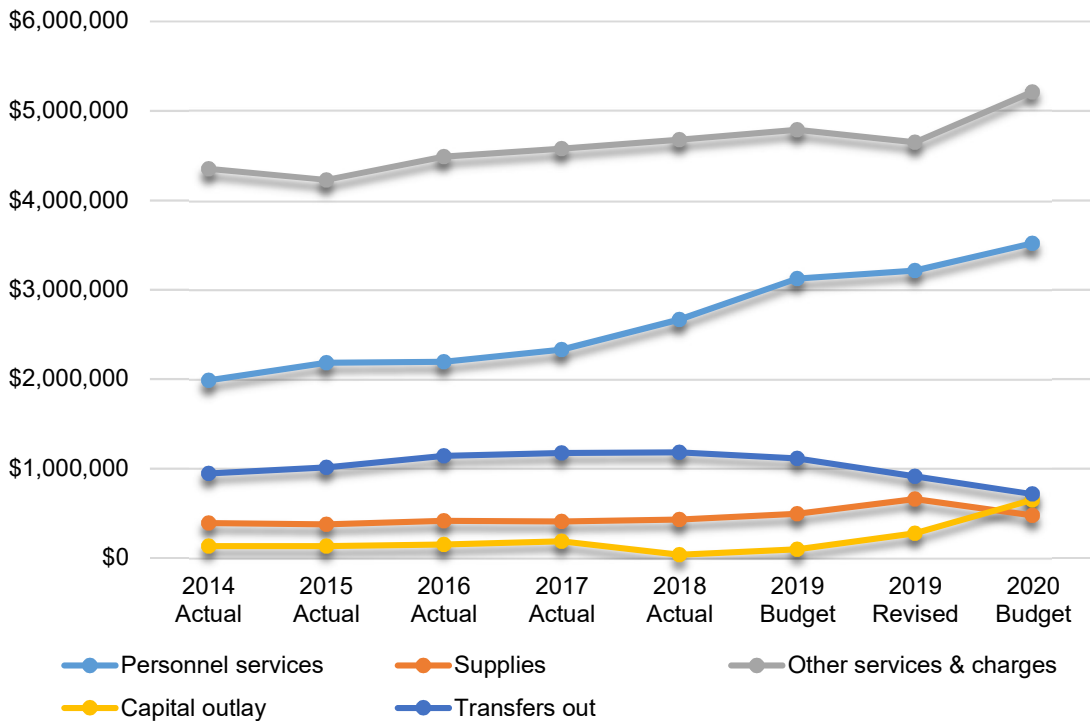
Total Expenditures \$10,575,887



## Enterprise Funds Revenue Trend Analysis



## Enterprise Funds Expenditure Trend Analysis



**Fund: Water Fund 5010**

**Department Activities and Responsibilities:**

The Water Fund, which is a function of the City's Public Works Division, accounts for the operation, maintenance, and repair of all facilities necessary for the production, treatment, storage, and distribution of water to residents and commercial/industrial enterprises in White Bear Lake. As part of the daily operations, this department also oversees the installation of all new water connections for customers, final service reads, fire hydrant maintenance, and fire hydrant flushing activities twice each year.

The City uses five deep wells, three storage reservoirs, and one treatment plant in the water production process. The production levels fluctuate each season since weather conditions influence customer usage during the summer months.

The water level in White Bear Lake dropped significantly in 2008 and remained low for the following years. Some lakeshore property owners became concerned that City pumping activities in the local aquifer were drawing down the lake level. They formed the White Bear Lake Restoration Association to protect the interests of the lake by submitting a lawsuit against the Minnesota Department of Natural Resources regarding the water pumping permits given to the City of White Bear Lake. The City was not originally part of the lawsuit; however, the legal challenge directly involved City operations. Therefore, in 2014, the City intervened in the lawsuit, authorizing the City Manager and City Attorney to take all actions necessary to protect the City's investments in its public water supply infrastructure. The Water Fund originally absorbed the legal costs within the operating budget; however, as the legal expenditures depleted the Fund Balance, the City added a lake level litigation fee to the quarterly utility bills to subsidize the costs. At that point, the litigation fees collected from users and legal costs moved to the Insurance Fund to account for the situation as a claim against the City.

The Ramsey County District Judge ruled in favor of the White Bear Lake Restoration Association and declared certain remedies that would adversely affect the City and its residents. The DNR and City were successful in its appeal to the Court of Appeals in 2019. The Minnesota State Supreme Court is now considering the case.

**Budget Summary:**

The City faces a unique challenge in maintaining Water Fund operations as it promotes water conservation to customers to reduce pumping and production activities, while trying to receive sufficient revenues to support expenditures.

The Water Fund recorded operating losses over the four-year period from 2013-2016 causing a deficit in the fund balance. The City reversed this trend in 2017 by transferring the lake level litigations fees and legal costs to the Insurance Fund and a one-time contribution from the Non-Bonded Debt Fund. A water rate increase in 2018 should have stabilized the fund balance; however, significant costs to repair water main breaks during the year offset the additional revenue. The 2018 Revised Budget included a transfer in from the Non-Bonded Debt Fund to provide supplementary revenue to address the unanticipated expenditures. The 2019 Budget includes a rate increase to build the fund balance and repay the Non-Bonded Debt Fund for the 2018 transfer. In reviewing 2019 year to date data, the efforts in recent years have helped to maintain the fund balance at the 2018 level. A 2020 Budget includes a modest rate adjustment to maintain the financial sustainability of the Fund.

The following charts present current rates and the proposed rates used to prepare the 2020 Budget.

Residential Units Consumed	2018 Rate	2019 Rate	Proposed 2020 Rate
0-8	\$12.30 flat fee	\$13.40 flat fee	\$13.80 flat fee
Winter quarter >8	1.45 per unit	1.60 per unit	1.65 per unit
Non-winter quarter >8	1.80 per unit	1.95 per unit	2.00 per unit

**Fund: Water Fund 5010**

Commercial Units Consumed	2018 Rate	2019 Rate	Proposed 2020 Rate
0-8	\$12.30 flat fee	\$13.40 flat fee	\$13.80 flat fee
8-27	1.40 per unit	1.55 per unit	1.60 per unit
27-75	1.45 per unit	1.60 per unit	1.65 per unit
>75	1.65 per unit	1.80 per unit	1.85 per unit
Non-winter quarter over base	1.80 per unit	1.95 per unit	2.00 per unit

In considering these proposed rate increases, the City recognizes the need for an in depth review of the water rate structure to implement a steady funding source for operations, capital and infrastructure expenditures in future years. The analysis will compare the City's current rate structure and expenditure needs to models used by other municipalities to determine the best option for our system.

The City provides water to the neighboring communities of Birchwood Village and Gem Lake through a cooperative contract agreement. Each community receives a quarterly charge and it becomes their responsibility to charge the costs to their residents.

The City applied for another water efficiency grant from the Metropolitan Council in August 2019 to support resident installation of EPA Water Sense-certified low-flow toilets. The grant will cover 75% of program costs with the municipality providing the remaining 25% as a match. The City anticipates this program to be available in 2020.

Water Distribution:

The Professional Services budget includes support for the rate study described above. The results will identify key elements to structuring the rates for long-range financial planning and eliminate rate spikes when emergencies occur.

Although the City experiences water main breaks each year, they have not been at the same level as 2018 nor have they caused significant damage. Staff continues to review water infrastructure plans to determine areas that might provide a high risk of potential damage if a break were to occur.

The replacement of residential and commercial water meters continues to remain a high priority for the department as meters experience reduced accuracy with age. Though a project of this magnitude is expensive, upgrading all meters to a radio read system would provide a savings in contracted meter reading services and ensure users pay for their actual water consumption each quarter. An internal committee continues to consider implementation costs, schedules and options to determine the best time to commence the project. Ideally, a phased replacement plan for residential properties would begin in 2021. The City needs to review financial plans, as revenue bonds would provide resources to pay for the project. At this time, the Utility Billing Clerk continues to work with Water Department staff to identify non-functioning meters needing replacement immediately.

Water Treatment:

Water treatment operations remain consistent with previous years. The budget allocates funds building improvements to the Water Treatment Plant break room.

**Fund: Water Fund 5010**

**Capital Outlay:**

This budget supports the purchase of a large lawn mower to maintain the Water Treatment Plant grounds. The Water Improvement Fund, found in the Capital Project Funds section of this budget, provides funding for capital purchases and infrastructure maintenance for the Water Department operations.

**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. Investigate the feasibility for establishing a citywide meter replacement program.
5. Continue to install radio read metering equipment and to administer the large meter replacement and calibration program.

**Measurable Workload Data:**

	2017 <u>Actual</u>	2018 <u>Actual</u>	2019 <u>Budget</u>	2020 <u>Budget</u>
Number of Gallons (in Millions) Pumped and Treated	813	731	725	700
Meters converted to T10 Sensus radio read units	361	328	325	350
Flush water mains and exercise gate valves and hydrants annually to ensure reliable operations.	100%	100%	100%	100%



**City of White Bear Lake**  
**Water Fund**

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

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Revenues</b>						
4882	Charges for services	\$ 1,139,485	\$ 1,368,768	\$ 1,495,000	\$ 1,495,000	\$ 1,510,000
4670	Met Council water conservation grant	15,191	-	-	-	64,000
4886	Penalties	93,501	102,113	100,000	100,000	100,000
5010	Sale of goods and property	8,053	17,498	12,000	12,000	12,000
5350	Miscellaneous	16,985	5,614	7,500	7,500	7,500
	Total charges for service and other revenue	<u>1,273,215</u>	<u>1,493,993</u>	<u>1,614,500</u>	<u>1,614,500</u>	<u>1,693,500</u>
<b>Transfers In</b>						
5205	Insurance Fund for lake litigation	280,000	-	-	-	-
5205	Non-Bonded Fund for Operations	300,000	125,000	-	-	-
	Total transfers in	<u>580,000</u>	<u>125,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Total revenues	<u>1,853,215</u>	<u>1,618,993</u>	<u>1,614,500</u>	<u>1,614,500</u>	<u>1,693,500</u>
<b>Expenditures</b>						
	Operating - Water Distribution	808,055	903,805	807,616	832,181	931,058
	Operating - Water Treatment	510,922	519,646	527,212	535,549	536,981
	Capital - Water Distribution	32,300	9,645	30,000	-	-
	Capital - Water Treatment	-	-	5,000	-	6,000
	Total expenditures	<u>1,351,277</u>	<u>1,433,096</u>	<u>1,369,828</u>	<u>1,367,730</u>	<u>1,474,039</u>
<b>Transfers (Out)</b>						
7605	General Fund	117,300	120,820	120,000	120,000	120,000
7605	Non-Bonded Fund	-	-	125,000	125,000	-
	Total transfers	<u>117,300</u>	<u>120,820</u>	<u>245,000</u>	<u>245,000</u>	<u>120,000</u>
	Total expenditures and transfers	<u>1,468,577</u>	<u>1,553,916</u>	<u>1,614,828</u>	<u>1,612,730</u>	<u>1,594,039</u>
	Revenues over (under) expenditures	<u>384,638</u>	<u>65,077</u>	<u>(328)</u>	<u>1,770</u>	<u>99,461</u>
	Fund balance January 1	<u>(316,636)</u>	<u>68,002</u>	<u>69,493</u>	<u>133,079</u>	<u>134,849</u>
	Fund balance December 31	<u>\$ 68,002</u>	<u>\$ 133,079</u>	<u>\$ 69,165</u>	<u>\$ 134,849</u>	<u>\$ 234,310</u>

**City of White Bear Lake**  
**Enterprise - Water Distribution**

**Annual Budget**  
**Business Unit: 5012**

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Personnel Services</b>						
6105	Salaries - regular employees	\$ 151,249	\$ 160,955	\$ 163,549	\$ 165,703	\$ 171,085
6117	Overtime - regular employees	11,016	16,812	13,000	15,000	13,000
6119	Salaries - temporary employees	6,102	3,822	4,500	-	7,899
6122	PERA	12,170	13,332	13,241	13,553	13,806
6124	FICA/Medicare	12,414	13,442	13,850	13,824	14,687
6128	Insurance contribution	11,190	11,750	12,300	12,300	12,915
6138	Worker's compensation	5,750	6,155	6,150	6,150	6,150
6148	Other benefits	1,160	1,500	1,500	1,500	1,500
	Total personnel services	<u>211,051</u>	<u>227,768</u>	<u>228,090</u>	<u>228,030</u>	<u>241,042</u>
<b>Supplies</b>						
6210	Office supplies	339	-	500	100	100
6220	Equipment supplies	3,261	5,275	4,000	4,000	4,000
6230	Vehicle supplies	946	2,975	3,000	3,000	3,000
6240	Building supplies	2,780	647	2,250	750	750
6250	Other supplies	300	20,134	31,200	30,200	31,400
6255	Landscaping supplies	-	-	-	200	200
6272	Motor fuels	7,690	7,312	9,000	9,000	9,000
6274	Lubricants & additives	491	833	400	400	400
6280	Books & periodicals	-	-	100	100	100
6290	Uniforms	2,097	1,208	1,500	1,300	1,300
6295	Small tools	93,991	106,065	95,000	94,000	95,000
	Total supplies	<u>111,895</u>	<u>144,449</u>	<u>146,950</u>	<u>143,050</u>	<u>145,250</u>
<b>Other Services and Charges</b>						
6401	Professional services	64,294	73,419	54,300	54,300	64,450
6402	Data processing	34,523	27,093	28,700	28,700	30,710
6411	Telephone	2,070	739	800	800	830
6412	Cellular	1,077	973	1,150	1,200	1,200
6422	Electric	177,698	169,800	180,000	180,000	180,000
6423	Natural gas	15,480	11,332	15,000	15,000	15,000
6434	General liability insurance	21,217	21,217	21,217	21,217	21,217
6436	Vehicle liability insurance	6,634	6,634	6,634	6,634	6,634
6445	Postage	5,210	4,838	6,000	6,000	6,000
6450	Outside printing	2,102	1,404	2,900	2,900	2,900
6460	Subscription/memberships	113	452	475	475	475
6470	Training	1,889	1,857	2,500	2,500	2,500
6487	Water conservation	19,693	-	-	-	64,000
6505	Equipment maintenance service	2,534	5,323	7,400	7,350	7,350
6510	Vehicle maintenance service	1,428	62	1,500	1,500	1,500
6515	Building maintenance service	6,671	3,464	4,000	4,000	4,000
6525	Electrical repair service	-	5,065	5,300	3,300	5,800
6535	Other maintenance service	109,027	185,664	80,000	110,000	110,000
6555	Equipment rental	512	-	700	1,225	700
6560	Other contractual services	12,937	12,252	14,000	14,000	19,500
	Total other services and charges	<u>485,109</u>	<u>531,588</u>	<u>432,576</u>	<u>461,101</u>	<u>544,766</u>
<b>Capital Outlay</b>						
7140	Equipment	32,300	9,645	30,000	-	-
<b>Transfers</b>						
7605	Non-bonded fund	-	-	125,000	125,000	-
7605	General Fund - administration charge	99,300	102,280	101,000	101,000	101,000
	Total transfers	<u>99,300</u>	<u>102,280</u>	<u>226,000</u>	<u>226,000</u>	<u>101,000</u>
<b>Total</b>		<b><u>\$ 939,655</u></b>	<b><u>\$ 1,015,730</u></b>	<b><u>\$ 938,616</u></b>	<b><u>\$ 1,058,181</u></b>	<b><u>\$ 1,032,058</u></b>

**City of White Bear Lake**  
Enterprise - Water Treatment

**Annual Budget**  
Business Unit: 5013

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Personnel Services</b>						
6105	Salaries - regular employees	\$ 139,580	\$ 149,823	\$ 151,849	\$ 155,211	\$ 159,833
6117	Overtime - regular employees	5,215	7,430	10,000	10,000	10,000
6122	PERA	10,860	11,794	12,140	12,391	12,738
6124	FICA/Medicare	10,928	11,937	12,400	12,639	12,992
6128	Insurance contribution	21,675	22,760	23,900	23,900	25,095
6138	Worker's compensation	12,765	13,660	13,660	13,660	13,660
6148	Other benefits	2,000	3,000	3,000	3,000	3,000
	Total personnel services	<u>203,023</u>	<u>220,404</u>	<u>226,949</u>	<u>230,801</u>	<u>237,318</u>
<b>Supplies</b>						
6210	Office supplies	147	203	150	150	150
6220	Equipment supplies	6,822	3,250	6,500	6,500	6,500
6230	Vehicle supplies	155	15	500	500	500
6240	Building supplies	5,619	1,860	4,000	9,000	4,000
6250	Other supplies	547	985	1,750	1,750	1,750
6255	Landscaping supplies	-	-	-	-	200
6260	Chemicals	131,629	143,076	135,000	135,000	135,000
6272	Motor fuels	2,001	210	1,000	1,000	1,000
6274	Lubricants & additives	161	-	250	250	250
6280	Street materials	-	-	100	100	100
6290	Uniforms	1,533	808	1,400	1,775	1,500
6295	Small tools	1,410	916	2,000	2,525	2,250
	Total supplies	<u>150,024</u>	<u>151,323</u>	<u>152,650</u>	<u>158,550</u>	<u>153,200</u>
<b>Other Services and Charges</b>						
6401	Professional services	6,651	7,103	525	525	525
6411	Telephone	3,176	2,278	1,920	1,920	1,970
6412	Cellular	1,337	1,358	1,420	1,505	1,420
6434	General liability insurance	23,866	23,866	23,865	23,865	23,865
6436	Vehicle liability insurance	3,983	3,983	3,983	3,983	3,983
6460	Subscription/memberships	224	110	350	350	350
6470	Training	638	342	1,800	1,800	1,800
6487	Water conservation	-	-	100	100	100
6505	Equipment maintenance service	5,436	4,622	5,650	5,650	5,650
6510	Vehicle maintenance service	-	-	1,000	1,000	1,000
6515	Building maintenance service	5,197	6,101	3,100	3,100	3,100
6525	Electrical repair service	3,237	2,248	4,000	4,000	4,000
6535	Other maintenance service	2,883	1,906	1,500	-	-
6555	Equipment rental	1,072	794	900	900	900
6560	Other contractual services	4,822	4,028	5,200	5,200	5,500
6565	Disposal fees	95,353	89,180	92,300	92,300	92,300
	Total other services and charges	<u>157,875</u>	<u>147,919</u>	<u>147,613</u>	<u>146,198</u>	<u>146,463</u>
<b>Capital Outlay</b>						
7120	Building	-	-	5,000	-	-
7140	Equipment	-	-	-	-	6,000
	Total capital outlay	<u>-</u>	<u>-</u>	<u>5,000</u>	<u>-</u>	<u>6,000</u>
<b>Transfers</b>						
7605	General Fund - administration charge	18,000	18,540	19,000	19,000	19,000
	<b>Total</b>	<u><b>\$ 528,922</b></u>	<u><b>\$ 538,186</b></u>	<u><b>\$ 551,212</b></u>	<u><b>\$ 554,549</b></u>	<u><b>\$ 561,981</b></u>

**Fund: Sewer Fund 5050**

**Department Activities and Responsibilities:**

The Sewer Fund maintains the financial information for the sewer collection system and oversees the treatment of wastewater to allow its safe return to the environment. The costs for these services fall into two categories.

The first category includes costs associated with moving the sewage from local residential and commercial customers to the regional wastewater treatment facility. The City has complete control over the operating and capital improvement costs related to the activity.

The second category refers to the wastewater collection and treatment costs associated with the regional facility operated by the Metropolitan Council Environmental Services (MCES). The regional program serves 109 communities within the seven-county metro area. Communities connected to the system pay an annual Municipal Wastewater Charge (MWC) based on their percentage of the total regional wastewater flow. The high level of oversight and coordination of services offered through the MCES regional wastewater treatment program provides communities with cost savings and enhances the region’s environmental quality. Though the service is a significant portion of the Sewer Department budget that the city cannot control, the City would incur greater costs providing these services on its own.

**Budget Summary:**

The City continues to make considerable efforts to regulate operational costs; however, with MCES charges at approximately 75% of the total fund expenditures, it becomes extremely difficult to control overall costs for the department. The following chart summarizes the operational and MCES disposal costs affecting the fund over a ten-year period:

<u>Year</u>	<u>Operations</u>	<u>Disposal</u>	<u>Total</u>
2011	\$569,651	\$1,855,043	\$2,424,694
2012	549,569	1,738,459	2,288,028
2013	574,050	1,793,656	2,367,706
2014	619,724	1,692,271	2,311,995
2015	591,805	1,788,793	2,380,598
2016	590,410	1,967,272	2,557,682
2017	662,655	2,079,102	2,741,757
2018	603,640	2,154,783	2,758,423
2019 Est.	635,851	2,279,000	2,914,851
2020 Est.	687,239	2,286,900	2,974,139

This analysis of the Department’s expenditures leads directly into the discussion of revenues and the financial challenges endured by the Fund. After multiple years without a sewer rate increase, the City began adjusting rates in 2016 to avoid a fund deficit. The increase did not alleviate the issue; therefore, the City adjusted rates again in 2017 and the fund balance stabilized through a one-time contribution from the Non-Bonded Debt Service Fund. Minimal rate adjustments each year since that time allowed the Fund to reimburse the Non-bonded Debt Service Fund for its assistance, and offset operating expenditures to create a financial base for future years. Below is a comparison of recent rates with the proposed rates for 2020.

<u>Units Consumed</u>	<u>2018 Rate</u>	<u>2019 Rate</u>	<u>Proposed 2020 Rate</u>
0-8	\$31.75 flat fee	\$33.45 flat fee	\$34.45 flat fee
>8	3.95 per unit	4.15 per unit	4.30 per unit

**Fund: Sewer Fund 5050**

In considering these proposed rate increases, the City recognizes the need for an in depth review of the sewer rate structure to implement a steady funding source for operations, capital and infrastructure expenditures in future years. The analysis will compare the City's current rate structure and expenditure needs to models used by other municipalities to determine the best option for our system. The Professional Services budget includes support for the rate study. The results will identify key elements to structuring the rates for long-range financial planning and eliminate rate spikes when emergencies occur.

The annual Municipal Waste Charge for disposal fees fluctuates each year based on what percentage the City's flow is of the total flow through the system. For the 2020 calculation, the City's portion of the total flow decreased (5.414%). Therefore, the total due to the Metropolitan Council for these services only changes .332% over the 2019 rates. The minimal increase in the disposal charges this year allows a significant share of the rate increase to support capital purchases and begin building financial stability into the fund balance.

**Capital Outlay:**

This budget includes funding to upgrade the GraniteNet software, video inspection system, camera equipment and an addition of the Geographical Information Systems mapping module to perform sewer line inspections and help staff make informed decisions on the condition of the pipes. The department anticipates the replacement of its major vehicle, the Vactor/Jetter truck in 2020.

**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. Increase sewer line visual recording and monitoring with additional software equipment.
4. Restructure sanitary sewer maintenance inspections to take full advantage of the new remote telemetry alarm systems.

**Measurable Workload Data:**

	2017 <u>Actual</u>	2018 <u>Actual</u>	2019 <u>Budget</u>	2020 <u>Budget</u>
Miles of Sewer Lines Rodded and Jetted	36	20	25	30
Number of Public Line Sewer Backups	7	3	2	3
Number of Private Line Sewer Backups	29	43	40	40
Percent of Sewer Lift Station Monthly Alarm Checks	100%	100%	100%	100%

**City of White Bear Lake**  
**Sewer Fund**

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

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Revenues</b>						
4882	Charges for services	\$ 2,702,496	\$ 3,106,133	\$ 3,265,000	\$ 3,265,000	\$ 3,398,000
5010	Sale of goods and property	-	203	-	-	-
5316	Sewer availability charge retainer	944	720	2,000	2,000	2,000
	Total charges for service and other revenue	<u>2,703,440</u>	<u>3,107,056</u>	<u>3,267,000</u>	<u>3,267,000</u>	<u>3,400,000</u>
<b>Transfers In</b>						
5205	Non-Bonded Fund	200,000	-	-	-	-
5205	Equipment Acquisition Fund					10,000
	Total transfers in	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,000</u>
	Total revenues	<u>2,903,440</u>	<u>3,107,056</u>	<u>3,267,000</u>	<u>3,267,000</u>	<u>3,410,000</u>
<b>Expenditures</b>						
	Operating	662,655	603,640	657,388	635,851	687,239
	Disposal	2,079,102	2,154,783	2,279,000	2,279,000	2,286,900
	Capital	9,512	5,048	27,800	11,800	576,000
	Total expenditures	<u>2,751,269</u>	<u>2,763,471</u>	<u>2,964,188</u>	<u>2,926,651</u>	<u>3,550,139</u>
<b>Transfers (Out)</b>						
7605	Non-Bonded Fund	-	200,000	-	-	-
7605	Interim Construction Fund	-	-	200,000	-	-
	Total transfers	<u>-</u>	<u>200,000</u>	<u>200,000</u>	<u>-</u>	<u>-</u>
	Total expenditures and transfers	<u>2,751,269</u>	<u>2,963,471</u>	<u>3,164,188</u>	<u>2,926,651</u>	<u>3,550,139</u>
	Revenues over (under) expenditures	<u>152,171</u>	<u>143,585</u>	<u>102,812</u>	<u>340,349</u>	<u>(140,139)</u>
	Fund balance January 1	<u>(113,594)</u>	<u>38,577</u>	<u>123,878</u>	<u>182,162</u>	<u>522,511</u>
	Fund balance December 31	<u>\$ 38,577</u>	<u>\$ 182,162</u>	<u>\$ 226,690</u>	<u>\$ 522,511</u>	<u>\$ 382,372</u>

**City of White Bear Lake**  
Enterprise - Sewer

**Annual Budget**  
Business Unit: 5052

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Personnel Services</b>						
6105	Salaries - regular employees	\$ 241,809	\$ 220,539	\$ 262,073	\$ 244,501	\$ 273,152
6117	Overtime - regular employees	2,884	8,100	8,000	8,000	8,000
6119	Salaries - temporary employees	6,390	5,531	7,200	7,200	7,899
6122	PERA	18,352	17,148	20,255	18,938	21,086
6124	FICA/Medicare	19,522	18,049	21,215	19,867	22,112
6128	Insurance contributions	30,765	32,305	33,900	33,900	35,595
6138	Worker's compensation	18,490	19,785	19,785	19,785	19,785
6148	Other benefits	2,830	3,600	3,600	3,600	3,600
	Total personnel services	<u>341,042</u>	<u>325,057</u>	<u>376,028</u>	<u>355,791</u>	<u>391,229</u>
<b>Supplies</b>						
6210	Office supplies	245	-	400	400	400
6220	Equipment supplies	8,795	9,497	11,000	12,000	14,200
6230	Vehicle supplies	1,135	906	1,600	1,600	1,600
6240	Building supplies	3,269	613	2,500	2,500	2,500
6250	Other supplies	221	24	600	400	400
6260	Chemicals	6,485	-	500	500	1,000
6272	Motor fuels	9,612	5,811	9,000	9,000	9,000
6274	Lubricants & additives	852	823	600	600	600
6290	Uniforms	2,659	1,911	2,200	2,600	2,700
6295	Small tools	1,435	7,615	4,000	4,000	4,000
	Total supplies	<u>34,708</u>	<u>27,200</u>	<u>32,400</u>	<u>33,600</u>	<u>36,400</u>
<b>Other Services and Charges</b>						
6401	Professional services	41,961	42,881	10,600	10,600	20,750
6402	Data processing	35,679	27,093	28,700	28,700	30,710
6411	Telephone	2,006	614	700	700	690
6412	Cellular	1,370	976	1,150	1,150	1,150
6422	Electric	18,358	14,600	14,400	14,400	14,400
6423	Natural gas	3,716	1,648	1,500	2,000	2,000
6434	General liability insurance	30,500	30,500	30,500	30,500	30,500
6436	Vehicle liability insurance	5,310	5,310	5,310	5,310	5,310
6445	Postage	5,264	4,924	5,500	5,500	5,500
6450	Outside printing	163	270	700	700	700
6460	Subscription/memberships	113	425	500	500	500
6470	Training	2,364	2,416	2,400	2,400	2,400
6505	Equipment maintenance service	9,409	7,933	8,500	8,500	8,500
6510	Vehicle maintenance service	1,851	-	4,000	3,000	4,000
6515	Building maintenance service	5,229	-	-	-	-
6525	Electrical repair service	112	-	2,000	2,000	2,000
6535	Other maintenance service	12,460	3,348	14,000	12,000	12,000
6555	Equipment rental	512	78	1,000	1,000	1,000
6560	Other contractual service	7,228	1,967	7,500	7,500	7,500
6565	Disposal charges	2,079,102	2,154,783	2,279,000	2,279,000	2,286,900
	Total other services and charges	<u>2,262,707</u>	<u>2,299,766</u>	<u>2,417,960</u>	<u>2,415,460</u>	<u>2,436,510</u>
<b>Capital Outlay</b>						
7140	Equipment	5,865	5,048	17,800	1,800	566,000
7150	Mobile equipment	3,647	-	-	-	-
7220	Other	-	-	10,000	10,000	10,000
	Total capital outlay	<u>9,512</u>	<u>5,048</u>	<u>27,800</u>	<u>11,800</u>	<u>576,000</u>
<b>Transfers</b>						
7605	General Fund - administration charge	103,300	106,400	110,000	110,000	110,000
	<b>Total</b>	<u><b>\$ 2,751,269</b></u>	<u><b>\$ 2,763,471</b></u>	<u><b>\$ 2,964,188</b></u>	<u><b>\$ 2,926,651</b></u>	<u><b>\$ 3,550,139</b></u>

**Fund: Environmental Recycling and Waste Disposal Fund 5100**

**Department Activities and Responsibilities:**

This department accounts for costs related to refuse collection and recycling services to residents. The City works with three main organizations to accomplish these activities: a contracted collection and hauling company, a waste to energy processing center and a recycling processing facility.

Contract Collection and Hauling Services

Republic Services provides organized collection of residential refuse, recyclables, and yard waste through wheeled cart service on a weekly basis. The contract defines residential service as single-family homes, duplexes, triplexes, quad homes and townhomes. This structure allows for a lower rate through efficient service routes, guarantees collection from all residential properties, reduces the wear on City streets by limiting the number of heavy vehicles traveling the streets each week, and improves residential recycling participation through coordinated pick up. The City invoices residents for this service on their quarterly utility bills and remits one payment to Republic.

The City's contract with Republic Services began in October 2016, when they purchased the remaining time of the previous hauler's contract with the City at the original rate and terms. While advantageous to the City, the previous hauler's rates were lower than the industry standards and resulted in losses for Republic. Since assuming the contract in 2016, Republic's rates have only increased 2%. Republic absorbed the losses for the short term, but need a more significant adjustment in the new contract to continue providing service.

The City and Republic Services negotiated a new seven-year contract extension for services to begin in September 2019 to include a 2% increase in 2019, as budgeted, an overall 10% increase in 2020 with the change to a flat hauler rate, a 4% increase in 2021, and a 2% increase each year thereafter for the duration of the contract. Staff compared the impacts of these rate increases to rates from competing haulers proposed in the 2014 Request for Proposal results. Had the proposed rates from each of the competing haulers been increased by 2% each year since 2014, all competing hauler rates would have been greater than the rates negotiated in the negotiated contract.

The new contract with Republic also changes the manner in which refuse and recycling costs are broken out. Previously, the recycling base collection fee was 20-25% of the total collection fee, depending on the service level. The new contract splits the fees 50/50, which lowers the residential bills in the calculation of county and state refuse taxes. The hauling contract does not include recycling processing, which is handled under a separate contract with Eureka Recycling, and the refuse disposal/tipping costs are paid directly by the City. As such, the hauler costs for the pick-up of recycling and refuse are equal, as each require a separate truck. Ramsey County taxes all residential refuse at a rate of 28%, so the ability to shift more of the cost toward recycling reduces the tax burden to homeowners.

Ramsey Washington Recycling and Energy Center

Per Minnesota law, the refuse hauler must deliver the collected waste to the Ramsey – Washington County Recycling & Energy Center facility in Newport, MN. The center processes waste to recover recyclables and to make fuel used to generate electricity at power plants owned and operated by Xcel Energy. The center plans additions of technology and equipment to recover more recyclables from trash, collect residential organic waste, and work with the private sector to produce biofuels and other products from refuse-derived fuel.

The center receives revenue through a tipping fee on all deliveries of waste to its location. The tipping fee is a per ton charge and pay the costs of operating the recycling and energy center. Prior to 2016, when a private company owned the center, Ramsey County issued a rebate to waste haulers to subsidize their overall tipping costs and encourage them to bring the waste to the center instead of landfills. Now under the joint ownership of Ramsey and Washington Counties, the law requires trash delivery to the center and eliminates the need for the subsidy. The rebate program ended in the beginning of 2020. This change requires haulers, residents and businesses to pay the full cost of responsibly managing trash disposal. The



**Fund: Environmental Recycling and Waste Disposal Fund 5100**

funds previously used for hauler rebates will support activities to help the counties meet the state's goal of a 75% recycling rate and focus on their targeted waste plan initiatives.

The following chart illustrates the historical impact of the disposal fee and rebate changes for the facility over the last twelve-year period, while showing the significant increase is the City's costs to tip trash at the required center.

Year	Cost per ton	County Rebate	Net		% Change
			Disposal Cost		
2009	\$ 59.00	\$ 12.00	\$ 47.00		9.30%
2010	64.00	12.00	52.00		10.64%
2011	68.00	14.00	54.00		3.85%
2012	72.00	14.00	58.00		7.41%
2013	84.00	28.00	56.00		-3.45%
2014	84.81	28.00	56.81		1.45%
2015	86.22	28.00	58.22		2.48%
2016	70.00	12.00	58.00		-0.38%
2017	70.00	12.00	58.00		0.00%
2018	77.00	12.00	65.00		12.07%
2019	79.00	10.00	69.00		6.15%
2020	82.00	-	82.00		18.84%

Per the Ramsey Washington Recycling & Energy board, the cost of disposal in the East Metro area is about 1/3 of the hauler costs that appear on garbage bills. Because an average household produces about one ton of trash per year, the \$13.00 per ton increase means the 2020 tipping fee and rebate changes will increase the trash bill about \$1.00 to \$1.25 per month for the average household.

Recycling Processing Facility

While Republic Services collects the recyclables from residential customers, their responsibility ends when they transport the materials to the recycling processing facility. Therefore, the City contracts with Eureka Recycling, a non-profit recycling processing center, to handle the materials after drop off. Eureka Recycling relies on local markets to ensure the materials are managed responsibly and uses best management practices to lead the local industry in innovation and environmental stewardship by focusing on a wide range of initiatives related to reuse, recycling, composting, waste reduction, and producer responsibility. Eureka Recycling provides a single sort processing system, which is consistent with the long-range environmental policy of the City's Environmental Advisory Commission.

The City's contract with Eureka contains a revenue sharing formula, which means the City receives all revenues received through sales minus the processing costs. This formula benefited the City in the past when the recycling markets were strong. However, during 2019, the markets weakened significantly and the City paid Eureka to process the materials instead of receiving sales revenue. Eureka's solid commitment to the local market has helped them to maintain some sales but the revenues are still less than the cost of processing. Because the City is now paying for processing not covered by revenues, as opposed to receiving revenue which had previously exceeded processing costs, the City will need to charge a recycling surcharge to cover these costs. A \$0.75 per household monthly recycling surcharge to cover these costs is incorporated into the 2020 budget.

**Budget Summary:**

All collection, disposal and recycling processing costs are passed on directly to customers through a tiered volume-based rate structure. There are three sizes for refuse containers, and four rates (one for senior with 30-gallon service). Each size has a corresponding monthly charge that the City bills to residents on a

**Fund: Environmental Recycling and Waste Disposal Fund 5100**

quarterly basis. The fees are set at rates to encourage residents to promote waste reduction and recycling by charging more than actual cost for collection and disposal of 90-gallon service, and less than actual cost for 30-gallon. The hauler bills directly for all extra refuse service.

The City monitors the residential rates to ensure they provide sufficient revenue to offset contract costs and provide financial integrity to the fund. Ninety-three percent (93%) of the refuse fund expenditures are directly associated with collection, disposal and recycling processing, with the remaining 7% associated with administrative and billing costs. The 2020 Budget contains a rate increase for each service level in order to avoid an operating deficit in the fund. The following chart presents a comparison of recent and proposed residential rates.

Monthly Service Level	2017 Rate	2018 Rate	2019 Rate	Proposed 2020 Rate
30 gallon senior	\$9.50	\$10.00	\$10.55	\$12.81
30 gallon	9.70	10.25	10.80	13.02
60 gallon	14.25	15.05	15.90	18.36
90 gallon	19.40	20.50	21.65	24.51

During these challenging times in the recycling market, the revenues for the recycling processed at the Eureka Recycling facility are not enough to cover the processing costs. When the market was stronger, the City would receive \$2,000 - \$3,000 each month from Eureka in market revenues, but has instead needed to pay Eureka \$3,000 - \$5,000 in recent months to cover the processing costs, as revenues have significantly decreased. To offset these costs, the budget includes a \$.75 per bill fee. This fee is temporary and will decrease and hopefully be discontinued as the recycling market stabilizes.

The City provides a local clean up day in May and October each year at the Public Works facility to give residents an opportunity to more conveniently dispose of large items, hazardous waste products, or other items. The City coordinates these events with the garbage hauler and other recycling companies to simplify the disposal process. Residents are charged to help the City recover some of the disposal costs.

**Goals:**

1. Establish convenient and cost effective recycling options for businesses.
2. Investigate options to incorporate multi-unit housing into organized recycling collection.

**Measurable Workload Data:**

	2017 <u>Actual</u>	2018 <u>Actual</u>	2019 <u>Budget</u>	2020 <u>Budget</u>
Number of weekly collection accounts	7,595	7,601	7,601	7,601
Tons of Residential Garbage Collected	5,623	5,576	5,600	5,600
Tons of Residential Recycling Collected	1,965	1,946	1,950	1,955

**City of White Bear Lake**  
**Environmental Recycling and Waste Disposal**

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

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Revenues</b>						
Charges for Services						
4882	Disposal charges	\$ 999,115	\$ 1,053,847	\$ 1,109,000	\$ 1,109,000	\$ 1,049,500
4884	Renewable waste charges	250,246	263,029	276,000	276,000	482,675
4887	Recycling processing fee	-	-	-	-	68,175
	Total charges for service	<u>1,249,361</u>	<u>1,316,876</u>	<u>1,385,000</u>	<u>1,385,000</u>	<u>1,600,350</u>
Other Revenue						
5010	Sales recyclables	40,796	2,878	-	532	-
4660	County aid - SCORE grant	62,526	60,691	60,000	61,337	59,904
5350	Miscellaneous	-	237	3,000	-	3,000
5350	Clean up	18,338	19,350	16,000	16,000	16,000
	Total other revenues	<u>121,660</u>	<u>83,156</u>	<u>79,000</u>	<u>77,869</u>	<u>78,904</u>
	Total revenues	<u>1,371,021</u>	<u>1,400,032</u>	<u>1,464,000</u>	<u>1,462,869</u>	<u>1,679,254</u>
<b>Expenditures</b>						
	Operational	184,456	196,668	205,103	245,102	257,255
	Disposal	<u>1,162,400</u>	<u>1,206,066</u>	<u>1,258,000</u>	<u>1,258,000</u>	<u>1,445,000</u>
	Total expenditures	<u>1,346,856</u>	<u>1,402,734</u>	<u>1,463,103</u>	<u>1,503,102</u>	<u>1,702,255</u>
	Net operating income (loss)	<u>24,165</u>	<u>(2,702)</u>	<u>897</u>	<u>(40,233)</u>	<u>(23,001)</u>
	Fund balance January 1	<u>79,098</u>	<u>103,263</u>	<u>82,375</u>	<u>100,561</u>	<u>60,328</u>
	Fund balance December 31	<u>\$ 103,263</u>	<u>\$ 100,561</u>	<u>\$ 83,272</u>	<u>\$ 60,328</u>	<u>\$ 37,327</u>

**City of White Bear Lake**  
**Enterprise - Environmental Recycling and Waste Disposal**

**Annual Budget**  
**Business Unit: 5100**

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Expenditures</b>						
Personnel Services						
6117	Overtime - regular employees	\$ 3,188	\$ 2,303	\$ 4,120	\$ 4,120	\$ 4,244
6122	PERA	239	173	310	309	318
6124	FICA/Medicare	245	179	315	315	325
	Total personnel services	<u>3,672</u>	<u>2,655</u>	<u>4,745</u>	<u>4,744</u>	<u>4,887</u>
Supplies						
6250	Other supplies	1,105	1,149	3,600	1,600	1,600
	Total supplies	<u>1,105</u>	<u>1,149</u>	<u>3,600</u>	<u>1,600</u>	<u>1,600</u>
Other Services and Charges						
6401	Professional services	10,084	9,970	10,725	9,725	10,725
6402	Data processing	35,310	27,093	28,700	28,700	30,710
6434	General liability insurance	3,983	3,983	3,983	3,983	3,983
6445	Postage	7,176	4,838	8,000	8,000	8,000
6450	Outside printing	1,939	5,440	6,500	6,500	6,500
6460	Subscription/memberships	63	100	100	100	100
6470	Training	-	-	50	50	50
6555	Rental of equipment	130	70	200	200	200
6560	Other contractual services	15,094	32,370	28,500	71,500	80,500
6565	Disposal fees	1,162,400	1,206,066	1,258,000	1,258,000	1,445,000
	Total other services and charges	<u>1,236,179</u>	<u>1,289,930</u>	<u>1,344,758</u>	<u>1,386,758</u>	<u>1,585,768</u>
Transfer						
7605	General fund - administration charge	105,900	109,000	110,000	110,000	110,000
	Total	<u>\$ 1,346,856</u>	<u>\$ 1,402,734</u>	<u>\$ 1,463,103</u>	<u>\$ 1,503,102</u>	<u>\$ 1,702,255</u>

**Fund: Ambulance Fund 5250**

**Department Activities and Responsibilities:**

The Ambulance Fund accounts for revenues and expenditures related to providing emergency medical services to the City of White Bear Lake and the surrounding communities of White Bear Township, Birchwood Village, the City of Dellwood and a small section of the City of Lino Lakes. The total coverage area includes a population of approximately 37,000 people.

The Fire Chief leads the department in conjunction with the Fire Department, as employees handle both fire and ambulance calls for service. Though the Fire Department operation celebrated its 130<sup>th</sup> year of service to White Bear Lake area in 2018, the City has only provided the emergency medical services to the area since the 1990s. As with the progression of any long-term organization, change is inevitable and necessary to meet customer needs. With the appointment of a new Fire Chief in September 2017, the department began a comprehensive strategic planning process to help assess current operation models and identify potential improvements to address the changing landscape of emergency medical response and fire service.

For many years, the department offered both fire and ambulance response services with paid on-call volunteers. However, as call volumes grew each year it was difficult for the volunteers to balance their personal life and full-time work schedule with the required commitment to the department. Through the years, scheduling changes for on-call times tried to mitigate the challenge for employees without much success. Since the membership struggled to respond to calls for service during daytime hours Monday through Friday, the department hired two full-time paramedics and two full-time EMTs in 2014 to respond to emergency calls for service during these shifts. Though the process reduced pressure on paid on-call staff during those hours, it did not address the issue with the increase in evening and weekend calls. As the required time commitments continued to strain employee schedules, the department tried a "Duty Crew" scheduling system in the beginning of 2018, which allowed employees to sign up for specific shifts at each station to balance schedule flexibility for employees while providing staff for call coverage. Even with accommodating schedule option of Duty Crews, employees continued to struggle to meet required percentages and shifts often remained uncovered.

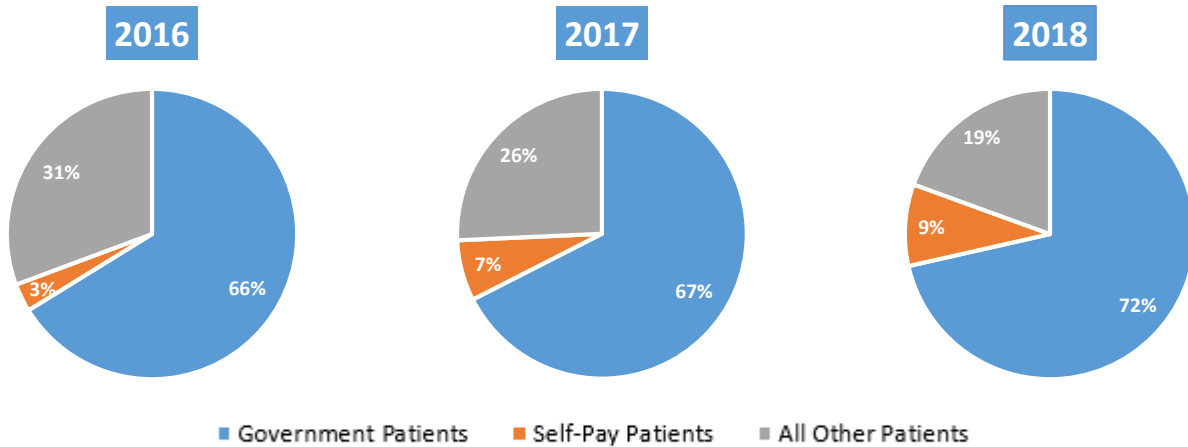
An analysis of the situation indicated the need for a "combination staffing model" department, which uses a full-time employee base supported by paid on-call staff members. To support this staffing structure change and keep it cost-effective, the City combined the job roles for the Fire Department and Ambulance Fund employees to create a full-time firefighter/paramedic position to allow employees to respond to either type of call while on duty. The 2019 Budget allocated 80% of the firefighter/paramedic salary and benefits to the Ambulance Fund and 20% to the Fire Department since a significant portion of the calls are for emergency medical services. This new configuration provides 24 hour coverage by full-time staff members with additional assistance in both budgets for paid on-call staff to help respond to calls during high volume times.

As an Enterprise Fund in the City's financial structure, the Ambulance Fund operates similar to a private business with revenues from user charges funding the operating and capital costs of the department. The City Council establishes the service rates billed to patients on a per run basis. Third party denials for selected billings and client non-payments reduce the revenue collections for the department. City ambulance rates remain consistent with the metropolitan average.

One challenge the department faces in revenue collection relates to the federal law limiting the fees ambulance service providers may collect for Medicare patient transportations. All providers must accept the allowable reimbursement amount set by law as payment in full, without the ability to bill patients for the difference between that allowable amount and the actual cost of the service. In 2018, approximately 72% of the collections were for patients who fall under this revenue collection restriction through government programs such as Medicare or Medicaid. These accounts significantly reduce the ambulance billing revenues due to the federal law. A chart depicting the City's patient mix for 2016-2018 is on the following page.

**Fund: Ambulance Fund 5250**

**White Bear Lake Patient Mix**



The 2020 Budget conservatively assumes a 1.00% increase in Medicare and Medicaid reimbursement rates since the actual change is unknown at this time.

In light of the revenue collection limits and the additional staff needed to respond to calls for service, a review of ambulance rates demonstrates a need to adjust the rates in the 2020 Budget to ensure the fund can financially support ambulance operations. A comparison of recent rates and the proposed rates are shown below:

Call Type	Rates Effective 5/1/2017	Rates Effective 1/1/2018	Rates Effective 1/1/2019	Rates Effective 1/1/2020
Basic Life Support	\$ 1,195.00	\$ 1,285.00	\$ 1,415.00	\$ 1,457.00
Advanced Life Support-1	1,575.00	1,695.00	1,865.00	1,921.00
Advanced Life Support-2	1,720.00	1,850.00	2,035.00	2,096.00
Treatment No Transport	400.00	430.00	475.00	489.00
Mileage per mile	24.75	26.60	30.00	31.00

**Budget Summary:**

The Fund is experiencing challenges in the revenue collections as a majority of the calls are for patients covered by government plans that limit the allowable reimbursement amount for each transport and the increase of patients who have high deductible insurance plans and must pay the total amount due until they reach their annual deductible amount. These issues compound as the staffing model changes to ensure timely response to all calls for service.

The Fund receives a transfer from the Non-Bonded Fund in 2019 to stabilize the Fund Balance. The 3.0% rate increase in the 2020 Budget recognizes the need for additional revenues to support the operations yet understands the rates need to stay within a reasonable range. The Non-Bonded Fund provides another transfer in 2020 as temporary stabilization of the Fund Balance continues one more year. The City considers both transfers one-time events instead of an internal loan; therefore, no repayment terms are set up at this time. The Equipment Acquisition Fund transfers funds in 2019 for the purchase of a new ambulance.

The City plans an extensive review of revenues and expenditures in the first quarter of 2020 to analyze the first full year of operations in the new staffing model.

**Fund: Ambulance Fund 5250**

Since the temporary staffing and overtime budgets for 2019 and 2020 rely on estimates, there may be possible reductions based on the employee structure actually responds to calls in this new model.

The review also allows management an opportunity to evaluate the allocation percentage between the Ambulance Fund and the Fire Department and determine if a different percentage is appropriate.

The firefighter/paramedic employees worked with the Minnesota Bureau of Mediation Services file a petition and vote to have the International Association of Fire Fighters, Washington, District of Columbia, be the exclusive representative for all employees with their job description. The vote passed unanimously and the employees began forming their union. The master labor agreement with the bargaining unit is effective from January 5, 2019 through December 31, 2020. The 2019 Revised Budget and the 2020 Budget incorporate the negotiated payroll and benefit terms.

The 2019 Revised Budget for Overtime expenditures exceeds the original budget amount due to an employee on military deployment leave and another out because of injuries. To be conservative, the 2020 Budget anticipates overtime pay for similar instances. The department plans to reduce the amount in the budget revision process if the estimate exceeds actual pay.

The employment of full-time staff stabilizes expenditures for outfitting and training members for duty. Previously, the department experienced a high turnover rate with the temporary employees as they left for full-time employment opportunities with other agencies or could not meet the required time commitment.

The 2019 Equipment Supplies budget includes funding for one set up extrication struts. During 2019, the Fire Relief Association donated recourses to purchase a second set of extrication struts. The additional expense shown in this account is offset by an increase in the donation revenue.

The Professional Services budget increases in 2020 to implement Lexipol services that improve operational excellence through policy maintenance and employee policy training.

The new staffing model and large applicant pools for hiring processes allows Training expenditure budget to eliminate funding for the program that paid paramedic school tuition for employees who agreed to work for the department five years after graduation. The expenditure account also changes through the restructuring of the staff training procedures.

The transfer to the General Fund supports the Ambulance Fund's share of dispatch services, administrative services, funding assistance for the Health Savings Account and life insurance contributions for paid on-call members.

**Capital Outlay:**

The 2020 Budget allocates funds to purchase a video laryngoscope for each of the four ambulances to meet Regions Medical Center's safety requirements for emergency medicine and replacement of tablets and docking stations for the ambulances.

**Goals:**

1. Effectively deploy personnel and apparatus to increase overall service delivery.
2. Adjust personnel utilization to provide appropriate service levels.
3. Continue involvement of members in various community education endeavors including general health awareness and CPR training.
4. Implement new technology and skills to improve patient care for critically ill patients.

**Fund: Ambulance Fund 5250**

**Measurable Workload Data:**

	2017	2018	2019	2020
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>
Medical Response Calls	2,669	3,405	3,400	3,400
Average Response Times	8.27	7.58	6.44	6.40
Net Collection Rate for Ambulance Calls*	92%	84%**	90%	90%
Percentage of Patients that Utilize Medicare, Medicaid, and Other Government Plans	67%	72%	70%	70%
CPR Training Classes Held	12	8	6	6

\*Per the National Academy of Ambulance Compliance, the net collection rate for ambulance is 80-85%.

\*\*Still actively collecting claims.



**City of White Bear Lake**  
**Enterprise - Ambulance**

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

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Revenues</b>						
	Charges for services					
4882	Ambulance charges	\$ 1,557,164	\$ 1,604,479	\$ 2,050,000	\$ 1,909,000	\$ 1,971,000
	Total charges for services	<u>1,557,164</u>	<u>1,604,479</u>	<u>2,050,000</u>	<u>1,909,000</u>	<u>1,971,000</u>
	Other revenue					
4605	Grant - EMT training	-	-	-	8,250	-
4990	Donations	-	-	-	2,453	-
5010	Sale of property	2,390	6,090	-	13,575	-
5360	Refunds/reimbursements	975	437	-	56	-
	Total other revenue	<u>3,365</u>	<u>6,527</u>	<u>-</u>	<u>24,334</u>	<u>-</u>
	Transfer in					
	Non Bonded Fund				200,000	200,000
	Equipment Acquisition Fund	-	-	-	235,200	-
	Total transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>435,200</u>	<u>200,000</u>
	Total revenues and transfer in	<u>1,560,529</u>	<u>1,611,006</u>	<u>2,050,000</u>	<u>2,368,534</u>	<u>2,171,000</u>
<b>Expenditures</b>						
	Operations	1,525,025	1,688,641	1,967,273	2,003,403	2,213,162
	Capital	6,686	-	-	235,200	22,000
	Total expenditures and reserves	<u>1,531,711</u>	<u>1,688,641</u>	<u>1,967,273</u>	<u>2,238,603</u>	<u>2,235,162</u>
	Revenues over (under) expenditures	<u>28,818</u>	<u>(77,635)</u>	<u>82,727</u>	<u>129,931</u>	<u>(64,162)</u>
	Fund balance January 1	<u>(16,876)</u>	<u>11,942</u>	<u>9,576</u>	<u>(65,693)</u>	<u>64,238</u>
	Fund balance December 31	<u>\$ 11,942</u>	<u>\$ (65,693)</u>	<u>\$ 92,303</u>	<u>\$ 64,238</u>	<u>\$ 75</u>

**City of White Bear Lake**  
Enterprise - Ambulance

**Annual Budget**  
Business Unit: 5252

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Personnel Services</b>						
6105	Salaries - regular employees	\$ 336,203	\$ 467,511	\$ 788,157	\$ 750,264	\$ 897,518
6117	Overtime - regular employees	1,760	51,704	32,000	153,997	164,477
6119	Salaries - temporary employees	365,597	333,279	272,102	272,102	272,102
6122	PERA Defined Benefit	26,728	60,173	135,071	149,336	183,570
6123	PERA Defined Contribution	17,919	12,320	17,820	7,128	7,128
6124	FICA/Medicare	52,656	53,373	35,297	36,510	38,891
6128	Insurance contribution	50,700	53,235	56,000	56,000	58,800
6138	Worker's compensation	85,050	111,005	119,000	119,000	119,000
6148	Other benefits	7,855	10,000	10,000	10,000	10,000
	Total personnel services	<u>944,468</u>	<u>1,152,600</u>	<u>1,465,447</u>	<u>1,554,337</u>	<u>1,751,486</u>
<b>Supplies</b>						
6210	Office supplies	-	108	400	200	400
6220	Equipment supplies	3,887	1,939	16,700	17,460	6,700
6230	Vehicle supplies	4,498	3,636	5,000	3,700	5,000
6240	Building supplies	56	232	1,000	100	1,000
6250	Other supplies	62,170	37,236	65,000	55,000	55,000
6272	Motor fuels	17,372	22,676	23,000	23,000	24,000
6280	Books & periodicals	-	-	600	200	600
6290	Uniforms	9,692	9,351	10,000	10,000	10,000
6295	Small tools	694	5,343	7,000	5,000	7,000
	Total supplies	<u>98,369</u>	<u>80,521</u>	<u>128,700</u>	<u>114,660</u>	<u>109,700</u>
<b>Other Services and Charges</b>						
6401	Professional services	120,078	114,241	119,000	119,000	123,650
6402	Data processing	6,625	7,125	9,000	9,000	9,650
6405	Minnesota Care 2% Tax	11,637	18,005	20,000	20,000	20,000
6412	Cellular	4,443	4,218	5,200	4,700	4,950
6434	General liability insurance	6,634	6,634	6,634	6,634	6,634
6436	Vehicle liability insurance	7,967	7,967	7,967	7,967	7,967
6445	Postage	11	-	200	50	200
6450	Outside printing	-	84	-	100	100
6460	Subscription/memberships	85	150	325	-	325
6470	Training	13,126	13,594	32,000	4,955	11,000
6486	Mileage Reimbursement	-	-	300	-	-
6492	Advertising	-	-	3,000	-	-
6505	Equipment maintenance service	1,878	3,040	9,000	7,000	7,000
6510	Vehicle maintenance service	26,264	25,942	19,000	15,000	19,000
6560	Other contractual service	640	520	1,500	-	1,500
	Total other services and charges	<u>199,388</u>	<u>201,520</u>	<u>233,126</u>	<u>194,406</u>	<u>211,976</u>
<b>Capital Outlay</b>						
	Equipment	6,686	-	-	235,200	22,000
	Total capital outlay	<u>6,686</u>	<u>-</u>	<u>-</u>	<u>235,200</u>	<u>22,000</u>
<b>Transfers</b>						
	General Fund	282,800	254,000	140,000	140,000	140,000
<b>Total</b>		<b><u>\$ 1,531,711</u></b>	<b><u>\$ 1,688,641</u></b>	<b><u>\$ 1,967,273</u></b>	<b><u>\$ 2,238,603</u></b>	<b><u>\$ 2,235,162</u></b>

**Fund: Pioneer Manor Fund 5300**

The Pioneer Manor Fund accounts for operation and maintenance of a 42-unit senior citizen housing facility. The City built Pioneer Manor in 1994 with the goal to provide a quality independent living environment at a reasonable cost without direct tax payer support.

**Department Activities and Responsibilities:**

City staff oversees the long-range facility planning and contracts with Walker Methodist Consulting to manage the day-to-day operations. The one-year contract began in January 2018 and will renew for 3-year periods if not cancelled 90 days in advance. Walker Methodist's experience in managing senior facilities and their strong customer service have both residents and staff enthusiastic about this agreement.

In 2012, the annual debt service analysis indicated an advantage in refinancing the debt issue to recognize interest savings available through record low rates in the market. Even though this process reduced the Fund's annual required debt payment, the City chose not to base the transfer to the Debt Service Fund on the new amortization schedule and continue to transfer \$160,000 per year according to the original plan. This decision provides budget consistency from year to year and allows the Debt Service Fund to accumulate fund balance to cover the higher annual payments at the end of the bond. The debt obligation will expire in 2023.

**Budget Summary:**

The facility celebrates its 25<sup>th</sup> year in 2019 and with this significant anniversary arrives the need to analyze the building and its major systems to plan for future maintenance and replacement costs. The 2020 Budget for Professional Services includes an appropriation for a comprehensive facility study to evaluate all components and create a Capital Improvement Plan to assist in the long-term financial planning process. There are immediate repair needs to address before the study is done. The change in the 2019 Revised Budget for Building Maintenance Services adds costs for fire sprinkler head repairs. The 2019 and 2020 Budgets allocate funds for housekeeping services, apartment painting, heating and cooling valve replacements, outside entrance doors, laundry units and common area lighting and carpeting. The Capital Outlay category does contain a line item to begin window replacements; however, this project will be on hold until the facility study explains the best way to address the project.

In light of these capital expenditures and the need to maintain current operations, the City plans a minimal rate increase in April 2020. This provides additional means to sustain the fund but recognizes the limited monthly budget of many senior citizens. The following schedule provides the rental rates from 2016 through the proposed 2020 fee adjustment. The facility's caretaker occupies one two-bedroom unit.

<u>Type of Unit</u>	<u>No. of Units</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
1 bedroom	23	\$665	\$675	\$690	\$705	\$715
1 bedroom/den	3	710	725	740	755	765
2 bedroom	6	775	790	805	825	840
2 bedroom deluxe	10	825	840	855	875	890
Garage	20	54	55	56	57	58

**Goals:**

1. Continue to provide a quality senior facility for residents at affordable rental rates.
2. Continue providing social activities through management programming efforts.
3. Receive monthly reports from management organization that includes, but is not limited to, resident events, apartment vacancies and the number of applications received.
4. Undergo a facility review to prioritize and plan necessary capital improvements to ensure the longevity of the building and preserve decent living conditions for residents.
5. Conduct an annual survey to ascertain resident satisfaction with the facility and property management.

**Fund: Pioneer Manor Fund 5300**

**Measurable Workload Data:**

	2017 <u>Actual</u>	2018 <u>Budget</u>	2019 <u>Budget</u>	2020 <u>Actual</u>
Number of Unit-day vacancies per year	165	128	7	7
Scheduled resident events	120	120	200	200

**City of White Bear Lake  
Pioneer Manor Fund**

**Annual Budget  
Fund Summary**

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Revenues</b>						
4975	Rents	\$ 379,573	\$ 386,837	\$ 391,000	\$ 395,700	\$ 400,300
5350	Miscellaneous	3,361	3,599	2,500	2,500	2,500
	Total revenues	<u>382,934</u>	<u>390,436</u>	<u>393,500</u>	<u>398,200</u>	<u>402,800</u>
<b>Expenditures</b>						
	Operating	<u>497,328</u>	<u>366,794</u>	<u>387,220</u>	<u>404,320</u>	<u>469,620</u>
<b>Reserve for Replacement</b>						
	Reserve additions (usages)	<u>(100,000)</u>	<u>10,000</u>	<u>5,000</u>	<u>5,000</u>	<u>(70,000)</u>
	Total expenditures and reserves	<u>397,328</u>	<u>376,794</u>	<u>392,220</u>	<u>409,320</u>	<u>399,620</u>
	Revenue over (under) expenditures	<u>(14,394)</u>	<u>13,642</u>	<u>1,280</u>	<u>(11,120)</u>	<u>3,180</u>
	Fund balance January 1	<u>53,862</u>	<u>39,468</u>	<u>45,698</u>	<u>53,110</u>	<u>41,990</u>
	Fund balance December 31	<u>\$ 39,468</u>	<u>\$ 53,110</u>	<u>\$ 46,978</u>	<u>\$ 41,990</u>	<u>\$ 45,170</u>
<b>Reserve</b>						
	Balance, January 1	\$ 240,000	\$ 140,000	\$ 150,000	\$ 155,000	\$ 160,000
	Additions	-	10,000	5,000	5,000	-
	Usages	<u>(100,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(70,000)</u>
	Balance, December 31	<u>\$ 140,000</u>	<u>\$ 150,000</u>	<u>\$ 155,000</u>	<u>\$ 160,000</u>	<u>\$ 90,000</u>

**City of White Bear Lake**  
**Enterprise - Pioneer Manor**

**Annual Budget**  
**Business Unit: 5300**

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Supplies</b>						
6210	Office supplies	\$ 124	\$ 1,012	\$ 700	\$ 750	\$ 750
6240	Building supplies	6,970	14,194	17,000	17,200	17,500
6250	Other supplies	270	481	500	500	500
6255	Equipment supplies	39	-	1,200	1,200	1,200
6295	Small tools	11	531	500	950	1,500
	Total supplies	<u>7,414</u>	<u>16,218</u>	<u>19,900</u>	<u>20,600</u>	<u>21,450</u>
<b>Other Services and Charges</b>						
6401	Professional services	43,148	46,488	49,200	44,400	74,200
6411	Telephone	2,227	2,202	2,400	2,400	2,400
6421	Water/sewer	6,538	5,737	7,000	7,000	7,000
6422	Electric	14,140	14,349	16,000	16,000	16,000
6423	Natural gas	8,924	8,513	10,000	10,000	10,000
6434	General liability insurance	3,320	3,320	3,320	3,320	3,320
6445	Postage	25	7	150	150	150
6449	In-house printing	-	83	500	-	500
6450	Outside printing	-	-	-	-	-
6487	Programs	256	2,490	1,300	1,800	2,400
6505	Equipment maintenance service	1,120	30	1,500	1,500	1,500
6515	Building maintenance service	64,241	54,851	38,500	64,400	76,100
6517	Apartment turnover maintenance	-	-	14,000	14,000	18,000
6560	Other contractual services	48,007	30,326	30,000	30,700	31,000
	Total other services and charges	<u>191,946</u>	<u>168,396</u>	<u>173,870</u>	<u>195,670</u>	<u>242,570</u>
<b>Capital Outlay</b>						
7120	Building	137,968	22,180	11,050	11,050	40,000
7140	Equipment	-	-	22,400	17,000	5,600
	Total capital outlay	<u>137,968</u>	<u>22,180</u>	<u>33,450</u>	<u>28,050</u>	<u>45,600</u>
<b>Transfer</b>						
7605	Debt Service Fund	160,000	160,000	160,000	160,000	160,000
	Total	<u>\$ 497,328</u>	<u>\$ 366,794</u>	<u>\$ 387,220</u>	<u>\$ 404,320</u>	<u>\$ 469,620</u>

**Fund: License Bureau Fund 5350**

The License Bureau serves as a Deputy Registrar on behalf of the Minnesota Department of Public Safety. The office handles transactions for motor vehicle registrations, title transfers, driver's license renewals, instruction permits, ID cards, watercraft, snowmobiles, off-road vehicles and hunting licenses.

As an Enterprise Fund in the City's financial structure, the License Bureau operates similar to a private business with revenues from user charges covering the operating costs of the department. The State of Minnesota mandates the department to submit transaction reports and transfer applicable license fees to the State's bank account on a daily basis.

The Fund also employs a full-time Passport Clerk to assist customers with passport applications and passport photos. Federal security regulations require passport activities be physically separate from all driver's license or motor vehicle transaction operations to restrict personnel from handling both transaction types. Based upon these requirements, the office is in a separate secure work area within City Hall.

**Department Activities and Responsibilities:**

The State requires all Deputy Registrar offices to utilize one computer system to process customer transactions. After many years of planning and preparation, the State launched a new secure web-based system, Minnesota Licensing and Registration System (MNLARS) in 2017 to replace the 30-year old legacy IT system. The project contained two implementation phases, the first phase in 2017 concentrated on the vehicle registration and ownership transactions and the second phase in 2018 focused on the driver's license and identification card transactions.

Despite improvements since the initial implementation, significant issues remain. The State Legislature voted during their 2019 session to replace the MNLARS system with The Vehicle Title and Registration System (VTRS) because the cost of continuing to fix MNLARS is greater than implementing an entirely new system. The new law calls for the State to launch the VTRS system by the end of 2020, with full implementation as well as the decommissioning of MNLARS completed by the fall of 2021.

Through the implementation of both MNLARS phases, the State of Minnesota transferred many duties previously completed by its staff to the local Deputy Registrar offices to streamline transaction processing. Our department staff now enters all information directly into MNLARS to provide real-time data for the Department of Public Safety and system users. This shift in responsibilities drastically affects the department's operations. Each transaction requires extra time to finish, which creates longer customer lines and a backlog of dealership paperwork needing to be processed. The Department added two new staff positions after the MNLARS implementation to assist walk in customers and provide further support to process dealership transactions. Furthermore, the Department added a third position to focus entirely on completing dealership transaction work. Supervisors continue to track walk in customer and daily dealership transactions to ensure appropriate staffing levels are available to provide fast and efficient service to all customers.

Salary expenditures due to the increased workload are not the only budgeting issue, the department's small office space requires renovation to accommodate all staff members and additional equipment needed for new processing responsibilities. The City does not allocate any administrative service charges or building costs to the department in this budget to reduce the expenditures; however, these measures are not helping and the department is slowly becoming less profitable. The City is not alone in this issue as other Deputy Registrar offices are experiencing similar situations.

The Minnesota Legislature recognized the financial challenges the MNLARS implementation caused for Deputy Register offices through their passage of two financial assistance programs in 2019. First, the Governor signed legislation appropriating \$13 million as reimbursement to deputy registrar offices for costs associated with the new MNLARS system. Of that total, the City received \$204,171 based on a formula that distributes some of the available funds equally and the rest of the funds allocated proportionally based on the number of transactions with a filing fee retained by the deputy registrar from August 1, 2017 through December 31, 2018. This payment replenishes the fund balance for extremely high expenditures experienced due to the implementation. Second, the Governor also signed legislation to increase filing fees the Deputy Registers 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

**Fund: License Bureau Fund 5350**

Deputy Registers hoped to receive as compensation in relation to the amount of work they assumed for each application. The filing fees paid to Deputy Registers for driver's license applications did not increase at this time. Deputy Registers are hopefully these fees will increase during the next legislative session as these applications are lengthy and labor intensive. The following table depicts the rate changes:

<u>Transaction Type</u>	<u>Rates as of 1/1/14</u>	<u>New Rates as of 8/1/2019</u>
Long Forms for Title Changes	\$10.00	\$11.00
Short Forms for Tab Renewals	6.00	7.00
Drivers Licenses	8.00	8.00

Since State Statutes set the rate for the filing fees, which are the main revenues in the Fund, the City has no influence on changes and can only balance the budget with strict expenditure management. This situation presents a major challenge as the department operations revolve around staff costs in a customer service driven department. If department cannot increase revenues but hires additional staff to offer great customer service it loses revenue; however, if the department maintains lower staffing costs customers could wait longer for service and choose to visit other Deputy Register offices which reduces our revenue. Finding a balance between appropriate staffing levels and a desired level of customer service will be the basis of discussions for the next year.

In previous years, the City chose to transfer the Fund's profits to the Interim Construction Fund to support the annual street reconstruction program. Though the annual transfer remained consistent for many years, the extra operating expenditures associated with the MNLARS system affects the transfer amounts in future years. The transfer for 2020 is 20% of the amount transferred in 2017. Without additional changes in the motor vehicle license filing fees paid to Deputy Registrar offices per State Statutes, the transfer will continue to decrease or eliminated in future years.

**Budget Summary:**

As mentioned above, the City no longer charges this budget for administrative leadership as of 2019; therefore, the salary and benefit expenditures in the budget reflect actual costs of employees providing direct customer service to walk-in customers and dealerships. The 2018 Salary expenditures increased above previous years as the re-evaluation of the License Bureau Clerk job changed its rank in the City's Position Classification and Compensation Plan. The move aligns the License Bureau Clerk position to other City positions with similar responsibilities.

The United States Department of Homeland Security begins full enforcement of the REAL ID program on October 1, 2020. The State of Minnesota strongly encourages resident to apply for the identification card now to prepare for the program. These requirements will increase the customer traffic in the department. The 2020 Budget adds funding for a long-term temporary employee to assist customers and support staff through the State of Minnesota's conversion to the new VTRS program during 2020. Based on this information, the department anticipates funding for the temporary position to end in December 2020.

The department continually reviews processes to find approaches to enhance customer service. The Small Tools account purchases equipment for a sixth workstation at the front customer counter and a multi-function copy machine in 2019 to reduce customer wait time. The change in Equipment Maintenance Services relates to the purchases by adding cash register software to the workstation and copier fees.

**Capital Outlay:**

The Municipal Building Fund, in the Capital Project Funds section of the budget, includes an appropriation to renovate the office to improve efficiency and workflow. Additional project review needs to assess the plan to ensure it is the best solution to the issue and cost effective.



**Fund: License Bureau Fund 5350**

**Goals:**

1. Enhance relationship with local automobile by maintaining current relationships and acquiring more dealership customers.
2. Work with State of Minnesota by participating in training opportunities and providing input on features that need to be included in the new Vehicle and Title Registration System (VTRS) rolling out in 2021 (training begins in 2020).
3. Adjust staffing levels for months leading up to October 1, 2020. This is the date a Real ID will be required for domestic flight.

**Measurable Workload Data:**

	2017 <u>Actual</u>	2018 <u>Actual</u>	2019 <u>Budget</u>	2020 <u>Budget</u>
Transactions processed, Counter	62,183	61,096	63,000	63,000
Transactions processed, Dealer	27,902	27,827	28,000	28,500
Drivers licenses processed	17,724	18,090	19,000	19,000
License Bureau transactions processed per hour	6.90	6.02	6.00	6.00
Passport transactions processed	2,002	2,261	2,250	2,250

**City of White Bear Lake**  
**Enterprise - License Bureau**

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

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Revenues</b>						
4646	State aid	\$ -	\$ -	\$ -	\$ 204,171	\$ -
4811	Deputy registrar	883,965	856,384	872,000	842,300	842,300
4812	Passports	50,125	71,280	65,000	65,300	65,300
4814	Passport photos	19,848	22,800	22,000	22,000	22,000
4816	Passport renewal photos	16,257	17,324	18,000	15,800	15,800
5010	Sale of goods	-	713	-	400	-
5350	Miscellaneous	1,522	568	1,000	500	1,000
	<b>Total revenues</b>	<u>971,717</u>	<u>969,069</u>	<u>978,000</u>	<u>1,150,471</u>	<u>946,400</u>
<b>Expenditures</b>						
	Operating - License Bureau	634,112	721,795	792,124	791,988	863,472
	Operating - Passport Office	47,904	66,541	83,087	83,486	86,200
	<b>Total expenditures</b>	<u>682,016</u>	<u>788,336</u>	<u>875,211</u>	<u>875,474</u>	<u>949,672</u>
<b>Transfers Out</b>						
	Interim Construction Fund	375,000	200,000	150,000	150,000	75,000
	General Fund	30,700	31,700	-	-	-
	<b>Total transfers</b>	<u>405,700</u>	<u>231,700</u>	<u>150,000</u>	<u>150,000</u>	<u>75,000</u>
	Reserve additions (usages)	-	(50,000)	-	-	-
	<b>Total expenditures, transfers, and reserves</b>	<u>1,087,716</u>	<u>970,036</u>	<u>1,025,211</u>	<u>1,025,474</u>	<u>1,024,672</u>
	Revenues over (under) expenditures	<u>(115,999)</u>	<u>(967)</u>	<u>(47,211)</u>	<u>124,997</u>	<u>(78,272)</u>
	Fund balance January 1	<u>327,896</u>	<u>211,897</u>	<u>187,737</u>	<u>210,930</u>	<u>335,927</u>
	Fund balance December 31	<u>\$ 211,897</u>	<u>\$ 210,930</u>	<u>\$ 140,526</u>	<u>\$ 335,927</u>	<u>\$ 257,655</u>
<b>Reserve</b>						
	Balance, January 1	\$ 50,000	\$ 50,000	\$ -	\$ -	\$ -
	Additions	-	-	-	-	-
	Usages	-	(50,000)	-	-	-
	<b>Balance, December 31</b>	<u>\$ 50,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Code	Item	2017 Actual	2018 Actual	2019 Adopted	2019 Revised	2020 Budget
<b>Personnel Services</b>						
6105	Salaries - regular employees	\$ 387,424	\$ 483,440	\$ 539,645	\$ 531,186	\$ 586,160
6117	Overtime - regular employees	28,033	12,865	9,000	9,000	9,000
6119	Salaries - temporary employees	27,372	18,926	16,745	21,649	21,428
6122	PERA Defined Benefit	31,917	38,279	42,404	41,480	45,632
6124	FICA/Medicare	32,653	37,805	43,252	42,980	47,169
6128	Insurance contribution	62,395	71,210	80,000	80,000	89,500
6138	Worker's compensation	9,855	11,460	11,500	11,500	11,500
6148	Other benefits	6,585	6,200	6,200	6,200	6,200
	Total Personnel Services	<u>586,234</u>	<u>680,185</u>	<u>748,746</u>	<u>743,995</u>	<u>816,589</u>
<b>Supplies</b>						
6210	Office supplies	3,372	2,602	3,725	3,685	3,685
6220	Equipment supplies	125	21	200	200	200
6240	Building supplies	307	316	100	125	200
6250	Other supplies	1,131	1,250	900	650	1,250
6290	Uniforms	112	81	60	60	60
6295	Small tools	613	1,241	2,300	3,395	1,300
	Total Supplies	<u>5,660</u>	<u>5,511</u>	<u>7,285</u>	<u>8,115</u>	<u>6,695</u>
<b>Other Services and Charges</b>						
6401	Professional services	126	222	200	225	225
6402	Data processing	8,048	8,454	9,000	9,000	9,630
6411	Telephone	2,899	2,491	2,635	2,975	3,050
6422	Electric	1,500	1,762	1,700	1,700	1,700
6423	Natural gas	334	527	800	800	800
6434	General liability insurance	7,233	7,233	7,233	7,233	7,233
6445	Postage	1,715	1,946	2,500	2,400	2,400
6450	Outside printing	-	63	150	150	150
6460	Subscription/memberships	633	653	675	1,380	1,140
6470	Training	531	921	1,000	1,035	1,050
6486	Mileage Reimbursement	33	-	100	100	100
6492	Advertising	1,311	1,071	2,700	1,650	3,100
6505	Equipment maintenance service	5,890	6,950	6,950	10,780	9,160
6515	Building maintenance service	1,550	1,578	-	-	-
6560	Other contractual services	9,190	2,228	450	450	450
	Total Other Services and Charges	<u>40,993</u>	<u>36,099</u>	<u>36,093</u>	<u>39,878</u>	<u>40,188</u>
<b>Capital Outlay</b>						
	Equipment	1,225	-	-	-	-
	Total Capital Outlay	<u>1,225</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Transfers</b>						
7605	Interim Construction Fund	375,000	200,000	150,000	150,000	75,000
7605	General Fund	30,700	31,700	-	-	-
	Total Transfers	<u>405,700</u>	<u>231,700</u>	<u>150,000</u>	<u>150,000</u>	<u>75,000</u>
<b>Total</b>		<b><u>\$ 1,039,812</u></b>	<b><u>\$ 953,495</u></b>	<b><u>\$ 942,124</u></b>	<b><u>\$ 941,988</u></b>	<b><u>\$ 938,472</u></b>

**City of White Bear Lake**  
**Enterprise - Passports**

**Annual Budget**  
**Business Unit: 5353**

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Personnel Services</b>						
6105	Salaries - regular employees	\$ 26,655	\$ 43,968	\$ 54,155	\$ 54,288	\$ 56,267
6117	Overtime - regular employees	425	110	700	700	700
6119	Salaries - temporary employees	4,664	1,372	5,445	5,000	5,000
6122	PERA defined benefit	2,031	3,306	4,114	4,124	4,273
6124	FICA/Medicare	2,333	3,287	4,613	4,589	4,740
6128	Insurance contribution	5,425	5,695	5,695	5,695	5,980
6138	Worker's compensation	855	915	915	915	915
6148	Other benefits	390	105	105	105	105
	Total personnel services	<u>42,778</u>	<u>58,758</u>	<u>75,742</u>	<u>75,416</u>	<u>77,980</u>
<b>Supplies</b>						
6210	Office supplies	1,220	1,688	2,450	2,450	2,450
6220	Equipment supplies	8	7	250	250	250
6240	Building supplies	-	-	-	-	-
6250	Other supplies	35	-	200	200	200
6290	Uniforms	15	-	-	-	-
6295	Small tools	103	1,825	400	400	400
	Total supplies	<u>1,381</u>	<u>3,520</u>	<u>3,300</u>	<u>3,300</u>	<u>3,300</u>
<b>Other Services and Charges</b>						
6401	Professional services	18	19	20	20	20
6411	Telephone	434	231	250	250	260
6445	Postage	2,048	2,690	2,500	3,300	3,300
6449	In-house printing	-	-	100	-	-
6450	Outside printing	211	100	100	125	125
6460	Subscription/memberships	140	-	-	-	140
6470	Training	(550)	-	-	-	-
6492	Advertising	531	353	500	500	500
6505	Equipment maintenance service	253	120	275	275	275
6560	Other contractual services	660	750	300	300	300
	Total other services and charges	<u>3,745</u>	<u>4,263</u>	<u>4,045</u>	<u>4,770</u>	<u>4,920</u>
<b>Total</b>		<b><u>\$ 47,904</u></b>	<b><u>\$ 66,541</u></b>	<b><u>\$ 83,087</u></b>	<b><u>\$ 83,486</u></b>	<b><u>\$ 86,200</u></b>

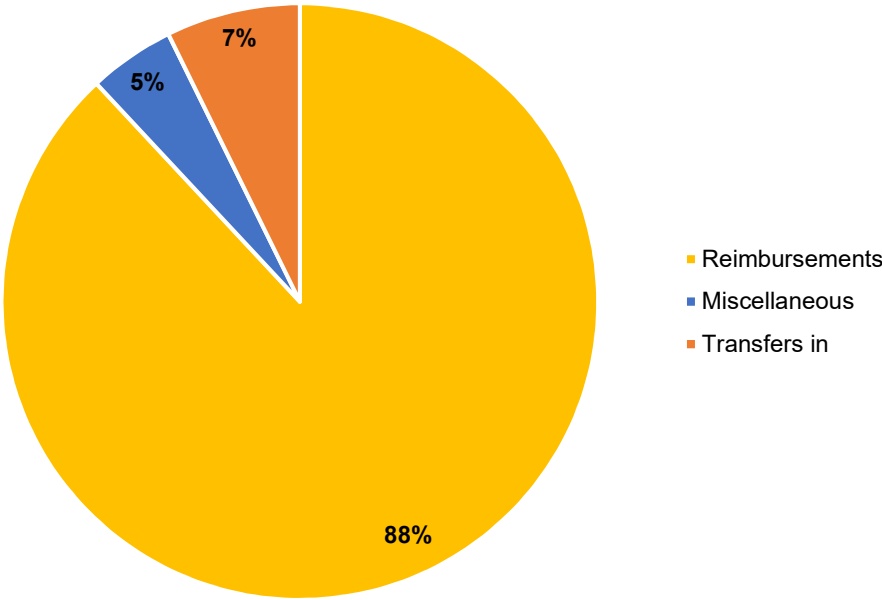
**City of White Bear Lake  
Internal Service Funds**

**Annual Budget**

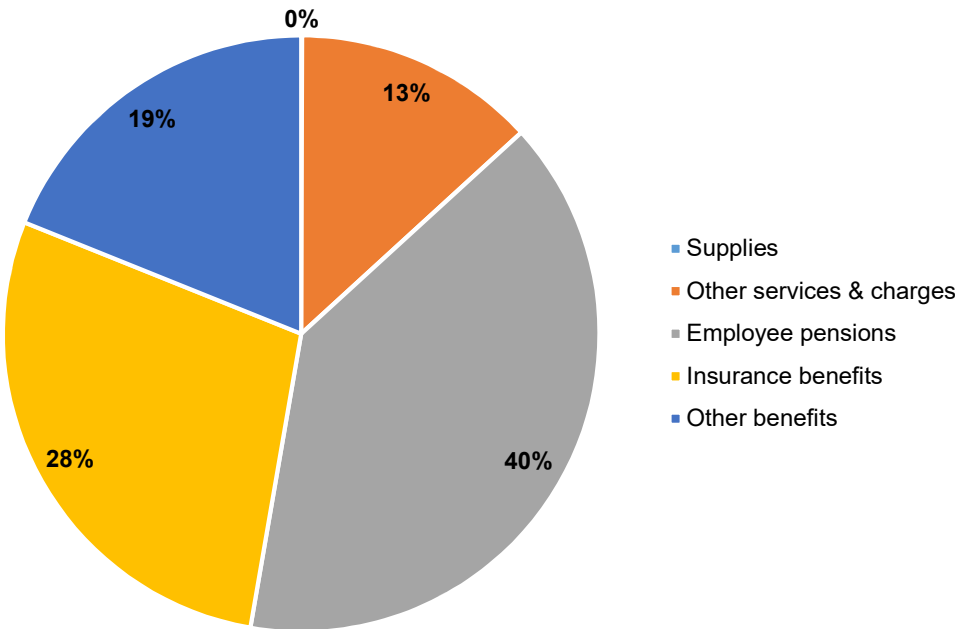
	<u>2017 Actual</u>	<u>2018 Actual</u>	<u>2019 Budget</u>	<u>2019 Revised</u>	<u>2020 Budget</u>
<b>Revenues</b>					
Reimbursements	\$ 2,775,296	\$ 2,935,521	\$ 3,357,230	\$ 3,357,230	\$ 3,460,938
Miscellaneous	285,712	248,535	192,350	388,940	183,430
Loan repayments	214,750	237,500	235,000	235,000	-
Transfers in	-	-	-	-	286,000
Total revenues	<u>3,275,758</u>	<u>3,421,556</u>	<u>3,784,580</u>	<u>3,981,170</u>	<u>3,930,368</u>
<b>Expenditures</b>					
Supplies	4,239	8,655	2,000	2,100	2,100
Other services & charges	604,858	447,187	536,500	516,600	514,825
Capital outlay	-	20,530	-	-	-
Employee pensions	1,243,895	1,345,123	1,405,000	1,471,000	1,546,000
Insurance benefits	733,364	810,257	905,000	1,023,300	1,109,500
Other benefits	672,066	573,837	600,000	693,100	740,000
Transfers out	280,000	-	195,000	235,000	-
Total expenditures	<u>3,538,422</u>	<u>3,205,589</u>	<u>3,643,500</u>	<u>3,941,100</u>	<u>3,912,425</u>
Revenues over (under) expenditures	<u>(262,664)</u>	<u>215,967</u>	<u>141,080</u>	<u>40,070</u>	<u>17,943</u>
Fund balance, January 1	<u>3,120,895</u>	<u>2,858,231</u>	<u>3,032,144</u>	<u>3,074,198</u>	<u>3,114,268</u>
Fund balance, December 31	<u>\$ 2,858,231</u>	<u>\$ 3,074,198</u>	<u>\$ 3,173,224</u>	<u>\$ 3,114,268</u>	<u>\$ 3,132,211</u>

# 2020 Internal Service Funds

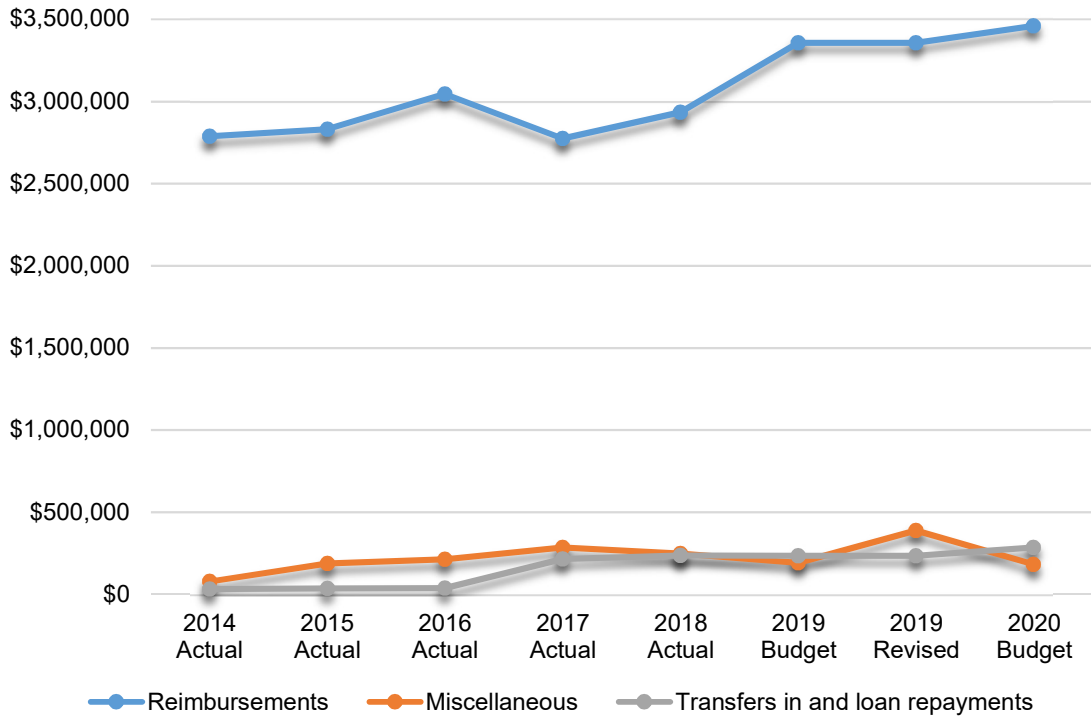
Total Revenues \$3,930,368



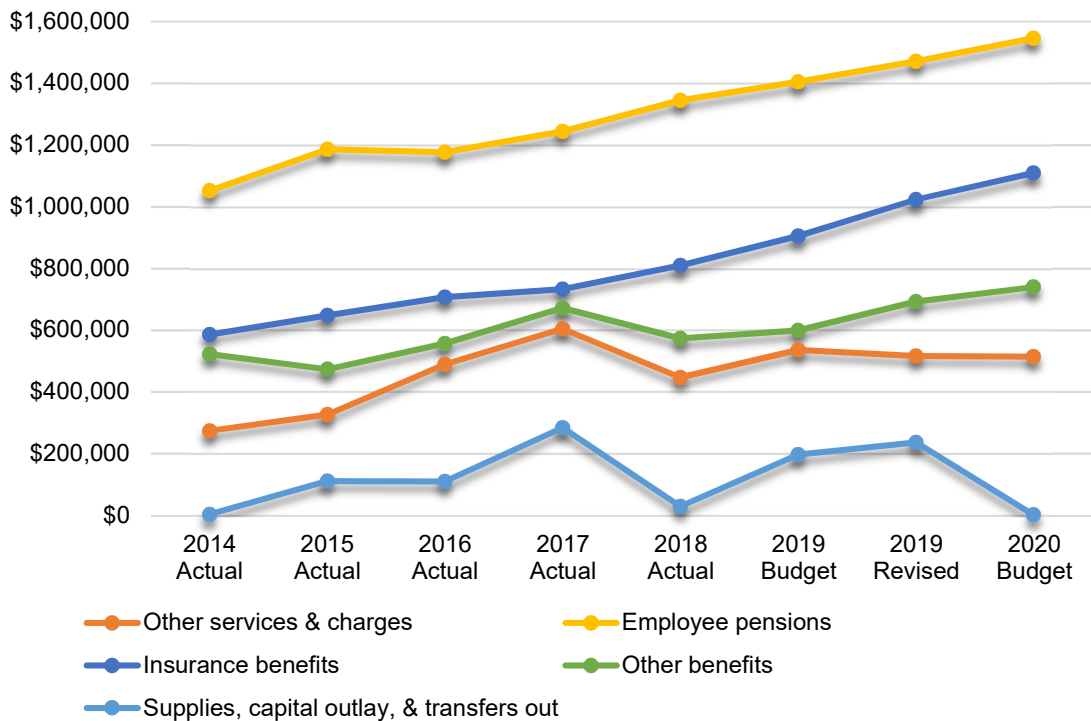
Total Expenditures \$3,912,425



### Internal Service Funds Revenue Trend Analysis



### Internal Service Funds Expenditure Trend Analysis



**Fund: Insurance Fund 6000**

The Insurance Fund accounts for premiums and losses related to the City's property and liability insurance coverage.

**Department Activities and Responsibilities:**

Reimbursements from the City's operating departments provide the primary source of revenue to the Fund. These revenues cover the cost of annual insurance premiums for the City. The City's property and liability insurance coverage contains a deductible of \$25,000 per occurrence and a \$100,000 aggregate level per year. This deductible level offers premium savings, which pay for claims that do not exceed the deductible amount. The City will monitor insurance premiums and claims and adjust departmental charge backs to maintain a sufficient fund balance.

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

Year	Principal	Interest	Total	Rate
2021	\$ 170,000	\$ 8,000	\$ 178,000	4.800%
Total	170,000	8,000	178,000	

A group of residents formed the White Bear Lake Restoration Association to protect the interests of the lake by submitting a lawsuit against the Minnesota Department of Natural Resources regarding the water pumping permits given to the City of White Bear Lake. The City was not originally part of the lawsuit; however, the legal activities revolved around City operations. Therefore, in 2014, the City intervened in the lawsuit, authorizing the City Manager and City Attorney to take all actions necessary to protect the City's investments in its public water supply infrastructure.

The Water Fund originally absorbed the legal costs within the operating budget; however, as the extra expenditures began to deplete the Fund Balance, the City added a lake level litigation fee to the quarterly utility bills to subsidize the costs. At that point, the litigation fees collected from users and legal costs moved to the Insurance Fund to account for the situation as a claim against the City. The fee should provide app \$150,000 annually to help cover costs of litigation. Based upon current litigation costs the fee will need to continue at least through 2020, depending on legal expenditures during the year.

**Budget Summary:**

In 2019, the Fund used the proceeds from the internal loan repayment to support a transfer to the 2018B General Obligation Tax Abatement Bonds for Sports Center Renovations debt service payment. A philosophical change regarding the internal loan modifies the repayment plan in 2020 for more transparency. Moving forward, the Non-Bonded Fund transfer in 2020 repays the principal and interest amounts due for the year. An additional transfer from the Marina Fund prepays a portion of the 2021 principal amount. The Non-Bonded Fund completes the internal loan repayment plan in 2021 by transferring the remaining principal balance and interest. The fund will not make a transfer to the 2018B General Obligation Tax Abatement Bond, as the debt service revenue will be applied as originally directed by the City Council.

Training expenditures decrease in the 2019 Revised and 2020 Budgets as the City changes contract services for OSHA compliance, monthly employee safety training at Public Works, maintenance of the written safety records and annual citywide A Workplace Accident and Injury Reduction (AWAIR) training.

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**

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Revenues</b>						
4819	Department reimbursements					
	General Fund	\$ 135,402	\$ 135,475	\$ 134,895	\$ 141,195	\$ 141,195
	Water Fund	55,700	55,700	54,850	54,850	54,850
	Sewer Fund	35,810	35,810	35,555	35,555	35,555
	Refuse Fund	3,983	3,983	3,960	3,960	3,960
	Sports Center Fund	16,458	16,458	16,455	16,455	16,455
	Ambulance Fund	14,601	14,601	14,525	14,525	14,525
	Pioneer Manor	3,320	3,320	3,250	3,250	3,250
	License Bureau	7,233	7,233	7,210	7,210	7,210
	Engineering	6,347	6,347	6,300	-	-
	Total reimbursements	<u>278,854</u>	<u>278,927</u>	<u>277,000</u>	<u>277,000</u>	<u>277,000</u>
	Other Revenue					
4885	Lake litigation fees	162,037	170,252	160,000	160,000	160,000
5010	Sale of property	-	-	-	3,650	-
5322	Loan principal repayment	175,000	210,000	215,000	215,000	-
5323	Loan interest repayment	39,750	27,500	20,000	20,000	-
5360	Refunds and reimbursements	30,575	16,657	-	57,727	-
	Total other revenue	<u>407,362</u>	<u>424,409</u>	<u>395,000</u>	<u>456,377</u>	<u>160,000</u>
	Transfers In					
5205	Marina Fund	-	-	-	-	44,000
5205	Non-Bonded Fund	-	-	-	-	242,000
	Total transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>286,000</u>
	Total revenues and transfers in	<u>686,216</u>	<u>703,336</u>	<u>672,000</u>	<u>733,377</u>	<u>723,000</u>
<b>Expenditures</b>						
	Supplies					
6220	Equipment supplies and parts	4,197	3,114	1,500	1,500	1,500
6240	Building supplies and parts	-	5,500	-	100	100
6250	Other supplies and parts	42	41	500	500	500
	Total supplies	<u>4,239</u>	<u>8,655</u>	<u>2,000</u>	<u>2,100</u>	<u>2,100</u>
	Other Services and Charges					
6401	Professional services	261,318	112,498	106,000	106,000	106,000
6434	General liability insurance	223,034	209,037	215,000	215,000	215,000
6436	Auto liability	24,310	25,165	28,000	28,000	28,000
6460	Subscriptions and dues	-	-	500	500	500
6470	Training and subsistence	57	17	25,000	10,100	10,100
6510	Vehicle repair service	2,880	13,074	-	2,500	-
6515	Building repair service	1,761	1,725	-	-	-
6525	Electrical repair service	-	12,817	-	-	-
6560	Contractual services	75,265	37,399	127,000	127,000	127,000
	Total other services and charges	<u>588,625</u>	<u>411,732</u>	<u>501,500</u>	<u>489,100</u>	<u>486,600</u>
	Capital Outlay					
7120	Building	-	20,530	-	-	-
	Transfers					
7605	2018 GO Tax Abatement Bonds	-	-	195,000	195,000	-
7605	Equipment Acquisition Fund	-	-	-	40,000	-
7605	Water Fund	280,000	-	-	-	-
	Total transfers out	<u>280,000</u>	<u>-</u>	<u>195,000</u>	<u>235,000</u>	<u>-</u>
	Total expenditures and transfers out	<u>872,864</u>	<u>440,917</u>	<u>698,500</u>	<u>726,200</u>	<u>488,700</u>
	Revenues over (under) expenditures	<u>(186,648)</u>	<u>262,419</u>	<u>(26,500)</u>	<u>7,177</u>	<u>234,300</u>
	Fund balance January 1	<u>1,889,032</u>	<u>1,702,384</u>	<u>1,887,884</u>	<u>1,964,803</u>	<u>1,971,980</u>
	Fund balance December 31	<u>\$ 1,702,384</u>	<u>\$ 1,964,803</u>	<u>\$ 1,861,384</u>	<u>\$ 1,971,980</u>	<u>\$ 2,206,280</u>

**Fund: Employment Expense Fund 6200**

The Employment Expense Fund centralizes reporting for employment–related costs for all City employees. Expenditures categories include the Public Employees Retirement Association (PERA), FICA, Medicare, employee insurances and Workers Compensation.

**Department Activities and Responsibilities:**

Pension Benefits:

The City participates in the Public Employees Retirement Association (PERA), a statewide pension program administered and managed by the State Legislature. The City employees qualify for one of two plans, the Coordinated Plan or the Police and Fire Plan. PERA contribution rates adjust periodically to ensure the financial integrity of the plans.

Pension rates for Coordinated Plan members remain consistent with previous years. During 2018, the Legislature passed a bill during their session to increase the Police and Fire Pension Plan contributions in 2019 and 2020 to provide long-term financial stability. Rates for both pension plans are as follows:

<u>Year</u>	<u>Coordinated</u>		<u>Police/Fire</u>	
	<u>Employee</u>	<u>Employer</u>	<u>Employee</u>	<u>Employer</u>
January 1, 2015	6.50%	7.50%	10.80%	16.20%
January 1, 2019	6.50%	7.50%	11.30%	16.95%
January 1, 2020	6.50%	7.50%	11.80%	17.70%

Coordinated Plan participants receive retirement benefits from PERA and Social Security. Police and Fire Plan participants receive retirement benefits from only PERA.

Health Insurance Options:

The City created an Employee Health Insurance Committee, composed of representatives from each bargaining and non-bargaining group, to provide employee feedback regarding insurance coverages. During 2018, the City completed a Request for Proposal (RFP) to compare insurance coverages and rates through a competitive bid process. Though quoted rates returned higher than hoped for, the employee insurance coverage improved with new embedded deductibles with the Health Savings Account and the addition of specialty care services through the Mayo Health System and Hazelten. The Employee Health Insurance committee chose to change health care providers in 2019 to accept plan improvements with the least cost impact through Medica Health Plans.

Within Medica parameters, the City offers three insurance plan options to give employees choice of coverage based on their medical needs and financial circumstances. Two of the plans have higher monthly premiums charges with deductibles due for service, while the third plan is a Health Savings Account (HSA) that allows employees the ability to save unused funds for future years. For 2020, each of the three plans will offer employees the choice of an open access network or a narrow network. These additional alternatives allow employees the opportunity to reduce their monthly insurance costs by accepting a narrower option of covered clinics and hospitals.

Monthly premiums vary considerably between the plan options. The City's monthly contribution to the insurance coverage varies by employee as it factors in the level of insurance selected, the employee's bargaining group, and participation in the non-smoking incentive program. The proposed insurance rates for 2020 rise an average of 7.30% over the three plans. Historically, the City and employees have split any insurances premium increases evenly. Management recognizes this cost sharing structure is a setback to employees as additional costs reduce the annual pay adjustment received each year. To improve employee benefits for current employees and attract future candidates, management decided to cover a significant portion of the premium change and raised the monthly Health Savings Account contribution to assist employees in transitioning to the higher deductible amount required by the Internal Revenue Service for the embedded deductible plans.

**Fund: Employment Expense Fund 6200**

A unique clause in the City's benefit offerings allows an employee to opt out of the health insurance plan and receive a deposit to their retirement account in lieu of a contribution to a health insurance premium. Roughly, 35% of the workforce opts out of the City's health insurance, which considerably reduces the group size. There is no change in the amount paid to employees who opt out of the City's health insurance coverage for the 2020 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 RFP in 2018 did not include this scenario; however, this structure will be an important discussion in future years.

The City may choose an RFP process at any time; however, one is required every five years per State Statute.

Life Insurance:

The City purchases life insurance policies for each employee at their annual salary up to \$100,000. Employees may purchase individual or family supplemental policies on their own. Basic life insurance premiums decreased through the RFP process for the coverage period of January 1, 2019 through December 31, 2021. Rates for all other individual or family supplemental insurances remained the same.

Other Insurance:

The City offers short-term and long-term disability and dental insurance plans to employees.

Short-term and long-term disability insurance rates remained unchanged. The short-term disability insurance rate coverage period is from January 1, 2019 through December 31, 2020 and the long-term disability insurance rate coverage period is for January 1, 2019 through December 31, 2021.

Dental insurance premiums remain unchanged. A recent policy modification provides a higher annual benefit amount and elimination of the wait period for new employees.

Workers Compensation:

The City has an active Employee Safety Committee and training program to reduce accidents, decrease workers compensation injuries, and lower annual workers compensation insurance premiums. For many years, the City participated in the League of Minnesota Cities Retrospective Worker's Compensation Rated Premium Option as a means to reduce costs if workers compensation claims were minimal. However, during recent years the City experienced significant claims, which resulted in the City paying a substantial share of those claims. The City opted out of the Retrospective Rated Premium Program at the annual renewal on February 1, 2017. At that time, the City changed coverage to a \$5,000 deductible premium program to stabilize premium expenditures for future years.

Claims from the Retrospective Rating Program automatically close after 16 years. Each September the League of Minnesota Cities Insurance Trust analyzes the retrospective claims and either refunds excess reserves or requests reimbursement for additional expenditures. The League delayed their 2018 adjustment to 2019. The refund received by the City for the 2018 analysis is the Refunds and Reimbursement revenue account. Continuing obligations remain for the Retrospective Rating Premium coverage due to two open claims; however, these costs will decrease over time as reserves build.

**Fund:            Employment Expense Fund 6200**

**Budget Summary:**

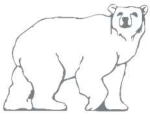
The 2020 Budget bases employee related expenditures on a full complement of positions throughout the entire year. The budget includes an increase in City contributions to employee health insurance premiums and employee HSA accounts to cover the annual rate increase from the insurance company and the higher deductible amount per the Internal Revenue Service for the HSA.

Workers Compensation insurance costs increase with the addition of the full-time firefighter/paramedic positions and an estimate for the annual analysis of the Retrospective Rating Program.

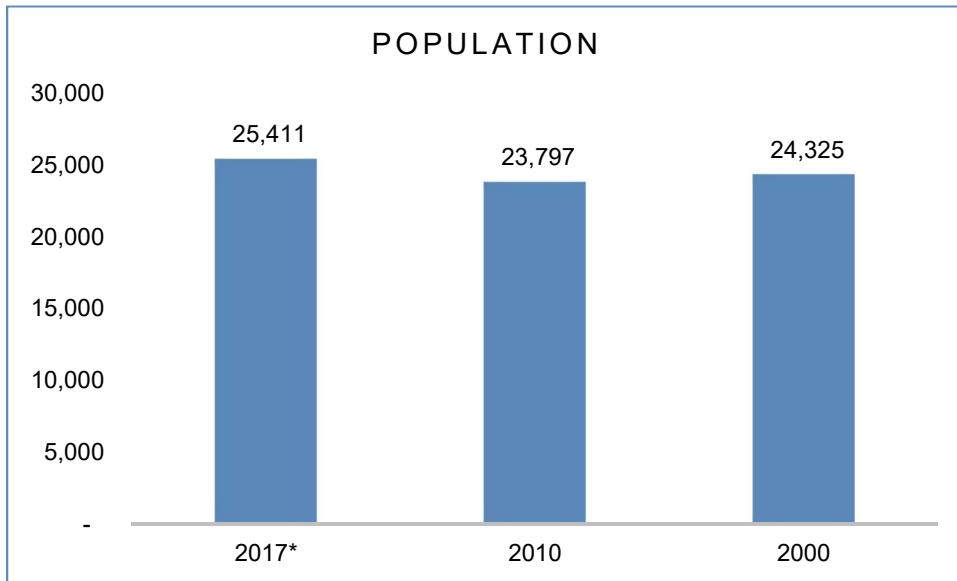
**City of White Bear Lake  
Employment Expense Fund**

**Annual Budget  
Fund Summary**

<b>Code</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Revised</b>	<b>2020 Budget</b>
<b>Revenues</b>						
4819	Department reimbursements					
	General Fund	\$ 1,661,249	\$ 1,727,389	\$ 2,165,953	\$ 2,160,084	\$ 2,202,219
	Marina Fund	-	609	-	1,850	1,905
	Armory Fund	6,119	6,337	6,999	7,146	7,410
	Surface Water	8,960	9,709	11,500	11,637	12,144
	Municipal Building Fund	10,858	26,784	29,735	31,187	32,605
	Economic Development	-	20,025	-	-	-
	Water Fund	100,912	109,330	112,141	112,917	116,543
	Sewer Fund	89,959	90,886	98,755	96,090	102,178
	Refuse Fund	484	352	625	624	643
	Sports Center Fund	82,528	56,133	82,536	83,731	84,404
	Ambulance Fund	240,908	300,106	373,188	377,974	417,389
	License Bureau	154,440	178,262	198,798	196,990	206,498
	Engineering	140,025	130,672	-	-	-
	Total reimbursements	<u>2,496,442</u>	<u>2,656,594</u>	<u>3,080,230</u>	<u>3,080,230</u>	<u>3,183,938</u>
	Other revenue					
4646	Miscellaneous state aid - PERA	17,350	17,350	17,350	17,350	17,350
4809	Charges for services	4,620	4,793	5,000	1,080	1,080
5350	Miscellaneous revenue	116	156	-	-	-
5360	Refunds and reimbursements	71,014	39,327	10,000	149,133	5,000
	Total other revenue	<u>93,100</u>	<u>61,626</u>	<u>32,350</u>	<u>167,563</u>	<u>23,430</u>
	Total revenue	<u>2,589,542</u>	<u>2,718,220</u>	<u>3,112,580</u>	<u>3,247,793</u>	<u>3,207,368</u>
<b>Expenditures</b>						
	Employee pensions					
6122	PERA - defined benefit	763,632	831,866	855,000	985,000	1,040,000
6123	PERA - defined contribution	17,919	12,083	15,000	6,000	6,000
6124	FICA	462,344	501,174	535,000	480,000	500,000
	Total employee pensions	<u>1,243,895</u>	<u>1,345,123</u>	<u>1,405,000</u>	<u>1,471,000</u>	<u>1,546,000</u>
	Insurance benefits					
6130	Health insurance	592,292	669,449	770,000	830,000	900,000
6131	Health savings account contribution	26,469	27,834	30,000	56,000	58,000
6132	Life insurance	-	5,629	4,000	6,800	11,000
6134	Dental insurance	477	826	1,000	500	500
6136	ICMA contributions	114,126	106,519	100,000	130,000	140,000
	Total insurance benefits	<u>733,364</u>	<u>810,257</u>	<u>905,000</u>	<u>1,023,300</u>	<u>1,109,500</u>
	Other employee benefits					
6138	Worker's compensation	518,422	376,405	395,000	533,100	535,000
6144	Unemployment	5,414	6,850	15,000	15,000	15,000
6146	Severance pay	148,230	190,582	190,000	145,000	190,000
	Total other employee benefits	<u>672,066</u>	<u>573,837</u>	<u>600,000</u>	<u>693,100</u>	<u>740,000</u>
	Other services					
6401	Professional services	-	4,518	-	1,500	4,000
6455	Legal notices publications	-	50	-	-	-
6560	Contractual services	16,233	30,887	35,000	26,000	24,225
	Total other services	<u>16,233</u>	<u>35,455</u>	<u>35,000</u>	<u>27,500</u>	<u>28,225</u>
	Total expenditures	<u>2,665,558</u>	<u>2,764,672</u>	<u>2,945,000</u>	<u>3,214,900</u>	<u>3,423,725</u>
	Revenues over (under) expenditures	<u>(76,016)</u>	<u>(46,452)</u>	<u>167,580</u>	<u>32,893</u>	<u>(216,357)</u>
	Fund balance January 1	<u>1,231,863</u>	<u>1,155,847</u>	<u>1,144,260</u>	<u>1,109,395</u>	<u>1,142,288</u>
	Fund balance December 31	<u>\$ 1,155,847</u>	<u>\$ 1,109,395</u>	<u>\$ 1,311,840</u>	<u>\$ 1,142,288</u>	<u>\$ 925,931</u>



2017 POPULATION INFORMATION



\*2017 is an estimate from the United States Census Bureau.

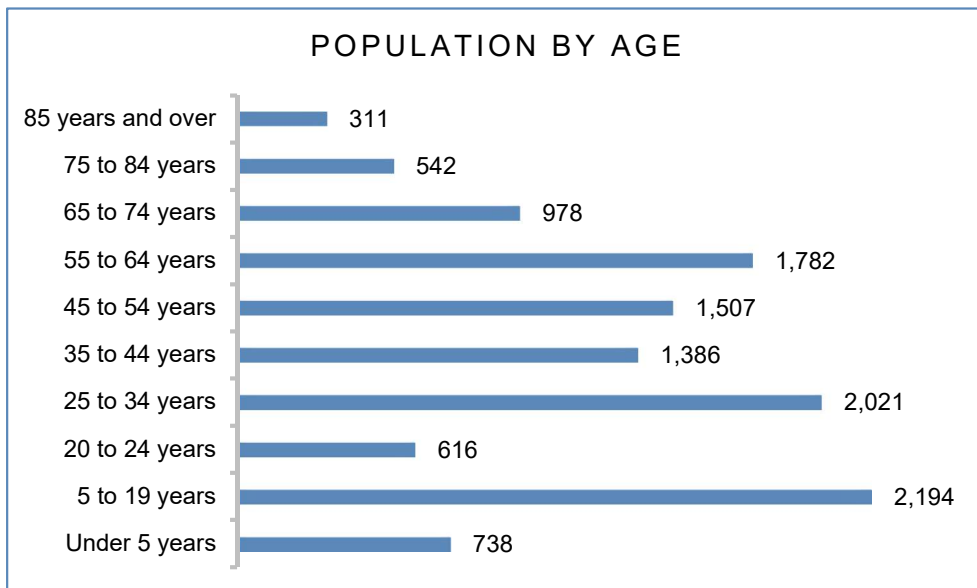
Population by Sex

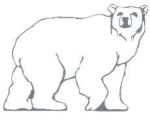
Median Age

Female  52%

Male  48%

**38** years

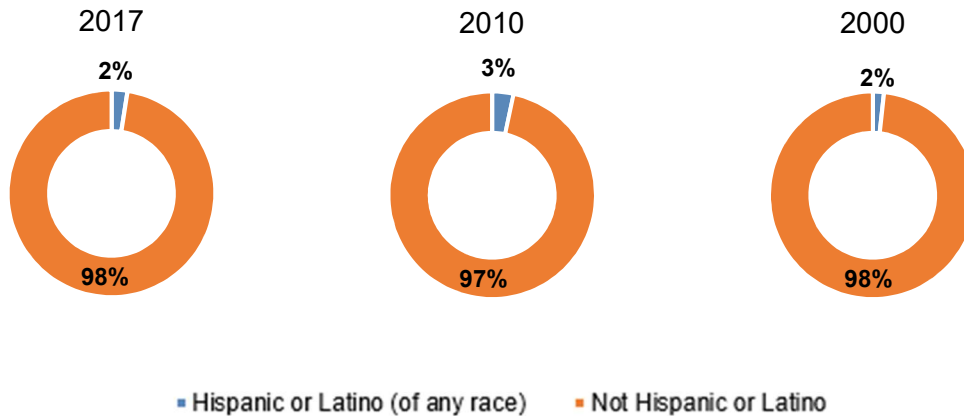




2017 POPULATION INFORMATION (CONTINUED)

POPULATION BY RACE

Race	2017	2010	2000
White	22,612	21,433	23,183
Black or African American	550	589	262
American Indian and Alaska Native	114	97	89
Asian	1,303	842	374
Other race	73	231	98
Two or more races	759	605	319

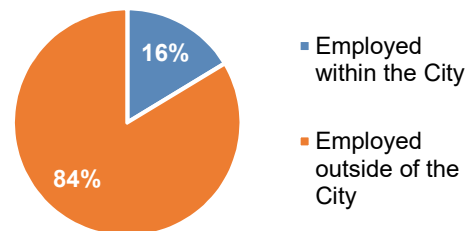


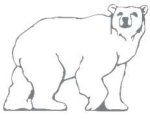
2017 OCCUPATION INFORMATION

Civilian employed population 16 years of age and over:

**13,200**

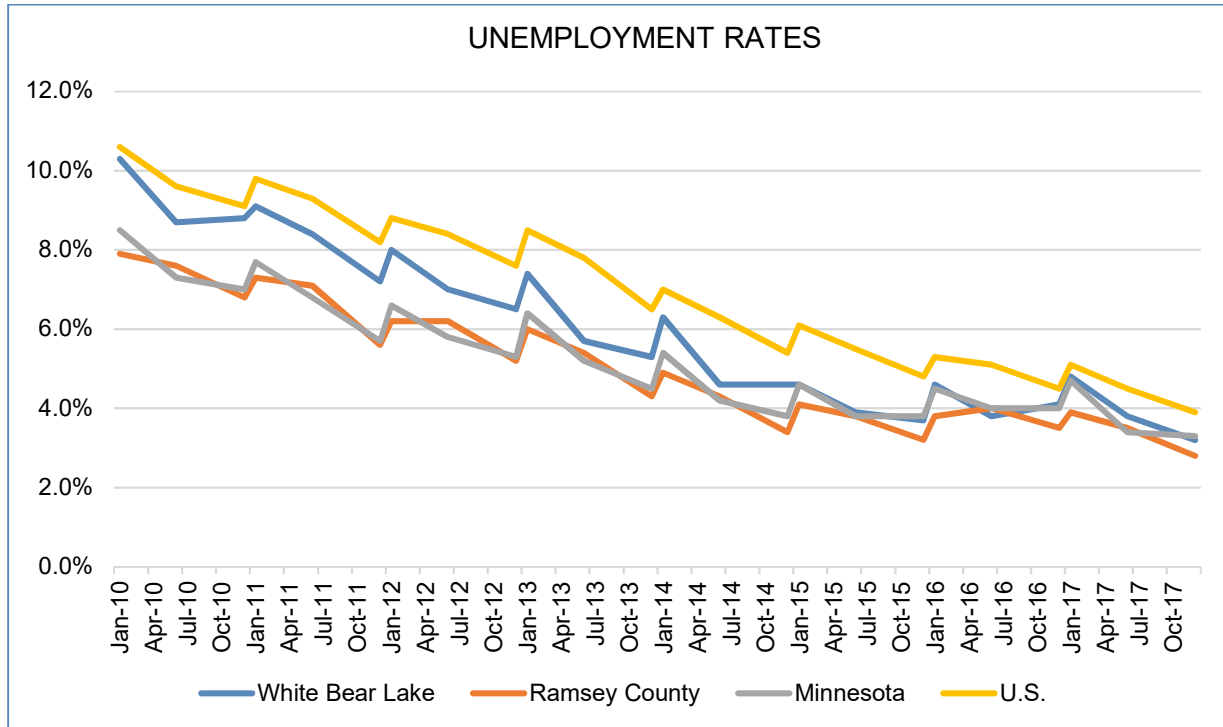
Where Civilians Work





2017 OCCUPATION INFORMATION (CONTINUED)

Industry:	Number of civilians employed
Agriculture, forestry, fishing and hunting, and mining	33
Construction	892
Manufacturing	1,406
Wholesale trade	442
Retail trade	1,335
Transportation and warehousing, and utilities	477
Information	313
Finance and insurance, and real estate and rental and leasing	911
Professional, scientific, and management, and administrative and waste management services	1,509
Educational services, and health care and social assistance	3,391
Arts, entertainment, and recreation, and accommodation and food services	1,136
Other services, except public administration	673



2017 HOUSING CHARACTERISTICS

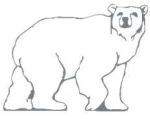
Total housing units:

**11,079**

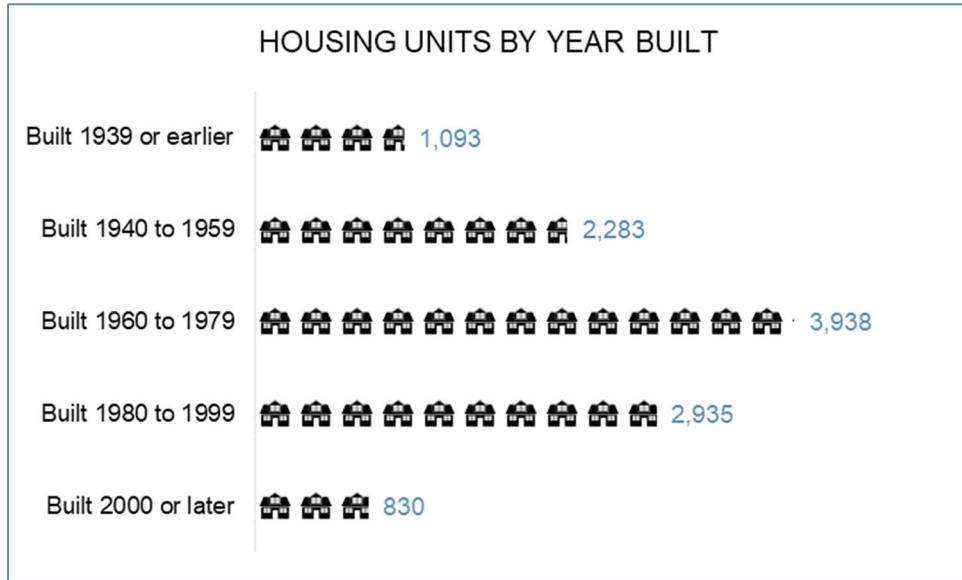
Average household size:

**2.25**





2017 HOUSING CHARACTERISTICS (CONTINUED)

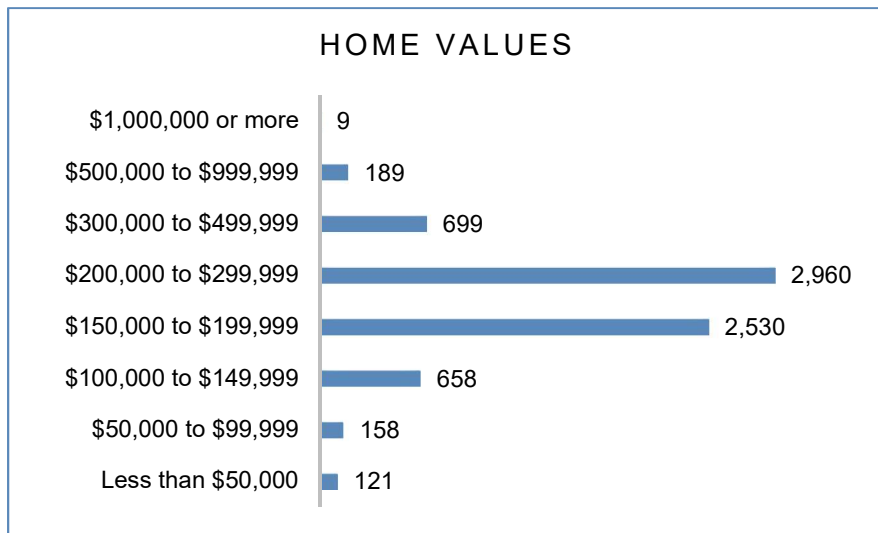


Median Home Value:

**\$204,900**

Median Monthly Mortgage Cost:

**\$1,454**



Occupied housing units: **10,678**

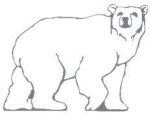
Vacant housing units: **401**

Owner-occupied units: **7,324**

Renter-occupied units: **3,354**

Housing units with a mortgage: **4,868**

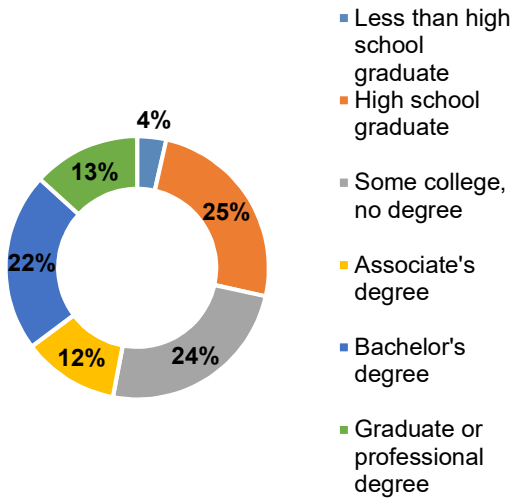
Housing units without a mortgage: **2,456**



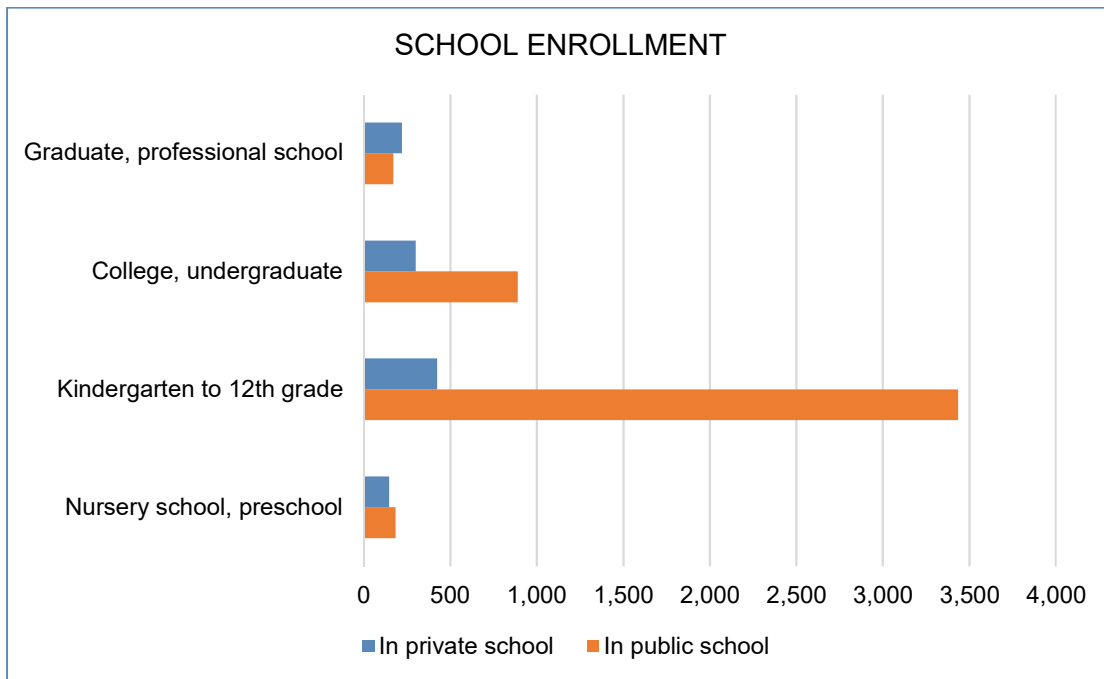
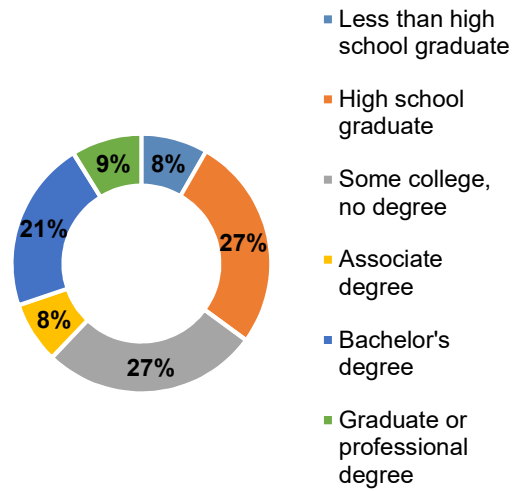
2017 EDUCATIONAL ATTAINMENT

**96.4%** of White Bear Lake residents are high school graduates or higher.

2017 - Population 25 years and over



2000 - Population 25 years and over



Fiscal Year	Governmental Activities			Business-Type Activities		Personal Income	Percentage of Personal Income	Population	Per Capita
	Special Assessment Bonds	Tax Increment Financing	Tax Abatement Bonds	Revenue Bonds	Total Primary Government				
2009	\$ 445,000	\$ 3,845,000	\$ -	\$ 130,000	\$ 4,420,000	\$ 1,197,326,364	0.37%	24,679	\$ 179.10
2010	-	3,465,000	-	-	3,465,000	1,138,448,480	0.30%	23,797	145.61
2011	-	3,070,000	-	-	3,070,000	1,199,083,236	0.26%	23,797	129.01
2012	2,555,000	2,650,000	-	-	5,205,000	1,218,273,900	0.43%	23,820	218.51
2013	2,555,000	2,195,000	-	-	4,750,000	1,286,899,744	0.37%	24,074	197.31
2014	2,340,000	1,745,000	-	-	4,085,000	1,497,574,000	0.27%	24,100	169.50
2015	2,125,000	1,280,000	-	-	3,405,000	1,347,975,564	0.25%	24,159	140.94
2016	1,920,000	3,415,000	-	-	5,335,000	1,458,514,512	0.37%	24,138	221.02
2017	1,720,000	3,260,000	-	-	4,980,000	1,458,514,512	0.34%	25,411	195.98
2017	1,720,000	3,260,000	-	-	4,980,000	1,458,514,512	0.34%	25,411	195.98
2018	7,375,000	3,035,000	3,330,000	-	13,740,000	1,491,125,376	0.92%	25,512	538.57

**City of White Bear Lake**  
**Legal Debt Margin**

**Annual Budget**

		<u>2018</u>
Estimated taxable market value		<u>\$ 2,739,232,500</u>
Debt limit - 3% of market value		82,176,975
Total bonded debt	\$ 13,740,000	
Less:		
Tax increment bonds	\$ 3,035,000	
Special assessment bonds	7,375,000	
G.O. Bond issues receiving special assessment proceeds	<u>3,330,000</u>	
	<u>13,740,000</u>	
Total debt applicable		<u>-</u>
Legal debt margin		<u>\$ 82,176,975</u>

**City of White Bear Lake  
Principal Property Taxpayers**

**Annual Budget**

Taxpayer	2018			2009		
	Tax Capacity Value	Rank	Percentage of Total City Tax Capacity	Tax Capacity Value	Rank	Percentage of Total City Tax Capacity
White Bear Woods Apartments	\$ 508,277	1	1.74%			
Xcel Energy	482,656	2	1.65%	\$ 267,188	3	0.90%
White Bear Marketplace	310,890	3	1.06%			
Trane Corporation	244,806	4	0.84%	380,316	1	1.28%
The Waters of White Bear Lake	231,875	5	0.79%	205,838	6	0.69%
Birch Lake Townhomes	230,103	6	0.79%	292,762	2	0.99%
White Bear Shopping Center	217,272	7	0.74%	176,768	8	0.60%
Aspen Research	213,470	8	0.73%	225,068	4	0.76%
Sam's Club Retail	209,246	9	0.72%			
Taylor Corporation	205,942	10	0.70%	155,250	9	0.52%
Festival Foods				195,602	7	0.66%
K-Mart Corporation				209,250	5	0.71%
Oak Ridge Pond Office Building				137,218	10	0.46%
<b>Total</b>	<b>\$ 2,854,537</b>		<b>9.76%</b>	<b>\$ 2,245,260</b>		<b>7.58%</b>
<b>Total Tax Capacity of City</b>	<b>\$29,236,453</b>			<b>\$29,639,594</b>		

Source: Ramsey and Washington County

**City of White Bear Lake**  
**Larger Employers**

**Annual Budget**

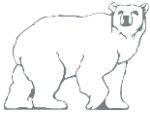
2018		
Employer	Type of Business/Product	Estimated Number of Employees
ISD No. 624 (White Bear Lake Area Schools)	Elementary and secondary education	1,250
Century College	Post-secondary education	1,000
I.C. Systems	Collection agencies	564
Bal Seal Engineering	Gaskets-packing & sealing devices	500
Wilson Tools International	Customized tooling solutions	500
Haraeus Medical Components	Physicians & surgeon equipment	450
HB Fuller	Industrial adhesives, coatings, and sealants	400
Cerenity Care Center of White Bear Lake	Nursing home and senior living facilities	385
Buerkle Honda	Automotive dealership	250
Life Time Fitness	Health club	200
Trane Corporation	HVAC distributor	200

**City of White Bear Lake**  
**Capital Asset Statistics by Function**

**Annual Budget**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
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	17.00	17.00	17.00	18.00	18.00	17.00	19.00	19.00	20.00
Fire										
Stations	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Fire trucks	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Rescue boats with motors	3.00	3.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Public Works										
Streets										
Miles (1)	114.84	114.81	114.81	114.81	114.81	114.81	114.81	114.81	114.81	114.81
Street lights	515.00	515.00	515.00	515.00	515.00	515.00	515.00	515.00	515.00	523.00
Parks and recreation										
Public docks	11.00	7.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00
Outdoor ice rinks	7.00	2.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Playgrounds	9.00	9.00	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	1.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	5.00
Disc golf course	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Sports Center										
Indoor ice rink	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Racquetball courts	4.00	4.00	4.00	5.00	5.00	5.00	5.00	5.00	5.00	
Water										
Miles of watermains	126.81	126.81	126.81	126.81	126.81	126.81	126.81	126.81	126.81	126.95
Fire hydrants	906.00	906.00	907.00	907.00	907.00	907.00	907.00	907.00	907.00	908.00
Sewer										
Miles of storm sewers	48.80	49.37	49.72	50.02	50.02	50.02	50.61	50.61	50.61	50.97
Miles of sanitary sewers	120.36	120.36	120.36	120.36	120.36	120.36	120.36	120.36	120.36	120.36

(1) Street miles listed on this report include City, County, MSA, and State and Private mileage within the City limits.



## GLOSSARY OF TERMS

**Accounting System:** The total set of records and procedures which are used to record, classify, and report information on the financial status and operations of an entity.

**Accrual Basis of Accounting:** The method of accounting under which revenues are recorded when they are earned (Whether or not cash is received at that time) and expenditures are recorded when goods and services are received (whether cash disbursements are made at that time or not).

**Amortization:** (1) The portion of the cost of a limited-life or intangible asset charged as an expense during a particular period. (2) The reduction of a debt by regular payments of principal and interest sufficient to retire the debt by maturity.

**Appropriation:** An authorization made by the legislative body of a government which permits officials to incur obligations against and to make expenditures of governmental resources. Appropriations are usually made for fixed amounts and are typically granted for a one-year period.

**Assessed Valuation:** A valuation set upon real estate or other property by a government as a basis for levying taxes.

**Assessment:** (1) The process of making the official valuation of property for taxation. (2) The valuation placed upon property as a result of this process.

**Assets:** Property owned by a government which has a monetary value.

**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.

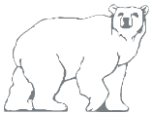
**Capital Assets:** Assets of significant value and having a useful life of several years. Capital assets are also called fixed assets.

**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.

**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.

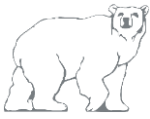
**Debt Service Fund:** A fund established to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

**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.

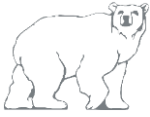
**General Obligation Revenue Bonds:** Intended to be paid first from the revenues of the enterprise fund. They are backed by the full faith, credit and taxing power of the City.

**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.

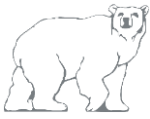
**Local Government Aid (LGA):** A state government revenue sharing program for cities and townships that is intended to provide an alternative to the property tax. LGA is distributed through a formula based on tax base, population, population decline, age of housing and the percent of market value classified 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

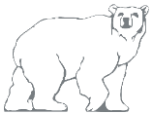
**Performance Indicators:** A quantitative or qualitative measurement of activity.

**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.